

# Independent Audit Committee

Meeting: **Wednesday 3<sup>rd</sup> September 2025, 09:30 am – 12:30pm**

Venue: Conegar Boardroom, HQ Winfrith and via Teams

## AGENDA

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|----|--|----------------------------|---------|
| 1. | <b>Apologies for absence</b><br>To record apologies for absence received from members.   | Chair                      | 9.30am  |
| 2. | <b>Declarations of Interest, Equality and Health and Safety Obligations</b><br>To receive new declarations by members of (a) personal interest [including their nature] and (b) prejudicial interests and to remind members of their responsibility to consider equality and health and safety in all their decisions. | Chair                      | 9.35am  |
| 3. | <b>Minutes</b> (paper x 1) [FOIA Open]<br>To confirm the open minutes from the previous meeting.   | Chair                      | 9.45am  |
| 4. | <b>Action Log</b> (paper x 1) [FOIA Various]<br>To review the action log and receive updates for ongoing actions.  | Chair                      | 9.50am  |
| 5. | <b>Significant Committee Business</b> (verbal)   | Chair                      | 10.00am |
| 6. | <b>Ethics Arrangements</b> (papers x 2) [FOIA Various]   | Mike Stamp<br>Danny Tamlyn | 10.10am |
| 7. | <b>Risk Register Update</b>  |                            |         |
|    | a. Devon and Cornwall (paper x 1) [FOIA Open]  | Phil Rigg                  | 10.20am |
|    | b. Dorset (paper x 1) [FOIA Open]  | Teri Roberts               | 10.30am |

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|--|-----------------------------------|---------|
| 8. <b>Internal Audit Quarterly report (SWAP)</b> (papers x 3) [FOIA Open]  | Charlotte Wilson                  | 10.40am |
| 9. <b>External Audit Quarterly Report</b> (paper x 1) [FOIA Closed various]  | George Amos                       | 10.50am |
| 10. <b>Code of Corporate Governance Including Financial Regulations and Standing Orders</b><br>For review and discussion.          |                                   |         |
| a. Dorset (papers x 9) [FOIA Open]   | Julie Strange                     | 11.00am |
| b. Devon and Cornwall (papers x 8) [FOIA Open]   | Nicola Allen                      | 11.15am |
| 11. <b>Annual Review of the Terms of Reference and Operating Principles</b> (papers x 2) [FOIA Open]<br>For review and discussion. | Jo George                         | 11.30am |
| 12. <b>Annual Assurance Mapping Report</b> (papers x 4) [FOIA Open]  | Jo George                         | 11.40am |
| 13. <b>Audit Action Report</b> (papers x 3) [FOIA Various]   | Robin Wheeler                     | 11.50am |
| 14. <b>Verbal Update by the Chief Constable / PCC (Open Invitation)</b>  |                                   |         |
| a. Devon and Cornwall (verbal)   | James Vaughan<br>Alison Hernandez | 12.00pm |
| b. Dorset (verbal)   | Amanda Pearson<br>David Sidwick   | 12.05pm |
| 15. <b>Feedback to Corporation Sole</b> (verbal)   | Chair                             | 12.10pm |

#### Attendance

Tom Grainger (in person)  
Gordon Mattocks (in person)  
Phil Rook (in person)

Chair  
Committee Member  
Committee Member

Mark Taylor (in person)	Committee Member
Steve O’Connell (in person)	Reserve Member
Jo George (in person)	Acting Head of Audit and Insurance
Rachel Farrell (for item 7b)	Deputy Chief Constable (Dorset)
Neal Butterworth (in person)	Chief Financial Officer (Dorset)
Julie Strange	Treasurer (OPCC Dorset)
Nicola Allen (virtual)	Treasurer OPCC D&C
David Wilkin (virtual)	Director of Finance and Resources
Robin Wheeler (virtual)	Strategic Alliance Head of Finance
Hayley Denham	Policy and Projects Officer (OPCC Devon and Cornwall)
Charlotte Wilson (virtual)	Assistant Director (Emergency Services), SWAP
Carrie Chapman (in person)	Specialist Support Coordinator

### Apologies

Amanda Pearson	Chief Constable (Dorset)
David Sidwick	Police and Crime Commissioner (Dorset)
Alison Hernandez	Police and Crime Commissioner, Devon and Cornwall
James Vaughan	Chief Constable (Devon and Cornwall)
Simon Bullock	Chief Executive (OPCC Dorset)
Frances Hughes	Chief Executive (OPCC Devon and Cornwall)
Lucinda Hines	Head of Technical Accounting Alliance
Grace Hawkins	Director, Grant Thornton
Tracey Kirkpatrick	Principal Auditor, SWAP

### Guests

Mike Stamp (for item 6 and 7a) (virtual)	Director of Legal, Reputation and Risk
Danny Tamlyn (for item 6) (in person)	Chief Inspector Corporate Development
Teri Roberts (for item 7b) (virtual)	Strategic Risk Manager (Dorset)
Phil Rigg (for item 7a) (virtual)	Planning and Performance Manager (Devon and Cornwall)
George Amos (virtual) (rep for Grace Hawkins)	Public Sector Audit Manager, Grant Thornton

The Public Sector Equality Duty (PSED) as set out in **section 149 of the Equality Act 2010** requires public bodies to have **due regard** to the need to:

Eliminate unlawful discrimination, harassment, victimisation and any other prohibited conduct prohibited by the Act; and

Advance equality of opportunity between people who share a protected characteristic and people who do not share it; and

Foster good relations between people who share a protected characteristic and people who do not share it.

Protected Characteristics are age; disability; gender reassignment; pregnancy and maternity; race (including ethnic or national origins, colour or nationality; religion or belief (including lack of belief); sex and sexual orientation.



**Independent Audit Committee**  
**Wednesday 18th June 2025, 14.00 am - 17.00 pm.**  
**Conference Room, Winfrith Police HQ**

**Draft Minutes**

**Attendance**

Tom Grainger (TG)	Chair
Phil Rook (PR)	Vice Chair
Mark Taylor (MT)	Committee Member
Gordon Mattocks (GM)	Committee Member
Steve O'Connell (SO)	Committee Member

Lucinda Hines (LH)	Head of Technical Accounting Alliance
Jo George (JG)	Acting Head of Audit & Insurance Alliance
Robin Wheeler (RW)	Strategic Alliance Head of Finance
Neal Butterworth (NB)	Chief Financial Officer, Dorset
Julie Strange (JS)	Treasurer, OPCC Dorset
Nicola Allen (NA)	Treasurer, OPCC D&C
Fran Hughes (FH)	Chief Executive, OPCC D&C
Hayley Denham (HD)	OPCC and Minutes
Rich Clarke (RC)	CEO, SWAP Audit
Charlotte Wilson (CW)	Assistant Director, Public Services, SWAP Audit
Grace Hawkins (GH)	Director, Grant Thornton
George Amos (GA)	Public Sector Audits Manager, Grant Thornton

## Apologies

James Vaughan (JV)	Chief Constable, Devon & Cornwall
Amanda Pearson (AP)	Chief Constable, Dorset
Tracey Kirkpatrick (TK)	Principal Auditor, South West Audit Partnership
David Sidwick (DS)	Police and Crime Commissioner, Dorset
Alison Hernandez (AH)	Police and Crime Commissioner, Devon, and Cornwall
Rachel Farrell (RF)	Deputy Chief Constable, Dorset
Simon Bullock (SB)	Chief Executive, OPCC Dorset
David Wilkin (DW)	Director of Finance & Resources (CFO), Devon and Cornwall

## 01/25/01 Apologies for Absence

As recorded above.

**03/25/02      Declarations of Interest, Equality and Health and Safety Obligations [FOIA – Open]**

The Chair opened the meeting and thanked NB and JS for the tour of the Dorset Police Winfrith HQ. The Chair also welcomed the CEO of SWAP to his first committee meeting.

RW declared that he was representing himself and DW.

**03/25/03      Minutes [FOIA –Open]**

The minutes of the meeting held on the 2<sup>nd</sup> of April 2025 were agreed as a true and accurate record.

The Chair invited an update on Devon and Cornwall's current position regarding the HMICFRS engagement. FH stated that Police Performance and Oversight Group took place a month ago and the feedback was positive. All indications are that D&C are close to completing the Engage process. No end date has been given but the hope is that it is imminent.

**03/25/04      Action Log [FOIA –Open]**

The open action log was reviewed, and update provided on open actions.

Action 317 Concerns raised regarding the completion of the vetting KPIs and current timeframe. NB assured the Committee that KPIs are complete. They have been drafted and are being finalised by PSD. They will be circulated once finalised and this is anticipated in the next week. GM stated that committee is very keen to see them.

Action 318 GM sought assurance that there is no risk to court proceedings if an exhibit cannot be produced. CW stated that this was examined as part of the audit opinion and there was no evidence of any issues.

Action 305 The Chair raised his concern that the audit charter prepared by SWAP, is too generic and not specific to policing. RC stated they have worked to make the charter more specific to policing rather than the public sector. Agreed that this issue will be progressed outside of the meeting and a revised charter considered at a later meeting

**03/25/05      Significant Committee Business [FOIA - Open]**

The Devon & Cornwall strategic admin hub will be assuming control over the administration of future committee meetings. The September 2025 Committee meeting will form part of a handover. The handover process should be complete for the December 2025 meeting.

Committee members have met with the two force strategic leads for Risk Management (Mike Stamp and Rachel Farrell). They particularly discussed risk across the alliance functions. The committee were assured that risk management is embedded in each force and being dealt with appropriately.

03/25/06

**Internal Audit Opinion (SWAP)**

**[FOIA - Open]**

CW introduced her report. SWAP gave a reasonable assurance opinion. There were two significant risks noted, one was the number of Temporary Evidential Property Stores (TEPMS) in use. The second was Dorset Police's Future Contact System Outline Business Case (OBC). This review was an advisory audit on a potential procurement exercise rather than a live process. NB noted that the future contact system risk is only a potential risk, as the work has not commenced.

Amendments have been made to the table on assurance coverage linked to FMS areas, to ensure more comprehensive coverage.

The summary of work for 2024/25 shows that some audits remain in progress, but SWAP gave assurance that they will be completed by the next Committee meeting.

SO questioned audits that have been deferred, removed or on hold during the year, specifically an item on IT business continuity. CW explained that it has been discussed with the S151s and the Head of ICT. There is a great deal of other activity in that space, and it did not seem opportune to undertake the audit, so the S151s agreed a deferral until 2025/26 when the ICT team will be under less pressure.

GM asked that, in future, the report contains an explanation for deferments on all regional audits and asked for more detail on why the regional audit on vetting was removed from the plan. CW explained that the region had commissioned a separate review on vetting. CW stated that that this review had been completed. NA added that it will go to the regional collaboration board but has not yet done so, as far as she is aware.

**Action: NA to check if the regional vetting review will be presented to the regional collaboration board.**

MT noted that SWAP accept other compliance reviews in some operational matters. CW stated that bodies, such as HMICFRS audit operational areas, and they are satisfied with this coverage.

TG asked if one annual opinion report covering both forces is suitable as it is reviewing four corporations sole in one document.

NA stated that her view was that a force specific annual opinion report should be provided. The profiles for each force could be different and the current approach could be masking something that is occurring in one area by covering both forces at once.

RC stated that from the standpoint of audit regulation is that each corporation should be separate.

**Action: SWAP to prepare force specific annual opinion reports going forward.**

**03/25/07**

**Internal Audit Quarterly Report**

**[FOIA-Mixed]**

CW introduced the quarterly update report.

SO asked a question regarding the ICT change management work. The audit actions were to be implemented by July. However, there are some issues and some actions will not be completed on time.

MT raised risks around cyber-attacks and IT vulnerability during the changeover period. NB reassured the Committee that work on cyber resilience is ongoing. It forms part of the ICT contract.

FH informed the Committee that both forces do a Cybersecurity assessment which is nationally benchmarked, and are improving in this area. MS is comfortable with the risk and could give assurance if required.

TG noted that the timescales on these actions always looked tight, so more consideration should be given to the achievability of deadlines before they are set.

GM asked whether there was potential for cost savings on telematics as the contract expire soon and the audit report suggest cost savings could be made if the contract is for an alliance.

NB explained that these contracts must go through the regional procurement board where the decisions are taken.

CW introduced her Internal Audit provision comparison benchmarking report. NA noted that the opening statement states that audit days are spread over both forces evenly, but it would be more logical if audit days were proportionally split, as the general split between the alliance forces is around 70/30. This would give a more moderated view. CW happy to revise that report.

**Action: CW to amend the benchmarking report and re-distribute.**

**03/25/08**

**Internal Audit Quality Assurance Improvement Plan (QIAP) SWAP**

**[FOIA – Closed]**



RC introduced this report. SWAP commissioned at EQA from the Devon Audit Partnership in autumn 2024. The EQA reported in December 2024, concluding that SWAP “Generally Conforms” with PSIAS. Note that ‘Generally Conforms’ was the highest conclusion available on the scale of the then-in-force Institute of Internal Audit (IIA) Quality Manual.

The committee discussed the areas for further improvement identified by the review.

SWAP confirmed that they are working towards a broader audit charter template so CW can tailor the document towards police organisations to ensure it is more appropriate, which should be in place for 2026/27.

SO noted that the action at 7.1.7 in the report, referring to inconsistency in approach to assurance mapping, the action was agreed with the comment that it would be taken to SWAP SLT to consider what action could be taken. He noted this sounded a little vague.

RC stated that the report identified where assurance mapping differed between audit clients and Devon Audit Practice thought it should be the same process. However, SWAPs opinion is that the same thought process should be applied.

MT stated that it was useful to understand the bigger picture and noted that the more joint work that can be done in assurance mapping the better.

It was noted that all police partners are represented on SWAPs owners board, by the Dorset OPCC Treasurer (JS).

## **03/25/09 Government Implications Dorset Police Cost Challenges**

**[FOIA – Open]**

NB introduced this paper and thanked RW for preparing it. It was drafted in response to an action from IAC on the governance implications for cost challenges. There had been minor impact on governance until the Priority Based Budgeting (PBB) process began. This has caused arrangements around governance to be stepped back until September, allowing more flexibility to senior staff in Alliance areas to manage that process. Attendance and reports for strategic meetings have been lightened to free up capacity. Key Boards are in place but with narrowed resource requirements.

PR asked what impact the Government’s CSR may have. NB stated Dorset’s OPCC are monitoring the situation, but outcomes are as expected.

MT noted the helpful report and asked how the officers are ensuring that the PCCs and CC risk appetite aligned? NB stated that the BRAG assessment looks at critical areas such as the control room or firearms.

NA stated the risk appetite was discussed at PBB meetings when discussing Alliance areas, considering both areas where more could be taken and some where less should be taken. RW assured the Committee that an elevated level of rigour is being employed.

**03/25/10 External Audit Accounts Joint Audit Plan – Dorset [FOIA – Open]**

GH introduced her papers and set out the plan to deliver the audits in parallel with the same team, running from now until November and aim to issue opinions before Christmas.

PR asked how achievable the reporting to the December IAC meeting was (17<sup>th</sup> December), and if the VFM report would also be brought to the December meeting too?

GH confirmed that she was confident that this date was achievable.

NA noted that D&C have been in Engage for the last 2 VFM reports, and asked if the significant weakness status would change if the force came out of Engage? GH confirmed that it would.

**03/25/11 External Audit Accounts Joint Audit Plan – D& C [FOIA – Open]**

GA discussed changes in this year's audit plan, highlighting that D&C has a higher materiality as the force is larger and the significant risk for effectiveness is reflective of the force still being in engage.

RW welcomed the pace of completing the audits. LH stated that the efficiency of doing the audits in parallel was helpful.

TG thanked GH and GA for the clarity of the reports.

03/25/12	Draft Statement of Accounts for Dorset	[FOIA – Open]
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JS congratulated LH and her team for getting the accounts prepared and published so quickly and for the significant work required for the introduction of IFRS 16 which had been particularly challenging.

JS reported that 2024/25 for Dorset was a good year with an underspend of £833k. This time last year forecasting showed a £3.6m overspend, which led to the force taking emergency measures, such as the mutually agreed resignation scheme.

Capital slippage was in line with predictions, with some key projects completed, such as the main HQ building including the memorial garden, demolition of old building and building the firing range.

A discussion took place particularly noting the effectiveness of the report's narrative, as the accounts are complex.

**03/25/13      Draft Statement of Accounts for Devon & Cornwall      [FOIA – Open]**

NA introduced the report and noted a small overspend of £20k for 2024/25. D&C are carrying forward £280k, which exceeded expectations. The overtime budget is being addressed as it is usually about £3m. PBB will be examining this issue in more detail. Reserves have also not decreased as much as anticipated.

A discussion took place around how the statement of accounts is publicised and NA confirmed that a press release usually announces it, and the Commissioner sometimes makes a statement. The OPCC also publish an annual report which goes to the police and crime panel, which is a more accessible document.

**03/25/14      Going Concern Report & Resilience Review Dorset      [FOIA – Open]**

JS presented the going concern and resilience review. The papers have passed through governance boards and the PCC and Chief Constable are agreed that they are a going concern.

The resilience review uses a RAG rating, based on JS and NB professional judgement. Having three years of data assisted in allocating a rating. The force agreed to put some extra funds into the reserves as they are calculated to last only until 2027/28.

There was a small concern raised on the level of borrowing in the capital programme. A consistent gap was increasing. It was not clear if any capital funding is coming from the CSR, but this was considered unlikely to cover the gap. This concern is being monitored and presented to joint leadership boards.

A discussion took place around the CSR and how matters remain uncertain until there is a multi-year settlement from Government.

**03/25/15      Going Concern Report & Resilience Review D&C      [FOIA – Open]**

NA presented her going concern report and explained that the resilience review got stood down due to PBB, but it will be undertaken and presented to the Committee. The PCC and Chief Constable are satisfied that organisations continue as going concerns. D&C prefer to keep reserves higher to allow the flexibility to cope with unforeseen situations.

**Action: NA to circulate D&C resilience paper once it has been approved by the resources board.**

**03/25/16      HMICFRS Value for Money Profiles – Data      [FOIA – Open]**

RW introduced his report, noting that the information contained is from the year 2024/25. The spend per head of population for both forces have remained stable. The cost per officer for D&C is higher than Dorset's, however this should be reducing through rank review.

MT asked where the VFM profiles are used.

NB informed the Committee that these reports are used to identify where the force may be an outlier, and to inform what can be done differently. They are also being used in the PBB process now.

RW added that D&C used these reports to identify that D&C were an outlier for the ratio of sergeants to constables, with the highest ratio in the country, which is now being addressed.

**03/25/17**

**Annual Report on Insurance Claims Data / Latest Renewal**

**[FOIA – Mixed]**

JG introduced her report. The report outlined a risk or both forces in the increase in motor insurance premium, which has risen 81% this year. It was reported that it is becoming increasingly difficult to get insurance, as companies are avoiding blue light services. Insurance is contracted through regional procurement, but forces have separate policies.

There is work to do within the region to align data and to clarify the risk profiles for insurers. The Alliance have driver support teams reviewing accidents aimed at mitigating risk.

It was noted that the reports showed that there has been a drop in financial recoveries over the last few years and this was explained as the team were covering the vacant Insurance Manager role.

The number of insurance claims remains consistent.

**03/25/18A**

**Treasury Management - Dorset**

**[FOIA – Open]**

JS introduced the treasury management outturn report for Dorset.

There was one minor breach of TM practice which is not serious. The report was in draft and there are some changes that will be made, which were discussed.

SO stated that the investment benchmarking is helpful. A discussion took place about market investments, and it was noted that investments are spread to minimise risk, using a minimum of four different funds.

**03/25/18B Treasury Management – D&C [FOIA – Open]**

NA presented the treasury management report for Devon & Cornwall.

In terms of D&C cash equivalents, NA highlighted the vast range. D&C receive all pension payments in one go so a huge amount comes into the accounts at that point.

D&C received more interest than budgeted for and paid more interest than anticipated.

Funds are diversified and spread over a number of counterparties.

**03/25/18C Treasury Management Assurance [FOIA – Open]**

NA presented the paper on Arlingclose, the treasury management company used by both forces.

NA offered assurance that she was confident the contract represents value for money and was satisfied with the service and support received. The treasury management team also undertake due diligence on lending, to ensure decisions are based on robust evidence.

NA made it clear that the value of the advice received must be considered during any procurement process.

TG asked if an alternative approach to procurement of treasury management advice might be possible given the limited market and importance of the quality of advice and support offered.

**03/25/19      Fraud and Corruption Investigations Inc NFI Report [FOIA – Mixed]**

RW presented the report highlighting the numbers of cases investigated by PSD and the national fraud initiative matches identified with an outcome.

MT stated that it was encouraging that a small number of matches are being identified.

**03/25/20      Audit Action Report      [FOIA – Mixed]**

RW presented the report detailing the priority two actions not yet implemented.

Action 1913 related to the SLA with the NHS - NB updated that the document was with legal for the final approval, so was almost complete.

The audit actions relating to HR were all overdue due to PBB The department are under a great deal of pressure, so the extensions seem reasonable. The Committee agreed to extend until September 2025.

Action 4166 related to property stores was dependent on an executive decision.

- 03/25/21

Verbal Update by the Chief Constable / PCC D&C

[FOIA – Open]

No update.
- 03/25/22

Verbal Update by the Chief Constable / PCC Dorset

[FOIA – Open]

No Update.
- 03/25/23

Feedback to Corporations sole

[FOIA – Open]

Members discussed the salient issues to be reported to the corporations sole.

Meeting closed at 17.00

The next meeting will be held on Teams on the 3<sup>rd</sup> of September, 9.30-12.30.

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Name of meeting:	Independent Audit Committee	Agenda item: <b>06</b>
Date of meeting:	3 September 2025	

Boards that have considered this paper: n/a		
For Decision:	For Information: ✓	Appendices: [0]

## DEVON & CORNWALL CODE OF ETHICS DELIVERY UPDATE

### 1. Strategic issue for consideration

1.1 An update on delivery activity relating to the Code of Ethics in Devon and Cornwall.

### 2. For Information Only

#### STRATEGY

2.1 A new strategy has been drafted, drawing on learning and best practice identified and shared by the College of Policing since the launch of the new Code. This is currently out for consultation with key stakeholders, with the final draft expected to be signed off by the Professional Standards & Ethics Board in early November. The strategic objectives, listed below, are aligned with the headings of the Code of Practice for Ethical Policing.

- We build and uphold the skills, systems and culture that empower us to act ethically and professionally in everything we do, even when it is most difficult.
- We set clear expectations, and our people are supported to meet them in a culture where feedback and constructive challenge are expected and acted upon.
- We understand threats to wellbeing in policing and take action to build a safe, healthy and engaged workforce where people feel supported and able to thrive.

- We are committed to meeting our Duty of Candour and engage willingly with internal and external scrutiny, particularly when we have fallen short of expected standards.
- We drive continuous individual and organisational development built on the principles of self-reflection, evidence-based policing and futures thinking.
- We inspire confidence by relentlessly seeking out and responding appropriately to both misconduct and emerging threats to professional standards.

2.2 The strategy's guiding principles include:

- Ethical policing is everyone's responsibility, all of the time.
- Nudges, prompts and tools will be woven into everyday activities.
- Activity will be evidence-led, with routine review to understand impact.
- The science of behavioural change will be utilised to develop targeted interventions.

## **ETHICAL POLICING LEADS (EPLS)**

2.3 The force's network of approximately fifty EPLs remains in place, with representatives from SLTs in all departments.

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### ***Ethical Policing Leads are...***

*...senior leaders responsible for keeping the Code of Ethics visible, relevant and embedded in everyday work in their own area of responsibility and are single points of contact to enable the co-ordination of force wide activity.*

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2.4 The purpose of the EPL role is to balance the need for centrally co-ordinated and governed continuous improvement, with widespread delivery and monitoring activity that is:



- Tailored to different areas of the force to ensure maximum impact; and,
- Progressed within business-as-usual by those with the most relevant skills, responsibilities, perspective and influence to ensure it is as efficient as possible.

2.5 The EPL approach to delivery represents a significant shift from previous arrangements whereby the activity was driven centrally via a single FTE post. Further work is required to fully embed the role, particularly in areas that have historically felt removed from the Code of Ethics and its delivery. Engagement is ongoing (see 'Self-Assessment') to refine and define the role and identify suitable support/CPD for those who lack confidence or wish to develop their understanding and approach.

## **SELF-ASSESSMENT**

2.6 In PEEL 2025/27, HMICFRS will assess leadership, culture, and behaviour under a section on leadership and force management.

2.7 HMICFRS have worked with the NPCC Ethics portfolio to produce a self-assessment tool to assist forces in preparing for inspection by applying a RAG status to help understand progress.

2.8 The self-assessment covers ten expectations for forces under four of the six headings from the Code of Practice for Ethical Policing:

- Ensuring ethical and professional behaviour
- Challenging unprofessional behaviour
- Ensuring openness and candour
- Continuing professional development

2.9 Completion of the self-assessment is being facilitated by a series of meetings between the Force Ethics Lead and EPLs in all areas of the force. These go beyond the self-assessment tool criteria: the opportunity is used to discuss what the EPL role looks like in different areas; and to identify specific challenges in different areas of force requiring targeted support which will be considered as part of local and/or force delivery plans.

- 2.10 Self-assessment findings, including assurance of ownership and plans to address areas graded Red or Amber, will be reported to the Professional Standards & Ethics Board in early November.

## **BUSINESS AS USUAL REVIEW CYCLE**

- 2.11 The initial self-assessments will form the basis for a quarterly reporting cycle. EPLs will submit key updates on progress, blockers, risks and support requirements to the Force Ethics Lead. These will be collated into a single report and submitted to the quarterly Professional Standards & Ethics Board.

## **COMMS & ENGAGEMENT**

- 2.12 Completed self-assessments are informing the development of a refreshed comms and engagement plan. This will include Forcewide messages, development of the existing SharePoint site and an update on the external force website.
- 2.13 The refreshed plan will pay particular attention to understanding and addressing the specific needs of different teams/departments, as identified by EPLs. Examples to date include a Teams engagement session scheduled with a department impacted by a large-scale PSD investigation and a need to understand how best to support senior police staff who have had less direct experience with applying a Code of Ethics to their specific area of work than many police officers.
- 2.14 Other stakeholders who will be included in the plan include the OPCC, Executive Team, EPLs, Force Ethics Committee, members of force scrutiny groups and the general public.
- 2.15 Ongoing comms/engagement activities include:
- The Policing Standard – a monthly PSD Newsletter
  - Code of Ethics SharePoint site
  - EPL meetings – with cascade of discussions/awareness to SLTs

→ Routine publication of misconduct hearing outcomes by exec leads.

- 2.16 To ensure activity is streamlined and embedded in day-to-day policing, engagement opportunities will be aligned with other themes/events wherever relevant and practicable. Examples include upcoming webinars and a conference hosted by PSD and focusing on key priorities for the force.

## **COLLEGE OF POLICING ELEARNING MODULES**

- 2.17 The College of Policing produced seven Code of Ethics training modules which were made available at the time of the launch in January 2024. Modules 1 to 3 and 5 to 7 are delivered via e-learning. Module 4 is mandated by the College of Policing to be 'face-to-face'.
- 2.18 Face to face delivery of module 4 was identified pre-launch as a challenge for the force. Demand/capacity issues for Learning & Development (L&D) and the need to prioritise packages directly impacting public service/safety (e.g. vulnerability) or related to the force's 'engage' status with HMICFRS.
- 2.19 In light of the fact that the seven modules are intended to follow on from each other, a decision was made to adopt a self-led approach to eLearning modules 1 to 3. This involved publishing them on SharePoint and signposting in Forcewide launch comms.
- 2.20 As the L&D challenge remained unchanged, a mandatory rollout of modules 1 to 3 was initiated in May 2025 and completion rates across these modules currently stands at 65 per cent, with the intention that recent EPL engagement will push this higher.
- 2.21 A meeting is booked to discuss options to move forwards with delivery of module 7 and, if necessary, alternative delivery methods will be explored to avoid further delays.

## **FORCE-LED TRAINING**

- 2.22 A wide range of training opportunities exist for the force to meet/continue to meet the expectations for forces (set out in the Code of Practice for Ethical Policing) that go beyond packages that are specifically or exclusively designed for this purpose. These can be divided into:

→ Role/career-path specific (e.g. initial intake PCs and public order officers)

→ Topics overtly and obviously linked to the code (e.g. Upstander or Use of Force training).

→ All other training packages

- 2.23 Routine reference to the Code of Ethics in every training package delivered in force will play a crucial role in ensuring that it truly influences everything we do, and everyone knows how to apply it.
- 2.24 Initial conversations have started with EPLs to map ethics coverage in existing packages and explore ways to move towards a position where this is a mandatory requirement.
- 2.25 Further work is planned to map and track exposure to CoE CPD, so that any groups who have gone (or may go) without this for prolonged periods can be identified and solutions developed.
- 2.26 In time, training delivery will be mapped against relevant professional standards data to build an understanding of value/impact.

## OTHER UPDATES OF NOTE

- 2.27 **The Force Ethics Committee** continues to meet monthly to discuss ethical dilemmas submitted by members of the organisation. Outcomes are published on the force SharePoint page.
- 2.28 Attendance at the **Regional Ethics Committee** provides an opportunity to raise ethical dilemmas of potential interest to other forces and/or for escalation to the National Committee. These meetings also provide an opportunity to learn from best practice/experience in other forces.
- 2.29 The introduction of an **Annual Cultural Audit** in the form of a forcewide survey is planned to build a greater understanding of workforce experience of issues relating to the Code of Ethics (where information is not readily available from other sources). Findings will be used to drive/target activity and, over time, enable the force to monitor impact and progress. This work is in the early scoping stages to understand what is available, what is needed and how it can be best achieved. This phase will conclude with the publication of the new HMICFRS workforce survey findings, anticipated early 2026, and then move into active planning and delivery.

- 2.30 Opportunities will be explored to introduce **increased scrutiny** of relevant processes/outcomes. Options include traditional community scrutiny groups, internal/inter-force peer review or external scrutiny from targeted sources e.g. experts/academics in the field of ethics. Initial scoping within the Force Ethics Committee identified a willingness for both internal and external members to be involved in this process.

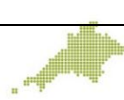
### 3. Stakeholder Engagement

- 3.1 Stakeholder Engagement has taken or due to taken with the following prior to the Board:

Role	Comments	Date
All Senior Leaders & Staff	Receive updates via digital newsletters & EPLs.	Quarterly newsletters & ongoing EPL contact
All EPLs	As described in the body of the paper.	Ongoing
Ethics Committee	Strategy & Deliver Plan summary shared. Consultation ongoing re: strategy.	22 July 25

**Author:** Chief Inspection Jo Shields

**Sponsor:** Mike Stamp



**DATE OF MEETING:** 03 September 2025

**FOIA OPEN**

**TITLE OF REPORT:** Devon & Cornwall Police Risk Update

**REPORT BY:** Phil Rigg, Planning & Performance Manager

**PURPOSE OF THE REPORT:**

To present an update and provide assurance on one or more of the following areas:

Governance, Risk and Control	X
Internal Audit	
External Audit	
Financial reporting	
Other matter <i>(please specify here)</i>	
Appendices <i>(please specify the number)</i>	0

**RECOMMENDATIONS:**

The Independent Audit Committee is asked to:

Review the Report	
Consider the Report	
Note the report	X
Other <i>(please specify here)</i>	

**BACKGROUND INFORMATION**

The sixth submission of the Force Management Risk Register (FMRR) was made to the Force Executive Board (FEB) on 08 April 2025. The next submission of the FMRR will be on 30 September 2025.

