

*Please note that this is the financial regulations and scheme of delegations section of the Code of Corporate Governance – the full Code of Corporate Governance is accessible under Publications.*

## **FINANCE ROLES AND DELEGATIONS**

### 9. Financial Roles (see also [section 6.1](#))

The Financial Regulations for Cleveland Police Authority have been prepared in accordance with the requirements of the 'Home Office Code of Practice on Financial Management' under Section 28C of the Police Act 1964, as inserted by Section 15 of the Police and Magistrates Courts Act 1994. The regulations may be varied with the approval of the Police Authority, and be recorded accordingly in the Minutes of the Authority. For a list of financial standing orders, please refer to [Appendix G](#).

#### 9.1 Financial roles and responsibilities

9.1.1 Treasurer (see also sections [6.1](#) and [10.3.2](#) - the Chief Executive has the combined roles of Clerk, Treasurer and Section 151 Officer).

The Treasurer shall, for the purposes of:

- Section 151 of the Local Government Act 1972;
- Sections 112 and 114 of the Local Government Finance Act 1988;
- The Accounts and Audit Regulations 2003;

Be responsible for making sure there is proper administration of the financial affairs of the Police Authority and Cleveland Police in consultation with the Monitoring Officer.

(In the absence of the Chief Executive, the Assistant Chief Officer (Finance & Commissioning) assumes this responsibility as the Deputy 151 Officer.)

The Treasurer shall make sure that adequate systems and procedures exist to account for all income due and disbursements made on behalf of the Police Authority and Cleveland Police, and that controls operate to protect the Police Authority's assets from loss, waste, fraud or other impropriety.

The Treasurer shall report to the Police Authority and the External Auditors if:

- It appears that the Police Authority's expenditure is likely to exceed its resources.
- Any decisions are made or proposed which involve unlawful expenditure or are likely to cause a loss or deficiency or an unlawful entry in the Accounts.

The Treasurer is the Police Authority's adviser on financial matters and is responsible for:

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- Giving financial advice to the Police Authority on its need for financial planning and financial management and of the important matters relevant to such plans.
- Assisting members to secure best value in service provision and make arrangements to secure continuous improvements in the way in which the Authority's functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- Scrutinising the financial management of the Force.
- Advising the Police Authority on financial propriety.
- Monitoring to ensure that appropriate accounts are prepared.
- Making sure that good financial management is given to the Police Authority and the Chief Constable.
- Ensuring that financial information systems are adequate.
- Securing treasury management, including loans and investments.
- Providing effective internal audit services.
- Advising on safeguarding assets, risk management and insurance for the Authority.
- Arranging for the determination, issue and transfer of the precept.
- Reviewing compliance with relevant codes of financial best practice.
- Reviewing and approving Accounting Instructions drawn up by the Chief Constable.

#### 9.1.2 Chief Constable (see also sections [7](#), [10.3.1](#) and [Appendix C](#))

The Chief Constable shall have responsibility for:

- The financial management of the Cleveland Police.
- The operational control of all financial systems and procedures to ensure that relevant information is provided to the Police Authority on progress and performance against financial plans.
- Ensuring compliance with relevant codes of financial best practice.
- Making instructions that govern sound financial management via the issue of Accounting Instructions, as agreed with the Treasurer, to all Service Unit Managers.

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The Chief Constable may appoint an Assistant Chief Officer, who will be suitably qualified and experienced, to organise and supervise all finance work and financial management within the Force. This role currently rests with the Assistant Chief Officer (Finance and Commissioning). He or she shall advise the Chief Constable.

The Chief Constable shall ensure that reports and statements are submitted to the Police Authority for the purpose of Financial Standing Orders Nos. 52 to 59 (Appendix G, [section A](#)) and Contract Standing Orders (Appendix G, [section B](#)) in such format as may be specified by the Treasurer to the Police Authority.

The Chief Constable shall arrange for the Treasurer, internal auditors and external auditors to have access to all Police Authority establishments and records pertaining to the finances and shall be required to satisfy the Treasurer of the correctness of any financial transactions.

The Chief Constable will seek to secure value for money at all times as required under Standing Order No 58 and will, in particular:-

- Identify appropriate cost centres and cost limits;
- Identify officers authorised to incur expenditure under the Police Authority's scheme of devolved resource management;
- Put in place controls and systems to ensure that such limits are observed;
- Make full use of appropriate management techniques, including risk management and performance measurement, throughout Service Units.
- Review the financial needs of the Police Authority and the force and develop, implement and maintain systems to ensure sound financial management;
- Identify surplus property and other assets for disposal.

