



To: Business Coordination Board

From: Chief Executive and Chief Constable

Date: 25 March 2014

SCHEME OF GOVERNANCE AND FINANCIAL REGULATIONS

1. Purpose

1.1 For the Business Co-Ordination Board to approve the scheme of governance and the Financial Regulations for implementation on 1st April 2014.

2 Recommendations

2.1 The Business Coordination Board to:

- Note the content of the report
- Approve the scheme of governance for implementation on 1st April 2014 – This is a Common Scheme between Bedfordshire, Cambridgeshire and Hertfordshire, which is subject to approval by the respective Police and Crime Commissioners.
- Approve the financial regulations for implementation on 1st April 2014 – This relates to Cambridgeshire only.
- Note the intention among chief finance officers is to develop common financial regulations between Bedfordshire, Cambridgeshire and Hertfordshire with a target date of the 30th June 2014, with a view of implementation on 1st July 2014, subject to agreement and approval from the Police and Crime Commissioners.
- To note that if there are any minor amendments to be made to the Scheme of Governance as a result of the Police and Crime Commissioners/Constabulary respective individual Executive Board/Business Co-Ordination Board, these will be presented for approval to the Police and Crime Commissioners at the

Bedfordshire, Cambridgeshire and Hertfordshire Collaboration meeting on 1st April 2014.

- To note amendments will be made to the Scheme of Governance to reflect changes from the Deputy Chief Executive for Hertfordshire Police and Crime Commissioner.

3 Introduction

- 3.1 The Police and Crime Commissioner commenced in Office on 26th November 2012 and took on the responsibility for the employment of all Police Staff, assets, liabilities, contracts and bank accounts which were previously under the responsibility of the Police Authority.
- 3.2 In September 2013 all Police and Crime Commissioners had to submit their intentions of Police Staffing responsibilities (who the employment of staff would reside, Police and Crime Commissioner or Chief Constable). The Home Secretary approved the Draft proposals for Bedfordshire, Cambridgeshire and Hertfordshire. This along with deciding whom assets, liabilities, contracts and bank accounts reside with is known as "Stage 2 Transfers".
- 3.3 Cambridgeshire submitted its final stage 2 staffing transfer schemes by the Home Office deadline of the 6th March 2014 for approval.
- 3.4 As a result of certain responsibilities being transferred to the respective constabulary chief constables, the current scheme of governance is required to be updated for the 1st April 2014 to reflect the responsibilities of the Police and Crime Commissioners, Chief Constable and Chief Officers, as well as the consents (giving of authority) to the chief constable by the Police and Crime Commissioner.
- 3.5 The 3 Police and Crime Commissioners (Bedfordshire, Cambridgeshire and Hertfordshire) have decided to use this as an opportunity to explore the possibility to adopt a common scheme of governance /consent between the 3 authorities.

4 Scheme of Governance

- 4.1 The scheme of governance has been developed in conjunction with Bedfordshire and Hertfordshire to establish a common scheme. This has been undertaken by the respective Chief finance officers and is subject to approval by the respective Police and Crime Commissioners.
- 4.2 The possibility of developing a common scheme has been enabled by the respective Police and Crime Commissioners adopting the same core principles of:
- All staff, except those under the direct control of the Police and Crime Commissioner transferring to the Chief Constable

- All Assets owned by the Police and Crime Commissioner
- All contracts to be in the Police and Crime Commissioners name
- One Bank Account under the Police and Crime Commissioner

4.3 It is noted that the scheme is different in both style and presentation to the current scheme of governance. The scheme has also been amended to reflect some differences in terminology between the 3 Police and Crime Commissioners. Some of the main differences from the current scheme are:

- The revised scheme:
 - Includes a section on the “duty to provide information to the police and crime panel” – This describes how and what information is provided to the panel (particularly in relation to the precept) and is in line with legislation.
 - Clarifies the role of the Chief Executive to:
 - appoint and dismiss OPCC staff.
 - settle employment tribunal claims (previously could only “assist in the resolution of claims”).
 - negotiate variation in services with the county council.
 - appoint technical and general consultants.
 - Includes sections on Deputy Chief Executive/Deputy Chief of Staff which are only relevant to Hertfordshire and Bedfordshire.
 - Defined brief section on Stage 2 Transfers included.
 - The financial claims settlement delegation limits have been removed and included in the financial regulations under Section G – Delegated limits.
 - The current scheme mentions specific delegation to the chief constable of car allowances, awards under staff suggestion scheme. The revised scheme covers this by enabling the chief constable to determine allowances.
 - The finance section under the chief constable has been expanded to give detail, where previously it simply referred to the financial regulations. The meaning and intent remain the same.

It should be noted that the above is not an exhaustive list.

