



# Staffordshire Commissioner and Chief Constable

## JOINT CORPORATE GOVERNANCE FRAMEWORK

### Document Control:

Version History			
Version No	Approval Date	Approving Board	Change(s) Summary
V0.4	05/05/2021	Strategic Governance Board	Update of Financial Regulations
V0.5	08/06/2021	Strategic Governance Board	New PFCC Approval (No Changes)
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.

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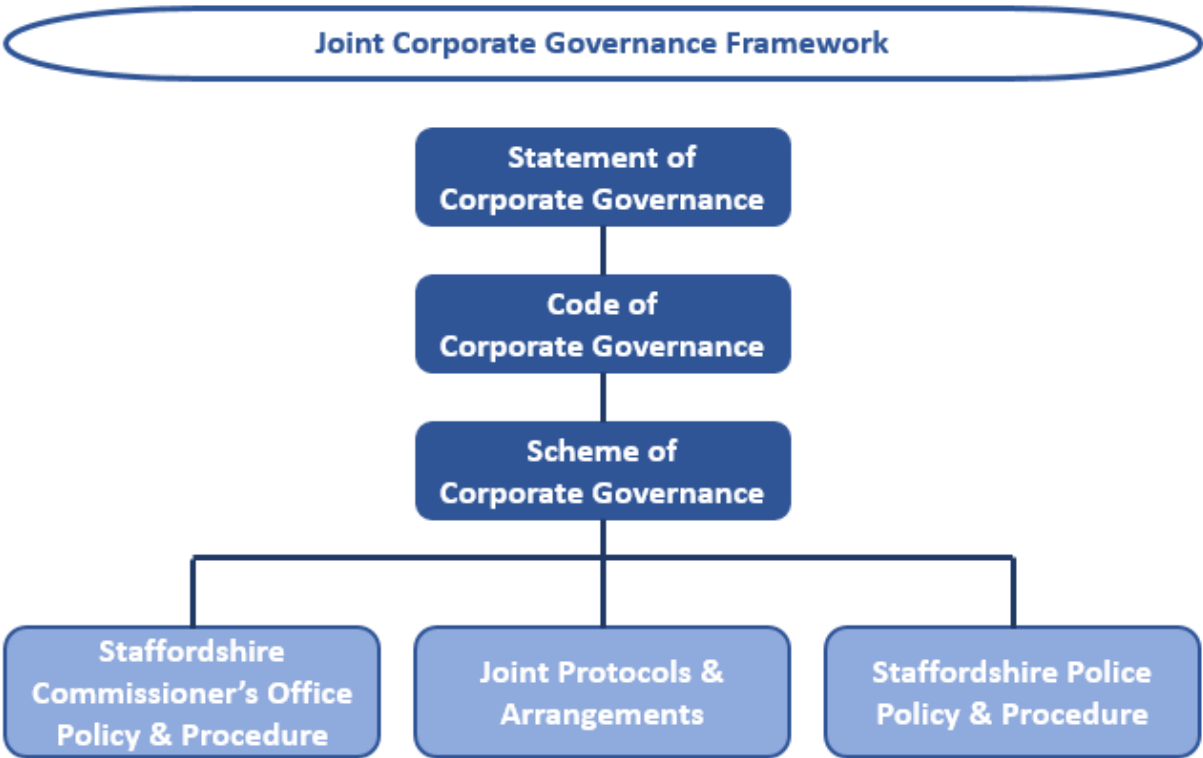
## 1. Overview

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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:



## 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 for achieving safer, fairer, united communities 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 which sets out the following 5 priorities for the force; modern policing, early intervention, supporting victims and witnesses, managing offenders, and public confidence. There is also a shared vision which sets out clearly how policing will transform in Staffordshire by 2020 to ensure improvement in the delivery of services and value for money.

### **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

### **3. Code of Corporate Governance**

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#### **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:

1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
2. Ensuring openness and comprehensive stakeholder engagement
3. Defining outcomes in terms of sustainable economic, social and environmental benefits
4. Determining the interventions necessary to optimise the achievement of the intended outcomes
5. Developing the entity's capacity, including the capability of its leadership and the individuals within it
6. Managing risks and performance through robust internal control and strong public financial management
- 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.

## 4 Scheme of Corporate Governance

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# 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>

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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

- 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>
- 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>

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

<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

- 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>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 be 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 on 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>

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- <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

- 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>

**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>

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

### 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.

## Appendix A: Relevant Legislation

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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]

**REQUEST FOR DECISION BY THE STAFFORDSHIRE COMMISSIONER**

	Policing:	Crime:	Fire & Rescue:
This decision relates to:			

**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?		
Has the required decision been deemed to be a Key Decision as defined within the Staffordshire Commissioner's Decision Making Policy?		
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.
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Signature	Date
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## REPORT AND ADVICE TO THE STAFFORDSHIRE COMMISSIONER

1. Introduction and background
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2. Issues for consideration
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3. What other options have been considered?
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4. Consultation and Engagement undertaken
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<b>Report Implications</b>
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Monitoring Officer comments:
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Signature	Date
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Section 151 Officer comments:
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Signature	Date
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Has legal advice (outside of that provided by the Monitoring Officer) been sought on the content of this report?	<b>Yes</b>	<b>No</b>
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Legal Comments:
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5. Equality Comments
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<b>6. Background/supporting paper</b>		
<b>7. Public access to information</b>		
<b>8. Is the publication of this form to be deferred?</b>		
<b>9. If the report is for publication, is redaction required?</b>		
	<b>Yes</b>	<b>No</b>
Of the Decision Note?		
Of the Appendix?		

**ORIGINATING OFFICER DECLARATION:**

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

# Joint Scheme of Delegation and Consent

## Staffordshire Commissioner and Chief Constable

### 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>32</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);

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<sup>32</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).

- 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;
  - 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. Like wise, 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>33</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;

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<sup>33</sup> Paragraph 7 (1), Schedule 2 PRSRA

- 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>34</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).

## **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)

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### **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.



# **Financial, Contract and Procurement Regulations**

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

And

Staffordshire Police

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## 1.1. Statutory 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 1<sup>st</sup> 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 ("PCCs") and Chief Constables. As set out in section 17(4) of the 2011 Act and section 39A (7) of the 1996 Act, PCCs 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 PCCs in England and Wales and applies to every Chief Constable of a police force maintained by a PCC.
- 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

## 1.2 Purpose

- 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.

## 1.3 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.

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- 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.
- 1.3.4 In the event of the absence of the Police and Crime Commissioner, the statutory roles will be assumed by the Deputy Police and Crime Commissioner.

## 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.

## 1.5 Definitions

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- 1.5.1 **"The Budget"** means the Annual Revenue Budget and capital programme prepared and approved in accordance with Section FR11 of this Scheme
- 1.5.2 **"Budget Head"** means the lowest level of the budget approved by the Commissioner in the annual budget report or any revisions subsequently made to the budget by the Commissioner.
- 1.5.3 **"Budget Holder"** means the person to whom budget management responsibility is delegated.
- 1.5.4 **"Capital Expenditure"** means the acquisition or improvement of Fixed Assets which will have a long term value to the Commissioner or Force. Fixed assets include land, new or existing buildings, ICT systems, furniture, equipment and vehicles.
- 1.5.5 **"CFO"** means Chief Finance Officer.
- 1.5.6 **"Chief Constable"** means the person appointed under Section 2 of the Police Reform and Social Responsibility Act 2011 with responsibility for the direction and control of Staffordshire Police Force.
- 1.5.7 **"Chief Executive"** means the person appointed as head of the PCC's staff with responsibility for its general administration and as defined by the Police Reform and Social Responsibility Act 2011.
- 1.5.8 **"Chief Officer"** means the Chief Constable, the Deputy Chief Constable, Assistant Chief Constable, Assistant Chief Officer or Force Chief Finance Officer.
- 1.5.9 **"Commissioner"** means the Police and Crime Commissioner for Staffordshire.
- 1.5.10 **"Commissioner's Chief Finance Officer"** means the person responsible to the Commissioner for financial management within the Office of the Commissioner and who is charged with the duties of a chief finance officer as set out in Sections 111 to 116 of the Local Government Finance Act 1988 and paragraph 6 of Schedule 1 to the Police Reform and Social Responsibility Act 2011.
- 1.5.11 **"Contract"** means an agreement entered into by two or more willing parties for the provision of goods, works or services in return for some form of consideration, normally money, which is intended to be legally enforceable. In principle, an oral agreement is as valid and effective as a written agreement; consequently great care should be taken when discussing requirements with contractors/suppliers.
- 1.5.12 **"Contract Manager"** means the police officer, police staff or employee of a strategic partner who is responsible for the day to day management of a Contract
- 1.5.13 **"Estimated value"** means the value of the Contract estimated under these Contract and Procurement Regulations.
- 1.5.14 **"EU"** means the European Union.
- 1.5.15 **"Framework agreement"** means a negotiated enabling arrangement. A Framework Arrangement in itself is not a binding Contract on the Commissioner but each and every order placed by the Commissioner against the Framework Arrangement contractor(s)/suppliers(s) are deemed to form a binding Contract(s) between the two parties.

# Section 1

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- 1.5.16 The **“Financial Management Code of Practice”** or “FMCP” means the Financial Management Code of Practice for the police service of England and Wales issued by the Secretary of State for the Home Department under s.17 of the Police Reform and Social Responsibility Act and s. 39a of the Police Act 1996. It applies to the discharge of functions by all police and crime commissioners and applies to every Chief Constable of a police force maintained by a police and crime commissioner.
- 1.5.17 **“Force Chief Finance Officer”** means the person responsible to the Chief Constable for financial management within the Force and who is charged with the duties of a chief finance officer as set out in Sections 111 to 116 of the Local Government Finance Act 1988 and paragraph 4 of Schedule 2 and paragraph 1 of Schedule 4 to the Police Reform and Social Responsibility Act 2011
- 1.5.18 **“Force”** means those working under the direction and control of the Chief Constable as set out in Section 15 of the Police Act 1996. It includes Police Officers, Police Staff and Volunteers, which goes beyond the legal definition of a Force but is used for the sake of brevity and simplicity.
- 1.5.19 **“Monitoring Officer”** means the Chief Executive who is designated as Monitoring Officer by Schedule 16 of the Police Reform and Social Responsibility Act 2011 and in accordance with Section 5(1C) of the Local Government & Housing Act 1989.
- 1.5.20 **“Office of the Police and Crime Commissioner”** means the staff employed directly by the Commissioner to carry out managerial, administrative and support work on his/her behalf and managed by the Chief Executive.
- 1.5.21 **“Police and Crime Panel”** means the panel established by Section 28 of the Police Reform & Social Responsibility Act 2011 to support the effective exercise of the functions of the Police & Crime Commissioner.
- 1.5.22 **“Police Officers”** means all police officers appointed in accordance with the Police Regulations.
- 1.5.23 **“Police Staff”** means all civilian support staff appointed on the terms and conditions agreed by the Police Support Staff Council.
- 1.5.24 **“Policy Framework”** means
- The Police and Crime Plan;
  - The Medium Term Financial Strategy and Financial Plan;
  - The People Strategy;
  - The Procurement Strategy
  - The ICT Strategy
  - The Estate Strategy
  - The Fleet Strategy
  - Any other plans and strategies which are expressed to form part of the Policy Framework.
- 1.5.25 **“Quotation”** means a quotation of price and any other relevant matter without the formal issue of a Tender.
- 1.5.26 **“Requisitioning Officer”** means any individual who is responsible for procuring goods, services or the carrying out of works.

