



Part 2

Statement of Corporate Governance

September 2023

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For the Police and Crime Commissioner and the Chief Constable of Devon and Cornwall Police

The Statement of Corporate Governance is the second part of the governance framework for Police and Crime Commissioner (Commissioner) and the Chief Constable of Devon and Cornwall Police, and its purpose is to give clarity to the approach to governance of the two corporations sole.

The Statement is comprised of four sections:

- a. An introduction.
- b. The principles of Code of Corporate Governance.
- c. Aims of the Code of Corporate Governance.
- d. The arrangements & structures in place to facilitate good governance.

Introduction

- 2.1 The purpose of this statement is to give clarity to the way the two corporations sole, the PCC and the Chief Constable of Devon and Cornwall will govern to ensure they are conducting business in an open, transparent, inclusive and accountable way.
- 2.2 It comprises the systems, processes and values by which the business of the Commissioner and the Force are directed and controlled, and through which they account to and engage with their communities. Good governance leads to good management, good performance, and good stewardship of public money, good public engagement and ultimately good outcomes for citizens and users.
- 2.3 This statement should be read in conjunction with paragraph 1.4 of the summary of the Code of Corporate Governance definitions section.
- 2.4 The principle framework within which the corporations' sole will operate includes those listed below and subsequent updates:
 - PRSRA
 - Home Office Financial Management Code of Practice for the Police Service 2012
 - The Strategic Policing Requirement
 - The Elected Local Policing Bodies (Specified Information) Order 2011
 - The Code of Ethics – College of Policing
 - The Chartered Institute of Public Finance and Accountancy (CIPFA) statement on the role of the Chief Finance Officer of the PCC and the Chief Constable.

- Data Protection Act 2018
 - Equality Act 2010
 - Human Rights Act 1998
 - Freedom of Information Act and subordinate legislation
- 2.5 This framework creates a public sector relationship, with unique elements such as the single elected commissioner and corporate independence of the police service. This builds upon existing good governance principles and experience.
- 2.6 In accordance with the CIPFA international framework on corporate governance the Commissioner and the Chief Constable are required to produce an annual governance statement (AGS) to show how their respective organisations have complied with this code of governance and the seven principles of standards in public life (see paragraph 2.9) upon which it is based.
- 2.7 The AGS forms part of the annual accounts and reports publicly on how the respective governance arrangements comply with the Code of Corporate Governance and how the two corporations sole have monitored their effectiveness and what changes are planned.
- 2.8 The corporate governance framework within which the Commissioner and the Chief Constable will govern, both jointly and separately will be known as **the Code of Corporate Governance** and will consist of:
- a. A summary document of the Code of Corporate Governance.
 - b. This Statement of Corporate Governance which confirms how the seven core principles will be implemented.
 - c. A Scheme of Corporate Governance which defines the parameters within which the corporations' sole will conduct their business and is comprised of four elements:
 - i) Roles and responsibilities
 - ii) Scheme of delegation and consent
 - iii) Financial regulations, and
 - iv) Board, meeting structure and terms of references.
 - d. Separate policy and procedures for each corporation sole, with protocols and other governance documents where appropriate.

Principles of the Code of Corporate Governance

- 2.9 The Code of Corporate Governance contains the seven principles of good governance as stated in the CIPFA Guidance Notes on delivering good governance for Policing Bodies in England and Wales (2016). The two corporations sole are committed to supporting and embedding these values. They are as follows:

- A behaving with integrity, demonstrating strong commitment to ethical values and, respecting the rule of law
- B ensuring openness and comprehensive stakeholder engagement
- C defining outcomes in terms of sustainable economic, social and environmental benefits
- D determining the interventions necessary to optimise the achievement of the intended outcomes
- E developing the entity's capacity, including the capability of its leadership and the individuals within it
- F managing risk and performance through robust internal control and strong public financial management
- G implementing good practices in transparency, reporting and audit to deliver effective accountability

