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| For Consideration | |
| Public/Non Public* | Public |
| Report to: | Joint Audit and Scrutiny Panel |
| Date of Meeting: | 12 February 2015 |
| Report of: | The Police and Crime Commissioner |
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| Agenda Item: | 13 |

Corporate Governance and Working Together

1. Purpose of the Report

- 1.1 The purpose of this report is to provide the Joint Audit and Scrutiny Panel with an overview of the Corporate Governance arrangements for the Nottinghamshire Police and Crime Commissioner (the Commissioner) and the Chief Constable which is outlined in the 'Governance and Working Together' document attached at Appendix A.
- 1.2 The purpose of the 'Governance and Working Together' document is to give clarity to the way the two corporations sole, the Commissioner and the Chief Constable, will govern both jointly and separately to ensure that they are conducting business in the right way, for the right reasons at the right time.
- 1.3 The document is supported with a spirit of collaborative working and relationship building through the sharing of services and information to ensure the delivery of respective duties and responsibilities of the Commissioner and the Chief Constable.

2. Recommendations

- 2.1 That the Joint Audit and Scrutiny Panel discuss and note the Nottinghamshire Police and Crime Commissioner's 'Governance and Working Together' document.

3. Reasons for Recommendations

- 3.1 The Police Reform and Social Responsibility Act 2011 established new policing arrangements with a Police and Crime Commissioner and the Chief Constable being separate corporations sole.
- 3.2 The Commissioner has responsibility for the totality of policing in Nottinghamshire. The 'Governance and Working Together' document provides the framework of statutory functions of the Commissioner to secure an efficient and effective police service and the Chief Constables statutory

requirements to exercise direction and control over the Nottinghamshire Police Force. The document builds on existing good governance principles and experience. In accordance with the CIPFA / SOLACE framework on corporate governance the Commissioner and the Chief Constable are required to produce separate Annual Governance Statements to show how their respective organisations have complied with their Joint Code of Corporate Governance.

- 3.3 The document has been agreed by the Commissioner and the Chief Constable and sets out how the Commissioner and the Chief Constable work together and share information.
- 3.4 The document outlines that the Joint Audit and Scrutiny Panel will review the governance framework on an annual basis.

4 Summary of Key Points

Overview

- 4.1 The 'Governance and Working Together' document (the document) covers key sections on:

- Governance
 - Governance and Working Together
 - Scheme of Consent
 - Joint Code of Corporate Governance
- Strategic Finance
 - Financial Regulations
 - Contract Standing Orders
 - Standing Orders for Dealing with Land and Property
- The Commissioner's Scheme of Delegation to the Nottinghamshire Office of the Police and Crime Commissioner
- Delegations from the Chief Constable

Instruments of Governance

- 4.2 The document identifies how the Commissioner and the Chief Constable will govern, both jointly and separately and consists of:

- **Governance and Decision Making Framework¹** – the decision making framework covering statutory and local policy requirements.²
- **Scheme of Corporate Governance** – defines the parameters within which the Commissioner and Chief Constable, as corporations sole will conduct their business.
- **Joint Code of Corporate Governance** – sets out how the core principles will be implemented.
- **Separate policy and procedures** – identify for each corporations sole, the protocols and other governance documents where they operate jointly.

¹ [The Commissioner's Governance and Decision Making Framework](#)

² Chartered Institute of Public Finance and Accountancy (CIPFA) both entities have to complete individual processes to inform the individual governance statements - published on the [Commissioner's website](#)

Leadership

- 4.3 There will be an Annual Governance Self-assessment conducted to provide the evidence for the Annual Governance Statement for the Commissioner. The Commissioner will also prepare and issue an Annual Report to the Police and Crime Panel on the Commissioner's delivery against the objectives set out in the Police and Crime Plan.
- 4.5 The Chief Constable will provide the Commissioner with an annual governance self-assessment to provide evidence to support the Commissioner's Annual Governance Statement.

Working Together

- 4.6 The Commissioner and the Chief Constable work together through the principles of trust, openness, professionalism and good will. In addition the Chief Constable is responsible for providing a range of services and information to enable to Commissioner to discharge his legal responsibilities and deliver against the Police and Crime Plan commitments.

Sharing Information

- 4.7 The Commissioner and the Chief Constable shall ensure compliance with Data Protection legislation through proper application of the governance arrangements. For the purposes of the Freedom of Information Act 2000 (FOI) if either the Commissioner or the Chief Constable should receive an FOI request then the Commissioner or Chief Constable as appropriate would be responsible for responding to that request and with any subsequent compliance arrangements required under FOI.

Assurance Forward Planning

- 4.8 On an annual basis the Commissioner and Chief Constable will agree an assurance plan. This plan is reviewed on a quarterly basis. The assurance plan takes account of the following:

- Commissioner's priorities, objectives and pledges (defined in the Police and Crime Plan)
- National and local threat, risk and harm to policing
- HMIC Programme of Inspections
- CIPFA annual Good Governance Assessment
- Research and Engagement activity with the public and victims
- Performance monitoring
- Statutory duties on equalities and safeguarding

Scheme of Consent

- 4.9 The Scheme of Consent sets out the extent of, and any conditions attaching to, the Commissioner's consent to the Chief Constable and their respective staff. The document sets out the key roles, functions and key delegations.