# Section 1

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- 1.5.27 “**CBS**” means Commercial Business Services
- 1.5.28 “**Strategic Partner**” means third party organisation that provide services to the Commissioner and/or the Chief Constable under a long term partnership contract
- 1.5.29 “**Tender**” means a suite of formal documents sent to contractors/suppliers from among either: those responding to advertisement of the Contract inviting proposals; or those included on a select or approved list in respect of the type of purchase which is the subject of the Tender
- 1.5.30 “**Virement**” means the transfer of amounts from one Budget Head to another.

## 2. Proper 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 Proper Officers to discharge the functions stated.

### 2.2 Chief Executive

- 2.2.1 The Chief Executive is designated as the Proper 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 Chief Finance Officers

- 2.3.1 Both the Commissioner's and Chief Constable's Chief Finance 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 Chief Finance Officer and the Chief Constable's Chief Finance 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.
- 2.3.3 In the event of the absence of either CFO their respective statutory roles will be assumed by the Deputy Chief Finance 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 staff and the Force and anyone acting on their behalf.
- 3.1.3 Section 11 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 CFO 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 CFO shall take appropriate action to prevent further occurrences. For more significant breaches the Commissioner's CFO 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 CFO 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 CFO shall take appropriate action to prevent further occurrences. For more significant breaches

## Section 3

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the Force CFO 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. This is covered in more detail within 12.10.
- 3.4.2 In cases of urgency:
  - 3.4.2.1.1 The Chief Constable jointly with the Force CFO, 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
  - 3.4.2.1.2 The Commissioner jointly with the Chief Executive and the Commissioner's CFO 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 3.4.2.1.1, the Chief Constable, Chief Executive and CFOs fail to agree on the need for or extent of any such expenditure the Commissioner will decide on the appropriate course of action.
- 3.4.4 The exercise of regulation 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 Value Added Tax (VAT)

- 3.5.1 All limits specified within these Financial Regulations exclude any Value Added Tax (VAT) which may be payable.

### 3.6 Review

- 3.6.1 Each CFO 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 CFO. All other changes must be approved by the Commissioner.
- 3.6.2 The CFOs will review Section 11 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.
- 3.6.3 At least once every three years, the CFOs 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 11 and will submit any recommendations for change to the Commissioner for approval.

## 4. Financial Management

### 4.1 The Commissioner

- 4.1.1 The Commissioner has a statutory duty and electoral mandate to ensure an efficient and effective police service and to hold the police to account on behalf of the public. The Police and Crime Commissioner is the recipient of all funding relating to policing and crime reduction, including government grant, council tax precept and other sources of income. How this money is allocated is a matter for the Police and Crime Commissioner in consultation with the Chief Constable, or in accordance with any grant terms. The statutory officers of the Chief Constable and the Police and Crime Commissioner will provide professional advice and recommendations.
- 4.1.2 The Commissioner shall appoint a Chief Financial Officer (the Treasurer) to be responsible for the proper administration of the Police and Crime Commissioner's financial affairs. He shall also appoint a Chief Executive who will act as the Police and Crime Commissioner's monitoring officer.
- 4.1.3 The Commissioner is responsible for approving the policy framework and budget, monitoring financial outcomes and the approval of medium term financial plans in consultation with the Chief Constable. He is responsible for approving the overall framework of accountability and control, and monitoring compliance. In relation to these Financial Regulations this includes:
- Police and Crime Plan
  - Medium Term Financial Plan
  - Annual revenue budget
  - Capital programme and Capital Strategy
  - Treasury management strategy, including the annual investment strategy
  - Asset management strategies
  - Risk management strategy
  - Governance policies
- 4.1.4 The Commissioner is responsible for approving procedures for recording and reporting decisions taken and for monitoring compliance with agreed policy and related executive decisions.
- 4.1.5 The Commissioner is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework.
- 4.1.6 The Commissioner shall provide the Treasurer with such staff, accommodation and other resources as are in his opinion sufficient to allow his duties under this section to be performed.
- 4.1.7 The may appoint a Deputy Police and Crime Commissioner for that area and arrange for the Deputy Police and Crime Commissioner to exercise any function of the Police and Crime Commissioner other than those excluded from delegation by statute.

## 4.2 The Statutory Officers

- 4.2.1 The Chief Constable shall have responsibility for discharging all executive functions vested in the Force in accordance with the Policy Framework and Budget and in particular shall be responsible for:
- Corporate and overall strategic management;
  - Reporting to and providing financial and performance information to the Commissioner;
  - Establishing a framework for management direction, style, standards and delegation for monitoring the performance of the organisation;
  - Ensuring that the financial implications of all proposals have been agreed by the Force Chief Finance Officer;
  - Signing contracts or making other financial commitments within the limits of the delegated budget and subject to the Scheme of Consent;
  - Consulting with the Force Chief Finance Officer and seeking approval on any matter specified within these Financial and Contract and Procurement Regulations; and
  - Exercising the powers and duties of the Force under the Police (Property) Regulations 1997.
  - Responsible for the administration of the Police Property Fund (1897)
- 4.2.2 In the event of the absence of the Chief Constable, the statutory roles will be assumed by the Deputy Chief Constable.
- 4.2.3 The Chief Constable, in consultation with the Commissioner, Chief Executive and Commissioner's CFO shall appoint the Force Chief Finance Officer.
- 4.2.4 The Force Chief Finance Officer shall:
- 4.2.4.1 Be responsible to the Chief Constable for financial activities undertaken in the Force;
  - 4.2.4.2 Be responsible for the proper financial administration of the Force including the preparation of statutory statements of account;
  - 4.2.4.3 Have a place on the Chief Constable's Senior Command team;
  - 4.2.4.4 Be a member of one of the bodies listed in Section 113 of the Local Government Finance Act 1988.
  - 4.2.4.5 Be responsible for ensuring efficient and effective use of financial resources available to the Force to support the achievement of high standards of operational performance.
  - 4.2.4.6 Provide the Commissioner and the Commissioner's CFO with all such financial information and support as they may require to facilitate the proper discharge of their respective statutory duties and functions.

## 4.3 Other Officers

- 4.3.1 The Chief Constable shall ensure that a proper scheme of delegation has been established and is operating effectively. The scheme of delegation should identify police officers and police staff authorised to act on the Chief Constable's behalf in respect of payments, income collection and placing orders, together with the limits of their authority.
- 4.3.2 Budget Holders shall be responsible for the management and control of budgets and cost centers allocated to them. A Budget Holder may be an employee of the Police and Crime Commissioner, the Chief Constable or of a commissioned body (where appropriate governance arrangements are agreed prior to the budget holder being given a budget).

- 4.3.3 Budget holders shall ensure that all expenditure and income is properly recorded and accounted for. They are responsible for monitoring expenditure and income and shall take appropriate action in the event of any variation occurring, or being anticipated to occur, in the expenditure and/or income relating to activities and cost centers within their purview.
- 4.3.4 In respect of major projects such as business changes as well as all capital programme projects the Chief Constable and Force CFO will designate a person to act as the Senior Responsible Owner (SRO) of the project. The SRO will be advised by the project manager and will have the same responsibilities as Budget Holders in respect of managing expenditure and income, in so far as these relate to the project under their control.

### 4.4 The External Transparency Audit Panel (ETAP)

- 4.4.1 The Home 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.
- 4.4.2 ETAP shall establish formal terms of reference, covering its core functions, which shall be formally adopted and reviewed on an annual basis.
- 4.4.3 The Police and Crime Commissioner and Chief Constable shall be represented at all meetings of ETAP.

## 5. Financial Planning

### 5.1 Medium Term Financial Strategy (MTFS)

- 5.1.1 The Commissioner's CFO and the Force Chief Finance 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 for at least the ensuing three years, 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
- 5.1.2 In preparing the MTFS the CFO's shall consult with the Commissioner, the Chief Constable and shall take into account the views of relevant third parties.

### 5.2 Preparation of the Budget and Capital Programme

- 5.2.1 The Commissioner shall approve the annual revenue Budget and Capital Programme and set the precept having consulted with the local community.
- 5.2.2 The Commissioner's annual Budget and Capital Programme shall be prepared having regard to the Policy Framework and in particular to the Police and Crime Plan approved by the Commissioner.
- 5.2.3 In respect of the annual budget and capital programme, the Commissioner's CFO shall and the Force CFO will devise a detailed timetable for the preparation of the annual Capital and Revenue budgets and the format of those budgets. Furthermore, the Chief Constable shall:
- 5.2.3.1 ensure that budget estimates reflect agreed service plans and that these estimates are prepared in line with any guidance issued by the Commissioner or the Commissioner's CFO;
  - 5.2.3.2 ensure that a draft revenue budget is prepared alongside the Police and Crime Plan each year for consideration and comment by the Commissioner;
  - 5.2.3.3 submit a revised budget at a time to be agreed each year for approval by the Commissioner;
  - 5.2.3.4 issue guidance to their staff on the general content of the budget in consultation with the Force Chief Finance Officer as soon as possible following approval by the Commissioner;
  - 5.2.3.5 Implement the approved budget in accordance with the Financial Regulations and Contract and Procurement Regulations.

## 6. Financial Management

### 6.1 Budgetary Control

- 6.1.1 The Chief Constable shall ensure that allocated resources are used for their intended purposes and are properly accounted for.
- 6.1.2 The Chief Constable may authorise lawful expenditure included in that part of the approved Budget and Capital Programme that is under his/her direct control.
- 6.1.3 Control of expenditure and income shall be against the appropriate Budget Head.
- 6.1.4 The Chief Constable will monitor the budgeted income and expenditure, and provide the Strategic Governance Board with monthly reports comparing revenue expenditure in the year to date together with a forecast of spend to the year-end compared to the approved budget.
- 6.1.5 Where joint services are provided to both the Office of the Police & Crime Commissioner and the Chief Constable, the budget will be designated to either the Chief Executive or the Chief Constable, as appropriate, and they will agree a Business Plan for the delivery of the joint services.
- 6.1.6 For the purposes of these Financial Regulations, expected or actual shortfalls or losses of income shall be treated as if they are increases in expenditure.
- 6.1.7 The Chief Constable shall ensure, as far as practicable, that expenditure in excess of the approved budget is not incurred. Where an estimated or actual overspend is identified, which cannot be dealt with by Virement (see section 6.4), the details shall be included within the next budget monitoring report to the Commissioner. The monthly reports shall include an explanation for any overspend and details of the action taken or proposals made to deal with it.

### 6.2 Capital Expenditure

- 6.2.1 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 CFO's and Monitoring Officer and approved by the Commissioner (see 5.2).
- 6.2.2 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 mentioned afore in 6.1.4 and be presented on a monthly basis
- 6.2.3 Any in-year changes to the Capital Programme must be approved by the Commissioner, having consulted with the Commissioner's CFO.

### 6.3 Financial Appraisals (Business Case)

- 6.3.1 A Business Case must be prepared by the Chief Constable for all capital and revenue schemes with a financial implication, in accordance with Section 11. Every Business Case shall be in a format agreed with the Force CFO, based on the HM Treasury Green Book 5 Case Model, which will include:
  - the scope of the proposal;

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- 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.
- 6.3.2 These will all be initially assessed by the Modern Policing and Enabling Board in the first instance.
- 6.3.3 All Business Cases will be submitted to the Force CFO (or Commissioner's CFO for Business Cases to be funded from the budget of the OPCC) for comment prior to submission to the designated decision maker. The relevant CFO will consider and make recommendations on the financial case.
- 6.3.4 For proposals estimated to cost less than the delegated limit (see section 11.1) the Chief Constable may approve the proposal provided that the Force CFO has approved the financial case and there is sufficient funding within the approved Budget or Capital Programme.
- 6.3.5 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.
- 6.3.6 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 CFO shall consult with the Chief Executive and the Commissioner's CFO 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.
- 6.3.7 In circumstances where a proposal is initially estimated to cost less than the delegated limit (see section 11.1) 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.
- 6.3.8 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 11.1) (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.
- 6.3.9 All re-appraisals of proposals exceeding the delegated limit shall be referred to the Commissioner for approval.
- 6.3.10 Where the Force CFO declines to approve any Business Case submitted to them under paragraph 6.3.3, the Chief Constable may refer the Business Case to the Commissioner for determination.

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- 6.3.11 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.
- 6.3.12 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).
- 6.3.13 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 capital programme regardless of value that are funded via borrowing, leasing or PFI are decisions reserved for the Commissioner.
- 6.3.14 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 Modern Policing and Enabling Board.
- 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 6.3.13 above.
  - The Enabling Board which has overall responsibility for the capital funding and monitoring of the capital programme, within the financial regulations and for sign off of Business cases after legal and finance approval within the rules identified in 6.3.13 above.
- 6.3.15 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

## 6.4 Virement and Transfers

- 6.4.1 Virement is the planned reallocation of resources between approved budget heads. The Chief Finance 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:

- 6.4.1.1 is likely to result in a failure to achieve objectives and targets set out in the Police and Crime Plan; or
- 6.4.1.2 Increases committed expenditure in future years by more than the delegated limit in section 11.1 (excluding annual pay awards and inflation).

Authorisation of Virement		Delegated Limit
<i>Virement increases committed expenditure in future years.</i>		
6.4.1.3	The Commissioner	Exceeds £250,000

- 6.4.2 The following are authorised to undertake Virement within their delegated limits (see Section 11.1 and 11.2):

Authorisation of Virement		Delegated Limit
<i>Virement for individual items or aggregated values</i>		
6.4.2.1	The Chief Constable & Force CFO	Up to £1,000,000
6.4.2.2	The Commissioner	No Limit

- 6.4.3 Virement from the Capital Programme to the revenue budget, or vice versa, is not permitted.

- 6.4.4 Where there is no change in service delivery, transfers realign approved budget within a budget holder area, to where actual expenditure is incurred. This is to give greater accuracy in the reporting. Budget holders are authorised to approve transfers within their area, to any value.

Authorisation of Transfer		Delegated Limits
6.4.4.1	Budget Holder, provided they are responsible for both relevant budgets.	No Limit

Where the budget holder is not responsible for both relevant budgets referral and sign off must be given in line with 6.4.2

## 6.5 Year End Carry Forward

- 6.5.1 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.
- 6.5.2 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.
- 6.5.3 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 monthly financial management

- 6.5.4 Requests for the carry-forward or the use of earmarked reserve should be made to the respective S151 Officer and approved by them as part of monthly financial management processes. This will be reported on in the monthly finance report
- 6.5.5 Use of the general fund reserve is a decision reserved for the Commissioner, taking advice from the S151 officer.

### 6.6 Use of Balances and Reserves

- 6.6.1 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.
- 6.6.2 The net cost of insurance claims shall be financed from the Insurance Reserve in accordance with the latest policy approved by the Commissioner.
- 6.6.3 Proposals for unbudgeted expenditure to be financed from the Commissioner's General Reserve can only be approved by the Commissioner themselves. The use of earmarked reserves shall be in line with the intended use of these reserves and reported on within the monthly reporting to the Commissioner and Chief Constable. For the proposed use of earmarked reserves where the purpose of use is not within the strict bounds of the reason for establishment this decision is reserved for the Commissioner.
- 6.6.4 The Chief Constable shall have control over one earmarked reserve (the 'Reshaping the Future' Reserve). This is in line with Home Office and CIPFA guidance stating the Chief Constable shall have an 'operational reserve'. Whilst operational pressure in a policing sense is funded from the general fund reserve the local interpretation of 'operational' in the context of this reserve is:
  - 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.

The Chief Constable is not permitted to go 'overdrawn' in this reserve, and the balances held on this reserve are reviewed, along with all others, as part of the MTFS in regards to their adequacy.
- 6.6.5 The revenue Capital Reserve can be accessed in year, subject to a full business case through the appropriate internal governance, to fund additions to the capital programme of either Staffordshire Police or the Commissioner's Office (Police and Crime) subject to Section 151 Officer approval.

### 6.7 Annual Statements of Account

- 6.7.1 The CFOs shall ensure that annual statements of account are prepared for both the Commissioner and the Chief Constable by 31<sup>st</sup> May each year immediately following the year end. The Commissioner's CFO shall also ensure that group accounts are prepared by 31<sup>st</sup> May each year.

- 6.7.2 The CFOs shall ensure that all information needed for the Group Accounts is provided.
- 6.7.3 The statements of account must be prepared in accordance with proper practices and the Accounts and Audit Regulations 2015 and all applicable guidance and codes of practice. The Commissioner's CFO shall certify that the relevant statements of accounts present a true and fair view of the financial position and the income and expenditure of the Commissioner. The Force CFO shall certify that the relevant statements of account present a true and fair view of the financial position and the income and expenditure of the Chief Constable. The Accounts will be submitted to the Commissioner for noting prior to the external audit being carried out.
- 6.7.4 Following the completion of external audit the statements of account are to be recertified by the Force CFO and the Chief Constable (for the Chief Constable's statement of accounts) and by the Commissioner's CFO and the Commissioner (for the Commissioner's statement of accounts and the group statement of accounts).
- 6.7.5 The Audit Committee shall review the Chief Constable's, Commissioner's and Group statements of account and any reports on them made by the external auditor prior to the statutory deadline date. The Audit Committee shall report any concerns it may have to the Commissioner and Chief Constable.
- 6.7.6 The Group, PCC's and CC's Accounts will be open to Public Inspection each year in accordance with the statutory requirements and to a timetable agreed in conjunction with the external auditors.
- 6.7.7 The accounts must be published by the statutory deadline date each year, including publication on the Chief Constable's and Commissioners website, together with any certificate, opinion, or report issued, given or made by the external auditor.

## 6.8 Accounting Policies

- 6.8.1 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 CFOs shall determine and consistently apply accounting policies, which comply in all respects with the latest accounting guidance and standards. If there is any commercial Services between the Force Chief Finance Officer and the Commissioner's CFO as to the policies to be adopted the matter will be referred to the external auditor for guidance and a recommendation.
- 6.8.2 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 11.1) must be reported to the Commissioner by the Commissioner's CFO.

	Reporting	Delegated Limit
<i>Accounting Policies – Changes causing financial impact</i>		

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6.8.3	Reported to the Commissioner by the Commissioner's CFO	Exceeds £50,000
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### 6.9 Accounting Records

- 6.9.1 The Commissioner's CFO shall determine the accounting records to be maintained by the Chief Constable.
- 6.9.2 All accounts and records relating to the finances of the Chief Constable shall be open to inspection by the Commissioner's CFO, or any person authorised by the Commissioner's CFO. The Commissioner shall have authority to apply any test or check to those accounts and records and to require such explanations as he/she considers necessary to satisfy themselves as to the correctness of any matters under consideration.
- 6.9.3 This will also apply to all accounts held on a Shared Service Provision basis.

### 6.10 Retention of Records

- 6.10.1 The Force CFO will produce a document retention policy and agree this with the Commissioner's CFO. All statutory requirements must be met as a minimum and requirements for the Freedom of Information Act must be incorporated within the document retention policy.

## 7. Risk Management and Control of Resources

### 7.1 Risk Management

- 7.1.1 The Chief Constable, with the advice of the Force CFO, shall approve the Strategic arrangements for risk management and insurance, and shall periodically review the effectiveness of these arrangements.
- 7.1.2 Within the overall strategy agreed with the Commissioner, the Chief Constable shall effect and administer risk management policies, ensuring that:
- procedures (including risk registers) are in place to identify, assess, prevent or contain material known risks, and these procedures are operating effectively throughout the Force;
  - A monitoring process is in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be conducted on a continuing basis to all service areas and applies to all projects and capital schemes;
  - managers know that they are responsible for managing relevant risks and are provided with relevant information on risk management initiatives; and
  - Acceptable levels of risk are determined and insured against where appropriate.
- 7.1.3 The Chief Constable, in conjunction with the Force CFO, shall implement and manage insurance arrangements were required to have such insurance by law and also to mitigate other risks where appropriate.
- 7.1.4 Officers and staff promptly notify the Force's CFO of:
- 7.1.4.1 All new risks, of whatever nature, which require to be insured, indicating the scope and amount of cover required, together with variations in existing risks; and
- 7.1.4.2 Any loss, liability or damage, or of any event likely to lead to a claim, either against the Force or in favour of it.
- 7.1.5 No officer or staff shall admit liability to a claimant, or make any statement which could be construed as such, concerning any matter which is to be dealt with by insurers.
- 7.1.6 The Chief Constable may approve settlements of claims within the terms of the insurance policies.
- 7.1.7 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 11.1). For payments and settlements in excess of the delegated limit, the Chief Constable must consult with the CFO.

		Delegated Limit
Payments arising from Employment Tribunal Settlements and ex-gratia payments		
7.1.7.1	Head of People Services	Up to £10,000
7.1.7.2	The CFO	Exceeds £10,000

- 7.1.8 The Force CFO shall report annually to the Chief Constable on the claims experience. They will also report on any insurance settlements and ex-gratia payments in excess of the delegated limit, together with the current position in respect of claims estimated over the delegated limit (see section 11.1).

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- 7.1.9 The Chief Constable shall submit an annual report on insurance arrangements, including claims experience, to the Commissioner.

## 8. Internal Control & Audit

### 8.1 Internal Control

- 8.1.1 The Force Chief Finance Officer, in conjunction with the Commissioner's CFO, shall advise managers about effective systems of internal control.
- 8.1.2 Managers are responsible for implementing effective internal controls sufficient to ensure compliance with all applicable statutes, regulations and other relevant statements of best practice and to safeguard all public funds and other assets. Managers are also responsible for ensuring that public funds and assets are used economically, efficiently and effectively.

### 8.2 Audit Requirements- Internal Audit

- 8.2.1 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.
- 8.2.2 The Commissioner and Chief Constable shall jointly commission an internal audit provider. The commissioning process may be carried out in collaboration with other police commissioners, chief constables and other public bodies
- 8.2.3 The internal audit provider will prepare an annual internal audit plan in consultation with the CFOs, and submit it to the Commissioner and Chief Constable for approval.
- 8.2.4 The Chief Constable, shall be able to request directly from Internal Audit, systems audits, value for money audits and advisory work related to value for money.
- 8.2.5 All reports produced by the internal audit provider shall be available to both CFOs. Regular summaries of audit reports shall be submitted by the internal audit provider to the Commissioner and the Chief Constable.
- 8.2.6 The internal audit provider shall:
  - 8.2.6.1 have access at all reasonable times to premises, personnel, documents, and assets that are considered necessary for the purposes of their work; and
  - 8.2.6.2 Be provided with any information and explanations that they seek in the course of their work.
- 8.2.7 All recommendations concerning the Force will be notified to the Chief Constable who will consider and respond promptly and ensure that any agreed actions arising are carried out within agreed timescales.
- 8.2.8 The Audit Committee will track the implementation of all audit recommendations.

### 8.3 Audit Requirements – External Audit

- 8.3.1 Public Sector Audit Appointments is responsible for appointing external auditors to the Commissioner and the Chief Constable. External auditors shall work closely with the CFOs and have full access to internal audit reports.

- 8.3.2 The Audit Committee should use the reports from external auditors to assist it in monitoring performance, including the operation of these Financial Regulations.

### 8.4 Preventing Fraud and Corruption

- 8.4.1 The Commissioner and Chief Constable shall develop and maintain an anti-fraud and anti-corruption policy. All employees are required to observe the policy and to bring to the attention of senior management any breaches which they observe.
- 8.4.2 Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of the Commissioner or the Chief Constable, the relevant CFO shall be notified forthwith and the appropriate action, by way of investigation and report, shall be taken.
- 8.4.3 Whichever CFO is notified about the irregularity shall inform the other CFO as soon as practicable.

### 8.5 Stocks and Stores

- 8.5.1 The Force CFO, shall prepare guidance relating to the manner in which stocks and stores are to be administered.
- 8.5.2 Stocks shall not be held in excess of normal operational requirements except in special circumstances with the approval of the Force CFO.
- 8.5.3 The identification of any material surplus or deficiency shall be reported to the Chief Constable and may only be written off with their approval, up to the delegated limit (see section 11.1). Writing off amounts of stock in excess of the delegated limit shall require the approval of the Commissioner's CFO.

	<b>Stock and Stores Write Off</b>	<b>Delegated Limit</b>
8.5.3.1	The Chief Constable	Up to £10,000
8.5.3.2	The Commissioner's CFO	Exceeds £10,000

### 8.6 Inventories

- 8.6.1 The Chief Constable is responsible for maintaining adequate records for inventory items belonging to 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.
- 8.6.2 A physical check of all inventory items must be made at least every two years and certified as correct by the officer in charge. The checks may be carried out on a rolling programme.
- 8.6.3 A list of discrepancies and unserviceable equipment shall be submitted to the Force Chief Finance Officer who may authorise that the inventory be adjusted up to the delegated limit (see section 11.1) provided that any deficiencies are due to fair wear and tear. Other discrepancies will be subject to normal internal audit scrutiny.

## 8.7 Disposal's Plant and Equipment

- 8.7.1 The Chief Constable should maintain a written disposal procedure and make it available to all police officers and police staff.
- 8.7.2 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.).
- 8.7.3 The following are authorised to approve disposals within their delegated limits. All disposal proceeds will be credited to the Commissioner's accounts as provided for in the Scheme of Consent (see section 11.1 and 11.2):

Disposals Plant and Equipment		Delegated Limits (Disposal Value not Net Book Value)
8.7.3.1	Commercial Business Partner	Up to £10,000
8.7.3.2	Deputy S151 Officer/ Head of Commercial Services	Up to £100,000
8.7.3.3	The CFO	Exceeds £100,000

## 9. Treasury Management

### 9.1 Borrowing and Investments

- 9.1.1 The Commissioner has adopted CIPFA's 'Treasury Management in the Public Services: Code of Practice' ("the Code").
- 9.1.2 The Commissioner's CFO may make arrangements for the Force Chief Finance Officer, other officers to undertake or procure, in a manner acceptable to the Commissioner's CFO, the daily management of cash, loans and investment work. The delegations in place for investments is set out in the appendix to these regulations "Police and Crime Commissioner" at section 11.2.
- 9.1.3 No person shall undertake long term borrowing on behalf of the Commissioner without the prior written approval of the Commissioner's CFO.

### 9.2 Banking Arrangements

- 9.2.1 All arrangements concerning the opening and closing of bank accounts, the issue of cheques, and bank transfer instructions shall be approved by the Commissioner's CFO. The delegations in place for banking arrangements is set out in the appendix to these regulations "Police and Crime Commissioner" at section 11.2. All Commissioner bank accounts, including imprest accounts, must include "The Police and Crime Commissioner for Staffordshire" 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 Commissioner's CFO.
- 9.2.2 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.
- 9.2.3 The Commissioner's CFO and, subject to his/her supervision, every person operating a bank account on behalf of the Commissioner shall make safe and efficient arrangements for the control of access to bank cheques, the preparation, signing and dispatch of cheques, the prompt examination of paid cheques and an independent reconciliation of cash books with bank statements.
- 9.2.4 Every Officer who receives money on behalf of the Commissioner shall promptly pay over such monies, without deduction, to the Commissioner's bankers or a representative of the Force CFO, in accordance with such arrangements as the Commissioner's CFO shall prescribe.
- 9.2.5 Credit, debit and/or purchasing cards will only be issued to individuals after specific agreement by the Force CFO. 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 11.2.
- 9.2.6 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 11.2.

## 9.3 Imprest

- 9.3.1 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 the annex to these regulations "Police and Crime Commissioner" at section 11.2.
- 9.3.2 Payments from the imprest accounts shall be limited to minor items of expenditure, not exceeding the delegated limit per item (see section 11.1), and to such other items as may be agreed from time to time by the Chief Constable and Commissioner's CFO. 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 CFO explaining why this has occurred.
- 9.3.3 Informants' fees and Identification Parade fees may be paid out of imprest accounts subject to compliance with written procedures issued by the Force CFO.
- 9.3.4 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 CFOs.

## 9.4 Voluntary Funds

- 9.4.1 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.
- 9.4.2 The Chief Constable shall consult with the CFO 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.
- 9.4.3 Where bank accounts are set up, account names must be approved by the Commissioner's CFO. Bank accounts should not include the name of any officer or staff member by name or designation or establishment in the title.

## 9.5 Leases

- 9.5.1 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 in the annex to these regulations "Police and Crime Commissioner" at section 11.2.

## 9.6 PFI Scheme

- 9.6.1 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.

## 10. System and Procedures

### 10.1 General

- 10.1.1 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 CFO and Force Chief Finance Officer.
- 10.1.2 Any changes made to the existing financial systems or the establishment of new systems must be approved by both CFOs.
- 10.1.3 The Chief Constable should ensure that all police officers and police staff receive relevant financial training that has been approved by the Force CFO.
- 10.1.4 The Chief Constable must ensure that, where appropriate, computer and other systems are registered in accordance with data protection legislation.
- 10.1.5 The Chief Constable must produce business continuity plans covering all the material aspects of service for implementation in the event of a disaster which may result in significant loss or damage to the Force's resources. Where appropriate business continuity plans should be prepared by partners and suppliers.

### 10.2 Income

- 10.2.1 All official receipt forms or books or other documentation representing receipts for money due to the Commissioner shall be in a form agreed by the Commissioner's CFO.
- 10.2.2 Each officer or staff member who receives money on behalf of the Commissioner shall give such acknowledgement thereof and keep such records as may from time to time be approved by the Commissioner's CFO, including an accurate and chronological account of all receipts and deposits.
- 10.2.3 The Force CFO or his authorised representative shall be notified as early as possible of all money due under contracts, leases, tenancy agreements, agreements for the sale of property and any other arrangements involving the receipt of money by the Commissioner. Where the sum is to be paid directly into the Commissioner's bank account by the third party the Force CFO or his authorised representative should be notified in advance of receipt.
- 10.2.4 Where required, VAT must be charged by the Commissioner. Officers must charge and account for VAT in accordance with group VAT registration, HMRC regulations and any guidance issued by the CFOs.
- 10.2.5 Personal or third party cheques shall not be cashed out of money held on behalf of the Commissioner.
- 10.2.6 No debt in respect of an amount due to the Commissioner once established shall be discharged otherwise than by payment, by the issue of an official credit note or by write off.
- 10.2.7 The delegation of authorities in relation to the debtor invoices is set out in the annex to these regulations "Police and Crime Commissioner" at section 11.2.

## 10.3 Writes Offs

- 10.3.1 Sums due to the Commissioner or Chief Constable shall not be written off without the direct approval of the Commissioner except as outlined at section 11.2. Section 11.2 also sets out the delegation of authorities in place for write off.

	<b>Debtor Write Off Approval</b>	<b>Delegated Limit</b>
10.3.1.1	Transactional Team Leader	£99.99
10.3.1.2	Chief Accountant	£4,999
10.3.1.3	Section 151 Officer	£99,999
10.3.1.4	Chief Constable/ Police Crime Commissioner	£Unlimited

- 10.3.2 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 11.1).
- 10.3.3 The Force CFO may prescribe that, generally or particularly, specified goods or services shall not be supplied on credit terms or shall be supplied only on prepayment or concurrent terms.
- 10.3.4 The Chief Constable shall determine the appropriate level of fees for services and the use of premises for which fees have not otherwise been fixed.
- 10.3.5 The Chief Constable shall ensure that charges for special police services, made under Section 25 of the Police Act 1996, are calculated in accordance with the detailed guidance issued by NPCC and approved by the Commissioner.
- 10.3.6 The Force CFO shall ensure that all discretionary charges are reviewed annually in consultation with the Commissioner's CFO.

## 10.4 Payments for Goods, Work and Services

- 10.4.1 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.
- 10.4.2 All staff who place orders for goods or services should procure goods, work and services in accordance with the Contract and Procurement Regulations which are set out in a separate section of this document
- 10.4.3 Orders must be issued in advance for all goods, work and services required. Such orders must be made in writing and in a form approved by the CFO's. This does not include supplies of public utility services, rent, rates and petty cash disbursements.
- 10.4.4 The originator shall indicate on the order, by use of codes approved by the CFO's, the expenditure headings to which the expenditure shall be charged.
- 10.4.5 The Force CFO should agree with the Commissioner's CFO the policies and procedures for the use of corporate credit cards and purchasing cards.

- 10.4.6 The Force CFO should agree with the Commissioner's CFO the policies and procedures for purchasing goods or materials at auction or from any consortium or association of which the Commissioner is a member.
- 10.4.7 The delegation of authorities in relation to the authorisation of creditor payment runs, credit note requests and the processing of invoices is set out in the annex to these regulations "Police and Crime Commissioner" at section 11.2.

## 10.5 Salaries, Wages and Pensions (Including Expenses)

- 10.5.1 The payment of salaries, wages or other emoluments and pensions shall be made only on the authority of the Chief Constable or Commissioner's CFO. The delegation of authorities in relation to the authorisation of payroll payments is set out in the annex to these regulations "Police and Crime Commissioner" at section 11.2.
- 10.5.2 The Human Resources 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,
- 10.5.3 Payments of expenses and allowances will be made in line with the publishes 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.