4.4 As the Scheme of Governance combines Bedfordshire, Hertfordshire and Cambridgeshire, Bedfordshire and Hertfordshire will be presented to their respective Executive Boards for approval. Any minor amendments resulting from these (and the Cambridgeshire Business Co-Ordination Board) will be presented for approval to the Police and Crime Commissioners at the Bedfordshire, Cambridgeshire and Hertfordshire collaboration meeting on 1st April 2014.

4.5 The Deputy Chief Executive for Hertfordshire is currently considering amending sections referencing the Deputy Chief Executive as being the Monitoring Officer

(paragraphs 28 and 66 and the Monitoring Officer section on page 21). This does not affect Cambridgeshire Police and Crime Commissioner, however there will be changes to the Scheme of Governance between the Issue of this report to the Business Co-Ordination Board and 31st March 2014.

5 Financial Regulations

5.1 The financial regulations are specific to Cambridgeshire and set out the financial regulations that apply to the Police and Crime Commissioner for Cambridgeshire (the Commissioner), all staff in his office, the Chief Constable and police officers and police staff within Cambridgeshire Constabulary having due regard to the overall regulatory framework of their approach to financial management.

5.2 It is proposed to make the following amends to the financial regulations, as well as update the referencing to the scheme of delegation:

- Pg 4 – Expanded The Deputy Police and Crime Commissioner section to highlight what functions cannot be delegated by the Police and Crime Commissioner.
- Pg 5 – Removal of Paragraph 39, this is repetitive within the financial regulations
- Pg 9 - Included a section on The Chief Executive and Monitoring Officer which defines the main responsibilities of the Monitoring Officer
- Pg 25 - Included a line on civil claims, to maintain the Chief Executive responsibility for taking, defending and settling civil claims.
- Pg 37 - Para 18 moved from under Chief Constable to Chief Constable CFO. This related to financial instructions for dealing with petty cash which appear to better fit as a responsibility of the Chief Constable CFO.
- Pg 40 - Included section C9 Evidential and Non-Evidential Property - This is currently for discussion with the Chief Constable at the time of writing this report (7th March).
- Pg 48 - Added para 8 - Card Holders providing receipted details of all payments
- Pg 62 - Para 18 amended to reflect the Chief Executive responsibility for determining authorised signatories.
- Pg 66 - Included additional bullet point regarding the cumulative value of virements
- Pg 68 - Included Section on Legal claims/settlements which was previously in the Scheme of Governance
- Pg 71 - Included 2 bullet points to cover bodies who can scrutinise the PCC and CC affairs, who were not mentioned in the current financial regulations.

5.3 There are also an additional couple of discussion points which are being considered at the time of writing this report as follows:

- Pg 13 - Financial Planning - Joint responsibilities of the Commissioner CFO and Chief Constable. This relates to the format and timing of the medium term financial plan and whether this would be more appropriate under the Chief Constable CFO rather than the Chief Constable.
- Pg 22 - Monitoring of Capital Programme and Expenditure - Joint responsibilities of the Chief Constable and Commissioner CFO. Would be more appropriate under the Chief Constable CFO rather than the Chief Constable.

5.4 As at the 1st April the Bedfordshire, Cambridgeshire and Hertfordshire, will each have adopted their own individual financial regulations. There is a desire among the Chief Finance Officers to develop a common financial regulations and it has been acknowledged to work towards a target date of 30th June 2014 to achieve this and implementation (subject to approval of the respective Police and Crime Commissioner and Chief Constables) on 1st July 2014.

6 Engagement

6.1 Bedfordshire and Hertfordshire will be presenting the Scheme of Governance to their respective Executive Boards during the final 2 weeks of March.

6.2 For Cambridgeshire, the following have been undertaken:

- Scheme of Governance and the Financial Regulations were presented to the Joint Audit Committee on 18th March 2014. There was no recommendations resulting from this Committee Meeting.
- The Scheme of Governance and Financial Regulations have also been presented to:
 - The Deputy Police and Crime Commissioner. Minor suggested amendments have been incorporated into both documents
 - The Chief Executive of the Police and Crime Commissioner. The documents have been updated for comments and amendments.
 - Chief Constable. The documents have been updated for comments and amendments.
 - Director of Finance and Resources for the Constabulary.
- The Scheme of Governance has also been presented to legal representatives of the Police and Crime Commissioner and the Constabulary. Only minor clarification amendments were suggested and the Scheme has been updated for these.

7 Recommendations

7.1 The Business Coordination Board to:

- Note the content of the report

- Approve the scheme of governance for implementation on 1st April 2014 – This is a Common Scheme between Bedfordshire, Cambridgeshire and Hertfordshire, which is subject to approval by the respective Police and Crime Commissioners.
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- To note amendments will be made to the Scheme of Governance to reflect changes from the Deputy Chief Executive for Hertfordshire Police and Crime Commissioner.