2.10 In addition the two corporations sole are committed to the values of fairness and respect and as such the principles within the Code of Corporate Governance embed and reflect the nine key values with the national policing Code of Ethics and the Nolan Principles of public life

Aims of the Code of Corporate Governance

2.11 To focus the purpose of the Commissioner and the Force on outcomes for local people and on creating a vision for the local areas:

- a. The Commissioner will ensure that appropriate arrangements are in place, eg. for engaging and seeking the views of victims, local communities and partners about policing. The outcome of that engagement will be considered when determining the Police and Crime Plan and local policing delivery plans, priorities and targets for the Force.
- b. The Commissioner and the Chief Constable will ensure that effective arrangements are in place to determine the policing priorities and that Devon and Cornwall Police possess the capability to deliver them.
- c. In accordance with Section 5 PRSRA, the Commissioner will issue a Police and Crime Plan for one year beyond the term of their office which will outline the police and crime objectives (outcomes) and the strategic direction for policing. Effective communication of the Police and Crime Plan and medium term financial strategy will be achieved, for example through the Commissioner's website, media coverage and the use of information leaflets.

- d. The Police and Crime Plan will be developed by the Commissioner and, in formulating the plan, the Commissioner shall have regard to the priorities of the responsible authorities in accordance with PRSRA.
- e. The Commissioner will ensure that effective arrangements are in place for the oversight and scrutiny of performance through their own governance arrangements and will provide information on performance to local communities in accordance with the Elected Policing Bodies (Specified Information) Order 2011 as amended.
- f. The budget proposal over the life of the Medium Term Financial Strategy will be developed by the Force and presented for the approval of the Commissioner which will underpin the budget planning and preparation arrangements and inform the council tax policing precept. A range of financial strategies will be developed and/or published as appropriate. Adherence to the Home Office Financial Management Code of Practice for the Police Service and local Financial Regulations will ensure proper arrangements for financial management.
- g. A Commissioning Framework will be developed by the OPCC for the approval of the Commissioner; they will incorporate commissioning intentions and priorities and set out the arrangements applicable to the award of grants.
- h. The Commissioner and Chief Constable will give heed to their duty to collaborate. Collaboration agreements will set out those areas of business to be undertaken jointly with other Forces and local policing bodies. Relevant national, regional and local partnerships will be serviced in accordance with the Commissioner's partnership strategies, the Home Secretary's Strategic Policing Requirement, and other formally agreed collaboration strategies.
- i. The Commissioner is scrutinised by the Police and Crime Panel.

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

- a. The PRSRA [Sections 5-8] clearly sets out the functions of the Commissioner and Chief Constable and the Policing Protocol [Policing Protocol Order 2011] sets out how these functions will be undertaken to achieve the outcomes of the Police and Crime Plan.
- b. The Commissioner may appoint a Deputy Police and Crime Commissioner (DPCC) [Section 18 PRSRA] who will be a member of their staff as highlighted in the Act. In the event that the Commissioner elects to appoint a DPCC, the role description to be approved by the Commissioner will specify the functions that are delegated to the DPCC which in turn will be reflected in the Scheme of Delegation.