## 10.6 Taxation

- 10.6.1 The Force Chief Finance Officer should advise the Chief Constable on all taxation issues that affect their organisation, in the light of guidance issued by appropriate bodies and relevant legislation.
- 10.6.2 The Force Chief Finance Officer shall maintain the Commissioner's and Chief Constable's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

## 10.7 External Arrangements

### **Gifts, Loans and Sponsorship**

- 10.7.1 The Commissioner is responsible under the Police Act 1996 for setting the terms under which the Force may, in connection with the discharge of its functions, accept gifts of money, and gifts or loans of other property.
- 10.7.2 Gifts, loans and sponsorship can be defined as the voluntary provision to the Force of non-public funds, services, equipment or other resources. They may 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 acknowledgement.
- 10.7.3 For the avoidance of doubt this financial regulation does not apply to any funding received pursuant to any service delivery partnership entered into with another public body or voluntary organisation.
- 10.7.4 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:

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- 10.7.4.1 by accepting offers from sources which come under the direct scrutiny of the police;
- 10.7.4.2 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
- 10.7.4.3 To influence the direction of a particular policy or operation.
- 10.7.5 Such arrangements should only be used to support police activities which can readily be discontinued, since the donations can be withdrawn at any time on the initiative of the donor.
- 10.7.6 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.
- 10.7.7 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.
- 10.7.8 Where publicity is sought by the donor/lender/sponsor, a commercial agreement should be signed.
- 10.7.9 The Chief Constable has discretion to accept individual gifts, loans, or sponsorship in accordance with the above guidelines up to a value the delegated limit (see section 11.1). Above this delegated limit, the Chief Constable must obtain the prior approval of the Commissioner.

Gifts, Loans and Sponsorship Approval		Delegated Limit
10.7.9.1	Chief Constable	Up to £5,000
10.7.9.2	The Police and Crime Commissioner for Staffordshire	Above £5,000

- 10.7.10 The Chief Constable must maintain a complete record of all gifts, loans, and sponsorship received, including the market value, and provide details to the Commissioner's CFO in an annual report if requested
- 10.7.11 The Chief Constable should maintain a written policy in respect of gifts, loans, or sponsorship, and make it available to all police officers and police staff.

## 10.8 Work for Third Parties

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

10.8.1.1 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.

10.8.1.2 The Chief Constable should approve the contractual arrangements up to the delegated limit (see section 11.1) for any work for third parties or external bodies, including the identification of all risks related to that work.

10.8.1.3 If the value of such work is in excess of the delegated limit (see section 11.1), the Commissioner must be advised through the Chief Executive

	Work for Third Parties	Delegated Limit
10.8.1.4	Chief Constable	Up to £100,000
10.8.1.5	The Police and Crime Commissioner for Staffordshire	Above £100,000

10.8.1.6 All contracts will be in the name of the Police & Crime Commissioner for Staffordshire to whom all income will accrue.

10.8.2 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.

## 10.9 External Funding

10.9.1 All receipts of external funding that exceed the delegated limit (see section 11.1) and which do not fall under the capital or revenue budget for the year, shall be specifically reported to the Commissioner by the Chief Constable as soon as reasonably practical.

## 11. Delegated Limits and Authorities

### 11.1 Delegated Limits

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

Regulation	Brief Description	Level	Delegated Limit
6.3	Business Cases - proposals estimated costs	Up to	£1,000,000
6.3	Business Cases - reappraisal level	Schemes over upper limit	10% or £100,000
6.4	Virement - increases committed expenditure in future years	Exceeds	£250,000
6.4	Virement - individual item or aggregated values between service areas	Up to	£1,000,000
6.8	Accounting Policies - policy change causes financial impact	Exceeds	£50,000
7.1	Insurance - settlement of claims	Up to	In line with policy arrangements
7.1	Ex-gratia payments	Up to	£10,000
7.1	Insurance - claims reporting	Exceeds	£25,000
	Ex-gratia payments reporting	Exceeds	£10,000
	Estimated Claims	Exceeds	£25,000
8.5	Stocks & Stores - write off	Up to	£10,000
9.3	Imprest - minor items	Up to	£150 per item
10.3	Write Offs	Up to	£99,999
10.7	Gifts, Loans and Sponsorship	Up to	£5,000
10.8	Work for Third Parties	Up to	£100,000
10.9	External Funding	Up to	£100,000

## 11.2 Police and Crime Commissioner/ Chief Constable

11.2.1 The following sets out the authority limits for Police and Crime Commissioner /Chief Constable Staff for the provision of Financial Services. Retained functions do not require authorisations by the Commercial Partnership Team. Where “no limit” is indicated below, this means “no limit in accordance with Financial Regulations”.

### 11.2.2 Treasury Management – Investments

11.2.2.1 Investment Counter Parties		
Force Chief Finance Officer	Consideration or Authorisation of option (Subject to 9.1.2)	No Limit
Commissioner's Chief Finance Officer	Consideration or Authorisation of option	No Limit

11.2.2.2 Investment Authorisation		
Force Chief Finance Officer	Authorisation of option (Subject to 9.1.2)	Within limits specified in the Treasury Management Strategy
Commissioner's Chief Finance Officer	Authorisation of option	Within limits specified in the Treasury Management Strategy

11.2.2.3 Return of Investment Authorisation		
Force Chief Finance Officer	Authorisation of option (Subject to 9.1.2)	
Commissioner's Chief Finance Officer	Authorisation of option	

### 11.2.3 Treasury Management Borrowing

11.2.3.1 Borrowing		
Force Chief Finance Officer	Authorisation of option (Subject to 9.1.2)	Within approved Borrowing Policy (subject to 9.1.3)
Commissioner's Chief Finance Officer	Authorisation of option	Within approved Borrowing Policy
Information Required		
Schedule of Approved Capital Programme and anticipated spend. Available other sources of finance being utilised i.e. capital grants, contributions and receipts Period of Loan and Rate. Budgeted figures for loans anticipated as part of budget setting.		

### 11.2.4 Treasury Management – Banking Arrangements

11.2.4.1 Approval of New Accounts		
Force Chief Finance Officer , Deputy Chief Finance Officer	Consideration of Proposal	No delegation
Commissioner's Chief Finance Officer	Authorisation of option	No Limit
Information Required		
Details of Account type and justification Potential Turnover		

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11.2.4.2 Approval of New Credit Cards		
Force Chief Finance Officer , Deputy Chief Finance Officer	Authorisation of option	No Limit
Commissioner's Chief Finance Officer	Authorisation of option	No Limit
Information Required		
Details of justification and required credit limit		

11.2.4.3 Approval of Imprest Accounts		
Force Chief Finance Officer , Deputy Chief Finance Officer	Authorisation of option	No Limit
Chief Accountant	Authorisation of option	No Limit
Information Required		
Details of Account type and justification Potential Turnover		

11.2.4.4 Approval of Bank Transfers		
Force Chief Finance Officer , Deputy Chief Finance Officer	Authorisation of option	No Limit
Commissioner's Chief Finance Officer	Authorisation of option	No Limit
Chief Accountant	Authorisation of option	No Limit
Information Required		
Recipient Details of reason for transfer and amount		

11.2.4.5 Approval of Manual Cheques		
Force Chief Finance Officer , Deputy Chief Finance Officer	Authorisation of option	No Limit
Commissioner's Chief Finance Officer	Authorisation of option	No Limit
Chief Accountant	Authorisation of option	No Limit
Chief Executive	Authorisation of option	No limit
Information Required		
Recipient Details of reason for cheques and amount		

### 11.2.5 Treasury Management- Leasing Arrangements

11.2.5.1 Approval of New Arrangement		
Force Chief Finance Officer , Deputy Chief Finance Officer	Authorisation of option	No Limit
Commissioner's Chief Finance Officer	Authorisation of option	No Limit
Chief Accountant	Consideration of Proposal	No Delegation
Information Required		

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## Details of Amount and justification

### 11.2.6 Requisition of Goods and Services Process for Police and Crime Commissioner for Staffordshire

Requisition Value	Requisition Approval
<b>Note:</b> Once the necessary procurement process has been completed in line with the contract and Procurement regulations, segregation of duties requires that more than one person is involved in the T-police process in addition to the Finance function. Separate roles have been identified within t-Police for Requisitioner; Requisition Approver; receipt of goods. At least two staff should complete the different roles in respect of raising the requisition and approving the requisition.	
Up to £25k	Head of Department (or Delegated Representative).  Also, by definition all posts shown in the up to and above £100k category.
Up to £100k	Head of Commercial Services, Deputy Chief Finance Officer  Also, by definition all posts shown in the above £100k category.
Above £100k	In respect of retained functions – Force Chief Finance Officer, Chief Constable, Deputy Chief Constable, Chief Executive.
Further, once the Requisition has been approved, the final step is the conversion of the approved Requisition into a Purchase Order. No member of staff shall instruct any Supplier to commence their services until this process has been completed.	

### 11.2.7 Financial Services Arrangements

11.2.7.1 Creditor Payment Runs		
Force Chief Finance Officer , Deputy Chief Finance Officer	Authorisation of payment	No Limit
Commissioner's Chief Finance Officer	Authorisation of payment	No Limit
Chief Accountant	Authorisation of payment	No Limit
Information Required		
Payments Schedule and Control Documentation		

11.2.7.2 Payroll		
Force Chief Finance Officer , Deputy Chief Finance Officer	Authorisation of payment	No Limit
Commissioner's Chief Finance Officer	Authorisation of payment	No Limit
Chief Accountant	Authorisation of payment	No Limit

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Director of People and Resources	Authorisation of payment	No Limit
<b>Information Required</b>		
Payments Schedule and Control Documentation		

<b>11.2.7.3 Debtor Invoices</b>		
Force Chief Finance Officer , Deputy Chief Finance Officer	Authorisation of sales ledger invoice request. [Where the customer is a related party the invoice request should be countersigned by the commercial partnership team]	No Limit
Budget holder	Preparation of sales ledger invoice request	No limit
Partnership and Income Accountant	Invoice raising following Authorisation	In accordance with Authorisation
<b>Information Required</b>		
Sales ledger invoice request		

<b>11.2.7.4 Credit Notes</b>		
Transactional Team	Undertaking raising of credit note following Authorisation	In accordance with Authorisation
Commissioner's Chief Finance Officer (CFO) , Deputy Chief Finance Officer	Authorisation of credit note request	No limit
Force Chief Finance Officer (FCFO) , Deputy Chief Finance Officer	Authorisation of credit note request	No limit
Chief Accountant	Authorisation of credit note request	No limit
Chief Executive	Authorisation of credit note request	No limit
<b>Information Required</b>		
Request to raise credit note, corresponding sales invoice and justification		

<b>11.2.7.5 Debtor Write Off</b>		
Transactional Team	Preparation of proposals	No limit
Transactional Team Leader	Undertaking write off following Authorisation	£99.99 (10.3.1.1)
CFO's for respective organisations	Authorisation of write off	Up to £99,999
Strategic	Authorisation of write	Up to £unlimited

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Governance Board (Commissioner)	off	
<b>Information Required</b>		
Write off Schedule and justification		

<b>11.2.7.6 Stock Write Off</b>		
Force staff	Preparation of proposals	No limit
Transactional Team	Undertaking write off following Authorisation	In accordance with Authorisation
Chief Constable	Authorisation of write off	Up to £10k
Commissioner's Chief Finance Officer (CFO)	Authorisation of write off	above £10k
<b>Information Required</b>		
Write off Schedule and justification		

<b>11.2.7.7 Disposals Plant and Equipment</b>		
Procurement Officers	Preparation of proposals	No limit
Force Staff	Undertaking disposal following Authorisation	In accordance with Authorisation
Commercial Business Partners	Authorisation of write off	Up to £10k
Deputy S151's	Authorisation of write off	Up to £100k
Chief Finance Officer's (CFO's)	Authorisation of write off	Above £100k
<b>Information Required</b>		
As required in Asset Disposal Procedure		

## 11.3 Pension Scheme Delegation

11.3.1 The Following sets out the pension scheme authorisations

<b>11.3.1.1 Staffordshire Local Government Pension Scheme</b>		
<b>Role</b>	<b>Responsible Officer- Force</b>	<b>Responsible Officer- OPCC</b>
Staffordshire Scheme Manager	Chief Finance Officer (S151)	Chief Finance Officer (S151)

<b>11.3.1.2 Staffordshire Police Officer Pension Scheme</b>		
<b>Role</b>	<b>Responsible Officer- Force</b>	<b>Responsible Officer- OPCC</b>
Staffordshire Scheme Manager	Chief Constable of Staffordshire Police	Chief Executive with regard to the CC's membership

## 12. Contract and Procurement Regulations

### 12.1 The Need for these regulations:

- 12.1.1 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.
- 12.1.2 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.
- 12.1.3 Officers responsible for purchasing must comply with these Contract and Procurement Regulations, the Financial Regulations and all necessary UK legal requirements.