The Chief Constable shall:-

- Ensure that all staff immediately notify him/her, via the Assistant Chief Officer (Finance and Commissioning), of any suspected or apparent irregularity affecting cash, stores or other property and will immediately bring such matters to the attention of the Treasurer of the Police Authority;
- Develop and maintain a Risk Strategy and bring to the notice of the Treasurer of the Police Authority all insurable risks arising from the carrying out of the Force's functions.
- Produce the draft annual Statement of Accounts, the revenue and capital budgets, and the medium/long term financial and capital plans for the Police Authority to consider.

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- Produce an annual Budget Book which details revenue expenditure and staffing by function/cost centre.

### 9.1.3 Assistant Chief Officer (Finance and Commissioning)

The Assistant Chief Officer (Finance and Commissioning) will act as S151 Officer in the absence of the Treasurer (Chief Executive of the Police Authority) and in those circumstances, carry out the functions as described above in consultation with the Monitoring Officer.

## 10. Schemes of Delegation

The Local Government Act 1972 allows for decision making to be delegated to Panels or to Officers. Within this legislation the Police Authority can agree matters to be decided by other than the full Authority. The broad issues and principles are set out below. The Police and Justice Act 2006 introduces new powers under the Local Government Act 1972 (S107) to enable police authorities to delegate functions to a committee or an authority member or officer concerned only with a portion of their police area, thus allowing for a more effective representation within local partnerships.

### 10.1 Scheme of Delegation to Panels ([See Appendix D](#))

The Police Authority has given Plenary Powers to its subordinate Panels. [See Appendix D](#) for details of the Terms of Reference for Panels and Committees. Arrangement for making changes to these terms of reference are contained in [Appendix F](#).

### 10.2 Financial Standing Orders

The Police Authority has established standing orders to assist with the delegation of its functions to officers. These standing orders establish rules for the exercise of delegated powers and any exemptions to standing orders must be approved by the Police Authority. [Appendix G](#) includes details of the contract standing orders and the financial standing orders.

### 10.3 Scheme of delegation to officers (see also [section 9.1](#) above)

The Code of Corporate Governance is intended to ensure the efficient discharge of the Police Authority's business by providing for decision making to be carried out at the appropriate level, for example, the Chief Constable being able to carry out his responsibility for operational matters and the Police Authority being able to concentrate on carrying out its statutory functions and dealing with issues of strategic importance.

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An officer may not exercise a delegated function under these arrangements if:

- The matter has been reserved to the Police Authority.
- The matter has been delegated to any Panel of the Police Authority or to a Steering Group.

In delegating responsibility in relation to personnel, financial and property matters, the Police Authority expects that the Chief Constable will act within approved policies and strategies and will take appropriate professional advice, as necessary.

The Scheme of Delegation is complementary to the Standing Orders and Financial Regulations adopted by the Police Authority and officers exercising delegated powers should do so in accordance with their provisions.

10.3.1 DELEGATION TO THE CHIEF CONSTABLE (see also sections [9.1.2](#) and [Appendix C](#))

#### Personnel Matters

The police authority employs staff to assist the Force or otherwise to enable the authority to discharge its functions. However, the Chief Constable shall, in accordance with Section 15 of the Police Act 1996, and the relevant provisions of the Police and Magistrates Court Act 1994, exercise powers of direction and control, engagement and dismissal of support staff, other than those who work directly for the authority. The Chief Constable has authority:-

- To determine all issues relating to the conditions of service of all staff, provided that any such decisions are made in accordance with policies adopted by the Police Authority and in accordance with regulations as may be in force in relation thereto. The Police Authority reserves the Appellant function as outlined within Policies, e.g. grading, grievances and discipline matters.
- To determine ex gratia payments in respect of loss or damage to employee's personal property.
- To determine matters relating to police pensions (including widows' pensions) save for (1) retirement of the grounds of ill health of ACPO officers (2) decisions under Regulation K5 of the Police Pensions Regulations 1987 which deal with the forfeiture of pensions upon the commission of certain criminal offences (Complaints Panel) and Medical Appeals under Regulation H of the Police Pension Regulations. Note that at the Modernisation Panel meeting in December 2006 it was agreed to

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delegate to the Chief Constable decision making over the pension arrangements for police recruits where there are potential future health problems or disablements identified (see [Appendix C](#) for more details).

