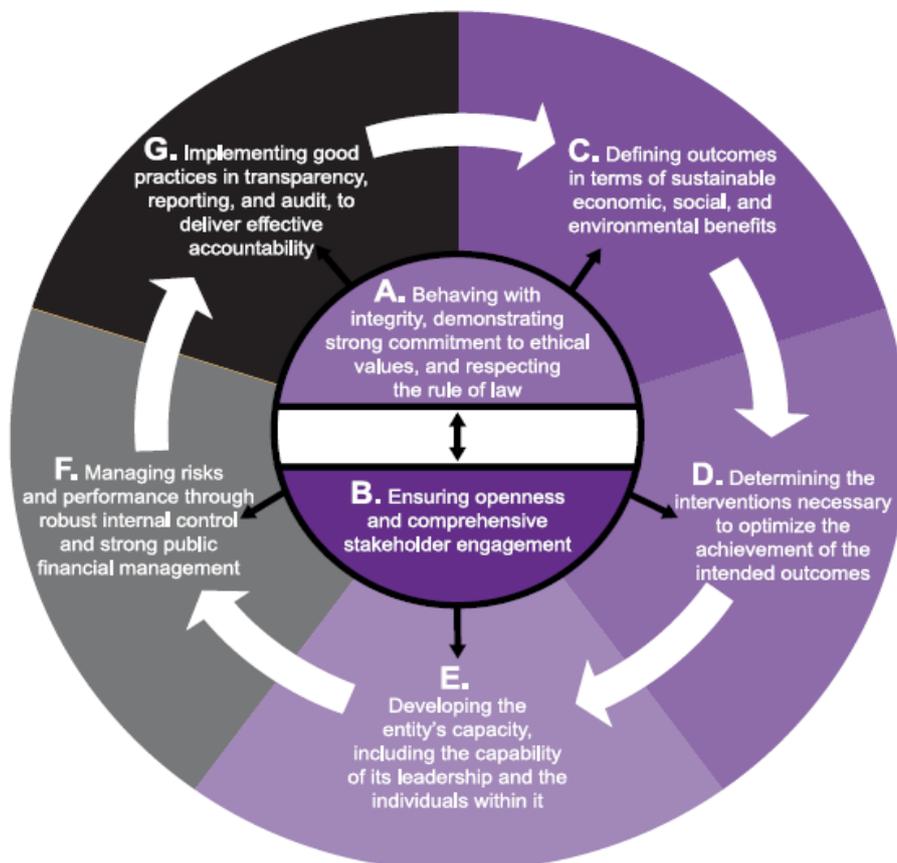


2 Code of Corporate Governance

Introduction

The 2016 Framework sets out seven principles of good governance which are taken from the International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) ('the International Framework') and interprets them for local government. The seven principles are:

1. behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
2. ensuring openness and comprehensive stakeholder engagement
3. defining outcomes in terms of sustainable economic, social and environmental benefits
4. determining the interventions necessary to optimise the achievement of the intended outcomes
5. developing the entity's capacity, including the capability of its leadership and the individuals within it
6. 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.



The first two principles underpin the whole 2016 Framework and are implicit in the remaining five principles. The Framework also emphasises that local government organisations must try to achieve their objectives while acting in the public interest at all times.

How each principle is implemented is described below:

2.1 Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

- 2.1.1 There is an expectation that the relationship between all parties will be based on the principles of goodwill, professionalism, openness and trust. The Policing Protocol 2011 requires all parties to abide by the Seven Principles of Public Life (the Nolan Principles) and these are central to the behaviour of everyone in the organisation.
- 2.1.2 The Police and Crime Plan outlines the PCC's police and crime priorities, objectives (outcomes) and strategic direction for the policing of Staffordshire and the Policing Plan sets out how the Chief Constable will deliver the objectives. These plans have been developed in consultation with the local community and other key stakeholders
- 2.1.3 Strong leadership from the PCC and Chief Constable sets the tone for each entity by creating a climate of openness, transparency, support and respect. Core values are embedded in the way the force and OPCC operate. Staff are aware of the standards expected of them and the importance of the national Code of Ethics (introduced nationally across the service in July 2014). External providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation. The code of ethics is built on the Nolan principles of public life.
- 2.1.4 The PCC and Chief Constable ensure that the good governance principles are embedded in the way the organisations operate by adhering to the Financial Management Code of Practice (Home Office 2013).
- 2.1.5 Operating principles and values are demonstrated, communicated and embedded through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively, for example:
- Whistle blowing procedures
 - Anti-corruption procedures
 - Handling of complaints arrangements
- 2.1.6 Processes are in place to ensure that any breaches of legal and regulatory provisions and corruption and misuse of power are dealt with effectively

2.2 Ensuring openness and comprehensive stakeholder engagement

- 2.2.1 The PCC is accountable to local people draws on this mandate to set and shape the strategic objectives for the force area in consultation with the Chief Constable, taking into account the strategic policing requirement.