After due consideration by the OPCC, the previous risk deep dive arrangements will be reinstated for the October 2025 submission of the FMRR, with the Force and OPCC Executive Deep Dive scheduled for 28 October 2025. The FMRR will then be considered by the Commissioner's Accountability Board on 05 November 2025.

Under the FMRR process, each area of the force is proactively scrutinised, and a *Risk Statement* produced, which is informed by the appropriate departmental risk register(s), with the Executive Owner then deciding which *Risk Statements* they want to escalate to the FMRR, leading to a comprehensive understanding of the Force risk landscape (Figure 1).

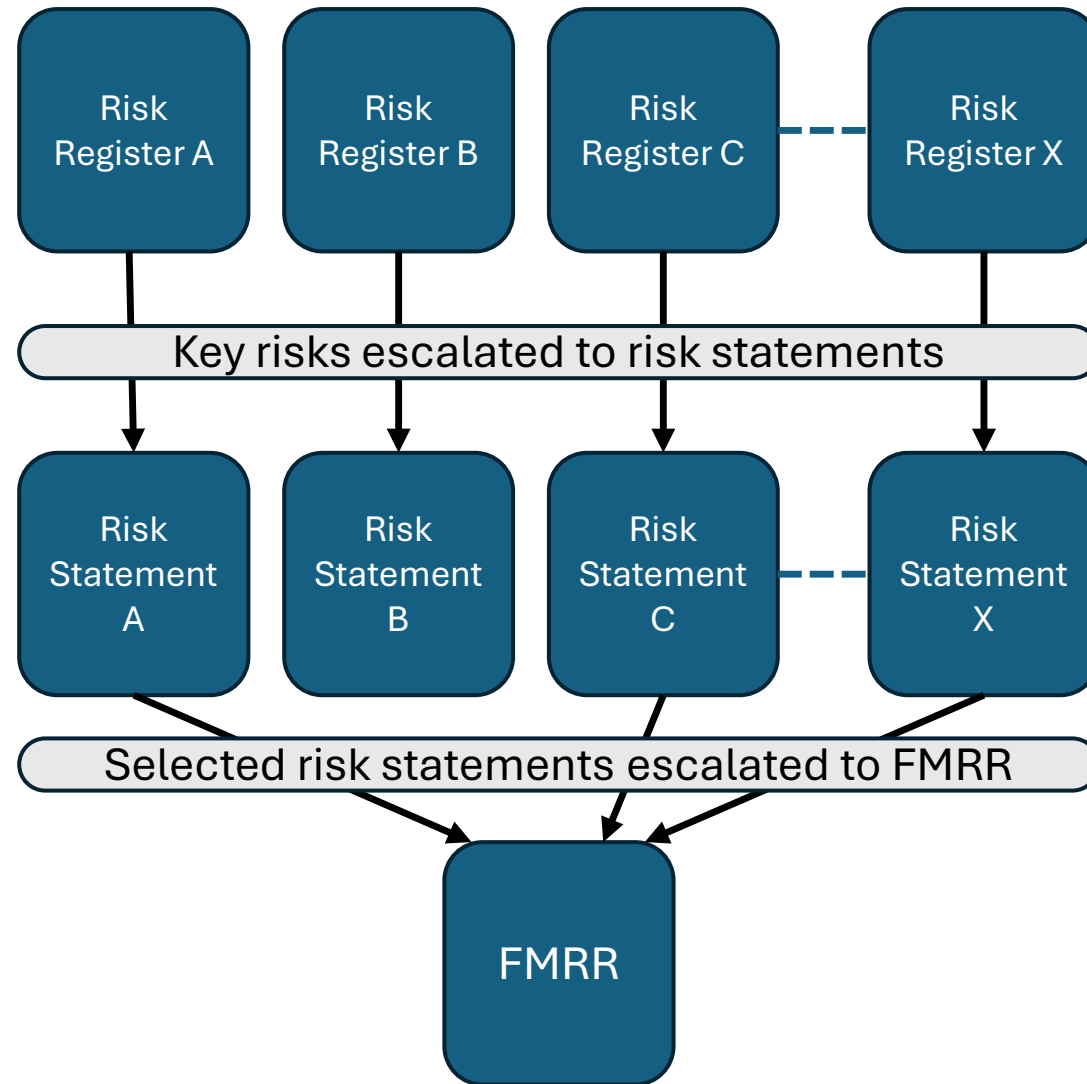


Figure 1



The main benefit of adopting the FMRR approach to risk management was to align the Force's risk management processes and products with the Force Management Statement (FMS). The FMRR concept was proven in 2024, when the FMRR was used to support the production of the Force Management Statement (FMS) in extremely challenging timescales and the FMRR was the main source of information for populating the FMS. It was proven again this year, when the Force received Outstanding or Good assessments for all the FMS criteria in its FMS provisional feedback. The FMRR/FMS approach continues to reduce the effort required to produce the FMS and ensures the alignment and consistency of these two key governance products.

### Scrutiny

DCP is currently subject to a Risk Maturity Audit by SWAP; the Force is currently awaiting the results of the audit.

### Risk Training and Development

The Force Risk Lead attended OPCC training on risk identification that was delivered by the NPCC Strategic Planning & Risk Manager and Business Planning & Risk Officer on 23 May 2025.

Now that the FMRR process has stabilised, a *Devon & Cornwall Police Risk Management Policy*, *Devon & Cornwall Police Risk Management Procedure* and a *Devon & Cornwall Police Risk Management Step by Step Guide* have been written and formally published.

The Force Risk Lead continues to actively contribute to and learn from the NPCC NRMF (National Police Chiefs' Council National Risk Management Forum) and the Regional Risk Management Group, which is facilitated by Devon County Council and has attendees from across the peninsula.

A Strategic Risk Portal has been built on SharePoint, which provides a single location for help and guidance on how enterprise risk management is conducted in the Force and in conjunction with Dorset Police. The FMRR is also published on the Strategic Risk Portal.

### Financial Planning and Risk Management

Risk management is a fundamental part of financial planning, as illustrated in the following excerpt from the introductory paragraph of the Chief Constable's letter of 22 January 2025 to the PCC on the Budget Proposal 2025/26:

*I write to outline my operational budget proposal for the following four years. The proposal incorporates the government funding settlement announcements in December and has regard to the new Police and Crime Plan 2025-29, the Force's Strategic Roadmap, the Force Management Risk Register and Force Management Statement.*

Departmental risk registers are being used to inform the current Priority Based Budgeting (PBB) initiative.

Any risks arising from the Force's budget and any planned cost savings will be escalated through the Force Management Risk Register, as necessary.

### Risk Appetite

DCP and Dorset have been working closely to develop an approach to recording and implementing risk appetite, which will be a major undertaking requiring a significant amount of executive time. Initial work was undertaken earlier in the year on risk categorisation.

It was originally planned to take this work to the two force executives in the spring, but following feedback and consideration of the demands currently being placed on the force executives (including in DCP, leaving the HMICFRS Engage Phase and preparing for the HMICFRS PEEL inspection in early 2026) it was decided to temporarily pause this work, so that it could be reconsidered again in the autumn by the Force Executive Leads.

In the meantime, the Dorset Force Strategic Risk Manager and DCP Force Risk Lead have continued to expand their understanding of risk appetite and how it might be applied consistently across both forces.

### Risk Internal Controls

DCP has aspired to formally record risk internal controls for some time but has been unable to do so due to limited resources. Risk internal controls have now been piloted with a number of departments and it is planned to roll out risk internal controls after the October 2025 FMRR is published.

### Force Risk Manager

The current Force Risk Lead, who has been in post for thirteen years, has indicated his intention to retire in May 2026, so work has started to recruit his successor. A JEQ (Job Evaluation Questionnaire, i.e. job description) has been written and the role has been graded, and it is now progressing through the recruitment processes.

If funding allows, it is hoped that the current Force Risk Lead can work in parallel with the new Force Risk Manager for a period of time to provide as seamless a handover as possible.

### Risk Management System

Currently DCP, Dorset Police, the OPCC for Devon & Cornwall and the Dorset OPCC all use the Ideagen Risk<sup>1</sup> web hosted software application for recording risk and risk reporting. Ideagen is also used variously for planning, managing recommendations and managing correspondence across the four corporations sole.

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<sup>1</sup> Formerly known as Pentana and Covalent.

Ideagen have recently informed ICT that they will no longer be providing Ideagen Risk from October 2026 and will be replacing it with another product. The four corporations sole are currently considering their options.

DCP already uses Microsoft SharePoint and Lists to record and manage plans, recommendations and policies. In anticipation of such an announcement by Ideagen, DCP had already started to investigate developing a SharePoint / Lists / PowerBI based solution, which is a route that has been taken by a number of forces and the NPCC. A SharePoint / Lists / PowerBI based solution is only under consideration at this point and no other options (including the new Ideagen application) have been ruled out.

## **STRATEGIC ALLIANCE DEVELOPMENTS**

Both Dorset Police and DCP continue to work closely to ensure that their processes are as closely aligned as possible whilst continuing to meet the local needs of both Executives. This is facilitated in large part by both executive leads (Dorset DCC and the Director of Legal, Reputation Risk) and the practitioner leads (Dorset Strategic Force Risk Manager and DCP Force Risk Lead) continuing to work closely to ensure that neither force's process nor the reporting of Strategic Alliance risk is compromised by the adoption of process changes by either force.

The Joint Executive Board (JEB) risk deep dive programme has been suspended for the duration of the Priority Based Budgeting exercise. A revised risk deep dive programme has been developed for consideration by JEB in September.

A Strategic Alliance Risk Report was submitted to Working Together Board on 28 May 2025 along with details of the Strategic Alliance substantial risks. Due to the realignment of meetings the next submission to Working Together Board is unlikely to be before 2026.

Issue 1.0  
07.08.25



**INDEPENDENT AUDIT COMMITTEE**

**DATE OF MEETING:** 2 September 2025

**FOIA OPEN**

**TITLE OF REPORT:** Dorset Risk Management Update – September 2025

**REPORT BY:** Teri Roberts, Strategic Risk Manager

**PURPOSE OF THE REPORT:**  
To present an update and provide assurance on one or more of the following areas:

<b>Governance, Risk and Control</b>	X
<b>Internal Audit</b>	
<b>External Audit</b>	
<b>Financial reporting</b>	
<b>Other matter</b> <i>(please specify here)</i>	
<b>Appendices</b> <i>(please specify the number)</i>	0

**RECOMMENDATIONS:**  
The Independent Audit Committee is asked to:

<b>Review the Report</b>	
<b>Consider the Report</b>	
<b>Note the report</b>	X
<b>Other</b> <i>(please specify here)</i>	

**1. BACKGROUND INFORMATION**

1.1 The purpose of this report is to provide the Independent Audit Committee with an update on the risk management process in Dorset Police.

1.2 This report provides an update on:

- Governance and reporting arrangements
- An overview of strategic and departmental risk oversight and scrutiny processes
- Future developments to the risk management processes

## **2. GOVERNANCE AND REPORTING**

### **GOVERNANCE**

2.1 The force has embedded the quarterly risk review and reporting processes.

2.2 Reporting of the Force Strategic Risk Register is presented to DCC Ops Board as follows, April, August, October and January in order to provide greater oversight and scrutiny across the organisation.

2.3 In addition a six monthly risk management update is provided to Joint Leadership Board which provides assurance on the risk management processes, with an overview of the strategic risk profile and details of the key risks. The Board is chaired by the Police and Crime Commissioner and the Chief Constable and comprises of members of the executive from both corporate soles.

### **STRATEGIC RISKS**

2.4 The strategic risks are reviewed and discussed with each owning member of the executive every three months and progress is subsequently signed off by the Senior Risk Owner - Deputy Chief Constable (DCC) prior to presentation at DCC Ops Board.

2.5 The Force Strategic Risk Register (FSRR) is currently being finalised for presentation at DCC Ops Board on 20 August 2025. The updated dashboard will be shared with this committee post sign off for information.

2.6 Updates to DCC Ops Board provide a strategic overview on the strategic risk profile, risk approach, risk trend, control effectiveness, action progress and highlights the key risks (highest scoring), to ensure that the Board is assured around how the risk is being managed, whilst enabling the identification of further controls or actions that may be required. Along with details of any new and closed risks.

2.7 A deep dive schedule for strategic risks has been developed which enables the Board to consider 8 strategic risks each year.

## 2.8 **DEPARTMENTAL RISKS**

2.9 Departmental risk registers continue to be formally reviewed to support the:

- Identification and assessment of the effectiveness of internal controls,
- Identification of any additional mitigating actions and
- Reviewing progress on current actions

2.10 Performance measures are in place monitor the effectiveness of controls and actions.

2.11 Ongoing monthly monitoring of departmental risk registers continues to take place and forms part of discussion at departmental Senior Management Team (SMT) meetings with the Strategic Risk Manager. A proposal to enhance this process has been presented to the DCC Ops Board August meeting and will be reported back to this Committee in due course.

2.12 The risk profile for departmental risks is now presented at DCC Ops Board as part of the quarterly risk update. This enables the Board to consider the aggregated level of risk by command and enabling services business areas, as well as the key risks for each area providing enhanced oversight and scrutiny.

## 2.13 **EXECUTIVE PORTFOLIO RISKS**

2.14 Members of the executive are provided with a quarterly Portfolio Risk Dashboard so that they have oversight of all their departmental risks, highlighting the key risks within their portfolio and the aggregated level of risk. A proposal to enhance this process has been presented to the DCC Ops Board August meeting and will be reported back to this Committee in due course.

## 3. **RISK MANAGEMENT PROCESS**

3.1 The Strategic Risk Manager continues to engage with each member of the executive and relevant business leads to review how effectively the risks are being managed and ascertain the current level of risk the organisation is facing.

3.2 Dorset is continuing to implement the process to assess the effectiveness of internal controls, as outlined in the September 2024 paper to this Committee.

3.3 The Dorset Risk Management Policy and Procedure has been finalised and published along with a tactical Risk Management Handbook which has been published on the dedicated sharepoint site.

## 4. RISK DEEP DIVES

### DORSET FORCE STRATEGIC RISKS

- 4.1 A deep dive schedule for strategic risks at DCC Ops Board has been developed and implemented. To date four risks have been discussed, with a further four risks to be presented during the remainder of 2025.

### ALLIANCE DEPARTMENT RISKS

- 4.2 Alliance department key risks continue to be presented to Joint Executive Board for a deep dive. However, due to the focus on Priority Based Budgeting (PBB), the deep dive schedule has been postponed for the interim. It is anticipated that this process will recommence in November 2025.
- 4.3 The Strategic Alliance Risk Register was presented to Working Together Board in May 2025 and focussed on the key alliance departmental risks. Due to the realignment of meetings the next presentation will be in 2026.

## 5. FUTURE DEVELOPMENTS

- 5.1 The review of the force governance framework is continuing to map where departmental, thematic and project / programme risks are reported and governed. This will ensure the establishment of clear pathways for escalating and reporting risk, compliance with both the force governance and risk management frameworks and support decision making.
- 5.2 A Risk Maturity Audit has been undertaken by SWAP and the force is currently waiting for the results.
- 5.3 Dorset Police and Devon & Cornwall Police are working together to develop the processes to support the development of the force's risk appetite. The Strategic Risk Manager and the Devon & Cornwall Risk Lead are continuing to develop their understanding of how this might be applied consistently across both forces.
- 5.4 As a result of advice from Ideagen that changes are being made to the risk management platform, the Strategic Risk Manager is engaging with the Dorset OPCC, ICT and the Devon & Cornwall Risk Lead to understand these changes and ensure that the requirements of both the force and the OPCC are met going forward.

8 August 2025

INDEPENDENT AUDIT COMMITTEE

DATE OF MEETING: 3<sup>rd</sup> September 2025

FOIA OPEN

*All closed items must include a FOIA section number on the report. The exemption number to be identified and added by the author of the report.*

*Open reports should be written in a style and content suitable for publication on the Force websites.*

TITLE OF REPORT: SWAP Quarterly Update Report to IAC - Update

REPORT BY: *(Tracey Kirkpatrick – Principal Auditor (SWAP))*

PURPOSE OF THE REPORT:

To present an update and provide assurance on one or more of the following areas:

Governance, Risk and Control	
Internal Audit	Yes
External Audit	
Financial reporting	
Other matter <i>(please specify here)</i>	
Appendices <i>(please specify the number)</i>	1

RECOMMENDATIONS:

The Independent Audit Committee is asked to:

Review the Report	
Consider the Report	
Note the report	Yes





Grant Thornton

Other (please specify here)

*(Please ensure that all acronyms are written in full the first time they are used.)*

## 6. BACKGROUND INFORMATION

6.1 Regular progress report and summary of limited assurance reviews appendix.

*Date of the Report: 20<sup>th</sup> August 2025*

POLICE



## Agenda

1	Audit progress report	3
2	Audit deliverables	7
5	Policing Sector Update	8
6	Wider Sector Update	12

## Audit Progress Report

## Introduction



**Grace Hawkins**

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This paper provides the Independent Audit Committee (IAC) with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a series of sector updates in respect of emerging issues which the Committee may wish to consider.

Members of the Independent Audit Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications:

[Local government | Grant Thornton](#)



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If you would like further information on any items in this briefing or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.



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## Progress at August 2025

### *Financial Statements Audit (Devon & Cornwall and Dorset)*

We undertook our initial planning and Interim work for the 2024/25 audits in March & April 2025. We began our work on your draft financial statements in June.

Our planning and interim work included:

- Updated review of the Police and Crime Commissioner and Chief Constable's control environment
- Updated understanding of financial systems
- Review of Internal Audit reports on core financial systems
- Understanding how the Police and Crime Commissioner and Chief Constable make material estimates for the financial statements
- Early work on emerging accounting issues

In April we issued our detailed audit plans, setting out our proposed approach to the audit of the 2024/25 financial statements. These reports were presented to the IAC on 18 June 2025.

We received the draft financial statements on the 24 June 2025 with our audit work commencing from this date onwards.

We will report our work in the Audit Findings Reports for both forces and aim to give our opinions on the Statement of Accounts following the IAC meeting on 18 December 2025.

### *Value for Money (Devon & Cornwall and Dorset)*

We aim to complete all 2024/25 value for money audit reviews by 31 December 2025.

From current trends around cost pressures and service demand, we anticipate that risks around financial sustainability and reserves will require consideration across most value for money reviews for 2024/25. Arrangements for governance and improving economy, efficiency and effectiveness will also be reviewed. The current estimated financial trajectory of the sector is shown within the sector update in this report.

Where there are lessons to be learnt from the findings for our 2023/24 value for money reviews, we will seek to share them on a timely basis, to inform future practice.

We are aware that Devon & Cornwall have been removed from the Engage programme by HMICFRS and the force's position will continue to be assessed as part of ongoing PEEL assessments. This will be considered and reflected in our VFM work.

We anticipate issuing our Auditor's Annual Reports in December 2025, alongside our audit opinions for both Devon & Cornwall and Dorset PCC and CC.



## Progress at August 2025 (cont.)

### Meetings

We met with the Chief Finance Officers of both forces in mid-July as part of our quarterly liaison meetings and continue to be in discussions with finance staff regarding emerging developments and to ensure the audit process is smooth and effective.

### Events

We provide a range of workshops, along with network events for members and publications to support the Police and Crime Commissioner and Chief Constable. Your officers attended our Accounts Workshop in March 2025, where we highlighted financial reporting requirements for the 2024/25 accounts and gave insight into elements of the audit approach.

Further details of the publications that may be of interest to the Police and Crime Commissioner, Chief Constable and IAC members are set out in our Sector Update section of this report.





Audit Deliverables (Devon & Cornwall and Dorset)

Below are some of the audit deliverables planned for 2024/25

2024/25 Deliverables	Planned Date*	Status
<p><b>Audit Plan</b></p> <p>We are required to issue a detailed audit plan to the Independent Audit Committee (IAC) setting out our proposed approach in order to give an opinion on the Council’s 2024/25 financial statements.</p>	June 2025	Delivered
<p><b>Audit Findings Report</b></p> <p>The Audit Findings Report will be reported to the Independent Audit Committee (IAC) .</p>	December 2025	Not due yet
<p><b>Auditors Report</b></p> <p>This includes the opinion on your financial statements.</p>	December 2025	Not due yet
<p><b>Auditor’s Annual Report</b></p> <p>This report communicates the key outputs of the audit, including our commentary on the Council's value for money arrangements.</p>	December 2025	Not due yet

## Policing Sector Update

Policing services are rapidly changing. Increased demand from the public and more complex crimes require a continuing drive to achieve greater efficiency in the delivery of police services. Public expectations of the service continue to rise in the wake of recent high-profile incidents, and there is an increased drive for greater collaboration between Forces and wider blue-light services.

Our sector update provides you with an up-to-date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider Police service and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

More information can be found on our dedicated public sector and police sections on the Grant Thornton website by clicking on the logo below:



**Grant Thornton Publications Insights**  
**from sector specialists Accounting**  
**and regulatory updates**

A force management statement (FMS) is a self-assessment that chief constables (and London equivalents) prepare and submit to His Majesty's Inspectorate of Constabulary and Fire & Rescue Services each year.

In this document, HMICFRS outline the findings from their assessment of around 60 percent of FMSs in England and Wales in 2024. This includes an outline of 12 high-level learning points and HMICFRS' assessment against these. HMICFRS also share advice and good practice examples.

The full report can be found [here](#).

## Investing in tech would free up 15 million hours of police time

As police chiefs set out their strategy for use of data and digital technology over the next five years, they make the case for government investment to enable police to roll out technology that has been successfully trialled across England and Wales.

The independent Policing Productivity Review of forces in England and Wales reported examples of science and technology driving productivity. The Office of the Chief Scientific Adviser to Policing estimates that these projects saved 347,656 of workforce hours per year and led to direct savings of £8.2 million a year in costs. If they were scaled nationally, and similar gains were made in all 43 forces, potentially up to 15 million hours, worth £370m per year, could be saved and reallocated each year.

The full report can be found [here](#).

The effective investigation of crime is fundamental to the legitimacy of policing and to public confidence. It is integral to the concept of policing by consent. The service provided to victims directly affects the level of public trust and confidence in policing and the wider criminal justice system. It also influences how safe people feel and it prevents future offending.

When a crime is reported, the public have a right to expect that the police will record and investigate it effectively. They also have a right to expect that the service they receive includes regular updates, and that it is consistent with the rights contained in the Code of Practice for Victims of Crime.

Therefore, as part of our 2022–25 programme of inspections, HMICFRS have inspected how effectively the police investigate crime.

The full report can be found [here](#).

## Wider sector updates

A briefing for audit committees on the wider sector updates across Public Sector Audit, Financial Reporting and the responsibilities of Audit Committee members

## Challenges faced in implementing IFRS 16(1)

IFRS 16 is an international accounting standard that changes how leases are reported in financial statements. It requires organisations to bring most leases onto the balance sheet, recognising both a right-of-use asset (the value of the leased item) and a lease liability (the obligation to make future lease payments). This change improves transparency by more comprehensively reporting the extent of an organisation’s leasing commitments on the balance sheet. It replaces the previous distinction between operating and finance leases for lessees under IAS 17.

In the UK public sector, IFRS 16 is adopted through the CIPFA Code of Practice on Local Authority Accounting. After several deferrals, it is now mandatory for local authorities and police authorities from 1 April 2024, impacting the 2024/25 financial year.

As local authorities and police authorities prepare their 2024/25 financial statements and apply IFRS16 for the first time, several areas are proving particularly challenging. These challenges are not just technical — they have implications for governance, transparency, and the accuracy of financial reporting. The Audit Committee plays a key role in providing oversight and assurance. The table below sets out some areas which can present difficulties, along with suggested questions for finance teams and Audit Committees to consider.

Area of difficulty	Description	Challenge questions to ask the Finance team
Completeness of lease records	<p>One of the most fundamental requirements of IFRS 16 is that all lease arrangements must be identified and recorded. This includes not only formal lease contracts but also informal or embedded leases that may be part of broader service agreements.</p> <p>Many authorities conducted a one-off review of leases as they prepared for the transition but without ongoing processes, there is a risk that new leases entered into during the year may not be captured.</p> <p>This could result in incomplete or inaccurate entries in the financial statements.</p>	<p>(a) How does the finance team ensure that all lease agreements, including those entered after the initial review, are identified and properly recorded?</p> <p>(b) What approach does the finance team take to work with other departments in identifying and reporting lease arrangements, especially those that might be informal or embedded in other contracts?</p> <p>(c) What processes or controls are in place to keep the lease register accurate and up to date throughout the year?</p>

# Challenges faced in implementing IFRS 16 (2)

Area of difficulty	Description	Challenge question to ask the Finance team
Holdover leases (expired leases still in use)	<p>In some cases, a property lease agreement may have ended but the authority continues to occupy and use the premises. These are known as holdover leases.</p> <p>The challenge here is determining whether the continued use of the asset creates a new lease under IFRS 16. This depends on whether there are still enforceable rights and obligations between the authority and the landlord. Making this assessment often requires legal judgment and careful documentation.</p> <p>The most challenging aspect of holdover leases is determining the lease term. Management must consider whether there is an implied contract, the term of the arrangement, and whether there are any continuing enforceable rights or obligations, as well as any significant costs or penalties from terminating the arrangement.</p>	<p>(a) Have any holdover leases been identified, and how has the finance team assessed whether these should be treated as leases under IFRS 16?</p> <p>(b) Where there was uncertainty, has legal advice been sought, and are the assumptions and judgments clearly documented?</p> <p>(c) What approach has been taken to determine the lease term for agreements that are open-ended or automatically renew?</p>
Peppercorn or nominal rent leases	<p>Some leases involve little or no payment — for example, a community building leased for £1 per year. These are known as peppercorn leases.</p> <p>Even though the payments are minimal, IFRS 16 requires the authority to recognise a right-of-use asset on its balance sheet at fair value. This can be difficult, especially if there is no recent valuation or if the asset is unique.</p>	<p>(a) Have any lease arrangements been identified where the payments are nominal or zero? If so, how have these been assessed under IFRS 16?</p> <p>(b) What process has been followed to determine the fair value of the right-of-use assets in these cases?</p> <p>(c) Is there sufficient documentation and evidence to support the valuation approach taken?</p>



# Challenges faced in implementing IFRS 16 (3)

Area of difficulty	Description	Challenge question to ask the Finance team
Lease modelling and use of external advisors	<p>Some authorities have relied on external advisors to calculate the lease liabilities and right-of-use assets required under IFRS 16.</p> <p>While this can be helpful, it has created challenges where the advisors have not provided the underlying data or assumptions used in the calculations. Without this information, it becomes difficult for the finance team to explain or support the figures in the accounts.</p>	<p>(a) Have external advisors been involved in the lease accounting process, and if so, do they have access to the detailed inputs and assumptions used in the calculations?</p> <p>(b) Can the finance team fully explain and support the lease figures presented in the financial statements?</p> <p>(c) What documentation and internal checks are in place to ensure the accuracy and completeness of lease calculations and disclosures?</p>
Variable lease payments linked to indices or rates	<p>Some lease payments vary based on inflation or other financial indices. For example, a lease might include annual increases linked to the Consumer Prices Index (CPI).</p> <p>Under IFRS 16, the authority must estimate future payments based on known changes to these indices. This requires careful judgment and can affect the accuracy of the lease liability recorded.</p>	<p>(a) How has the finance team addressed lease arrangements that include variable payments?</p> <p>(b) Have known changes to inflation rates or other relevant indices been factored into the lease calculations, and how has this been documented?</p>

<p>Group leases and consolidation</p>	<p>In some cases, leases exist between a council and its wholly owned subsidiary, or arrangements between a police and crime commissioner and the chief constable may in some circumstances meet the definition of a lease.</p> <p>These leases must be included in the individual accounts and then adjusted on consolidation. This can be complicated, especially if different entities within the group use different accounting standards.</p>	<ul style="list-style-type: none"> <li>(a) How has the finance team identified and accounted for lease arrangements between group entities?</li> <li>(b) What steps have been taken to align accounting policies in preparing group accounts?</li> <li>(c) How are intra-group leases treated in the consolidated financial statements, and what documentation supports this treatment?</li> </ul>
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# Audit Committee resources

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## **The Audit Committee and organisational effectiveness in local authorities (CIPFA):**

<https://www.cipfa.org/services/support-for-audit-committees/local-authority-audit-committees>

## **Public Sector Internal Audit Standards**

<https://www.gov.uk/government/publications/public-sector-internal-audit-standards>

## **Code of Audit Practice for local auditors (NAO):**

<https://www.nao.org.uk/code-audit-practice/>

## **Governance risk and resilience framework: material for those with a leadership responsibility on good governance (CfGS):**

<https://www.cfgs.org.uk/material-for-those-with-a-leadership-responsibility-on-good-governance/>

## **The Three Lines of Defence Model (IAA)**

<https://www.theiia.org/globalassets/documents/resources/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf>

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## **Risk Management Guidance / The Orange Book (UK Government):**

<https://www.gov.uk/government/publications/orange-book>

## **CIPFA Guidance and Codes**

The following all have a charge, so do make enquiries to determine if copies are available within your organisation.

### Audit Committees: Practical Guidance For Local Authorities And Police

<https://www.cipfa.org/policy-and-guidance/publications/a/audit-committees-practical-guidance-for-local-authorities-and-police-2022-edition>

### Delivering Good Governance in Local Government

<https://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>

### Financial Management Code

<https://www.cipfa.org/fmcode>

### e Prudential Code

<https://www.cipfa.org/policy-and-guidance/publications/t/the-prudential-code-for-capital-finance-in-local-authorities-2021-edition>

### Treasury Management Code

<https://www.cipfa.org/policy-and-guidance/publications/t/treasury-management-in-the-public-services-code-of-practice-and-crosssectoral-guidance-notes-2021-edition>



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08 SWAP Quarterly  
Update Report to IA



08 SWAP Quarterly  
Update Report to IA

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**AGENDA NO: 10a****INDEPENDENT AUDIT COMMITTEE****DATE OF MEETING: 3 September 2025****FOIA OPEN****TITLE OF REPORT: Code of Corporate Governance - Dorset****REPORT BY:** *Julie Strange, Chief Finance Officer OPCC for Dorset***PURPOSE OF THE REPORT:**

To present an update and provide assurance on one or more of the following areas:

<b>Governance, Risk and Control</b>	<b>Yes</b>
<b>Internal Audit</b>	
<b>External Audit</b>	
<b>Financial reporting</b>	
<b>Other matter</b> <i>(please specify here)</i>	
<b>Appendices</b> <i>(please specify the number)</i>	<b>8</b>

**RECOMMENDATIONS:**

The Independent Audit Committee is asked to:

<b>Review the Report</b>	<b>Yes</b>
<b>Consider the Report</b>	
<b>Note the report</b>	
<b>Other</b> <i>(please specify here)</i>	

**7. BACKGROUND INFORMATION**

- 7.1 The Code of Corporate Governance (CCG) has been developed to provide an agreed system of governance for the two corporations sole of Dorset namely the Police and Crime Commissioner and the Chief Constable.
- 7.2 The CCG in its current format was approved in September 2021 and is reviewed every 2 years, lastly in June 2023. The review of the CCG is an essential part of the process to not only ensure it is fit for purpose but also as a timely reminder of its requirements.

## 8. PROPOSALS AND CHANGES

- 8.1 A review of all parts of the CCG has been undertaken by the Dorset s151 officers and changes have been discussed with the s151 officers for Devon and Cornwall with a view to maintaining alignment where possible. All elements of the CCG are attached to this report as appendices with tracked changes.
- 8.2 There are minor grammatical changes which have been changed but not highlighted in order to allow the Committee to focus on areas of substance.
- 8.3 The main changes across the documents are trying to take out references to specific legislation, in particular the year of publication, in order to ensure the documents don't date as quickly and require lots of minor amendments when legislation is updated. There are also some updates to job titles, and changes in terminology but these are also relatively minor.
- 8.4 There are some changes across Part 3C – Financial Regulations, aimed around providing clarification on some areas and the removal of items no longer relevant. All thresholds have been reviewed and updated where appropriate.
- 8.5 There are no changes at all to Parts 1, 3D and 3E but are attached to provide the complete CCG. Part 3D is in the process of being updated for the region, in light of the new Procurement Rules but is not yet finalised. This will be brought forward separately once completed.