- c. The PRSRA requires the Commissioner to have a Chief Executive [Schedule 1, 6(1)a PRSRA 2011] and a CCAB (Consultative Committee of Accountancy Bodies) qualified Chief Finance Officer (Treasurer). For the Office of the Police and Crime Commissioner, the Chief Executive will be the head of paid service and will also undertake the responsibilities of Monitoring Officer [Section 5 Local Government and Housing Act]. The PRSRA [Schedule 2(4)] requires the Chief Constable to appoint a CCAB qualified Chief Finance Officer (CFO) and the Home Office Financial Management Code of Practice and CIPFA Statement of Roles [Financial Management Code of Practice for the Police 2012, Section 4 & CIPFA statement on Role of Chief Finance Officers 2011] sets out the responsibilities of the CFO and Treasurer.
- d. The Scheme of Corporate Governance sets out the parameters for key roles and includes delegations or consents from the Commissioner or Chief Constable and these roles are also referenced in the financial regulations and contract standing orders. Arrangements will be put in place to approve and keep updated the Scheme of Delegation and to develop, maintain and regularly review policies, financial regulations and contract standing orders.
- e. Officers, police staff and staff of the OPCC will operate within legislation and:
 - i) the policies and procedures of the relevant Office of the Police and Crime Commissioner or Force
 - ii) this corporate governance framework; and
 - iii) discipline regulations, policies and relevant codes of conduct.
- f. An Independent Audit Committee (IAC) for the Force and OPCC will operate in line with CIPFA guidance and within the guidance of the Home Office Financial Management Code of Practice [Section 11.1.3]. The terms of reference of the IAC will be subject to annual review.
- g. Collaboration agreements between Forces and Commissioners will set out key roles and responsibilities and will be maintained by the Commissioner to clearly define the legal status, decision making powers and terms of reference. These will be documented appropriately. This does not include 'day to day' operational working.

2.13 To promote the values of the Commissioner and the Force and demonstrate the values of good governance through upholding high standards of conduct and behaviour:

- a. The Policing Protocol requires all parties to abide by the seven principles for standards in public life (the Nolan principles) [Standards in Public Life 2005] and these will be central to the conduct and behaviour of all. It also highlights the expectation that the relationship

between all parties will be based upon the principles of goodwill, professionalism, openness and trust.

- b. The Home Office Financial Management Code of Practice requires the Commissioner and the Chief Constable to ensure that the good governance principles are embedded within the way the organisation operates.
- c. The Commissioner and Chief Constable will show leadership in terms of the high standards of professional conduct that are required of all personnel. The values of good governance will be clearly set out in the Commissioner's and Chief Constable's Annual Governance Statement.
- d. Registers of business interests and gifts and hospitality will be maintained by the OPCC and Force in accordance with the gifts and hospitality policy. More broadly, a series of policies and arrangements will be maintained, for example in respect of vetting, standards of dress/appearance, discipline, dignity at work and grievances, alcohol and substance misuse and data protection/computer standards, which further support and demonstrate the standards expected.
- e. Key roles in respect of the maintenance of high standards of conduct on the part of officers, staff, and the Commissioner will be undertaken by the Professional Standards Department, Human Resources Department the Chief Executive, the Police and Crime Panel and the Independent Office for Police Conduct (IOPC) in accordance with relevant statutes.
- f. The standards of Devon and Cornwall Police are further supported by the adoption of College of Policing Code of Ethics for Policing.

2.14 To take informed and transparent decisions which are subject to scrutiny and managing risk:

- a. The Scheme of Corporate Governance highlights the parameters for decision making, including the delegations, consents, financial limits for specific matters and standing orders for contracts.
- b. Corporate risk management arrangements should ensure clearly defined risk management policies, and clearly defined roles and responsibilities and scrutiny arrangements, for the Force and the Commissioner. The risk management policy will be subject to annual review and will also be reported to the IAC.
- c. In accordance with the Equality Act, policies and business decisions of Devon and Cornwall Police and the OPCC will take into account the impact on stakeholders and people who will be affected by those policies or decisions, complemented by proportionate equality impact assessments.

- d. In terms of the governance arrangements and meetings, clear procedural standards will be adopted for boards and meetings in accordance with the Governance Policy. The Commissioner and the Chief Constable will seek to publish, accurate and clear information on their decisions (subject to the Government Security Classification Scheme, Freedom of Information Act requirements and in the case of Commissioners as detailed in paragraph 5 of the Elected Local Policing Bodies (Specified Information) Order 2011).
- e. A clear structure of reporting will be adopted, and where appropriate the findings of internal and external audit, and other inspection reviews will be published.