Joint Code of Corporate Governance

- 4.10 The Commissioner and the Chief Constable have developed the Joint Code

of Corporate Governance using the six principles of Good Corporate Governance³ as the framework for setting out the local arrangements which are referenced in the Police and Crime Plan. The six principles being:

- **Principle 1:** Focusing on the purpose of the Commissioner and the Force, and on outcomes for the community, and creating and implementing a vision for the local area.
- **Principle 2:** Leaders, officers and partners working together to achieve a common purpose with clearly defined functions and roles.
- **Principle 3:** Promoting values for the Commissioner and demonstrating values of good governance through upholding high standards of conduct and behaviour.
- **Principle 4:** Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.
- **Principle 5:** Developing the capacity and capability of the Commissioner, the officers of the Commissioner and the Force to be effective.
- **Principle 6:** Engaging with local people and other stakeholders to ensure robust public accountability.

4.11 There is currently work being undertaken to refresh the Risk Management process and Action Plan together with the Assurance Framework.

Arrangements for the Review of Governance

4.12 The following are in place to review the effectiveness of Governance:

- Self-assessment – using the six principles of Good Governance
- Risk Management
- Annual Governance Statement
- The Police and Crime Panel
- The Joint Audit and Scrutiny Panel
- Strategic Resources and Performance Meetings
- Chairs of Strategic Partnership Meeting
- Community Stakeholder Forums
- Internal Audit
- External Audit
- Her Majesty's Inspectorate of Constabulary (HMIC)
- Independent Police Complaints Commission

Financial Regulations

4.13 Public sector accounting is covered by a range of government legislation and accounting standards that are designed to ensure proper accountability for public funds. In addition, the Home Office has issued a Financial Management Code of Practice under section 17 of the Police Reform and Social

³ Delivering Good Governance in Local Government: guidance Note for Police Forces

Responsibility (PRSR) Act 2011 and section 39 of the Police Act 1996 which permits the Secretary of State to issue codes of practice to all Police and Crime Commissioner's (PCCs) and Chief Constables.

4.14 The Financial Regulations are divided into a number of sections, each with detailed requirements relating to the section heading. References are made throughout the individual sections to delegated limits of authority:

- Financial management
- Financial planning
- Management of risk and resources
- Systems and procedures
- External arrangements

Contract Standing Orders

4.15 Sets out the Contract Procedure Rules and Standing Orders for the Commissioner. Public procurement is a complex process governed by rules and regulations.

Standing Orders for Dealings with Land and Property

4.16 Sets out the decisions relating to the acquisition and disposal of land and property.

The Commissioner's Scheme of Delegation to the Nottinghamshire Office of the Police and Crime Commissioner

4.17 This Scheme details the functions delegated to the Deputy Police and Crime Commissioner, Chief Executive Officer (CEO), the Chief Finance Officer (CFO) of the Commissioner, and the Head of Legal Services.

4 Financial Implications and Budget Provision

5.1 Financial implications in the document are outlined throughout.

5 Human Resources Implications

6.1 Roles and responsibilities are outlined throughout the document.

6 Equality Implications

7.1 Equality implications are specifically covered in the Governance Principles, with evidence collated and assessed as part of the Annual Self-assessment.

7 Risk Management

8.1 The threat, harm and risks to policing, crime and community safety are identified in the Police and Crime Needs Assessment which forms part of the evidence for refreshing the Police and Crime Plan.

8.2 The current risk strategy has been refreshed together with the Risk Management Action Plan and Assurance Framework.

8 Policy Implications and links to the Police and Crime Plan Priorities

9.1 The Commissioners Governance Framework outlines the policy and strategy direction which is aligned to the statutory requirements and key actions to deliver the Police and Crime Plan.

9 Changes in Legislation or other Legal Considerations

9.1 The principle statutory frameworks within which the corporations sole will operate are the:

- Police Reform and Social Responsibility (PRSR) Act 2011⁴
- Policing Protocol Order 2011⁵
- Strategic Policing Requirement⁶
- Financial Management Code of Practice (FMCOP)⁷
- Elected Local Policing Bodies (Specific Information) Order 2011⁸

9.1 These frameworks create a public sector relationship, based upon the 'commissioner provider arrangement' but with unique elements such as the single elected Commissioner and the operational independence of the police service.

10 Details of outcome of consultation

10.1 The document has been developed in full consultation with the Commissioner and the Chief Constable, which has included working with their respective support through the Nottinghamshire Office of the Police and Crime Commissioner and the Chief Officers Team.

10.2 The Commissioner publishes his Annual Report each year, which is supported by Governance Audit and Self-assessment, together with the Annual Governance Statement.

12. Appendices

12.1 Appendix A: Governance and Working Together

[Corporate Governance and Working Together 2014-18](#)

⁴ Police Reform and Social Responsibility Act 2011

⁵ The Policing Protocol Order 2011

⁶ Strategic Policing Requirement

⁷ [Financial Code of Practice 2012](#)

⁸ [Specific Information Order 2011](#)