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# Staffordshire Commissioner and Chief Constable

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## JOINT CORPORATE GOVERNANCE FRAMEWORK

### Document Control:

Version History			
Version No	Approval Date	Approving Board	Change(s) Summary
V0.6	04/05/2022	Strategic Governance Board	SC Delegations to DSC, New CC Approval & Update to Financial Regulations.
V0.7	01/12/2022	Strategic Governance Board	SC Delegations to SCO Chief Executive.
V0.8	28/03/2023	Strategic Governance Board	Amounts in FR changed on thresholds for lower level spend.
V0.9	30/11/2023	Strategic Governance Board	Complete refresh of FR & CSO Section 4C.
V1.0	22/01/2024	Strategic Governance Board	Update for PPN information, In Section 4c only.

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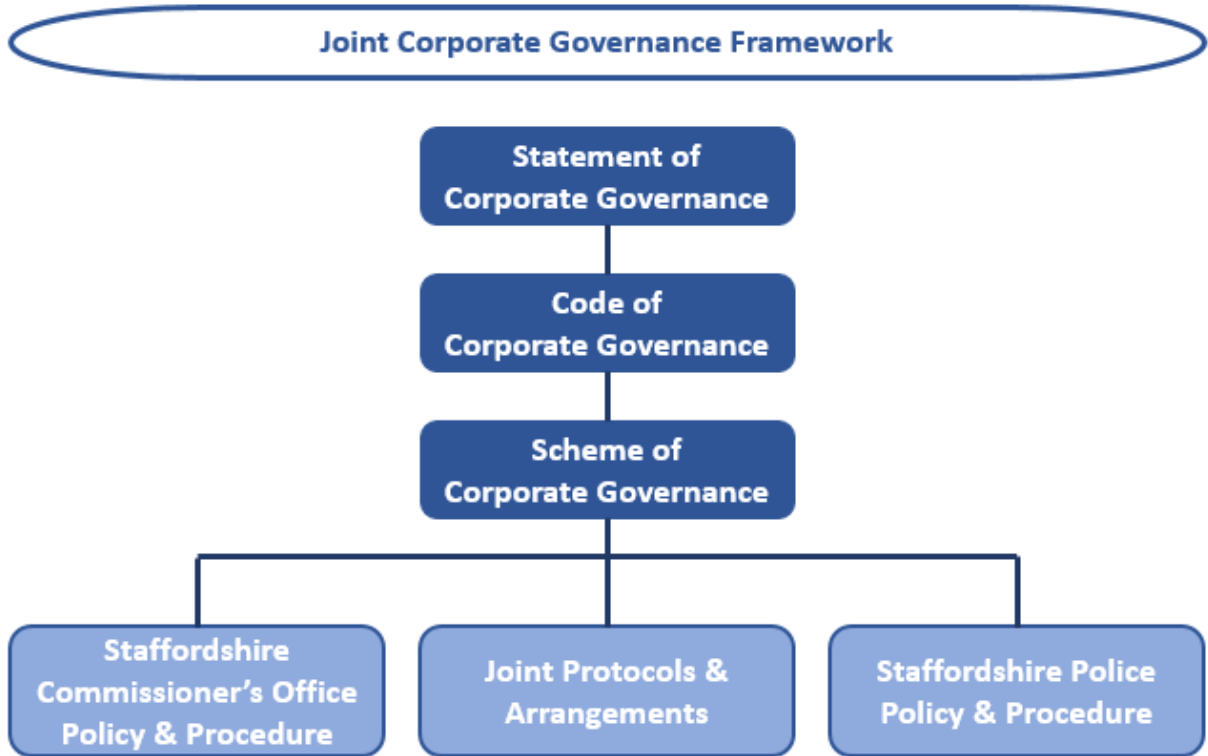
## Section 1. Overview

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The corporate governance framework sets out the principles, structures and processes by which both organisations will be governed, both jointly and separately, and will consist of:

1. **Statement of Corporate Governance:** including statutory framework and local policy.
2. **Code of Corporate Governance:** identifying how good governance core principles will be implemented.
3. **Scheme of Corporate Governance:** defining the following parameters within which the organisations will conduct their business:
  - **Decision Making Statement:** the statutory framework, principles and process for those decisions that have been delegated.
  - **Scheme of Consent and Delegations:** the key roles the Staffordshire Commissioner “consents” to the Chief Constable undertaking in their own name as a separate legal entity, and the assignment of authority and responsibility the Staffordshire Commissioner or Chief Constable “delegates” to another person whilst maintaining accountability.
  - **Financial Regulations:** overall regulatory framework of the Staffordshire Commissioner and Chief Constable’s approach to financial management.
  - **Contract Standing Orders:** procurement framework for the Staffordshire Commissioner and the Chief Constable.
  - **Review of governance arrangements:** internal and external assurances.
4. **Policy, Procedures & Protocols:** separate policies, procedures and protocols will be in place for each corporation sole, and jointly where appropriate, to provide a clearly defined structure to operate within.

Figure 1:



## Section 2. JOINT STATEMENT OF CORPORATE GOVERNANCE

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### Context

The Staffordshire Commissioner is two separate corporation soles: both the Police and Crime Commissioner for Staffordshire and the Staffordshire Commissioner Fire and Rescue Authority (the Fire and Rescue Services). A third corporation sole is the Chief Constable of Staffordshire Police, this role is reflected in this Joint Governance Framework. A separate Governance Framework exists for the role of Staffordshire Commissioner Fire and Rescue Authority.

Staff of the Staffordshire Commissioner are currently employed by the legal entity of the Office of the Police and Crime Commissioner (OPCC), but as the new role of the Staffordshire Commissioner Fire and Rescue Authority develops, it is expected that office based roles will develop to work across policing and fire and rescue therefore, for the purposes of governance, it should be assumed that the Staffordshire Commissioner is supported by one office (the Staffordshire Commissioners Office (SCO) and two services (Staffordshire Police and Staffordshire and Stoke-on-Trent Fire and Rescue Service).

### Introduction

The Staffordshire Commissioner as a corporate sole has a statutory duty and electoral mandate to hold the police to account on behalf of the public. The Staffordshire Commissioner

is the recipient of all funding, including the government grant and precept and other sources of income related to policing and crime reduction. All funding for a Force must come via the Staffordshire Commissioner. How this money is allocated is a matter for the Staffordshire Commissioner in consultation with the Chief Constable, or in accordance with any grant terms. The Chief Constable will provide professional advice and recommendations.

### **1.1 The Chief Constable**

The Chief Constable as a corporation sole is responsible for maintaining the Queen's peace and for the direction and control of the Force's police officers and police staff. The Chief Constable is accountable to the law for the exercise of police powers, and to the Staffordshire Commissioner for the delivery of efficient and effective policing, and management of resources and expenditure by the Police Force.

### **1.2 Joint Vision**

The Staffordshire Commissioner has set out a strategy to bring public agencies, the voluntary sector, businesses and the community together to reduce crime and anti-social behaviour and improve community safety. This is supported by the Chief Constable's Policing Plan.

### **1.3 Statutory Framework**

The principle statutory framework within which the organisations will operate are:

- Police Reform and Social Responsibility Act 2011 (PRSRA11, the Act)
- Policing Protocol Order 2011 (the Protocol)
- Financial Management Code of Practice
- Strategic Policing Requirement
- The Elected Local Policing Bodies (Specified Information) Order 2011(as amended)
- Freedom of Information Act 2000

This framework creates a public sector relationship, based upon a Commissioner / Provider arrangement but with unique elements such as the single elected Commissioner and the operational independence of the police service. Corporate governance arrangements are built upon existing good governance principles and experience.

### **1.4 Local Policy**

The principle local policies for the organisations are:

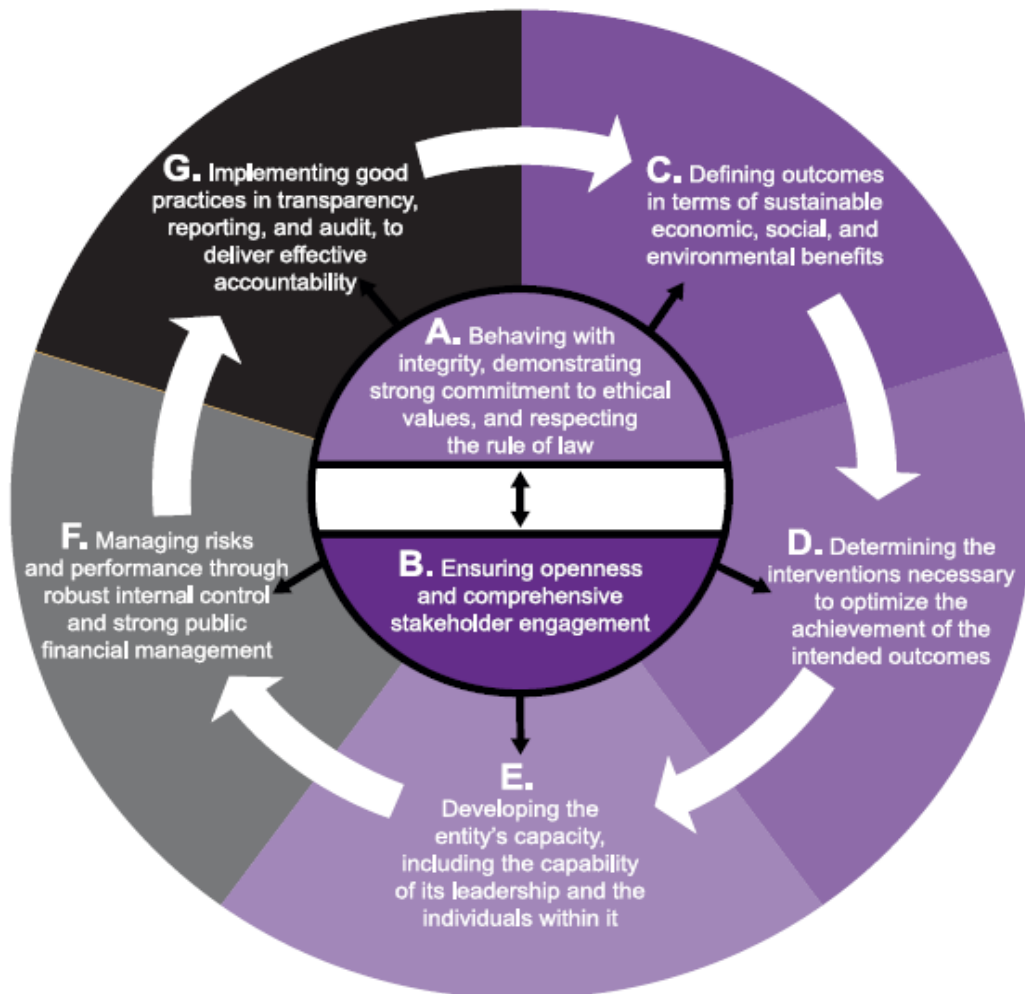
- Code of ethics and professional standards
- Whistle blowing
- Complaints
- Risk management
- Employment terms and conditions
- Performance Management and Accountability Framework

## Section 3. Code of Corporate Governance

### 1. Introduction

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

- 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 risks and performance through robust internal control and strong public financial management
- G. Implementing good practices in transparency, reporting and audit to deliver effective accountability.



The first two principles underpin the whole 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 A: 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 Staffordshire Commissioner'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 Staffordshire Commissioner 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 Staffordshire Commissioner's Office 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 Staffordshire Commissioner 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 B: Ensuring openness and comprehensive stakeholder engagement**

- 2.2.1 The Staffordshire Commissioner is accountable to local people and 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 Staffordshire Commissioner's and the Chief Constable's communication and engagement strategies set out how local people will be involved 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 Staffordshire Commissioner and Chief Constable has 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 Staffordshire Commissioner 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 Staffordshire Commissioner maintains a strong working relationship with the Police, Fire 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 Staffordshire Commissioner 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 Staffordshire Commissioners Office and the Force have been established to ensure that timely and accurate information is available to the Staffordshire Commissioner 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 C: Defining outcomes in terms of sustainable economic, social and environmental benefits**

- 2.3.1 Under the Police Reform and Social Responsibility Act 2011, the Staffordshire Commissioner 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 Staffordshire Commissioner 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 Staffordshire Commissioner 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 Staffordshire Commissioner 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 D: Determining the interventions necessary to optimise the achievement of the intended outcomes**

- 2.4.1 The Staffordshire Commissioner 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 Staffordshire Commissioner and the force maintain effective workforce development and asset management plans for example:
- ICT strategy
  - Workforce Plan
  - Estates strategy

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

- 2.5.1 The People First Strategy sets out the organisational and personal development structures for the Staffordshire Commissioner's Office and the force. This includes a focus on wellbeing, leadership and culture.
- 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.

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

- 2.6.1 The Staffordshire Commissioner's 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 Staffordshire Commissioner's Office 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 is applied towards both operational (including spontaneous incidents or planned operations) and non-operational situations, by officers and staff within the force.
- 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 Staffordshire Commissioner and the Chief Constable both have risk management strategies and policy which sets out clearly how risk is managed throughout the various elements of corporate governance of the organisations solely and jointly.
- 2.6.6 Both the Staffordshire Commissioner and the Chief Constable have communication and engagement strategies which ensure that local people are involved in decision making.
- 2.6.7 A performance strategy and framework is in place with effective scrutiny and oversight arrangements.

## **2.7 G: Implementing good practices in transparency, reporting and audit to deliver effective accountability.**

- 2.7.1 The Staffordshire Commissioner's 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 Staffordshire Commissioner to appoint a deputy, whose role is prescribed by the Staffordshire Commissioner and set out in the scheme of delegation as appropriate.
- 2.7.3 As required by the 2011 Act requires that the Staffordshire Commissioner has appointed a Chief Executive who will act as head of paid service and undertake the responsibilities of monitoring officer and a Chief Finance Officer (CFO).
- 2.7.4 Under the 2011 Act the Chief Constable is required and has appointed a Chief Finance Officer.
- 2.7.5 The responsibilities of the CFO's for both the Staffordshire Commissioner 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 corporation's sole, including consents from the Staffordshire Commissioner and Chief Constable, financial regulations and standing orders.
- 2.7.8 Officers, police support staff and staff of the Staffordshire Commissioner's Office operate within:
- Staffordshire Commissioner's Office 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.

## Section 4a

# Decision Making Policy

## Staffordshire Commissioner's Office

### Introduction

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#### 1. Purpose

- 1.1. This policy establishes the approach and principles for decision making by the Staffordshire Commissioner Police, Fire, Rescue and Crime. It outlines the decision making process together with providing information on how decisions of a Strategic Public Interests will be determined, recorded and published.

#### 2. Decision Making Framework

- 2.1. The Staffordshire Commissioner is committed to a robust decision making process and will adopt rigorous standards of probity, regularity and transparency in decision making. All decisions will be taken in the public interest. The Staffordshire Commissioner will review the decision making process on a regular basis.
- 2.2. Decisions taken by the Staffordshire Commissioner arise from the statutory duties. The statutory framework for decision making by the Staffordshire Commissioner consists of:
  - a. Police Reform and Social Responsibility Act 2011 which sets out the functions of the Staffordshire Commissioner and provides the legal framework for decision making.<sup>1</sup>
  - b. Police and Crime Commissioner Elections (Declaration of Acceptance of Office) requires the Staffordshire Commissioner to swear an oath of operational impartiality. It commits the Staffordshire Commissioner to serve local people without fear or favour and set out publicly the commitment to tackling the role with integrity, impartiality and fairness.<sup>2</sup>
  - c. The Police Reform and Social Responsibility Act 2011 sets out the functions of Staffordshire's Police, Fire and Crime Panel which required to review and scrutinise decisions made by the Staffordshire Commissioner.<sup>3</sup>

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<sup>1</sup> s5-10 Police Reform and Social Responsibility Act 2011,

<sup>2</sup> s70 Police Reform and Social Responsibility Act 2011, The Police and Crime Commissioner Elections (Declaration of Acceptance of Office) Order 2012

<sup>3</sup> s28 Police Reform and Social Responsibility Act 2011

- d. The Policing Protocol sets out the framework within which the Staffordshire Commissioner and the Chief Constable should work. The Protocol requires all parties, including the Staffordshire Commissioner and Office Staff to abide by the Nolan Principles.<sup>4</sup>
- e. The Financial Management Code of Practice for the Police Service provides clarity around the financial governance arrangements and specifies the needs to embed the principles of good governance into the way the Staffordshire Commissioner operates. The Code requires the Staffordshire Commissioner and the Chief Constable to establish a Joint Audit Committee with the Committee recommended to consider internal and external audit reports and advice according to good governance principles and appropriate risk management arrangements.<sup>5</sup>
- f. The Elected Local Policing Bodies (Specified Information) Order 2011 and the Elected Local Policing Bodies (Specified Information) (Amendment) Order 2012 specify the information that must be published by the Staffordshire Commissioner<sup>6</sup> and includes specific reference to decisions.<sup>7</sup> It sets out both the time scales and requirements for recording and publication of decisions and related policies.<sup>8</sup>

2.3. Under the Police Reform and Social Responsibility Act 2011 the Staffordshire Commissioner can be subject to investigation by the Local Government Ombudsman for any allegations or apparent maladministration in connection with the exercise of administrative duties.<sup>9</sup>

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<sup>4</sup> Para 10 The Policing Protocol Order 2011

<sup>5</sup> Financial Management Code of Practice for the Police Forces of England and Wales October 2013

<sup>6</sup> Paras 1-8 The Elected Local Policing Bodies (Specified Information) Order 2011 Section 1-8 The Elected Local Policing Bodies (Specified Information) (Amendment) Order 2012

<sup>7</sup> Para 5 The Elected Local Policing Bodies (Specified Information) Order 2011; Paragraph 16 The Elected Local Policing Bodies (Specified Information) (Amendment) Order 2012

<sup>8</sup> Para 6 The Elected Local Policing Bodies (Specified Information) Order 2011; Paragraph 9 The Elected Local Policing Bodies (Specified Information) (Amendment) Order 2012

<sup>9</sup> Para 121 Schedule 16 Police Reform and Social Responsibility Act 2011, Section 25 Local Government Act 1974

## Approach to Decision Making

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### 3. Approach to Decision Making

- 3.1. The decision making by the Staffordshire Commissioner will arise from the discharge of the statutory functions. The Staffordshire Commissioner will need to demonstrate probity and regularity in decision making, not just as a matter of good governance but also as a matter of law. Decisions will range in significance and impact, consequence and cost. The Staffordshire Commissioner will apply the good governance principles to all decisions that are taken. Equality and diversity issues will also be considered and for each decision an Equality Impact Assessment will be completed and published alongside the decision form on the Staffordshire Commissioner's website.
- 3.2. The key to achieving well informed decisions is through a sound process, good management and effective leadership.
- 3.3. The following checklist will be used in advance of making key strategic decisions:
- a. **Understanding local needs**, resources and priorities and consider the views of partners and stakeholders
  - b. Based on the knowledge **agree outcomes** and how they can be delivered effectively, efficiently, equitably and sustainably
  - c. Establish all the **relevant and material facts**
  - d. **Consult** those who might reasonably consider they would be adversely or significantly affected
  - e. Seek appropriate **specialist advice**
  - f. Consider **all reasonable courses of action** open to the Staffordshire Commissioner
  - g. Ensuring **value for money** is obtained
  - h. Consider **risk, performance and financial information**
- 3.4. Proposed decisions of significant public interest, will be made by the Staffordshire Commissioner's Office Senior Management and Executive Officers of the Force. The full details of all these decisions will be recorded on the Staffordshire Commissioner's decision form template.
- 3.5. Decisions forms will only be ratified and published on the Staffordshire Commissioner's website following:-
- Completion by the Originating Officer including the declaration section (page 7)
  - Approved and signed by the Staffordshire Commissioner's Chief Executive (page 2)
  - Approved and signed by the Staffordshire Commissioner (page 7)

- Accompanied by a completed Equality Impact Assessment form

#### 4. Urgent Key Decisions

4.1. There may be occasions where the circumstances of a decision dictates that only some elements of the checklist will be employed, for example an urgent decision would limit the amount of engagement that could be undertaken. However, all measures will be taken to ensure that urgent decisions are limited.

#### 5. Contentious Issues/Decisions

5.1. Occasions will arise when the 'line' between strategic and operational will be ambiguous. These issues/decisions will be classified as 'contentious'. To avoid possible conflict in who should take the decision the principle of 'due regard' will be employed.

5.2. Contentious decisions can be defined as those of a political nature, matters of a high public/media interest, matters likely to impact on a community/communities, high risk issues (e.g. Upon Significant financial risk, reputation, public confidence) and could include the following:-

5.3. Actions that conflict with priorities set out in the Staffordshire Commissioners Police and Crime Plan that will impact on the delivery of the plans outcomes.

5.4. Policy changes – A decision that has a direct impact on local communicates, for example the re-organisation of local policing.

5.5. Political issues – These could be any number of areas and a checklist could be derived from the Police and Crime Plan.

## Principles of Decision Making

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### 6. The principles of decision making are:

#### 6.1. Decision making will be transparent and well informed

In order to make well informed decisions the Staffordshire Commissioner will give proper considerations to all relevant parties. Arrangements will made for obtaining the views of people in the area about policing Staffordshire. The Staffordshire Commissioner will consider the appropriate means to consult in relation to any decision.

**6.2. Decisions will make use of good quality information, advice and support**

Decisions will be taken based on quality information and clear advice in order to reduce the risk of taking decisions that fail to achieve the Staffordshire Commissioner's objectives or have unintended consequences. This will include professional policing advice from the Chief Constable, who is required to provide information on policing matters to the Staffordshire Commissioner and advice from the Staffordshire Commissioner's statutory officers who hold the roles of Chief Executive and Chief Financial Officer.

**6.3. Decisions will make use of risk management information**

The Risk Register for the Staffordshire Commissioner's Office and the Chief Constable will be used to inform the decision making process. In addition, where appropriate alternative options will be considered and reported, including details of the opinion appraisals together with the reasons why the other options considered had not been taken forward.

**6.4. Decisions will be lawful, reasonable, fair and proportionate**

The Staffordshire Commissioner will make use of professional advisors in decision making. The Staffordshire Commissioner will take into consideration the impact of any decision of all those that live and work in Staffordshire and will give consideration to equality and diversity issues as appropriate. The Staffordshire Commissioner will make decisions with a view to achieving value for money.

**6.5. The Staffordshire Commissioner will uphold the highest standard of integrity and honesty when taking decisions, as set out in the Nolan Principles.**

The seven principles of public life are – Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty, and Leadership.

**7. All decisions of significant public interest will be recorded and published**

7.1. The statutory requirement for the recording and publication of information surrounding decisions is set out in the Elected Local Policing Bodies (Specified information) Order 2011

**8. Decisions of Significant Public Interest**

*(It must be noted that the definition of decisions of significant public interest is a matter of professional judgement. The lead officer, if unsure, needs to bring the issue to a management team meeting)*

8.1. The following decisions will normally be regarded as decisions of significant public interest:

- a. Any decisions with any impact on the community, expenditure in excess of £1 million per contract, or any decision that would be obvious interest to the media or the general public;

- b. Any decisions leading to a requirements to publish any item of specified information by the Elected Local Policing bodies (specified information) Order 2011 (“the Order”);<sup>10</sup>
- c. Any decisions to issue or vary a Police and Crime Plan under Section 5 of the Act,<sup>11</sup> or to consult the Chief Constable regarding the draft of such a plan, to submit a draft to the Police, Fire and Crime Panel for Staffordshire or respond to any report or recommendation from the Panel;<sup>12</sup>
- d. Any decision to submit an Annual Report to the Police, Fire and Crime Panel as required by Section 12 of the Act,<sup>13</sup> or to respond to any report or recommendation of the Panel regarding an Annual Report;<sup>14</sup>
- e. Any decision to supply or withhold any information requested by the Police, Fire and Crime Panel under Section 13 of the Act,<sup>15</sup> but if the decision is to withhold information neither the information nor the reasons for withholding it will be disclosed;<sup>16</sup>
- f. Any decision regarding arrangements for obtaining the views of the community under Section 96 of the Police Act 1996 as amended; <sup>17</sup>
- g. Any decision to appoint any person (Whether or not employed by the Staffordshire Commissioner or any other body ) or to designate any person as having specific duties or responsibilities under Section 16 of the Act;<sup>18</sup>
- h. Any decision to appoint any person as Deputy Police and Crime Commissioner under Section 18 of the Act;<sup>19</sup>
- i. Any decision to approve or amend the Corporate Governance framework, scheme of Delegation/Consent, Financial Regulations or Contract Standing Order, and the Governance Arrangements (i.e. the scrutiny and Decision Framework);
- j. Any decision to appoint,<sup>20</sup> remove<sup>21</sup> or suspend <sup>22</sup>the Chief Constable under Section 38 of the Act, save that in case of suspension, reasons for the decision may not be published or at all;
- k. Any response to a consultation initiated by the Chief Constable under Section 39 or 40 of the Act regarding the number of Deputy Chief Constables<sup>23</sup> and Assistant Chief Constables<sup>24</sup> to be appointed or the appointment of any person to such office;
- l. Any decision to enter into<sup>25</sup>, withdraw from<sup>26</sup>, or vary any collaboration agreement <sup>27</sup>entered into under Section 22A of the Police Act 1996;
- m. Any decision relating to complaints and conduct matters concerning the Chief Constable and any decision to direct the Chief Constable to comply with obligations in regard to complaints (schedule 14, para 7 of the Act); and<sup>28</sup>
- n. Any decision to enter into,<sup>29</sup> withdraw from, or vary any combination agreement under the Crime and Disorder Act 1998 (schedule 11 of the Act).<sup>30</sup>

- <sup>10</sup> Para 5 The Elected Local Policing bodies (specified information) Order 2011
- <sup>11</sup> s5(4) Police Reform and Social Responsibility Act 2011
- <sup>12</sup> s5 (6) Police Reform and Social Responsibility Act 2011
- <sup>13</sup> s12(1) Police Reform and Social Responsibility Act 2011
- <sup>14</sup> s12(4) Police Reform and Social Responsibility Act 2011
- <sup>15</sup> s13 (1) Police Reform and Social Responsibility Act 2011
- <sup>16</sup> s13 (2) Police Reform and Social Responsibility Act 2011
- <sup>17</sup> s96(1) Police Act 1996 as amended by S14 Police Reform and Social Responsibility Act 2011
- <sup>18</sup> s16 (1) Police Reform and Social Responsibility Act 2011
- <sup>19</sup> s18 (1)(a) Police Reform and Social Responsibility Act 2011
- <sup>20</sup> s38 (1) Police Reform and Social Responsibility Act 2011
- <sup>21</sup> s38 (3) Police Reform and Social Responsibility Act 2011
- <sup>22</sup> s38 (2) Police Reform and Social Responsibility Act 2011
- <sup>23</sup> s39 (2) Police Reform and Social Responsibility Act 2011
- <sup>24</sup> s40 (2) Police Reform and Social Responsibility Act 2011
- <sup>25</sup> s22A(1) Police Act 1996
- <sup>26</sup> s23C(4) Police Reform and Social Responsibility Act 2011
- <sup>27</sup> s23C(5) Police Reform and Social Responsibility Act 2011
- <sup>28</sup> Schedule 14 Para 7 Police Reform and Social Responsibility Act 2011
- <sup>29</sup> Schedule 11 Para 2 Police Reform and Social Responsibility Act 2011
- <sup>30</sup> Schedule 11 Para 3 Police Reform and Social Responsibility Act 2011

**9. The following will not normally be regarded as matters of significant public interest:**

- a. Any decision taken in the course of developing any budget strategy, policy, report or plan prior to consultation with the Chief Constable or submission to the Police, Fire and Crime Panel and/or publication following its approval or adoption;
- b. Day to day internal management decisions; and
- c. Decisions regarding to the appointment suspension or dismissal of staff or any disciplinary proceedings against them or any determination regarding to their terms and conditions of appointment except in so far as may be required under Part 1 of the schedule of the Order.<sup>31</sup>

**3: Publication of Decisions**

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**10. Publication of decisions**

The statutory requirements for the recording and publication of decisions are set out in the Elected Local Policing Bodies (Specified Information) Order 2011. The Staffordshire Commissioner's website will be used to publish the Significant Public Interest decisions made by the Staffordshire Commissioner.

