



GOVERNANCE FRAMEWORK (2)

CODE OF CORPORATE GOVERNANCE 2017

Chief Executive
(and Monitoring Officer)

1 January 2017

1. **INTRODUCTION**

- 1.1 Governance is about a body putting in place proper arrangements for the conduct of its affairs and facilitating the proper exercise of its functions. It comprises the systems, processes, culture and values by which the body is directed and controlled.
- 1.2 This Code of Corporate Governance describes how the Police and Crime Commissioner for Suffolk (PCC) discharges their responsibilities in this respect, and particularly their overarching statutory responsibilities:

- to secure the maintenance of the police force for their area;
- to hold the Chief Constable of Suffolk Constabulary to account for the exercise of his functions and those of persons under his direction and control.

The Chief Constable has direction and control over the Constabulary's officers and staff.

- 1.3 The CIPFA Framework "Delivering Good Governance in Local Government" Guidance Note for Policing Bodies in England and Wales 2016 edition sets out the seven principles of good governance on which effective governance should be built:

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

- 1.4 This Code has been developed to ensure that these principles are fully integrated into the conduct of the PCC's business. The PCC will take steps to ensure that the systems and processes in place are monitored for their effectiveness in practice and subject to annual review to ensure they remain up-to-date.

2. **THE CODE OF CORPORATE GOVERNANCE**

- 2.1 Accordingly, the PCC has developed a Code of Corporate Governance which incorporates the seven good governance principles, develops these in a local context, and sets out the arrangements for reviewing their effectiveness.
- 2.2 The way in which each of the principles of good governance is put into practice by the PCC is set out below:

2.2.1 *Principle 1*

The PCC will behave with integrity and demonstrate strong commitment to ethical values and respect for the rule of law.

To achieve this the PCC will:

- ensure that the PCC's leadership sets a climate of openness, support, respect, ethical behaviour and commitment to the rule of law;
- ensure that the expected standards of conduct and personal behaviour of those holding public office and their staff are clearly communicated;
- put in place arrangements to ensure the PCC, the Chief Constable and their officers and staff are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and ensure that they operate in practice;
- create the conditions to ensure that statutory officers are able to fulfil their responsibilities in accordance with the law and best practice.

2.2.2 *Principle 2*

The PCC will ensure openness and comprehensive stakeholder engagement.

To achieve this the PCC will:

- define to whom and for what the PCC is accountable;
- publish an annual report on the activities of the PCC;
- ensure that arrangements are in place to enable the PCC to engage and consult with all sections of the community and other stakeholders in an effective way. These arrangements should recognise that different sections of the community have different priorities;
- ensure that the PCC and the Office of the PCC as a whole is open and accessible to the community, service-users and staff.

2.2.3 *Principle 3*

The PCC will define outcomes in terms of sustainable, economic, social and environmental benefits.

To achieve this the PCC will:

- develop and promote the PCC's aims and review them on a regular basis;
- publish an annual report on a timely basis to communicate the PCC's activities and achievements, financial position and performance;
- decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available;
- ensure that the work the PCC undertakes in partnership with others is founded upon a common vision of their work;
- maintain effective arrangements to ensure the Constabulary performs to a high standard and is able to identify and deal with failure in service delivery;

- make sure the PCC has the information needed to ensure value for money and review performance effectively.

2.2.4 *Principle 4*

The PCC will determine the interventions necessary to optimise the achievement of the intended outcomes.

To achieve this the PCC will:

- establish robust planning and control cycles to deliver strategic and operational plans and priorities;
- engage with internal and external stakeholders in determining how services should be planned and delivered;
- prepare budgets in accordance with government funding announcements, organisational objectives and strategies and the medium term financial plan.

2.2.5 *Principle 5*

The PCC will develop the entity's capacity, including the capability of its leadership and the individuals within it.

To achieve this the PCC will:

- ensure that the statutory officers and staff have the resources and support necessary to perform and develop effectively in their roles;
- provide induction to new staff as well as opportunities for all officers and staff to update and enhance their knowledge on an ongoing basis;
- regularly assess performance as well as the skills required by officeholders and staff to promote development and to enable roles to be carried out effectively;
- ensure that effective arrangements are in place to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the PCC.

