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Agenda Item No

9

JOINT INDEPENDENT AUDIT COMMITTEE
4th October 2023

SUBJECT	**INTEGRATED SCHEME OF GOVERNANCE ARRANGEMENTS FOR DISCHARGE OF FUNCTIONS INCLUDING FINANCE, CONTRACT AND PROCUREMENT REGULATIONS**
REPORT BY	**CHIEF FINANCE OFFICER AND** **DIRECTOR OF FINANCE & CORPORATE SERVICES**
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SUMMARY AND PURPOSE OF REPORT The Scheme of Governance should be regularly reviewed and amended. Committee's views are being sought on the amendments to the integrated Scheme of Governance. Changes to take with immediate effect October 2023, subject to PCC approval.	
RECOMMENDATION	***That the Committee notes the attached codes of corporate governance.***

A. SUPPORTING INFORMATION

1 BACKGROUND

1.1 The Financial Management Code of Practice for the Police Forces of England and Wales published by the Home Office (revised July 2018) provides that a Scheme of Governance should be prepared by the Police and Crime Commissioner (PCC), advised by the Commissioner's Chief Finance Officer in consultation with the Chief Executive, the Chief Constable (CC) and the Force Chief Finance Officer. The Scheme should

be regularly reviewed and amended in consultation with, and on the advice of, these same people as appropriate.

1.2 The Scheme should identify those powers which may be exercised by either the PCC or the Chief Constable but which may also be exercised by their staff. It should also set out any constraints on those powers, including requirements to report back or advise the PCC or the Chief Constable, and should address circumstances which will require consultation between the staff of the PCC and the Chief Constable.

1.3 The integrated Scheme of Governance comprises of:

- Scheme of Consent;
- PCC's Scheme of Delegation;
- Chief Constable's Scheme of Delegation;
- PCC and Chief Constable Financial, Contract and Procurement Regulations.

1.4 A review of the Scheme of Governance documentation had previously been undertaken and considered by the JIAC at its meeting in April 2022.

1.5 The majority of the services provided via the Strategic Partnership with G4S have now concluded with most services now being provided in-house, apart from Custody services and Cleaning services which are now provided via alternative contractual arrangements.

2 SCHEME OF CONSENT

2.1 The Scheme of Consent sets out the extent to which the PCC empowers the Chief Constable to enter into contracts etc. on their own behalf rather than as an agent of the PCC. The Scheme of Consent is attached at Appendix A and reflects the PCC's decision to not confer consent.

2.2 The revised draft Scheme of Consent has only minor narrative amendments and reformatting.

3 PCC'S SCHEME OF DELEGATION

3.1 The PCC's Scheme of Delegation provides for the delegation of powers from the PCC to staff in their direct employ. The latest draft is attached at Appendix B.

3.2 The revised draft PCC Scheme of Delegation has only minor narrative amendments.

4 CHIEF CONSTABLE'S SCHEME OF DELEGATION

4.1 The Chief Constable's Scheme of Delegation provides for the delegation of powers from the Chief Constable to officers and to staff in their direct employ. The latest draft is attached at Appendix C.

4.2 The revised draft CC Scheme of Delegation has only minor narrative amendments.

5 FINANCIAL, CONTRACT AND PROCUREMENT REGULATIONS

5.1 The PCC and the Chief Constable have the same Financial, Contract and Procurement Regulations, the latest draft is attached at Appendix D.

5.2 The draft Financial, Contract and Procurement Regulations has had some minor revision and reformatting recommendations. Specific updates include:

- Contract procurement process for one written/web quotation delegated limit to be increased from £5,000 to £10,000. This limit has not been changed for many years and was very low compared to the cost of goods routinely purchased. This could also add to supplier burden making it less attractive to provide quotations if regularly not chosen. An increase to £10,000 is therefore recommended as a more efficient, practical and relevant level for 2023 onwards.

- Stocks and Stores write off delegated limit for the Chief Constable to be increased from £5,000 to £10,000. This limit has not been changed for many years and was very low compared to the cost of goods routinely held in stores. An increase to £10,000 is therefore recommended as a more efficient, practical and relevant level for 2023 onwards.

- Debtor Write Off Approval delegated limit for the Chief Constable to be increased from £5,000 to £10,000. This limit has not been changed for many years and was very low for an organisation of this size, even though the force tries to avoid writing off debts wherever possible. An increase to £10,000 is therefore recommended in line with for 2023 onwards.

- References to the Strategic Partnership have been replaced, largely by references to "Finance Staff" where appropriate.

- Amendments to employee roles to reflect current staff structures, these include Finance Manager (Financial Management) previously Force Accountant, adding Finance Business Partners and removing references to the Commercial Accountant no longer in place.

- Contract regulations have been amended to clarify current procedures and latest staff structures. Activities previously undertaken by the CPT Contract Manager role are now covered mostly via the Commercial and Contract Management (CCM) team and the activities previously undertaken by the Commercial Partnership Manager are now mostly covered by the Head of Commercial and Contract Management.

B. FINANCIAL CONSIDERATIONS

None.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

The proposals described in this paper respond to the requirements of the Police Reform & Social Responsibility Act 2011 and the Financial Management Code of Practice for the Police Forces of England and Wales published by the Home Office (revised July 2018).

D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES

There are no direct issues.

E. REVIEW ARRANGEMENTS

The Scheme of Governance will be subject to annual review.

F. RISK MANAGEMENT

The Scheme of Governance is a key component of the risk management framework.

G. PUBLIC ACCESS TO INFORMATION

Information in this report along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation.