

**OFFICE OF POLICE AND CRIME COMMISSIONER**

**OFFICE OF CHIEF CONSTABLE**

**TITLE:** Manual of Corporate Governance Annual Review incorporating the Annual Review of the Joint Audit Committee Terms of Reference

**DATE:** 9<sup>th</sup> March 2017

**TIMING:** Routine

**PURPOSE:** For Consideration

<b>1.</b>	<b><u>RECOMMENDATION</u></b>
1.1	<p>That the Joint Audit Committee (JAC):</p> <ul style="list-style-type: none"><li>• Considers and recommends approval of the proposed amendments to the Manual of Corporate Governance (MoCG) and provides any comments as appropriate (appendix 1); and</li><li>• Discuss and agree any changes to the JAC Operating Principles and Terms of Reference (ToR) contained in appendix 2.</li></ul>
<b>2.</b>	<b><u>INTRODUCTION &amp; BACKGROUND</u></b>
2.1	<p>A review of the MoCG is undertaken on an annual basis by the joint Strategic Planning Group (SPG). No changes to the MoCG were identified during this review period. Since the discussions at SPG, it has been requested that increases to the contract value threshold table are made in order to bring the levels in line with South Wales Police (SWP).</p>
<b>3.</b>	<b><u>ISSUES FOR CONSIDERATION</u></b>
3.1	<p><b>Amendments to Manual of Corporate Governance</b> <u>Part 3e Standing Orders Relating to Contracts</u> Historically Gwent Police (GP) and SWP have had different contract value thresholds however with the implementation of the new Business World (BW) Finance system (part of the Fully Integrated Resource Management System (FIRMS)) there is an opportunity to align thresholds.</p>
3.2	<p>Current GP thresholds: Up to £5,000 – value for money (VFM) needs to be demonstrated; £5,000 – £15,000 – 3 quotations need to be sought; £15,001 – £250,000 – tender process to be followed; and Over £250,000 – tender process to be followed.</p> <p>SWP thresholds: Up to £10,000 – VFM needs to be demonstrated; £10,001 - £40,000 – at least 3 quotations need to be sought; £40,001 - £250,000 – tender process to be followed; and Over £250,000 – tender process to be followed.</p>
3.3	<p>It should also be noted that under the Staying Ahead 8 review the department has reduced staffing levels from three to two Senior Procurement Officers. The increase in threshold will also support the department's reduction in staff and enable a focus to</p>

	be placed on more strategic contracts and stronger contract management.
3.4	A copy of the updated MoCG with highlighted changes has been forwarded to members.
	<p><b>Annual Review of JAC Operating Principles and ToR</b></p> <p>This report also covers the requirement for the JAC to annually review their Operating Principles and ToR.</p> <p>The following minor changes have been made to the ToR:</p> <ul style="list-style-type: none"> <li>• Office of the Police and Crime Commissioner to OPCC where appropriate;</li> <li>• Police and Crime Commissioner to PCC where appropriate; and</li> <li>• Under ‘Internal Control and Governance Environment’ addition of the words ‘by officers’ to the end of the following sentence: <i>‘Consider and comment upon any reports from external organisations that are considered to be of relevance <u>by officers</u>’.</i></li> </ul>
<b>4.</b>	<b><u>NEXT STEPS</u></b>
4.1	<p>Once any comments made by the JAC have been incorporated into the MoCG it will be recommended for approval to the Commissioner and Chief Constable at the Strategy and Performance Board on 21<sup>st</sup> March 2017.</p> <p>Once approval has been received from the Commissioner and Chief Constable, the amended MoCG will be published to the OPCC website.</p>
4.2	Joint Legal Services will be notified of the decision and asked to amend Part 3e, Standing Orders Relating to Contracts.
4.3	Procurement presentations will be undertaken to notify staff of the amended thresholds.
4.4	A copy of the updated MoCG will be circulated to members and appropriate senior officers.
<b>5.</b>	<b><u>FINANCIAL CONSIDERATIONS</u></b> There are no financial considerations as a result of this report.
<b>6.</b>	<b><u>PERSONNEL CONSIDERATIONS</u></b> There are no personnel considerations as a result of this report.
<b>7.</b>	<b><u>LEGAL IMPLICATIONS</u></b> The Joint Legal Services department has been involved in the review of the MoCG, ensuring that any legal implications that have arisen have been resolved during the review process.
<b>8.</b>	<b><u>EQUALITIES AND HUMAN RIGHTS CONSIDERATIONS</u></b> This report has been considered against the general duty to promote equality, as stipulated under the Strategic Equality Plan and has been assessed not to

	<p>discriminate against any particular group.</p> <p>Consideration has been given to requirements of the Articles contained in the European Convention on Human Rights and the Human Rights Act 1998 in preparing this report.</p>
<b>9.</b>	<p><b><u>RISK</u></b> Any risks identified during the review of the MoCG will be negated with the approval of the amended document.</p>
<b>10.</b>	<p><b><u>PUBLIC INTEREST</u></b> This document can be made available to the public.</p>
<b>11.</b>	<p><b><u>CONTACT OFFICER</u></b> Joanne Regan, Information Officer.</p>
<b>12.</b>	<p><b><u>ANNEXES</u></b> Appendix 1 – Extract of MoCG. Appendix 2 – JAC ToR</p>