Decisions will be published on the Staffordshire Commissioner's website using a standard template report (see Appendix B). Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

**11. Forward Plan**

As an absolute minimum the Staffordshire Commissioner will publish all statutory decisions together with information relating to the decision. Where practicable a Forward Plan for key decisions to be taken over a three month period will be published on the Staffordshire Commissioner's website.

**12. Exclusions**

There will be occasions when some information has to remain confidential, examples issues of national security, safety of individual, prejudice the administration of justice.

Decision related information may also be restricted where security restrictions are placed on the information held by the Police. Upon occasion, where deemed appropriate:-

- Commercial or operational information will be redacted from Decision forms and/or decision forms may be not be published in their entirety
- Appendices to decision forms may not be published if they contain information deemed to be commercially and or operationally sensitive.

Note the Decision Register will be marked appropriately to indicate where information has been withheld as detail above.

**13. Review**

This policy may be reviewed at any time and will be subject to a formal review annually.

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<sup>31</sup>Para 1 Part 1 Schedule The Elected Local Policing bodies (specified information) Order 2011

## Appendix A: Relevant Legislation

1. [Police Reform and Social Responsibility Act 2011](#)
2. [The Police and Crime Commissioner Elections \(Declaration of Acceptance of Office\) Order 2012](#)
3. [The Policing Protocol Order 2011](#)
4. [Financial Management Code of Practice for the Police Forces of England and Wales October 2013](#)
5. [The Elected Local Policing Bodes \(Specified Information\) Order 2011](#)
6. [The Elected Local Policing Bodes \(Specified Information\) \(Amendment\) Order 2012](#)
7. [Local Government Act 1974](#)
8. [Police Act 1996](#)

## Appendix B: Decision Template

### Decision Note – [INSERT TITLE]

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#### **REQUEST FOR DECISION BY THE STAFFORDSHIRE COMMISSIONER**

	<b>Policing:</b>	<b>Crime:</b>	<b>Fire &amp; Rescue:</b>
<b>This decision relates to:</b>			

#### **APPROVAL (for completion by Staffordshire Commissioner only)**

**Rationale for approval**

**STAFFORDSHIRE COMMISSIONER**

**Signature**

**Date**

Date decision required by:

If an urgent approval is required, please state reasons:

**For completion by Staffordshire Commissioner's Office only:-**

Decision Number:
------------------

Date Received:
----------------

	Yes	No
Has the required decision been considered under the guidance of the Staffordshire Commissioner's Decision Making Policy?	<input type="checkbox"/>	<input type="checkbox"/>
Has the required decision been deemed to be a Key Decision as defined within the Staffordshire Commissioner's Decision Making Policy?	<input type="checkbox"/>	<input type="checkbox"/>
Who is empowered to make the required decision?		

<b>Title</b>	
<b>Summary:</b>	
<b>Recommendation:</b>	
<b>Chief Executive</b> I hereby approve the recommendation for consideration.	
Signature	Date

## REPORT AND ADVICE TO THE STAFFORDSHIRE COMMISSIONER

**2. Introduction and background**

**3. Issues for consideration**

**4. What other options have been considered?**

**5. Consultation and Engagement undertaken**

### Report Implications

**6. Monitoring Officer comments:**

Signature

Date

**7. Section 151 Officer comments:**

Signature

Date

	Yes	No
Has legal advice (outside of that provided by the Monitoring Officer) been sought on the content of this report?		
<b>8. Legal Comments:</b>		
<b>9. Equality Comments – please attach the completed EIA</b>		
<b>10. Background/supporting paper</b>		
<b>Please answer the following questions</b>		
<b>11. Public access to information?</b>		
<b>12. Does this decision involve the processing of personal data? (If yes please attach a completed Data Impact Assessment)</b>		
<b>13. Is the publication of this form to be deferred? (If yes approx. how long?)</b>		
<b>14. Does this form contain commercial or operationally sensitive information which is to be redacted? (If yes, please provide details with the submission of this note)</b>		

**15. ORIGINATING OFFICER DECLARATION:**

<b>Author</b>	
<b>Signed</b>	
<b>Date</b>	

## Section 4b

# Joint Scheme of Delegation and Consent Staffordshire Commissioner and Chief Constable

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### 1 Purpose

- 1.1 The Joint Scheme of Delegation and Consent details the key roles of the Staffordshire Commissioner, and those functions designated by the Staffordshire Commissioner to the Deputy Staffordshire Commissioner, Chief Executive, and Director of Finance. They also detail the key role of the Chief Constable and the powers that are delegated by the Chief Constable to the Deputy Chief Constable, the Chief Constable's Chief Financial Officer, the Chief Constable's Director of People and Resources, and the Chief Constable's Director of Legal Services.
- 1.2 The Joint Scheme of Delegation and Consent forms part of the Staffordshire Commissioner's and Chief Constable's governance framework to ensure that business is carried out efficiently without unnecessarily delaying decisions. They should be read in the context of the Statement of Corporate Governance and the Code of Corporate Governance.
- 1.3 The Scheme includes, but is not limited to, formal delegations by the Staffordshire Commissioner and Chief Constable. It also includes activities where the Chief Constable when acting in their own right and/or exercising their power of directing or controlling; in such a way that is reasonable to assist the Staffordshire Commissioner to perform his / her functions.
- 1.4 The powers set out in the Joint Scheme of Delegation and Consent should be exercised in accordance with the Staffordshire Commissioner's consent, the law, standing orders and financial regulations, and also policies, procedures, plans, strategies and budgets. It does not identify all the statutory duties which are contained in specific legislation and regulation.
- 1.5 In summary, the Joint Scheme of Delegation and Consent will:
  - a. Define the key role of the Staffordshire Commissioner, the Chief Constable and other Chief Officers
  - b. Set out the functions the Staffordshire Commissioner and the Chief Constable cannot delegate
  - c. Set out the powers and activities delegated by the Staffordshire Commissioner and the Chief Constable to others to undertake on their behalf and in their name

- d. Set out the powers and activities given consent by the Staffordshire Commissioner to the Chief Constable.

## 2 Definitions

In this document the following specific expressions shall have the following meanings unless inconsistent with the context:

“ The Act” The Police Reform and Social Responsibility Act 2011

### **Staffordshire Commissioners Office (SCO)**

“Staffordshire Commissioner (SC)” The person occupying the office of Police, Fire and Rescue and Crime Commissioner for Staffordshire

“Deputy Staffordshire Commissioner (Deputy SC)” A member of the SC’s officials who may exercise the functions of the SC where delegated and in accordance with the Act

“Staffordshire Commissioner’s Chief Executive ” The head of the SC’s officials appointed under paragraph 6 (1)(a) of Schedule 1 to the Act

“Staffordshire Commissioner’s Director of Finance” The S151 officer with responsibility for the proper administration of the SC’s financial affairs appointed under paragraph 6(1)(b) of Schedule 1 to the Act

“Staffordshire Commissioner’s Monitoring Officer” This function is performed by the “SC’s Chief Executive “under s5 of the Local Government and Housing Act 1989

“Staffordshire Commissioner’s Deputy Monitoring Officer” This function can be performed by a an official of the SC other than the SC’s Chief Finance Officer s5 (1)b of the Local Government and Housing Act 1989.

“S151/Chief Finance Officer(CFO)” Section 151 of the Local Government Act 1972 requires the SC and CC to make arrangements for the proper administration of their financial affairs and to appoint a CFO to have responsibility for those arrangements  
Note – the same officer cannot hold s151 and Monitoring Officer posts.

“Director of Joint Legal Services” The person designated as such and who has been appointed as legal advisor to the CC and where appropriate to the SC.

Person(s) employed by the SC

“Official (s) of the SC”

### **The Chief Constable**

“Chief Constable (CC)” The person appointed under s2 of the Act

“Deputy Chief Constable (Deputy CC)”	The person appointed in accordance with Section 39(1) of the Police Reform and Social Responsibility Act 2011 and whose powers are defined under Section 41 of that Act
“Chief Constable’s Chief Finance Officer”	The person responsible for the proper administration of the Police Force’s financial affairs under paragraph 4(2)(1) of Schedule 2 to the Act
“Chief Constable’s Director of People and Resources”	The person responsible for the strategic direction of the force’s enabling services and force’s organisational culture.
“Director of Joint Legal Services”	The person designated as such and who has been appointed as legal advisor to the CC and where appropriate to the SC.
“Chief Constable’s Staff or Police Staff employed by the Chief Constable”	Persons employed by the CC

### **3 Public Accountability**

- 3.1 The public accountability for the delivery and performance of the police service is placed into the hands of the SC on behalf of their electorate. The SC draws on their mandate to set and shape the strategic objectives of their Force area in consultation with the CC. They are accountable to the electorate; the CC is accountable to the SC and responsible to the public.

# Part 1: Scheme of Delegation

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## 1 General Principles of Delegation

- 1.1 The SC and CC have the discretion to limit and/or withdraw the powers delegated by them at any time, provided that the reasons for doing so are documented in writing. They may ask that a specific matter is referred to them for a decision and not dealt with under powers/function of delegation.
- 1.2 Any person to whom powers/functions have been delegated under the Scheme may refer the matter back to the SC or CC, for a decision if that person thinks this is appropriate, for example, due to reputationally sensitive issues or decisions with novel, contentious, or repercussive implications.
- 1.3 All significant decisions made under delegations from the SC or CC must be recorded and available for inspection.
- 1.4 When a person is considering a matter that impacts upon another person's area of responsibility, they should consult that person before proceeding with any decision.
- 1.5 This Scheme does not attempt to list all matters which form part of everyday management responsibilities.
- 1.6 This Scheme of Delegation provides named post holders with the authority to undertake the duties of the SC or CC. Whilst undertaking these duties the named post holders must comply with all other relevant statutory and regulatory requirements as follows:
  - a. The Act and other relevant legislation issued under the Act
  - b. Financial Regulations
  - c. Home Office Financial Code of Practice for the police service
  - d. CIPFA Statement on the role of the Chief Finance Officer of the SCO and CC
  - e. Contracts Regulations and Contract Standing Orders
  - f. SC and Staffordshire Police employment policies and procedures
  - g. Joint Governance Framework
  - h. Data Protection Act 1998, General Data Protection Regulation 2018 and the Freedom of Information Act 2000
  - i. Health and Safety at Work legislation and codes
  - j. Equality Act 2010 and related equality and diversity regulation and guidance
  - k. Code of Ethics
  - l. The Police Conduct Regulations 2020.
- 1.7 Individuals are responsible for ensuring that officials they supervise are aware of the provisions and obligations of this Scheme of Delegation and governance framework.

## 2. Staffordshire Commissioners Office

### Role of the Staffordshire Commissioner

- 2.1 The Police and Crime Commissioner (Staffordshire Commissioner) within each Force area has a statutory duty and electoral mandate to hold the police to account on behalf of the public.
- 2.2 The SC is the recipient of all funding, including the government grant and precept and other sources of income related to policing and crime reduction. All funding for the Force must come via the SC. How this money is allocated is a matter for the SC in consultation with the CC, or in accordance with any grant terms. The CC will provide professional advice and recommendations.

### Function of the Staffordshire Commissioner

- 2.3 The SC has the legal duty to:
- a. Set the strategic direction and objectives of the Force through the Police and Crime Plan (“the Plan”), which must have regard to the Strategic Policing Requirement set by the Home Office, Secretary of State;<sup>1</sup>
  - b. Scrutinise, support and challenge the overall performance of the Force including against the priorities agreed within the Plan;
  - c. Hold the CC to account for the performance of the Force’s officers and staff;
  - d. Decide the budget, allocating assets and funds to the CC; and set the precept for the Force area,
  - e. Appoint the CC;
  - f. Remove the CC subject to following the process set out in part 2 of Schedule 8 to the 2011 Act and regulations made under section 50 of the Police Act 1996(a);
  - g. Maintain an efficient and effective police Force for the police area;
  - h. Enter into collaboration agreements with other Police and Crime Commissioners, other policing bodies and partners that improve the efficiency or effectiveness of policing for one or more policing bodies or police Forces in consultation with the CC (where it relates to the functions of the police Force, then it must be with the agreement of the CC);
  - i. Provide the local link between the police and communities, (working towards translating the legitimate desires and aspirations of the public into action);
  - j. Hold the CC to account for the exercise of the functions of the office of CC and the functions of the persons under the direction and control of the CC;
  - k. Publish information specified by the Secretary of State and information that the SC considers necessary to enable the people who live in the Force area to assess the performance of the SC and CC;
  - l. Comply with all reasonable formal requests from the Police and Crime Panel (“The Panel”) to attend their meetings;

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<sup>1</sup> PCCs and chief constables are expected to plan and prepare, together or in support of national arrangements, to address threats and are expected to work collaboratively across force boundaries to determine the most effective and cost-efficient manner of implementation in order to maintain sufficient levels of appropriate resource to meet operational needs. PCCs should hold chief constables to account and must have regard to the requirement for each national threat when setting their local police and crime plans (Home Office, Strategic Policing requirement, 2015).

- m. Prepare and issue an annual report on the SC's delivery against the objectives of the Plan,
  - n. Monitor all complaints made against officers and staff, whilst having responsibility for complaints against the CC.
- 2.4 The SC must not restrict the operational independence of the Police Force and the CC who leads it.
- 2.5 In order to enable the SC to exercise the functions of their office effectively, they will need access to information, officers and staff within the Force area. Such access to any information will be facilitated by the CC but must not be used to fetter the CC's direction and control of the Force.
- 2.6 The SC has wider responsibilities than those relating solely to the Police Force, namely:
- a. A specific responsibility for the delivery of community safety and crime reduction
  - b. The ability to bring together Community Safety Partnerships at the Force level
  - c. The ability to make crime and disorder reduction grants within their Force area
  - d. The duty to ensure that all collaborative agreements with their Local Policing Bodies and Force deliver better value for money or enhance the effectiveness of policing capabilities and reliance
  - e. A wider responsibility for the enhancement of the delivery of criminal justice in their area.
- 2.7 The SC is a corporation sole which owns all the assets, land and buildings upon it including all rights and liabilities which derive from that ownership whether or not they are in the possession and use of the CC as a corporation sole.
- 2.8 The SC will be held to account by the Panel who will scrutinise his / her decisions.
- 2.9 The SC may appoint a deputy to exercise his / her functions, with the exception of those functions which cannot be delegated detailed within paragraph 2.12.
- 2.10 The SC is ultimately accountable for the Police Budget, therefore, prior to any financial liability being incurred that might reasonably be regarded as novel, contentious or repercussive, written approval must be obtained from the SC. Likewise, it is expected that anyone exercising delegated powers will highlight any issue that might reasonably be regarded as novel, contentious or repercussive.

## **Application**

- 2.11 The SC and his / her officials must have regard to the following (this list is indicative only and should not be considered to be exhaustive):
- a. The views of the communities in Staffordshire and Stoke-on-Trent;

- b. Any report or recommendation made by the Panel on the Annual Report for the previous financial year;
- c. The Police and Crime Plan and any guidance issued by the Secretary of State.

2.12 The following functions may not be delegated by the SC (as described in s18 (7) of the Act);

- a. Issuing the Police and Crime Plan;
- b. Determining the police and crime objectives of the Police and Crime Plan;
- c. Calculation of budget requirements;
- d. Appointing the CC, suspending the CC or calling upon the CC to retire or resign;
- e. Attendance at the Panel in compliance with the requirements by the Panel to do so;
- f. Preparing the Annual Report to the Panel.

2.13 This SC may give additional delegation under Section 18 of the Act. This scheme is a record of the formal consents that are in effect at the time of its publication. The SC's Constitution, including the scheme of delegation will be reviewed annually.

2.14 With the exception of the functions detailed at 2.12 which may not be delegated by the SC, this scheme of delegation permits any person with a delegation to delegate that power further, where appropriate to roles and responsibilities of the delegatee.

2.15 Delegation may only be exercised subject to:

- a. Compliance with the Joint Governance Framework;
- b. Provision for any relevant expenditure being included in the approved budget.

## **Urgent provisions**

2.16 When it is necessary to do so in urgent circumstances, the SCO Chief Executive, in consultation with The Director of Finance, has been given specific authority on any matters falling to be determined by the SC (other than those matters described in 2.12 above).

2.17 The appropriate chief officers authorised to decide urgent matters are: The Chief Executive who is also the Monitoring Officer (all issues). The SC's Director of Finance (financial and related issues, and all issues in the absence of the Chief Executive in the post-holders capacity as the designated Deputy Chief Executive and except for the role of Monitoring Officer which is deputised by the Head of Governance & Assurance).

2.18 Urgent decisions taken must be reported to the SC as soon as practicably possible.

- 2.19 This applies to periods of leave and short periods of absence, in longer term absence, the Police & Crime Panel will seek to appoint a temporary SC. Until that appointment, the Chief Executive will continue to exercise the functions of the SC.

## **Functions delegated to the Staffordshire Commissioner's Chief Executive,**

### **General**

- 2.20 The Chief Executive is a statutory role whose primary function is to act as the head of the SC paid service under Section 4 of the Local Government and Housing Act 1989.
- 2.21 To act as a monitoring officer under Section 5(1) Local Government and Housing Act 1989 and to act as SIRO for the SCO.
- 2.22 To prepare the Police and Crime Plan in consultation with Staffordshire Police for submission to the SC.
- 2.23 To ensure, in consultation with the CC, appropriate arrangements are made to gather the community's views on the policing of Staffordshire and Stoke-on-Trent and preventing crime.
- 2.24 To prepare an Annual Report for submission by the SC to the Panel on the SC's delivery against the objectives set out in the Police and Crime Plan.
- 2.25 To provide information to the Panel to carry out its functions.
- 2.26 To execute all contracts on behalf of the SC and Deputy SC in accordance with any decisions made by them.
- 2.27 To consider and approve, in consultation with the Director of Finance the indemnity to the SC and Deputy SC in accordance with the Local Authorities (Indemnities for Member and Officers) Order 2004.
- 2.28 To affix the common seal of the SC in line with Contract Standing Orders to:
- a. All contracts, agreements or transactions; in respect of which there is no consideration;
  - b. All contracts that are at or above the value set out in Annex 6 & 7 of the Contract Standing Orders over the life of the contract;
  - c. All deeds which grant or convey an interest in land;
  - d. All documents where it is determined by the SC that there is a particular need for the seal to be attached.
- 2.29 To monitor all complaints made against officials of the SC on behalf of the SC.
- 2.30 To review the annual statement of accounts of the SCO and Staffordshire Police.

- 2.31 To approve business cases for revenue or capital expenditure in accordance with the financial regulations.
- 2.32 To make arrangements to approve and appoint external solicitors and Counsel to represent the SC from time to time.

### **Financial**

- 2.33 The financial management responsibilities of the Chief Executive are set out in the financial regulations.
- 2.34 To manage the SC budget, along with the Director of Finance, particularly with regard to:
  - a. Ordering goods and services and paying for them if provided for the revenue budget;
  - b. Seeking and accepting quotations and tenders for goods and services provided for in the revenue budget.
- 2.35 To fix fees for copies of documents and extracts of documents requested by members of the public from the SC under the Freedom of Information Act 2000 and Data Protection Act 1998.
- 2.36 To sign all contracts on behalf of the SC in accordance with decisions made and the Contract Standing Orders. The SC has through Standing Orders authorised the CC Chief Finance Officer to sign all contracts under the value of £1 million or otherwise determined by Standing Orders.
- 2.37 Further authority has been delegated to the Head of Commissioning and Partnerships to sign any contract up to the value of £500,000.

### **Human Resources**

- 2.38 To appoint, dismiss and undertake the management of officials employed by the SC, in consultation with the SC and in line with agreed policies and procedures operated by Staffordshire Police.
- 2.39 To make recommendations to the SC, in consultation with the Director of Finance, with regard to additional payments made to SC officials in accordance with their terms and conditions of service as set in the Police Staff Council Handbook and any local collective agreements operated by Staffordshire Police. This includes the approval of payments under any bonus or performance-related payment schemes for officials employed by the SC, honoraria payments made for additional duties and responsibilities and the granting of essential or casual car user allowances.

- 2.40 To implement national and local collective agreements on salaries, terms and conditions for officials employed by the SC in line with those operated by Staffordshire Police, providing that any issues which are sensitive or have major financial implications will be referred to the SC for a decision. This includes negotiating with recognised trade unions and staff associations on any matters in relation to officials employed by the SC that can be decided locally. All agreements reached must be reported to the SC.
- 2.41 To approve the retirement of officials employed by the SC on the grounds of ill health, and the payment of ordinary and ill-health pensions and other payments, as appropriate, following advice from a medical practitioner. All ill-health retirements must be reported to the SC before implementation.
- 2.42 To ensure settlement of employment tribunal cases and grievances of officials employed by the SC with the exception of those cases felt to be exceptional because: they involve a high profile claimant; there is a particular public interest in the case; or there is a real risk that the SC or CC will be exposed to serious public criticism or serious weaknesses in the organisation or policies and procedures will be revealed.
- 2.43 To appoint, and terminate if necessary, Independent Custody Visitors.
- 2.44 To authorise, after consultation with the SC, in line with staff conditions of service, the suspension of any official employed by the SC.
- 2.45 To consider, with the SC, any complaint made against the CC, and where appropriate, to make arrangements for appointing an officer to investigate the complaint or an independent third party to undertake an investigation.

To deliver through the SCO Compliance Manager a complaints review function with appropriate procedures commensurate with The Police Conduct Regulations 2020 and the requirement for increased independent oversight of the police by the SC.

- 2.46 To issue exemption certificates to officials employed by the SC whose posts would otherwise be politically restricted under the Local Government and Housing Act 1989.
- 2.47 To settle appeals against decisions of the Senior Administrator of the Local Government Pension Scheme, in line with the Occupational Pension Schemes (Internal Dispute Resolution Procedures) Regulations 1996.
- 2.48 Support and advice may be commissioned from the Force's People Services department in relation to the above points and / or other human resource related matters as appropriate.

## Legal

- 2.49 To approve the financial settlement of all claims or requests for compensation against the SC in accordance with financial regulations.
- 2.50 To approve all requests for financial assistance to officers and staff involved in legal proceedings or inquests, where the officers have acted in good faith and have exercised reasonable judgement in performing their police duties, with the exception of those felt to be novel, contentious, or repercussive because:
- a. They involve a high profile claimant;
  - b. There is a particular public interest in the case;
  - c. There is a real risk that the SC or CC will be exposed to serious public criticism, serious weaknesses in the organisation, or policies and procedures will be revealed;
  - d. They involve a Chief Officer.

***Note: Requests deemed to be novel, contentious, or repercussive (as per the exceptions listed above) can only be approved by the SC.***

- 2.51 To authorise the institution, defence, withdrawal or settlement of any claims or legal proceedings on the SC's behalf, in consultation with the CC, legal adviser (and the SC Director of Finance and CC Chief Finance Officer if there are novel, contentious, or repercussive financial implications).
- 2.52 To make arrangements to institute, defend or participate in any legal proceedings in any case where such action is necessary.
- 2.53 To arrange for the provision of all legal or other expert advice and/or representation required for and on behalf of the SC.

#### **Other**

- 2.54 To consider whether, in consultation with the Director of Finance, to provide indemnity to the SC (and Deputy SC) in accordance with the Local Authorities (Indemnities for Members and Officers) Order 2004 and to deal with or make provision to deal with other matters arising from any proceedings relating to them.
- 2.55 To consider and approve, in consultation with the Director of Finance, provision of indemnity and/or insurance to officials of the SC in accordance with the Local Authorities (Indemnities for Members and Officers) Order 2004.
- 2.56 To respond to consultations on proposals that affect the SC, following consultation with the SC, the Director of Finance and the CC where appropriate.
- 2.57 To exercise at the request of the CC power of the SC under the Police (Property) Regulations 1997 to approve the keeping of unclaimed property if it can be used for police purposes.

- 2.58 To approve payment to Officers in respect of unpaid Compensation Orders awarded to any officer by an appropriate Court, subject to provisions in the Contract Standing Orders.