3 September 2025

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# **Part 1**

# **Summary of**

# **Code of**

# **Corporate Governance**

Draft

September 2025



## Part 1 Summary of Code of Corporate Governance

### Code of Corporate Governance

1.1 The Code of Corporate Governance has been developed to provide an agreed system of governance for the two corporations sole of the Police and Crime Commissioner and the Chief Constable for Dorset.

1.2 The Code of Governance is comprised of the following parts:

- **Part 1** – Summary of the Code of Corporate Governance
- **Part 2** – Statement of Corporate Governance
- **Part 3** – Scheme of Corporate Governance:
  - **Part 3A** – Schedule of Roles and Responsibilities
  - **Part 3B** – Scheme of Delegation and consent
  - **Part 3C** – The Financial Regulations
  - **Part 3D** – Contract Standing Orders
  - **Part 3E** – Meeting Structure

1.3 This **Summary (Part 1)** of the Code of Corporate Governance aims to give a brief overview of Parts 2 and 3 of the Code, an explanation of their functions and, in the case of Part 3, consideration of the functions of 3A to 3E.

1.4 The Code of Governance incorporates the following definitions:

#### Definitions

- a. The Police and Crime Commissioner may be referred to as the PCC.
- b. The Police and Crime Commissioners' Chief Finance Officer is referred to as the Treasurer.
- c. The Chief Constable's Chief Finance Officer is referred to as the Chief Finance Officer (CFO).
- d. The Chief Constable of Dorset and all those under their direction and control are referred to as Dorset Police.
- e. The term "the Force" refers to Dorset Police.
- f. The term "the OPCC" is a reference to the Office of the Police and Crime Commissioner for Dorset.
- g. Unless the context otherwise requires a reference to one gender shall include a reference to other genders.

- h. The term “statutory officers” refers to the Chief Executive of the OPCC, Treasurer and the CFO.
  - i. The term ‘chief officers’ refers to other non-statutory posts within the executive team of the Force.
  - j. The Police Reform and Social Responsibility Act 2011 will be referred to as PRSRA.
- 1.5 Police staff is the term used to refer to all personnel who are not police officers. In the PRSRA they are referred to as ‘civilian employees’ and will have the same meaning as that in legislation.

## **The Statement of Corporate Governance – Part 2**

- 1.6 The Statement of Corporate Governance expresses the commitment of the two corporations sole to conduct business in an open, inclusive and accountable way. The Statement records:
- The principles which underpin the governance structure.
  - The aims of the overall Code of Corporate Governance
  - The arrangements and structures in place to facilitate good governance
- 1.7 The Statement of Corporate Governance lists the Principles of the Code of Corporate Governance.
- 1.8 The Statement reflects the commitment of the two corporations sole to the values of fairness and respect and thus reflects the Police Code of Ethics and the Nolan Principles of Public Life.
- 1.9 The Statement of Corporate Governance also includes the aims of the Code of Governance at Section 3. It is not intended that the listed aims will be exhaustive but that they may be amended from time to time as part of governance reviews and as required.
- 1.10 The Statement of Corporate Governance also highlights the structures and organisations which are in place to reinforce and scrutinise the practise of sound governance; namely:
- Review and scrutiny framework and other arrangements
  - Independent audit committee
  - Internal audit arrangements
  - External auditors
  - His Majesty’s Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS)
  - Police and Crime Panel (PCP) for scrutiny of the PCC.

## The Scheme of Corporate Governance – Part 3

- 1.11 The Scheme of Corporate Governance sets out the strategies, arrangements, instruments and controls described in the Statement of Corporate Governance. They are:
- a. The Schedule of Roles & Responsibilities of those exercising leadership functions within the Code of Corporate Governance (Part 3A).
  - b. Scheme of Delegation from the PCC and the Chief Constable (Part 3B).
  - c. The Financial Regulations (Part 3C).
- 1.12 Part 3A referred to in paragraph 1.11 above details the Roles and Responsibilities of the PCC, the Chief Constable and their respective deputies. It also describes the role of the statutory officers.
- 1.13 Part 3B (the Scheme of Delegation and Consent) aims to clarify those powers which the PCC and/or the Chief Constable delegate to statutory and chief officers for the benefit of good business practice. The scheme ensures business decisions can be carried out lawfully and efficiently and are not subject to unnecessary delay and are taken at the appropriate level.
- 1.14 Part 3C (the Financial Regulations) sets out the rules, regulations and guidelines and how financial management is to be undertaken in the OPCC and the Force. It sets out the delegated financial limits to each of the statutory financial officers. The regulations are an integral part of the Code of Governance and expand on the role and responsibilities of the PCC, the Chief Constable, and the statutory officers in relation to financial management matters. Appendices to the Financial Regulations record the financial limits and budget-setting practice.
- 1.15 Part 3D (Contract Standing Orders) govern the procedures for tenders and contracts and the relative responsibilities of the PCC and Chief Constable.
- 1.16 Part 3E (Meeting Governance) this section describes the strategic meetings structure and how they are managed. A diagram showing how this fits into the wider sources of assurance for good governance is shown in section E.

Amanda Pearson  
Chief Constable

David Sidwick  
Police & Crime Commissioner



# Part 2

## Statement of

# Corporate Governance

## **Part 2 Statement of Corporate Governance**

### **For the Police and Crime Commissioner and the Chief Constable of Dorset Police**

The Statement of Corporate Governance is the second part of the governance framework for Police and Crime Commissioner (PCC) and the Chief Constable of Dorset 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 Dorset 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 PCC 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 principal frameworks within which the corporations sole operate will include all relevant prevailing 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 PCC and the Chief Constable each 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 compliance with the Code of Corporate Governance, how the two corporations sole have monitored their effectiveness and what changes are planned.
- 2.8 The corporate governance framework within which the PCC and the Chief Constable govern, both jointly and separately is known as **the Code of Corporate Governance** and consists of:
- a. A summary document of the Code of Corporate Governance.
  - b. This Statement of Corporate Governance which confirms how the seven core principles are implemented.
  - c. A Scheme of Corporate Governance which defines the parameters within which the corporations' sole 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 reflects the seven principles of good governance as stated in the CIPFA Guidance Notes on delivering good governance for Policing Bodies in England and Wales. 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 of 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 PCC and the Force on outcomes for local people and on creating a vision for the local areas:**

- a. The PCC ensures appropriate arrangements are in place for engaging with and seeking the views of victims, local communities and partners about policing and the outcome of that engagement is considered when determining the Police and Crime Plan and local policing delivery plans, priorities and targets for the Force.
- b. The PCC and the Chief Constable ensure effective arrangements are in place to determine the policing priorities and that Dorset Police possess the capability to deliver them.
- c. In accordance with Section 5 PRSRA, the PCC will issue a Police and Crime Plan for one year beyond the terms of their office outlining the police and crime objectives (outcomes) and the strategic direction for policing. Effective communication of the Police and Crime Plans and medium-term financial strategy is achieved, for example through the PCC's website, media coverage and the use of information leaflets.
- d. The Police and Crime Plan is developed by the PCC and, in formulating the plan, the PCC has regard to the priorities of the responsible authorities in accordance with PRSRA.
- e. The PCC ensures effective arrangements are in place for the oversight and scrutiny of performance through their own governance arrangements and provides information on performance to local communities in accordance with the Elected Policing Bodies (Specified Information) Order as amended.
- f. Medium Term Financial Strategies are developed by the Force and presented for the approval of the PCC, underpinning the budget planning and preparation arrangements and informing the council tax policing precept. Following approval each strategy is published. Adherence to the Home Office Financial Management Code of Practice for the Police Service and local Financial Regulations ensures proper arrangements for financial management.

- g. A Commissioning Framework has been developed by the OPCC for the approval of the PCC, incorporating commissioning intentions and priorities and setting out the arrangements applicable to the award of grants.
- h. The PCC and Chief Constable recognise their duty to collaborate. Collaboration agreements set out those areas of business undertaken jointly with other Forces and local policing bodies. Relevant national, regional and local partnerships are serviced in accordance with the PCC's partnership strategies, the Home Secretary's Strategic Policing Requirement, and other formally agreed collaboration strategies.
- i. The PCC 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 PCC and Chief Constable and the Policing Protocol [Policing Protocol Order 2011] sets out how these functions are to be undertaken to achieve the outcomes of the Police and Crime Plan.
- b. The PCC 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 PCC appoints a DPCC, the role description to be approved by the PCC will specify the functions to be delegated to the DPCC which in turn will be reflected in the Scheme of Delegation.
- c. The PRSRA requires the PCC to have a Chief Executive [Schedule 1, 6(1)a PRSRA] and a qualified Chief Finance Officer (Treasurer). of a specified accountancy body 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 under Section 5 of the Local Government and Housing Act. The PRSRA [Schedule 2(4)] requires the Chief Constable to appoint a qualified Chief Finance Officer (CFO) of a specified accountancy body. The Home Office Financial Management Code of Practice and CIPFA Statement of Roles [Financial Management Code of Practice for the Police, Section 4 & CIPFA statement on Role of Chief Finance Officers ] set 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 PCC or Chief Constable and these roles are also referenced in the financial regulations and contractual standing orders. Arrangements are 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 Office of the PCC 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 operates 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 are subject to annual review.
- g. Collaboration agreements between Forces and PCCs set out key roles and responsibilities and are maintained by the PCC, to clearly define the legal status, decision making powers and terms of reference. These are documented appropriately. This does not include 'day to day' operational working.

**2.13 To promote the values of the PCC 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] and these are central to the conduct and behaviour of all. It also highlights the expectation that the relationship between all parties should be based on the principles of goodwill, professionalism, openness and trust.
- b. The Home Office Financial Management Code of Practice requires the PCC and the Chief Constable to ensure that the good governance principles are embedded within the way the organisations operate.
- c. The PCC and Chief Constable show leadership in terms of the high standards of professional conduct required of all personnel. The values of good governance are clearly set out in the PCC's and Chief Constable's Annual Governance Statement.
- d. Registers of business interests and gifts and hospitality are maintained by the OPCC and Force in accordance with the gifts and hospitality policy. More broadly, a series of policies and arrangements are maintained, for example in respect of vetting, standards of dress/appearance, discipline, dignity at work, 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 PCC are 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 Dorset 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 ensure clearly defined risk management policies, and clearly defined roles and responsibilities and scrutiny arrangements, for the Force and the PCC. The risk management policy is subject to annual review and is reviewed by the IAC.
- c. In accordance with the Equality Act, policies and business decisions of Dorset Police and the OPCC take into account the impact on stakeholders and people who are affected by those policies or decisions, complemented by proportionate equality impact assessments.
- d. In terms of the governance arrangements and meetings, clear procedural standards are adopted for boards and meetings in accordance with the Governance Policy. The PCC and the Chief Constable 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 the PCC, as detailed in paragraph 5 of the Elected Local Policing Bodies (Specified Information) Order.
- e. A clear structure of reporting has been 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 PCC, the staff of the PCC and Dorset Police to be effective in their roles:**

- a. The OPCC and Force ensures there is a robust workforce plan, encompassing all relevant human resources legislative requirements.
- b. The PCC and Chief Constable ensure their 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] highlights that the PCC is 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 PCC and the Chief Constable each have and keep updated a community consultation and engagement policy and ensure effective consultation and engagement arrangements consistent with that policy are in place.
- c. In preparing the Police and Crime Plan, the PCC has regard to the plans and priorities of key community safety and criminal justice partners as required by the Act.
- d. The PCC provides a link between 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
- His 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 annually by the PCC in liaison with the Chief Constable as part of the production of their respective Annual Governance Statements.
- b. There shall be no variation of the Code of Corporate Governance and wider Governance Framework without the agreement of the PCC and the Chief Constable.
- c. The Chief Executive and Treasurer are responsible for the Annual Governance Statement for the PCC, 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, 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 PCC 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 biennial review.

## **2.20 Internal Audit**

- a. The primary role of Internal Audit is to give an assurance to the PCC 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 contracted to undertake audit work and deliver 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 sole when they consider it appropriate.
- 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 audits the financial statements of the PCC and the Chief Constable, as well as the group accounts and reviews 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 PCC for consideration and appropriate action. HMICFRS, working alongside external audit on value for money assessments, play a key role in informing the PCC and the public on the efficiency and effectiveness of the Force and, in so doing, facilitate the accountability of the PCC 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.
- 



# Part 3

# Scheme of

# Corporate Governance

Draft

September 2025

## Part 3 Scheme of Corporate Governance

### Introduction

- 3.1 The Scheme of Corporate Governance is the third part of the Code of Governance. It sets out the common understanding and agreement as to the way in which functions between the Office of the Police and Crime Commissioner (OPCC) and the Chief Constable for Dorset will be governed and managed.
- 3.2 This Scheme of Corporate Governance sets out the strategies, arrangements, instruments and controls described in the Statement of Corporate Governance. The Scheme includes, but is not limited to, formal delegations by the Police and Crime Commissioner (PCC) and Chief Constable and the Financial Regulations. It also includes activities where the Chief Constable acts in their own right pursuant to the duty to exercise their power of direction and control. The Scheme is divided into five sub-parts 3A to 3E as follows:
- **Part 3A – Schedule of Roles & Responsibilities** of those exercising leadership functions within the Code of Corporate Governance
  - **Part 3B – The Scheme of Delegation and Consent** from the PCC and the Chief Constable
  - **Part 3C – Financial Regulations**
  - **Part 3D – Contract Standing Orders**
  - **Part 3E – Meeting Governance**

### Key Principles of the Scheme of Corporate Governance

- 3.3 All officers, and staff under the direction and control of the Chief Constable may assist the PCC to exercise their function. The Chief Constable is under a statutory duty to exercise direction and control in such a way as is reasonable to give that assistance. This scheme sets out some ways in which that assistance will be given. For the avoidance of doubt these are not delegations from the PCC. These would be prohibited under Section 18 of the Police and Social Responsibility Act.
- 3.4 The statutory officers are responsible for ensuring that the Force and OPCC are aware of and comply with the provisions and obligations of the Code of Governance.
- 3.5 The PCC must not restrict the operational independence of the police force and the Chief Constable who leads it. In particular the Chief Constable must be allowed to deliver on the legal requirements set out in the Policing Protocol.

- 3.6 To enable the PCC to exercise the function of their office effectively they need reasonable access to information held by the Force and police officers and police staff employed by the Chief Constable. This access must not be unreasonably withheld or obstructed by the Chief Constable or any employees.

## Key Principles of Delegation and Consent

- 3.7 The Scheme of Governance of the PCC and the Chief Constable set out arrangements for responsibility for functions including delegations and consent.
- 3.8 **“Consent”** refers to the provision of approval or agreement after due and thoughtful consideration. Transactions entered into following “consent” by the PCC to the Chief Constable, will be in the Chief Constable’s own name as a separate legal entity, as opposed to the name of the PCC.
- 3.9 **“Delegation”** is the assignment of authority and responsibility to another person to carry out specific activities. However, the person who delegated the work remains accountable for the outcome of the delegated work.
- 3.10 The following should be noted:
- a. There are certain statutory restrictions on the Chief Constable’s power to exercise certain functions in their own right: the Chief Constable may not acquire or dispose of land, or borrow money, and needs the consent of their PCC to enter into contracts and to retain ownership of specified assets, in accordance with the Schedule of Assets agreed with the Chief Constable.
  - b. The Scheme of Corporate Governance sets out the conditions on which the PCC has given consent to the Chief Constable to enter into contracts and to retain ownership of specified assets (Part 3B).
  - c. For the avoidance of doubt, this is not a delegation from the PCC, it is a PCC giving consent to the Chief Constable to exercise certain functions in his/her own right, subject to compliance with this Scheme.

## Key Principles of Parts 3A and 3B (Responsibility for Functions)

- 3.11 The key principles of the Responsibility for Functions for the two organisations are detailed in Part 3A Schedule of Roles and Responsibilities and Part 3B Scheme of Delegation and Consent. They have been prepared with consideration of the requirements set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) and Home Office Financial Management Code of Practice for the Police Service.
- 3.12 The Chief Constable has unfettered access to all assets held for policing Dorset irrespective of whether those assets are held by the Chief Constable or the PCC.



- 3.13 The purpose of the Schedule of Roles and Responsibilities and the Scheme of Delegation and Consent is to ensure that decisions are taken and recorded correctly.
- 3.14 The PCC, the Chief Constable and any person exercising authority delegated by them adopt a transparent approach in the exercise of functions.
- 3.15 The Chief Finance Officer (CFO) and Treasurer operate in line with the Home Office Financial Management Code of Practice, as well relevant financial legislation.
- 3.16 The statutory framework of Section 36 of the PRSRA, the Elected Local Policing Bodies (Specified Information) Order, the Freedom of Information Act and the Data Protection Act set minimum standards for publication.
- 3.17 Any action taken under delegated authority must where reasonable be recorded by those holding the delegation, including recording that relevant legal, financial and other considerations and consultations have been properly carried out and recorded prior to a decision being taken.
- 3.18 Each of the statutory officers and Chief Officers whom the PCC and the Chief Constable appoint co-operate with each other in the exercise of their functions.
- 3.19** The Schedule of Roles & Responsibilities and the Scheme of Delegation and Consent will be reviewed bi-annually with the other parts of the Scheme of Governance of the PCC. There shall be no variation to the Scheme of Governance of these delegations and consents without the agreement of all parties.

### **Part 3C Financial Regulations**

- 3.20 Financial Regulations ensure that financial dealings are conducted properly and in a way which incorporates recognised best practice and focuses on bringing operational and financial management together with timely and accurate financial information. They also include sufficient safeguards for the Treasurer and CFO.

### **Part 3D Contract Standing Orders**

- 3.21 Embedded within the Financial Regulations are the Contract Regulations which is a single set of standing orders relating to contracts.

## Part 3E Meeting Governance

- 3.22 The meeting structure outlines the framework for key decision making within the Force and OPCC and demonstrates how they work individually and together to support good governance.
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# Part 3A

## Schedule of Roles and Responsibilities

Draft

September 2025

## Part 3A Schedule of Roles and Responsibilities

- **Part 3A – Schedule of Roles and Responsibilities**
- Part 3B – Scheme of Delegation and Consent
- Part 3C – Financial Regulations
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- Part 3E – Committee Governance

### Introduction

3A.1 In recognition of the role of the Police and Crime Commissioner (PCC) for Dorset in holding the Chief Constable of Dorset Police to account the PCC and the Chief Constable agree that the PCC may request a briefing on any issues which relate to operational matters or any other matter. This will ordinarily take place through agreed governance arrangements. The PCC agrees not to use this right to interfere with the operational independence of the Chief Constable. The PCC and Chief Constable recognise there may be circumstances when, for reasons of urgency, these matters cannot be raised through the agreed governance arrangements and, in those circumstances, matters will need to be raised as a priority outside of this meeting structure.

### The Police and Crime Commissioner

3A.2 The PCC has the following responsibilities set out in the PRSRA:

- a. To secure the maintenance of the police Force for that area, and secure that the police Force is efficient and effective [Section 1(6)].
- b. To hold the Chief Constable to account for the exercise of the functions of the Chief Constable, and the functions of persons under the direction and control of the Chief Constable [Section 1(7)].
- c. In particular to hold the Chief Constable to account for:
  - i) the exercise of the duty under Section 8(2) of the PRSRA (duty to have regard to Police and Crime Plan);
  - ii) the exercise of the duty under Section 37A(2) of the PRSRA (duty to have regard to strategic policing requirement);
  - iii) the effectiveness and efficiency of the Chief Constable's arrangements for co-operating with other persons in the exercise of the Chief Constable's functions (whether under section 22A of the Police Act or otherwise);

- iv) the effectiveness and efficiency of the Chief Constable's arrangements under Section 34 of the PRSRA (engagement with local people);
- v) the extent to which the Chief Constable has complied with Section 35 PRSRA (value for money);
- vi) the exercise of duties relating to equality and diversity that are imposed on the Chief Constable by any enactment;
- vii) the exercise of duties in relation to the safeguarding of children and the promotion of child welfare that are imposed on the Chief Constable by Sections 10 and 11 of the Children Act [Section 1(8) of the PRSRA].

### **3A.3 Particular responsibilities of the Police and Crime Commissioner include:**

- a. Issuing a Police and Crime Plan [Section 5].
- b. Determining police and crime objectives [Section 7].
- c. Setting a precept [Section 40 of the Local Government Finance Act 1992].
- d. Setting a budget.
- e. Awarding grants for crime and disorder reduction [Section 9].
- f. Approving an annual report [Section 12].
- g. Appointing the Chief Constable [Section 38].
- h. Suspending or requiring the resignation or retirement of the Chief Constable [Section 38].
- i. Appointing, suspending and dismissing the Chief Executive to the PCC [Schedule 1].
- j. Appointing, suspending and dismissing the Treasurer to the PCC [Schedule 1].
- k. Appointing and dismissing a Deputy Police and Crime Commissioner [Section 18].
- l. Attending meetings of the Police and Crime Panel.

3A.4 The PCC also has responsibility for the following functions:

- a. Within the terms of the Policing Protocol, to be consulted on any strategies which in the opinion of the PCC affect the resourcing of the Police and Crime Plan. This includes but is not limited to strategies for: estates, procurement, human resources, treasury management, equality and diversity and information and communications technology (ICT), value for money and income, provided that such a process does not interfere with the Chief Constable's operational independence.
- b. Taking and implementing decisions on procurement of services, supplies and works in accordance with procurement processes set out in the standing orders of the PCC and the Chief Constable and to meet requirements of public procurement legislation. This does not apply to the procurement of services, supplies and works for the Chief Constable and the Force but the PCC shall have the right to be informed of contract requirements identified by the Chief Constable and to have periodic updates through the governance arrangements of the relevant management boards on procurement activity identified as necessary.
- c. Commissioning of services supplies and works in accordance with standing orders.
- d. Subject to consultation with the Joint Leadership Board, the commissioning of and agreement to alternative service delivery arrangements; the PCC may request the Chief Constable to evaluate the risks and benefits of proposed alternative service delivery arrangements before the PCC takes a decision about them.
- f. To ensure their decisions and/or the decisions of the Chief Constable to enter into arrangements involving working with other persons shall be formalised by appropriate mechanisms.
- g. Ownership of specified assets for the use of the Chief Constable and taking decisions on the acquisition and disposal of those assets, subject to consultation with the Chief Constable. This includes any land or property, including the lease or rental of such land or property (except for covert operational reasons). When taking a decision to acquire or dispose of assets held by the PCC for the use of the Chief Constable, the PCC shall comply with the requirements of the Financial Regulations. As the owner of all land and buildings the PCC will indemnify the Chief Constable against any claims linked to the ownership and maintenance of land and property, subject to the activities carried out within the estate being compliant with the Chief Constable's obligations as an employer.
- h. Ownership of specified assets held by the PCC for the use of the PCC and taking decisions on the acquisition and disposal of those assets. When taking a decision to acquire or dispose of any such asset the PCC shall comply with the requirements of the Financial Regulations.

- i. Management of contracts relating to assets including Public Finance Initiatives (PFIs) arrangements.
- j. Dealing with civil claims directly against the office of PCC or his/her staff.
- k. Considering the risk registers of the Chief Constable and ensuring any mitigating actions are being pursued. Ensuring adequate insurance cover is arranged in liaison with the Chief Finance Officer (CFO).
- l. Employment of staff that report to the Chief Executive of the OPCC.
- m. Providing the Medium Term Financial Strategy, covering the financial scenario for at least the following four years and annual draft revenue and capital budgets, with associated savings plans to meet the scenario
- n. Following consultation with the Chief Constable, the Treasurer and the Chief Financial Officer, allocation of a budget to the Chief Constable divided between revenue and capital. The revenue budget will be divided between staff costs and non-staff costs.
- o. Increasing the budget allocation to the Chief Constable to allow the Chief Constable to manage one-off emergency situations.
- p. Receipt of all income eg. precepts and grants and all other income as detailed in financial regulations.
- q. In consultation with the Chief Constable and taking account of advice from the statutory officers of the PCC and the Chief Constable, allocating income received, including income received for special police services provided under section 25 of the Police Act.
- r. Management of debtors
- s. Agreement of the treasury management strategy and the consequent management of investments and loans
- t. Agreement of the reserves strategy, covering all reserves, and contingencies within the budget, including the use of reserves.
- u. To appoint external auditors, as advised by the Treasurer.

- v. The granting of indemnities or guarantees to third parties.
- w. To provide a link between the police and community; obtaining and representing the views of local people, councils and other criminal justice organisations.
- x. Ensuring arrangements are in place for delivering victims care.
- y. Handling of complaints and conduct matters in relation to the Chief Constable and monitoring the Chief Constable's handling and investigation of complaints against police officers and police staff, undertaking reviews as determined by the appropriate authority and complying with the requirements of the Independent Office for Police Conduct (IOPC). Responsibility for appeal tribunals for serving police officers as part of The Police (Conduct, Complaints and Misconduct and Appeal Tribunal) (Amendment) Regulations.
- z. To address the PCC's wider community safety, crime reduction and criminal justice responsibilities as described in Section 10.

3A.5 The PCC has power to delegate functions [Section 18] but this is subject to restrictions.

- a. The PCC may not delegate the following functions to any person other than his/her deputy: determining police and crime objectives; attendance at a meeting of a Police and Crime Panel in compliance with a requirement by the Panel to do so; preparing an annual report to a Police and Crime Panel [Section 18].
- b. The PCC may not delegate the following functions to any person: issuing a Police and Crime Plan; appointing the Chief Constable, suspending the Chief Constable, or calling upon the Chief Constable to retire or resign; calculating a budget requirement [Section 18(3)(b)].
- c. The PCC may not appoint any of the following as his deputy: (a) a constable; (b) a PCC; (c) the Mayor's Office for Policing and Crime; (d) the Deputy Mayor for Policing and Crime appointed by the Mayor's Office for Policing and Crime; (e) the Mayor of London; (f) the Common Council of the City of London; (g) any other person or body which maintains a police Force; (h) a member of the staff of a person falling within any of paragraphs (a) to (g) [Section 18(3)(a)].
- d. The PCC must approve statutory borrowing limits, which must be included in the annual treasury management strategy, therefore approval of the strategy cannot be delegated.



3A.6 When exercising their function and duties the PCC must have regard to the following:

- a. The views of the people in Dorset.
- b. Any report or recommendation made by the Police and Crime Panel in respect of the Police and Crime Plan, the proposed annual precept and the annual report for the previous financial year.
- c. The Police and Crime Plan and any guidance issued by the Secretary of State including specifically the Strategic Policing Requirement.

### **Deputy Police and Crime Commissioner (DPCC)**

3A.7 Should the PCC choose to appoint a DPCC, they shall be appointed by the PCC under Section 18(1) of the PRSRA.

- a. The DPCC may be authorised by their PCC to exercise any functions of that PCC except for the following: issuing a Police and Crime Plan; appointing the Chief Constable, suspending the Chief Constable, or calling upon the Chief Constable to retire or resign; and calculating a budget requirement [Section 18(3)(b) of the PRSRA].
- b. The DPCC may delegate to other persons only those functions which have been delegated to him/her but this is subject to restrictions.
  - i) The DPCC may not delegate the following functions: determining police and crime objectives; attendance at a meeting of a Police and Crime Panel in compliance with a requirement by the Panel to do so; preparing an annual report to a Police and Crime Panel [Section 18(5)(b)].
  - ii) The DPCC may not delegate functions to the following persons: (a) a constable; (b) a PCC; (c) the Mayor's Office for Policing and Crime; (d) the Deputy Mayor for Policing and Crime appointed by the Mayor's Office for Policing and Crime; (e) the Mayor of London; (f) the Common Council of the City of London; (g) any other person or body which maintains a police Force; (h) a member of the staff of a person falling within any of paragraphs (a) to (g) [Section 18(5)(a)].

### **Chief Executive of the Police and Crime Commissioner**

3A.8 The Chief Executive is appointed by the PCC under paragraph 6(1) of Schedule 1 to the PRSRA as the head of the staff of the PCC.

- a. The Chief Executive is the PCC's Monitoring Officer [Section 1(C) of the Local Government and Housing Act] and in that role has a duty to prepare a report for the PCC if it at any time it appears to the Chief Executive that any proposal, decision or omission by the PCC, by any

committee, or sub-committee of the PCC, by any person holding any office or employment under the PCC or by any joint committee on which the PCC is represented constitutes, has given rise to or is likely to or would give rise to: (a) a contravention of any enactment or rule of law or any code of practice made or approved under any enactment; or any such maladministration or failure as is mentioned in Part 3 of the Local Government Act.

- b. The Chief Executive has responsibility for the day to day management and running of the PCC's office.
- c. The Chief Executive is responsible for advising the PCC upon policy and strategy.
- d. The Chief Executive shall submit a report on governance in order to complete the Annual Governance Statement and this will be reviewed once a year by the Independent Audit Committee (IAC).
- e. The Chief Executive may make recommendations to the PCC with regard to staff terms and conditions of service, in relation to those staff who are not under the direction and control of the Chief Constable.
- f. The PCC may arrange for the discharge of any of the PCC's functions by the Chief Executive other than those functions specified at paragraphs 3A.5(a) and 3A.5(b) in respect of which it is prohibited.
- g. The Chief Executive also has the following general duties:
  - i) To oversee the development and implementation of performance monitoring and reporting arrangements.
  - ii) To consider whether, in consultation with the Treasurer, to provide indemnity to the PCC (and DPCC) in accordance with appropriate statutory provisions and to deal with or make financial provision to deal with matters arising from any proceedings.
  - iii) To consider and approve, in consultation with the Treasurer, provision of indemnity and/or insurance to individual staff of the PCC in accordance with appropriate statutory provisions and Home Office guidance.
  - iv) The financial management responsibilities of the Chief Executive as set out in the Financial Regulations.
  - v) To appoint, in consultation with the PCC, staff in the OPCC.
  - vi) To affix the common seal of the PCC to all relevant contracts, agreements or transactions, where sealing is necessary.

- vii) To respond to formal consultations (eg. by central government) on proposals affecting their PCC, if necessary, after first taking the views of the PCC, the Treasurer and/or their Chief Constable, as necessary and appropriate.
- viii) To obtain legal or other expert advice and to appoint legal professionals either internally or externally whenever this is considered to be in the PCC's best interests in the exercise of his/her functions.
- ix) To determine any reimbursement of exceptional expenses of the PCC in accordance with regulations.

## **Treasurer of the Police and Crime Commissioner**

3A.9 The Treasurer is appointed by the PCC as the CFO of the PCC under paragraph 6(1)(b).

- a. As the Treasurer to the PCC the post-holder has a statutory responsibility to manage the PCC's financial affairs in accordance with Sections 112 and 114 of the Local Government Finance Act and the Accounts and Audit Regulations (as amended).
- b. The Treasurer is the PCC's professional adviser on financial matters and has the general duties to:
  - i) Provide financial advice to the PCC on all aspects of its activity including the strategic planning and policy making process.
  - ii) Assist the PCC in seeking to obtain the best value for money.
  - iii) Advise the PCC on financial probity.
  - iv) Ensure accurate, complete and timely financial management information is provided to the PCC, and the Chief Constable upon request.
  - v) Give assistance in providing safe and efficient financial arrangements.
  - vi) Advise, as appropriate, in consultation with the Chief Executive the CFO on the safeguarding of assets, including risk management and insurance.
  - vii) Advise on budgetary matters including any consequential long term implications.

- c. The Treasurer is responsible for the proper administration of the PCC's financial affairs.
- d. The Treasurer has statutory duties to:
  - i) Make a report and send it to the PCC, each member of the Police and Crime Panel and the external auditor if it appears to the Treasurer that the PCC, a person holding any office or employment under the PCC or a joint committee on which the PCC is represented has made or is about to make a decision which involves or would involve the PCC incurring expenditure which is unlawful; or has taken or is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the PCC or is about to enter an item of account the entry of which is unlawful.
  - ii) Make a report and send it to the PCC, each member of the Police and Crime Panel and the auditor if it appears to the Treasurer that the expenditure of the PCC incurred (including expenditure he/she proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to the PCC to meet that expenditure.
  - iii) Prior to the report being sent it is expected the Treasurer will consult the CIPFA guidance.
- e. The Treasurer also has responsibility for the following:
  - i) Ensuring the financial affairs of the PCC are properly administered and financial regulations are observed and kept up to date.
  - ii) Ensuring regularity, propriety and value for money in the use of public funds.
  - iii) Ensuring the funding required to finance agreed programmes is available from central government, precept, other contributions and recharges.
  - iv) Advising the PCC on the robustness of the budget and adequacy of financial reserves.
  - v) Ensuring production of the statements of account of the PCC.
  - vi) Ensuring receipt and scrutiny of the statements of account of the Chief Constable and ensuring production of the group accounts.
  - vii) Advising on the appointment of an External Auditor in consultation with the CFO.

- viii) Advising the PCC on the application of value for money principles by the Force to support the PCC in holding the Chief Constable to account for efficient and effective financial management.
  - ix) Ensure a Reserves Strategy is produced and approved before the start of each financial year.
  - x) Ensure a Treasury Management Strategy is produced and approved before the start of each financial year supported by a mid-year report and annual report at year end.
  - xi) Ensure a Capital Strategy is produced and approved before each financial year
  - xii) To adhere to the Financial Management Code of Practice.
- f. Further financial management responsibilities of the Treasurer can be found in the Financial Regulations (Part 3C) of the Code of Corporate Governance.

## Chief Constable

3A.10 The Chief Constable is appointed under Section 38 of the PRSRA and is responsible for maintaining the King's Peace. The Chief Constable is accountable for the exercise of police powers and is operationally independent of the PCC. The Chief Constable is accountable to the PCC for the delivery of efficient and effective policing, and the management of resources and expenditure by the police Force.

- a. The Chief Constable has the following responsibilities set out in the PRSRA:
  - i) To exercise direction and control over the police Force in such a way as is reasonable to assist the PCC to exercise the PCC's functions.
- b. The Chief Constable also has responsibility for the following functions:
  - i) Having ownership of specified assets held by the Chief Constable for the use of the Chief Constable and the Force and taking decisions on the acquisition and disposal of those assets.
  - ii) Monitoring of arrangements for insurance of assets used by the PCC and the Chief Constable.
  - iii) Managing the budget allocated to the Chief Constable by the PCC.

- iv) Dealing with claims made directly against the office of Chief Constable or his/her officers and staff.
- v) To enter into contracts on behalf of services, suppliers and works for the Chief Constable and the Force. All such contracts will be compliant with standing orders and procurement legislation for services
- vi) Preparing and approving risk management arrangements for the Force.
- vii) Maintaining the Force corporate risk register.
- viii) Maintaining the Force business area risk registers.
- ix) Ensuring the administration of the pension schemes for police officers and police staff.
- x) Ensuring that a Police Pension Board is established and maintained.
- xi) Appointing officers and determining ranks. The Chief Constable must consult the PCC before appointing a person as an Assistant Chief Constable or a Deputy Chief Constable.
- xii) Dismissing and suspending police officers and discharging probationers.
- xiii) Determining remuneration, allowances, redundancies and gratuities for staff.
- xiv) Approving the Retirement of police officers and police staff on grounds of ill health or in the interests of the service.
- xv) Approving the secondment of police officers and police staff.
- xvi) Approval of police officer and police staff visits to countries outside the United Kingdom in duty time.
- xvii) Managing service contracts relating to the service budget of the Chief Constable.
- xviii) On request to the Chief Constable providing support services to the PCC.
- xix) Employment of police staff.
- xxi) The Chief Constable shall on request by the PCC produce a report providing details of the condition of the assets used by the

PCC and the Chief Constable and the arrangements for insurance of them.

### **The Chief Constable's Chief Finance Officer (CFO)**

3A.11 The Chief Constable must appoint a CFO under paragraph 6(1)(b) of Schedule 1 to the PRSRA.

- a. The CFO is appointed by the Chief Constable to manage the Force's financial affairs in accordance with Sections 112 and 114 of the Local Government Finance Act and the Accounts and Audit Regulations.
- b. The CFO is responsible for the proper administration of the Chief Constable's financial affairs.
- c. The CFO has statutory duties to:
  - i) Make a report and send it to the Chief Constable and the PCC and the external auditor if it appears to the CFO that the Chief Constable, a committee of the Chief Constable, a person holding any office or employment under the Chief Constable, or a joint committee on which the Chief Constable is represented has made or is about to make a decision which involves or would involve the relevant Chief Constable incurring expenditure which is unlawful; has taken or is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the Chief Constable; or is about to enter an item of account the entry of which is unlawful.
  - ii) Make a report and send it to the Chief Constable and the PCC and the external auditor if it appears to the CFO that the expenditure of the Chief Constable incurred (including expenditure he proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to the Chief Constable to meet that expenditure.
  - iii) Prior to the report being sent it is expected the CFO will consult the CIPFA guidance.
- d. The CFO also has the following responsibilities:
  - i) Ensuring the financial affairs of the Force are properly administered and the Financial Regulations are observed and kept up to date.
  - ii) Advising the Chief Constable on value for money in respect of all aspects of the relevant police Force's expenditure.

- iii) Advising the Chief Constable on the soundness of the budget in relation to the Force.
  - iv) Liaising with the external auditor.
  - v) Ensuring adequate insurance cover is arranged in liaison with the Treasurer.
  - vi) Producing statements of accounts for the Chief Constable.
  - vii) Providing information to the Treasurer as required to enable production of group accounts.
  - viii) To manage the joint financial IT system on behalf of the OPCC and the Chief Constable in consultation with the Treasurer and to be responsible for the integrity of the computerised records and ensuring that all accounting records are maintained in accordance with legislation.
  - ix) To adhere to the Financial Management Code of Practice.
- e. Further financial management responsibilities of the CFO can be found in the Financial Regulations (Part 3C) of the Code of Corporate Governance.



## **Asset Schedule**

Assets held by the Police and Crime Commissioner for the use of the Chief Constable

- Land and Buildings including:
  - Freehold buildings
  - Enhancements to leasehold buildings

Assets held by the Police and Crime Commissioner for the use of the Police and Crime Commissioner

Furniture, ICT equipment, stocks and any other short life assets required for the operation of the Office of the Police and Crime Commissioner

Assets held by the Chief Constable for the use of the Chief Constable

- Vehicles
- Boats
- Bicycles
- IT Infrastructure including:
  - Desk tops
  - Servers, storage and all related hardware
  - Capitalised software
- IT personal usage (mobiles/Blackberries/laptops)
- Body worn video
- Firearms and ammunition
- Drones
- Cameras
- Uniforms
- Airwave handsets and related software
- Stock including:
  - Vehicle parts
  - Fuel included in bunkers and in vehicles
- Scientific equipment
- Personal protective equipment, for example, body armour, tasers etc.
- Furniture and fittings
- Gym equipment
- Reprographics equipment
- Advertising and promotional boards
- Canteen equipment
- Stores equipment
- Estates equipment
- Storage containers
- Custody attack/cell call system
- Interview recording equipment
- Road scanners for accident investigation

- Operational equipment
  - ANPR equipment
  - Trailers
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# **Part 3B**

## **Scheme of Delegation and Consent**

Draft

September 2025

## Part 3B Scheme of Delegation and Consent

- Part 3A – Schedule of Roles and Responsibilities
- **Part 3B – Scheme of Delegation and Consent**
- Part 3C – Financial Regulations
- Part 3D – Contract Standing Orders
- Part 3E – Meeting Governance

### Introduction

3B.1 This Scheme of Delegation and Consent sets out delegation of functions of the Police and Crime Commissioner (PCC) and the Chief Constable to enable the PCC and the Chief Constable to discharge their statutory functions. It sets out significant functions, which are delegated to the Chief Officers and statutory Officers. It does not affect the power of the Chief Constable and the PCC to make additional specific delegations from time to time.

3B.2 This Scheme of Delegation and Consent incorporates the following definitions which are laid out at paragraphs 3.8.and 3.9 within Part 3 (Scheme of Governance) which details the overarching Scheme of Corporate Governance.

**“Consent”** refers to the provision of approval or agreement, particularly and especially after due and thoughtful consideration. Transactions entered into following “consent” by the PCC to the Chief Constable, will be in the Chief Constable’s own name as a separate legal entity, as opposed to the name of the PCC.

**“Delegation”** is the assignment of authority and responsibility to another person to carry out specific activities. However, the person who delegated the work remains accountable for the outcome of the delegated work. Delegation therefore empowers another person to make decisions.

This Scheme of Delegation and Consent includes one consent between the PCC for Dorset to the Chief Constable of Dorset at paragraph 3B.58 of this document in relation to entering into contracts.

3B.3 Any person who exercises delegated authority under this scheme of delegation and consent must bring to the attention of the PCC or the Chief Constable as applicable any matter relating to the exercise of that delegated authority where the circumstances would be likely to be regarded by the PCC or Chief Constable as novel, contentious or sensitive.

3B.4 Any person who exercises authority under this Scheme of Delegation and Consent must comply with all statutory and regulatory requirements and all guidance. This will include any prevailing legislation.

- 3B.5 Any person who exercises authority under this Scheme of Delegation must have regard to the requirements of the Police and Crime Plan.
- 3B.6 With the exception of those matters reserved for decision by the PCC or the Chief Constable the scheme allows any person to whom a power has been consented or delegated to sub-consent/sub delegate that power further to staff so long as this is not prohibited by statute, regulation or statutory guidance nor is it specifically prohibited by the PCC. This delegation must be formally delegated and for a designated length of time. Appropriate arrangements should be recorded in writing for any significant length of absence. Any such sub-consent/sub delegation does not relieve the person who has sub-consented or sub-delegated a power from due responsibility for any decision taken by a person they have authorised to act on their behalf.
- 3B.7 Giving consent/delegation to officers under this scheme does not prevent an officer from referring the matter to the PCC or the Chief Constable for a decision if the officer thinks this is appropriate (for example, because of sensitive issues or any matter which may have a consequential financial or reputational implication).
- 3B.8 Any action taken under delegated authority must where reasonable be recorded by those officers holding the delegation, including recording that legal, financial and other considerations and consultations have been recorded and considered prior to a decision being taken.
- 3B.9 The PCC is responsible for ensuring the provisions and obligations of this scheme are properly drawn to the attention of all their staff and the Chief Constable is responsible for ensuring the provisions and obligations of this scheme are properly drawn to the attention of all officers and staff under his/her responsibility or employment.
- 3B.10 Notwithstanding any specific requirements in this scheme, the PCC shall be consulted in relation to any programmes and projects which may have a significant impact on the community of Dorset.
- 3B.11 The person appointed as the Chief Executive (who will also be the Monitoring Officer) and the Treasurer have statutory powers and duties relating to their position and therefore do not rely on a specific delegation to carry out these powers. Similar considerations apply to the CFO of Dorset Police.
- 3B.12 All delegations within this document or elsewhere are subject to the individual exercising the delegation, where required, in consultation with the Treasurer or CFO to ensure suitable budgetary provision exists to meet the immediate and any future liabilities arising from the decision.

### **Functions delegated from the Police and Crime Commissioner to the Police and Crime Commissioner's Chief Executive**

3B.13 In the absence of the PCC the PCC delegates decisions in relation to the exercise of their statutory functions to their Chief Executive to carry out in their absence.

3B.14 The PCC delegates the following functions to the Chief Executive:

- a. To prepare and co-ordinate the production of the Police and Crime Plan.
- b. To produce an annual report.
- c. Subject to the views of the Chief Constable when appropriate to publish information on behalf of the PCC as required by the Elected Local Policing Bodies (Specified Information) Order.
- d. To provide information to the Police and Crime Panel to enable it to carry out its functions.
- e. To make arrangements to institute defend or participate in any legal proceedings in any case where such action is necessary to give effect to decisions of the PCC or in any case in which the Chief Executive considers that such action is necessary to protect the PCC's interests.
- f. To consider with the PCC any complaint made against the Chief Constable and where appropriate to make arrangements for appointing an officer to investigate the complaint.
- g. To ensure in consultation with the Chief Constable that appropriate arrangements are made to gather the community's views and the views of victims of crime on the policing of Dorset.
- h. Such matters that are referred for decision by the Chief Executive in the Financial Regulations and Contract Standing Orders.
- i. To appoint and suspend and dismiss in consultation with the PCC the staff of the PCC who are not under the direction and control of the Chief Constable.
- j. Having taken the appropriate legal or other expert advice in accordance with the sub paragraph (k) above to settle Employment Tribunal claims and civil claims brought against the PCC subject to the memorandum of understanding agreed with the Force in relation to the provision of instructions in legal proceedings.
- l. To appoint and if necessary terminate the appointment of Independent Custody Visitors in accordance with Section 51 Police Reform Act and OPCC staff.

- m. To place orders for goods, services and work within budget provision, up to the value at which relevant legislation applies subject to: compliance with Financial Regulations and Contract Standing Orders and a report being submitted to the PCC for information.
- n. To make appointments to Police and Vetting Appeal Tribunals in consultation with the PCC.
- o. To deal with routine matters of urgency.
- p. To apply for planning permission on behalf of the PCC.
- q. To consult, as appropriate, with the Treasurer and the CFO and the Executive Lead for Legal Services to identify areas where the probity of the PCC and the Chief Constable could be better protected.
- r. To prepare the PCC's risk management policies.
- s. To maintain the risk register of the PCC and if requested to have sight of the risk register of the Chief Constable. This may be a joint risk register or a sole organisation risk register.
- t. To be responsible for the budget for the Office of the Police and Crime Commissioner (OPCC).
- u. To approve ex gratia payments up to the limit set out in the Financial Regulations.

### **Functions delegated from the Police and Crime Commissioner to their Police and Crime Commissioner's Treasurer**

3B.15 To implement and monitor the Treasury Management Policy Statement.

3B.16 To be responsible for the investment of the PCC's funds and the borrowing of funds as necessary in accordance with the Treasury Management Strategy including authority to make investment decisions. The Treasurer may arrange for the CFO to undertake day to day cash management activities or may procure these activities from an appropriate source.

3B.17 In extremis, to make the payments where prior approval by the PCC is not possible to authorise such payments, irrespective of whether or not provision has been made in the revenue budget but within the bounds of Section 114 of the Local Government and Finance Act. Any decisions taken under this provision must be reported as soon as possible to the PCC and the CFO.

3B.18 To be responsible for all banking arrangements together with the creation, closure or authorisations of any account.

- 3B.19 To decide having taken appropriate advice in consultation with the Chief Executive any enhancements or applications of discretion within the Local Government Pension Scheme.
- 3B.20 To ensure the joint internal audit function is effective for the use of the PCC and to report all matters of concern arising from internal audit activity to the PCC and the Independent Audit Committee (IAC) as appropriate.
- 3B.21 To prepare draft financial regulations and rules relating to contracts in consultation with the CFO.
- 3B.22 To approve contract award, contract variations and contract extensions for any specified contracts in the name of the PCC up to the limits set out in the Financial Regulations (Part 3C of the Code of Corporate Governance).
- 3B.23 To approve the waiving of standing orders and procurement regulations for any contract in the name of the PCC up to the limits set out in the Financial Regulations (Part 3C of Code of Corporate Governance).
- 3B.24 To approve the disposals of assets in the ownership of the PCC for the use of the PCC and assets in the ownership of the PCC for the use of the Chief Constable up to the limits set out in the Financial Regulations (Part 3C of Code of Corporate Governance).
- 3B.25 To approve the write off of income due to the PCC up to the limits set out in the Financial Regulations (Part 3C of Code of Corporate Governance).
- 3B.26 To approve individual retirement or redundancy sums for staff of the OPCC up to the limits set out in the Financial Regulations (Part 3C of Code of Corporate Governance).
- 3B.27 Any other such matters that are referred for decision by the Treasurer in the Financial Regulations and Contract Standing Orders.

### **Functions delegated by the Police and Crime Commissioner to the Head of Estates**

- 3B.28 Dorset estates staff are employed by the Chief Constable but work under the delegation of the Dorset PCC.
- 3B.29 In Dorset the following are delegated to the Head of Estates:
- a. To appoint technical consultants as and when required to progress the capital and revenue programmes.
  - b. To add or delete firms from the PCC's approved list of building contracts and architectural services consultants, in accordance with approved criteria.



- c. To negotiate and appoint a consultant selected from the approved list of architectural services consultants in accordance with the criteria submitted where they consider it to be in the best interests of the PCC and where the fee (inclusive of expenses) is within budgetary provision and in accordance with relevant legislation.
- d. To authorise persons to enter and survey land pursuant to Section 15 Local Government (Miscellaneous Provisions) Act and Section 324(6) Town & Country Planning Act.
- e. To grant licences and fees for radio installations/masts and aerials which conform to approved standards and to report such approvals retrospectively to the PCC for information.
- f. To let surplus empty properties, which are not intended for disposal, ensuring they are managed in-house and let at market rents after being advertised on the open market, subject to retrospective reporting to the PCC
- g. To arrange for the service of notices to quit in order to obtain possession of land for a purpose already approved by the PCC or to enable a variation to be made in the terms upon which a tenancy of land is held.
- h. To acquire and/or dispose of surplus property, as confirmed by the PCC, at its open market value as certified by a qualified valuer, and which is included in the strategy outlined for the year in the Police and Crime Plan such transactions to be reported retrospectively to the PCC
- i. To make application to the highways authority for the grant of licences for operators over, in and under streets required for the PCC's development.

3B.30 For projects where the final business case has been approved by the primary governance board and following the express approval of the PCC's Chief Executive to apply for planning permission on behalf of the PCC.

### **Functions delegated by the Chief Constable to their Chief Finance Officer**

**3B.31 To assist the PCC in planning the budget for Dorset Police.**

**3B.32 To undertake the day to day management of the budget for Dorset Police.**

3B.33 To approve contract award, contract variations and contract extensions for any contract in the name of the Chief Constable up to the limits set out in the Financial Regulations (Part 3C of the Scheme of Corporate Governance).

- 3B.34 To approve the waiving of standing orders and procurement regulations for any contract in the name of the Chief Constable up to the limits set out in the Financial Regulations (Part 3C of the Scheme of Corporate Governance).
- 3B.35 To approve the disposals of assets in the ownership of the Chief Constable for the use of the Chief Constable and assets in the ownership of the PCC for the use of the Chief Constable up to the limits set out in the Financial Regulations (Part 3C of the Scheme of Corporate Governance).
- 3B.36 To approve the write off of income due to the PCC up to the limits set out in the Financial Regulations (Part 3C of the Scheme of Corporate Governance).
- 3B.37 To approve individual retirement or redundancy sums for staff of the Chief Constable up to the limits set out in the Financial Regulations.
- 3B.38 To approve the write off stocks in the ownership of the Chief Constable up to the limits set out in the Financial Regulations (Part 3C of Scheme of Corporate Governance).
- 3B.39 To approve ex gratia payments to staff of the Chief Constable up to the limits set out in the Financial Regulations (Part 3C of the Scheme of Corporate Governance).
- 3B.40 Any other such matters that are referred for decision by the Chief Finance Officer in the Financial Regulations and Contract Standing Orders.
- 3B.41 To be responsible for managing the accounts systems of the Chief Constable.
- 3B.42 Undertake day to day management of the assets held by the Chief Constable.
- 3B.43 To represent the Chief Constable at the Police Pensions Board, in accordance with the Police Pensions Board terms of Reference.

## **Delegations from the Chief Constable to Non-Statutory Posts**

### **Functions delegated by the Chief Constable to the Chief Constable's Executive lead for Legal Services**

- 3B.44 To provide legal advice to the PCC and the Chief Constable on their powers and ability to take decisions and actions in specific situations.
- 3B.45 To institute prosecute defend or participate in legal or other proceedings on behalf of the Chief Constable and the PCC where such action is necessary to give effect to the decisions and policies of the Chief Constable and the PCC or where the Executive Lead for Legal Services advises that such action is necessary to protect the interests of the Chief Constable or the PCC.

3B.46 To appear on behalf of the Chief Constable and the PCC in proceedings at any appropriate court, tribunal or inquiry and to take any action in connection with such proceedings.

3B.47 Having taken instructions from the Chief Constable and the PCC in accordance with the agreed protocol to settle or compromise any legal proceedings where the Executive Lead for Legal Services advises that such action is necessary to protect the interests of the Chief Constable and/or the PCC:

- a. The powers set out above in paragraphs 3B.47 to 3B.49 may be exercised on behalf of the Executive Lead for Legal Services by any qualified lawyer. Working within the Joint Legal Services Department or in circumstances where external lawyers are instructed in accordance with paragraph 3B.14(k) above.

### **Financial Delegations to the Chief Constable's Executive Lead for Human Resources**

3B.48 To adjust the police staff establishment both in numbers and gradings within the overall workforce budget approved by the PCC.

3B.49 To determine all employee matters relating to police pensions in consultation with the CFO (including widows' pensions).

3B.50 To determine the following matters in relation to injury awards:

- a. Decide to refer the process to the Selected Medical Practitioner (SMP).
- b. Decide to retain an officer where the SMP confirms the officer is not permanently disabled and both the management and the officer agree the retention period is appropriate.
- c. Decide the appropriate review period for injury awards.
- d. Decide whether there is a cognisant reason why an injury award should not be reduced to the lowest band upon the pensioner reaching statutory retirement age.

3B.51 To publish and maintain a policy of employer discretions under the Local Government Pensions Scheme and Public Service Pensions Acts (PSPA), including the Police Pension Scheme 2015, in consultation with the CFO and Treasurer as appropriate.

3B.52 Any decisions with regard to the enhancements or applications of discretion listed above will be referred to the Treasurer and the CFO.

3B.53 To accept notices from police officers of an intention to retire from the service.

3B.54 To receive and accept notices from probationer officers who express an intention to retire during their probationary period.

3B.55 To consult the PCC's Treasurer and the CFO in order to ensure that adequate financial provision is in place for proposed redundancies of the Chief Constable's staff.

### **Consent from the Police and Crime Commissioner to the Chief Constable**

3B.56 The PCC for Dorset gives consent to the Chief Constable to enter into contracts and to acquire or dispose of property, other than land, subject to the requirements of Financial Regulations, including Contract Regulations.

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# **Part 3C**

# **Financial**

# Regulations

Draft

September 2025

## Part 3C Financial Regulations

- Part 3A – Schedule of Roles and Responsibilities
- Part 3B – Scheme of Delegation and Consent
- **Part 3C – Financial Regulations**
- Part 3D – Contract Standing Orders
- Part 3E – Committee Governance

### Introduction

- 3C.1 These Financial Regulations are for the use of the two corporations sole which form Dorset –that is the Force itself and the Police and Crime Commissioner (PCC) for Dorset. The PCC and Chief Constable are established in law as corporations sole within the Police Reform and Social Responsibility Act.
- 3C.2 This document is Part 3C of the overarching Code of Corporate Governance for the two corporations sole and should be read in conjunction with the Code and in particular with the definitions found at paragraph 1.5 of document Part 1 Summary of the Code of Corporate Governance.
- 3C.3 The PCC and Chief Constable are jointly responsible for approving or amending Financial Regulations. In that regard, the Treasurer is responsible for maintaining and reviewing the Financial Regulations and submitting any additions or amendments to the PCC and Chief Constable, after consulting with the Chief Finance Officer (CFO) and the Chief Executive; who is also the Monitoring Officer. Any such additions and amendments will also be reported to the Independent Audit Committee (IAC). Copies will be available on-line for staff and public.

### Statutory and Regulatory Background

- 3C.4 These regulations are designed to comply any prevailing legislation.
- 3C.5 For the purposes of these regulations the following definitions apply:
- a. Budget – a plan expressed in financial terms.
  - b. Contracts – a voluntary arrangement between two or more parties that is enforceable by law as a binding legal agreement.
  - c. Major project – an individual or collaborative enterprise, possibly involving research or design that is carefully planned, usually by a project team to achieve a particular aim.
  - d. Treasurer – Chief Finance Officer for the PCC.

- e. Chief Finance Officer – Chief Finance Officer for the Chief Constable.
- f. PCC – Police and Crime Commissioner.

## **Financial Accountabilities**

### **Accounting Policies**

- 3C.6 The Treasurer and CFO are jointly responsible for selecting suitable accounting policies for the Accounts, in accordance with recognised accounting practices and ensuring they are applied consistently.

### **Accounting Records and Returns**

- 3C.7 The Treasurer is responsible for the proper administration of the financial affairs of the PCC and ensuring effective systems of internal control within the Office of the Police and Crime Commissioner (OPCC). The CFO is responsible for the proper administration of the financial affairs of the Force and ensuring effective systems of internal control within the Force. It is through these mechanisms that the Treasurer and the CFO will determine the standards for accounting records and returns.
- 3C.8 Ensuring proper accounting records are maintained is one of the ways in which the PCC and Chief Constable discharge their responsibilities for stewardship of public resources.
- 3C.9 The financial system is managed and operated by the Force's Finance Department on behalf of the PCC and the Chief Constable. The CFO has the responsibility for the integrity of the computerised financial records and for ensuring that all accounting records are maintained in accordance with legislation and with these regulations. They will report annually to the IAC on the operation of key controls in relation to the computerised financial systems.
- 3C.10 The Treasurer and the CFO work in accordance with the financial management code of practice, other such codes and any detailed agreements between them.

## **The Annual Statement of Accounts**

### **Responsibilities**

- 3C.11 It is the responsibility of the Treasurer to:
- a. Ensure production of the statement of accounts for the PCC on a timely basis.
  - b. Ensure receipt and scrutiny of the statement of accounts of the Chief Constable.

- c. Ensure production of the group accounts for their PCC and the Chief Constable.
- d. To certify that the PCC's accounts and the group accounts give a true and fair view of the financial position and income and expenditure during the year.

3C.12 It is responsibility of the CFO to:

- a. Produce a statement of the Chief Constable's accounts on a timely basis.
- b. Certifying that the Chief Constable's accounts give a true and fair view of the financial position and income and expenditure during the year.
- c. Provide information to the Treasurer as required to enable production of the group accounts for their PCC and the Chief Constable.

3C.13 It is the role of the IAC to review the draft Statements of Accounts.

3C.14 All accounts will be prepared in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the United Kingdom.

3C.15 The accounts are subject to detailed independent review by the external auditor. This audit provides assurance that the accounts are prepared correctly, that proper accounting practices have been followed and that they provide a true and fair view of the financial position.

3C.16 The PCC and Chief Constable are responsible for approving the relevant annual accounts for publication.



### Accountabilities to the Police and Crime Panel

- 3C.17 The Police and Crime Panel review the performance of the PCC and scrutinises the exercise of their statutory functions. In particular the Police and Crime Panel has the power to review the draft Police and Crime Plan and the related precept requirements.
- 3C.18 The Police and Crime Panel has the power to request the PCC to supply reports and information in their possession (except those that are operationally sensitive).
- 3C.19 The PCC is responsible for determining what financial information should be provided to the Police and Crime Panel.
- 3C.20 The Treasurer is responsible for ensuring that all relevant financial information as determined by the PCC is provided to the Police and Crime Panel.

### Value for Money (VFM)

- 3C.21 The Chief Constable has a statutory duty to ensure that they and the persons under their direction and control secure VFM in exercising their functions.
- 3C.22 The PCC holds the Chief Constable to account for compliance with their duty to provide VFM.
- 3C.23 The Treasurer is responsible for advising the PCC on VFM in relation to all aspects of PCC's income and expenditure.
- 3C.24 The CFO is responsible for advising the Chief Constable on VFM in relation to all aspects of Force's income and expenditure.
- 3C.25 The PCC and the Force should be able to satisfy the following principles:
- a. The process for allocating resources against desired outcomes is transparent and based on clear, quantified evidence.
  - b. Risks to performance, improving processes and productivity are assessed. This is used to target improvement activity or develop contingency plans.
  - c. Services and support functions are tested against appropriate benchmarks to identify and tackle excessive costs or weak performance.
  - d. Public demand for services is understood and quantified, and informs deployment of staff.

- e. Staff are used efficiently and programmes to increase employee engagement are in place.
  - f. Programmes to minimise waste are in place.
  - g. End-to-end operational processes are focused on delivering for the public, with data used to demonstrate this. Processes are streamlined, reduce undue bureaucracy and are efficient.
  - h. Goods and services and supply contracts are managed in a way that maximises value, including taking advantage of central or collaborative procurement where appropriate.
  - i. Data is fit for its intended purpose and is used and published routinely, providing clear line of sight between consumption of resources, production of outputs and realisation of outcomes.
  - j. Nationally mandated procurement rules are followed.
  - k. Where funding is provided to third parties, mechanisms are in place for demonstrating VFM.
- 3C.26 The External Auditor will review the arrangements in place for securing value for money on an annual basis and issue an opinion with the annual accounts audit. HMICFRS will also assess VFM as part of regular inspections.

## Financial Planning

### Principal Responsibilities

- 3C.27 The PCC is responsible for determining the budget for the Force, allocating assets and funds to the Chief Constable and setting the precept for the policing area.
- 3C.28 The Chief Constable is responsible for assisting the PCC in planning the Force budget.
- 3C.29 The budget delegated to the Chief Constable by the PCC shall be set on an annual basis.
- 3C.30 The detail of the budget will be in a format agreed by the CFO in consultation with the Treasurer.
- 3C.31 Further delegation of the budget by the Chief Constable will be formally detailed by the CFO, and budget holders individually notified of the budget and the nature of the expenditure it is agreed for, together with any virement rules applicable to their area of responsibility.

3C.32 The Scheme of Delegation and Consent (Part 3B of the Code of Corporate Governance) deals with overall delegation managing major budget headings, in detail these are as follows:

<b>Major Budget Heading</b>	<b>Responsibility</b>
Force's Operational Expenditure and Force's Operational Income (the transferred budget)	Chief Constable
Office of the Police and Crime Commissioner	Chief Executive
Commissioning Budgets of the OPCC	Chief Executive
Interest Receipts, External Borrowing Costs and Minimum Revenue Provision for the Repayment of Debt	Treasurer
Contributions to / from Reserves	Treasurer
Formula Grants	Treasurer
Precept Incomes	Treasurer
Capital Expenditure	Chief Constable
Capital Financing	Treasurer

### Financial Planning

3C.33 The strategies and plans of the PCC and Chief Constable will be compliant and complimentary with these Financial Regulations.

3C.34 The financial planning policies of the PCC are contained within the:

- a. Police and Crime Plan prepared by the PCC and reviewed by the Police and Crime Panel.
- b. Medium Term Financial Strategy which includes the Capital Programme.

### Medium Term Financial Strategy (MTFS)

3C.35 The PCC and the Chief Constable share a responsibility to provide effective financial and budget planning for the short, medium and longer term for the Force. They achieve this by preparing a MTFS for the period that covers at least 4 years.

3C.36 The MTFS must include the following information:

- Revenue Funding
- Revenue Spending
- Capital Funding
- Capital Spending
- Information on the use of Balances, Fund and Reserves
- Four years data or matching the Police and Crime Plan if longer.

3C.37 The following factors must be taken into account when producing the MTFS:

- a. Alignment with the Police and Crime Plan.
- b. Policy requirements approved by the PCC as part of the policy framework.
- c. Proposed service developments and plans which reflect public consultation.
- d. The threat/risk/harm impact of changing funding priorities.
- e. Unavoidable future commitments, including legislative requirements and initiatives already underway
- f. Reasonable workforce assumptions.
- g. Capital Programme and asset management strategy.
- h. Interdependency of the revenue budget and capital investments.
- i. The role of reserves in supporting the strategy and the consideration of risks.
- j. The need to secure the long term financial health of the organisation.
- k. Affordability.
- l. The need to deliver value for money through efficiency and/or productivity savings.
- m. CIPFA Prudential Code on capital expenditure and borrowing.

## Responsibilities

- 3C.38 The Treasurer is responsible for the format and timetable of the MTFS to be presented to the PCC.
- 3C.39 The CFO and Treasurer are responsible for preparing medium term forecasts of income and expenditure for their respective budget headings in a format specified by the Treasurer.
- 3C.40 The Chief Constable is responsible for ensuring that the Force's operational plans are aligned with the Police and Crime Plans.
- 3C.41 The CFO is responsible for ensuring that medium term forecasts of income and expenditure for the Force are aligned with the Chief Constable's operational plans as set out in their Budget Reports.
- 3C.42 The Treasurer and CFO are responsible for preparing a joint report on the options for the MTFS and related budgets of the PCC and Force for the consideration of the PCC.

- 3C.43 The PCC is responsible for approving, in consultation with the Chief Constable, the MTFS.

### **Maintenance of Reserves and Balances**

- 3C.44 The PCC holds all reserves and balances.
- 3C.45 The Treasurer is responsible for creating a reserves strategy in consultation with the CFO.
- 3C.46 The Treasurer is responsible for advising the PCC about the level of reserves that the PCC holds and for ensuring there are clear protocols for their establishment and use. For each earmarked reserve held by the PCC there should be a clear protocol setting out:
- a. The reason for/purpose of the reserve.
  - b. How and when the reserve can be used.
  - c. Procedures for the reserve's management and control.
  - d. A process and timescale for review of the reserve to ensure continuing relevance and adequacy.
- 3C.47 The Treasurer and the CFO will keep any legal or constructive obligations (liabilities) under review throughout the year. Any changes to the provisions or reserves required in relation to such liabilities will be reflected in the regular budget monitoring reports to the Resource Control Board.
- 3C.48 In addition to the regular review outlined above the Executive Lead for Legal Services will report formally to the appropriate governance board on the level of the outstanding liabilities and potential liabilities of the PCC and the Chief Constable as at 30 September and 31 March of any given financial year.
- 3C.49 The Treasurer and CFO have a duty to report on the robustness of estimates and the adequacy of reserves and provisions when the PCC is considering the budget. In particular the Treasurer must assess the adequacy of unallocated general reserves taking into account the strategic, operational and financial risks facing the PCC. In coming to this view the Treasurer must seek the advice of the CFO and of the Chief Constable on major policing risks facing the Force.
- 3C.50 The PCC shall approve the creation of reserves and appropriations to and from general balances and reserves. To enable the PCC to reach their decision the Treasurer shall report the factors that influenced their judgement, and ensure the advice given is recorded formally.

## Annual Budgets

- 3C.51 The revenue budget provides an estimate of the annual income and expenditure requirements of the Force and sets out the financial implications of the PCC's strategic policies. It provides the delegated budget holders with authority to incur expenditure and a basis on which to monitor the financial performance of both the PCC and the Chief Constable.
- 3C.52 The PCC must consult with the Chief Constable and should consult with other partners and stakeholders in planning the overall annual budget.
- 3C.53 The Annual Budget to deliver the Police and Crime Plan forms part of the MTFS and it must include as a minimum the following information:
- a. Revenue budget
    - i) Overall annual budget
    - ii) Separate budgets for the major budget headings
    - iii) The Council Tax Requirement.
  - b. Capital budget.
  - c. The impact of the annual budget on the priorities and funding of future years as set out in the Police and Crime Plan and MTFS.
- 3C.54 The following factors must be taken into account by the Treasurer when producing the Annual Budgets:
- a. Funding available.
  - b. The requirement to balance the need of the policing service against the level of local taxation.
  - c. The statutory requirement to produce a balanced budget [Section 25 Local Government Act].
- 3C.55 Inclusion of an item within the revenue budget confers upon the budget holder authority to spend whereas inclusion of an item within the capital budget does not confer authority to spend.

## Responsibilities

- 3C.56 The PCC is responsible for obtaining the views of the local community on the proposed revenue and capital expenditure in the financial year ahead.
- 3C.57 The Treasurer is responsible for the format and timetable of the annual budget to be presented to the PCC.

- 3C.58 The CFO and Treasurer are responsible for preparing detailed budget estimates for their respective budgets in the specified format.
- 3C.59 The Chief Constable is responsible for ensuring that the Force budget estimates are aligned with the objectives set out in the Police and Crime Plan.
- 3C.60 The Treasurer is responsible for obtaining timely and accurate information from billing authorities on the council tax-base and the latest surplus/deficit position on Collection Funds to inform budget deliberations.
- 3C.61 The Chief Executive shall ensure that the PCC formally considers the budget proposals and the PCC acts in accordance with any legal requirements in respect of budget resolutions and the timely setting of the budget.
- 3C.62 The PCC is responsible for presenting the proposed budget and police precept recommendations to the Police and Crime Panel for approval. The procedures and timetable for setting the Precept is set out in the Police and Crime Panel (Precepts and Chief Constable Appointments) Regulations 2012.
- 3C.63 Upon approval of the annual budget, the Treasurer is responsible for submitting the council tax requirement returns to central government and precept requests to appropriate bodies in accordance with the legal requirements for the Force. In addition the Treasurer is responsible for meeting the statutory requirements in relation to the council tax information to be available to the public for the Force.

### **Budget Monitoring and Control**

- 3C.64 Budget management ensures that once the PCC has approved the budget, resources allocated are used for their intended purpose and are properly accounted for. Budgetary control is a continuous process, enabling detailed budget headings to be reviewed and adjusted during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.
- 3C.65 Once the budget is set the Chief Constable will only be required to refer back to the PCC when a decision to move budget would incur substantive changes of policy or involve any novel, contentious or repercussive expenditure.

### **Responsibilities**

- 3C.66 It is the responsibility of the CFO, Chief Executive and Treasurer to monitor and control their respective income, expenditure and operational

performance, taking action necessary to avoid exceeding their budget. When doing this they will ensure that they rely on accurate and timely budget monitoring information.

- 3C.67 The CFO, and Treasurer will prepare monthly budget monitoring reports and submit them to the relevant governance board. This board membership should include the Chief Constable and PCC.
- 3C.68 The format of the reports shall ensure that the PCC is appraised of developments in key non-financial indicators such as actual and projected staffing numbers, progress on ICT developments and other major projects, partnerships, performance and other requirements the PCC may consider necessary.
- 3C.69 The CFO has responsibility for ensuring that appropriate arrangements are in place to co-ordinate the financial information and provide a comprehensive and timely budget monitoring report to the PCC via the Resource Control Board.
- 3C.70 The CFO has responsibility to determine when a financial decision or commitment in relation to the Force's budget involves any novel contentious or repercussive expenditure.
- 3C.71 The CFO, and Treasurer have responsibility to report to the PCC when expenditure on the major budget headings is likely to exceed the overall budget. Where this becomes apparent outside of the normal reporting periods the appropriate officer will (after consultation with the Chief Constable when the overspend relates to a Force budget) submit an urgent report to the PCC, with recommendations for corrective action.

### Management of Budgets

- 3C.72 The CFO, and Treasurer will ensure that each element of income and expenditure has a nominated budget holder to take responsibility for that part of the budget. They will also ensure that each budget holder has sufficient financial information and support to allow them to effectively monitor and manage their budget.
- 3C.73 Budget responsibility should be aligned as closely as possible to the decision-making process that commits expenditure.
- 3C.74 Budget holders are accountable for the management of their delegated budgets and the associated levels of service delivery. They must fully understand and accept their financial responsibilities recognising that effective budget management cannot be undertaken in isolation. It must be aligned with service outputs and performance indicators. Importantly, budget holders are not authorised to incur any overspend without prior approval of the Chief Constable and the Chief Constable's



CFO. Unapproved overspending will be treated as a breach of financial regulations and may be subject to further action.

## Virement

3C.75 Virement is a planned reallocation of resources between approved budgets or heads of income and expenditure. Virement is intended to enable the budget holders to manage their budgets with a degree of flexibility within the overall policy framework determined by the PCC and, therefore to provide the opportunity to optimise the use of resources for emerging needs.

3C.76 Virement Rules:

- a. No virement in excess of the limits set out in 3C.273 shall be permitted between the major budget headings (as set out paragraph 3C.32 above) without the prior approval of the PCC.
- b. Virement decisions must not lead to additional spending, ongoing commitments or substantive changes in policy without the prior approval of the PCC.
- c. All virement decisions made by the PCC that reallocate resources between the major budget headings will be made after consultation with the Chief Constable to establish the impact on the policing service and the delivery of the Police and Crime Plan. In addition all such virements will be the subject of a formal decision.
- d. All virements between budget lines will be recorded and available for review.

## Externally Funded Projects

3C.77 Approval of the PCC is required, prior to the submission of the application, for externally funded projects where:

- a. There is a total one-off requirement for matched funding (that is, a call on the revenue or capital resources of the PCC over an agreed limit).
- b. There is a total ongoing call on the revenue resources of more than the agreed limit.

3C.78 When determining the value of a contract the calculation should include the total contractual liabilities that could arise from the contract over its expected life. This will include the initial contract price, annual support and licensing over the expected life of the contract.

## Comparison of Outturn Against Budgets

- 3C.79 As part of the closure of accounts the CFO, Chief Executive and Treasurer, shall compare final income and expenditure on budget headings against the budget and explain any significant variations. The CFO shall ensure that appropriate arrangements are in place to co-ordinate the financial information and provide a comprehensive and timely out-turn report to the Chief Constable, the PCC and any relevant governance board.
- 3C.80 In addition the CFO, Chief Executive and Treasurer shall retrospectively compare income and expenditure forecasts throughout the year with the final outturn to measure the reliability of forecasts. Any subsequent action that may result from this exercise shall be agreed between the Chief Constable and Treasurer and reported to the PCC.

### **Treatment of Year End Balances**

- 3C.81 A year-end balance is the amount by which actual income and expenditure varies from the final budget, normally identified to devolved budget holder level. Arrangements are necessary for the transfer of resources between accounting years, i.e. a carry forward. This may increase the resources available to budget holders in the following financial year, dependent upon the direction of the budget variation.
- 3C.82 Carry Forwards may be requested but are not an automatic right. The level of underspend to be carried forward in any one year will be determined by the PCC in the light of the overall financial position in consultation with the Treasurer and CFO as appropriate.

### **Capital Planning**

- 3C.83 Whilst capital assets are owned by the PCC, most capital assets are used and managed by the Chief Constable.
- 3C.84 It is a requirement for the Treasurer to publish an annual Capital Strategy in consultation with the CFO.
- 3C.85 When making any decision to acquire or dispose of assets the PCC must have regard to the right of the Chief Constable to have unfettered access to operational assets.

### **Responsibilities**

- 3C.86 The Chief Constable is responsible for developing proposed asset management plans or strategies for the following asset groups:
- Estates
  - Vehicles
  - ICT Infrastructure

- ICT assets issued for personal usage
  - Other equipment.
- 3C.87 The asset management plans will include investment and disposal strategies as follows:
- Asset Management Strategy
  - Vehicle Replacement Programme
  - ICT replacement programme
  - Personal issue ICT and equipment replacement plan
  - Strategic Change Programme
  - Other capital equipment
- 3C.88 In addition, the Chief Constable is responsible for identifying and proposing the capital expenditure required to take forward the Force's development priorities.
- 3C.89 The Chief Constable is responsible for ensuring that the projects within each strategy are prioritised to enable the PCC to make the best informed judgements as to the use of the capital funding available.
- 3C.90 The Chief Constable is responsible for ensuring that projects and programmes included in the proposed investment plans are appropriately supported by a business case, approved by an appropriate governance board.
- 3C.91 The PCC is responsible for approving the asset management and investment strategies. Asset management plans may be delegated to the Chief Constable.

### **Capital Project Approval**

- 3C.92 All projects within the capital programme will have a two-stage approval process. Each project will have an indicative planning cost which will facilitate overall programme planning, an approved project cost and the wider reference of an approved capital strategy.
- 3C.93 All projects within the capital programme will have a formal approval process and oversight through the appropriate governance board. Projects will have approved budgets.

### **Medium Term Capital Programme**

- 3C.94 The Chief Constable will prepare a minimum of a four year programme of proposed capital expenditure for approval by the PCC. This programme will be based on the approved investment and disposal strategies plus the addition of approved one-off projects.
- 3C.95 Projects that have not yet been approved will be included in the four year capital programme at estimated cost and identified as such. Approved

projects will be included in the four year capital programme at the value set out in the approved business case or the latest estimated cost.

- 3C.96 The Treasurer in consultation with the CFO will identify available sources of funding for the medium-term capital programmes including the identification of potential capital receipts from the disposal of property.
- 3C.97 The Medium-Term Capital Programme will form an integral part of the overall MTFS. The PCC will apply the principles set out in the CIPFA Prudential code to test the affordability of the Medium-Term Capital Programme.

### **Capital Programme Management and Monitoring**

- 3C.98 The annual capital programme will consist of the first year of the four-year capital programme.
- 3C.99 Approval of business cases for projects included in the annual programme at estimated cost will lead to variations in the programme if the cost in the business case is different from the estimated cost. Any changes that increase the overall cost of the programme will only be approved if additional capital financing resources are identified and approved by the PCC to fund the additional cost.
- 3C.100 The capital programme may not be used to fund development costs for projects that have not yet been approved (without specific approval for spending in advance).
- 3C.101 All project overspends above the value set out in 3C.277 must be reported to enable a review of the project to be undertaken and appropriate funding identified.
- 3C.102 Virements between projects may be agreed under delegated approval as set out in 3C.276. Any increase to the total value of an individual programme should be reported to RCB.
- 3C.103 Any new projects considered during the year must be considered by Joint Leadership Board and funding approved by the PCC.
- 3C.104 Capital expenditure will be monitored by the Capital Strategy Group and reported to the RCB quarterly.

### **Capital Financing Resources including Capital Receipts**

- 3C.105 The Treasurer will monitor the availability of capital financing resources including capital receipts and report any variations quarterly alongside the capital expenditure monitoring report.
- 3C.106 All disposals of land and buildings will require the prior approval of the PCC as set out in 3C.282 of these regulations.

## Management of Risk and Resources

### Introduction

- 3C.107 Risk management is the planned and systematic approach to the identification, evaluation and control of risks and threats to the achievement of the organisation's aims and objectives.
- 3C.108 The objectives of risk management are to secure the assets of the organisation and to ensure the continued corporate and financial well-being of the organisation.
- 3C.109 It is important that risk management is embedded throughout the governance arrangements of both organisations, whether operating jointly or separately.

### Risk Management

#### Responsibilities

- 3C.110 The Chief Constable is responsible for the Force Risk Register and the PCC for the OPCC Risk Register.
- 3C.111 The Chief Executive is responsible for:
- a. Preparing the Risk Management Policy for the PCC.
  - b. Overseeing a corporate approach to risk management for the PCC which is aligned with the PCC strategic objectives.
  - c. Maintaining the PCC's Strategic Risk Registers.
  - d. Reviewing and where appropriate proposing changes to the PCC's risk management policies.
  - e. Ensuring staff and members of the Independent Audit Committee have access to appropriate training and development opportunities to understand risk management.
  - f. Promoting a culture of risk awareness within the OPCC and reviewing risk as an ongoing process.
  - g. Monitoring the Force's risk management arrangements and producing a report to the PCC and IAC when appropriate, but at least annually.
- 3C.112 The Chief Constable is responsible for:
- a. Preparing the Risk Management Policy for the Force.

- b. Overseeing a corporate approach to risk management for the Force which is aligned with the PCC's strategic objectives.
  - c. Maintaining the Force's Corporate Risk Register.
  - d. Maintaining the Force's tactical risk registers.
  - e. Reviewing and where appropriate proposing changes to the Force's risk management policy.
  - f. Ensuring police staff and officers have access to appropriate training and development opportunities to understand risk management.
  - g. Promoting a culture of risk awareness throughout the Force and reviewing risk as an ongoing process.
- 3C.113 The Chief Executive and Chief Constable will be jointly responsible for ensuring that the risk management policies are aligned in such a way that the risks to the achievement of the PCC's aims and objectives are clear and are managed coherently.
- 3C.114 The role of the Independent Audit Committee is to review the effectiveness of risk management arrangements and the control environment within both the OPCC and the Force.

## **Business Continuity**

### **Responsibilities:**

- 3C.115 The Chief Executive is responsible for ensuring that appropriate business continuity plans are developed, implemented and tested on a regular basis for the PCC. The Chief Constable is responsible for ensuring that similar arrangements are in place for the Force.

## **Insurance**

### **Responsibilities**

- 3C.116 The PCC is responsible for ensuring that adequate insurance cover is arranged where appropriate. This cover should take the form of a joint insurance policy for the PCC and the Chief Constable. Liabilities may be self-insured where this is judged to be the most cost-effective option. All liabilities will be the responsibility of the PCC who will establish a provision as at 31 March of any given year to meet the estimated cost of such liabilities.
- 3C.117 The CFO in consultation with the Chief Constable is responsible for advising the PCC on insurance arrangements.

- 3C.118 The Executive Lead for Legal Services shall be authorised to settle liability claims up to the value shown in 3C.288. Beyond this value, claims must be referred to the Treasurer and Chief Executive who will make a decision in consultation with the senior Force representatives and the CFO. Subject always to processes which exist for taking instructions in liability claims.
- 3C.119 The Executive Lead for Legal Services is responsible for providing the information needed to undertake a regular review of self-insured claims and to estimate the outstanding liabilities. This will be reported to relevant governance board on 30 September and 31 March each year.
- 3C.120 The Executive Lead for Legal Services is responsible for ensuring claims made against insurance policies are made promptly.
- 3C.121 The Chief Executive and the Chief Constable are responsible for ensuring that employees, or anyone covered by the Force and the PCC insurance, are not enabled to admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.
- 3C.122 The Executive Lead for Legal Services shall present a quarterly written report to the appropriate governance board detailing claims experience and significant claims, in terms of financial and reputational risk.

### **Indemnities**

- 3C.123 The Chief Executive shall evaluate and authorise any terms of indemnity that the PCC are requested to give by external parties.

### **Internal Control**

- 3C.124 Internal control refers to the systems of control devised by management to help ensure that objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the PCC assets and interests are safeguarded.

### **Responsibilities**

- 3C.125 The PCC must produce an Annual Governance Statement for their corporation sole which is reviewed by the Independent Audit Committee. The statement must include a formal statement on the operation of internal controls.
- 3C.126 The Treasurer is responsible for the proper administration of the financial affairs of the PCC and ensuring effective systems of internal control. This involves reviewing the internal control framework maintained by the Chief Executive and making recommendations for improvement where appropriate. Any significant weakness in the internal control framework will

be brought to the attention of the Independent Audit Committee and included in the Annual Governance Statement.

- 3C.127 The Chief Constable must produce an Annual Governance Statement for their corporation sole which is reviewed by the Independent Audit Committee. The statement must include a formal statement on the operation of internal controls.
- 3C.128 The CFO is responsible for the proper administration of the financial affairs of the Force and ensuring effective systems of internal control. This involves reviewing the internal control framework maintained by the Chief Constable and making recommendations for improvement where appropriate. Any significant weakness in the internal control framework will be brought to the attention of the Independent Audit Committee and included in the Annual Governance Statement.

## Internal Control Frameworks

### Responsibilities

- 3C.129 It is the responsibility of the Chief Executive and the Chief Constable to ensure that effective key controls exist within the OPCC and the Force respectively.
- 3C.130 Key controls should be embedded within the managerial control systems. They should ensure that:
- a. Roles and responsibilities are clearly defined.
  - b. Policies are clearly defined and regularly reviewed.
  - c. Objectives and plans are clearly articulated.
  - d. Financial monitoring and other performance information is collected and analysed.
  - e. Appropriate anticipatory and remedial action is taken where necessary.
- 3C.131 The arrangements established need to ensure compliance with all applicable statutes and regulations, and other statements of best practice. They should ensure that public funds are properly safeguarded and used economically, efficiently, effectively and in accordance with the statutory and other authorities that govern their use.
- 3C.132 The main controls operated by the PCC are set out in the Code of Corporate Governance. In addition to these controls the Chief Executive and the Chief Constable will maintain internal control frameworks as set out below.



3C.133 To ensure adequate financial controls are in place the Chief Constable and the Chief Executive will maintain a combined internal control framework for which will comprise:

- Planning frameworks
- Policy documents (including financial policy documents)
- Risk registers
- Key Controls
- Assurance Matrix
- Staff Codes of Conduct
- Standard Operating Procedures (SOPs)

3C.134 These frameworks will at all times comply with Financial Regulations.

## **Audit Requirements**

### **Internal Audit**

3C.135 The PCC and the Chief Constable are required by the Accounts and Audit (England) Regulations to maintain effective internal audit of their affairs. In fulfilling this requirement, the PCC and Chief Constable should have regard to the Public Sector Internal Audit Standards and CIPFA guidance on the role of the Head of Internal Audit in Public Service Organisations.

3C.136 In addition to fulfilling the statutory requirements it is important that Internal Audit is able to:

- a. Satisfy the PCC and the Chief Constable that effective internal control systems are in place; and
- b. Satisfy the external auditor that financial systems and internal controls are effective and that all funding is managed so as to secure value for money.

### **Independent Audit Committee**

3C.137 The role of the Independent Audit Committee is set out in its terms of reference. The approval powers of the committee are as follows:

- a. To recommend approval of the Annual Governance Statements for inclusion in the Statement of Accounts.
- b. To recommend approval of any Code of Corporate Governance for the PCC and the Force.
- c. To recommend approval of (but not direct) the Internal Audit Strategy and Plan.

## **Responsibilities**

- 3C.138 The Treasurer and CFO shall ensure the provision of an effective joint internal audit service.
- 3C.139 A risk based annual audit plan will be produced in conjunction with the internal audit provider for consideration by the IAC ahead of approval by the Treasurer and CFO.
- 3C.140 The Chief Executive and the Chief Constable will ensure that Internal Audit has unrestricted access to records, systems and data for auditing purposes.
- 3C.141 The Chief Constable or PCC shall consider and respond promptly to recommendations in audit reports and ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient manner.
- 3C.142 The CFO shall ensure that new systems for maintaining financial records or records of assets, or significant changes to existing systems, are discussed with and agreed by the Treasurer and Internal Audit prior to implementation.

## **External Audit**

### **Responsibilities**

- 3C.143 The basic duties of the external auditor are governed by the Local Audit and Accountability Act, the Local Government Act and Accounts and Audit Regulations.
- 3C.144 The Treasurer and the CFO should work closely with the external auditor in developing the external audit plan.
- 3C.145 The Independent Audit Committee has responsibility to:
- a. Consider and comment upon the annual audit plans and fees;
  - b. Receive and review the annual governance reports;
  - c. Receive and review the Annual Audit Letter(s).
- 3C.146 The PCC should use the reports of both the internal and external auditors to aid in their monitoring role and to ensure that all agreed policies are being implemented by the PCC and the Force.
- 3C.147 The PCC may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenue and Customs, who have statutory rights of access.

## **Preventing Fraud and Corruption**

### **Counter Fraud and Corruption Policy**

- 3C.148 The PCC and the Chief Constable will not tolerate fraud or corruption in the administration of its responsibilities, whether from inside or outside their organisations. Relevant measures in line with anti-corruption standards within the Economic Crime and Corporate Transparency Act will be adhered to.
- 3C.149 Expectations of propriety and accountability are that the PCC, Chief Constable and employees at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.
- 3C.150 It is expected that all individuals and organisations (eg. suppliers, contractors, and service providers) with whom it comes into contact will act with honesty and integrity and without thought or actions involving fraud or corruption.

### **Responsibilities**

- 3C.151 The PCC and the Chief Constable are responsible for fostering a culture that will not tolerate fraud and corruption.
- 3C.152 The Treasurer and Chief Finance Officer, together with the Chief Executive and Chief Constable are responsible for preparing an effective counter fraud and counter corruption policy adhering to the Economic Crime and Corporate Transparency Act. Any policy should be approved by the PCC following advice from the Independent Audit Committee.

### **Business Interests**

- 3C.153 In order to maintain transparency, business interests of all employees and office holders of the PCC and the Force will be recorded in a register of business interests. Some business interests may conflict with the role of the employee or office holder. The Business Interests policy will set out the action to be taken in these circumstances.
- 3C.154 Any member of a governance board who has a disclosable interest, business or personal, in a contract shall withdraw from the meeting when that contract is discussed unless there is a dispensation from the Chief Executive.

### **Responsibilities**

- 3C.155 The Chief Constable is responsible for maintaining a policy on the business interests of the staff and office holders of the PCC and of the staff of the Force and also for maintaining a register of these business interests.

## Gifts and Hospitality

- 3C.156 All employees and office holders are subject to standards of professional behaviour which includes the expectation to be honest, act with integrity and not to compromise or abuse their position. Personal gifts or gratuities should never be accepted that could compromise their impartiality. Detailed policies will be maintained by the Chief Executive and Chief Constable on gifts and hospitality.
- 3C.157 Offers of gifts, loans or sponsorship for the benefit of the Force or the PCC are dealt with in 3C.299 of these regulations.

## Responsibilities

- 3C.158 The Chief Executive is responsible for maintaining a register on gifts and hospitality in relation to the staff and office holders of the PCC.
- 3C.159 The Chief Constable is responsible for maintaining a policy on gifts and hospitality in relation to the staff and office holders of the PCC and to the staff of the Force and also for maintaining a register of such gifts and hospitality.
- 3C.160 All staff are responsible for making themselves aware of the gifts and hospitality policy and complying with the policy.

## Reporting of Suspected Irregularities

- 3C.161 The PCC and the Force will maintain a facility that enables employees, the general public and contractors to make allegations of fraud, misuse and corruption in confidence and without recrimination. Procedures shall ensure:
- a. That allegations are investigated robustly as to their validity;
  - b. That they are not malicious;
  - c. That appropriate action is taken to address any concerns identified.
- 3C.162 Appropriate legislation, including Public Interest Disclosure Act 1998, shall be adhered to.
- 3C.163 All unlawful expenditure or potentially unlawful expenditure must be reported to the PCC, and the external auditor.

## Responsibilities

- 3C.164 The Chief Executive and the Chief Constable are responsible for ensuring that all employees, the general public and contractors are made aware of the confidential reporting (whistle blowing) arrangements.

- 3C.165 The Treasurer is responsible for reporting any unlawful expenditure or potentially unlawful expenditure by the PCC or the OPCC to the Monitoring Officer, PCC, the Police and Crime Panel and to the external auditor.
- 3C.166 It is the responsibility of the Chief Executive to ensure that the Treasurer receives information on any unlawful expenditure or potentially unlawful expenditure.
- 3C.167 The CFO is responsible for reporting any unlawful expenditure or potentially unlawful expenditure by the Chief Constable or the officers of the Chief Constable to the PCC, Monitoring Officer and to the external auditor.
- 3C.168 It is the responsibility of the Chief Constable to ensure that the CFO receives information on any unlawful expenditure or potentially unlawful expenditure.
- 3C.169 In addition to the above requirements, the CFO and Treasurer will ensure each other and the Chief Executive are aware of any unlawful or potentially unlawful expenditure.

## Assets

## Responsibilities

- 3C.170 The PCC and the Chief Constable must ensure that:
- a. Assets are only used for the purposes of the Force and the PCC and are available for use when required and are properly accounted for.
  - b. An asset register is maintained that provides information about fixed assets so that they are safeguarded, used efficiently and effectively, adequately maintained and valued in accordance with statutory and management requirements.
  - c. Assets and records of assets are properly maintained and securely held and that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place.
  - d. Lessees and other prospective occupiers of land owned by the PCC are not allowed to take possession or enter the land until a lease or agreement has been established as appropriate.
  - e. Title deeds to PCC property are held securely.
  - f. No PCC or Chief Constable asset is subject to personal use by an employee without proper authority.

- g. Valuable and portable items such as computers, cameras and video recorders are identified with security markings as belonging to the Force or PCC.

3C.171 For all operational assets used by the Force the above responsibilities will lie with the Chief Constable's CFO. For assets operated by the PCC the responsibilities will lie with the Treasurer.

### Valuation

3C.172 The Chief Constable shall maintain an asset register for all fixed assets with a value in excess of the limits shown in 3C.279, in a form approved by the Treasurer. Assets are to be recorded when they are acquired by the PCC or the Chief Constable and this record updated as changes occur with respect to location, condition and ownership. Assets are to be valued:

- a. In accordance with the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice in accordance with the requirements specified by the Treasurer.
- b. For insurance purposes.

### Inventories

#### Responsibilities

3C.173 The Chief Executive and the Chief Constable shall ensure that inventories are maintained that record an adequate description of portable and desirable items (with a value in excess of the amount shown in 3C.286).

3C.174 There shall be at least an annual check of all items on the inventory in order to verify location, review condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly. The annual check is to be undertaken by the responsible budget holder and must be independently reviewed.

#### Stocks and Stores

3C.175 The Chief Constable shall make arrangements for the care, custody and control of the stocks and stores and maintain detailed stores accounts in a form approved by the CFO. Stocks are to be maintained at reasonable levels so as to balance the need for availability and the risk of obsolescence.

3C.176 Discrepancies between the actual level of stock and the book value of stock may be written off by the CFO up to the level shown in 3C.287. Amounts for write off above this value must be referred to the relevant governance board for approval, supported by a written report explaining the reasons for the write off and any investigation undertaken.

3C.177 Obsolete stock may be written off by the CFO up to the level shown in 3C.287. Amounts for write off above this value must be referred to the Resource Control Board for approval, supported by a written report explaining the reasons for the write off and any investigation undertaken.

### Intellectual Property

3C.178 The Executive Lead for Legal Services, in conjunction with the Chief Executive and the Chief Constable, are jointly responsible for preparing guidance on intellectual property procedures and ensuring that staff are aware of these procedures. Any such policies should be approved by the PCC.

### Asset Disposal

3C.179 All disposals of surplus land and buildings must be approved by the PCC.

3C.180 When making any decision to dispose of assets the PCC must have regard to the right of the Chief Constable to have unfettered access to operational assets. The PCC shall consult the appropriate governance board and notify the Chief Constable. The PCC will have regard to the views expressed by the governance board and the Chief Constable but the final decisions will be a matter for the PCC, this will include the disposal of land and buildings.

3C.181 The CFO may approve the disposal of vehicles and items of equipment up to the estimated value shown in 3C.284. Disposals above this value are to be referred to the authority as set out in that section.

3C.182 Assets shall be disposed of when in the best interests of the PCC and in the most economically advantageous way. Where this is not the highest offer, the CFO shall prepare a report for the Treasurer and the relevant reference committee or board, if appropriate, outlining the reasons and seeking approval for disposal at the lower value.

3C.183 Items above the estimated value shown in 3C.285 shall be disposed of by public auction or sealed bids after advertisement.

3C.184 Assets shall not be sold to serving officers, staff, volunteers or contractors except in the following circumstances:

- a. Items disposed of in an open and competitive process.
- b. Disposal of vehicles to serving officers or staff who are the existing driver, following independent valuation of the vehicle, such as Glass's Guide
- d. Where a competitive process is not possible the value should be established by an external and independent third party.

### **Disposal Method – Not Land or Buildings**

3C.185 When identified as surplus, assets shall be disposed of by one of the following methods:

- a. Public auction, including online auction sites where appropriate.
- b. Sealed bid following public advert.
- c. Through third party organisation appointed through a competitive procurement process.

### **Disposal Method – Land or Buildings**

#### **Police Houses**

3C.186 Police houses will be disposed of:

- a. Either to existing tenants or lease holders on the basis of independent valuation undertaken by the District Valuation Officer or other external independent third party, or
- b. To other social landlords on the basis of independent valuation undertaken by the District Valuation Officer or other external independent third party, or
- c. By public marketing at a price advised by the District Valuation Officer, or other external independent third party.

3C.187 Acceptance of a lower price will be subject to report and approval by the OPCC Treasurer.

### **Other Land and Buildings**

3C.188 All other land and buildings identified as surplus will be reported to the relevant governance board who will be asked to recommend the method of valuation and disposal strategy.

### **Disposal of Assets to Charitable Organisations**

3C.189 Disposal of assets to a registered charity or voluntary (not for profit) organisation will be subject to the approval of the PCC advised by the Treasurer.



### Other Disposal Options

- 3C.190 Any variation to the disposal of assets outlined above will require the approval of the PCC, if appropriate. If disposal for financial gain is not possible, and there is no demand for the asset from other organisations (3C.189) then all options for recycling should be considered prior to disposal via landfill.

### Treasury Management and Banking Arrangements

- 3C.191 The PCC has adopted CIPFA's Treasury Management in the Public Services: Code of Practice (the Code).

### Responsibilities

- 3C.192 The PCC is responsible for approving the Treasury Management Policy and the Annual Treasury Management Strategy.
- 3C.193 The Treasurer shall prepare regular reports for the PCC on treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year report and an annual report after its close, in the form prescribed in its Treasury Management Practices.
- 3C.194 The PCC delegates responsibility for the execution and administration of treasury management decisions to the Treasurer, who will act in accordance with the policy statement and Treasury Management Practices and CIPFA's Standard of Professional Practice on Treasury Management.
- 3C.195 The Treasurer shall have overall responsibility for banking arrangements. The Treasurer, in consultation with the CFO, shall determine a policy for the secure operation of bank accounts. All bank accounts shall be in the name of the PCC unless authorised by the Treasurer and Chief Executive.
- 3C.196 The opening of covert bank accounts must be approved by the Treasurer in consultation with the CFO.

### Petty Cash and Imprest Accounts

- 3C.197 Cash advances may in certain circumstances be made to an individual in order that relatively small incidental payments may be made quickly. A record of disbursements from the account must be maintained to control the account and so that the expenditure may be substantiated, accurately reflected in the accounts and correctly reimbursed to the account holder.

### Responsibilities

- 3C.198 The CFO is responsible for providing appropriate employees with petty cash or imprest accounts. The Chief Constable shall determine reasonable petty cash limits and maintain a record of all transactions and petty cash

advances made, and periodically review the arrangements for the safe custody and control of these advances.

- 3C.199 The CFO will prepare detailed Financial Instructions and procedures, identifying appropriate employees and circumstances, for dealing with petty cash, to be agreed with the Treasurer, and these shall be issued to all appropriate employees.

### Money Laundering

- 3C.200 The PCC and the Force are alert to the possibility that they may become the subject of an attempt to involve them in a transaction involving the laundering of money.
- 3C.201 Suspicious cash deposits in any currency in excess of the agreed limit set out in the Money Laundering Policy should be reported to the Treasurer. This instruction does not apply to seizures and subsequent bankings under the Proceeds of Crime Act.
- 3C.202 Internal control procedures will be monitored to ensure they are reliable and robust in terms of the prevention of money laundering.

### Responsibilities

- 3C.203 The Treasurer will be the nominated Money Laundering Reporting Officer (MLROs) for the PCC and the Force.
- 3C.204 All employees have a responsibility to notify the Treasurer as soon as they receive information which may result in them knowing or having reasonable grounds for knowing or suspecting of money laundering, fraud or use of the proceeds of crime through police funds and accounts.

### Staffing

- 3C.205 Police officers are crown servants, the staff of the PCC are employees of the PCC and police staff of the Chief Constable are employees of the Chief Constable. Delegated responsibilities with regard to staffing, redundancy and pensions matters are set out in Part 3B of the Code of Corporate Governance – the Scheme of Delegation and Consent.
- 3C.206 The Chief Executive is responsible for:
- a. Providing overall management of staff within the OPCC and ensuring that there is proper use of the evaluation, or other agreed system, for determining the remuneration of a job;
  - b. Ensuring that the staffing budget of the PCC provides an accurate forecast of staffing levels that accords with the approved staffing policies of the PCC.

- c. Advising the PCC on the budget provision necessary to cover estimated staffing levels;
- d. Ensuring that employees are appointed and employed in accordance with the agreed personnel policies of the PCC and that service records are properly maintained.

3C.207 The Chief Constable is responsible for:

- a. Providing overall management of staff within the Force and ensuring that there is proper use of the evaluation, or other agreed systems, for determining the remuneration of a job;
- b. Ensuring that the staffing budget of the Force provides an accurate forecast of staffing levels, that accords with the approved staffing policies of the Chief Constable;
- c. Advising the PCC on the budget provision necessary to cover estimated staffing levels;
- d. Ensuring that employees are appointed and employed in accordance with the agreed personnel policies of the Chief Constable and that service records are properly maintained;
- e. Ensuring the Police Pensions Scheme is appropriately managed and administered.

3C.208 Decisions with regard to the application of those discretions provided within Local Government Pensions Scheme and Public Service Pension Act will be subject to a referral to the CFO and the Treasurer.

3C.209 Redundancy of police staff where the consequential redundancy payments exceed the limits set out in 3C.294 will be approved by the PCC.

3C.210 Decisions in relation to Police Pensions are set out in Section 3B of the Scheme of Governance.

### **Custody of Unofficial Funds and Private Property**

3C.211 The Chief Constable must ensure that suitable policies are developed for the safe custodianship of unofficial funds. This should include a central register of such funds and annual confirmation from the management bodies of funds that accounts have been audited and accepted as such. Processes and procedures should also be in place to ensure that staff responsible for such funds are aware and comply with their obligations.

## Evidential and Non-Evidential Property

3C.212 Police activities may involve the seizure of cash, drugs, guns and other assets. The Chief Constable is required to exercise a duty of care and safeguard found or seized property pending decisions on its ownership, or private property of an individual e.g. a suspect in custody. This should include the development of policies and procedures for the safekeeping of private property of a person, other than a member of staff, under his or her guardianship or supervision or found or seized property. He/she must ensure that in the event of any loss of such property, consequential costs arising from any loss, restoration of intrinsic value, or liability claims which result in disbursements from police fund and considered significant by the statutory CFO, are reported to the Resource Control Board.

## Systems and Procedures

### General

3C.213 The Treasurer and the CFO, are responsible for determining the accounting systems, procedures, form of accounts and the supporting financial records for the PCC and the Forces respectively as set out in Section 3 of these regulations.

3C.214 The Treasurer is responsible for the proper operation of the financial processes in the OPCC and should ensure that sufficient guidance, procedures and training is provided to employees acting on the PCC's behalf.

3C.215 The CFO is responsible for the proper operation of the financial processes in the Force and should ensure that sufficient guidance, procedures and training is provided to employees acting on their behalf.

3C.216 The Chief Executive and the Chief Constable are responsible for ensuring that computer and other systems are compliant in accordance with data protection legislation and that staff are aware of their responsibilities under freedom of information and data protection legislation.

3C.217 The Chief Executive and Chief Constable should ensure that levels of authority have been established within the OPCC and Force and are operating effectively. These levels of authority should identify staff authorised to act on the Chief Constable's behalf, in respect of payments, income collection and placing orders, together with the limits of their authority. These will be found within the Scheme of Governance and Financial Regulations.

3C.218 As set out in relevant paragraphs below the Chief Constable is responsible for providing some financial and administrative support services to the PCC. In addition to the requirements set out in the regulations below any relevant clauses included in the Service Level Agreement for the Provision of

Support Services will also apply to the operation of those services on behalf of the PCC.

## **Income**

### **Responsibilities**

3C.219 The Treasurer and CFO shall make arrangements for the collection of all income due to the PCC including the appropriate and correct charging of VAT.

3C.220 The Treasurer and CFO shall ensure that all income is paid fully and promptly into the designated bank account. Appropriate details should be recorded to provide an audit trail.

### **Fees and Charges**

3C.221 The Force's policy with regard to fees and charges will be approved by the appropriate governance board to include the PCC. The Chief Constable shall review scales of fees and charges at least annually and report any changes to the appropriate governance board and the PCC for approval.

3C.222 All charges should be at full cost recovery and in compliance with the NPCC National Policing Charging Guidelines except where regulations require otherwise or with the express approval of the governance board.

### **Write Off of Bad Debt**

3C.223 Any income due to the PCC shall not be written off until the Chief Executive or Chief Constable (as appropriate) are satisfied that all reasonable steps have been taken for its recovery.

3C.224 Write off can only be when there is no realistic prospect of recovery once all reasonable avenues for recovery have been exhausted.

3C.225 Individual amounts of income due the PCC may be written off up to the levels shown in 3C.290. Amounts for write-off above this value must be referred to the governance boards for approval, supported by a written report explaining the reasons for the write-off.

3C.226 Any write-off of capital sums due or interest income in relation to treasury management activity must be referred to the PCC for write off.

3C.227 For any activity for which the police are able to levy a charge that is not covered by a statutory charging level, the Force will use the NPCC guidance where applicable.

## Ordering and Paying for Goods and Services

3C.228 Public money should be spent with demonstrable probity and in accordance with policies such as the duty to ensure an effective Police Service, the duty to ensure value for money and all relevant laws and good practice.

## Personal Interests

3C.229 The PCC and every officer of the PCC and the Force has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and contractors if they are engaged in contractual or purchasing decision on behalf of the PCC.

## Responsibilities

3C.230 The CFO is responsible for maintaining a purchasing policy covering the principles to be followed for the purchase of goods and services. This policy will apply equally to the PCC and the Force. The policy will be in accordance with the Standing Orders for Tenders and Contracts.

3C.231 The key controls of the PCC and the Chief Constable will set out the proper processes to be followed when ordering and paying for goods and services. These key controls will be in line with the purchasing policy and will include robust arrangements to ensure all goods and services are ordered only by appropriate persons and are correctly recorded.

3C.232 It is the responsibility of all budget holders to ensure that the purchasing policy and key controls are complied with at all times.

3C.233 The exchequer and payment function will be provided by the CFO. The Treasurer and the CFO will be responsible for ensuring that correct instructions are given to the Finance Department with regard to payments to suppliers.

3C.234 The CFO is responsible for ensuring that payment mechanisms are in line with all legislation and national guidance and that a different person authorises the payment from the person who approved the order and that there is an appropriate segregation of duties. Deviation from this would require the approval of the CFO.

## Procurement Policy

3C.235 It is important that procurement arrangements encourage competition by seeking quotations from a number of suppliers whenever this is practicable and cost effective. In addition the PCC must comply with procurement legislation. The Financial Regulations shall determine the limit at which procurement procedures are followed (Procurement Regulations for the

South West Police Procurement Department is attached at Part 3D of the Scheme of Governance). These procurement procedures must be adhered to at all times.

3C.236 The value of a contract must not be sub-divided or underestimated for the purpose of reducing the total value of the contract in order to bring the procurement exercise below the financial control thresholds so as to avoid the Force's procedural requirements.

3C.237 The PCC delegates the responsibility for procurement to the relevant board and Chief Constable as detailed within 3C.270 – 3C.272.

### **Fuel Cards and Other Purchasing Cards**

3C.238 Fuel cards and other purchasing cards are an alternative method of buying and paying for relatively low value goods which generate a high volume of invoices. All fuel cards are controlled by the Fleet Department and purchasing cards will be controlled by the Finance Department. The CFO is responsible for ensuring that the proper practices are in place for the control of fuel cards and purchasing cards and the reconciliation of any associated control accounts. The Treasurer is responsible for ensuring the proper practices are in place for the control of fuel cards and purchasing cards held by the OPCC.

### **Payments to Employees**

3C.239 The payroll function will be provided by the Finance Department. The Chief Executive and the Chief Constable will be responsible for ensuring that correct instructions are given to the Finance Department payroll team with regard to payments to staff and the members of the PCC's Committees/ Panels.

3C.240 The key controls of the PCC and the Chief Constable will set out the proper processes to be followed when making payments to employees. It is the responsibility of all budget holders to ensure that the key controls in relation to payments employees are complied with at all times.

### **Taxation**

#### **Responsibilities**

3C.241 The Finance Department is responsible for maintaining the tax records for the PCC and the Force and making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate. This responsibility also includes the requirement to ensure that legislative and regulatory changes are identified and implemented accordingly.

3C.242 The Treasurer is responsible for advising the PCC on taxation issues and the impact of changes in legislation and the CFO is responsible for advising the Chief Constable on such matters.

### **Liability Claims**

3C.243 The PCC has external insurance for public and employers liability and in addition maintain a self-insurance fund to meet claims below the policy excess. The Executive Lead for Legal Services manages all claims against the Force and PCC. On occasion, the Force insurers will require that claims are handled externally due to the financial value of those claims.

3C.244 The limits for the approval of payment of such claims are set out in 3C.289.

### **Ex Gratia Payments**

3C.245 The Force can make ex-gratia payments up to the level shown in 3C.295 in any individual instance, for damage or loss to property or for personal injury or costs incurred as a result of police action where such a payment is likely to facilitate, or is conducive or incidental to, the discharge of any of the functions of the PCC. The Chief Constable shall maintain details of such payments in a register.

3C.246 Amounts greater than those specified in 3C.295 must be referred to the PCC for approval.

## **Co-operative Working and Commissioning**

### **Co-operative Working**

3C.248 Subject to the constraints that may be placed on individual funding streams, a PCC is free to pool funding as they and their partners see fit. A PCC can enter into any local contract collectively with other partners, including non-police bodies.

### **Responsibilities**

3C.249 The PCC, in exercising their functions, must:

- a. Have regard to the priorities of each responsible body within their policing area;
- b. Work effectively with local partners to tackle agreed community safety priorities.

### **Commissioning**



- 3C.250 The PCC may commission services and award grants to organisations or bodies that they consider will support their community safety priorities in accordance with their police and crime plan. In doing this the PCC may:
- a. Act alone as the commissioner of services;
  - b. Or act co-operatively to commission services jointly with other bodies.
- 3C.251 Where appropriate and in line with the objectives set out in the Police and Crime Plan the PCC may make grants in support of local priorities.

### Responsibilities

- 3C.252 The PCC is responsible for publishing a Commissioning Strategy that will set out the objectives of their commissioning activity and governance of the commissioning process.
- 3C.253 When the PCC acts as a commissioner of services, they will be responsible for agreeing the shared priorities and outcomes expected to be delivered either through a contract or a grant agreement with each provider.
- 3C.254 Where the mechanism for commissioning is the award of a contract for service provisions the Chief Executive is responsible for seeking appropriate procurement advice on the procurement process and the procurement activity will be in line with the Standing Orders for Tenders and Contracts.
- 3C.255 The Chief Executive is responsible for ensuring that commissioning expenditure does not exceed the budgeted level to achieve the objectives set out in the Police and Crime Plan.
- 3C.256 When working jointly with other bodies to commission services the Chief Executive will ensure that these Financial Regulations and Standing Orders and for Tenders and Contract apply to the joint procurement activity or will set out in a formal decision why the Financial Regulations or Standing Orders for Tenders and Contracts can be varied.

### Collaboration

- 3C.257 The PCC has the duty to enter into collaboration agreements with other policing bodies and partners that improve the efficiency of effectiveness of policing for one or more policing bodies or Forces in consultation with the Chief Constable. Where the collaboration agreement relates to the functions of the Force, the prior agreement of the Chief Constable must be obtained.
- 3C.258 The PCC is responsible for approving any proposed Section 22 or Section 23 collaboration agreement between the Chief Constable and another Chief Constable. The Chief Constable is accountable to the PCC for the outcomes of any such collaboration agreements.

3C.259 The Treasurer is responsible for advising whether a proposed collaboration agreement is in alignment with the Police and Crime Plan and the Medium Term Financial Strategy and the long term sustainability of policing in the area.

### **Consortia**

3C.260 Where the PCC judges that it is appropriate to enter into a long-term joint working arrangement with other bodies, operating with a formal legal structure, specific legal and procurement advice will be obtained. In such circumstances it will be necessary to update the Financial Regulations to acknowledge any new structures that exist within the consortium and ensure that all contractual conditions are met.

## **Other External Arrangements and Sponsorship**

### **External Funding**

3C.261 External funding can be a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the PCC and Chief Constable.

### **Responsibilities**

3C.262 The Chief Executive and the Chief Constable are responsible for actively pursuing any opportunities for additional funding where this is considered to be in the interests of the Force and PCC. In addition they are responsible for ensuring that the match-funding requirements and exit strategies are considered prior to entering into the agreements and that future medium term financial forecasts reflect these requirements.

### **Sponsorship**

3C.263 The Home Office Financial Management Code of Practice sets out guidance with regard to the acceptance of sponsorship and external funding.

### **Responsibilities**

3C.264 The PCC will maintain a Sponsorship Policy (in consultation with the Chief Constable) that is in line with; the Home Office Financial Management Code of Practice, Section 93 of the Police Act and the Bribery Act.

3C.265 The Chief Executive and Chief Constable must ensure that any conditions placed on the Force in relation to external funding are in accordance with the approved policies of the PCC and in particular the Sponsorship Policy of the PCC.

3C.266 The Chief Executive and the Chief Constable are responsible for ensuring that all funding notified by external bodies is received and properly recorded in the PCC's accounts.

### Working for Third Parties

3C.267 The Force provides services to outside bodies as part of their normal obligations, for which charges are made. Arrangements should be in place to ensure that any risks associated with these pieces of work are minimised and that such work is not ultra vires.

### Responsibilities

3C.268 The Chief Constable is responsible for ensuring that proposals for assistance are costed, that proper contract arrangements are established within delegated limits and that no contracts are subsidised by the police funds. All work for third parties will be reviewed by the Executive Lead for Legal Services and the Senior Insurance Officer to ensure that any liabilities are recognised, and appropriate insurance cover is arranged.

### Delegated Limits

#### Financial Limits

3C.269 All delegations apply within the approved budgetary provision only.

#### Purchasing Limits

#### Contract Awards, Variations and Extensions

3C.270 The limits for contract awards, variations and extensions, are set out below. These limits should be applied in the context of the additional guidance provided and based upon the total contract value for the life of the contract.

Area	Entity	Limit	Approval by
Award of contracts & grants	PCC	Up to £500,000	OPCC Treasurer
		Over £500,001	PCC
	National Forensics Programme	Unlimited	OPCC Treasurer
	Chief Constable	Up to £500,000	Chief Constable's CFO
		Between £500,001 and £1m	Chief Constable
		Over £1m	PCC

Area	Entity	Limit	Approval by
Award of Renewals and Extensions	OPCC / Chief Constable	Unlimited	Treasurer / CFO as appropriate
Novel or Contentious Contracts	All	N/A	The PCC and the Chief Constable must be consulted before approving the contract.

In addition to the above delegations for the signing of contracts, the Force also has the following delegations for approving spend of agreed budgets

Area	Entity	Limit	Approval by
Delegated authorisation limits	PCC & Chief Constable	£100,001 and above	Executive Board (JLB)
		£25,001 to £100,000	Individual Members of the Executive
		£15,000 to £25,000	Chief Supt / Supt or Head of Department
		£501 to £15,000	Chief Insp / Insp or Staff Equivalent Grade G to J / 8 to 11
		Up to £500	Sgt or Staff Equivalent F / 7

3C.271 From time to time there will be a requirement to vary contracts through a formal contract change control, the limits below apply in this situation.

Area	Entity	Limit	Approval by
Approve contract change	PCC	Up to £200,000	OPCC Treasurer
		Over £200,001	PCC
	Chief Constable	Up to 200,000	Chief Constable's CFO
		Over £200,001	Chief Constable

3C.272 In exceptional circumstances it may be necessary to apply exemptions to Contract Standing Orders. On these occasions the decision must be recorded and made in consultation with the relevant Section 151 officer.

Area	Entity	Limit	Approval by
Approve the waiving of Contract Standing Orders	PCC	Up to £50,000	OPCC Treasurer
		Over £50,001	PCC
	Chief Constable	Up to £50,000	Chief Constable's CFO
		Over £50,001	Chief Constable

## Revenue Budget Virements

3C.273 The procedure for virements between the categories as set out in the Medium Term Financial Strategy is set out at 3C.35 of these regulations, the financial limits that apply to the virements set out below must be applied in the context of the overall guidance within the financial regulations.

Area	Budget	Limit	Approval by
Approve virements over the limit specified	OPCC for OPCC budgets	£100,000 for each approved subjective budget line	PCC
	Chief Constable for Force staffing budgets	£250,000 for each approved CIPFA subjective line level	PCC
	Chief Constable for Force non staffing budgets	£250,000 for each approved CIPFA subjective budget line	PCC

3C.274 Below the limits specified in the table above, approval will be with the Treasurer for the OPCC budgets and the CFO for the Chief Constable's budgets.

3C.275 All virements above £100,000 must be reported to Resource Control Board for information.

## Capital Programme

3C.276 Detailed estimates for each scheme in the approved capital programme shall be prepared by the responsible officer before tenders are sought or commitments made. The estimate for each scheme will be approved by the Joint Leadership Board at the same time that the full business case is approved. Variations to project budgets that can be met from within the total capital programme may be approved as set out below.

Area	Limit	Approval by
Virements within major headings (as defined by the Treasurer and CFO)	All	OPCC Treasurer in consultation with Chief Constable's CFO and appropriate programme board.

Virements between major headings	All	PCC in consultation with Resource Control Board
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3C.277 All overspends of 10% or £50,000, whichever is smaller, must be reported to Resource Control Board.

3C.278 Any increase in the overall capital programme must be identified and approved by the PCC.

### Capitalisation of Expenditure and Assets Registers

3C.279 The Chief Constable and the PCC shall maintain asset registers for all fixed assets (or programmes/classes of assets) under their respective control with a value in excess of the limits shown below.

Area	Classification	Limit	Approval by
Capitalise expenditure and record on asset register	Land and Buildings	£25,000	N/A
	All Other assets	£10,000	N/A

### Property Leases

3C.280 The following limits shall apply to the approval of property leases and licences:

Delegation	Entity	Limit	Approval by
Approval & renewal of property leases, licence to occupy, finance leases or other credit arrangements	PCC	Up to £50,000 pa or with a duration of 3 year or less	OPCC Treasurer
		In excess £50,001 pa or over 3 year's duration but less than 10 years	OPCC Treasurer in consultation with the Resource Control Board
		More than 10 years or that involves novel or contentious matters	PCC

3C.281 All renewals of property leases will be reported on an annual basis to the Resource Control Board. Novel or contentious matters on an exceptional basis.

### Asset Disposal – Land and Buildings

3C.282 The following limits shall apply to the approval of property disposals.

Delegation	Entity	Limit	Approval by
Agreement to dispose of property assets	PCC	Up to £500,000	OPCC Treasurer in consultation with the Resource Control Board
		£500,001 and over	PCC in consultation with the Resource Control Board

3C.283 It is assumed that all Dorset property assets that are brought forward for approval of disposal will have followed the consultation process set out in the agreed process for estates rationalisation and decision making.

### Asset Disposal – Other Fixed Assets

3C.284 The following limits shall apply to the approval of non-property fixed asset disposals. The disposal limit relates to the disposal of individual assets, unless there is a clear rationale to consider more than one item as a single asset for disposal, such as a group of assets being sold as a single lot.

Delegation	Entity	Limit	Approval by
Agreement to dispose of non-property fixed assets including method of disposal	PCC Assets for use of Chief Constable	Up to £30,000	Chief Constable's CFO
		£30,001 and over	OPCC Treasurer with consultation from the Resource Control Board
	PCC Assets for use of the PCC	Up to £30,000	OPCC Treasurer
		£30,001 and over	PCC

### Asset Disposal – Method of Disposal

3C.285 Assets shall be disposed by public auction or sealed bids after advertisement. Assets of value below £30,000 can be disposed of by an alternative approach approved by the Treasurer. Alternative methods for disposal above £30,000 will be referred to the Resource Control Board.

### Stocks and Inventories

3C.286 Inventories will be maintained that record an adequate description of portable and desirable items (not already recorded on an asset register) for items with a value of more than the limit stated.

Area	Entity	Limit	Approval by
Inventories	All entities	£6,000	N/A

3C.287 Discrepancies between the actual level of stock and the book value of stock may be written off are as set out below. These limits also apply to the level for obsolete class of stock that may be written off. The key classes of stock are: Vehicles, Uniform and Equipment.

Area	Entity	Limit	Approval by
Stock values that may be written off	Chief Constable	Annual cumulative value of £5,000 per category	Chief Constable's CFO
		Values over the limits set out above	To be approved by the Force Executive and reported to the Resource Control Board

### Liability Claims

3C.288 Joint Legal Services shall be authorised to make payments in settlement of liability claims for the Chief Constable and PCC for Dorset (including costs) up to the value shown below in conjunction as required, with relevant insurer. All such claims will have been approved for payment as set out in the Joint Legal Services Department Memorandum of Understanding for taking instructions in Liability Claims.

<u>Area</u>	<u>Entity</u>	<u>Value of Settlement Limit</u>	<u>Approval by</u>
<u>Liability &amp; Civil Claims</u>	<u>PCC or Chief Constable</u>	<u>Up to £5,000</u>	<u>Senior Force Legal Advisor or Head of Legal Services</u>
		<u>£5,001 to £25,000</u>	<u>Alliance Head of Finance or CFO if unavailable.</u>
		<u>£25,001 to £100,000</u>	<u>Deputy Chief Constable (to include temporary or acting)</u>
		<u>£100,001 and over</u>	<u>Deputy Chief Constable and Police and Crime Commissioner or Chief Executive of the PCC (to include temporary or</u>



			<u>acting) and reported to resource control board.</u>
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### Non Insurance Claims / Employment Matters

3C.289 Non insurable employment claims will be approved for payment as set out below:

<u>Area</u>	<u>Entity</u>	<u>Value of Settlement Limit</u>	<u>Approval by</u>
<u>Employment Matters</u>	<u>PCC or Chief Constable</u>	<u>Up to £10,000</u>	<u>Head of HR Operations</u>
		<u>£10,001 to £25,000</u>	<u>Assistant Chief Officer (People)</u>
		<u>£25,001 to £100,000</u>	<u>Deputy Chief Constable or the Chief Executive of the PCC (to include temporary or acting)</u>
		<u>£100,001 and over</u>	<u>Deputy Chief Constable and Police and Crime Commissioner or Chief Executive of the PCC (to include temporary or acting) and reported to resources board.</u>

### Income

3C.290 The approval of individual bad debts\* will be as follows:

<b>Area</b>	<b>Entity</b>	<b>Limit</b>	<b>Approval by</b>
Write off of bad debts *	PCC	Up to £100	Head of Finance
		Up to £10,000	Chief Constable's CFO or OPCC Treasurer as appropriate
		£10,001 and over	OPCC Treasurer in consultation with Resource Control Board

\* Bad Debt is defined as money owing to the OPCC where there is no realistic prospect of recovery once all reasonable avenues for recovery have been exhausted.

## Cash Receipts and Money Laundering

3C.291 Cash banking and cash receipts will be subject to the controls outlined in the money laundering policy.

## Retirement and Redundancy

### Pension Discretions

3C.292 The PCC and the Chief Constable will maintain and publish policies and/or regulations with regard to the application of those discretions provided within Local Government Pensions Scheme and Public Service Pensions Act.

3C.293 Any decisions with regard to enhancements or application of the discretions will be referred to the CFO and the Treasurer.

### Employment Termination Costs

3C.294 The CFO must be consulted on the overall cost of any staff reduction exercise, in liaison with the Treasurer, in order to ensure that adequate financial provision is in place and value for money is achieved.

Area	Entity	Limit	Approval by
<b>DORSET OPCC</b>			
Approval of overall costs staff reduction exercises (including redundancy and pension strain)	PCC	All reduction exercises to be approved	PCC
<b>DORSET FORCE</b>			
Approval of overall costs staff reduction exercises (including redundancy and pension strain)	Chief Constable	All reduction exercises to be approved	Chief Constable (in consultation with Force Executive)

## Ex Gratia Payments

3C.295 Ex gratia payments up to the level shown below in any individual instance, for damage or loss to property or for personal injury or costs incurred as a result of police action where such a payment is likely to facilitate or is conducive or incidental to the discharge of any of the functions of the Chief Constable or the PCC. All such claims will have been approved for payment

as set out in the Joint Legal Services Department Memorandum of Understanding for taking instructions in Ex-Gratia Liability Payments.

Area	Entity	Limit	Approval by
Ex Gratia Payments	PCC or Chief Constable	Up to £3,000	Head of Audit & Insurance
		£3,000 to £10,000	Chief Constable's CFO or OPCC CEO as appropriate
		£10,001 and over	PCC

3C.296 Any payment ex gratia or otherwise relating to damage or loss will be subject to the liability limits set out in 3C.289 above.

### Gifts and Sponsorship

3C.297 This section of financial regulations relates to Corporate Gifts and Sponsorship only.

3C.298 Personal gifts and hospitality are recorded and managed via the Professional Standards Department for which there are specific policies. All such instances must be referred there.

3C.299 The following limits apply to the acceptance of corporate gifts and sponsorship.

Area	Entities	Limit	Approval by
Limit beyond which individual gifts, loans and sponsorship must be referred for approval.	PCC and Chief Constable	£1,000	PCC



# Part 3D

## Contract Standing Orders

Draft

September 2025

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Appendix B	General Exceptions from Contract Standing Orders
Appendix C	Financial Thresholds
Appendix D	South West Procurement Regulations

## Part 3D Contract Standing Orders

- Part 3A – Schedule of Roles and Responsibilities
- Part 3B – Scheme of Delegation and Consent
- Part 3C – Financial Regulations
- **Part 3D – Contract Standing Orders**
- Part 3E – Meeting Governance

### Introduction and Purpose

- 3D.1 The procurement function for the Police and Crime Commissioner (PCC) for Dorset and the Chief Constable for Dorset Police is carried out by the South West Police Procurement Service (SWPPS) which was established to provide a procurement service to the police services of Avon and Somerset, Devon and Cornwall, Dorset, Gloucestershire and Wiltshire.
- 3D.2 The procurement regulations for the SWPPS are attached as Appendix D to these Contract Standing Orders and will form the basis of the procurement regulations for Dorset.

### Primary Objectives

- 3D.3 These contract standing orders govern the procedures for tenders and contracts and the relative responsibilities of the PCC and Chief Constable. These contract standing orders shall apply to all contracts entered into by or on behalf of the PCC or Chief Constable with any other person or body.
- 3D.4 The contract standing orders have four primary objectives:
- a. To ensure the PCC and Chief Constable deliver value for money.
  - b. To ensure the PCC and Chief Constable comply with legislation.
  - c. To establish procurement procedures which, when followed, should protect the PCC and Chief Constable from any allegation of acting unfairly or unlawfully which may be made in connection with any procurement undertaken.
  - d. To ensure that any risks associated with entering into a contract are assessed as part of the procurement process.
- 3D.5 These contract standing orders form part of the overall Code of Corporate Governance.

## Definitions and Interpretation

3D.6 In this contract standing orders:

- a. **“PCC”** shall mean the Police and Crime Commissioner for Dorset.
- b. **“Treasurer”** is the person duly appointed by the PCC with overall responsibility for the administration of financial affairs. The Treasurer shall include such persons as the Treasurer specifically authorises for the purposes of these contract standing orders.
- c. **“Chief Executive”** is the person duly appointed by the PCC with responsibility for the general administration of the Office of the Police and Crime Commissioner (OPCC). The Chief Executive shall include such persons as the Chief Executive specifically authorises for the purposes of these contract standing orders.
- d. **“Chief Constable”** is the person duly appointed by the PCC and shall include such officers of the Police Force as the Chief Constable specifically authorises for the purposes of these contract standing orders.
- e. **“Officers”** shall mean all persons appointed by the Police Force and PCC and covers both civilian and uniformed personnel.

3D.7 Additional definitions are available in the glossary of terms in Appendix A.

## General Principles

3D.8 These contract standing orders and all contracts entered into by the PCC and Chief Constable are subject to the principles outlined in legislation. The PCC and Chief Constable must comply with these principles throughout the procurement process. These principles are as follows:

- a. Contracting authorities shall treat economic operators equally and without discrimination and shall act in a transparent and proportionate manner.
- b. The design of the procurement shall not be made with the intention of excluding it from the scope of this part or of artificially narrowing competition.
- c. For that purpose, competition shall be considered to be artificially narrowed where the design of the procurement is made with the intention of unduly favouring or disadvantaging certain economic operators.

3D.9 Before any contract is made, there must be:



- a. The proper authority of the PCC and Chief Constable in accordance with the processes set out in the Financial Regulations or scheme of delegation.
- b. Adequate budgetary provision for the purpose.

## Scope of Contract Standing Orders

3D.10 These orders apply to all procurement by the PCC and Chief Constable unless any such procurement is expressly excepted under these orders, or subject to an exemption (Appendix B).

3D.11 If there is any change to legislation, which affects these orders, then that change must be observed until these orders can be revised. If these orders conflict in any way with current legislation then that legislation takes precedence.

## Exemptions and Exceptions

3D.12 Unless a Contract falls within the list of general exceptions set out in Appendix B it can only be exempted from these orders by an application for an exemption so long as this will not lead to a breach of legislation.

3D.13 Exemption from these contract standing orders in respect of Chief Constable's contracts shall only be accepted on the written authority of the Chief Constable with consultation with the CFO in the interests of the Force.

3D.14 Exemption from these contract standing orders in respect of PCC's contracts shall only be accepted on the written authority of the PCC in consultation with the Treasurer in the interests of the OPCC.

3D.15 The Chief Executive of the OPCC shall maintain a register of all authorisations, including those of the Chief Constable, for exemption from these standing orders.

## Officer Responsibilities

3D.16 All officers who have the authority to purchase must ensure compliance with these contract standing orders, the Financial Regulations and all relevant legislation in force in England at that time.

3D.17 An officer responsible for managing any contract must comply with the Code of Conduct and Strategy for the Prevention and Detection of Fraud and Corruption and must not invite or accept any gift or reward in respect of the award or performance of any contract.<sup>2</sup>

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<sup>2</sup> See paragraphs 3D.69 to 3D.70 of these contract standing orders for further details

- 3D.18 The officer must have regard for any current guidance provided by the SWPPS and the principles outlined in the National Police Procurement Strategy.
- 3D.19 The officer must establish if an Approved Contract or Framework Agreement exists before seeking to let another contract. This Approved Contract or Framework Agreement must be used unless there is an overriding reason not to. Where a non-approved contract is requested, this must be approved by SWPPS.
- 3D.20 The officer must ensure that any agent, including consultants, acting on their behalf also complies with these contract standing orders.
- 3D.21 The officer must ensure that if any employee or new contractor arrangement is affected by any transfer arrangement, such as Transfer of Undertaking Protection of Employment (TUPE) that advice is obtained from legal services and HR before proceeding.

### **Delegated Authority**

- 3D.22 Any procurement carried out on behalf of the PCC or Chief Constable may only be undertaken by officers with the appropriate delegated authority to carry out such tasks.

### **Review and Amendment of Contract Standing Orders**

- 3D.23 Subject to paragraph 3D.25 below any amendments to these contract standing orders are to be drawn up by the Treasurer and CFO and overseen by the Resource Control Board.
- 3D.24 The financial thresholds (in the contract standing orders) may be amended from time to time by the Treasurer and CFO reflecting changes in national price indices, statutory provisions or guidance from other bodies (e.g. HMI etc). Any such change to be approved by the Resource Control Board.

### **Procedure by Value of Requirement**

#### **General Principles**

- 3D.25 Obtaining value for money is one of the primary objectives of the contract standing orders. The complexity of the procurement procedures that must be followed will vary depending on the value and risk of the relevant procurement.
- 3D.26 The anticipated total value of a procurement must be estimated before the relevant procurement route is determined.

3D.27 The value of a procurement must be calculated in Pounds Sterling exclusive of Value Added Tax.

3D.28 Contracts must not be artificially under or overestimated or divided into two or more specific procurements to avoid the application of the legislation.

### **Low Value Transactions**

3D.29 Defined as transactions valued at or below the 1<sup>st</sup> and 2<sup>nd</sup> threshold<sup>3</sup> for goods, services or works (shown in Appendix C) that cannot be obtained via an existing Approved Contract.

3D.30 Whilst obtaining value for money remains the primary objective multiple quotations need not be obtained provided compliance with this objective can be demonstrated.

3D.31 In the case of Works Contracts and Consultancy Contracts the use of pre agreed hourly/day rates is acceptable.

### **Call Off from Existing Approved Contracts**

3D.32 Where the requirement can be satisfied from an existing Approved Contract then the order can be placed under that Approved Contract.

### **Intermediate Value Transactions**

3D.33 Defined as transactions for goods, services or works valued over the second threshold but below the third threshold as defined in Appendix C.

3D.34 A risk based procurement options analysis will be undertaken to determine the most appropriate procurement route.

### **Transactions with a value above Threshold 4**

3D.35 All purchases above threshold 4 will be procured in line with the SWPPS procurement regulations.

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<sup>3</sup> The threshold levels are outlined in Appendix C and subject to review from time to time by Treasurers in accordance with paragraph 3D.24

## **Common Tendering Principles**

### **Joint Procurement**

3D.36 The PCC and Chief Constable have a statutory responsibility to work collaboratively with other police areas.

3D.37 Wherever possible the PCC and Chief Constable will purchase goods, services and/or works through collaborative arrangements where such cooperation is appropriate to do so.

### **Framework Agreements**

3D.38 In line with the SWPPS procurement regulations.

### **Advertising**

3D.39 In line with the SWPPS procurement regulations.

### **Pre-Qualification**

3D.40 In line with the SWPPS procurement regulations.

### **Pre-Tender Market Research and Consultation**

3D.41 In line with the SWPPS procurement regulations.

### **The Invitation to Tender**

3D.42 In line with the SWPPS procurement regulations.

### **Receipt of Tenders**

3D.43 In line with the SWPPS procurement regulations.

### **Tender Opening**

3D.44 In line with the SWPPS procurement regulations.

### **Errors in Tenders**

3D.45 In line with the SWPPS procurement regulations.

## **Tender Evaluation**

3D.46 In line with the SWPPS procurement regulations.

## **Post Tender Clarification**

3D.47 In line with the SWPPS procurement regulations.

## **Award of Contracts**

3D.48 In line with the SWPPS procurement regulations.

## **Notification to Unsuccessful Tenderers**

3D.49 In line with the SWPPS procurement regulations.

## **Procurement by Consultants**

3D.50 No consultant shall make any decision on whether to award a contract or to whom a contract should be awarded unless specifically empowered to do so in writing by the Chief Executive or Chief Constable.

3D.51 The Authorised Officer shall ensure that the consultant's performance is monitored.

## **Statistical Returns**

3D.52 SWPPS is required, no later than 31 July in each year, to publish contracts for purchasing returns for the assumption of openness.

## **Termination of Contract**

3D.53 Termination of any contract may be carried out by the SWPPS in accordance with the terms of that contract and agreement of the signatory, as appropriate. However, advice must be sought from the force legal department prior to termination.

## **Contract and Other Formalities**

### **Contract Documents**

3D.54 All contracts must be in writing in a form approved by the Treasurer or CFO, as appropriate.

3D.55 Where the contract is for a Low or Intermediate Value, the use of an electronic or manual Purchase Order is an acceptable form of contract, which must make reference to the quotation and terms agreed.

3D.56 Contract documents must be retained for a minimum period of six years from the contract end date and, if under seal (see 4.5), for a period of twelve years.

### Contract Formalities

3D.57 Contracts must be completed with the appropriate documentation and authorisation in accordance with the table in Appendix C.

3D.58 All contracts for the supply of goods and services must be completed and/or officially awarded before the supply begins, except in exceptional circumstances, and then only with the written consent of the Treasurer for the PCC's contracts and the Chief Constable for the Chief Constable's contracts.

### Letters of Intent

3D.59 In exceptional circumstances and with the prior approval of the Treasurer for the PCC's contracts and the Chief Constable for the Chief Constable's contracts a letter of intent can be issued to allow work to commence in advance of contract completion.

3D.60 In the case of Works Contracts a tender acceptance letter in a form approved by the Treasurer for the PCC's contracts and the Chief Constable for the Chief Constable's contracts is acceptable in order to allow work to commence, although the issue of a formal contract must follow without delay.

### Signature

3D.61 The authorised officer responsible for signing the contract must have been granted the appropriate authority, as per Appendix C, and ensure that the person signing for the other contracting party has authority to bind it.

### Sealing

3D.62 The Chief Executive or Treasurer shall determine whether a contract has to be executed under seal. Examples of where a contract may be sealed include:

- a. the PCC wishes to enforce the contract for more than six years after its end (e.g. for land or construction works); or
- b. the price paid or received under the contract is a nominal price and does not reflect the value of the goods or services; or

- c. a bond is established on behalf of the contractor(s) or their guarantors; or
- d. it is required by parties to the agreement; or
- e. the total value exceeds £1,000,000.

3D.63 Where contracts are completed by each side adding their common seal, the affixing must be attested by or on behalf of the PCC.

3D.64 The Chief Executive shall be responsible for ensuring that arrangements are made for the Common Seal of the Authority to be kept in safe custody.

### **Bonds and Parent Company Guarantees**

3D.65 A Parent Company Guarantee or Performance Bond may be required at the discretion of the Chief Executive in consultation with the Treasurer.

3D.66 The PCC and Chief Constable must never give a bond.

### **Prevention of Corruption**

3D.67 All officers must comply with the Police Force Code of Conduct and the Joint Counter-Fraud and Corruption Strategy and must not invite or accept any gift or reward in respect of the award or performance of any contract under the Local Government Act 1972.

3D.68 All contracts must contain an appropriate clause that provides protection and the right to terminate the contract in the event of a supplier offering any inducement, committing fraud or committing an offence under the Prevention of Corruption Acts or shall have given any fee or reward the receipt of which is an offence under sub-section (2) of section 117 of the Local Government Act 1972.

### **Declaration of Interests**

3D.69 If it comes to the knowledge of a member or an officer of the PCC or Chief Constable that a contract, in which he or she has a pecuniary interest, has been or is proposed to be entered into by the PCC, he or she shall immediately give written notice to the Chief Executive and record it on the register of interests which shall be available during office hours for inspection.

3D.70 Officers should refer to Sections 94 to 98 and Section 117 of the Local Government Act 1972 for further clarification of the rules.

## Contract Management

### Managing Contracts

3D.71 Contract management is the process that enables both parties to the contract to meet their obligations in order to deliver the outputs required from the contract. It involves building a good working relationship between the parties. It continues throughout the life of the contract and involves managing proactively to anticipate future needs as well as reacting to situations that arise.

3D.72 The key objective of contract management is to obtain goods and/or services in accordance with the terms and specification as agreed in the contract and to achieve value for money. This involves balancing costs against risks and actively managing the customer-provider relationship. It also involves developing the supplier's continuous improvement capability over the life of the contract.

3D.73 Where it is appropriate to do so the PCC will nominate a designated contract manager with responsibility for service delivery management, relationship management and contract administration.



**Appendix A****Glossary of Terms**

Approved Contract	A contract that has been created in accordance with these contract standing orders for call off or use by the PCC and Chief Constable. A list of contracts can be found on the Bluelight Database available via the SWPPS. If in doubt whether there is an approved contract available contact the Procurement Team.
Approved Standard Terms	Standard terms and conditions approved by the Chief Executive. Includes industry standard terms and template terms and conditions (for example JCT) set up for use by the PCC.
Authorised Officer	An officer appointed by the Police Force covering both civilian and uniformed personnel who has delegated authority to procure and/or approve contracts on behalf of the PCC in accordance with Financial Regulations and scheme of delegation.
Central Purchasing Body	<p>A public sector contracting authority that:</p> <ul style="list-style-type: none"> <li>• Acquires supplies and or services intended for contracting authorities or</li> <li>• Awards contracts or concludes framework agreements for works, supplies or services intended for use by contracting authorities</li> <li>• Concludes framework agreements for goods, services or works intended for one or more contracting authority</li> </ul> <p>Example of CPB's include the Office of Government Commerce Buying Solutions (OGCBS) and Central Office of Information (COI).</p>
Code of Conduct	The code regulating conduct of officers contained within the PCC's regulations.
Contract Register	The Bluelight Procurement Database ( <a href="http://www.blpd.gov.uk">www.blpd.gov.uk</a> ).
Contractor	Same as 'Supplier' defined below.
Financial Regulations	The Financial Regulations approved by the PCC and Chief Constable.
Framework Agreement	An agreement between one or more contracting authorities and one or more supplier, the purpose of which is to establish the terms governing contracts to be awarded during a given

	period, in particular with regard to price, quality and where appropriate the quantity envisaged.
Parent Company Guarantee	A contract which binds the parent of a subsidiary company as follows: If the subsidiary company fails to do what it has promised under a contract with the PCC, the PCC can require the parent company to do so instead.
Performance Bond	An insurance policy: If the contractor does not do what it has promised under a contract with the PCC, the PCC can claim from the insurer the sum of money specified in the Bond (often 10% of the contract value). A Bond is intended to protect the PCC against a level of cost arising from the supplier's failure.
PFI	Private Finance Initiative.
PPP	Public Private Partnership.
South West Police Procurement Service	The procurement function for the Police and Crime Commissioner (PCC) for Dorset and the Chief Constable for Dorset is carried out by the South West Police Procurement Department (SWPPS).
Purchasing Cards	A Corporate Purchasing Card utilised for the purchase of low value goods and services.
Purchase Order	An electronic or manual order placed through the local approved procurement system.
Service Provider	Same as 'supplier' defined below.
Scheme of Delegation	A list of Authorised Officers who have authority to procure on behalf of the PCC in accordance with the Authority's Financial Regulations.
Supplier	Any person or public entity or groups of such persons and or bodies providing, or seeking to provide, supplies, services or works to the PCC or Chief Constable. Other terms such as contractor, service provider, and economic operator may also be used.
Tender	A written response to an Invitation to Tender.
Tenderers	Suppliers who have been invited to submit a tender to the PCC or Chief Constable.
Total Value	The whole of the value or estimated value (in money or equivalent value) for a group of similar commodities or services:

- whether or not it comprises several lots or stages across the contracting authority as a whole
- whether or not it is to be paid or received by the contracting authority as a whole or separate departments within the OPCC and the Force.

Value for Money	Used by the OGC, this is defined as:  “...ensuring that the organisation’s procurement, projects and processes are systematically evaluated and assessed to provide confidence about suitability, effectiveness, prudence, quality, good value and avoidance of error and other waste, judged for the public sector as a whole, not just for the Accounting Officer’s organisation.
Written Quotation	Must be in letter, fax or email and must be addressed personally, containing pricing information and delivery details. Printouts of catalogues are not written quotations.

**Appendix B****General Exceptions from Contract Standing Orders**

These Contract Standing Orders apply to all Goods, Services and/or Works purchased by the PCC and Chief Constable, with the following exceptions:

- a. Procurements of goods, services, or works where the procurement procedure to be followed by the PCC and Chief Constable is the subject of express legislation.
- b. Low value purchases made by an Authority authorised Purchasing Card that are subject to guidelines issued on the use of Purchasing Cards.
- c. Goods, Services or Works procured in an emergency because of a need to respond to events that were beyond the control of the PCC and Chief Constables (e.g. natural disasters such as flooding or fires) where the supply is urgently required and loss, damage, injury or serious operational problems could result from delay due to the advertising procedure.
- d. Any contract entered into by the PCC or Chief Constable under Exception (c) above should not be for a term of more than 6 months.
- e. Contracts for the acquisition and disposal of land or property that are covered by Financial Regulations and other procedures approved by the PCC and Chief Constable.
- f. Contracts for employment for staff, except where an agency is used to supply the staff.
- g. Works orders with utility infrastructure providers, e.g. Gas Mains.
- h. Where there is no effective competition for the supply as prices are fixed under statutory authority.
- i. Call off or orders placed against Approved Contracts or Framework Contracts where the procedures defined in the contract for call off are followed.
- j. Any contract which has had an exemption agreed in accordance with paragraphs 3D.12 to 3D.15.
- k. The disposal of PCC and Chief Constables Assets that are covered by the Financial Regulations and other procedures approved by the PCC and Chief Constable.

## Appendix C

## Financial Thresholds

Threshold and Type	Value	Relevant section	Quotation/Tender Process	Response	Procurement
<b>1. Very Low Value Transactions</b> Goods, Services and Works For Estates Works only the threshold will be up to £20,000	Up to £5,000	3D.29 to 3D.31	A written or electronic quotation.  Demonstration of value for money		Devolve
<b>2. Low Value Transactions</b> Goods, Services and Works This does not apply to Estates Works	£5,001 to £20,000	3D.29 to 3D.31	A minimum of 3 written or electronic quotations.  Demonstration of value for money		Devolve
<b>3. Intermediate Value Transactions</b> Goods, Services and Works	£20,001 - £50,000	3D.33 to 3D.34	A risk based procurement options analysis to be undertaken to determine the most appropriate procurement route, in consultation with the Head of Finance and, if appropriate, SWPPS		Devolve
<b>3. Transactions above Threshold 3 are covered in the SWPPS Procurement Regulations.</b>	Above £50,000				

Evidence of the process must be retained and available for review/inspection when required

# **Part 3E**

# **Meeting**

# **Governance**

Draft

September 2025

## Part 3E Meeting Governance

- Part 3A – Schedule of Roles and Responsibilities
- Part 3B – Scheme of Delegation and Consent
- Part 3C – Financial Regulations
- Part 3D – Contract Standing Orders
- **Part 3E – Meeting Governance**

- 3E.1 The governance of the Force meetings and joint structured meetings with the Police and Crime Commissioner (PCC) are delivered through a series of strategic meetings chaired by a member of the Executive, who has decision making authority for their portfolio area of business.
- 3E.2 Force meetings are managed by Personal Assistants with the Executive staff office in support of effective decision-making.
- 3E.3 A similar structure is in operation within the Office of the Police and Crime Commissioner (OPCC).
- 3E.4 Each strategic meeting has terms of reference, and each meeting is captured in minutes together with any decisions and actions.
- 3E.5 All supporting papers and minutes of the meetings are published as 'Open or Closed' business subject to Freedom of Information (FOI) requirements.
- 3E.6 Sitting below the strategic meetings are a series of other meetings designed to deliver operational business and to inform the strategic decision making process.
- 3E.7 Meetings are held on a cyclical basis and terms of reference are subject to annual review to ensure their ongoing relevance and focus of the meeting.
- 3E.8 Documentation and records of decision-making meetings are retained.
- 3E.9 The chair of each strategic meeting ensures the meetings operate within the terms of reference of the meeting and in compliance with the Scheme of Governance including financial regulations.
- 3E.10 Ultimately each member of the Executive is accountable to their employer; the Chief Constable or the Police and Crime Commissioner.
- 3E.11 Governance arrangements are reviewed as part of the annual governance statement (AGS).

3E.12 The themes of good governance and how they are considered as part of the annual review of governance that culminates in the annual governance statement is attached below.

3E.13 The Independent Audit Committee terms of reference are subject to biennial review by the Chair of the Independent Audit Committee in conjunction with the Chief Constable and PCC and are available to the public on the OPCC website and the Force website.



## The Governance Framework

## The Annual Governance Statement

**Independent Audit Committee (IAC)**

**The Chief Constable and**

**Executive Officers and  
Senior Managers**

(supports robust governance  
arrangements)

**The Treasurer and the  
Chief Finance Officer**

(supports effective financial  
management)

**The Chief Executive &  
Monitoring Officer**

(supports legal & ethical  
assurance)

## The Code of Corporate Governance

## Strategic Meetings

### Legitimacy & Constitution

Codes of Conduct  
Scheme of Delegation  
Complaints &  
Misconduct  
Anti-Fraud &  
Independent Office  
for Police Conduct  
Professional  
Standards Unit  
Ethics Committee  
Public Engagement  
& Consultation  
Complaints  
Resolution  
Whistleblowing &  
Confidential  
Reporting  
College of Policing  
Code of Ethics

### Strategic Planning

Business Analysis,  
Development &  
Planning  
Performance  
Risk Management  
Business Continuity  
Partnership Working  
Annual Report  
Force Management  
Statement  
Performance  
Reports  
Police & Crime  
Panel  
Independent Audit  
Committee  
Scrutiny Panels  
Internal Audit  
Programme &  
Opinion  
Risk & Assurance  
Framework

### Financial Management Framework

Budget Setting &  
Monitoring  
Financial  
Regulations &  
Practice  
Treasury &  
Investment Strategy  
Medium Term  
Financial Strategy  
Statement of  
Accounts  
External Audit  
Annual Letters &  
Opinion  
South West Police  
Procurement &  
Contract Monitoring

### HR Policies

Terms & Conditions  
Remuneration  
Establishment  
Controls  
Recruitment &  
Retention  
Training &  
Leadership  
Sickness  
Management  
Personal Appraisals



# INDEPENDENT AUDIT COMMITTEE

## OPERATING PRINCIPLES

## **INTRODUCTION**

The statutory Financial Management Code of Practice requires that a Chief Constable (CC) and a Police and Crime Commissioner (PCC) establish an Independent Audit Committee and recommends that this should be a combined body.

The Chief Constables and Police and Crime Commissioners of Devon & Cornwall and Dorset (the four corporations sole) have created a single Independent Audit Committee to advise them.

The Independent Audit Committee will comment and provide advice and assurance on any matter relating to the internal control environment of the Forces and the OPCCs. The functions to be overseen by the Committee will include internal and external audit, relevant control strategies, such as risk management, and governance and assurance statements. The Committee provide independent scrutiny of the Forces and PCCs financial and non-financial performance to the extent that it affects their exposure to risk and weakens the control environment; and oversee the financial reporting process, including anti-fraud and anti- corruption arrangements. The Committee will also maintain oversight of general governance matters and comment on proposed new or revised Force or PCC policies and strategies which, in the opinion of the Chief Financial Officers, are significant in terms of financial risk and probity.

If the Independent Audit Committee has concerns about a specific governance or audit matter it may request the relevant policy or strategy to be presented to the Committee in order that assurance may be obtained, and constructive comment provided where appropriate.

For the benefit of doubt, the scope of the Independent Audit Committee's remit does not extend to Force performance and Force operational risks, or HMICFRS reports with an operational focus. Day-to-day management of the internal audit function and any reviews that may be carried out by Police and Crime Panels are also out of scope.

This document supports the Terms of Reference for the Independent Audit Committee.

## **COMPOSITION**

The Financial Management Code of Practice suggests that the Independent Audit Committee should comprise between three and five members, independent of PCCs and Forces. The four corporations' sole have agreed that their Independent Audit Committee should have five members, with a quorum of three, to provide a robust and resilient approach for the Committee to discharge its duties effectively.

As a joint committee serving Devon, Cornwall and Dorset, consideration will also be given to achieving a balanced representation from across the three counties, to ensure that local perspectives and contexts are appropriately reflected in the Committee's work.

## **CHAIR AND VICE-CHAIR**

The Independent Audit Committee will elect the Chair and Vice-Chair annually. It is a matter for the members of the Independent Audit Committee to decide any restriction on the number of terms of office for the Chair and Vice-Chair. In doing so Members have a duty to consider individual tenure of the Independent Audit Committee together with the need to effectively prepare for succession planning in both the role of Chair and Vice Chair as well as consideration of a longer-term appointment for the Chair in line with CIPFA Practical Guidance for Audit Committees.

## **ELIGIBILITY**

Independent Audit Committee Members must be independent of both Forces and PCCs. Serving police officers, police staff or members of staff employed in the Office of the PCC (OPCC) are not eligible for appointment. A person who has previously been so employed, or have been directly involved in the Force/OPCC internal or external audit function must have a minimum two-year break before being eligible for appointment to serve on the Independent Audit Committee.

To maintain the objectivity and independence of the Independent Audit Committee (IAC), members must not be politically active. While membership of a political party is not, in itself, a disqualifier, holding a senior or influential role within a political party, or standing as a candidate in any election on a political ticket is considered incompatible with membership.

Individuals who have previously held political office or a politically influential role may be eligible to join the committee only if a minimum period of two years has elapsed since leaving that position.

Members must have been successfully vetted to non-police personnel vetting (NPPV) basic level before confirmation of their appointment to the Independent Audit Committee. They must declare all arrests, convictions and cautions on the vetting form and whether they are 'spent' under the terms of the Rehabilitation of Offenders Act.

A person who is an undischarged bankrupt is not eligible for appointment to the Independent Audit Committee.

All members must uphold the College of Policing – Code of Ethics and the Nolan Principles. . They are required to inform the Monitoring Officer immediately if they become aware of any allegation, complaint or event that could have a bearing on their conduct or integrity. The Monitoring Officer is the Chief Executive of either Devon & Cornwall or Dorset.

Failure to meet and uphold the necessary standards may result in removal as a member of the Independent Audit Committee.

Independent Audit Committee members are required to declare relevant pecuniary

and other interests which will be recorded in a register of such interests kept by the Monitoring Officer. Additionally, in connection with attending meetings of the Independent Audit Committee, relevant personal or prejudicial interests must always be declared in the approved manner. Relevant gifts and hospitality received must also be declared.

It is a condition of appointment that all Independent Audit Committee members accept that their name, photograph, all declarations of interest, remuneration and expenses received as a committee member, and registered gifts and hospitality may be made publicly available.

In the interests of individual effectiveness and personal development, it is also a condition of appointment that all Independent Audit Committee members accept that they will be the subject of an annual appraisal process with the Chair of the Committee. The Chair of the Independent Audit Committee will be appraised by the Chief Financial Officers of Devon & Cornwall and Dorset. Appraisals will include discussion of the support provided by other Committee members as well as professional or administrative officers.

Decisions in relation to IAC membership will be a matter for the Chief Constables and PCCs.

## **RECRUITMENT**

Recruitment of new members to the Independent Audit Committee will be carried out, where possible in conjunction with the Chair of the Audit Committee and all appointments will be approved by the CCs and PCCs, or their representatives.

The primary considerations when recruiting will be to maximise the Committee's diversity, knowledge base, skills, ability to be objective and independent and have Committee membership that works well together. In addition, consideration will be given to individuals who live in, work in, or can demonstrate a close association with Devon and Cornwall or Dorset, to ensure local relevance and understanding of the communities served.

Where possible open recruitment will commence six months prior to the end of any Committee member tenure period.

## **TENURE**

Members of the Independent Audit Committee can serve a term of up to five years, reporting directly to the respective PCCs and CCs. No person is to serve on the Committee for more than ten consecutive years.

If a member chooses to resign from their appointment, they should give three months' notice, unless their circumstances have changed in ways that make it appropriate to resign earlier.

At the end of a tenure period, an open recruitment process will take place, where

members will have the opportunity to reapply for a position subject to the maximum tenure of ten consecutive years.

If a member's performance as an Independent Audit Committee member is decided to be unacceptable, or if their conduct (including conflicts of interest) is unacceptable the appointment will be terminated. Generally, a one-month notice period following the approval of the CCs and PCCs will be given unless the conduct is such that the CCs and PCCs consider it appropriate for immediate dismissal.

During the one-month notice period attendance at meetings of the Independent Audit Committee will be suspended unless agreed by the Committee Chair or Vice Chair in the case of suspension of the Chair.

## **CO-OPTING**

In usual circumstances any vacancy in Independent Audit Committee membership will be filled by open recruitment, however, in some circumstances it may be expedient to co-opt a member.

The decision to co-opt must have the explicit agreement of the majority of CCs and PCCs in advance of any selection and appointment process. The number of Committee members including the co-opted member will be no more than the maximum size of the Independent Audit Committee (five members).

The selection of the co-opted member will be based on their specialist knowledge, skills and expertise, and will include consideration of a written application/cv and a suitability interview. The proposed co-opted member is required to pass the normal vetting and right to work processes. The final appointment must be confirmed by the majority of CCs and PCCs.

The co-opted member will be remunerated at the same rate as a committee member.

The tenure of the co-opted member can be no longer than the next cycle of open recruitment. The co-opted member can apply in open competition should they wish to be considered for a permanent appointment. Any appointment term will include the period when they were a co-opted member.

The co-opted member cannot be appointed as the Chair or Vice Chair of the Independent Audit Committee, but otherwise has the full rights and responsibilities of other Committee members.

## **FREQUENCY OF MEETINGS**

The Independent Audit Committee will normally meet four times each year, at appropriate times during the audit and financial reporting cycle. Exceptionally, ad-hoc meetings of the Committee may be scheduled if agreed by the two Force Chief Finance Officers, in conjunction with the two Chief Executive Officers.

The Independent Audit Committee can meet internal and external audit as felt necessary by the Committee, with no officers' present.

In addition, the members can hold meetings in private for briefings, training and development. Formal decisions cannot be taken at such meetings.

Papers will normally be sent to members one week and one day (8 days) before each formal meeting of the Committee. Late papers will be submitted as a matter of exception and only with the agreement of the Committee Chair.

The Chair's papers briefing will take place in the 8-day period prior to each formal meeting of the Committee.

The CCs and PCCs may ask the Independent Audit Committee to convene further meetings to discuss issues on which they seek the Committee's advice. Such meetings will have a minimum notice of five working days.

A forward plan of meeting dates will be in place with a minimum of two meetings in advance.

## **ATTENDANCE**

A minimum number of three (3) members must be present for a meeting to be quorate.

Members are required to attend a minimum of three of the formal Independent Audit Committee meetings in any year, except in exceptional circumstances.

Meetings will generally be held using a secure virtual meeting solution, although there may be an occasional requirement to meet in person. Normally, there will be a least one meeting held annually in a single physical location.

## **COMMISSIONER AND CHIEF CONSTABLE REPRESENTATION**

The Financial Management Code of Practice requires the executive of the PCCs and CCs to be represented at meetings of the Independent Audit Committee. This would normally include the Chief Finance Officers and the Chief Executives/Monitoring Officers, plus other OPCC or Force representatives as deemed necessary by the PCCs and CCs.

## **PROFESSIONAL AND ADMINISTRATIVE SUPPORT**

Reasonable executive and administrative support will be provided to allow the Independent Audit Committee to achieve its purpose. Such support will provide or assist in providing timely production of agendas and reports, management of the Committee's IT library of relevant support papers and background documents, reports produced by the Committee, including the Committee annual report and annual review of the Committee's effectiveness.

The allocation of secretariat support to the Independent Audit Committee and its

funding will be agreed by the PCCs and CCs, as and when necessary.