- 2.2.2 The police and crime plan clearly sets out the strategic direction and objectives and how they will be delivered.
- 2.2.3 The PCC's and the Chief Constable's communication and engagement strategies set out how local people will be involved with the PCC and the chief constable to ensure they are part of decision making, accountability and future direction. This includes yearly planning arrangements and issues of interest to local people as they emerge.
- 2.2.4 The PCC and Chief Constable's have arrangements for effective engagement with community groups, individuals, victims and other key stakeholders. 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 including the innovative use of the website and social media. Force engagement with the public takes place on many levels from daily street contacts and phone calls through to attendance at public meetings the use of formal surveys and social media.
- 2.2.5 The PCC maintains a strong working relationship with the Police and Crime Panel, constituent local authorities and other relevant partners.
- 2.2.6 The Decision Making Protocol sets out the principles behind how decisions will be taken by the PCC and Chief Constable to ensure that decision making is informed and transparent, and subject to scrutiny and risk management arrangements. Single points of contact within the Office of PCC and the Force have been established to ensure that timely and accurate information is available to the PCC and the Chief Constable to make informed decisions.
- 2.2.7 The publication scheme establishes the means by which information relating to decisions will be made available to local people, with those of greater public interest receiving the highest level of prominence, except where operational and legal constraints exist

2.3 Defining outcomes in terms of sustainable economic, social and environmental benefits

- 2.3.1 Under the Police Reform and Social Responsibility Act 2011, the PCC has issued a police and crime plan which defines the police and crime objectives (outcomes) and the strategic direction for policing. Each corporation sole has regard to the plan, and the PCC has regard to the priorities of the responsible authorities during its development.
- 2.3.2 The Policing Plan sets out how the Chief Constable will deliver the objectives. These plans have been developed in consultation with the local community and other key stakeholders.
- 2.3.3 Collaboration and partnership arrangements set out those areas of business to be jointly undertaken with other forces or local partner organisations in order to reduce costs, increase capacity, and/or increase resilience to protect local people.
- 2.3.4 The Medium Term Financial Strategy is jointly developed and reviewed by the PCC and the Chief Constable to support delivery of the common goals and objectives. The joint finance regulations ensure proper financial management.

- 2.3.5 The PCC has developed a commissioning and award of grants framework outlining commissioning intentions and priorities.
- 2.3.6 A complaints protocol has been jointly agreed to provide clarity over the arrangements to respond to the breadth of concerns raised by local people, whether they be allegations of organisational or individual failures/concerns. This is intended to complement other statutory arrangements.

2.4 Determining the interventions necessary to optimise the achievement of the intended outcomes

- 2.4.1 The PCC and the chief constable maintain a medium term financial strategy which forms the basis of annual budgets and provides a framework for evaluating future proposals.
- 2.4.2 Analysis and evaluation of plans is undertaken in relation to service outcomes and benefits realisation.
- 2.4.3 Processes are in place to monitor efficiency and value for money, including benchmarking of performance and costs.
- 2.4.4 The PCC and the force maintain effective workforce development and asset management plans for example:
- ICT strategy
 - Workforce Plan
 - Estates strategy

2.5 Developing the entity's capacity, including the capability of its leadership and the individuals within it

- 2.5.1 A People Plan sets out the organisational and personal development structures for the OPCC and the force. This includes a strategy for wellbeing.
- 2.5.2 Workforce planning arrangements ensure that staff have the appropriate skills, knowledge, resources and support to fulfil their roles to enhance the strategic allocation of resources.
- 2.5.3 The organisations' training and development plan sets the climate for continued development of individuals. The respective performance development review processes will ensure that the strategies are turned into reality for officers and staff.
- 2.5.4 A Leadership and Culture strategy underpins the organisations continued development of individuals

2.6 Managing risks and performance through robust internal control and strong public financial management.

- 2.6.1 The PCC and Chief Constables Decision Making frameworks set out the principles behind how decisions will be taken to ensure an informed and transparent approach.
- 2.6.2 A forward plan of decisions brings together the business planning cycles for the police and crime plan, the office of the PCC, and Chief Constable's planning process which ensures proper governance by bringing together the right information at the right time.
- 2.6.3 The national decision making model will be applied towards spontaneous incidents or planned operations, by officers or staff within the force as individuals or teams, and to both operational and non-operational situations.
- 2.6.4 The scheme of governance highlights the parameters for decision making for the organisations, including the delegations, consents, financial limits for specific matters and standing orders for contracts.
- 2.6.5 The joint risk management strategy and policy sets out clearly how risk is managed throughout the various elements of corporate governance of the organisations, whether operating solely or jointly.
- 2.6.6 The communication and engagement strategy sets out how the PCC and Chief Constable will ensure that local people are involved in decision making
- 2.6.7 The publication scheme establishes the means by which information relating to decisions will be made available to local people, with those of greater public interest receiving the highest level of prominence, except where operational and legal constraints exist.
- 2.6.8 A performance strategy and framework is in place with effective scrutiny and oversight arrangements.

2.7 Implementing good practices in transparency, reporting and audit to deliver effective accountability.

- 2.7.1 The PCC and Chief Constable's function are set out in the Police Reform and Social Responsibility Act 2011. The functions are undertaken in line with the Policing Protocol Order 2011 in order to achieve the outcomes of the police and crime plan.
- 2.7.2 The legislation also enables the PCC to appoint a deputy, whose role is prescribed by the PCC and set out in the scheme of delegation as appropriate.

- 2.7.3 As required by the 2011 Act requires the PCC has appointed a chief executive and a CFO who will act as head of paid service and undertake the responsibilities of monitoring officer.
- 2.7.4 Under the 2011 Act the chief constable is required and has appointed a CFO.
- 2.7.5 The responsibilities of the CFOs for both the PCC and the chief constable are clearly set out in line with the Financial Management Code of Practice (Home Office, 2013).
- 2.7.6 A programme of internal audit is commissioned and undertaken which reflects published guidance on standards.
- 2.7.7 The scheme of corporate governance highlights the parameters for key roles in the corporations sole, including consents from the PCC and chief constable, financial regulations and standing orders.
- 2.7.8 Officers, police support staff and staff of the OPCC operate within:
- OPCC or force policies and procedures
 - the corporate governance framework
 - disciplinary regulations
 - codes of conduct
 - Code of Ethics (College of Policing, 2014)
- 2.7.9 A joint assurance protocol ensures effective monitoring of the organisations to ensure they are achieving their priorities.
- 2.7.10 A joint independent audit committee operates within the CIPFA guidance and in accordance with the Financial Management Code of Practice.