### **Functions delegated to the Staffordshire Commissioners Director of Finance**

The Director of Finance is the financial advisor to the SC and has statutory responsibility to manage his / her financial affairs as detailed in Sections 112 and 114 of the Local Government Finance Act 1988, and the Account and Audit Regulations 2011. They must ensure that the financial affairs of the SC are properly administered having regard to their probity, legality and relevant standards.

- 2.59 To approve the arrangements for the Treasury management function including the day to day management, production of Treasury management strategy and supporting policies and procedures.
- 2.60 To approve the arrangement for securing and preparing the SC's accounts, and seek assurances that there are appropriate arrangements in place for the force's accounts.
- 2.61 To approve the opening of all bank accounts.
- 2.62 To undertake the day to day management of the SC's budget.
- 2.63 To commit expenditure within the SC's approved budget to meet the policies and objectives agreed with the SC and reflected in the Policing Plan.
- 2.64 To manage grants awarded to the SC or Deputy SC.
- 2.65 To prepare from time to time, draft financial and contract regulations, in consultation with, and having due regard to the view of the Force, for approval by the SC.
- 2.66 To act as money laundering reporting officer under the Proceeds of Crime Act 2002, and Money Laundering Regulations 2003 or other appropriate legislation from time to time in force.
- 2.67 To prepare and annually review a draft expenses and benefits framework for approval by the SC.
- 2.68 To prepare and annually review financial and contract regulations, in consultation with the Force, for approval by the SC or the Deputy SC.
- 2.69 To determine when any goods are surplus to requirements or obsolete and arrange for disposal in line with financial requirements.
- 2.70 To report to the SC and the external any unlawful or potentially unlawful spending by their, or the Force's officers.
- 2.71 To provide for an effective internal audit service.
- 2.72 The SC's Director of Finance is also the SC's nominated section 151 officer.

- 2.73 The SC's Deputy Section 151 Officer is authorised to undertake the functions of the SC's Director of Finance in their absence.

### **Role of the Staffordshire Commissioners Director of Legal Services**

- 2.74 To undertake the day to day management of Legal Services in accordance with the relevant legislations, policies and procedures and provide advice to the SC as appropriate.

## **3. Chief Constable**

### **Role of the Chief Constable**

- 3.1 The CC is responsible for maintaining the Queen's peace and for the direction and control of the Force's police officers and police staff.
- 3.2 The CC is accountable to the law for the exercise of police powers, and to the SC for the delivery of efficient and effective policing, and management of resources and expenditure by the Police Force.
- 3.3 In addition to keeping the peace and enforcing the law, the CC also has the power to do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of their functions<sup>2</sup>. This scheme deals with the ways in which certain of the CC's functions will be exercised in a way as is reasonable to assist the SC to exercise their functions.

### **Functions of the Chief Constable**

- 3.4 The CC is responsible to the public and accountable to the SC for:
- a. Leading the Force in a way that is consistent with the attestation made by all constables on appointment and ensuring that it acts with impartiality;
  - b. Appointing the Force's officers and staff (after consultation with the SC, in the case of officers above the rank of Chief Superintendent and police staff equivalents);
  - c. Supporting the SC in the delivery of the strategy and objectives set out in the Plan;
  - d. Assisting the SC in planning the Force's budget; Providing the SC with access to information, officers and staff as required (in line with the SC function as set out in 2.5 above);

- e. Having regard to the Strategic Policing Requirement when exercising and planning their policing functions in respect of their Force's national and international policing responsibilities;<sup>3</sup>
- f. Notifying and briefing the SC of any matter or investigation on which the SC may need to provide public assurance either alone or in company with the CC (all PCCs will be designated as Crown Servants under the Official Secrets Act 1989(a), making them subject to the same duties in relation to sensitive material as Government Ministers);
- g. Being the operational voice of policing in the Force area and regularly explaining to the public the operational actions of officers and staff under their command;
- h. Entering into collaboration agreements with other CC's, other policing bodies and partners that improve the efficiency or effectiveness of policing, and with the agreement of their respective Policing Bodies Remaining politically independent of the SC;
- i. Remaining politically independent;
- j. Managing all complaints against the Force, its officers and staff, except in relation to the CC, and ensuring that the SC is kept informed in such a way as to enable the SC to discharge their statutory obligations in relation to complaints in a regular, meaningful and timely fashion. Serious complaints and conduct matters must be passed to the Independent Police Complaints Commission in line with legislation;
- k. Exercising the power of direction and control in such a way as is reasonable to enable the SC to have access to all necessary information and staff within the Force;
- l. Having day to day responsibility for financial management of the Force within the framework of the agreed budget allocation and levels of authorisation issued by the SC.

### 3.5 Complying with the requirements of the Independent Office for Police Conduct.

## Financial

- 3.6 To ensure that the financial affairs of Staffordshire Police are properly administered having regard to probity, legality, Financial Regulations, and appropriate standards (see sections 3.24 to 3.38 for CC's delegations to the CC's Chief Finance Officer).

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<sup>2</sup> Paragraph 7 (1), Schedule 2 PRSRA

<sup>3</sup> PCCs and chief constables are expected to plan and prepare, together or in support of national arrangements, to address threats and are expected to work collaboratively across force boundaries to determine the most effective and cost-efficient manner of implementation in order to maintain sufficient levels of appropriate resource to meet operational needs. PCCs should hold chief constables to account and must have regard to the requirement for each national threat when setting their local police and crime plans (Home Office, Strategic Policing requirement, 2015).

## **Human Resources**

- 3.7 To approve, as far as is allowed by government directives, the numbers, locations, ranks and grading of police staff and police officers within the overall workforce budget provided by the SC This will include the appointment, suspension / dismissal, secondment and retirement of officers above the rank of Chief Superintendent and police staff equivalent as appropriate - the SCO should be consulted on appointment of Assistant Chief Constable and above including police staff equivalents (see sections 3.40 to 3.52 for CC's delegations to the Director of People and Resources).
- 3.8 To ensure that local and national arrangements around terms and conditions are brought in to effect as appropriate.
- 3.9 To settle appeals against decisions of the Senior Administrator of the Local Government Pension Scheme and Police Pension Scheme, in accordance with Internal Dispute Resolution Procedures (IDRP).

## **Legal**

- 3.10 To ensure that Legal Services are delivered in accordance with the relevant legislation, policies and procedures (see sections 3.54 to 3.57 for CC's delegations to the Director of Joint Legal Services).
- 3.11 The CC is responsible in his / her own right for settling claims against Police Officers and staff under his / her direction and control. The CC will report on a regular basis to the SC on claims deemed to be novel, contentious, or repercussive.

## **Urgent matters**

- 3.12 If any matter which would normally be referred to the CC (or Deputy CC) for a decision arises and cannot be delayed, the matter may be decided by the appropriate chief officer, i.e. any member of the CC's Executive Management Team (ACC or above) or for financial urgencies, the CC's Chief Finance Officer.
- 3.13 Urgent decisions taken must be reported to the CC as soon as practicably possible.

## **Chief Constable Delegation**

- 3.14 Senior Managers have powers of delegation to undertake the management of staff employed by the CC in line with agreed policies and procedures (senior managers are Executive Managers, Chief Superintendents and police staff equivalents, and Heads of Department).
- 3.15 All matters properly delegated by the CC to identified individuals may be further delegated where appropriate to roles and responsibilities of the delegate.

### **Role of the Deputy Chief Constable**

- 3.16 The Deputy Chief Constable supports the Chief Constable to lead the Force. They assist in creating a vision, direction and culture for the Force that builds public and organisational confidence and trust and enables the delivery of an effective policing service.
- 3.17 The Deputy Chief Constable holds direct operational accountability for the policing response to crime and major and critical incidents and its effective command and leadership.
- 3.18 The Deputy Chief Constable is responsible for the implementation and delivery of the Force's Delivery Plan and the day to day running of the Force in line with the agreed direction and vision, to provide a professional, effective and efficient policing service. The Deputy Chief Constable contributes to the development of regional and national policing within a specific area of expertise and may be accountable for national operations or standard setting.

### **Chief Constable's delegations to the Deputy Chief Constable**

- 3.19 The Deputy CC may exercise or perform any or all of the functions of the CC during any period when the CC is unable to exercise the functions, or otherwise with the approval of the CC.

### **Role of the Chief Constable's Chief Finance Officer**

- 3.20 The CC must appoint a person to be responsible for the proper administration of the Force's financial affairs, in accordance with the Financial Management Code of Practice, as issued by the Home Office. There is a statutory responsibility for the post-holder to manage the Force's financial affairs, in accordance with sections 112 and 114 of the Local Government Finance Act. 1988, and the Accounts and Audit Regulations 2003 (as amended).
- 3.21 The detailed financial management responsibilities of the CC's Chief Finance Officer, which includes a number of delegated powers, are set out in the financial regulations.

3.22 The CC's Chief Finance Officer is also the CC's nominated section 151 officer.

3.23 The CC's Deputy Section 151 Officer is authorised to undertake the functions of the CC's Chief Finance Officer in their absence.

## **Chief Constable's Delegations to the Chief Finance Officer**

### **Financial**

3.24 To ensure that the financial affairs of Staffordshire Police are properly administered having regard to probity, legality, Financial Regulations, and appropriate standards.

3.25 To plan the Force's budget in conjunction with the SC.

3.26 To approve arrangements for securing and preparing the financial accounts for the Force.

3.27 To be responsible for the day to day management of the budget delegated to Staffordshire Police in accordance with financial regulations.

3.28 To approve expenditure in line with Financial Regulations unless novel, contentious, or repercussive, to meet policies and objectives agreed with the SC and reflected in the Police and Crime Plan.

3.29 In accordance with financial regulations, to vire between budget headings and to notify the SC of the virement through the budget monitoring process.

3.30 To approve all agreements for the provision of non-policing services to other organisations within the Force area in line with Financial Regulations. This does not apply to the provision of mutual aid by the CC to another Force under section 24 of the Police Act 1996, or the provision of advice or assistance to international organisations under the Police Act 1996, which are operational matters. However these are subject to consultation with the SC.

3.31 To be responsible for financial management of the approved capital programme.

3.32 To determine when all other goods are surplus to requirements or obsolete and arrange for their disposal in line with financial regulations and Contract Standing Orders.

3.33 To approve the provision of policing services to external bodies, subject to the service provision not being novel, contentious or repercussive, with reports being provided to the SC through the regular quarterly budget monitoring reports.

3.34 To approve non exceptional cases in the provision of police advice and assistance to international agencies.

### **Contracts**

- 3.35 To approve the award of all contracts in line Contract Standing Orders unless novel, contentious, or repercussive.
- 3.36 To sign all contracts on behalf of the SC in line with Financial Regulations once they have been properly approved, except those which are required to be executed under the common seal of the SC. In these cases the Chief Executive is authorised to sign and affix the seal.
- 3.37 To approve all unforeseen variations and extensions for contracts in line with Financial Regulations unless novel, contentious, or repercussive.
- 3.38 To approve the early termination of all contracts in line with Financial Regulations, unless novel, contentious, or repercussive, in consultation with the SC.

### **Role of the Chief Constable's Director of People and Resources**

- 3.39 To determine the strategic direction of the Force for the enabling services, representing the forces interests and those of the communities it serves. To contribute to meeting the priorities of the force through effective people management and day to day management of the force's physical assets, including estates and facilities, fleet, and IT.

### **Chief Constable's Delegations to the Director of People and Resources**

- 3.40 To manage, as far as is allowed by government directives, the numbers, locations, ranks and grading of police staff and police officers within the overall workforce budget provided by the SC (except for posts of Assistant Chief Constable or above which the SC should be consulted on).
- 3.41 To appoint all Staffordshire Police officers and police staff (after consultation with the SC on posts of Assistant Chief Constable or above).
- 3.42 To approve the appointment or secondment of police officers for central services or overseas duty.
- 3.43 To make recommendations with regard to organisational structure, staff terms and conditions of service, in consultation with the CC's Chief Finance Officer.
- 3.44 To bring national agreements on salaries, wages and conditions into effect for staff employed by the CC on the clear understanding that any issues which are sensitive or have major financial implications will be referred to the CC for a decision.

- 3.45 To negotiate with, and reach agreements with, recognised trade unions and staff associations on any matters in relation to staff employed by the CC that can be decided locally. All agreements reached must be reported to the CC.
- 3.46 To approve payments to staff employed by the CC, under any bonus or performance-related payment schemes, honoraria payments made for taking on extra duties and responsibilities, or similar special payments.
- 3.47 In line with the terms of any approval given by the Secretary of State, to grant leave with pay, and the payment of appropriate fees and charges.
- 3.48 To approve the retirement, in the interests of the efficiency of the service, of staff employed by the CC, and to report to the CC on this issue each year.
- 3.49 To approve the retirement of staff employed by the CC up to and including the rank of Chief Superintendent on the grounds of ill health, and the payment of ordinary and ill-health pensions and other payments, as appropriate, following advice from the Force Medical Examiner or a medical practitioner. The SC must be consulted on the retirement of the Deputy CC and Assistant CC's. All ill-health retirements must be reported to the CC annually and before implementation.
- 3.50 In consultation with the Chief Executive, to issue exemption certificates to staff employed by the CC whose posts would otherwise be politically restricted under the Local Government and Housing Act 1989.
- 3.51 To grant essential or casual car-user allowances to staff under the direction and control of the CC.
- 3.52 To ensure support and advice is given to the SCO from the Force's People Services Department in relation to Human Resource related matters as appropriate.

### **Role of the Chief Constables Director of Joint Legal Services**

- 3.53 To undertake the day to day management of Legal Services in accordance with the relevant legislations, policies and procedures.

### **Chief Constable's Delegations to their Director of Joint Legal Services**

- 3.54 Settlement of claims against Police Officers and Police Staff under the direction and control of the CC. Claims deemed to be contentious will be reported to the CC on a regular basis.
- 3.55 Institute, defend or participate in legal actions to protect the interests of Staffordshire Police.

- 3.56 Provide advice, institute and defend legal proceedings when requested to do so.
- 3.57 Settlement of employment tribunal cases and grievances of staff under the direction and control of the CC, in consultation with the Director of People and Resources, with the exception of those cases felt to be novel, contentious, or repercussive because:
- a. They involve a high profile claimant;
  - b. There is a particular public interest in the case;
  - c. There is a real risk that the SC or Staffordshire Police will be exposed to serious public criticism or serious weaknesses in the organisation or policies and procedures will be revealed;
  - d. They involve Chief Officers.

## Part 2: Scheme of Consent between the Staffordshire Commissioner (SC) and the Chief Constable (CC)

---

### 1 General

- 1.1 The CC is a Corporation Sole and is responsible for employing police officers and other staff to maintain the Queen's peace. The CC has direction and control over the Force's officers and staff.
- 1.2 The CC is accountable to the law for the exercise of police powers, and to the SC for the delivery of efficient and effective policing, management of resources and expenditure by the Police Force. At all times the CC, their constables and staff remain operationally independent in the service of the communities they serve.
- 1.3 The SC is the Corporation Sole which owns all the assets, land and buildings upon it including all rights and liabilities which derive from that ownership including those in possession and use of the CC as a corporation sole.

### Consents

#### Assets and Property

- 2.1 The role of the SC outlined in Part 1 paragraph 2.3 including the specific responsibility to raise revenues, particularly through the precept which cannot be delegated, reinforce the position of retaining ownership of all assets and contracts for the benefit of the public of Staffordshire.

#### VAT

- 2.2 The SC gives consent to the CC to administer the SC's VAT.

## Legal

- 2.3 The SC gives consent to the CC in any legal proceedings involving the SC and/or CC to approve the financial settlement of all claims or requests for compensation that are non-significant because:
- a. The compensation to be paid is £100,000 or less (to include multiple or linked claims/claimants); or in the case of accident claims or ex-gratia payments for damage caused by officers and staff the compensation sum is £10,000 or less;
  - b. They do not involve a high profile claimant including Chief officers;
  - c. There is no significant public interest in the case;
  - d. The risk that the SC or the Police Force will be exposed to serious public criticism or serious weaknesses in the organisation or policies and procedures is considered low;
  - e. It is not a test case.
- 2.4 Institute, defend or participate in legal actions to protect the interests of the Force and the Staffordshire Commissioners Office.
- 2.5 Provide advice, institute and defend legal proceedings on behalf of the SC when requested to do so.
- 2.6 All financial levels are determined by the financial regulations, and approval of authority set down.

## Section 4c



# Financial Regulations and Contract Standing Orders

Officer of the Staffordshire Commissioner (acting as the  
Police and Crime Commissioner for Staffordshire)

And

Staffordshire Police

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# Section A: Financial Management Framework

## 1. Introduction

### 1.1 Background

- 1.1.1** The Police Reform and Social Responsibility Act 2011 (“The Act”) established the Police and Crime Commissioner and the Chief Constable as separate legal entities. The legal transfer of operational policing to the Chief Constable, who also became the employer of police staff members, was completed on 1st April 2014. The Act makes provision for the governance and administration of police forces. The Act charges the Police and Crime Commissioner for Staffordshire with securing the maintenance, efficiency and effectiveness of Staffordshire Police.
- 1.1.2** The Financial Management Code of Practice (FMCP) is issued under section 17 of the Police Reform and Social Responsibility Act 2011 and section 39A of the Police Act 1996, which permit the Secretary of State to issue codes of practice to all Police and Crime Commissioners (“Commissioners”) and Chief Constables. As set out in section 17(4) of the 2011 Act and section 39A (7) of the 1996 Act, Commissioners and Chief Constables must have regard to this code in carrying out their functions.
- 1.1.3** The FMCP applies to the discharge of functions by all Commissioners in England and Wales and applies to every Chief Constable of a police force maintained by a Commissioner.
- 1.1.4** The FMCP provides clarity around the financial governance arrangements within the police service in England and Wales, and reflects the fact that the police service has a key statutory duty to secure value for money in the use of public funds. It provides high level guidance to help ensure effective and constructive relationships in all financial matters. The FMCP sets the tone while promoting flexibility and avoiding overt prescription so that the detail of arrangements can be worked out locally.
- 1.1.5** The Police and Crime Commissioner and the Chief Constable are both required to appoint Chief Finance Officers/Section 151 Officers.

### 1.2 Purpose and status

- 1.2.1** These regulations provide a framework which makes sure the business is carried out efficiently and ensuring that decisions are not unnecessarily delayed. As a result, these financial regulations cover both the Police and Crime Commissioner responsibilities as well as the Chief Constable.
- 1.2.2** These regulations should not be seen in isolation, but rather as part of the overall regulatory and governance framework of Staffordshire Police that includes Scheme of Consent and both Police and Crime Commissioners and Chief Constable’s Scheme of Delegation.
- 1.2.3** Every member of staff and police officer is expected to read and understand the Financial and Contract Regulations and any related documents. They are expected to seek clarification on any areas they do not understand with either their line manager or other relevant person.
- 1.2.4** The Commissioner, Chief Constable and all officers and staff have a general duty to take reasonable action to provide for the security of assets under their control and for ensuring

that the use of these resources is legal, properly authorised, provides value for money and achieves best value.

- 1.2.5** Financial Regulations explain the working financial relationship between the Commissioner and the Chief Constable and their respective S151 Officer, and the role played by the Commissioner's Chief Executive. These officers shall be known collectively as the "Statutory Officers".
- 1.2.6** Under Section S151 of the Local Government Act 1972 "every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs". In addition, under Schedule 1 and 2 of the Police Reform and Social Responsibility Act 2011, the Police & Crime Commissioner (the Commissioner) and Chief Constable are obliged to appoint a person to be responsible for the proper administration of the financial affairs of their respective Corporation Sole.
- 1.2.7** To meet the above statutory requirements, the Director of Finance for the Office of the Commissioner and the Assistant Chief Officer (Resources) will act as the Section S151 Officers for the Commissioner and the Chief Constable respectively.
- 1.2.8** A Chief Officer may delegate a function, whether delegated to the Chief Officer or otherwise, to other officers provided that the terms of the delegation are clearly documented.
- 1.2.9** In the event of the absence of either S151 Officer, their respective statutory roles will be assumed by the Deputy S151 Officer.
- 1.2.10** Statutory Officers are responsible for ensuring that all employees, contractors and agents are aware of the existence and content of these Financial Regulations and that they are complied with.
- 1.2.11** Breaches of Financial Regulations of a serious nature may result in disciplinary proceedings and, potentially, criminal action. Such cases shall be reported to the Commissioner's S151 Officer and/or CC S151 Officer who shall determine, after consulting with the Monitoring Officer, whether the matter shall be reported to the Commissioner and/or Chief Constable. Further guidance set out in the document.
- 1.2.12** The Commissioner and all officers and staff have a duty to abide by the highest standards of probity (i.e. honesty, integrity and transparency) in dealing with financial issues.
- 1.2.13** The Financial Regulations shall only be suspended by a formal decision of the Commissioner and Chief Constable
- 1.2.14** Financial Regulations may be reviewed at any time and at the same time as any review of Corporate Governance and may be amended by agreement between the Commissioner and Chief Constable.

### **1.3 Key roles of the Police and Crime Commissioner**

- 1.3.1** In relation to financial management, contracts and procurement, the key roles of the Commissioner are to:
- Provide an efficient and effective police service for the area;
  - Set the budget, and the precept, and allocate funds and assets to the Chief Constable;
  - Make crime and disorder reduction grants.

**1.3.2** The Police and Crime Commissioner will receive all funding, including the government grant precept, and other sources of income, related to policing and crime reduction. All funding for the force must come via the Commissioner. How this money is allocated is for the Commissioner to decide in consultation with the Chief Constable, or in accordance with any grant terms.

**1.3.3** The Police and Crime Commissioner is the legal contracting body owning all the assets and liabilities, with the responsibility for the financial administration of his/her office and the force, including all borrowing limits.

## **1.4 General Principles**

**1.4.1** The Chief Constable shall be responsible for ensuring that the provisions and obligations of these regulations are properly drawn to the attention of members of staff under his/her employ. The Chief Executive, Commissioner's Chief Finance Officer and Force Chief Finance Officer are responsible for making sure that members of staff they supervise know about the provisions and obligations of these regulations.

**1.4.2** The Schemes of Delegation provide an officer with the legal power to carry out duties of the Commissioner or Chief Constable. In carrying out these duties the officer must comply with all other statutory and regulatory requirements and relevant professional guidance including:

- The Police and Social Responsibility Act 2011 and other relevant legislation issued under this Act.
- Financial Regulations
- Home Office Financial Management Code of Practice
- CIPFA statement on the role of the CFO of the Police and Crime Commissioner and the CFO of the Chief Constable
- Contract Regulations
- The Commissioner's governance framework
- The Commissioner's and Staffordshire Police's employment policies and procedures.
- The Data Protection Act 1998 and the Freedom of Information Act 2000

**1.4.3** The Commissioner has a wider responsibility regarding financial, contract and procurement management, wider than those solely relating to the police force, namely:

- The ability to make crime and disorder reduction grants for their force area;
- The commissioning of services for victims and witnesses

## **2. Statutory Officers**

### **2.1 Appointment**

**2.1.1** In accordance with the Local Government Act 1972 and other legislative requirements, the following officers are appointed as the Statutory Officers to discharge the functions stated.

### **2.2 Chief Executive**

**2.2.1** The Chief Executive is designated as the Statutory Officer for the following:

- Section 96 (1) - Receipt of notices of pecuniary interest.

- Section 96 (2) - Keeping records of disclosures of pecuniary interest under section 94 and of notices under Section 96 (1).
- Section 100B - Determination of which reports or parts of reports should not be disclosed on the grounds that they include exempt information which is likely to be considered in private.
- Section 100C – Minuting of meetings and preparing where necessary written summary of such parts of meetings at which the public are not present.
- Section 100F - Determination of which documents should not be disclosed to members on the grounds that they include confidential or exempt information.
- Section 229 (5) - Certification of photographic copies of documents.
- Section 231 (1) & (2) – Authentication of documents.
- Section 41 (1) & (3) of the Local Government Miscellaneous Provisions Act 1976 – Certification of resolutions and minutes, etc., for evidential purposes.

## 2.3 Commissioner’s & Chief Constable Section 151 Officers

- 2.3.1** Both the Commissioner’s and Chief Constable’s Section 151 Officers have statutory responsibilities that are set out in paragraph 4 of schedule 2 and paragraph 1 of schedule 4 to the Police Reform and Social Responsibility Act 2011 and section 114 of the Local Government Finance Act 1988.
- 2.3.2** Both the Commissioner’s S151 Officer and the Chief Constable’s S151 Officer are designated as the Proper Officer for the following: -
- Section 115 (2) – Receipt of monies due from officers.
  - Section 228 (3) – Inspection of accounts.
  - Section 151 – Responsibility for the administration of the organisation’s financial affairs.
- 2.3.3** In the event of the absence of either CFO their respective statutory roles will be assumed by the Deputy Section 151 Officer.

## 3. Financial Regulations

### 3.1 Purpose

- 3.1.1** To conduct business efficiently, the Commissioner and the Chief Constable need to ensure that there are sound financial management arrangements in place within their respective organisations and that these are strictly adhered to. These Financial Regulations set out such arrangements in a single document to ensure consistency. They also incorporate the Contract and Procurement Regulations.
- 3.1.2** These Financial Regulations provide clarity about the financial accountabilities of individuals, particularly the Chief Executive, the Chief Constable, and their respective Chief Finance Officers. They apply to every member of the Commissioner’s and Force’s staff and anyone acting on their behalf.
- 3.1.3** Section 15 sets out the delegated limits attributable to these Financial Regulations.

### 3.2 Status

- 3.2.1** These Financial Regulations are embedded within and must be read in conjunction with the other constituent parts of the scheme of arrangements.

- 3.2.2** All members of staff, police officers and police staff including special constabulary and volunteers must take reasonable action to provide for the security of any assets under their control, and ensure that the use of these resources is legal, is properly authorised, and provides value for money.
- 3.2.3** Each of the Financial Regulations sets out the overarching financial responsibilities. The Chief Finance Officers shall from time to time issue supplementary guidance which sets out in greater detail the procedures for carrying out particular financial transactions. Such guidance shall emphasize the need for effective systems of internal control to be in place and complied with.
- 3.2.4** The Chief Constable shall ensure that all police officers, police staff are aware of the content of the Financial Regulations and guidance and other internal regulatory documents and ensure that they comply with them.