2.2.6 *Principle 6*

The PCC will manage risks and performance through robust internal control and strong public financial management.

To achieve this the PCC will:

- develop and maintain open and effective mechanisms for risk management;
- make decisions based on relevant, clear, objective analysis and advice, pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook;
- develop and maintain open and effective mechanisms for approving and documenting decisions together with the evidence and the criteria, rationale and considerations upon which they were made;
- develop and maintain effective arrangements to challenge and scrutinise the Chief Constable's and Constabulary's performance and compliance;

- engage fully in the constructive challenge of the review and scrutiny function undertaken by the Police and Crime Panel with a view to enhancing the PCC's overall performance;
- ensure financial management supports both long term achievement of outcomes and short term financial and operational performance;
- ensure well developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.

2.2.7 *Principle 7*

The PCC will implement good practice in transparency, reporting and audit to deliver effective accountability;

To achieve this the PCC will:

- foster an environment supportive of all facets of good governance;
- ensure that the PCC's governance arrangements are in line with legislative requirements and sound governance practice;
- ensure an effective internal audit service and which provides assurance with regard to governance arrangements;
- ensure that recommendations for corrective action made by internal and external audit and Her Majesty's Inspectorate of Constabulary are acted upon;
- ensure that when working in partnership, arrangements for good governance and accountability are clear.

3. **ARRANGEMENTS FOR REVIEW OF GOVERNANCE**

3.1 The PCC has put in place the following arrangements to review the effectiveness of the Code of Corporate Governance:

3.1.1. The PCC

The PCC is responsible for the production of a Code of Corporate Governance. Each year the PCC has responsibility for ensuring that a review of the effectiveness of the governance framework is undertaken. This is explained in the PCC's Annual Governance Statement. The review of effectiveness will take place each year as the Annual Governance Statement is produced. The review will provide assurance that governance arrangements are in place and operating effectively. Once approved, the Annual Governance Statement will sit alongside the PCC's Statement of Accounts. The Annual Governance Statement may, where appropriate, identify a number of significant governance issues where governance arrangements can be improved and enhanced. The Statement is signed jointly by the PCC and the Chief Executive.

3.1.2 The Chief Constable

The Chief Constable is responsible for corporate governance issues affecting the Constabulary and for ensuring that appropriate reviews are carried out in key areas. The Chief Constable has a responsibility to produce their own Code of Corporate Governance and Annual Governance Statement. The latter may identify a number of significant governance issues requiring steps to enhance governance arrangements within the

Constabulary. The statement is signed by the Chief Constable and his Chief Finance Officer.

3.1.3 The Audit Committee

The Audit Committee is responsible for ensuring the provision of independent assurance on the adequacy of the governance and risk management framework, the associated control environment and the financial reporting process.

3.1.4 Internal Audit

The primary role of internal audit is to give assurance to the PCC and Chief Constable as to the effectiveness of controls in place to manage the respective organisations. The Audit Committee considers an annual report from the internal auditors and which will cover whether there are any major control weaknesses.

The review of corporate governance and risk management feature in the annual audit plan and which is subject to approval by the Audit Committee.

3.1.5 External Audit

The role of the external auditors is to ensure that the PCC and Chief Constable have made proper arrangements for securing economy, efficiency and effectiveness in their use of resources and to give reasonable assurance that the financial statements are free from material misstatement. The plans and reports of the external auditors are considered by the Audit Committee.

3.1.6 Her Majesty's Inspectorate of Constabulary

The role of the HMIC is to promote the efficiency and effectiveness of policing through inspection to ensure agreed standards are achieved and maintained, good practice is disseminated and performance is improved. HMIC reports are sent to the PCC and the Chief Constable for consideration as to appropriate action.

Christopher Jackson
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Office of the Police and Crime Commissioner for Suffolk

1 January 2017

NOTE: This code has been produced having regard to the CIPFA Guidance Notes for Policing Bodies in England and Wales 2016 Edition on "Delivering Good Governance".