With the joint approval of the respective Chief Financial Officers of the PCCs and CCs the Committee may procure specialist advice, where this is not already available within existing Independent Audit Committee support arrangements or, it is not considered appropriate to use that support.

### **METHODS OF WORKING**

The Independent Audit Committee will have a supportive and constructive ethos, providing robust challenge to enable it to provide credible assurance to the CCs and the PCCs on relevant financial and governance matters. The Committee will advise the CCs and the PCCs according to good governance principles and the adoption of appropriate risk management arrangements.

The Independent Audit Committee will take account of the principles of Corporate Social Responsibility (CSR) which includes financial and economic stewardship (including Value for Money); people and communities (including Diversity, Equality and Human Rights) environmental sustainability and health & safety. All members will follow the College of Policing Code of Ethics.

Members of the Independent Audit Committee who attend other meetings or events on behalf of the Committee will provide a written report to the Committee membership.

### **DATA SECURITY**

Members must be aware of their responsibilities to always comply with the requirements of the General Data Protection Regulations (GDPR) and the Data Protection Act 2018.

All protectively marked printed papers must be returned to the OPCC or Force for secure disposal.

Force provided computer/technical equipment must be used in accordance with the Force-wide Computer User Security Operating Procedures.

Members are responsible for the physical security of all computer and technical resources. Computers with remote access to the Force network must not be used to connect to any other service or system.

Electronic transcripts of formal meetings of the Independent Audit Committee may be taken by the meeting administrator and will be deleted immediately after the draft minutes have been produced and agreed with the Chair.

### **PROCEDURE**

The Independent Audit Committee may seek any or all of those who normally attend, but who are not Members, to withdraw to facilitate open and frank discussion



of matters.

The Independent Audit Committee may ask any other officials of the Force or OPCC to attend meetings to assist with its discussion on any issue.

The Chair may ask any Committee participant or observer to leave a meeting at any time during proceedings to facilitate the effective function of the Committee.

## **REMUNERATION**

Committee members will be remunerated according to their role and responsibilities. The annual fee will be paid in twelve (12) equal payments:

Chair - £6,000  
Vice Chair -  
£3,500 Member  
- £2,500

These rates have been in effect from April 2022 and are subject to periodic review. While a light-touch review was undertaken in April 2025, a more comprehensive review of remuneration is planned to co-inside with the next full recruitment cycle, expected in 2027.

## **REIMBURSEMENT OF TRAVEL AND CARERS COSTS**

As a matter of course, the most practical, economic and sustainable method of travel should be used and opportunities to share transport used if available and it is safe to do so. Where a private car, motorcycle or bicycle is used, reimbursement will be at the relevant HM Revenue and Customs approved rate (the car mileage rate is currently 45p per mile up to 10,000 miles), up to a maximum claim for travel of £120 per meeting.

A carers allowance will be paid to the value of 110% of the minimum wage.

## **INDUCTION, TRAINING AND DEVELOPMENT**

The Treasurers and Chief Finance Officers, in conjunction with the Chief Executives will devise an appropriate training and induction programme for all Independent Audit Committee members, including provision for refresher and specialist training as required. In determining induction and training requirements for individual Committee members, consideration will be given to legislative requirements and any needs identified by a training needs assessment upon appointment, during the annual appraisal process, or the annual review of the Independent Audit Committee's effectiveness.

Members of the Independent Audit Committee will also contribute to the development of the Committee in conducting its role.

Personal training and development plans are considered separately.

## **BUDGET**

An appropriate budget will be set by the four corporations sole to cover the Committee's reasonable costs, including – training, travel, carers allowance and exceptionally, accommodation.

This will be reviewed each year as part of the budget setting cycle and should be reviewed in line with the ongoing workload of the Committee.

## **PUBLIC ACCESS**

Independent Audit Committee meetings are open to the public and press, who may attend as observers only, for the open part of the agenda.

Public access to virtual meetings will be managed in the same way as physical meetings but within the controls of the virtual meeting system.

The taking of photographs or recording of proceedings is not permitted without the express written consent of the Chair in advance of the meeting.

Where issues are deemed restricted, commercially sensitive or relate to a member of staff, members of the public or press will not be allowed to observe.

The Chair has the right to refuse or suspend access to the proceedings of the committee if there is a security risk to the public, or caused by the public, or if the behaviour of a member of the public is disruptive, rude, aggressive, threatening, violent, illegal or otherwise considered by the Chair to be inappropriate.

Members of the public or press are not eligible to claim expenses for attending.

The public may contact the Chair of the Independent Audit Committee by writing/emailing to the Chair at the OPCC address. The public will not be allowed direct contact to members of the Independent Audit Committee and their personal contact details will remain confidential.

## **REPORTING**

The Chair of the Independent Audit Committee will bring to the attention of the CCs and PCCs matters of significance after each formal meeting of the Committee.

The Independent Audit Committee will produce an annual report of their work for the CCs and PCCs which will include the outcome of the annual review of the effectiveness of the Committee.

## **PUBLICATION OF INFORMATION**

The agenda, open reports and open minutes of the Independent Audit Committee will be available on both PCC and Force websites.

## REVIEW

The operating principles will be subject to annual review by the Head of Audit and Insurance in conjunction with the Chair of the Independent Audit Committee and approved by the Chief Constables and Police and Crime Commissioners.

**Date of next review: September 2026**

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# INDEPENDENT AUDIT COMMITTEE TERMS OF REFERENCE

## **Statement of purpose**

The Independent Audit Committee is a key component of the corporate governance for Devon & Cornwall Police, the Police and Crime Commissioner for Devon and Cornwall and for Dorset Police and the Police and Crime Commissioner for Dorset.

The purpose of the Independent Audit Committee is to provide independent and high-level focus on the adequacy of governance, risk and control arrangements. Its role in ensuring there is sufficient assurance over governance, risk and control gives greater confidence to the PCC and Chief Constable that those arrangements are effective.

The Committee should give such advice and make recommendations on improvements as it considers appropriate, and to request any report, policy or other document to provide the assurance sought. In accordance with the Revised Financial Management Code of Practice for the Police Forces of England and Wales (FMCP) (Home Office 2018) the Independent Audit Committee is an advisory body only. The Chartered Institute of Public Finance and Accountancy, CIPFA, notes that as a non-executive body, the influence of the audit committee depends not only on the effective performance of its role, but also on its engagement with the leadership team and those charged with governance.

The Committee will review its own effectiveness and provide an annual report to the Chief Constables and Police and Crime Commissioners.

These terms of reference summarise the core functions of the Committee in relation to the offices of the Chief Constables and Police and Crime Commissioners.

## **Governance, risk and control**

- To review the force corporate governance arrangements against the good governance framework, including the ethical framework, and consider the local code of governance.
- To monitor the effective development and operation of risk management in the OPCC and force.
- To monitor progress in addressing risk-related issues reported to the committee.
- To consider the OPCC's and force arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.

- To consider reports on the effectiveness of financial management arrangements, including compliance with CIPFA'S Financial Management Code.
- Consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- To review the assessment of fraud risks and potential harm to the OPCC and force from fraud and corruption.
- To monitor the counter-fraud strategy, actions and resources.
- Review the governance and assurance arrangements for significant partnerships or collaborations.

### **Internal audit**

- To recommend for approval the Internal Audit Charter
- To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations.
- To review the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- To consider significant interim changes to the risk-based internal audit plan and resource requirements.
- To make appropriate enquiries of both management, The Head of Audit & Insurance and the SWAP Chief Audit Executive to determine if there are any inappropriate scope or resource limitations.
- To consider any impairments to the independence or objectivity of the the Head of Audit & Insurance and the SWAP Chief Audit Executive arising from additional roles or responsibilities outside of internal auditing and to recommend and periodically review safeguards to limit such impairments.
- To consider reports from the SWAP Chief Audit Executive on internal audit's performance during the year,. These will include:
  - updates on the work of internal audit, including key findings, issues of concern and action in hand as a result of internal audit work

- regular reports on the results of the QAIP
- reports on instances where the internal audit function does not conform to the PSIAS and LGAN, considering whether the non-conformance is significant enough that it must be included in the AGS.
- To consider the SWAP Chief Audit Executive's annual report, including:
  - the statement of the level of conformance with the PSIAS and LGAN and the results of the QAIP that support the statement (these will indicate the reliability of the conclusions of internal audit)
  - the opinion on the overall adequacy and effectiveness of the framework of governance, risk management and control, together with the summary of the work supporting the opinion (these will assist the committee in reviewing the AGS).
- To consider summaries of specific internal audit reports as requested.
- To receive reports outlining the action taken where the SWAP Chief Audit Executive and/or the Head of Audit & Insurance has concluded that management has accepted a level of risk that may be unacceptable to the OPCC or force, or where there are concerns about progress with the implementation of agreed actions.
- To contribute to the QAIP and in particular to the external quality assessment of internal audit that takes place at least once every five years.
- To consider a report on the effectiveness of internal audit to support the AGS where required to do so by the accounts and audit regulations.
- To provide free and unfettered access to the audit committee chair for the head of internal audit, including the opportunity for a private meeting with the committee.

## **External audit**

- Support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review any issues raised by either Public Sector Audit Appointments Limited (PSAA) or, the auditor panel as appropriate.
- Comment on the scope and depth of external audit work, and whether it gives satisfactory value for money.
- To advise on commissions of additional work from external audit.

- Consider the auditor's annual management letter, relevant reports and the report to those charged with governance.
- Consider specific reports as agreed with external audit.
- Advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies, or relevant bodies. To provide free and unfettered access to the audit committee chair for the auditors, including the opportunity for a private meeting with the committee.

## **Financial and governance reporting**

### **Governance reporting**

- To review the AGS prior to approval by the PCC and Chief Constable and consider whether it properly reflects the risk environment and supporting assurances, including the SWAP Chief Audit Executive's annual internal audit opinion.
- To consider whether the annual evaluation for the AGS fairly concludes that governance arrangements are fit for purpose, supporting the achievement of the OPCC's and force's objectives.

### **Financial reporting**

- To monitor the arrangements and preparations for financial reporting to ensure that statutory requirements and professional standards can be met.
- Review the annual statements of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements, or from the audit that need to be brought to the attention of the relevant Chief Constable or Police and Crime Commissioner.
- Consider the external auditor's report to the PCC and the Chief Constable on issues arising from the audit of the accounts.

### **Accountability arrangements**

- To report to the PCC and Chief Constable on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control

frameworks, financial reporting arrangements and internal and external audit functions.

- To report to the PCC and Chief Constable on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose.
- To publish an annual report on the work of the committee, including a conclusion on the compliance with the CIPFA Position Statement.

## **Operating Principles**

These are set out separately in the Committee's Operating Principles document.

## **Review**

The terms of reference will be subject to annual review by the Head of Audit & Insurance in conjunction with the Chair of the Independent Audit Committee and approved by the Chief Constables and Police and Crime Commissioners.

**Date of next review:** September 2026



**AGENDA NO: 12**

## **INDEPENDENT AUDIT COMMITTEE**

**DATE OF MEETING: 3 SEPTEMBER 2025**

**FOIA OPEN**

**TITLE OF REPORT: ANNUAL ASSURANCE MAP**

**REPORT BY: Jo George – Acting Head of Audit & Insurance**

**PURPOSE OF THE REPORT:**

Version 4.1

September 2025



To present an update and provide assurance on one or more of the following areas:

<b>Governance, Risk and Control</b>	<b>X</b>
<b>Internal Audit</b>	<b>X</b>
<b>External Audit</b>	
<b>Financial reporting</b>	
<b>Other matter</b> ( <i>please specify here</i> )	
<b>Appendices</b> ( <i>please specify the number</i> )	<b>2</b>

## RECOMMENDATIONS:

The Independent Audit Committee is asked to:

<b>Review the Report</b>	
<b>Consider the Report</b>	<b>X</b>
<b>Note the report</b>	
<b>Other</b> ( <i>please specify here</i> )	

## 9. BACKGROUND INFORMATION

- 9.1 Assurance Mapping is set out as a requirement of the PSIAS (Public Sector Internal Audit Regulations).
- 9.2 The terms of reference for the Independent Audit Committee (IAC) give specific responsibility to consider the wider governance and assurance framework and consider reports on its adequacy to address the risk and priorities of the PCCs and Chief Constables.
- 9.3 Assurance mapping is a collection of assurances against specific risks in a visual chart or table that draws assurances together in one map to show the different areas where assurance is received. The map can be used as a tool for governance arrangements, supporting the audit committee, executive and management to take an objective view of the organisations risks and from where it receives assurance on those risks or has gaps in its assurance framework. This should lead to better management of those risks.
- 9.4 On finalisation of each assurance map against a specific risk, recommendations are agreed and allocated an action owner. Internal Audit then work with the service area to support them to complete the recommendations made.

## 10. ASSURANCE MAPPING

- 10.1 The Force assurance map work (Devon & Cornwall Appendix A and Dorset Appendix B) have focused on reviewing strategic organisational risks. Each map is a moment in time where all the assurances available for any given risk are reviewed to form a view on how well they integrate with each other and to identify if there are any obvious gaps in their management.

10.2 Our approach has identified key controls on strategic risks which the forces rely on to ensure integrity and effectiveness. The summary assurance map is underpinned by individual operational assurance maps for each of the key services noted. The operational maps have been populated with details of how and where the business operational controls are working (First Line), assurance oversight, management, and compliance reporting (Second Line) and any independent challenge and audit/regulator reviews available (Third line).

10.3 In summary the scoring methodology is based on:

Red - Something is missing that requires action.

Amber - An area needs to be developed slightly to improve the effectiveness and integrity.

Green - No action required.

10.4 The rolling plan dashboard pictures included in Appendix A and Appendix B is the assurance mapping initiative delivered with SWAP. The aim is to show an overall assurance picture of assurance reviews undertaken by:

- SWAP
- HMICFRS
- Inhouse internal audit work
- Investigative Standards Team (Dorset)
- Review and Inspection Team (Devon & Cornwall)

Work is now ongoing to gather other independent assurance work provided to the force from other independent bodies. These will also be incorporated into the SWAP dashboard, to further develop this picture.

## 11. **ROLE OF THE INDEPENDENT AUDIT COMMITTEE**

11.1 IAC require assurance from various sources to satisfy their role. A wider assurance map of key sources of assurance for this committee to enable it to fulfil its terms of reference has been updated and is attached as Appendix C.

*10 August 2025*

*Prepared By: Jo George, Acting Head of Audit & Insurance*

*Sponsored By: Robin Wheeler, Head of Finance*

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**Devon & Cornwall Assurance Map**  
**2024/25**

	<b>Substantial</b> assurance from most recent independent report/audit/assurance activity
	<b>Reasonable</b> assurance from most recent independent report/audit/assurance activity
	<b>Limited</b> assurance from most recent independent report/audit/assurance activity

		LINES OF DEFENCE				Ta			
RISK	IMPACT	LINE 1 Operational/Tactical	LINE 2 Corporate Oversight/Strategic	LINE 3 Assurance Providers		Reputation	H&S	Finance	IT
Environment & Sustainability – April 2024									
Climate Change	G	G	G	G		X		X	
Water Sustainability	G	G	G	G		X		X	
Energy – of Performance and Sustainable	G	G	G	G		X		X	
Business Continuity Risk	A	A	G	A	Business Case developments	X		X	
Carbon	A	A	G	A	Estate (Heat) & Fleet decarbonisation plan complete – being actioned	X		X	
Awareness & Engagement	A	A	G	A	E Learning being developed	X		X	
Health & Safety – April 2024									
Accidents	G	G	G	G			X		
Fire	G	G	G	G		X	X		
Structures	G	G	G	G			X		
Time of Buildings	A	G	G	G	Building Controller roles – still being defined and central records of checks.	X	X		
Incidents	G	G	G	G			X		
Assessments	G	G	G	G			X		
Incidents / Non-	G	G	G	G			X		
Incidents / Operational Performance and	G	G	G	G			X		
Incidents	G	G	G	G			X		
Finance – March 2025									
Finance Function)									
Banking & Accounts	A	A	A	G	ERP development	X		X	
Procurement	G	G	G	G		X		X	
Management	G	G	G	G		X		X	
Reporting	G	G	G	G		X		X	

		LINES OF DEFENCE				Ta			
RISK	IMPACT	LINE 1 Operational/Tactical	LINE 2 Corporate Oversight/Strategic	LINE 3 Assurance Providers		Reputation	H&S	Finance	F
es (Alliance Function)									
	G	G	G	G		X		X	
Human Resources (Alliance Function)									
ces	A	A	A	A	ERP development	X		X	
ices (Alliance Function)									
s	G	G	G	G		X		X	
ange (Alliance Function)									
ge	G	G	G	G		X		X	
e Function)									
	G	G	G	G		X		X	X
nt (Southwest PPD Function)									
	G	G	G	G		X		X	
Estates									
tes	A	A	A	G	ERP development & Business Case development	X		X	



## ROLLING AUDIT PLAN as at:

Police Area	Internal Coverage	HMICFRS Coverage	SWAP Coverage	Average SWAP Opinion
FMS 1 - Finance	Good	Adequate	Good	Reasonable
FMS 2 - Wellbeing	Some	Some	None	
FMS 3 - Responding to the Public	None	Good	None	
FMS 4 - Prevention and Deterrence	Some	Adequate	None	
FMS 5 - Investigations	Some	Good	Some	Non Opinion Audits
FMS 6 - Protecting the Vulnerable	Adequate	Good	Adequate	Reasonable
FMS 7 - Managing Offenders	None	Adequate	Some	Reasonable
FMS 8 - Managing Serious and Organised Crime	None	Adequate	Some	Non Opinion Audits
FMS 9 - Major Events	Some	Adequate	None	
FMS 10 - Knowledge Management and ICT	Good	Some	Good	Reasonable
FMS 11 - Force-wide Functions	Good	Good	Good	Reasonable
FMS 12 - Collaboration	None	Some	Adequate	Reasonable

NB

- Only includes work completed within past 3 years from current date
- Work completed over 1 year from current date have a reduced impact on audit coverage

### Dorset Police Assurance Map 2024/25



**Substantial** assurance from most recent independent report/audit/assurance activity

**Reasonable** assurance from most recent independent report/audit/assurance activity

**Limited** assurance from most recent independent report/audit/assurance activity

		LINES OF DEFENCE				Ta			
RISK	IMPACT	LINE 1 Operational/Tactical	LINE 2 Corporate Oversight/Strategic	LINE 3 Assurance Providers		Reputation	H&S	Finance	E
nt & Sustainability – April 2024									
Sustainability gy	G	G	G	G		X		X	
Sustainability	G	G	G	G		X		X	
int – of Performance	G	G	G	G		X		X	
and Sustainable	G	G	G	G		X		X	
uation Risk	A	A	G	A	Business Case developments	X		X	
n Risk	A	A	G	A	Estate (Heat) & Fleet decarbonisation plan complete – being actioned	X		X	
Awareness &	A	A	G	A	E Learning being developed	X		X	
fety – April 2024									
	G	G	G	G			X		
ce	G	G	G	G		X	X		
s	G	G	G	G			X		
ime of Buildings	A	G	G	G	Building Controller roles – still being defined and central records of checks.	X	X		
ents	G	ERPG	G	G			X		
smments	G	G	G	G			X		
nts / Non-	G	G	G	G			X		
nts / Operational neric and	G	G	G	G			X		
	G	G	G	G			X		
ud – March 2025									
iance Function)									
ble & Accounts	A	A	A	G	ERP development	X		X	
	G	G	G	G		X		X	
gement	G	G	G	G		X		X	
ng	G	G	G	G		X		X	
es (Alliance Function)									
	G	G	G	G		X		X	
uman Resources (Alliance Function)									
ces	A	A	A	A	ERP development	X		X	
ices (Alliance Function)									
s	G	G	G	G		X		X	
ange (Alliance Function)									

RISK	IMPACT	LINES OF DEFENCE				Ta			
		LINE 1 Operational/Tactical	LINE 2 Corporate Oversight/Strategic	LINE 3 Assurance Providers		Reputation	H&S	Finance	T
ge	G	G	G	G		X		X	
e Function)									
	G	G	G	G		X		X	
nt (Southwest PPD Function)									
	G	G	G	G		X		X	
states									
tes	A	A	A	G	ERP development & Business Case development	X		X	



## ROLLING AUDIT PLAN as at:

Police Area	Internal Coverage	HMICFRS Coverage	SWAP Coverage	Average SWAP Opinion
FMS 1 - Finance	Good	Good	Good	Reasonable
FMS 2 - Wellbeing	None	Some	None	
FMS 3 - Responding to the Public	Good	Good	None	
FMS 4 - Prevention and Deterrence	Some	Good	None	
FMS 5 - Investigations	Good	Good	Some	Non Opinion Audit
FMS 6 - Protecting the Vulnerable	None	Good	Adequate	Reasonable
FMS 7 - Managing Offenders	None	Adequate	Some	Reasonable
FMS 8 - Managing Serious and Organised Crime	Some	Some	Some	Non Opinion Audit
FMS 9 - Major Events	Some	Good	None	
FMS 10 - Knowledge Management and ICT	Good	Some	Good	Reasonable
FMS 11 - Force-wide Functions	Good	Good	Good	Reasonable
FMS 12 - Collaboration	None	Adequate	Adequate	Reasonable

NB

- Only includes work completed within past 3 years from current date
- Work completed over 1 year from current date have a reduced impact on audit coverage

The assurance activities provided or carried out throughout both forces are presented within the total assurance framework. The audit committee should be aware of the total assurance picture. However, the audit committee does not have to deal with all the topics and parts of an assurance picture, but it should know that the organisation has assurance over all these aspects.

The diagram below shows the types of assurance activities that contribute towards a total assurance framework.





The Total Assurance diagram above, is linked to the Terms of Reference and Committee Forward Plan for the Independent Audit Committee, so the colour coding shows how the supporting documents that the audit committee receive are linked to the Total Assurance Map.

LEGISLATIVE COMPLIANCE
Annual Governance Statement (Annually)
Statement of Corporate Governance (Every 2 years)

RISK MANAGEMENT
Risk management framework including policy and procedures (Bi-Annual)
Oversight of strategic risks (Bi-Annual)
Receiving assurance statements on risk mitigation activity (Bi-Annual)
Copies of risk registers stored on the IAC Drives

EXTERNAL AUDIT
Quarterly progress reports (Quarterly)
Reviewing the plan of work (Annually)
Report to those charged with governance (Annually)
Receipt of reports and updates by external audit (Quarterly)

INTERNAL AUDIT
Internal Audit Charter (Annually)
Considering the Annual Audit Plan (Annually)
Receiving quarterly updates of progress against the plan (Quarterly)
Annual Audit Opinion Statement (Annually)
Copies of audit reports stored on the IAC Drives
Summary reports and with actions (Quarterly)
Internal Audit Action Updates (Quarterly)
Assurance Map (Annually) – Detailed maps stored on the IAC Drives

FRAUD & CORRUPTION
Reviewing the counter-fraud and corruption strategy (Every 2 years)
Reviewing the 'whistleblowing' policy (Every 2 years)
Report on Fraud & Corruption Investigations (Bi-Annually)
Reviewing the gifts and hospitality policy and declarations (Every 2 years)
National Fraud Initiative outcomes (Every 2 years)
Ethics Arrangements (Annually)

OTHER INDEPENDENT AUDIT / REVIEW
HMICFRS Value for Money reports (Annually)

VFM comparisons with other forces (Annually)
Committee's annual report to Chief Constables and PCC's (Annually)

<b>FINANCIAL GOVERNANCE</b>
Budget planning process (Annually)
Medium Term Financial Plan & Going Concern Reports (Annually)
Financial Regulations (Every 2 years)
Standing Orders on Contracts (Every 2 years)
Summary of the Code of Governance (Every 2 years)
Reserve Strategy (Annually)
Treasury Management Strategy (Annually)
Capital Strategy (Annually)
Insurance programme, insurance broker appointments, insurance renewal process and arrangements for risk financing (Annually)
Consider the annual summary of the number of liabilities claims against the forces (Annually)
Annual Statements of Accounts (Annually)
Review of relevant accounting policies (Annually)

<b>LARGE PROJECT ASSURANCE</b>
Relevant governing documents for those partnerships or collaborations (At inception, or after any change)



**AGENDA NO: 13**

## **INDEPENDENT AUDIT COMMITTEE**

**DATE OF MEETING: 3<sup>rd</sup> September 2025**

**FOIA OPEN:**

**TITLE OF REPORT: Internal Audit Action Update Report**

**REPORT BY: Robin Wheeler (Head of Finance)**

## PURPOSE OF THE REPORT:

To present an update and provide assurance on one or more of the following areas:

<b>Governance, Risk and Control</b>	
<b>Internal Audit</b>	<b>X</b>
<b>External Audit</b>	
<b>Financial reporting</b>	
<b>Other matter</b> ( <i>please specify here</i> )	
<b>Appendices</b> ( <i>please specify the number</i> )	<b>2</b>

## RECOMMENDATIONS:

The Independent Audit Committee is asked to:

<b>Review the Report</b>	
<b>Consider the Report</b>	<b>X</b>
<b>Note the report</b>	
<b>Other</b> ( <i>please specify here</i> )	

## 12. BACKGROUND INFORMATION

- 12.1 The term of reference of the audit committee gives specific responsibility to consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions and have strategic oversight.
- 12.2 The Internal Audit Plan is set out and agreed with the Section 151 Officers of the four-corporation sole.
- 12.3 On finalisation of an audit each action is agreed and allocated an action owner. A target end date is also agreed between the auditor and the owner which sets the timescale for completion.
- 12.4 A report is to be presented quarterly to the Audit Committee and the report must identify those priority 1 and 2 audit actions that are considered overdue or require an extension in advance of six months. The Committee will be able to call the business area to the committee to take questions or ask the business area to bring a report to the next committee on progress of the actions identified.
- 12.5 The Audit Committee has requested that every meeting they receive a summary of the extension requests made to the Head of Finance (or S151 where appropriate) and reasons for extensions. The Head of Finance has delegated authority to grant extensions for up to a six-month period.
- 12.6 The Audit Committee are being asked to raise any issues they have surrounding the delays in completion of the overdue audit actions highlighted in Appendix A. This will then be fed back into the force via the Resources Board (D&C) and Continuous Improvement Board (Dorset).
- 12.7 All audit actions are prioritised according to the definitions captured below:

<b>Priority 1</b>	Findings that are fundamental to the integrity of the service's business processes and require the immediate attention of management.
<b>Priority 2</b>	Important findings that need to be resolved by management.
<b>Priority 3</b>	Findings that require attention.

### 13. INTERNAL AUDIT RECOMMENDATIONS

13.1 The table below sets out a summary of the number of all overdue audit actions as of 18th August 2025, currently being progressed.

13.2

Internal Audit Actions	Priority 1	Priority 2	Priority 3
<b>DORSET</b>			
Actions that are overdue	0	0	0
Actions that have an agreed extension to the original end date.	0	0	0
Considered complete awaiting evidence	0	3	2
<b>TOTAL</b>	<b>0</b>	<b>3</b>	<b>2</b>
<b>DEVON &amp; CORNWALL</b>			
Actions that are overdue	0	1	1
Actions that have an agreed extension to the original end date.	0	0	0
Considered complete awaiting evidence	0	1	0
<b>TOTAL</b>	<b>0</b>	<b>2</b>	<b>1</b>
<b>Joint Force Actions – Alliance Areas</b>			
Actions that are overdue	0	8	5
Actions that have an agreed extension to the original end date.	0	8	5
Considered complete awaiting evidence	0	0	0
Actions re ERP development for Fleet Actions (Parked)	0	4	1
<b>TOTAL</b>	<b>0</b>	<b>20</b>	<b>11</b>
<b>OVERALL TOTALS</b>	<b>0</b>	<b>25</b>	<b>14</b>

13.3 The table below sets out which departments have the overdue audit actions.

Departments		Priority 2	Priority 3
D&C Evidential Property Stores	D&C	1	0
D&C Estates	D&C	0	1
ICT	Alliance	4	1
HR Learning & Development	Alliance	2	0

Finance	Alliance	0	3
Legal Services	Alliance	0	1
Fleet Services	Alliance	2	0
<b>TOTAL</b>		<b>9</b>	<b>6</b>

#### 14. OVERDUE ACTIONS

- 14.1 Appendix A sets out the priority 2 audit actions that are considered overdue.
- 14.2 Appendix B sets out the priority 2 audit actions which have requested an extension within the six-month period, which is authorised by the Head of Finance.
- 14.3 The completion of some overdue audit actions has been delayed due to resource constraints, as efforts have been redirected to support the organisation's priority-based budgeting project currently being undertaken on Alliance departments. This high priority initiative has required significant input from key staff, resulting in the temporary deferral of other planned activities.  
Work on the outstanding audit actions will resume as capacity allows, with revised timelines to be communicated accordingly.

*Prepared By: Jo George, Acting Head of Audit & Insurance*

*Sponsored By: Robin Wheeler, Head of Finance*

AP ID	Remediation Action	Responsible Officer	Priority	Force	Status	Original Timescale	Ne
<b>DP &amp; DCP ICT Change Management</b>							
6260	The Alliance Change Manager has agreed to implement a strict control process where all changes must be approved by the Change Advisory Board (CAB) and evidenced before implementation. Communication and documentation should be enhanced to ensure BT has the necessary information to verify approval status before allowing changes to be submitted.	Alliance ICT Change Manager	2	Alliance	Extension Requested	30/05/2025	3

AP ID	Remediation Action	Responsible Officer	Priority	Force	Status	Original Timescale	Ne
6256	The Alliance Change Manager has agreed to ensure that all change requests include detailed information about dependencies to mitigate the risk of unintended impacts on other systems and processes. A review process to validate the completeness and accuracy of dependency information before approving change requests for implementation should also be established.	Alliance ICT Change Manager	2	Alliance	Extension Requested	30/06/2025	3
<b>DP &amp; DCP – Key Financial Controls – Fleet ERP Integration</b>							
6125	The Alliance Fleet Services Manager has agreed to ensure that system audit trails are available/non-amendable in Key2 now and post go-live.	Alliance Fleet Services Manager	2	Alliance	Extension Requested	30/06/2025	3
6121	The Alliance Fleet Services Manager has agreed to ensure that a concise control process is put in place to process new/amended/closed Key2 users (inc. changes to authorisation limits) and to monitor/control the	Head of Finance	2	Alliance	Extension Requested	30/06/2025	3

AP ID	Remediation Action	Responsible Officer	Priority	Force	Status	Original Timescale	Ne
	user id mappings between Key2 and Unit4.						
<b>DP &amp; DCP – Key Financial Controls – P2P User Acceptance Testing</b>							
6323	The Head of Finance has agreed to lead and finalise discussions regarding budget approver maintenance within Unit4, in order to facilitate robust financial controls within all workstreams of the ERP Optimisation Programme.	Head of Finance	2	Alliance	Extension Requested	30/06/2025	3
6325	The Purchasing & Payment Services Manager has agreed to map all requisition field interdependencies and ensure all are suitably maintained and relevant stakeholders aware of their relevance.	Purchasing & Payment Services Manager	2	Alliance	Extension Requested	30/06/2025	3

AP ID	Remediation Action	Responsible Officer	Priority	Force	Status	Original Timescale	Ne
6324	The Head of Purchasing & Payment Services has agreed to review and finalise the Unit4 users assigned as Technical Approvers for requisitions and ensure segregation of duties between this role and the budget approver role; subject to workstream advancement.	Head of Purchasing & Payment Services	2	Alliance	Extension Requested	30/06/2025	3
6326	The Head of Purchasing & Payment Services has agreed to ensure that all testing observations detailed in the report are considered and resolved/agreed as risk accepted prior to roll-out.	Head of Purchasing & Payment Services	2	Alliance	Extension Requested	30/06/2025	3



