



west midlands
police and crime
commissioner



AGENDA ITEM 10

**JOINT AUDIT COMMITTEE
27 March 2025**

CORPORATE GOVERNANCE FRAMEWORK

1. PURPOSE OF REPORT

- 1.1 To inform Joint Audit Committee of the Police and Crime Commissioner's (PCC's) and the Chief Constable's (CC's) work on updating the joint Corporate Governance Framework.

2. BACKGROUND

- 2.1 This Committee's terms of reference includes reviewing the Corporate Governance Framework of the PCC and CC. The Framework sets out how the Commissioner and the Chief Constable conduct their organisation's business both jointly and separately, in accordance with policy contained within the Statement of Corporate Governance. To do this, the Framework highlights key enablers for ensuring good governance.
- 2.2 The purpose of the Statement of Corporate Governance, is to give clarity to the way the two corporation's sole, the PCC and the CC, will govern both jointly and separately, to do business in the right way, for the right reason and at the right time.
- 2.3 The Framework includes the following sections:-
- Joint Statement of Corporate Governance
 - Joint Code of Corporate Governance
 - Core Principles of Effective Governance (Annex to Joint Code of Corporate Governance)
 - Joint Scheme of Corporate Governance
 - Annex A: PCC Contract Standing Orders
 - Annex B: Financial Regulations

3. PROCESS

Review of the Corporate Governance Framework

- 3.1 The joint Corporate Governance Working Group between the PCC's office and West Midlands Police has reviewed the Corporate Governance Framework over recent

months to amend the Framework. The changes which need to be incorporated in this update will include:-

- Significant changes in the way that contracts are tendered which are due to the passage of the Procurement Act 2023. Secondary legislation brings in the changes in the Act with effect from 24 February 2025.
 - Contract standing orders are being revised to include processes which will be compliant with the new legislation
- The price of goods and services have increased rapidly over the past 5 years due to inflation. This has made the old levels around purchasing authority increasingly out of date, bringing onerous exercises to bear on what is now relatively low level spend.
 - The bandings at which different tendering actions are required are being reviewed, with a view to amending them from 1 April 2025 to be consistent with the Procurement Act.
- The PCC has made some changes to his governance structures since the start of his new term.
 - All references to the Strategic Police and Crime Board (SPCB) have been reviewed and replaced, where appropriate, by the Accountability and Governance Board.

3.2 The bandings at which different tendering actions are required have been compared to other Policing bodies and discussed at Financial Governance Board. They will then be proposed to the PCC and CC for consideration.

3.3 Our intention had been to bring a final draft back to this Committee for review, prior to sign off by the PCC before the start of the new financial year.

3.4 The work was more complex than expected and in the interests of doing a thorough job, and ensuring that changes can be well communicated and well implemented we have decided to bring the changes to the June 2025 meeting of this Board.

3.5 We are still in consultation with an external legal firm who are reviewing the documents, and we are finding and resolving small matters of principle and delegated powers.

3.6 The intention would be to bring the new Code to this committee in June, following discussion with the PCC and CC, and if approved by this committee, then running a series of workshops and communication plans to deliver the changes from 1 September 2025.

4 FUTURE DEVELOPMENTS OF THE FRAMEWORK

4.1 The Framework will be kept under regular review through the Corporate Governance Working Group to ensure it remains fit for purpose. This is to ensure it reflects the role of the PCC and WMP from a statutory and organisational perspective.

5 RECOMMENDATION

5.1 The Committee are asked to comment on the report.

Jane Heppel
Chief Finance Officer