### **3.3 Breaches**

- 3.3.1** The Chief Executive shall inform the Commissioner's S151 Officer of any breach of the Financial Regulations by a member of the Office of the Commissioner or by a commissioned body within 5 working days of the breach being identified. For minor breaches the Commissioner's S151 Officer shall take appropriate action to prevent further occurrences. For more significant breaches the Commissioner's S151 Officer shall discuss the breach with the Commissioner with a view to identifying appropriate action.
- 3.3.2** The Chief Constable or other Chief Officer shall inform the Force Section 151 of any breach of the Financial Regulations by a member of the Force within 5 working days of the breach being identified. For minor breaches the Force S151 shall take appropriate action to prevent further occurrences. For more significant breaches the Force S151 shall discuss the breach with the Chief Constable with a view to identifying appropriate action or escalation.

### **3.4 Suspension of Regulations and Urgent Expenditure**

- 3.4.1** In exceptional cases, the Commissioner may suspend the application of these Regulations where it is in the best interests of the Commissioner or Force to do so.
- 3.4.2** In cases of urgency:
  - 3.4.2.1** The Chief Constable jointly with the Force S151, and in consultation with the Commissioner's Office (Monitoring Officer and S151 Officer), may authorise the Force to incur any lawful expenditure which would otherwise be contrary to these Regulations; or
  - 3.4.2.2** The Commissioner jointly with the Chief Executive and the Commissioner's S151 may authorise the Commissioner to incur any lawful expenditure which would otherwise be contrary to these Regulations.
- 3.4.3** If in respect of regulation 3.4.2.1, the Chief Constable, Chief Executive and S151 Officers fail to agree on the need for or extent of such expenditure, the Commissioner will decide on the appropriate course of action.
- 3.4.4** The exercise of regulations 3.4.1 and 3.4.2 shall in every case be recorded in writing along with the reason(s) for making the decision.

### **3.5 Review**

- 3.5.1** Each S151 Officer shall monitor the operation of the Financial Regulations. Minor changes (such as job titles or as a result of other decisions formally made by the Chief Constable) are delegated to the Chief Constable's S151. All other changes must be approved by the Commissioner.
- 3.5.2** The S151 Officers will review Section 15 on an annual basis and will submit any recommendations for changes as a result of their review to the Commissioner as an annex to the Budget report.
- 3.5.3** At least once every three years, the S151 Officers shall undertake a comprehensive review of the Financial Regulations in consultation with the Chief Executive and the Chief Constable, including the re-assessment of Section 15 and will submit any recommendations for change to the Commissioner for approval.

## 4. Financial Management Framework

### 4.1 Financial Management Standards Overview

- 4.1.1** The Commissioner, Chief Constable and all employees have a duty to abide by the highest standards of probity (i.e. honesty, integrity and transparency) in dealing with financial issues. This is facilitated by ensuring that everyone is clear about the standards to which they are working and the controls that are in place to ensure that these standards are met.
- 4.1.2** The Commissioner shall receive updates on the financial performance of the Force and the Office of the Staffordshire Commissioner by receiving regular budget monitoring and outturn reports, and also the Annual Audit Letter provided by the external auditor.

#### JOINT RESPONSIBILITIES OF THE COMMISSIONER SECTION 151 OFFICER AND CC SECTION 151 OFFICER

- 4.1.3** To ensure the proper administration of the financial affairs of the Commissioner's Office and the Force.
- 4.1.4** To ensure that proper practices are adhered to.
- 4.1.5** To advise on the key strategic controls necessary to secure sound financial management.
- 4.1.6** To ensure that financial information is available to enable accurate and timely monitoring and reporting of comparisons based on national and local financial performance indicators.
- 4.1.7** To ensure that all officers and staff are aware of, and comply with, proper financial management standards, including these Financial Regulations.
- 4.1.8** To ensure that all staff are properly managed, developed, trained and have adequate support to carry out their financial duties effectively.
- 4.1.9** On behalf of the Commissioner and Chief Constable as employers and jointly as contributors to the Local Government Pension Scheme (LGPS), to ensure the proper management and administration of the LGPS including representation by the Commissioner S151 Officer of both employers on the LGPS pensions committee or in the event he/she is unable to attend by the CC S151 Officer.

## 4.2 Accounting Systems, Records and Retention

- 4.2.1** Maintaining proper accounting records is one of the ways in which the Commissioner and Chief Constable will discharge their responsibility for stewardship of public resources. There is a statutory responsibility to prepare its annual accounts to present a true and fair view of the financial position of the Commissioner's Office and the Force and of operations during the year. These are subject to external audit. This audit provides assurance that the accounts are prepared properly, that proper accounting practices have been followed and that adequate arrangements have been made for securing economy, efficiency and effectiveness in the use of resources.

### JOINT RESPONSIBILITIES OF THE COMMISSIONER SECTION 151 OFFICER AND CC SECTION 151 OFFICER

- 4.2.2** To determine the accounting policies and procedures to be adopted, in accordance with recognised accounting practices, and approve the strategic accounting systems and procedures employed by the Chief Constable. All employees shall operate within the required accounting policies and published timetables.
- 4.2.3** To make proper arrangements for the audit of the Commissioner's, Force and group accounts in accordance with the Accounts and Audit Regulations (as amended from time to time).
- 4.2.4** To ensure that claims for funds including grants are made where possible by the due date.
- 4.2.5** To ensure that bank reconciliations and other key control accounts are reconciled on a timely and accurate basis.
- 4.2.6** To prepare and publish the audited accounts in accordance with the statutory timetable.

### RESPONSIBILITIES OF THE CC SECTION 151 OFFICER

- 4.2.7** To consult with the Commissioner's S151 Officer before making any fundamental changes to accounting records and procedures or accounting systems.
- 4.2.8** To ensure that all transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis.
- 4.2.9** To maintain adequate records to provide a management trail leading from the source of income and expenditure through to the accounting statements.
- 4.2.10** To ensure that prime documents are retained in accordance with legislative and internal requirements. The format of such documents shall satisfy the requirements of internal and external audit.

## 4.3 Annual Statement of Accounts

- 4.3.1** Both the Commissioner and Chief Constable have a statutory responsibility to prepare accounts to present a true and fair view of the financial position of the Commissioner's Office and the Force and of operations during the year. They must be prepared in accordance with proper practices as set out in the Code of Practice on local Authority Accounting in the United Kingdom (the Code). The accounts will comprise separate statements for the Commissioner (Office of the Police & Crime Commissioner), Chief Constable as well as group accounts covering both entities.

**4.3.2** The CC is responsible for approving the Chief Constable's Statement of Accounts and the Commissioner is responsible for approving the Commissioner's and Group Statement of Accounts.

**4.3.3** 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 arrangements have been made for securing economy, efficiency and effectiveness in the use of resources are adequate.

#### RESPONSIBILITIES OF COMMISSIONER SECTION S151 OFFICER

**4.3.4** To draw up the timetable for final accounts preparation, in consultation with Force S151 Officer and external auditor.

**4.3.5** To prepare, sign and date the statement of accounts, stating that it presents a true and fair view of the financial position of the Office of the Police and Crime Commissioner and the Force at the accounting date and its income and expenditure for the financial year just ended.

**4.3.6** To publish the approved and audited accounts each year, in accordance with the statutory timetable.

#### JOINT RESPONSIBILITIES OF COMMISSIONER SECTION 151 OFFICER AND CC SECTION S151 OFFICER

To select suitable accounting policies and apply them consistently.

**4.3.7** To make judgements and estimates that are reasonable and prudent.

**4.3.8** To comply with the Code of Practice on local Authority Accounting.

#### RESPONSIBILITIES OF THE COMMISSIONER

**4.3.9** To consider and approve the Commissioner's and Group annual Statement of Accounts in accordance with the statutory timetable.

#### RESPONSIBILITIES OF THE CC

**4.3.10** To consider and approve the CC's annual Statement of Accounts in accordance with the statutory timetable.

### **4.4 Accounting Policies**

**4.4.1** The Commissioner's, Chief Constable's and Group statement of accounts will be prepared in accordance with proper practices, standards and guidance issued by the Home Office, CIPFA or other relevant body. The Section 151 Officers shall determine and consistently apply accounting policies, which comply in all respects with the latest accounting guidance and standards. If there are any conflicts between the Force S151 and the Commissioner's S151 as to the policies to be adopted the matter will be referred to the external auditor for guidance and a recommendation.

**4.4.2** Revenue and capital budgets shall be prepared on the basis of the same accounting policies as the preparation of statements of account. Any changes to accounting policies which may have a financial impact on the Precept/Council Tax of more than the delegated limit (see section 15) must be reported to the Commissioner by the Commissioner's CFO.

## 4.5 The External Transparency Audit Panel (ETAP)

- 4.5.1 The Home office Financial Management Code of Practice states that the Office Financial Management Code of Practice states that the Police and Crime Commissioner and Chief Constable should establish a joint independent audit panel. This should be a combined body which will consider the internal and external audit reports of both the Police and Crime Commissioner and the Chief Constable. This panel will advise the Police and Crime Commissioner and the Chief Constable according to good governance principles and will adopt appropriate risk management arrangements in accordance with proper practices. In establishing the panel, the Police and Crime Commissioner and Chief Constable shall have regard to CIPFA Guidance on Audit Committees.
- 4.5.2 The Police and Crime Commissioner and Chief Constable shall establish formal terms of reference for ETAP, covering its core functions, which shall be formally adopted and reviewed on an annual basis.
- 4.5.3 The Police and Crime Commissioner and Chief Constable shall be represented at all meetings of ETAP.

# Section B: Financial Planning and Control

## 5. Financial Planning

### 5.1 Financial Planning

- 5.1.1 Delivering a range of policing activities is complex and needs systems to be developed and implemented to enable scarce resources to be allocated in accordance with carefully considered priorities. Proper financial planning is essential if an organisation is to function effectively.
- 5.1.2 The financial planning process should be directed by the approved policy framework, the business planning process and the need to meet key objectives.
- 5.1.3 The planning process should be continuous and the planning period should cover a minimum of 4 years. The process should include a more detailed annual plan, the budget, covering the forthcoming financial year. This allows the Commissioner and the Chief Constable to plan, monitor and manage the way funds are allocated and spent during the financial year and over the medium term.
- 5.1.4 The format of the annual budget determines the level of detail to which financial control and management will be exercised and shapes how the virement rules operate. The annual budget will be supported by a detailed objective analysis of spending across all areas of income and expenditure.
- 5.1.5 It is recognised that the impact of financial planning in the police service will be constrained by the quality and timing of information made available by Central Government on resource allocation.

## 5.2 Medium Term Financial Strategy (MTFS)

- 5.2.1** The Commissioner and Chief Constable share a responsibility to provide effective financial and budget planning for the short, medium and longer term. They achieve this by preparing a MTFS including revenue financial projections for a minimum of 4 years together with a capital programme covering at least the same period.
- 5.2.2** The Commissioner's S151 Officer and the Force S151 Officer shall prepare for the Commissioner and Chief Constable on an annual basis a medium-term financial strategy. The strategy shall set out the key components of the budget, having regard to all known circumstances and where necessary assumptions as to:
- Government Grants
  - Council Tax and precept levels
  - Other income
  - Pay awards
  - Inflation (for utilities, fuel, ICT, contracts, general goods and services, etc.)
  - Investment returns and borrowing costs
  - Specific Budget pressures
  - Any other relevant factors

### RESPONSIBILITIES OF THE COMMISSIONER

- 5.2.3** To identify and agree, in consultation with the Chief Constable and other relevant partners and stakeholders, a medium-term financial strategy which includes funding and spending plans for both revenue and capital. The strategy should consider multiple years, the inter-dependencies of revenue budgets and capital investment, the role of reserves and consideration of risks. It should have regard to affordability and also to CIPFA's Prudential Code for Capital Finance in Local authorities. The strategy should be aligned with the Police and Crime Plan.

### JOINT RESPONSIBILITIES OF THE COMMISSIONER SECTION S151 OFFICER AND CC SECTION S151 OFFICER

- 5.2.4** To determine the format and timing of the MTFS to be presented to the Commissioner. The format is to comply with all legal requirements and with latest guidance issued by CIPFA.
- 5.2.5** To prepare a MTFS including proposed income and expenditure for submission to the Commissioner. When preparing the MTFS, the Chief Constable shall have regard to:
- the Police and Crime Plan;
  - policy requirements approved by the Commissioner as part of the policy framework;
  - the Strategic Policing Requirement;
  - unavoidable future commitments, including legislative requirements;
  - initiatives already underway;
  - revenue implications of the capital programme;
  - proposed service developments and plans which reflect public consultation;
  - the need to deliver efficiency and/or productivity savings;
  - Government grant allocations; and
  - potential implications for local taxpayers

- 5.2.6 To ensure that the medium-term financial forecast includes options for the use of general balances, reserves and provisions, assumptions about future levels of government funding and demonstrates potential implications for local taxation.
- 5.2.7 A gap may be identified between available resources and required resources. Requirements should therefore be prioritised by the Chief Constable to enable the Commissioner to make informed judgements as to future funding levels and planning the use of resources.

### **5.3 Annual Revenue Budget Preparation**

- 5.3.1 The revenue budget provides an estimate of the annual income and expenditure requirements for the police service and sets out the financial implications of the Commissioner's strategic policies. It provides Statutory Officers with authority to incur expenditure and a basis on which to monitor the financial performance of both the Commissioner and the Chief Constable.
- 5.3.2 The Commissioner should consult with the Chief Constable and other relevant partners and stakeholders in planning the overall annual budget which will include a separate budget for the Chief Constable. This will take into consideration funding from Government and from other sources and balance the expenditure needs of the policing service and the Commissioner against the level of local taxation. This should meet the statutory requirements to achieve a balanced budget (Local Government Act 2003) and be completed in accordance with the statutory timeframe.
- 5.3.3 The impact of the annual budget on the priorities and funding of future years as set out in the Police and Crime Plan and the medium-term financial strategy should be clearly identified.

#### **RESPONSIBILITIES OF THE COMMISSIONER**

- 5.3.4 To agree the planning timetable with the Chief Constable.
- 5.3.5 To obtain the views of the local community on the proposed expenditure (including capital expenditure) in the financial year ahead of the financial year to which the proposed expenditure relates.
- 5.3.6 To present the proposed budget and precept recommendations to the Police, Fire and Crime Panel and respond to their views and comments.

#### **RESPONSIBILITIES OF THE COMMISSIONER SECTION S151 OFFICER**

- 5.3.7 To determine the format of the revenue budget to be presented to the Commissioner in consultation with the Chief Constable. The format is to comply with all legal requirements and with latest guidance issued by CIPFA.
- 5.3.8 To obtain 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.
- 5.3.9 To advise the Commissioner on the appropriate level of general balances or provisions to be held.
- 5.3.10 To submit a report to the Commissioner on (1) the robustness of the estimates and the adequacy of reserves and (2) the suite of prudential indicators for four years, arising from the

Prudential Code for Capital Finance in local Authorities. These indicators shall be consistent with the annual revenue budget and capital programme approved by the Commissioner.

- 5.3.11 Upon approval of the annual budget, to submit the council tax requirement return to Central Government and precept requests to appropriate bodies in accordance with the legal requirement.
- 5.3.12 To produce and issue information required by the billing authorities to explain how the precept will be used to pay for the cost of policing in accordance with statutory requirements.

#### JOINT RESPONSIBILITIES OF THE CHIEF CONSTABLE AND CC SECTION S151 OFFICER

- 5.3.13 To prepare detailed budget estimates for the forthcoming financial year in accordance with the timetable agreed with the Commissioner S151 Officer.
- 5.3.14 To submit estimates in the agreed format to the Commissioner for approval.

## 6. Budgetary Control

### 6.1 Budget Management and Control

- 6.1.1 Budget management ensures that once the Commissioner has approved the budget, resources allocated are used for their intended purpose and are properly accounted for. Budgetary control is a continuous process, enabling both the Chief Constable and Commissioner to review and adjust their budget targets during the financial year. It also provides the mechanism that calls to commands are responsible for defined elements of the budget.
- 6.1.2 The key controls for managing and controlling the revenue budget are that:
  - there is a nominated budget manager for each major budget heading (including all Force commands, any programme of change, central budgets, capital budgets, Commissioner's Office budget) who is accountable for the budgets under his/her direct control; and
  - the management of budgets must not be seen in isolation. It should be measured in conjunction with service outputs and performance measures;
  - the Delegation Limits set out herein.

### 6.2 Revenue Budget Monitoring

- 6.2.1 By continuously identifying and explaining variances against budgetary targets, the Commissioner and the Chief Constable can identify changes in trends and resource requirements at the earliest opportunity. The Commissioner and Chief Constable both operate within an annual cash limit, approved when setting the annual budget. To ensure that the budget is not overspent in total, the Chief Constable, the CC S151 Officer, the Chief Executive and the Commissioner S151 Officer are required to manage expenditure within their budget allocations, subject to the rules of virement.

#### JOINT RESPONSIBILITIES OF THE CHIEF CONSTABLE AND CC S151 OFFICER

- 6.2.2 To manage the budget allocated to the Force.
- 6.2.3 To provide appropriate financial information to enable budgets to be monitored effectively.

- 6.2.4** To ensure that each element of income or expenditure has a nominated budget manager to take responsibility for that part of the budget. Budget responsibility should be aligned as closely as possible to the decision-making process that commits expenditure.
- 6.2.5** To ensure that total spending for operational policing remains within the overall allocation of resources and takes corrective action where significant variations from the approved budget are forecast. Where total projected expenditure exceeds the total allocation of resources due to circumstances beyond the control of the Chief Constable, both the Commissioner S151 Officer and Commissioner shall be alerted immediately and proposals for remedy should be put forward as part of the regular reporting process to the Commissioner.
- 6.2.6** To submit a budget monitoring report to the Commissioner on a regular basis throughout the year, containing the most recently available financial information.
- 6.2.7** To ensure that budget holders manage income and expenditure within their area, monitor performance and report variances within their own areas to the Chief Constable and CC S151 Officer.
- 6.2.8** To take any action necessary to avoid an adverse variation to their budget allocation and alert the Chief Constable and Commissioner S151 Officers to any problems.
- 6.2.9** To require detailed budget monitoring to be undertaken by on a monthly basis (forecast outturn quarterly) and for this to be reported to the CC S151 Officer.
- 6.2.10** To ensure that budget holders receive sufficient financial support to enable them to undertake their budgetary control responsibilities.

**JOINT RESPONSIBILITIES OF THE CC, THE CC SECTION S151 OFFICER AND THE COMMISSIONER SECTION S151 OFFICER**

- 6.2.11** To submit a periodic budget monitoring report, containing the most recently available financial information to the Commissioner showing spending to date and comparisons of projected outturn with the latest approved budget.

**RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER**

- 6.2.12** To report financial outturn to the Police, Fire and Crime Panel as part of the MTFs update.

**JOINT RESPONSIBILITIES OF THE CHIEF EXECUTIVE AND THE COMMISSIONER SECTION S151 OFFICER**

- 6.2.13** To manage the budget allocated for the Commissioner's Office.
- 6.2.14** To ensure that total spending for the Commissioner's Office remains within the overall allocation of resources and take corrective action where significant variations from the approved budget are forecast. Where total projected expenditure exceeds the total resources due to circumstances beyond the control of the Chief Executive the Commissioner shall be alerted immediately together with proposals to remedy the situation as part of the regular reporting process to the Commissioner.

## 6.3 Capital Expenditure

- 6.3.1** At the same time as the budget is prepared each year, capital expenditure estimates, capital programmes and Capital Strategy shall be prepared by the Chief Constable in consultation with the S151 Officers and Monitoring Officer and approved by the Commissioner.
- 6.3.2** A capital programme implementation report which sets out the progress made with individual schemes and a comparison of expenditure to date against the total scheme cost shall form part of the monitoring report and be presented on a quarterly basis.
- 6.3.3** Any unfunded in-year changes to the capital programme must be approved by the Commissioner, having consulted with both Section 151 Officers.

## 6.4 Financial Appraisals (Business Case)

- 6.4.1** A business case must be prepared by the Chief Constable for all capital and revenue schemes with a financial implication in accordance with the limits set out in section 15. Every business case shall be in a format agreed within the governance frameworks, which will include:
- the scope of the proposal;
  - the need or justification for the proposal;
  - an evaluation of the financial costs (capital and revenue) and benefits of the proposal over its whole life (as reasonably estimated);
  - an assessment of non-financial costs and benefits if relevant and reasonably quantifiable;
  - how the proposal is to be funded;
  - the risks associated with the delivery of the proposal; and
  - Other options available.
- 6.4.2** All business cases will be submitted to the Force S151 Officer (or Commissioner's S151 Officer for business cases to be funded from the budget of the Commissioner's Office) for comment prior to submission to the designated decision maker. The relevant S151 Officer will consider and make recommendations on the financial case.
- 6.4.3** For proposals estimated to cost less than the delegated limit (see section 15) the Chief Constable may approve the proposal provided that the Force S151 Officer has approved the financial case and there is sufficient funding within the approved budget or capital programme.
- 6.4.4** Business cases on proposals estimated to cost above the delegated limit, any proposals for which there is no funding within the approved budget or capital programme and any proposals with ongoing revenue or capital budget consequences beyond the current financial year shall be submitted by the Chief Constable to the Commissioner for consideration.
- 6.4.5** In the case of emergency work it may be necessary for proposals above the delegated limit to commence prior to the Commissioner's approval. In these cases, the Chief Constable and Force S151 Officer shall consult with the Chief Executive and the Commissioner's S151 Officer who may jointly approve the expenditure on the basis that a full business case will be presented retrospectively to the Commissioner accompanied by an explanation of the emergency.
- 6.4.6** In circumstances where a proposal is initially estimated to cost less than the delegated limit (see section 15) but subsequently it becomes clear that the proposal will cost more than this

delegated limit the business case must be submitted jointly by the Chief Constable and Commissioner's CFO at the earliest opportunity to the Commissioner.

- 6.4.7** All proposals which have been appraised under these Regulations will be subject to a reappraisal by the Chief Constable if:
- The cost of the originally approved scheme is estimated to be exceeded by more than 10% or the delegated limit (see section 15) (whichever is the lower).
  - In the professional opinion of the Chief Constable, the nature of the proposal or its benefits have changed materially since the original approval.
- 6.4.8** All re-appraisals of proposals exceeding the delegated limit shall be referred to the Commissioner for approval.
- 6.4.9** Where the Force S151 Officer declines to approve any business case submitted to them under paragraph 6.4.3, the Chief Constable may refer the Business Case to the Commissioner for determination.
- 6.4.10** Decisions by the Commissioner or the Chief Constable to approve business cases will be published on their respective websites within 5 working days of the decision having been made.
- 6.4.11** The governance process for capital spend is that all capital budgets are approved by the Commissioner as part of the MTFS process to ensure that available resources are allocated optimally and deliver value for money, and that capital programme planning is determined in parallel with the revenue budget planning process within the framework of the Medium Term Financial Strategy (MTFS).
- 6.4.12** Where the capital project approved as part of the MTFS process is less than £1m in total value Force governance and oversight of the detailed business case applies. Any case with a value above £1m will require a full business case to be submitted to the Commissioner for approval. The following exemptions are of note to the above rule:
- Where the value of spend exceeds the initial estimate in the MTFS, and as such additional funding is required, and cannot be contained through underspends within that area of the programme (e.g. IT) in year without other areas of the programme being financially or operationally undeliverable due to that funding transfer within the programme.
  - Where it is a new addition to the programme outside of the MTFS process, and as such has not been approved by the Commissioner as part of the MTFS process
  - Where the scheme is novel or politically contentious. This will be identified to the Force by the SCO representative who attends Force governance meetings
  - The Force may make additions to the capital programme in year, however these must only be from externally funded sources (e.g. one-off grant received in year), or through additional revenue contributions to the capital programme (including using earmarked reserves) up to the limits above. Any additions to the capita programme regardless of value that are funded via borrowing, leasing or PFI are decisions reserves for the Commissioner.
- 6.4.13** The governance process established is that all Commissioner approved decisions are taken through Strategic Governance Board, with all Force approval of detailed business cases taken

through the Capital Investment, Review and Gateway Board or All Projects Board dependent on value.

- 6.4.14** The Strategic Governance Board (SGB) is ultimately responsible for approving the capital strategy for investments and the capital programme for approving changes to the programme within the financial regulations and for approval of business case submissions in line with the business rules identified in 6.4.12 above.
- 6.4.15** Any works required as a result of Emergency Health and Safety work of a capital nature, that are not within the current capital programme, can be, in extremis due to the need for speedy approval, approved by both S151 Officers and retrospectively reported. It should be noted this may require changes to the existing programmes as opposed to an assumption of new funding

## **6.5 Revenue Virement**

- 6.5.1** A virement is a planned reallocation of resources between approved budget heads. A budget head is a line in the approved budget report. The S151 Officers and budget holders use this budget management tool to give flexibility in making the best use of the budget during the year to achieve the objectives agreed by the Commissioner. The Commissioner's approval is required for any virement which:
  - 6.5.1.1** is likely to result in a failure to achieve objectives and targets set out in the Police and Crime Plan; or
  - 6.5.1.2** Increases committed expenditure in future years by more than the delegated limit (excluding annual pay awards and inflation).
- 6.5.2** Virement from the Capital Programme to the revenue budget is not permitted.
- 6.5.3** Where there is no change in service delivery, transfers to realign approved budget within a budget holder area, to where actual expenditure is incurred are permitted. This is to give greater accuracy in reporting. Budget holders are authorised to approve transfers within their area, to any value.