### 12.2 General Requirements

- 12.2.1 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.
- 12.2.2 Requisitioning Officers must take all necessary professional procurement, legal and financial advice. For all Contracts where the estimated value is above £25,000 (inclusive of VAT), the Requisitioning Officer must engage with Commercial Services to run the procurement process.
- 12.2.3 Requisitioning Officers must declare to the Head of Commercial Services any personal financial and non-financial interest in a Contract. Corruption is a criminal offence. Requisitioning officers will comply with this requirement to prevent corruption and avoid other conflicts of interest.
- 12.2.4 Requisitioning Officers, (in conjunction with Commercial Services if the estimated value is above £25,000, inclusive of VAT), must conduct any value for money review and appraise the purchasing need.
- 12.2.5 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. Failure to do so is a disciplinary offence.
- 12.2.6 All staff involved in any procurement process must keep bids confidential and comply with GDPR.

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- 12.2.7 Requisitioning Officers must not negotiate with Suppliers except where authorised to do so by the Commissioner's CFO or the Force CFO, as appropriate.
- 12.2.8 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 by the Commissioner's CFO or the Force CFO, as appropriate.
- 12.2.9 Requisitioning Officers must where appropriate identify an officer with responsibility for ensuring the Contract delivers as intended.
- 12.2.10 Requisitioning Officers must keep records of dealings with Suppliers in accordance with the Force and Commissioner's document retention policies.
- 12.2.11 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.
- 12.2.12 The Commercial Services Team shall keep records relating to this regulation (12.2) for all contracts above £25,000. For all contracts below £25,000 the Requisition Officer shall and must keep all records.

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### 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.

Contract Value	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				
£25,000	Commercial Services to obtain at least three quotes in writing	No	Commercial Services must keep records of the procurement	Yes
<213,477	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 BLPD	Commercial Services must keep records of the procurement	Yes
>213,477	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 BLPD and in the Above the Threshold (ATP) (or successor publication after Brexit)	Commercial Services must keep records of the procurement	Yes

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### 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	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	Yes
£10,000				
£25,000	Commercial Services to obtain at least three quotes in writing	No	Commercial Services must keep records of the procurement	Yes
<5,336,937	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 BLPD	Commercial Services must keep records of the procurement	Yes
>5,336,937	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 BLPD and in the Above the Threshold (ATP) (or successor publication after Brexit)	Commercial Services must keep records of the procurement	Yes



## Procurement Flow Chart

### 12.3 Basic Principles

- 12.3.1 All Purchasing Procedure must;
  - 12.3.1.1 Follow the EU (or successor) procurement principles by being open, fair, transparent and proportional;
  - 12.3.1.2 Achieve value for money;
  - 12.3.1.3 Be consistent with the highest standards of integrity;
  - 12.3.1.4 Ensure fairness in allocating public contracts;
  - 12.3.1.5 Comply with all legal requirements;
  - 12.3.1.6 Ensure that non-commercial considerations do not influence any contracting decision;
  - 12.3.1.7 Comply with the Commissioner's policies;
  - 12.3.1.8 Comply with the Police and Crime Plan;
  - 12.3.1.9 Grant money received is spent in line with these Contract and Procurement Regulations unless the grant conditions state otherwise;
  - 12.3.1.10 The procurement is legitimate, lawful and within the budget and policy framework;
  - 12.3.1.11 all goods, services and the carrying out of works are ordered in accordance with Contract and Procurement Regulations, Financial Regulations and with all UK and EU binding legal requirements;
  - 12.3.1.12 The procurement is authorised by the appropriate person and correctly recorded;
  - 12.3.1.13 Goods, services and the carrying out of works received meet the requirements of the authorised order;
  - 12.3.1.14 Payments are only made for goods, services and the carrying out of works received at the correct price, quantity and quality standards;
  - 12.3.1.15 Self-authorisation of payments is restricted in line with schemes of authorisation;
  - 12.3.1.16 Processes are in place to maintain the security and integrity of data for transacting business electronically.
  - 12.3.1.17 These Contract and Procurement Regulations must be strictly complied with. They are minimum requirements. A more thorough procedure may be appropriate for a particular contract and Commercial Services will advise if this is the case.

## 12.4 Interpretation

- 12.4.1 In these Contract and Procurement Regulations the words and phrases shall be interpreted as stated in the Definitions commencing in 1.5, unless the context requires otherwise.
- 12.4.2 All limits within these Contract and Procurement Regulations exclude any Value Added Tax (VAT) which may be payable.

## 12.5 Application

- 12.5.1 Every Contract made relating to the execution of goods, works, or services shall comply with these Contract and Procurement Regulations and the Commissioner's Financial Regulations. This includes any contract for contingent labour.
- 12.5.2 All police officers, police staff, companies and individuals engaged to act in any capacity to manage or supervise a Contract, must comply with these Contract and Procurement Regulations and the Financial Regulations, and the Chief Constable must ensure such compliance.
- 12.5.3 All police officers, police staff, companies and individuals engaged on the Commissioner's or Chief Constable's behalf, must ensure that any conflicts of interest are avoided. The Head of Commercial Services shall be notified in writing of any potential conflicts of interest immediately. Conflicts of interest may be either personal or indirect (e.g. through a relative or associate) or pecuniary (i.e. financial) or non-pecuniary (such as previous employment relationships).
- 12.5.4 In entering into any Contract on behalf of the Commissioner, the relevant officer or member of staff must obtain value for money by ensuring that the market has been explored and where possible, tested competitively either by the Commissioner or by a consortium on their behalf.
- 12.5.5 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 CFO or the Commissioner's CFO prior to commencement of the procurement process.
- 12.5.6 Collaborative Arrangements: - In order to secure value for money the Commissioner may enter into collaborative procurement arrangements with a range of organisations including other Police Commissioners and Police Forces or commission services on a regional basis.
- 12.5.7 Any Framework Contracts entered into through collaboration with other police and crime commissioners or forces or other public bodies, where a competitive process has been followed that complies with the equivalent to these Contract and Procurement Regulations of the leading purchasing organisation (but does not necessarily comply with these Regulations), will be deemed to comply with these Contract and Procurement Regulations and no exception is required. However, advice must be sought from Commercial Services.
- 12.5.8 Subject to 12.10, no exception to these Contract and Procurement Regulations can be made unless authorised by or approved in writing by the Chief Constable or Chief Finance Officer in consultation with the Head of Commercial Services. The Chief Constable shall maintain a register of all such exceptions. Where the expenditure is to be funded from the OPCC budget, exceptions should be

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approved by the Chief Executive in consultation with the Commissioner's CFO.  
The Chief Executive shall maintain a register of all such exceptions.

- 12.5.9 Any police officer, staff member or agent of the Commissioner, whilst acting on the Commissioner's behalf in relation to any contractual matter directly or indirectly concerning the Commissioner, shall conduct themselves in such a manner that the independence and integrity of the Commissioner's procedures are at all times maintained and are seen to be maintained.
- 12.5.10 The engagement of any contingent labour resource including consultants and other professional advisors must be in accordance with these Contract and Procurement Regulations.
- 12.5.11 These Contract and Procurement Regulations do not apply to internal business where one part of the Office of the Commissioner or the Force provides a service to another. Nevertheless, such internal arrangements should achieve value for money.
- 12.5.12 Award of Contracts for the purchase of goods, works or services must be in writing. The written format will be appropriate to the Contract and will be on the Commissioner's official Purchase Order forms or Contract signed in accordance with devolved limits (or other arrangements/documents agreed by the Chief Executive or Commissioner's CFO).

### 12.6 Purchase Order Approval and Contract Signature Levels of Authority

Purchase Order Value	Purchase Order Approval
Note: Once the Requisition process has been completed as outlined in 11.2.6, the final stage of the process is for the Requisition to be converted into a Purchase Order, approved as below.	
Up to £5,000	Commercial Business Partners  Also, by definition all posts shown in the up to and above £100k category.
Up to £100,000	Head of Commercial Services, Deputy Chief Finance Officer (Deputy 151 Officer)  Also, by definition all posts shown in the above £100k category.
Above £100,000	In respect of retained functions- Chief Finance Officer (S151 Officer), Chief Constable, Deputy Chief Constable, Chief Executive

Approval to sign and Seal Contracts	
Up to £100,000	Head of Commercial Services (or the Commissioner or Chief Executive of the SCO, if it is SCO budget)
Up to £1,000,000	Chief Finance 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

Note: The Commissioner shall be the contracted entity for all Contracts unless with prior written agreement of the Commissioner's Office.

## Responsibilities

### 12.7 Chief Constable

- 12.7.1 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.
- 12.7.2 The Head of Commercial Services, in consultation with the CFO's, 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.
- 12.7.3 Ahead of each financial year, as part of the budget process, Commercial Services shall prepare a forward procurement plan. The Procurement Plan shall outline the key Procurements due to take place during the financial year including contracts due for renewal from the Contracts Register. This plan will also state the proposed procurement route that is to be used.

### 12.8 Heads of Department

- 12.8.1 Heads of Department are responsible for;
  - 12.8.1.1 Ensuring that staff are aware of their responsibilities under these procedures, receive adequate training and guidance and comply fully with these regulations.
  - 12.8.1.2 Establishing the Scheme of Authorisation for their Directorate which details where decision making has been delegated to members of staff and the financial parameters of that delegation.
  - 12.8.1.3 Ensuring their staff only undertake procurements up to a value of £25,000 (inclusive of VAT). Any procurement in excess of this value must be referred to Commercial Services.
  - 12.8.1.4 If items below this limit are purchased regularly then this should be notified to Commercial Services for incorporation into a Force Contract/Framework.
  - 12.8.1.5 Advising Commercial Services on or before each December of any known upcoming major procurements above £25,000 during the next financial year.

