

Joint Audit Committee

18th September 2017

Joint Corporate Governance Framework Review

1.0 Introduction

- 1.1 The Memorandum of Understanding (MoU) and Joint Corporate Governance Framework, which includes the Financial Regulations, have been in existence across the Alliance since the inception of Police and Crime Commissioners and the creation of Chief Constables as separate legal entities. The Corporate Governance Framework was fundamentally reviewed for April 2014 with the transfer of staff to the Chief Constables. Further comprehensive reviews were undertaken in 2015 and 2016.
- 1.2 In accordance with established good practice, the Framework has again been reviewed by the Chief Executives, Treasurer and Deputy Treasurer, Director of Finance and Head of Procurement, Director of Enabling Services and Head of Legal Services.
- 1.3 There have been two areas of change in the way the organisations administer their business, in estates and fleet.
- 1.4 The appointment of a Deputy Police and Crime Commissioner in Warwickshire has created the opportunity to vary the management of significant conflicts of interest. The situation is different in Warwickshire and merits a different approach.
- 1.5 The following paper outlines the changes proposed to the Corporate Governance Framework as a result of that review. The full Corporate Governance Framework is attached at Appendix A.

2. Changes

- 2.1 The following parts of the Scheme of Corporate Governance have been changed:
 - The appointment of a Deputy Police and Crime Commissioner in Warwickshire enables the Police and Crime Commissioner to delegate the exercising of their functions in the event of a significant conflict of interest to that appointee rather than to the Chief Executive. The old paragraph 3.4.4 is amended to refer only to West Mercia. A new Paragraph 3.4 is inserted using similar terms, but directed to the DPCC rather than the Chief Executive, with consequent renumbering.
 - The creation of an intelligent client function, on the basis that facilities management remains delegated to the Director of Enabling Services and strategic estates management is retained by the Police and Crime

Commissioners under their Chief Executives, requires a new paragraph 3.5.42 (with consequent renumbering).

- Paragraph 3.8.1 has been changed to enable Police and Crime Commissioners to have tighter control of the purchase of fleet. At this stage the new arrangements only apply to purchases on behalf of the West Mercia Police and Crime Commissioner as the Warwickshire Police and Crime Commissioner wished to discuss the situation further with the Warwickshire Chief Constable.

- 2.2 The following section highlights the parts of the Financial Regulations and Contract Standing Orders that have been changed:

Section 7.5.6 (c), page 54 Assets

- Changing of the timeframe for consideration by the Police and Crime Commissioner of the fleet management strategy to reflect earlier consideration, at the start of the planning process rather than the end.

Section 9.10.1 page 81 Acceptance of Tenders

- Amended to incorporate the requirement for the West Mercia Police and Crime Commissioner to approve agreements relating to vehicles.

- 2.3 Police and Crime Commissioners and Chief Constables approved and adopted the revised Corporate Governance Framework including the Financial Regulations.

3. Recommendation

That Audit Committee members consider the revised Corporate Governance Framework including the Financial Regulations.

Andy Champness and Neil Hewison, Chief Executives

Liz Hall, Treasurer

Heather Costello, Director of Finance

Richard Elkin, Director of Enabling Services