## **6.6 Year End Carry Forwards**

- 6.6.1** A year-end carry forward is the amount by which actual income and expenditure varies from the final budget, normally identified down to devolved budget holder level. Arrangements are necessary for the transfer of resources between accounting years, i.e. a carry forward. This may increase or decrease the resources available to budget holders in the following financial year, dependent upon the nature of the budget variation. Carry forwards impact or reserves and balances will be undertaken in accordance with the approved scheme for that purpose.
- 6.6.2** In respect of the capital programme, where an individual project has commenced and it is anticipated that it will not be completed by the end of the financial year the unspent amount in the current financial year will be carried forward to the following financial year but only for the purpose of completing the said capital project.
- 6.6.3** Effective budgetary control will lead to the identification of potential underspending well in advance of the financial year end. As such appropriations to and from earmarked reserves should be built into the overall forecast as part of ongoing financial management.

JOINT RESPONSIBILITIES OF THE COMMISSIONER SECTION S151 OFFICER AND THE CC SECTION S151 OFFICER

- 6.6.4 To ensure that budget managers report any overspend on their budgets in any financial year.
- 6.6.5 No automatic carry forward shall apply from one financial year to the next of any underspends on the revenue budget. Except for schemes funded from specific external grants which have conditions attached to the grant.
- 6.6.6 To consider requests from budget managers who identify planned underspends in any financial year for budget provision to be carried forward to the following financial year.
- 6.6.7 To refer all carry forwards that fall outside of the parameters stipulated in these Regulations to the Commissioner for approval. Use of the general fund reserve is a decision reserved for the Commissioner, taking advice from the S151 Officer.

RESPONSIBILITIES OF THE COMMISSIONER

- 6.6.8 To consider the arrangements for carrying forward underspends when considering the level of reserves and balances as part of the development of the financial strategy.
- 6.6.9 Use of the general fund reserve is a decision reserved for the Commissioner, taking advice from the S151 Officer.

**6.7 Use of Balances and Reserves**

- 6.7.1 The Commissioner must maintain a policy on the levels of balances and reserves to be maintained and purposes for which the balances may be used. Reserves are maintained as a matter of prudence. They enable the Commissioner to provide for cash flow fluctuations and unexpected risks and costly events and thereby help protect it from overspending the annual budget, should such events occur. Reserves for specific purposes may also be maintained where it is likely that a spending requirement will occur in the future.
- 6.7.2 The net cost of insurance claims shall be financed from the Insurance reserve in accordance with the latest policy approved by the Commissioner.

RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER

- 6.7.3 To advise the Commissioner on reasonable levels of balances and reserves.
- 6.7.4 To report to the Commissioner on the adequacy of reserves and balances before he/she approves the annual budget and precept.

RESPONSIBILITIES OF THE CHIEF CONSTABLE AND CC S151 OFFICER

- 6.7.5 To ensure that the annual revenue budget is sufficient to finance foreseeable operational needs without having to request additional approval. To ensure the use of reserves only in accordance with the purpose identified when established.
- 6.7.6 They shall have control over the Force earmarked reserves (i.e. those critical to the running of operational policing). These are identified in the Quarterly Finance Report. This is in line with Home Office and CIPFA guidance stating the Chief Constable shall have operational reserves. Whilst operational pressure in a policing sense is funded from the general fund reserve the local interpretation of 'operational' in the context of these reserves are:
  - To fund transformation costs, with the express purpose of enhancing the operating model for the benefit of the residents of Staffordshire

- To fund specific projects, with the project being known at the point of earmarking funds
- To fund ‘pump priming’ of initiatives in year that the Chief Constable and Commissioner have agreed to build in as MTFS pressures in future years or where it is proven ongoing financial benefits arise that result in new MTFS savings.

**6.7.7** The Chief Constable is not permitted to go ‘overdrawn’ in these reserves, and the balances held on this reserve are reviewed, along with all others, as part of the MTFS in regards to their adequacy.

**6.7.8** Reserves can be accessed in year, through the appropriate internal governance, to fund additions to the capital programme or revenue projects of either Staffordshire Police or Commissioner subject to Section 151 Officer approval. The Section 151 Officer may choose to delegate the responsibilities to the Deputy S151 Officer for drawing on Force reserves during the year, up to £25k.

#### RESPONSIBILITIES OF THE COMMISSIONER

**6.7.9** To approve a policy on reserves and balances, including the minimum acceptable level of general balances.

**6.7.10** To approve the allocation of monies to and from general and earmarked reserves, as part of the annual budget setting process.

## Section C: Management of Risk and Resources

### 7. Risk Management

#### 7.1 Risk Management

**7.1.1** It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all potential significant corporate and operational risks. This should include the proactive participation of all those associated with planning and delivering services.

**7.1.2** The organisations, faces risks to people, property and continued operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk cannot be eliminated altogether. However, risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of the Commissioner and the Force and to ensure continued corporate and financial wellbeing. In essence it is, therefore, an integral part of good business practice.

#### JOINT RESPONSIBILITIES OF THE COMMISSIONER AND CHIEF CONSTABLE

**7.1.3** The Code of Corporate Governance highlights the importance of risk management being embedded throughout the governance arrangements in both organisations, whether operating jointly or separately. The Commissioner and Chief Constable are responsible for approving the risk management policy statement and strategy for the respective organisations, and for reviewing the effectiveness of risk management.

## RESPONSIBILITIES OF CHIEF CONSTABLE AND THE CHIEF EXECUTIVE

- 7.1.4** To ensure a current risk register is reviewed regularly for each of the Commissioner's Office and the Force and that mitigation actions are set out and reviewed at appropriate Force governance meetings and at ETAP and Police, Fire & Crime Panel as required and for promoting a culture of risk management awareness throughout the Force and Commissioner's Office and reviewing risk as an ongoing process.
- 7.1.5** To implement procedures to identify, assess, prevent or contain material known risks, with a monitoring process in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be formalised and conducted on a continuing basis.
- 7.1.6** To ensure that appropriate business continuity plans are developed, implemented and tested on a regular basis.

## RESPONSIBILITIES OF THE CC S151 OFFICER

- 7.1.7** To agree with the Commissioner S151 Officer appropriate arrangements for insurance. Acceptable levels of risk should be determined and insured against where appropriate. Activities leading to levels of risk assessed as unacceptable should not be undertaken.
- 7.1.8** To arrange for regular reviews to be undertaken of self-insurance arrangements and, following these reviews, to agree with the Commissioner S151 Officer a course of action to ensure that, over the medium term, funds are available to meet all known liabilities.
- 7.1.9** To ensure, in consultation with the Commissioner S151 Officer, that appropriate insurance cover is provided, including where new risks are identified or circumstances affecting risks change.
- 7.1.10** To administer insurance matters including the settlement of liability claims.
- 7.1.11** To notify the Commissioner S151 Officer of any significant claims.
- 7.1.12** To ensure that claims are made promptly.
- 7.1.13** To make all appropriate employees aware of their responsibilities for managing relevant risks.
- 7.1.14** To ensure that employees, or anyone covered by the Force and Commissioner's Office insurance, are instructed not to admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.
- 7.1.15** To ensure that a comprehensive risk register is produced and updated regularly, and that corrective action is taken at the earliest possible opportunity to either transfer, treat, tolerate or terminate the identified risk.
- 7.1.16** To settle civil claims in accordance with the arrangements set out in Section 15.

## **7.2 Ex Gratia Payments**

- 7.2.1** An ex gratia payment is a payment made where no legal obligation has been established. An example may be recompense to a police officer for damage to personal property in the execution of duty or to a member of the public for providing assistance to a police officer in the execution of duty.

RESPONSIBILITIES OF THE CC

- 7.2.2** To maintain a policy setting out the process by which ex gratia claims will be processed.
- 7.2.3** To make ex gratia payments, on a timely basis and in accordance with the policy set out, to members of the public and to staff up to the level shown in Section 15. These payments will be 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 Commissioner and the Force up to the limits set and in section 15.
- 7.2.4** The Chief Constable may approve payments arising from Employment Tribunal settlements and ex-gratia payments outside of the Force's insurance arrangements (i.e. damage caused by police officers entering property and minor claims from police officers and police staff), up to a value of the delegated limit (see section 15 for further details).

## 8. Internal Control and Audit

### 8.1 Internal Controls

- 8.1.1** Internal control refers to the systems of control devised by management to help ensure objectives of the Commissioner and the Chief Constable are achieved in a manner that promotes economical, efficient and effective use of resources and that assets and interests are safeguarded.
- 8.1.2** Policing is complex and requires an internal control framework to manage and monitor progress towards strategic objectives. The Commissioner and the Chief Constable have statutory obligations, and, therefore, systems of internal control are required to identify, meet and monitor compliance with these obligations.
- 8.1.3** The Commissioner and the Chief Constable face a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of their objectives. Systems of internal control are necessary to manage these risks. These systems of internal control are established in order to provide achievement of: -
- efficient and effective operations;
  - reliable financial information and reporting;
  - compliance with laws and regulations;
  - risk management. Responsibilities of Statutory Officers
- 8.1.4** To ensure that effective key controls exist and are operating in managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance information and taking appropriate anticipatory and remedial action where necessary. The key objective of these control systems is to define roles and responsibilities.
- 8.1.5** To ensure that effective key controls are operating in financial and operational systems and procedures. This includes physical safeguard of assets, segregation of duties, authorisation and approval procedures and robust information systems.

JOINT RESPONSIBILITIES OF THE CC AND THE CC S151 OFFICER

- 8.1.6** To produce Annual Governance Statements following a review of the effectiveness of the internal controls in operation during the year, for inclusion within the annual statement of accounts for the Chief Constable. The CC's Annual Governance Statement should be signed off by the CC and the CC's S151 Officer.

JOINT RESPONSIBILITIES OF THE COMMISSIONER, THE COMMISSIONER S151 OFFICER AND THE CHIEF EXECUTIVE

- 8.1.7** To produce Annual Governance Statements following a review of the effectiveness of the internal controls in operation during the year, for inclusion within the Commissioner's and Groups annual statement of accounts. The Commissioner and Group's Annual Governance Statement should be signed off by the Commissioner and the Commissioner's S151 Officer.

**8.2 Audit Requirements – Internal Audit**

- 8.2.1** Internal Audit is an assurance function that provides an independent and objective opinion to an organisation on the control environment, by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.
- 8.2.2** The Chief Constable and Commissioner must maintain adequate and effective internal audit of their accounting records and systems of internal control in accordance with proper practices in relation to internal control and the Accounts and Audit Regulations 2015.

RESPONSIBILITIES OF ETHICS TRANSPARENCY AND AUDIT PANEL

- 8.2.3** To consider the terms of reference (ToR) within which internal audit operates. In terms of internal audit, the ToRs will include the following key activities and responsibilities:
- Advising the Commissioner and Chief Constable on the appropriate arrangements for internal audit and approving the internal audit plan;
  - Advising on (but not directing) the annual internal audit plan;
  - Overseeing and giving assurance to the Commissioner and Chief Constable on the provision of an adequate and effective internal audit service; receiving progress reports on the internal audit work plan and ensuring appropriate action is taken in response to audit findings, particularly in areas of high risk;
  - Considering the Head of Internal Audit's Annual Report and annual opinion on the internal control environment for the Commissioner and the Force; ensuring appropriate action is taken to address any areas for improvement; and
- 8.2.4** To review the internal audit plan, which sets out:
- Internal Audit objectives and outcomes;
  - how Internal Auditors will form and evidence his/her opinion on the control environment to support the Annual Governance Statements;
  - how Internal Audit's work will identify and address significant local and national issues and risks;
  - how the service will be provided, i.e. internally, externally, or a mix of the two; and what resources and skills are required for the delivery of the strategy; and
  - the resources and skills required to deliver the strategy.

JOINT RESPONSIBILITIES OF THE COMMISSIONER AND THE CHIEF CONSTABLE

- 8.2.5** In addition to enabling the Commissioner and the Chief Constable to fulfil their requirements in relation to the relevant Accounts and Audit Regulations, internal audit is needed:
- 8.2.6** To ensure the provision of an adequate and effective internal audit service. Joint responsibilities of the Commissioner, CC, Commissioner S151 Officer and CC S151 Officer
- 8.2.7** To ensure that internal auditors, having been security cleared, have the authority to:

- access police and Commissioner premises at reasonable times;
  - access all assets, records, documents, correspondence, control systems and appropriate personnel, subject to appropriate security clearance;
  - receive any information and explanation considered necessary concerning any matter under consideration;
  - require any employee to account for cash, stores or any other police and Commissioner assets under their control; and
  - access records belonging to contractors, when required. This shall be achieved by including an appropriate clause in all contracts.
- 8.2.8** To ensure that Internal Audit has direct access to all Chief Officers and employees, where necessary. Responsibilities of Head of Internal Audit (may be delegated to a senior representative from an appointed third-party internal audit provider)
- 8.2.9** To prepare, in consultation with the Commissioner, Chief Constable, and Commissioner S151 Officer and CC S151 Officer, an annual audit plan for review by the ETAP.
- 8.2.10** To attend meetings of the ETAP and to present to each meeting a report on the progress in delivering the annual plan, the matters arising from audits, and the extent to which agreed actions in response to issues raised in the audit reports have been delivered.
- 8.2.11** To present an annual report to the ETAP, including an opinion on the effectiveness of the internal control environment within both the Force and Commissioner. Responsibilities of the Statutory Officers.
- 8.2.12** To consider and respond promptly to control weaknesses, issues and recommendations in audit reports and ensure that all critical or significant agreed actions arising from the audit are carried out in accordance with the agreed action plan included in each report.

#### RESPONSIBILITIES OF THE CC S151 OFFICER

- 8.2.13** To 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 Commissioner S151 Officer and Internal Audit prior to implementation.
- 8.2.14** To notify the Commissioner S151 Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of police property or resources.

### **8.3 External Audit**

- 8.3.1** The basic duties of the external auditor are governed by section 15 of the Local Government Finance Act 1982 and the Local Government Act 1999. In particular, section 4 of the 1998 Act requires a code of audit practice, which external auditors follow when carrying out their duties. The code of audit practice sets out the auditor's objectives to review and report upon:
- the financial aspects of the audited body's corporate governance arrangements;
  - the audited body's financial statements; and
  - aspects of the audited body's arrangements to secure Value for Money.
- 8.3.2** In auditing the annual accounts, the external auditor must satisfy themselves, in accordance with Section 5 of the 1998 Act, that:
- the accounts are prepared in accordance with the relevant regulations;
  - they comply with the requirements of all other statutory provisions applicable to the accounts;
  - proper practices have been observed in the compilation of the accounts; and

- the body whose accounts are being audited has made proper arrangements for securing economy, efficiency and effectiveness.

**8.3.3** The 1998 Act sets out other specific responsibilities of the auditor, for example under section on financial reporting.

**8.3.4** Public Sector Audit Appointments is responsible for appointing external auditors to the Commissioner and the Chief Constable.

#### RESPONSIBILITIES OF THE ETAP

**8.3.5** To receive the annual audit plan and fee.

**8.3.6** To receive and respond to the annual governance reports.

**8.3.7** To receive the Annual Audit letter.

#### JOINT RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER AND THE CC S151 OFFICER

**8.3.8** To liaise with the external auditor and advise the Commissioner and Chief Constable on their responsibilities in relation to external audit and ensure there is effective liaison between external and internal audit.

**8.3.9** Publish a copy of the Annual Audit Letter.

**8.3.10** To ensure that for the purposes of their work the external auditors are given the access to which they are statutorily entitled in relation to premises, assets, records, documents, correspondence, control systems and personnel, subject to appropriate security clearance.

**8.3.11** To respond to draft action plans and to ensure that agreed recommendations are implemented in a timely manner.

#### OTHER INSPECTION BODIES

**8.3.12** The Force and the Commissioner may, from time to time, be subject to audit, inspection or investigation by external bodies such as HMICFRS and the HM Revenue & Customs, who have statutory rights of access.

#### JOINT RESPONSIBILITIES OF THE COMMISSIONER AND THE CHIEF CONSTABLE

**8.3.13** To receive and respond to reports from other inspection bodies.

### **8.4 Preventing Fraud and Corruption**

**8.4.1** The Commissioner and the Chief Constable will not tolerate fraud or corruption in the administration of its responsibilities, whether from inside or outside their organisations.

**8.4.2** Expectations of propriety and accountability are that the Commissioner and employees at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.

**8.4.3** It is expected that all individuals and organisations (e.g. 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.

#### JOINT RESPONSIBILITIES OF THE COMMISSIONER AND THE CC

**8.4.4** To foster a culture that will not tolerate fraud and corruption.

- 8.4.5** To ensure that an adequately resourced Anti-Fraud and Corruption Unit is in place.
- 8.4.6** To ensure that adequate and effective internal control arrangements are in place.
- 8.4.7** To maintain a policy for the registering of interests and the receipt of hospitality and gifts covering both the Commissioner, Chief Constable and all employees. A register of interests and a register of hospitality and gifts shall be maintained for the Commissioner, the Chief Constable, Chief Officers and all employees.
- 8.4.8** To maintain a whistle blowing policy to provide a facility that enables employees the general public and contractors to make allegations of fraud, misuse and corruption in confidence, and without recrimination, to an independent contact. Procedures shall ensure that allegations are investigated robustly as to their validity that they are not malicious and that appropriate action is taken to address any concerns identified. The Chief Constable shall ensure that all employees are aware of any approved whistle blowing policy.
- 8.4.9** To implement and maintain a clear internal financial control framework setting out the approved financial systems to be followed by all members and employees.
- 8.4.10** To adopt and adhere to the whistle blowing policy.

#### JOINT RESPONSIBILITIES OF THE CHIEF EXECUTIVE, COMMISSIONER S151 OFFICER AND CC

- 8.4.11** To ensure that an adequately resourced Anti-Fraud and Corruption Unit is in place.
- 8.4.12** To adhere to appropriate legislation.
- 8.4.13** To arrange for any suspected incidents of fraud or corruption to be reported in line with the protocol agreed between the Chief Constable's Head of Professional Standards, the Commissioner S151 Officer, the CC S151 Officer and Internal Audit and for these to be unrestricted.

## 9. Assets

### 9.1 Purpose

- 9.1.1** Assets are held in the form of land, property, vehicles, information technology, data, other equipment, furniture and other items, together worth many millions of pounds It is important that assets are safeguarded and used efficiently in-service delivery, that there are arrangements for the security of both assets and information required for service operations and that proper arrangements exist for the disposal of assets. An up-to-date asset register is a prerequisite for proper fixed asset accounting and sound asset management which provides information about assets so that they are:
  - Accurately recorded and classified;
  - Safeguarded against loss;
  - Used efficiently and effectively;
  - Adequately maintained; and
  - Valued in accordance with statutory and management requirements.
- 9.1.2** The Commissioner will own and fund all assets regardless of whether they are used by the Commissioner, by the Force or by both bodies.

- 9.1.3** The Chief Constable is responsible for the direction and control of the Force and should therefore have day-to-day management of all assets used by the Force.
- 9.1.4** The Commissioner should consult the Chief Constable in planning the budget and developing a MTFS. Both these processes should involve a full assessment of the assets required to meet operational requirements, including in terms of human resources, infrastructure, land, property and equipment.

#### Joint responsibilities of the Commissioner and CC

- 9.1.5** To ensure that:
- assets are only used for the purposes of the Force and the Commissioner and are available for use when required and are properly accounted for;
  - 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;
  - 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;
  - lessees and other prospective occupiers of land owned by the Commissioner are not allowed to take possession or enter the land until a lease or agreement has been established as appropriate;
  - title deeds to Commissioner property are held securely;
  - no Commissioner asset is subject to personal use by an employee without proper authority;
  - valuable and portable items such as computers, cameras and other digital devices are identified with security markings as belonging to the Force or Commissioner;
  - all employees are aware of their responsibilities with regard to safeguarding assets and information, including the requirements of the Data Protection Act and software copyright legislation;
  - assets no longer required are disposed of in accordance with the law and these financial regulations; and
  - all employees are aware of their responsibilities with regard to safeguarding the security of Force and Commissioner ICT systems, including maintaining restricted access to the information and compliance with the information and security policies.

## **9.2 Property Valuations**

#### RESPONSIBILITIES OF THE CC S151 OFFICER

- 9.2.1** To maintain an asset register for all fixed assets with a value in excess of the limits shown.
- 9.2.2** To ensure that assets are recorded when they are acquired by the Force or the Commissioner shall remain on the asset register until disposal.

- 9.2.3** To ensure that assets are subject to regular revaluations as required by best practice, accounting standards and financial codes of conduct.

#### JOINT RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER AND THE CC S151 OFFICER

- 9.2.4** To ensure that income is received and accounted for in accordance with accounting standards and financial codes of conduct.

### **9.3 Inventories**

#### RESPONSIBILITIES OF THE CC

- 9.3.1** To ensure that adequate records for inventories are maintained for the Force. The objective of the inventory is to assist in maintaining effective control over items which are portable, desirable and/or valuable. Items that have been donated to the Commissioner or Chief Constable and items purchased from private funds must be included in the inventory. Rented equipment and financed leased assets should also be included in the inventory.
- 9.3.2** A physical check of all inventory items must be made at least every two years year and certified as correct by the officer in charge. The checks may be carried out on a rolling programme.

### **9.4 Stocks and Stores**

#### RESPONSIBILITIES OF THE CC S151 OFFICER

- 9.4.1** To decide for the care, custody and control of the stocks and stores of and maintain appropriate stores accounts.
- 9.4.2** Stocks shall not be held in excess of normal operational requirements except in special circumstances with the approval of the Force S151 Officer.
- 9.4.3** To write-off obsolete stock, up to the limits shown in Section 15. Amounts for write off above this value must be referred to the Commissioner S151 Officer for approval supported by a written report.

### **9.5 Asset Disposal**

- 9.5.1** Assets shall be disposed of when in the best interests of the Force and the Commissioner and at the most advantageous price. Delegated limits for authorising disposals are set out in Section 15.

#### RESPONSIBILITIES OF THE CHIEF CONSTABLE

- 9.5.2** To dispose of surplus land and buildings only with prior written consent of the Commissioner.
- 9.5.3** Surplus and obsolete vehicles and equipment should be disposed of via the most appropriate route in accordance with good practice (e.g. tender, auction etc.)
- 9.5.4** To record all asset disposals in the asset register or inventory as appropriate.

### **9.6 Intellectual Property**

- 9.6.1** Intellectual property is a generic term that includes inventions and writing.
- 9.6.2** If any Intellectual Property is created by the employee during the course of employment, then, as a general rule, this will belong to the employer, not the employee. Various acts of

Parliament cover different types of intellectual property. Certain activities undertaken within the Force, by the Commissioner and within the Commissioner's Office may give rise to items that could be patented, for example, software development. These items are collectively known as intellectual property.

- 9.6.3** In the event that the Force or Commissioner decides to become involved in the commercial exploitation of inventions, the matter should be brought to the attention of the Chief Executive.

#### Responsibilities of the Chief Constable

- 9.6.4** To ensure that employees are aware of these procedures.

## 10. Treasury Management and Banking Arrangements

### 10.1 Treasury Management

- 10.1.1** It is important that monies held by the Commissioner and the Force are managed properly, in a way that balances risk with return, but with the prime consideration being given to the security of the capital sums involved.
- 10.1.2** The Commissioner has adopted the CIPFA Code of Practice on Treasury Management as updated from time to time. The primary requirements of the Code are:
- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;
  - Approved Treasury Management Practices (TMPs) setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities;
  - Approval of the annual Treasury Management Strategy Statement (TMSS) including the MRP policy. An annual report and as a minimum a Mid Term Review report covering Treasury Management activities.

#### RESPONSIBILITIES OF THE COMMISSIONER

- 10.1.3** To adopt the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice.
- 10.1.4** To approve the annual TMSS including the MRP policy.
- 10.1.5** To receive and approve an annual report on treasury management activity and as a minimum a midterm and annual review report.

#### RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER

- 10.1.6** To implement and monitor treasury management policies and practices in line with the CIPFA Code and other professional guidance.
- 10.1.7** To prepare reports on the Commissioner's treasury management policies, practices and activities, including, as a minimum, an annual TMSS, including annual investment strategy and MRP policy.
- 10.1.8** To execute and administer treasury management in accordance with the CIPFA Code and the Commissioner's policy.

**10.1.9** To arrange borrowing and investments, in compliance with the CIPFA Code.

**10.1.10** To ensure that all investments and borrowings are made in the name of the Police and Crime Commissioner for Staffordshire.

## **10.2 Banking Arrangements**

**10.2.1** Banking activities are controlled by a single contract which aims to provide a wide range of complex and specialist banking services to departments, establishments and staff. A consistent and secure approach to banking services is essential in order to achieve optimum performance from our bankers and the best possible value for money.

**10.2.2** The delegations in place for banking arrangements is set out at section 15 . All Commissioner bank accounts, including imprest accounts, must include the organisation in the title and not the name of any officer or staff member by name or designation, or establishment, except for specific covert accounts and Voluntary Funds that have been expressly approved by the CC S151 Officer.

### RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER

**10.2.3** To have overall responsibility for the banking arrangements for the Commissioner.

### RESPONSIBILITIES OF THE CC AND CC S151 OFFICER

**10.2.4** The Chief Constable shall make arrangements for the proper administration of electronic payments made through the Bankers Automated Clearing System (BACS) or other electronic transfers.

**10.2.5** Credit, debit and/or purchasing cards will only be issued to individuals after specific agreement by the Force S151 Officer or Deputy S151 Officer. Any expenditure incurred must be properly recorded and accounted for and receipts retained for VAT purposes. The delegation of authorities in place for the approval of new credit cards is set out in the annex to these regulations "Police and Crime Commissioner" at section 15.

**10.2.6** The delegation of authorities in relation to the authorisation of payroll payments and creditor payment runs is set out in the annex to these regulations "Police and Crime Commissioner" at section 15.

### JOINT RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER AND THE CC S151 OFFICER

**10.2.7** To authorise the opening and closing of all bank accounts. No other employee shall open a bank account unless they are performing a statutory function (e.g. Commissioner S151 Officer of a charitable body) in their own right.

**10.2.8** To arrange for bank reconciliations to be undertaken on a timely and accurate basis.

**10.2.9** To determine signatories on all bank accounts.

## **10.3 Imprest Accounts / Petty Cash**

**10.3.1** Cash advances may be made to an individual in order that relatively small incidental payments may be made quickly. A record of disbursements from the account should be maintained to control the account and so that the expenditure may be substantiated, accurately reflected in the Commissioner's accounts and correctly reimbursed to the account holder.