#### Property Matters

- On behalf of the Police Authority to exercise all powers, rights and duties in respect of property in the ownership of the Police Authority, save that the Police Authority reserves to itself the right to purchase, sell and lease real property.
- After consultation with the Chief Executive, to enter into short-term leases for land and buildings in circumstances where a new lease is taken for a period of not more than 3 years and there are no implications for capital financing; an existing lease needs extending for up to a period of 3 years and there are no implications for capital financing.

#### Financial Matters

- To exercise responsibility for Force expenditure, namely that part of the Police Authority's budget which is not retained by the Police Authority for its own purposes. Such responsibility to be exercised in accordance with the financial regulations and the Standing Orders of the Police Authority and any relevant Code of Practice on Financial Management.
- To approve, after consultation with the Chief Executive, the making of ex-gratia payments in settlement of third party claims not covered by insurance.
- To approve the writing off of any debt due to the Police Authority. The Chief Executive has to be consulted in respect of any debt in excess of £1,000. Any such write offs to be reported to the Police Authority annually.
- To accept offers of sponsorship and gifts on behalf of the Police Authority, provided that decisions taken are in accordance with any guidance or policy which the Police Authority may from time to time determine.
- To accept on behalf of the Police Authority any grant made by a Local Authority under S53A of the Police Act 1964.

#### Management Matters

To deal with all claims brought against him in his capacity as Chief Constable.

10.3.2 DELEGATION TO THE CHIEF EXECUTIVE (see also sections [6.1](#) and [9.1.1](#))

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- After consultation with the Chief Constable, to deal with all claims brought against the Police Authority and institute such proceedings or take such steps as he may consider necessary to secure the payment of any debt or enforce the performance of any delegation due to the Police Authority and to take such steps as he may consider necessary to enforce any judgement obtained in any such proceedings.
- To sign on behalf of the Police Authority any indemnity required to enable the Police Authority or the Police to exercise any of their functions.
- To sign, execute and issue all legal documents necessary to implement decisions made by the Authority, its panels or officers acting under delegated powers.
- To exercise responsibility for Police Authority expenditure, namely that part of the budget which is not delegated to the Chief Constable; such responsibility to be exercised in accordance with the financial regulations and the Standing Orders of the Police Authority and any relevant Code of Practice on Financial Management.
- To delete organisations from the list of organisations approved for the investment of monies by the Authority. Action taken to be reported to the next available meeting of the Police Authority.

#### 10.3.3 DELEGATION TO THE SOLICITOR (see also [section 6.2](#) above)

- On behalf of the Police Authority, to carry out the duties of the Monitoring Officer for the purposes of S5 Local Government and Housing Act 1989.
- To arrange for the signing of contracts, deeds etc in the absence of the Chief Executive.
- To make minor amendments to the Code of Corporate Governance to ensure it is up to date and in line with legislation and report to the Police Authority Executive (see also [Appendix F](#)).

#### 10.3.4 JOINT ARRANGEMENTS (e.g. CDRPs)

The Police Authority may establish joint arrangements with one or more local authorities, including police authorities, or their executives to exercise functions which are not executive functions in any of the participating authorities.

- The Police Authority Chair, in consultation with Members, will appoint members or officers to represent the Authority on Local Strategic

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- Partnerships, Crime and Disorder Reduction Committees, Children's Trust Boards and local authority scrutiny committees, as applicable and appropriate.
- The Police Authority Chair, in consultation with Members, will appoint members to sit on the tactical Training Centre Steering Group, which sits jointly with Durham Police Authority.
  - The Police Authority Chair, in consultation with Members, will appoint members to sit on the Joint Advisory Group for the North East Air Support Consortium, together with Durham and Northumbria Police Authorities.
  - The Police Authority will agree joint arrangements for consulting the communities with appropriate bodies such as the Force and CDRPs.
  - The Police Authority will, through its panel structure, determine protocols for partnership strategies and performance to be regularly reported to the Police Authority. This will be referenced in Police Authority strategies that cover consultation, communication and partnership working.
  - For rules concerning the exercise of delegated authorities, please refer to [section 4.1](#) above.

(See also [Appendix F](#) for Standing Orders relating to partnership arrangements).

#### 10.3.5 URGENCY POWERS

The Chief Executive may determine any question considered by him, after consultation whenever practicable with the Chairman of the Authority and the Chief Constable, to be of sufficient urgency to require early decision, although not of sufficient importance to warrant the calling of a special meeting of the Authority. Where the calling of such a meeting would be impracticable in all the circumstances, such decisions, if not of a minor or routine nature, will be subsequently placed on the agenda for the next meeting of the Police Authority, or on the agenda of the appropriate panel.