### 12.9 Officer Responsibilities

- 12.9.1 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

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- 12.9.2 Requisitioning Officers must comply with these Contract and Procurement Regulations, Financial Regulations, and with all UK and EU binding legal requirements.
- 12.9.3 Requisitioning Officers must have regard to any supplementary guidance issued.
- 12.9.4 Requisitioning Officers must check with Commercial Services whether a suitable Corporate Contract or Framework Agreement, exists before seeking to let a new contract.
- 12.9.5 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 OPCC expenditure) to use an alternative procurement route (agreed by Commercial Services).
- 12.9.6 Commercial Services shall record in the Contract Register all approved exceptions and any signed Contract.
- 12.9.7 Tender procedures must be conducted in accordance with procedures set out in the Invitation to Tender documentation.
- 12.9.8 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.
- 12.9.9 Officers must take all necessary professional procurement, legal and financial advice when required. Failure to do so can expose the Commissioner to unnecessary risks.
- 12.9.10 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 Commercial services who, if appropriate, will obtain legal advice before proceeding.

### 12.10 Exclusions and Exceptions

#### **Exclusions**

- 12.10.1 These Regulations do not apply to the following:
  - 12.10.1.1 Contracts for the employment of individual permanent employees.
  - 12.10.1.2 Contracts for goods or materials to be purchased at an auction.
  - 12.10.1.3 Contracts for goods or materials to be purchased through any joint arrangement or association of which the Commissioner is a member and is not the lead commissioner.
  - 12.10.1.4 Where compliance with Contract and Procurement Regulations would have security implications. Any such exclusion should be authorised by the Chief Constable, CFO's or Chief Executive for OPCC expenditure.
  - 12.10.1.5 Contracts relating solely to the disposal or acquisition of an interest in land.
  - 12.10.1.6 Contracts for the lending or borrowing of money.

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- 12.10.1.7 Any procurement of goods or services which is required by government mandate to be made from a specified supplier or by a specified method.
- 12.10.1.8 Requirements for Mutual Aid, Contributions and Grants.
- 12.10.1.9 Charges repaid to the Home Office for national systems/requirements.
- 12.10.1.10 Appointment of External Auditors when an appointing body is used.
- 12.10.1.11 Professional subscriptions
- 12.10.1.12 Recharges between forces in relation to Regional Collaboration.

## Exceptions

- 12.10.2 Exceptions are provided for where 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.
- 12.10.3 Such circumstances may include:
  - 12.10.3.1 Where goods, works or services can only be obtained from one source;
  - 12.10.3.2 Where it is deemed an extreme urgency;
  - 12.10.3.3 Where the marketplace is limited and/or restricted (e.g. by quality standards);
- 12.10.4 An exception under this Procedure Rule allows a contract to be placed by direct negotiation with one or more suppliers. No exceptions can be used if the EU Procurement Directive applies except acting upon legal advice.
- 12.10.5 All exceptions for Contracts, and the reasons for them, must be recorded on the Exceptional Purchase Action form and approved by the Chief Constable or CFO. Where the expenditure is to be funded from the OPCC budget, the Exceptional Procurement Action should be approved by the Chief Executive in consultation with the Commissioner's CFO.

## 12.11 Procurement Procedure

- 12.11.1 Competitive Dialogue
  - 12.11.1.1 Procurement undertaken using the Competitive Dialogue procedure is not governed by these Regulations.
  - 12.11.1.2 Where a Requisitioning Officer proposes to undertake a procurement using the Competitive Dialogue procedure they should, in consultation with the Force CFO and Head of Commercial Services, seek the approval of the Commissioner. The report to the Commissioner seeking such approval shall set out the proposed procurement timetable and governance arrangements and the Commissioner may approve them unchanged or may impose alternative arrangements.

## 12.12 E-Procurement

- 12.12.1 Electronic tendering is the mandatory method of carrying out a Tender exercise. All electronic tendering will must be undertaken by Commercial Services. The use of any alternative method must be approved by a Commercial Business Partner.
- 12.12.2 The procedures provided by the electronic platform must be followed and the key principles of tendering must still be applied (e.g. security of and limited access to submissions, key stages witnessed by second person, etc.).

## 12.13 Pre-Procurement Procedure

- 12.13.1 Before beginning a procurement, the Requisitioning Officer responsible for it must appraise the procurement and consider (where appropriate):
  - 12.13.1.1 Taking into account the requirements from any relevant service reviews;
  - 12.13.1.2 Appraising 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;
  - 12.13.1.3 Defining the objectives of the procurement;
  - 12.13.1.4 Consider the risks associated with the procurement over its life and how to manage them;
  - 12.13.1.5 Considering what procurement method is most likely to achieve the procurement objectives, including internal or external sourcing and collaboration with other commissioners, forces or partners. If the value of the requirement is over £25,000 (inclusive of VAT) this shall be done in conjunction with Commercial Services;
  - 12.13.1.6 Consulting users as appropriate about the proposed procurement method, contract standards, and also performance and user satisfaction monitoring. If the value of the requirement is over £25,000 (inclusive of VAT) this shall be done in conjunction with Commercial Services;
  - 12.13.1.7 Selecting the most appropriate procurement method. If the value of the requirement is over £25,000 (inclusive of VAT) this shall be done in conjunction with Commercial Services;
  - 12.13.1.8 Considering the maturity of the market (local, regional and national) and whether the procurement approach is likely to yield enough competition. If the value of the requirement is over £25,000 (inclusive of VAT) this shall be done in conjunction with Commercial Services;
- 12.13.2 The Requisitioning Officer must confirm that:
  - 12.13.2.1 The proposed expenditure is in accordance with the approved budget and policy framework or there is a specific approval for the expenditure;
  - 12.13.2.2 Prior Information Notices, where required under the Government Procurement Directive, have been placed for any tender Above the Threshold (ATP) the by Commercial Services.
  - 12.13.2.3 Advice has been sought on whether parent company guarantees or bonds are likely to apply to the Contract (see rule 12.15).

12.13.3 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.

12.13.4 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 appropriate accessible advertising takes place. Generally, the greater the interest of the contract to such potential applicants the wider should be the coverage of the advertisement. Advertisements must always be placed on a suitable web-based publication and on Contracts Finder and may also be placed in:

12.13.4.1 National official journals; and/or

12.13.4.2 ATP

12.13.5 Where a suitable Corporate Contract or Framework Agreement exists, it must be used unless more favourable terms or price can be achieved and these reasons must be recorded. Prior approval is required as per 12.9.

## 12.14 Estimating the Contract Value

12.14.1 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.

12.14.2 The subdivision of procurement to reduce the Estimated Value of the Contract is not permissible.

## 12.15 Bonds and Parent Company Guarantees

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

12.15.1.1 Where the total Contract value exceeds £500,000.

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

12.15.2 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.

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

12.15.3.1 The total Contract value exceeds £250,000, or 12.15.3

Award is based on evaluation of the parent company, Or

12.15.3.2 There is some concern about the financial stability of the applicant.

## 12.16 Framework Arrangements and Force Contracts

(Including National Mandated Contracts)

- 12.16.1 Instructions and guidance on the use of Framework Arrangements, National Mandated Contracts and Force Contracts will be issued by Commercial Services on behalf of the Commissioner. Such instructions and guidance must be followed. Failure to follow this regulation could expose the Commissioner to legal risk.
- 12.16.2 For all Contracts above £25,000 awarded under a Framework Arrangement, a Contract Award notice will be issued on Contracts Finder.

### 12.17 Standards and Awards Criteria

- 12.17.1 Where appropriate the Requisitioning Officer must ascertain what are the relevant British, European or International Standards which apply to the subject matter of the contract. The Officer must include those standards which are necessary and describe the required quality. Legal advice must be sought if the Requisitioning Officer proposes to use standards other than European standards.
- 12.17.2 The Requisitioning Officer must define Award Criteria appropriate to the procurement. If the Contract Value is over £25,000 (including VAT), this must be done in consultation with Commercial Services. Award Criteria must be designed to secure a sustainable outcome which represents Value for Money for the Commission. For Contracts below EU thresholds, the options are to award the Contract to:
  - 12.17.2.1 The “most economically advantageous” offer (where considerations other than price also apply) or;
  - 12.17.2.2 The “lowest price” offer.
- 12.17.3 For Contracts above the thresholds, the Contract should be awarded to the “most economically advantageous” offer.
- 12.17.4 If the first criterion is adopted, it must be further defined by reference to sub-criteria. Award criteria and sub-criteria may refer only to relevant considerations. These may include price; service; quality of goods; running costs; technical merit; delivery date; cost effectiveness; quality; relevant environmental; social and economic considerations; aesthetic and functional characteristics (including security and control features); safety; after-sales services; technical assistance; and any other relevant matters.
- 12.17.5 All award criteria, and if used sub-criteria, must be weighted. Award criteria must not include:
  - 12.17.5.1 Matters which discriminate against suppliers from the European Economic Area or signatories to the Government Procurement Agreement.
- 12.17.6 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 CFO or Commissioner’s CFO prior to commencement of the procurement process.

### 12.18 Procurement Procedure Above £25,000

- 12.18.1 Orders/ Contracts Above £25,000 (inclusive of VAT)
  - 12.18.1.1 Commercial Services will decide the appropriate procurement process for any procurement exceeding £25,000 (including VAT where appropriate),

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and the procurement process must be managed by Commercial Services.

- 12.18.1.2 Prior to the commencement of the procurement process, Commercial Services shall develop the procurement approach. A written specification must be provided to potential suppliers including the evaluation criteria to be applied in conjunction with the user department.
- 12.18.1.3 Where a tender process is being completed these must be advertised on Contracts Finder. The number of Quotations or Tenders sought for purchases subject to EU/UK Regulations will be in accordance therewith.
- 12.18.1.4 Tenders to shall be received electronically unless agreed otherwise by a Commercial Business Partner.
- 12.18.1.5 The Quotations or Tenders will be evaluated against the agreed criteria and an award be made by either an official order, offer letter or a formal form of contract. If the Contractor's/supplier's terms of business are to be used as the form of contract, they must be reviewed by a Commercial Business Partner. Legal advice may have to be sought for any specific issues that arise before being signed.
- 12.18.1.6 For all Contracts awarded above £25,000, a Contract award Notice will be published on Contracts Finder in accordance with The Public Procurement Regulations 2015, SI 2015 No 102.

### 12.19 Formal Tender Process

- 12.19.1 Guidance in respect of the formal Tender Process is set out in detail in Appendix A. Tenders, or a call off under a framework, must be undertaken for all contracts above £25,000 unless an alternative process is authorised by the Chief Constable.

- 12.19.2 The key stages are summarized summarised below:

- 12.19.2.1 Pre-tender
- 12.19.2.2 Deciding the evaluation criteria
- 12.19.2.3 Invitations to tender
- 12.19.2.4 Shortlisting
- 12.19.2.5 Opening of tenders
- 12.19.2.6 Post-tender Consideration
- 12.19.2.7 Evaluation and award of contract

### 12.20 Form of Contract

- 12.20.1 Contract Documents

- 12.20.1.1 Every signed contract must be recorded by the Commercial Services in the Contracts Register and work plan. Any changes made over the contract life e.g. extensions must also be recorded by the Commercial Services in the Contracts Register.
- 12.20.1.2 Every Contract must be recorded either in writing or stored electronically. Where an order is placed using an electronic system, E.g. an E-Marketplace, it must state clearly:
  - What is to be supplied (description and quality);
  - Payment provisions (amount and timing).