**10.3.2** Imprest accounts should not be used to make payments normally processed through the payroll system, other than advances of expenses, nor should personal cheques be cashed or

loans made from the accounts. Any breaches for operational reasons must be reported to the Force S151 Officer explaining why this has occurred.

- 10.3.3** Informants' fees and Identification Parade fees may be paid out of imprest accounts subject to compliance with written procedures issued by the Force S151 Officer.
- 10.3.4** Officers responsible for imprest accounts shall produce a certificate as to the state of the imprest advanced as provided for on the reimbursement form and at other times if requested by the Chief Constable and/or one of the S151 Officers.

#### RESPONSIBILITIES OF THE COMMISSIONER AND CC S151 OFFICER

- 10.3.5** To provide appropriate employees with cash, cash advances or bank imprests to meet minor expenditure on behalf of the Force and Commissioner. The CC S151 Officer 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. See delegated limits section 15.
- 10.3.6** To prepare detailed Financial Instructions for dealing with petty cash and these shall be issued to all appropriate employees.
- 10.3.7** New imprest accounts for the purpose of defraying petty cash and other expenses shall be authorised in line with the delegation of authorities set out in section 15.

### **10.4 Voluntary Funds**

- 10.4.1** The Chief Constable should be notified of the existence of all voluntary funds (i.e. funds for charitable, sporting or social purposes which, although not legally the property of the Commissioner or the Chief Constable, are controlled or administered by police officers or police staff by reason of their employment by the Commissioner or the Chief Constable), and of the arrangements for their reporting and audit.
- 10.4.2** The Chief Constable shall consult with the S151 Officer on the type and extent of audit required for each particular fund, after taking into account the nature of activities covered, and the degree of risk. Under no circumstances must unofficial monies be mixed with official money of the Commissioner. Where the same officer or staff member keeps several unofficial funds, the funds should each be separate and readily identifiable.
- 10.4.3** Where bank accounts are set up, account names must be approved by the Commissioner's S151 Officer. Bank accounts should not include the name of any officer or staff member by name or designation or establishment in the title.

### **10.5 Money Laundering**

- 10.5.1** The Force and Commissioner are alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money.
- 10.5.2** Suspicious cash deposits in any currency in excess of £15,000 (or equivalent) should be reported to the Serious Organised Crime Agency (SOCA).
- 10.5.3** Internal control procedures will be monitored to ensure they are reliable and robust.

#### RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER

- 10.5.4** To be the nominated Money Laundering Reporting Officer (MLRO).

**10.5.5** To consider, in the light of all information, whether a disclosure gives rise to such knowledge or suspicion.

**10.5.6** To disclose relevant information to the (SOCA).

#### RESPONSIBILITY OF ALL EMPLOYEES

**10.5.7** To notify the Commissioner S151 Officer as soon as they receive information which may result in them knowing or having reasonable grounds for knowing or suspecting money laundering, fraud or use of the proceeds of crime.

### **10.6 Leases**

**10.6.1** No police officer or member of police staff shall enter into a finance lease, an operating lease or an agreement which may be a lease, in respect of furniture, vehicles or equipment, without the prior approval of the CFO's. The delegation of authorities in place for the approval of new arrangements is set out at section 15.

### **10.7 PFI Scheme**

**10.7.1** No private finance initiative (PFI) schemes will be entered into without the express permission of the Commissioner. Any proposed PFI schemes should follow the Financial Regulation relating to business cases.

## **Section D: Systems and Procedures**

### **11. General System and Procedures**

#### **11.1 General**

**11.1.1** The Force Finance Team shall operate the Commissioner's and Chief Constable's accounting systems, the supporting financial records and the preparation of the accounts in the form agreed by the Commissioner's S151 Officer and Force S151 Officer.

**11.1.2** The Commissioner S151 Officer and CC S151 Officer both have a statutory responsibility to ensure that financial systems are sound and should therefore be notified of any proposed new developments or changes.

#### JOINT RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER AND THE CC S151 OFFICER

**11.1.3** To make arrangements for the proper administration of the financial affairs, including to:

- issue advice, guidance and procedures for officers and staff of the Force and the Commissioner acting on their behalf;
- determine the accounting systems, form of accounts and supporting financial records;
- establish arrangements for the audit of the financial affairs of the Force and the Commissioner's Office;
- approve any new financial systems to be introduced;
- approve any changes to existing financial systems.

**11.1.4** To ensure, in respect of systems and processes, that:

- systems are secure, adequate internal controls exist and accounting records (e.g. invoices, income documentation) are properly maintained and held securely and that duties are appropriately segregated to minimise the risk of error, fraud or other malpractice;
- appropriate controls exist to ensure that all systems input, processing and output. is genuine, complete, accurate, timely and not processed previously;
- a complete audit trail is maintained, allowing financial transactions to be traced from the accounting records to the original document and vice versa;
- systems are documented and staff trained in operations.

**11.1.5** To ensure that there is a documented and tested business continuity plan to allow key system processing to resume quickly in the event of an interruption. Effective contingency arrangements, including back up procedures, are to be in place in the event of a failure in computer systems.

**11.1.6** To establish a scheme of delegation, identifying staff authorised to act upon the Chief Constable's behalf in respect of income collection, placing orders, making payments and employing staff.

## **11.2 Income**

**11.2.1** Income is vital and effective systems are necessary to ensure that all income due is identified, collected, receipted and banked promptly. The responsibility for cash collection should be separated from that for identifying the amount due and for reconciling the amount due to the amount received.

**11.2.2** The Commissioner and Chief Constable should adopt the NPCC National Policing Guidelines on Charging for Policing Services (National Charging Guidelines) and national guidance when applying charges under section 25 of the Police Act 1996. The purpose of charging for special services is to ensure that, wherever appropriate, those using the services pay for them.

**11.2.3** The Commissioner should ensure that there are arrangements in place so that expected charges are clearly identified in their budgets and that costs are accurately attributed and charged. When considering budget levels, the Commissioner should ensure that ongoing resource requirements are not dependent on a significant number of uncertain or volatile income sources and should have due regard to sustainable and future year service delivery.

**11.2.4** When specifying resource requirements, the Chief Constable will identify the expected income from charging. The Chief Constable should adopt the National Charging Guidelines in respect of mutual aid.

### JOINT RESPONSIBILITIES OF THE CC AND COMMISSIONER

**11.2.5** To adopt the National Charging Guidelines and national guidance when applying charges under section 25 of the Police Act 1996 and to keep scales of fees and charges under review with such reviews being carried out at least annually.

### JOINT RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER AND THE CC S151 OFFICER

**11.2.6** To make arrangements for the collection of all income due and approve the procedures, systems and documentation for its collection, including the correct charging of VAT

**11.2.7** To agree a charging policy for the supply of goods and services, including the appropriate charging of VAT, and to review it regularly in line with corporate policies. All charges should be at full cost recovery except where regulations or the NPCC guidance require or permit otherwise, or with the express approval of the Commissioner.

**11.2.8** To ensure that all income is paid fully and promptly into the designated Income Bank Account.

**11.2.9** Appropriate details should be recorded on to paying-in slips to provide an audit trail and money collected and deposited reconciled on a monthly basis.

**11.2.10** To ensure income is not used to cash personal cheques or make other payments.

#### RESPONSIBILITIES OF THE CC S151 OFFICER

**11.2.11** To order and supply to appropriate employees all receipt forms, books or tickets and similar items and be satisfied as to the arrangements for their control. Official receipts or other suitable documentation shall be issued for all income received.

**11.2.12** To operate effective debt collection procedures.

**11.2.13** To initiate appropriate debt recovery procedures, including legal action where necessary.

### **11.3 Write Offs**

**11.3.1** Sums due to the Commissioner or Chief Constable shall not be written off without the direct approval of the Commissioner above the delegation of authorities in place at Section 15.

**11.3.2** A brief summary of all sums due to the Commissioner that have been written off where the individual amount involved is more than the lower delegated limit shall be reported annually to the Commissioner if requested, together with the total of all write-offs below the lower delegated limit (see section 15).

### **11.4 Ordering and Payments for Goods, Works and Services**

**11.4.1** All staff who place orders for goods or services should seek to ensure that the Commissioner and/or Chief Constable obtains best value for money from any purchase by testing the market, where appropriate, before the Commissioner or Chief Constable is committed to any expenditure.

#### RESPONSIBILITIES OF THE CC S151 OFFICER

**11.4.2** To maintain procurement procedures covering the principles to be followed for the purchase of goods and services and that all payments are made in accordance with this strategy and procedures.

**11.4.3** To issue official purchase orders for all work, goods or services to be supplied to the Force and Commissioner's Office, except for supplies of utilities, periodic payments such as rent or rates, petty cash purchases or other exceptions approved by the S151 Officers.

**11.4.4** Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of the Force and Commissioner contracts.

**11.4.5** Goods and services ordered must be appropriate and there must be adequate budgetary provision. Quotations or tenders must be obtained where necessary, in accordance with these regulations.

**11.4.6** Payments are not to be made unless goods and services have been received (unless agreed under contractual terms and required checks have been undertaken) within agreed tolerances of the correct price, quantity and quality in accordance with any official order.

- 11.4.7** To ensure that payments are made to the correct person, for the correct amount, on time and are recorded properly, regardless of the method of payment.
- 11.4.8** To ensure that VAT is recovered where appropriate.
- 11.4.9** To ensure that all expenditure, including VAT, is accurately recorded against the right budget and any exceptions are corrected.
- 11.4.10** To ensure that all purchases made through e-procurement follow the rules, regulations and procedures, detailed in Section F: Contract and Procurement Regulations Standing Orders.

#### RESPONSIBILITIES OF CHIEF OFFICERS

- 11.4.11** To ensure that every member and employee declares any links or personal interests that they may have with purchasers, suppliers and contractors if they are engaged in contractual or purchasing decisions on behalf of the Commissioner or Chief Constable and that such persons take no part in the selection of a supplier or contract with which they are connected.

### **11.5 Payments to Employees (Including Expenses)**

- 11.5.1** The payment of salaries, wages or other emoluments and pensions shall be made only on the authority of the Chief Constable or Commissioner's Section 151 Officer. The delegation of authorities in relation to the authorisation of payroll payments is set out in these regulations.
- 11.5.2** The People Services department, following notification from the Budget Holder, shall notify the appropriate Payroll officer of all appointments, terminations, absences or any other changes which may affect the pay or pension of an office-holder,
- 11.5.3** Payments of expenses and allowances will be made in line with the published payroll timetable via a claim form approved by the Chief Constable and duly authorised by the claimant and their authorised manager, or by other electronic means as they become available with the appropriate authorisations.

### **11.6 Taxation**

- 11.6.1** Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe.

#### RESPONSIBILITIES OF THE CC S151 OFFICER

- 11.6.2** To ensure that arrangements are in place for the timely completion and submission of all HM Revenue & Customs (HMRC) returns regarding PAYE and that due payments are made in accordance with statutory requirements.
- 11.6.3** To ensure that arrangements are in place for the timely completion and submission of VAT claims, inputs and outputs to HMRC.

#### JOINT RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER AND THE CC S151 OFFICER

- 11.6.4** To ensure that the correct VAT liability is attached to all income due and that all VAT receivable on purchases complies with HMRC regulations.
- 11.6.5** To ensure that the Force and Commissioner are compliant with Making Tax digital.

- 11.6.6 To provide details to the HMRC regarding the construction industry tax deduction scheme.
- 11.6.7 To ensure that appropriate finance staff have access to up to date guidance notes and professional advice.

## 11.7 Gifts, Loans and Sponsorship

- 11.7.1 In accordance with the Police Act 1996, the Commissioner may decide to accept gifts of money and gifts or loans of other property or services (e.g. car parking spaces) if they will enable the police either to enhance or extend the service which they would normally be expected to provide. The terms on which gifts or loans are accepted may allow commercial sponsorship of some Force activities.
- 11.7.2 Gifts, loans and sponsorship can be accepted from any source which has genuine and well-intentioned reasons for wishing to support specific projects. In return, the provider may expect some publicity or other acknowledgement. It is acceptable to allow the provider to display the organisation's name or logo on publicity material, provided this does not dominate or detract from the purpose of the supported project.
- 11.7.3 Gifts, loans and sponsorship must not be accepted where there is a risk of offending the integrity or propriety of the Commissioner, the Chief Constable or the Force, for example:
  - by accepting offers from sources which come under the direct scrutiny of the police;
  - where the provider seeks endorsement of a product or service in order to gain preferential treatment in supplying or contracting goods and services to the police; or
  - To influence the direction of a particular policy or operation.
- 11.7.4 Where gifts, loans, or sponsorship are made from more than one organisation in a competing market, care must be taken to demonstrate an even-handed approach in accepting or rejecting any offer.
- 11.7.5 Priority must be given to meeting the needs of the Force rather than those of the donor/lender/sponsor, and should avoid:
  - potentially sensitive associations with inappropriate donors/lenders/sponsors;
  - potentially sensitive associations with organisations already in a contractual arrangement to supply goods or services to the Force, which could be construed by competitors as preferential treatment;
  - projects which could distract effort from tackling agreed priorities;
  - projects of dubious or limited benefit in policing terms;
  - offers of gifts, loans, or sponsorship with conditions attached;
  - offers of gifts, loans, or sponsorship which could involve the Force in additional net costs;
  - offers of equipment which is incompatible with existing equipment;
  - inadequate contractual arrangements; and
  - The risk of becoming unduly dependent on a facility liable to be withdrawn.
- 11.7.6 Where publicity is sought by the donor/lender/sponsor, a commercial agreement should be signed.

### RESPONSIBILITIES OF THE COMMISSIONER

- 11.7.7 To approve the policy on gifts, loans and sponsorship.

### JOINT RESPONSIBILITIES OF THE CC AND THE CHIEF EXECUTIVE

- 11.7.8 To maintain a written policy in respect of gifts, loans, or sponsorship, and make it available to all officers and staff.

**11.7.9** To accept gifts, loans or sponsorship within agreed policy guidelines

**11.7.10** To refer all gifts, loans and sponsorship above the limit identified in Section 15 to the Commissioner for approval before they are accepted.

#### JOINT RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER AND THE CC S151 OFFICER

**11.7.11** To present an annual report to the Commissioner listing all gifts, loans and sponsorship if requested.

**11.7.12** To maintain a central register of all sponsorship initiatives and agreements.

**11.7.13** To bank cash from sponsorship activity in accordance with normal income procedures.

## Section E: External Arrangements

### 12. External Arrangements

#### **12.1 External Funding**

**12.1.1** 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 Commissioner and Chief Constable. Funds from external agencies provide additional resources to enable policing objectives to be delivered. However, in some instances, although the scope for external funding has increased, such funding is linked to tight specifications and may not be flexible enough to link to the Police and Crime Plan.

**12.1.2** The main sources of such funding will tend to be specific Government grants, additional contributions from local authorities and other partners and shared funding arrangements for projects and programmes.

#### RESPONSIBILITIES OF CHIEF OFFICERS

**12.1.3** To pursue actively any opportunities for additional funding where this is considered to be in the interests of the Force and Commissioner.

#### JOINT RESPONSIBILITIES OF THE CC AND THE COMMISSIONER

**12.1.4** To ensure 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.

#### JOINT RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER AND THE CC S151 OFFICER

**12.1.5** To ensure that all funding notified by external bodies is received and properly accounted for, and that all claims for funds are made by the due date and that any audit requirements specified in the funding agreement are met.

#### RESPONSIBILITIES OF THE CHIEF CONSTABLE

**12.1.6** To ensure that funds are acquired only to meet policing needs and objectives.

**12.1.7** To ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood.

- 12.1.8** To ensure that any conditions placed the Commissioner and the Force in relation to external funding are in accordance with the approved policies. If there is a conflict, this needs to be taken to the Commissioner for resolution.

## **12.2 Joint Working Arrangements**

- 12.2.1** Public bodies are increasingly encouraged to provide seamless service delivery through working closely with other public bodies, local authorities, agencies and private service providers.

- 12.2.2** Joint working arrangements can take a number of different forms, each with its own governance arrangements. These can be grouped under the following headings:

- Partnerships;
- Consortia;
- Regional Working;
- Collaboration.

- 12.2.3** Partners engaged in joint working arrangements have common responsibilities.

- to act in good faith at all times and in the best interests of the partnership's aims and objectives;
- to be willing to take on a role in the broader programme, appropriate to the skills and resources of the contributing organisation;
- to be open about any conflicts that might arise;
- to encourage joint working and promote the sharing of information, resources and skills;
- to keep secure any information received as a result of partnership activities or duties that is of a confidential or commercially sensitive nature;
- to promote the project;

- 12.2.4** In all joint working arrangements, the following key principles must apply:

- before entering into the agreement, a risk assessment has been prepared;
- such agreements do not impact adversely upon the services provided by the Force and Commissioner's Office;
- project appraisal is in place to assess the viability of the project in terms of resources, staffing and expertise;
- all arrangements are properly documented;
- regular communication is held with other partners throughout the project in order to achieve the most successful outcome;
- audit and control requirements are satisfied;
- accounting and taxation requirements particularly VAT, are understood fully and complied with;
- an appropriate exit strategy has been produced.

- 12.2.5** The Force and Commissioner's Office element of all joint working arrangements must comply with these Financial Regulations.

### **Partnership**

- 12.2.6** The term partnership refers to groups where members work together as equal partners with a shared vision for a geographic or themed policy area, and agree a strategy in which each partner contributes towards its delivery. A useful working definition of such a partnership is where the partners:

- are otherwise independent bodies;
- agree to co-operate to achieve a common goal; and

- achieve partnership to create an organisational structure or process and agreed programme, and share information, risks and rewards.
- 12.2.7** The number of partnerships, both locally and nationally is expanding in response to Central Government requirements and local initiatives. This is in recognition of the fact that partnership working has the potential to:
- comply with statutory requirements;
  - deliver strategic objectives in new and better ways;
  - improve service quality and cost effectiveness;
  - ensure the best use of scarce resources; and access new resources;
  - deal with issues which cut across agency and geographic boundaries, and where mainstream programmes alone cannot address the need;
  - forge new relationships;
  - find new ways to share risk.
- 12.2.8** Partnerships fall into core categories i.e. statutory based, strategic, commissioning and ad-hoc.
- 12.2.9** The Commissioner’s Commissioning and Grants Strategy sets out the guiding principles to be considered in partnership activity.
- 12.2.9.1 Statutory based partnerships** - These are partnerships that are governed by statute. They include, for example, Community Safety Partnerships (CSPs).
- 12.2.9.2 Strategic partnerships** - These are partnerships set up to deliver core policing objectives. They can either be Force-wide or local.
- 12.2.9.3 Commissioning** - These involve the provision of funds by the Commissioner against defined outcomes to support the objectives of the Police & Crime Plan including: enhance community safety; provide victims services; reduce re-offending; address mental health issues; fund intervention and prevention work agreed from time to time various crime prevention activities, community groups, charities, volunteer groups and private sector providers.

#### RESPONSIBILITIES OF THE COMMISSIONER

- 12.2.10** To have regard to relevant priorities of local partners when considering and setting the Police and Crime Plan and the annual delivery plan.
- 12.2.11** To make appropriate arrangements to commission services from either the Force or external providers. This includes the assessment of relative need, gathering evidence, prioritisation, assessment and monitoring of defined outcomes. The Commissioner has set a Commissioning and Grants Strategy that reflects his/hers wish to have a single, joined-up and holistic approach to commissioning such services that is run only from the Commissioner’s office to ensure a robust and transparent process is followed for all such commissioning funding and to ensure that any such commissioning funding is only allocated against well-defined outcomes that are aligned to the C priorities.
- 12.2.12** To ensure value for money from commissioning services with taxpayers' money and to have in place a robust process and team to assess need, prioritise funding and agree and measure outcomes.
- 12.2.13** To make grants to local service providers that support the delivery of the outcomes set out in the Police & Crime Plan including commissioning support services for victims, improving community safety and tackling offending.

#### RESPONSIBILITIES OF CHIEF OFFICERS

- 12.2.14** To consult, as early as possible, with the CC S151 Officer and the Commissioner S151 Officer to ensure the correct treatment of taxation and other accounting arrangements.
- 12.2.15** To direct all commissioning activity to the Commissioner's Office in accordance with the Commissioner's Commissioning and Grants Strategy to enable a single, joined up and holistic approach and process of control for considering projects or activities to be funded to third party providers of services. Such third-party services include, but are not limited to: community safety projects; victims services; drugs and alcohol testing and treatment; young offender services; community safety; early intervention; reducing offending and re-offending; tackling vulnerability and similar.
- 12.2.16** The Chief Constable and senior officers may suggest and promote commissioning projects to the Commissioner and should use the Commissioner's as the assessment and processing team to consider any suggested funding. The Chief Constable may not use any funds provided from the Commissioner or received in the course of delivering policing services or otherwise to commission third party community safety projects or victim services without the express prior written agreement of the Commissioner.
- 12.2.17** The Chief Constable and senior officers will help the Commissioner ensure that commissioning activity is centrally controlled from the Commissioner's Office.

#### **Consortium Arrangements**

- 12.2.18** A consortium is a long-term joint working arrangement with other bodies, operating with a formal legal structure approved by the Commissioner.

#### RESPONSIBILITIES OF CHIEF OFFICERS

- 12.2.19** To contact the Chief Executive before entering into a formal consortium agreement, to establish the correct legal framework.
- 12.2.20** To consult, as early as possible, the CC S151 Officer and the Commissioner S151 Officer to ensure the correct treatment of taxation and other accounting arrangements.
- 12.2.21** To produce a business case to show the full economic benefits to be obtained from participation in the consortium.
- 12.2.22** To produce a (MOU) setting out the appropriate governance arrangements for the project. This document should be signed by the Chief Executive.

#### RESPONSIBILITIES OF THE COMMISSIONER

- 12.2.23** To approve the Force and Commissioner's Office participation in the consortium arrangement.

#### **REGIONAL WORKING**

##### JOINT RESPONSIBILITIES OF THE COMMISSIONER AND THE CC

- 12.2.24** To approve Force participation in Regional Working.

##### JOINT RESPONSIBILITIES OF THE COMMISSIONER S151 OFFICER AND THE CC S151 OFFICER

- 12.2.25** To monitor the financial contributions to/from Regional partners to ensure that they are in accordance with agreed procedures.

#### **COLLABORATION**

**12.2.26** Under sections 22A to 22C of the Police Act 1996 as inserted by section 89 of the Police Reform and Social Responsibility Act 2011, Chief Constables and Commissioners have the legal power and duty to enter into collaboration agreements to improve the efficiency or effectiveness of one or more Force or Commissioners. Any collaboration which relates to the functions of a Force must first be agreed with the Chief Constable of the Police Service concerned.

**12.2.27** The Commissioner shall hold the Chief Constable to account for any collaboration in which their Force is involved. Any such proposal must be discussed with the Commissioner S151 Officer and CC S151 Officer in the first instance.

### **12.3 Work for Third Parties**

**12.3.1** Where the Chief Constable undertakes to carry out any work for third parties;

**12.3.1.1** Arrangements should be in place to ensure that any risks associated with third party work is minimized and that such work is within the powers of the Chief Constable.

**12.3.1.2** The Chief Constable should approve the contractual arrangements up to the delegated limit (see section 15) for any work for third parties or external bodies, including the identification of all risks related to that work. This does not apply to mutual aid.

**12.3.1.3** If the value of such work is in excess of the delegated limit (see section 15), the Commissioner must be advised through the Chief Executive.

**12.3.1.4** All contracts will be in the name of the Police and Crime Commissioner for Staffordshire to whom all income will accrue.

**12.3.2** The Force provides services to other bodies outside of its normal obligations, for which charges are made (e.g. training, special policing services). Arrangements should be in place to ensure that any risks associated with this work are minimised.

**12.3.3** For the avoidance of doubt this Regulation shall not apply to any work carried out by the Chief Constable pursuant to any collaboration agreement approved under section 23 of the Police Act 1996.

#### **RESPONSIBILITIES OF THE CHIEF CONSTABLE**

**12.3.4** To ensure that proposals for assistance are costed on a full cost recovery basis or other basis as agreed from time to time by local arrangements subject to the actual charge being levied is done so in accordance with the rules established in the NPCC national regulations and national guidance wherever appropriate.

**12.3.5** To ensure that no contract is subsidised by the Force or the NPCC and that, where possible, payment is received in advance of the delivery of the service so that the Force and the Commissioner's Office are not put at risk from any liabilities such as bad debts.

**12.3.6** To ensure that appropriate insurance arrangements are in place.

**12.3.7** To ensure that all contracts are properly documented.

**12.3.8** To ensure that such contracts do not impact adversely on the services provided by the Force and the Commissioner's Office.

- 12.3.9** The Chief Constable should approve the contractual arrangements up to the delegated limit (see section 15) for any work for third parties or external bodies, including the identification of all risks related to that work.

## Section F: Contract and Procurement Regulations Standing Orders

### 13. Contract and Procurement Regulations

#### 13.1 Purpose

- 13.1.1** The purpose of Contract and Procurement Regulations is to set clear regulations for the procurement of goods, works and services for the Commissioner and the Force which must be followed. These regulations promote best purchasing practice and ensure a system of openness, legal compliance, integrity and accountability where the probity and transparency of the process will be beyond reproach. In turn this leads to better value for money and gives confidence to all concerned that the Commissioner and Chief Constable are fulfilling their fiduciary responsibilities.
- 13.1.2** These regulations cover all procurement undertaken by or on behalf of the Commissioner or Chief Constable and within any partnership arrangements regardless of the source of funding. These lay down the minimum requirements, particular contracts may require more stringent requirements. Further advice is available from the Head of Commercial Services.
- 13.1.3** Officers responsible for purchasing must comply with these Contract and Procurement Regulations, the Financial Regulations and all necessary UK legal requirements.