2.15 In order to develop the capacity and capability of the Commissioner, the OPCC and Devon and Cornwall Police to be effective in their roles:

- a. The OPCC and Force will ensure there is a robust workforce plan, encompassing all relevant human resources legislative requirements.
- b. The Commissioner and Chief Constable will ensure that the statutory officers and Chief Officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Force and the OPCC.

2.16 Engaging with local people and other stakeholders to ensure robust public accountability:

- a. The Policing Protocol [Section 14 Policing Protocol Order 2011] highlights that the Commissioners are each accountable to local people within their Force area and that they draw on this mandate to set and shape the strategic objectives for the Force area in consultation with the Chief Constable.
- b. The Commissioner and the Chief Constable will each develop and keep updated a community consultation and engagement policy and ensure that effective consultation and engagement arrangements consistent with that policy are in place.
- c. In preparing the Police and Crime Plan, the Commissioner will have regard to the plans and priorities of key community safety and criminal justice partners as required by the Act.
- d. The Commissioner will provide a link to the police and the community.

Arrangements & Structures in Place to Facilitate Good Governance

2.17 There are a range of structures and bodies in place to facilitate good governance. These will include:

- Effective internal meeting structures

- Review and Scrutiny arrangements
- Independent Audit Committee
- Internal audit arrangements
- External auditors
- Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) or their successive bodies
- Risk Management

2.18 Arrangements for Review

- a. A review of the Code of Corporate Governance and the wider Governance Framework will be carried out bi-annually by the Commissioner in liaison with the Chief Constable as part of the review work necessary for the production of the Annual Governance Statement(s) (AGS).
- b. This could be a single or joint AGS. There shall be no variation of the Code of Corporate Governance and wider Governance Framework without the agreement of all parties.
- c. The Chief Executive and Treasurer will be responsible for the Annual Governance Statement for the Commissioner which will be published with the statement of accounts. This will include an action plan to rectify any significant weakness in internal control and governance.
- d. The CFO is responsible for the Chief Constable's Annual Governance Statement which will be published with the statement of accounts. This will include an action plan to rectify any significant weaknesses in internal control and governance.

2.19 Independent Audit Committee (IAC)

- a. The Chief Constable and the Commissioner are jointly advised by the IAC. The committee is made up of members who are independent of the corporations sole.
- b. The terms of reference for the IAC are subject to bi-ennial review.

2.20 Internal Audit

- a. The primary role of Internal Audit is to give an assurance to the Commissioner and Chief Constable, through the Treasurer and the CFO on the effectiveness of the controls in place to manage risks.
- b. The internal audit service is provided by an audit partnership contracted to undertake audit work and delivers an opinion on the effectiveness of internal controls.

- c. The audit provider reports to the Treasurer and the CFO with direct reporting lines to each corporation's sole if any conflict of interest arises.
- d. The review of the corporate governance and risk management arrangements periodically feature in the Annual Audit Plan.

2.21 External Audit

- a. The external auditor will audit the financial statements of the Commissioner and the Chief Constable, as well as the group accounts and will also review the Annual Governance Statement.
- b. External Audit plans and reports, including the Annual Audit Letter, are considered by the IAC.
- c. External audit may be appointed by Public Sector Audit Appointments Ltd (PSAA) <http://www.psaa.co.uk>.

2.22 His Majesty's Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS)

- a. The role of the HMICFRS is to independently inspect, monitor and report on the effectiveness and efficiency of police Forces and fire and rescue services, with the aim of encouraging improvement.
- b. HMICFRS reports are sent to the Chief Constable and the Commissioner for consideration and appropriate action. HMICFRS, working alongside external audit on value for money assessments, will play a key role in informing the Commissioner and the public on the efficiency and effectiveness of the Force and, in so doing, will facilitate the accountability of the Commissioner to the public.

2.23 Risk Management and Assurance

- a. A risk management framework is in place across the Force and OPCC.
- b. This is a structured process to identify potential risks for the organisations and define potential strategies to mitigate those risks.