12.20.1.3 Every Contract over £25,000 will be accompanied by Standard Terms and Conditions (unless otherwise agreed by a Commercial Business Partner) plus any relevant additional conditions which may include;

- When the Commissioner will have the right to terminate the Contract;
- That the Contract is subject to the law as to prevention of corruption (Procedure Rule 12.23);
- That the supplier may not assign or subcontract without prior written consent from the Commissioner;
- Any Insurance requirements;
- Health and Safety requirements;
- Ombudsman requirements;
- Data Protection requirements if relevant;
- That Charter Standards are to be met if relevant;
- Race Relations requirements;
- Disability Discrimination Act requirements;
- Freedom of Information Act requirements;
- Bribery Act 2010 requirements;
- That agents must comply with the Commissioner's Contract and Procurement Regulations relating to contracts (where agents are used to let contracts);
- A right of access to relevant documentation and records of the Supplier for monitoring and audit purposes if relevant;
- Price mechanism, including inflation provisions where appropriate;
- Future service performance measures and efficiency targets;
- Any other relevant legislation;
- Business continuity requirements.
- GDPR Regulations and Requirements

12.20.2 Commercial Services shall seek further advice from the relevant departments for the following contracts:

12.20.2.1 Where the total Contract value exceeds £100,000; and

12.20.2.2 Contracts involving leasing arrangements, or which may incorporate embedded leases, must receive the approval of the Force CFO; and/or

12.20.2.3 Where a contract has price increases built into it that are linked to an index such as RPI, then the Force CFO must be consulted concerning the implications for the presence of Embedded Derivatives; and/or

12.20.2.4 Where a contract is entered into that involves a service concession arrangement (i.e. assets are utilised as part of the service which it may be interpreted the Commissioner has an interest in) then the Force CFO must be consulted and/or

12.20.2.5 Where it is proposed to use the Supplier's own terms of business; and/or

12.20.2.6 Those which are complex in any other way.

## 12.21 Contract Formalities

12.21.1 All Contracts must be concluded formally in writing (either official order, contract, letter of acceptance, etc.) before the supply, service or construction work begins,

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except in unforeseen emergencies, and only then with the written consent of the Chief Constable or Chief Executive for OPCC expenditure.

12.21.2 Signature - The Officer responsible for securing signature of the Contract must ensure that the person signing for the other contracting party has authority to do so.

12.21.3 Sealing - Where Contracts are completed by each party adding their formal seal, the fixing of the Commissioner's seal must be undertaken by the Chief Executive.

12.21.4 The Regional Legal team will advise on those Contracts that will be subject to formal sealing. This will normally be for Contracts above £200,000-£250,000. Contracts below that amount may also be sealed where required by law or upon the advice of the Regional Legal advisors.

12.21.5 Every sealing will be consecutively numbered, recorded and signed by the person witnessing the seal. The seal must not be affixed without the appropriate authority.

12.21.6 Archiving and Lodgement of Records - The original sealed Contract must be retained in accordance with the document retention policy.

### 12.22 Variations and Extensions

#### 12.22.1 Contract Variations

12.22.1.1 Every variation to a Contract shall be specifically authorised in, and shall be notified in writing to the contractor. If the cumulative value over the contract is over £25,000, 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 OPCC budget, or if the cumulative contract value is over £100,000)

12.22.1.2 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 OPCC expenditure.

12.22.1.3 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. Variations to contracts must be signed as follows:

Cumulative Value of Contract	Signature on behalf of the Commissioner
Up to £100,000	Head of Commercial Services (or the Commissioner or Chief Executive of the SCO, if it is SCO budget)
Up to £1,000,000	Chief Finance 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
Any Contracts which has been sealed by deed, or where any Variation is required to be sealed as a deed	The Commissioner or the Chief Executive of the SCO

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

### 12.22.2 Contract Extensions

- 12.22.2.1 Approval to proceed with the extension of existing Contracts for goods and/or services where the extension value is in excess of £100,000 must be obtained from the Chief Executive.

## 12.23 Conduct

### 12.23.1 Prevention of Corruption

- 12.23.1.1 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:

- 12.23.1.2 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;

- 12.23.1.3 High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the provisions referred to below

- 12.23.2 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:

- 12.23.2.1 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

- 12.23.2.2 Commit an offence under the Prevention of Corruption Acts 1889 to 1916 or Section 117(2) of the Local Government Act 1972; or

- 12.23.2.3 Commit any fraud in connection with this or any other Commissioner contract whether alone or in conjunction with officers, staff, contractors or others.

- 12.23.2.4 Any Contract clause limiting the Contractor's liability shall not apply to this clause (12.23) in its entirety.

## 12.24 Contract Management & Payments

- 12.24.1 The Chief Constable shall keep a Register of Contracts and payments made thereunder in a form agreed with the Commissioner's CFO.

- 12.24.2 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.

- 12.24.3 During the life of the Contract the Contract Manager must monitor in respect of:

- Performance;
- Compliance with specification and contract;
- Cost;

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- 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.

12.24.4 The Chief Constable shall ensure that, in line with current accepted practice, insurance and bonds are entered into by the contractor/supplier (see rule 12.15).

12.24.5 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.

12.24.6 Payments on account to a contractor/supplier shall be authorised only on a certificate signed by the Contract Manager authorised for such purpose by the Chief Constable and shall be in a format agreed by the Commissioner's CFO. Except with the prior written approval of the Commissioner's CFO no certificate shall be issued certifying a total value of work to date in excess of the Contract figure.

12.24.7 The final certificate for payment in respect of any Contract shall not be issued until the Commissioner's CFO or his/her nominated representative has been issued with a detailed statement of account and all relevant documents for his examination.

12.24.8 Claims from a contractor/supplier in respect of matters not clearly within the terms of any existing Contract, which exceed £25,000, shall be referred to the Regional Legal team for consideration of the Commissioner's and/or the Chief Constable's legal liability and to the Commissioner's CFO for financial consideration before a settlement is reached.

### 12.25 Contract Termination

12.25.1 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 CFO.

12.25.2 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. The Chief Constable must seek prior agreement with the Commissioner's CFO and take legal advice before terminating any contract with a value in excess of £50,000.

12.25.3 Contracts with a value of £100,000 or more shall only be terminated with the approval of the Commissioner.

## 12.26 Risk Assessment & Contingency Planning

12.26.1 A risk assessment must be prepared for all 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.

12.26.2 For all contracts with a value of over £100,000, Contract Managers must:

12.26.2.1 Maintain a risk register (generic register acceptable) during the contract period and review it at least every three months;

12.26.2.2 Undertake appropriate risk assessments;

12.26.2.3 For identified risks, ensure contingency measures are in place;

12.26.2.4 Ensure critical support and maintenance arrangements are documented in the Specification in order to avoid costly post-tender negotiation.

12.26.3 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.

## 12.27 Pecuniary Interest

12.27.1 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.

## 12.28 Reports to the Police and Crime Commissioner

12.28.1 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.

## 12.29 Review and Amendment of contract and procurement Regulations

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

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

## A. Formal Tender Process Guidance

### 13. Commercial Services will undertake all Tender Exercises over £25,000 (inclusive of VAT)

#### 13.1 Pre Tender

13.1.1 Commercial Services in conjunction with the Requisitioning shall determine the necessary procurement process to follow. Where the Contract estimated value exceeds the threshold (ATP) then the Contract must be tendered in accordance with the current Regulations.

13.1.2 All tenders over £25,000 must be advertised on Contracts Finder in accordance with Chapter 8 of the Public Contracts Regulations 2015 SI 2015 No 102.

#### 13.2 Deciding the Evaluation Criteria

13.2.1 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.

13.2.2 Before any Tender is sought the evaluation criteria to be used when Tenders are received should be decided and recorded. The evaluation criteria, dependent upon the complexity of the product/service being purchased, should consider in addition to price, service, quality of the goods, running costs, technical merit, delivery dates, cost effectiveness, relevant environmental considerations, aesthetic and personal characteristics, safety, after sales service, technical assistance and any other relevant matters. 12.5 - quality/price weightings applies.

#### 13.3 Invitations to Tender

13.3.1 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 via <https://bluelight.eu-supply.com/>.

13.3.2 Invitation 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.
- 13.3.3 The Invitation to tender must state that the Commissioner is not bound to accept any tender.
- 13.3.4 Completed tenders must be submitted on the portal by the date and time specified. Late tenders will not be accepted.
- 13.3.5 Except where the Open Procedure applies, all Applicants invited to tender must be issued with the same information at the same time and subject to the same conditions. Evidence should be retained in respect of dispatch of documents (e.g. recorded delivery/acknowledgement slip for non-electronic Tenders). Any supplementary information must be given on the same basis.
- 13.3.6 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.
- 13.3.7 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.
- 13.3.8 Employees of the Commissioner, Chief Constable and consultants engaged by the Commissioner who have a direct or indirect interest in the Contract shall not be supplied with or given access to any Tender documents, Contracts or other information relating thereto without the authority of the relevant CFO.
- 13.3.9 If post-tender presentations are anticipated, the Tender documents should provide advance notice of this likelihood.
- 13.3.10 Any Tender amendments or changes to instructions should be issued to all Applicants on a formal basis.
- 13.3.11 The Invitation to Tender should normally include the Contract terms.

## 13.4 Shortlisting

- 13.4.1 Any Shortlisting must have regard to financial and technical standards relevant to the Contract. Special rules apply in respect of the EU Procurement Directives. Officers may decide not to Shortlist but to send Invitations. To tender and to evaluate all Tenderers.

## 13.5 Opening of Tenders

- 13.5.1 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.
- 13.5.2 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.

## 13.6 Post Tender Consideration

- 13.6.1 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://bluelight.eu-supply.com/>, message system.
- 13.6.2 Any negotiation with a tenderer to discuss the pricing or any other allowable aspect of the tender submitted should:
- 13.6.3 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
- 13.6.4 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

## 13.7 Evaluation and Award of Contract

- 13.7.1 Apart from the debriefing requirements:
- Confidentiality of Tenders must be preserved at all times; and
  - Information about one Tenderer's response must not be given to another Tenderer.
- 13.7.2 Contracts must be evaluated, recorded and awarded in accordance with the Evaluation Criteria as stipulated in the Invitation to Tender documentation.
- 13.7.3 Tenders may be evaluated on the basis of most economically advantageous and include a mixture of price, technical and quality; or lowest price (for Contracts Below the Thresholds (BTP)). The basis on which the Tender will be evaluated must be determined before Tenders are invited and should be included as part of the Invitation to Tender documentation. This includes the Contract Award Criteria

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and any sub-criteria and their respective weightings. See 12.5 regarding quality and price weightings

- 13.7.4 Longer-term partnership evaluations may include price, technical, quality as well as the need to demonstrate adding value to the Commissioner, acceptance of a portion of risk, and flexibility to meet changing circumstances. Key success factors may be identified and incorporated into the selection process and partnering agreement, where appropriate.
- 13.7.5 All Tenderers should be notified in the tender that no work or services may be commenced or goods/materials ordered until a formal Contract has been signed and/or an official Purchase Order has been approved.
- 13.7.6 Commercial Services will undertake all the appropriate notifications to all Tenderers of intentions to award the Contract and any debriefs required in accordance with EU/UK Regulations.
- 13.7.7 All information given to Tenderers shall be through Commercial Services