#### 13.2 General Requirements

- 13.2.1** Requisitioning Officers must follow the regulations set out in these Contract and Procurement Regulations when they procure goods, services or the carrying out of works.
- 13.2.2** Requisitioning Officers must take all necessary professional procurement, legal and financial advice. For all Contracts where is estimated value is above £30,000 (inclusive of VAT), the Requisitioning Officer must engage with Commercial Services to run the procurement process.
- 13.2.3** Requisitioning Officers must declare to the Head of Commercial Services any conflicts of interest. Conflicts of interest may either be personal or indirect (e.g. through a relative or associate) or pecuniary (i.e. financial) or non-pecuniary (such as previous employment relationships). Corruption is a criminal offence. Requisitioning officers will comply with this requirement to prevent corruption and avoid other conflicts of interest.
- 13.2.4** Requisitioning Officers must check with Commercial Services whether there is any existing relevant Corporate Contract or Framework Agreements they can make use of before undergoing a procurement process.
- 13.2.5** All staff involved in any procurement process must keep bids confidential and comply with GDPR and complete conflict of interest documents.

- 13.2.6** Requisitioning Officers must not negotiate with Suppliers except where authorised to do so by the Commissioner's CFO or the Force CFO, as appropriate.
- 13.2.7** Requisitioning Officers must complete a written Contract or Official Purchase Order before the supply of goods, services or carrying out of works begins. Any written contract must be approved by Commercial Services and signed as appropriate per the delegations.
- 13.2.8** Requisitioning Officers must where appropriate identify an officer with responsibility for ensuring the Contract delivers as intended.
- 13.2.9** Requisitioning Officers must keep records of dealings with Suppliers in accordance with the Force and Commissioner's document retention policies.
- 13.2.10** Requisitioning Officers, in conjunction with Commercial Services, must assess each Contract throughout its terms and afterwards to see how well it meets/met the purchasing need and Value for Money requirements.
- 13.2.11** The Commercial Services Team shall keep records relating to this regulation for all contracts above £30,000. For all contracts below £30,000 the Requisition Officer shall and must keep all records.

## 14. Contract Standing Orders

### 14.1 Staffordshire Contract Standing Orders

- 14.1.1** The main aims of these Contract Standing Orders are to: -
  - Outline the manner in which contracts are handled and managed to ensure compliance with all relevant legislation;
  - Outline the relative responsibilities of the Staffordshire Commissioner and the Chief Constable in this process
- 14.1.2** Procurement is the process through which all goods, works and services are acquired. The procedures in these Contract Standing Orders apply to all spend with third parties and to all sub-contracts (where a specific sub-contractor is specified). These Contract Standing Orders are mandatory and apply to all staff and officers of the Office of the Staffordshire Commissioner and Staffordshire Police.
- 14.1.3** These Contract Standing Orders should be read in conjunction with the Financial Regulations, Financial Procedures, Scheme of Delegation and Procurement Delivery Plan which provide the framework for managing the organisation's financial affairs when dealing with the setting up of contracts for works or services, or the purchasing of goods.
- 14.1.4** All orders and contracts must be in the name of the Staffordshire Commissioner ('the Commissioner') and made in accordance with these Contract Standing Orders. Any dispute regarding the interpretation of these orders shall be referred to Head of Governance for the Staffordshire Commissioner's Office, whose decision shall be final.
- 14.1.5** Subject to these Contract Standing Orders, the Commissioner has the power to delegate authority to contract to the Chief Constable to enter into contracts on behalf of the Commissioner.
- 14.1.6** The financial limits specified within these Contract Standing Orders are subject to variation from time to time by the Commissioner and the Government contractual value thresholds.

## 14.2 How we Procure

**14.2.1** The appropriate procurement procedures are based on the total estimated value of the contract (this is the total cost over the full contract term – not just the initial purchase cost) or aggregated value of the contract. All contracts for the supply of goods or services under any lease, hire, rental or any other credit arrangement, which has the potential to commit the Commissioner to long term financial commitment longer than four years shall not be entered into without prior approval from (depending on value) – the Contract Review Group, Financial Investment Review Board or Executive Management Board (Police), Strategic Governance Board (Staffordshire Commissioner’s Office), S151 Officer or the Head of Commercial Services.

### For Goods and Services

For any Contract which requires a signed or sealed agreement (as opposed to just a Purchase Order), regardless of the value Commercial Services must be engaged before any Supplier is approached.

**Note: The approving board recognises that the Contract Values as stated below do fluctuate throughout the year and the current values can be obtained from the Commercial Services Team.**

Contract Value *All values below are inclusive of Vat	Process	Contract to be Published	Documentation Storage	Budget Holder need to engage Commercial Services
<b>TO</b>	Budget Holder to obtain at least one quote in writing	No	The Budget Holder must keep records of the quote	No, if only a Purchase Order is required Yes, if a signed contract is required
£10,000				
£10,001 - £30,000	Budget Holder to obtain at least three quotes in writing	No	The Budget Holder must keep records of the quote	No, if only a Purchase Order is required Yes, if a signed contract is required
£30,001 - £214,904	Budget Holder must engage Commercial Services to run the procurement. Commercial Services will run a formal tender, or call off under an available Framework Agreement.	Yes, on Contracts Finder and on Intend e-procurement	Commercial Services must keep records of the procurement	Yes
> £214,904	Budget Holder must engage Commercial Services to run the procurement. Commercial Services will run a full tender process compliant with 2015 Public Contract Regulations, or call off under an available Framework Agreement.	Yes, on Contracts Finder, on Intend e-procurement and in the Above the Threshold (ATP) (or successor publication after Brexit)	Commercial Services must keep records of the procurement	Yes

### For Works

For any Contract which requires a signed or sealed agreement (as opposed to just a Purchase Order), regardless of the value Commercial Services must be engaged before any Supplier is approached. All Works contracts, regardless of value must be agreed by the Head of Estates and Commercial Services.

Contract Value *All values below are inclusive of Vat	Process	Contract to be Published	Documentation Storage	Budget Holder need to engage Commercial Services
<b>TO</b>	Budget Holder to obtain at least one quote in writing	No	The Budget Holder must keep records of the quote	No unless a contract is required
£10,000				
£10,001 - £30,000	Budget Holder to obtain at least three quotes in writing	No	The Budget Holder must keep records of the quotes	Yes for any contracted work
£30,001 - £5,372,609	Budget Holder must engage Commercial Services to run the procurement. Commercial Services will run a formal tender, or call off under an available Framework Agreement.	Yes, on Contracts Finder and on intend e-procurement	Commercial Services must keep records of the procurement	Yes
> £5,372,609	Budget Holder must engage Commercial Services to run the procurement. Commercial Services will run a full tender process compliant with 2015 Public Contract Regulations, or call off under an available Framework Agreement.	Yes, on Contracts Finder, on Intend e-procurement and in the Above the Threshold (ATP) (or successor publication after Brexit)	Commercial Services must keep records of the procurement	Yes

## 14.3 For All Goods and Services

**14.3.1** Any requirement for the provision of goods and services that necessitates the setting up of a new Supplier will have to be requested via Commercial Services so that the new Supplier can be vetted. If the vetting process is successful the details will be added to the relevant financial supplier database.

**14.3.2** For any Contract which requires a signed or sealed agreement (as opposed to just a Purchase Order), regardless of the value Commercial Services must be engaged before any Supplier is approached.

### 14.3.3 Under £10,000

- Requires a Purchase Order to be raised via the financial accounting system, Integra. If the requirement is a one-off purchase from a new Supplier then a Service credit card could be used.

**14.3.4 Between £10,001 and £30,000 (inclusive of VAT):**

- The Budget Holder will seek a minimum of three formal quotes. Once the evaluation of the received quotes/tenders is completed and the successful Supplier informed, a Purchase Order must be raised by the Budget Holder via the financial accounting system. If a contract is being entered into Commercial Services must be engaged with the process and formally request quotes through Request for Quotes or Invite to Tender procedure.

**14.3.5 Between £30,001 and £214,904:**

- The Budget Holder must engage Commercial Services to initiate a full tendering or framework call off procedure.
- To ensure budget availability no Contract for the supply of goods or services under any lease, hire, rental or any other credit arrangement, where the value of the agreement exceeds £30,000 (including VAT) or contracts that cover more than 12 months can be entered into without:
  - A decision that has been made at the relevant Contract Review Group, Financial Investment Review Board, or Executive Management Board with the approval documentation or relevant minutes being disseminated to Commercial Services.
  - Authority being given by the S151 Officer
  - Confirmation that the capital expenditure has been agreed at a Financial Investment Review Board.

**14.3.6 Over £214,904:**

- The Budget Holder must engage Commercial Services to initiate a full compliant tender or framework call off process through Commercial Services, which is subject to the 2015 Public Contract Regulations.
- To ensure budget availability no Contract for the supply of goods or services under any lease, hire, rental or any other credit arrangement, where the value of the agreement exceeds £30,001 (including VAT) or contracts that cover more than one financial period can be entered into without:
  - A decision that has been made at the relevant Financial Investment Review Board, or Contract Review Group or Executive Management Board, with the approval documentation or relevant minutes being disseminated to Commercial Services.
  - Authority being given by the S151 Officer
  - Confirmation that the capital expenditure has been agreed at Financial Investment Review Board or Strategic Governance Board dependent on value.

**14.4 For Works**

**14.4.1** For any Contract which requires a signed or sealed agreement (as opposed to just a Purchase Order), regardless of the value Commercial Services must be engaged before any Supplier is approached.

**14.4.2** All Works contracts, regardless of value must be agreed by the Head of Estates and Commercial Services.

**14.4.3 Under £10,000**

- Requires a Purchase Order to be raised via the financial accounting system. If the requirement is a one-off purchase from a new Supplier then a credit card could be used.

**14.4.4 Between £10,001 and £30,000:**

- The Budget Holder will seek a minimum of three formal quotes. Once the evaluation of the received quotes/tenders is completed and the successful Supplier informed, a Purchase Order must be raised by the Budget Holder via the financial accounting system. If a contract is being entered into, then Commercial Services must be engaged, who will request formal quotes via Request for Quote or an Invite to Tender procedure.

**14.4.5 Between £30,001 and £5,372,609:**

- The Budget Holder must engage Commercial Services to initiate a full tendering or framework call off procedure.
- The Budget Holder and Commercial Services must involve the Head of Estates in the assessing the tender submissions.
- To ensure budget availability no Contract for the supply of goods or services under any lease, hire, rental or any other credit arrangement, where the value of the agreement exceeds £30,001 or contracts that cover more than 12 months can be entered into without:
  - A decision that has been made at the relevant Financial Investment Review Board, Strategic Governance Board with the approval documentation or relevant minutes being disseminated to Commercial Services.
  - Authority being given by the S151 Officer
  - Confirmation that the capital expenditure has been agreed at a Financial Investment Review Board or Strategic Governance Board (expenditure over £1m).

**14.4.6 Over £5,372,609:**

- The Budget Holder must engage Commercial Services Commercial Services to initiate a full compliant tender or framework call off process through Commercial Services, which is subject to the 2015 Public Contract Regulations
- The Budget Holder and Commercial Services must involve the Head of Estates in the assessing the tender submissions.
- Approval must be given from The Commissioner to spend.

**14.5 Responsibilities**

**14.5.1 Chief Constable**

**14.5.1.1** The Chief Constable is responsible for ensuring that procedures for procurement are sound and properly administered and for ensuring all income and expenditure is lawful.

**14.5.1.2** The Head of Commercial Services, in consultation with the Section 151 Officers, shall prepare relevant guidance which that will supplement these Contract and Procurement Regulations and shall apply to all Departments, units and establishments of the Commissioner and the Force.

**14.5.1.3** Ahead of each financial year, as part of the budget process, Commercial Services shall prepare a forward procurement work plan. The Procurement work plan shall outline the key Procurements due to take place during the coming financial year including contracts due for renewal from the Contracts Register.

**14.5.2 Heads of Department**

Heads of Department are responsible for;

**14.5.2.1** Ensuring that staff are aware of their responsibilities under these procedures, receive adequate training and guidance and comply fully with these regulations.

- 14.5.2.2** Establishing the Scheme of Authorisation for their Command which details where decision making has been delegated to members of staff and the financial parameters of that delegation.
- 14.5.2.3** Ensuring their staff only undertake procurements up to a value of £30,000 (inclusive of VAT). Any procurement in excess of this value must be referred to Commercial Services.
- 14.5.2.4** If items below this limit are purchased regularly then this should be notified to Commercial Services for incorporation into a Force Contract/Framework
- 14.5.3 Officer Responsibilities**
  - 14.5.3.1** Any procurement carried out on behalf of the Commissioner may only be undertaken by police officers, police staff, with the appropriate delegated authority to carry out such tasks as set out in the Chief Constable's scheme of delegation. Officers or staff with delegated authority may only delegate to other officers or staff who have the skills and knowledge appropriate to the task
  - 14.5.3.2** Requisitioning Officers must comply with these Contract and Procurement Regulations, Financial Regulations, and with all UK and EU binding legal requirements.
  - 14.5.3.3** Requisitioning Officers must check with Commercial Services whether a suitable Corporate Contract or Framework Agreement, exists before seeking to let a new contract.
  - 14.5.3.4** Where a suitable Corporate Contract or Framework Agreement exists, it must be used unless the Requisitioning Officer has express permission from the Force CFO or Commissioner's CFO (for Commissioner's Office expenditure) to use an alternative procurement route (agreed by Commercial Services).
  - 14.5.3.5** Commercial Services shall record in the Contract Register all approved exceptions.
  - 14.5.3.6** Tender procedures must be conducted in accordance with procedures set out in the Invite To Tender documentation.
  - 14.5.3.7** Requisitioning Officers must also ensure that agents acting on their behalf also comply with these Regulations, Financial Regulations, and with all UK and EU binding legal requirements.
  - 14.5.3.8** Officers must take all necessary professional procurement, legal and financial advice when required. Failure to do so can expose the Commissioner to unnecessary risks.
  - 14.5.3.9** If a contract requires "novating", or if a contract may lead to the potential transfer of staff under the Transfer of Undertaking (Protection of Employment) (TUPE) regulations then the Requisitioning Officer must consult with the Head of Commercial Services who, if appropriate, will obtain legal advice before proceeding.

## **14.6 The Tendering Procedure**

- 14.6.1** The tendering procedure will require the tender documentation to be up loaded into the EU Supply/Bluelight e-tendering Portal and a notice seeking expressions of interest will be published. This notice will automatically generate where applicable, an advert on the Contacts Finder database, meeting the Commissioner's obligation to the Government's requirements to advertise the procurement of goods, services or works.

**Exclusions**

**14.6.2** No tendering procedure is required in respect of:

- Contracts for the purchase of goods of which tenders have been obtained from a purchasing consortium or other recognised Government agency (such as Crown Commercial Services) where the Commissioner has been identified in any previous procurement exercise undertaken by the consortium or agency.
- Use of a Framework Call Off - but further competition by means of a mini competition may be required.
- Contracts for the supply of goods which the Home Office have specified as the type of goods which should be used for a particular purpose and only one Supplier of such goods exists
- Charges repaid to the Home Office for national systems and requirements
- Contracts for the supply of goods or services the price of which is fixed by a trade organisation or government department and no reasonably suitable alternative is available
- There being no genuine competition for the goods, works or services that are procured. Examples of this would include the entering into of a joint services venture or a requirement to utilise the services of Suppliers such as United Utilities, Criminal Records Bureau or OFCOM
- With the written authorisation of the S151 Officer, a contract for the engagement of a Counsel
- Subscriptions or fees to Government departments.
- Requirements for mutual aid, contributions and grants/grant payments (outgoing)
- Professional subscriptions/memberships with a professional body
- With the written authorisation of the S151 Officer, for goods and materials purchased at an auction
- Contracts relating solely to the disposal or acquisition of an interest in land (including property agents).
- Contracts for the lending or borrowing of money
- Appointment of external auditors when an appointing body is used
- Recharges between forces and fire services in relation to Regional Collaborations
- Contracts for the employment of permanent staff
- Rates, rent and refunds
- Performance / court settlement fees
- Payments for applications (e.g. planning application)
- Charitable donations
- Arbitration or conciliation services
- Expert witnesses
- Research projects

**14.7 Framework Agreements**

**14.7.1** Where, on the basis of providing quality and value for money, one or more Framework Agreements have been identified by Commercial Services and entered into by or on behalf of the Commissioner, or by or on behalf of a body or consortium of which the Commissioner is a member, for the supply of goods or services, that or those Framework Agreements may be used. The Commissioner may use other frameworks that are generally available.

**14.7.2** Supplier catalogues/approved purchase lists which have been approved by Commercial Services, and are available through the purchasing system, maybe utilised to procure goods and services from that catalogue. Any proposed purchase of goods or services which are not in an approved catalogue must be procured in accordance with these Standing Orders.

**14.7.3** Commercial Services must be engaged to utilise any Framework Agreement.

## **14.8 Exemptions to the Contracts Standing Orders**

**14.8.1** Exemptions to these Contract Standing Orders are permitted where it can be proven that normal tendering procedures cannot be followed because of an unforeseen emergency involving immediate risk to persons, property, and serious disruption to police services. It is not a substitute for instances where procurement planning has not been exercised and Requisitioning Officers find themselves with insufficient time to undertake a competitive process.

**14.8.2** Such circumstances may include:

- The goods, works or services are unique and provided by only one organisation with no reasonably satisfactory alternatives available
- Where it is deemed an emergency
- The procurement involves the purchase of proprietary or patented goods or services obtainable from one firm; are sold at a fixed price and no reasonably satisfactory alternative is available
- That goods are required as a partial replacement for, or addition to, existing goods or installations and obtaining them from another source would result in the original warranty being voided
- The goods, works or services are of a sensitive nature (such as covert operations) where publication of the tender documents would constitute a security breach and undermine the effectiveness of the final product.
- Where the marketplace is limited and/or restricted (e.g. by quality standards)

**14.8.3** No exemptions will be granted which would result in a breach of legislation. The Budget Holder must obtain approval to apply any exemption to the Contract Standing Orders outlined above by completing the Exemption Form (at Appendix B) and submit it to Commercial Services so that the requirement can be assessed and presented to the relevant officer for approval.

**14.8.4** Notwithstanding the provisions of 23.7.2, for procurement projects under £100,000 the S151 Officer (or the Commissioner if the expenditure is from the SCO budget) must approve any exemption, prior to any contract being awarded. For procurement projects over £100,000 any exemption must be approved by the Commissioner.

**14.8.5** Commercial Services will keep a register of exemptions granted detailing the nature and value of the contract, the circumstances justifying the exemption and the name of the Supplier awarded the contract. Commercial Services will report the exemption tracker at the end of each financial year.

## **14.9 Pre-Procurement Procedure**

**14.9.1** Before beginning a procurement, the Requisitioning Officer responsible for it must appraise the procurement and consider (where appropriate) working alongside Commercial Services if the value is over £30,000 (inclusive of VAT):

- 14.9.1.1** Appraise the need for the expenditure and its priority e.g. has a business case been developed which sets out the service objectives, and the options for delivery;

- 14.9.1.2** Define the objectives of the procurement;
- 14.9.1.3** Consider the risks associated with the procurement over its life and how to manage them;
- 14.9.1.4** Consider what procurement method is most likely to achieve the procurement objectives, including internal or external sourcing and collaboration with other Commissioners, forces or partners.
- 14.9.1.5** Consult users as appropriate about the proposed procurement method, contract standards, and also performance and user satisfaction monitoring.
- 14.9.1.6** Selecting the most appropriate procurement method.
- 14.9.1.7** Considering the maturity of the market (local, regional and national) and whether the procurement approach is likely to yield enough competition.;
- 14.9.2** The Requisitioning Officer must confirm that:
  - 14.9.2.1** The proposed expenditure is in accordance with the approved budget and policy framework or there is a specific approval for the expenditure;
  - 14.9.2.2** Prior Information Notices, where required under the Government Procurement Directive, have been placed for any Above Threshold Tender (ATP) by Commercial Services.
  - 14.9.2.3** Advice has been sought on whether parent company guarantees or bonds are likely to apply to the Contract (see rule 14.9.5).
- 14.9.3** The Requisitioning Officer's approach to the appraisal tasks should be proportionate to the complexity, risks and value of the procurement and take into account any supplementary guidance issued.
- 14.9.4** Commercial Services shall ensure that where proposed contracts, irrespective of their total contract value, may be of interest to potential applicants located in other member states of the EU the tender is advertised appropriately on the Bluelight portal.
- 14.9.5** Where a suitable Corporate Contract or Framework Agreement exists, these can be used as an alternative to an open tender process.

## **14.10 Estimating the Contract Value**

- 14.10.1** Contract values should be calculated in order to determine the overall Estimated Value of the Contract, including VAT, for the period of the Contract prior to the procurement process. "Whole life costs" relating to the Contract must be taken into account for the period of the Contract; this could include some or all of the following; quantity costs, labour costs, Carriage/package costs, all installation costs, training costs maintenance/support costs, and disposal costs.
- 14.10.2** The subdivision of procurement to reduce the Estimated Value of the Contract is not permissible.

## 14.11 Bonds and Parent Company Guarantees

**14.11.1** The Requisitioning Officer must consult the Force S151 Officer before the tender process commences about whether a bond (or similar) is needed:

**14.11.1.1** Where the total Contract value exceeds £500,000.

**14.11.1.2** Where it is proposed to make staged or other payments in advance of receiving the whole of the subject matter of the Contract.

**14.11.2** The Requisitioning Officer should also consult the Head of Commercial Services regarding the financial vetting of prospective tenderers as part of the standard selection questionnaire (SQ) process.

**14.11.3** The Officer must further consult Commercial Services when an applicant is a subsidiary of a parent company, and:

**14.11.3.1** The total Contract value exceeds £250,000, or

Award is based on evaluation of the parent company, Or

**14.11.3.2** There is some concern about the financial stability of the applicant.

## 14.12 Advertising of Contracts

**14.12.1** All contracts with a total value that exceeds public procurement thresholds must be advertised and awarded in accordance with necessary legislation.

**14.12.2** Thresholds from 01 January 2024 are as follows:

**Supplies £214,904**

**Services £214,904**

**Works £5,372,609**

**Light Touch Regime £663,540**

## 14.13 Pre-Quotation/ Tender Requirements

**14.13.1** Suppliers may be contacted informally by Commercial Services without obligation on behalf of the Commissioner, before a procurement process is commenced, order to:

- Establish whether the goods, works or services that the Commissioner wishes to purchase are available on the market, and an estimated cost;
- Assess market conditions should the procurement progress require it.

**14.13.2** In making enquiries:

- No information shall be disclosed to one Supplier which is not then disclosed to all those of which enquiries are made, or which are subsequently invited to tender or quote.
- No Supplier shall be led to believe that the information they offer will necessarily lead them to be invited to tender or quote, or awarded a contract. All requests for information or quotations either verbal or written must include the words “without obligation” to confirm that the request is for information only.
- A record, including notes of any meetings held the responses and the names of all individuals present shall be kept by Commercial Services.

**14.13.3** Before obtaining quotations or tenders for a procurement estimated at a value of £30,001 or more (including VAT), a detailed output specification must be prepared by the budget holder or the project manager acting on the budget holder's behalf. The specification is a description of the goods, services or works that the Commissioner wishes to procure and can be attributed in two ways, attributes related to things – (i.e. the part, component or raw material) and actions (functions, processes, procedures, services, performance).

**14.13.4** It should incorporate key performance indicators or criteria for acceptance of the goods, services or works and will be included in the invitation to tender documentation. It must be agreed with the Supplier awarded the Contract and form the major part of the formal Contract agreement made between the Commissioner and the Supplier.

**14.13.5** For all procurement exercises the weightings applied between quality, price and social value will be 50:40:10. Approval to set a quality weighting outside these criteria will be required from either the Force S151 Officer (or Deputy S151 in the absence of the S151 Officer) or the Commissioner's S151 Officer prior to commencement of the procurement process.

#### **14.14 Procurement Portal**

**14.14.1** If a Supplier wishes to be considered for future contracts they can, at no cost, register on the EU Bluelight e-tendering portal (<https://bluelight.eu-supply.com/>) or <https://sell2.intend.co.uk/blpd/publictenders> (or equivalent prevailing system)

**14.14.2** If a Supplier is asked to submit a quotation or tender, this must be done using the EU Bluelight e-tendering portal. In addition, they will be required to provide sufficient information so that a due diligence assessment can be conducted confirming their capacity, capability and financial standing to undertake the work on behalf of the Commissioner. A Standard Selection Questionnaire (SQ) where applicable will be issued to help achieve this.

#### **14.15 Other Procedures**

**14.15.1** Commercial Services must run any procurement which utilises any procedure as outlined below:

**14.15.2** The following procedures are also available for procurements over the 2015 Public Contract Regulations thresholds.

**14.15.3** The Commissioner may utilise a Competitive Dialogue procedure or Competitive Procedure with Negotiation when:

- The needs of the Commissioner cannot be met without adaptation of readily available solutions
- The procurement requirement includes design or innovative solutions
- The contract cannot be awarded without prior negotiation because of specific circumstances related to the nature, complexity of the legal and financial make up or associated risks
- The technical specification cannot be established with reference to a standard common technical specification, technical reference or European technical assessment
- The outcome of an open or restricted procedure has elicited only irregular or unacceptable tenders.

**14.15.4 Competitive Dialogue Procedure** – A selection is made of those who respond to the contract notice. The Commissioner will then enter into a dialogue with potential tenderers to develop

one or more suitable solutions for its requirements and on which chosen tenderers will be invited to tender.

**14.15.5 Competitive Procedure with Negotiation** – Utilising this procedure a selection is made of those who respond to the Contract Notice, and only they are invited to submit an initial tender for the contract. The Commissioner may then open negotiations with the tenderers to seek improved offers.

**14.15.6 Innovation Partnership Procedure** - Utilising this procedure a selection is made of those who respond to the contract notice. The Commissioner will then use a negotiated approach to invite Suppliers to submit ideas to develop innovative works, supplies or services aimed at meeting a need for which there is no suitable existing ‘product’ on the market. Under this procedure The Commissioner is allowed to award partnerships to more than one Supplier.

**14.15.7 Negotiated Procedure without prior publication** – This procedure can only be used in very specific circumstances (e.g. Where for technical or artistic reasons or because of the protection of exclusive rights, the contract can only be carried out by a particular Supplier). In this instance The Commissioner would approach one or more Suppliers to negotiate the terms of the contract.

## **14.16 Invitation and Submission**

**14.16.1** Instructions must be issued to those organisations invited to submit a quotation or a tender, asking them to complete and return the required documents by a specified date and time. Tenders will be carried out electronically by Commercial services to <https://sell2.in-tend.co.uk/blpd/publictenders> (or equivalent prevailing system)

**14.16.2** Invite To Tender documents will usually contain the following information:

- Letter of invitation and instructions about the process.
- Form of tender
- Specification and/or schedule of rates
- Contract terms and conditions
- Any relevant supporting information (drawings, maps etc.)
- Where tenders are to be evaluated on the basis of quality and price, the tender documentation must also specify the criteria for evaluation and the evaluation matrix.

**14.16.3** Completed tenders must be submitted on the portal by the date and time specified. Late tenders will not be accepted.

**14.16.4** It is important that organisations are given sufficient time to adequately research and compile their tender submissions. This includes enough time to seek accurate estimates from their subcontractors. The Commissioner’s minimum time for the return of priced tenders for below the 2015 Public Contract Regulations threshold procurements is fourteen (14) days from date of issue, although best practice suggests that at least twenty-one (21) days should be allowed. All procurements which exceed the 2015 Public Contract Regulations thresholds must use the timescales outlined in the Regulations.

**14.16.5** The specified time to submit tenders/quotations may be extended in exceptional circumstances provided that all organisations involved in the process are notified of the revised date and time and no potential Supplier is disadvantaged by the deadline extension.

## 14.17 Opening of Tenders

**14.17.1** Electronic tenders must be delivered to the designated e-tendering system by tenderers prior to the stated closing date and time set out in the Invitation to Tender. All electronic tender submissions are retained in a virtual 'locked box' until the designated opening time. The system will hold each submission unopened and with no reference to the contents of the response until 'box' is opened. An activity log within the system provides a full audit trail logging any activity, recording the name of the person accessing the box, date, time and any activity undertaken.

**14.17.2** Commercial Services will facilitate the tender opening procedure and ensure that an auditable evaluation process is achieved and the evaluation details are recorded and appropriately archived.

## 14.18 Evaluation of Tenders and Quotations

**14.18.1** An evaluation must be made of tenders submitted against the published tender evaluation criteria. Where errors or discrepancies are found that may affect the tender scoring, the tenderer may be notified and afforded an opportunity to confirm the clarification without amendment, amend their tender to correct an error, or withdraw their tender. A written record of any revisions or withdrawals must be maintained.

**14.18.2** To ensure fairness the quality criteria (or award criteria) and evaluation method must be clearly defined in the tender documentation. The award criteria will vary depending on the type of contract. Some examples of criteria included are:

- Technical suitability
- Financial viability and stability
- Quality systems
- Customer care and after sales service
- Experience and past performance
- Aesthetic and functional characteristics
- Delivery date and other management factors
- Commitment to Equality & Diversity and Sustainability
- The economic, social and environmental well-being of an area (Social Value).

## 14.19 Post Tender Consideration

**14.19.1** After the receipt of tenders, Commercial Services may need to contact tenderers to clarify technical and contractual information as part of the evaluation process. Any such communication must be confidential and entered into utilising the <https://sell2.in-tend.co.uk/blpd/publictenders> (or equivalent) message system.

**14.19.2** Any negotiation with a tenderer to discuss the pricing or any other allowable aspect of the tender submitted should:

- Be undertaken only by Commercial Services and the budget holder, where applicable. All negotiations must be conducted in a manner which provides equal opportunity for all Suppliers who have provided quotes and which maintains the highest levels of probity.
- **Communication must be through the portal.**
- At the conclusion of negotiations each tenderer must be invited to submit a best and final price, if permitted within the invitation to tender documentation.

## 14.20 Contract Award- Tenders and Quotations

**14.20.1** Where a contract is required to be signed or sealed by deed, the process must be undertaken as follows:

<b>Annual Value</b>	<b>Signature on behalf of the Commissioner</b>
Up to £100,000	Head of Commercial Services* (or the Commissioner or Chief Executive or Head of Commissioning and Partnerships of the SCO, if it is SCO budget) *excluding area of business
Up to £500,000	S151 Officer (or the Commissioner or Chief Executive or Head of Commissioning and Partnerships of the SCO, if it is SCO budget)
Up to £1,000,000	S151 Officer (or the Commissioner or Chief Executive of the SCO, if it is SCO budget)
Over £1,000,000	The Commissioner or the Chief Executive of the SCO
Contracts required to be sealed by deed	Sealed by the Chief Executive of the SCO by applying the common seal of the SCO

**14.20.2** The successful Supplier should be notified promptly following acceptance of the tender, and the contract must be issued for signature by the Supplier. On receipt, the Commissioner will sign the contract to form the legally binding agreement.

**14.20.3** All unsuccessful tenderers should also be notified promptly in writing or via <https://bluelight.eu-supply.com>. (or equivalent) There must be a ten-day (10) standstill period utilised where it is legislatively required. All submissions and supporting documentation should be retained for seven years by Commercial Services before being destroyed.

## **14.21 Corrupt Practices**

**14.21.1** All staff must comply with the relevant authority policies – counter fraud and corruption/ Gifts and Gratuities / Gifts and Hospitality policy.

## **14.22 Variations to Contracts**

**14.22.1** Every variation to a Contract shall be specifically authorised, and shall be notified in writing to the contractor. If the cumulative value of the contract is over £30,000, Commercial Services must be engaged. Similarly, if a signed Variation document is required then Commercial Services must be engaged, and the document signed off by either the Force CFO or the Chief Executive (if the Commissioner budget, or if the cumulative contract value is over £100,000)

**14.22.2** No variation to any contract resulting in additional expenditure in excess of 5% of the original contract price shall be made without the approval of the Chief Constable or Chief Executive (for Commissioner expenditure).

**14.22.3** A modification to an existing pre-tendered contract may be possible, without the need to re-advertise or re-tender. All requirements for contracts modifications and variations must be requested through Commercial Services for further advice.

**14.22.4** Variations to contracts must be signed as follows:

<b>Annual Value</b>	<b>Signature on behalf of the Commissioner</b>
Up to £100,000	Head of Commercial Services* (or the Commissioner or Chief Executive or Head of

	Commissioning and Partnerships of the SCO, if it is SCO budget) *excluding area of business
Up to £500,000	S151 Officer (or the Commissioner or Chief Executive or Head of Commissioning and Partnerships of the SCO, if it is SCO budget)
Up to £1,000,000	S151 Officer (or the Commissioner or Chief Executive of the SCO, if it is SCO budget)
Over £1,000,000	The Commissioner or the Chief Executive of the SCO
Contracts required to be sealed by deed	Sealed by the Chief Executive of the SCO by applying the common seal of the SCO

**14.22.5** Further, confirmation of budgetary approval must be obtained and sent to Commercial Services before any Variation Agreement is signed.

### **14.23 Term of Contract (Contract Extensions)**

**14.23.1** The term of a contract may be extended with the approval of the relevant body, if there is provision within the contract terms and conditions to extend and if confirmation of budgetary provision has been agreed by the S151 Officer (if the cumulative value less than £100,000 or the Chief Executive of the SCO if the budget is SCO, or if the cumulative value of the extension is over £100,000). If the contract has already been extended to the full extent within the provisions of the existing contract, it cannot be extended further.

**14.23.2** The contract term cannot be extended where this would result in the value of the contract exceeding the Above Threshold value and could make a fundamental change to the contract award previously made or extending the contract period not previously identified in the contract.

**14.23.3** Commercial Services must be engaged if a contract needs to be terminated before its expiry.

### **14.24 Data Protection**

**14.24.1** The General Data Protection Regulation (GDPR) is a compliance standard intended to strengthen data protection for individuals across the European Union. All contracts need to be scrutinised to confirm if the GDPR regulation applies to them and if so identify why and how personal data is to be processed. The following will need to be considered before a contract is entered in to.

**14.24.2** Any contract that is identified as GDPR compliant must demonstrate accountability and transparency in all decisions regarding personal data processing activities, therefore confirmation of data specific terms and conditions need to be scrutinised by either the Chief Information Officer, Data Protection Officer, Deputy Data Protection Officer, Security Information Officer or Commercial Services before the contract is entered into.

### **14.25 Conduct**

**14.25.1** Prevention of Corruption

**14.25.1.1** Requisitioning Officers and all other officers, staff and partner staff involved in a procurement must comply with the Anti-Fraud and Corruption Policy and must not invite or accept any gift or reward in respect of the award or performance of any contract in line with the Gifts and Hospitality Policy. In particular:

- 14.25.1.2** It will be for the Requisitioning Officer or other officer, staff or partner staff to prove that anything received from an applicant or Contractor was not received corruptly;
- 14.25.1.3** High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the provisions referred to below
- 14.25.2** The Commissioner may terminate any contract and recover all its loss if the Contractor, its employees or anyone acting on the Contractor's behalf do any of the following things:
  - 14.25.2.1** Offer, give or agree to give to anyone inducement or reward in respect of this or any other Commissioner contract (even if the Contractor does not know what has been done); or
  - 14.25.2.2** Commit an offence under the Prevention of Corruption Acts 1889 to 1916 or Section 117(2) of the Local Government Act 1972; or
  - 14.25.2.3** Commit any fraud in connection with this or any other Commissioner contract whether alone or in conjunction with officers, staff, contractors or others.
  - 14.25.2.4** Any Contract clause limiting the Contractor's liability shall not apply to this clause (12.23) in its entirety.

## **14.26 Contract Management & Payments**

- 14.26.1** The Chief Constable shall keep a Register of Contracts (Contract Register) and payments made thereunder in a form agreed with the Commissioner's CFO.
- 14.26.2** Where a Contract is awarded on the basis of cost/quality criteria, the management processes and procedures accepted through the quality submission must be adhered to for all material/services procured under that Contract.
- 14.26.3** During the life of the Contract the Contract Manager (with Commercial Services support where appropriate) must monitor in respect of:
  - Performance;
  - Compliance with specification and contract;
  - Cost;
  - Any value for money requirements;
  - Working practices where appropriate e.g. Health and Safety;
  - Changes in legislative requirements;
  - Security vetting requirements;
  - Relevant insurances are kept up to date;
  - User satisfaction and risk management; and
  - Any additional factors in accordance with any guidance in the Delegated Procurement Guide
- 14.26.4** The Chief Constable shall ensure that, in line with current accepted practice, insurance and bonds are entered into by the contractor/supplier (see rule 14.11).
- 14.26.5** The Chief Constable may at their discretion withhold payment of any sums purporting to be due under a Contract until the terms of the Contract have been complied with and may set off any sums due from a contractor/supplier to the Commissioner against any sum due from the Commissioner to the contractor/supplier.

## **14.27 Contract Termination**

- 14.27.1** Where completion of a Contract is delayed, it shall be the duty of the Contract Manager to initiate appropriate action in respect of any claim by the Commissioner for liquidated damages and to report the matter to the Commissioner's S151.
- 14.27.2** Contracts below £100,000 may be terminated on the authority of the Chief Constable in accordance with the termination provisions set out in the Contract.

## **14.28 Risk Assessment & Contingency Planning**

- 14.28.1** A risk assessment must be prepared for complex procurements with a potential value of being 'Above the Threshold'. Provision for resources for the management of the contract, for its entirety, must also be identified.
- 14.28.2** For all contracts with a value of over £100,000, Contract Managers should consider based on perceived risk:
  - 14.28.2.1** Maintaining a risk register (generic register acceptable) during the contract period and review it at least every three months;
  - 14.28.2.2** Undertaking appropriate risk assessments;
  - 14.28.2.3** For identified risks, ensure contingency measures are in place;
  - 14.28.2.4** Ensure critical support and maintenance arrangements are documented in the Specification in order to avoid costly post-tender negotiation.
- 14.28.3** Risks will be escalated to the force Risk Management Board where management of contingency measures is not possible within the remit of the Contract Manager.

## **14.29 Pecuniary Interest**

- 14.29.1** If it comes to the knowledge of any police officer, member of police staff, office-holder that a Contract in which they have any pecuniary interest, whether directly or indirectly (not being a Contract to which they are a party) has been or is proposing to be entered into by the Commissioner, they shall as soon as is practicable, inform the Chief Constable and Chief Executive (or nominee) in writing. The Chief Executive (or nominee) shall record the particulars in a book to be kept for that purpose which shall be open during office hours for the inspection of any member of the public.

## **14.30 Reports to the Police and Crime Commissioner**

- 14.30.1** At the conclusion of any approved capital scheme for building, constructional or engineering work a report shall, after agreement of the final account, be submitted to the Commissioner. Where the final account exceeds the approved capital scheme by more than 5%; this report shall detail the reasons for any variance from the Contract price.

## **14.31 Review and Amendment of contract and procurement Regulations**

**14.31.1** These Contract and Procurement Regulations shall be reviewed and updated on a regular basis, and at least triennially, by the Head of Commercial Services, in consultation with the Chief Constable, Force S151, Commissioner's S151, and Chief Executive.

**14.31.2** Amended Contract and Procurement Regulations shall be agreed and adopted by the Commissioner.

## 15. Delegated Limits and Authorities

### 15.1 Delegated Limits and Authorities

**15.1.1** The following table sets out the delegated limits relevant to the Financial Regulations.

Regulation	Brief Description	Responsibility	Level	Delegated Limit/ Authority
<b>4.4</b>	<b>Accounting Policies – Changes causing financial impact</b>			
	Changes should be reported to the Commissioner over £50,000	Section 151 Officer	Up to	£50,000
		Staffordshire Commissioner	Exceeds	£50,000
<b>6.3 &amp; 6.4</b>	<b>Capital Expenditure &amp; Business Cases</b>			
	A major project for these purposes shall be defined as one whose estimated or expected total lifetime costs are excess of the value stated	Section S151 Officer (S151)	Above	£1,000,000
	No capital spend may be entered into unless it is in accordance with the capital programme approved by the Commissioner. Detailed estimates for each scheme in the capital programme shall be prepared by the responsible officer before tenders are sought or commitments made. All sensitive schemes and all capital schemes when the cost of the scheme in total exceeds the limits shown. They must have an appropriate business case for consideration and if thought appropriate by the Commissioner approval in writing by the Commissioner and the Commissioner must have been able to consider the options available to enable informed consideration of such business cases:	Chief Constable and Section S151 Officer	Up to	£1,000,000
	<u>Capital Programme Re-appraisals</u> All proposals which have been appraised under these Regulations will be subject to a reappraisal by the Chief Constable where project cost varies from approved estimate by	Chief Constable and Section S151 Officer	Scheme over upper limit	Lesser of 10% or £100,000
<b>6.5</b>	<b>Revenue Virements</b>			
	Virements between budget headings, where there no change in service delivery.	Budget Holders	Up to	No Limit
	For Virements where there is an increase in committed expenditure in future years.	Chief Constable	Up to	£250,000
		Staffordshire Commissioner	Exceeds	£250,000
<b>6.6</b>	<b>Year End Balances/Carry Forwards</b>			

	Devolved budget holders who underspend their budget in any financial year may request to carry forward planned underspends, subject to the limits.	Section S151 Officer	Up to	No Limit
<b>7</b>	<b>Risk Management - Insurance</b>			
	Insurance – settlement of claims	Force S151 Officer	Up to	In line with policy arrangements
	Insurance – claims reporting	Force S151 Officer	Exceeds	£25,000
	Insurance – ex-gratia payments reporting	Force S151 Officer	Exceeds	£10,000
	Estimated claims	Force S151 Officer	Exceeds	£25,000
<b>7.2</b>	<b>Ex Gratia Payments</b>			
	The Chief Constable may make ex gratia payments to members of the public or employees up to the level shown in the delegated limits. 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 Force. Any Sensitive ex gratia payment will require prior approval of the Commissioner.	Chief Constable	Up to	£10,000
	Payments arising from Employment Tribunal Settlements and ex-gratia payments	Head of People and Organisation Development	Up to	£10,000
		Section S151 Officer	Exceeds	£10,000
	<b>Inventories, Stocks and Stores</b>			
<b>9.3 and 9.4</b>	Obsolete stock, or equipment and materials surplus to requirements should be written off by the S151/Deputy S151 for their respective entities. All write-offs above £10,000 should be disclosed through the Finance Report.	S151 Officer, Deputy S151	Up to	No Limit
		Chief Accountant	Up to	£2,000
		Disclosure in Finance Report	Exceeds	£10,000
	<b>Asset Disposal</b>			
<b>9.5</b>	The CC may only dispose of surplus land and buildings with the prior written agreement of the Commissioner.  The CC may dispose of vehicles and items of equipment up to the estimated value shown (per individual item).	Section S151 Officer	Up to	No Limit
		Deputy S151 Officer	Up to	£10,000
		Chief Accountant	Up to	£2,000
<b>10</b>	<b>Treasury Management and Banking Arrangements</b>			
	Approval of new bank accounts	Section S151 Officers	Authorisation of option	No Limit
	Investments – Investment Counter Parties	Force S151 Officer	Consideration or authorisation of option	No Limit

		Commissioner's S151 Officer	Consideration or authorisation of option	No Limit
	Investments - Authorisation	Force S151 Officer	Authorisation of option	Within limits specified in the Treasury Management Strategy
		Commissioner's S151 Officer	Authorisation of option	Within limits specified in the Treasury Management Strategy
	Return of Investment Authorisation	Force S151 Officer	Authorisation of option	No Limit
		Commissioner's S151 Officer	Authorisation of option	No Limit
	Treasury Management Borrowing	Force Section S151 Officer	Authorisation of option	Within approved Borrowing Policy
		Commissioner's Section S151 Officer	Authorisation of option	Within approved Borrowing Policy
	Investment Strategy	Force Section S151 Officer	Consideration of Proposal	No delegation
		Commissioner's S151 Officer	Authorisation of option	No Limit
	Approval of Credit Cards	Force Section S151 Officer, Deputy S151	Authorisation of option	No Limit
		Commissioner's S151 Officer	Authorisation of option	No Limit
	Approval of Imprest Accounts/Cash advances	Force Section S151 Officer, Deputy S151, Chief Accountant	Authorisation of option	No Limit
		Commissioner's S151 Officer	Authorisation of option	No Limit
	Approval Manual Cheques	CC S151, Deputy S151, Chief Accountant & Group Finance Manager	Authorisation of option	No Limit
		Commissioner S151 and Chief Executive	Authorisation of option	No Limit
	Approval of new leasing arrangements	CC S151, Deputy S151	Authorisation of option	No Limit
		Commissioner S151	Authorisation of option	No Limit
		Chief Accountant	Consideration of proposal	No Delegation
<b>10.2</b>	Approval of Creditor Payments	S151 Officer, Deputy S151	Authorisation of payment	No Limit
		Chief Accountant, Group Finance Manager	Authorisation of payment	No Limit
		Transactional Finance Manager	Authorisation of payment	No Limit

10.2	Approval of Payroll	S151 Officer, Deputy S151	Authorisation of payment	No Limit
		Chief Accountant, Group Finance Manager	Authorisation of payment	No Limit
		Payroll Manager	Authorisation of payment	No Limit
<b>Income – Debtor Write Off Approval</b>				
11.2	Sums due to the Commissioner or Chief Constable shall not be written off without the direct approval of the Commissioner except as outlined in the delegated limit.	Transactional Manager	Up to	£99.99
		Chief Accountant	Up to	£4,999
		Section S151 Officer/Deputy Section S151	Up to	£99,999
		Chief Constable/ Staffordshire Commissioner	Up to	No Limit
<b>Gifts, Loans and Sponsorship</b>				
11.7	Any Gifts, Loans and Sponsorship accepted by the Force over the value of the delegated limit must be approved by the Staffordshire Commissioner.	Chief constable	Up to	£5,000
		Commissioner	Above	£5,000
<b>Work for Third Parties</b>				
12.3	Where the CC undertakes to carry out any work for third parties, it should be in line with the delegated limits. Above this, the Commissioner must be advised through the Chief Executive	Chief Constable	Up to	£100,000
		Staffordshire Commissioner	Above	£100,000
<b>Chief Constable Approved Expenditure Limits (after following appropriate governance approval route)</b>				
		Section S151 Officer	Above	£500,000
		Deputy S151 Officer	Up to	£500,000
		Head of Command & Heads of Department in Enabling Services	Up to	£100,000
		Head of Department	Up to	£25,000
		Supervisory	Up to	£5,000
		Administration	Up to	£3,000
<b>Commissioner's Office Approved Expenditure Limits (after following appropriate governance approval route)</b>				
	Staffordshire Commissioner's Office	Chief Executive	Above	£500,000
	Staffordshire Commissioner's Office	Section 151 Officer	Up to	£500,000

	Commissioning Team	Chief Executive	Above	£500,000
		Section 151 Officer	Up to	£500,000
		Director of Partnerships and Commissioning	Up to	£500,000
		Lead Commissioners	Up to	£25,000
	Other Teams	Section 151 Officer/ Chief Executive	Exceeds	£100,000
		Director of Strategy and Comms, Director of Governance and Assurance	Up to	£100,000
		Compliance Manager	Up to	£25,000
		Supervisory – SCO Office Manager	Up to	£5,000

## 15.2 Pension Scheme Delegation

15.2.1 The following table sets out the pension scheme authorisations

Staffordshire Local Government Pension Scheme		
Role	Responsible Officer- Force	Responsible Officer- OPCC
Staffordshire Scheme Manager	Section 151 Officer	Section 151 Officer

Staffordshire Police Officer Pension Scheme		
Role	Responsible Officer- Force	Responsible Officer- OPCC
Staffordshire Scheme Manager	Chief Constable of Staffordshire Police	Chief Executive with regard to the CC's membership
Administrator	XPS Business Services	XPS Business Services

## 16. Glossary

<u>Term</u>	<u>Description</u>
“Authorised officer”	Employees authorised by the Chief Constable
“CC S151”	Chief Constable Section S151 Officer
“CC”	Chief Constable
“Chief Executive”	Commissioner’s Chief Executive and Monitoring Officer

<b>“CIPFA”</b>	Chartered Institute of Public Finance & Accountancy
<b>“Commissioner S151”</b>	Staffordshire Commissioner Section S151 Officer
<b>“Commissioner”</b>	Staffordshire Commissioner
<b>“DCC”</b>	Deputy Chief Constable
<b>“Deputy Commissioner”</b>	Deputy Police and Crime Commissioner for Staffordshire
<b>“ETAP”</b>	Ethics, Transparency and Audit Panel
<b>“Force”</b>	Staffordshire Police Force
<b>“HMICFRS”</b>	Her Majesty’s Inspectorate of Constabulary, Fire & Rescue Services
<b>“HMRC”</b>	Her Majesty Revenue and Customs
<b>“HR”</b>	Human Resources
<b>“IFRS”</b>	International Financial Reporting Standards
<b>“MTFP”</b>	Medium Term Financial Plan
<b>“NPCC”</b>	National Police Chiefs Council
<b>“Officer”</b>	Includes a police officer, Statutory Officer, or a member of staff
<b>“PFCP”</b>	Police, Fire and Crime Plan
<b>“S151”</b>	Section 151 Officer
<b>“SCO”</b>	Office of the Police, Fire and Crime Commissioner
<b>“SLA”</b>	Service Level Agreement”
<b>“STA”</b>	Single Tender Action
<b>“Statutory Officers”</b>	The COMMISSIONER’s Chief Executive, the COMMISSIONER’s S151 Officer and the CC’s S151 Officer
<b>“The Act”</b>	Police Reform and Social Responsibility Act 2011
<b>“TMS”</b>	Treasury Management Strategy
<b>“VFM”</b>	Value for Money

# Appendix A

## Appendix A- Relevant Legislation

[Police Reform and Social Responsibility Act 2011](#)

[The Police and Crime Commissioner Elections \(Declaration of Acceptance of Office\) Order 2012](#)

[The Policing Protocol Order 2011](#)

[Financial Management Code of Practice for the Police Forces of England and Wales October 2013](#)

[The Elected Local Policing Bodes \(Specified Information\) Order 2011](#)

[The Elected Local Policing Bodes \(Specified Information\) \(Amendment\) Order 2012](#)

[Local Government Act 1974 8. Police Act 1996](#)

# Appendix B

## Appendix B- Exemption to Contract Standing Order Forms

Please complete all sections of this form, failure to complete the required sections may result in the form being returned to you.

**Please note:** Completion of this form does not guarantee approval.  
**Please return this form and direct any queries to Commercial Services.**

---

### 1. Requesters Details

Name:

Job title:

Directorate:

Tel:

Email:

Date:

### 2. Contract Details

Contract Title:

Contract Reference number:

Budget funding Stream:

**Start Date and Duration:**

**Estimated Annual Value:**

**Estimated Total Contract Value:**

**Supplier Name:**

**Details of Goods / services to be provided:**

**3. Exemption Details**

**3a. Which Orders are you seeking an exemption from (Please check relevant box)?**

requirement to seek three (3) quotes for total expenditure between £10,000 and £24,999

requirement to formally tender for expenditure £25,000 and above

**3b. Reasons for the request;**

**10.3.1** Where goods, works or services can only be obtained from

one source;

10.3.2 Where it is deemed an extreme urgency;

10.3.3 Where the marketplace is limited and/or restricted (e.g. by quality standards);

Additional Comments:

**4. Commercial Services Comments:**

(This section is to be completed by the Commercial Business Partner or Procurement Officer, outlining their views on the request, it does not however, constitute an approval even if it supports the exemption).

**Name:**

**Signature:**

**Date:**

**5. Approval/ Rejection with Reasons**

(Should this 'Exemption to Standing Orders' be approved by the relevant authorised signatory, the provider may be subject to a financial check, any provider failing this check will not be added to the Force procurement system and no order will be placed).

In the event that the exemption is approved and once a formal order has been placed, the relevant Procurement Lead **must** ensure that for all spend exceeding £25,000, an 'award notice' is published through EU Supply/Contracts Finder.

**Name:**

**Title:** Section S151 Officer

**Signature:** .....

**Date:** .....