

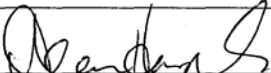
NOT CONFIDENTIAL – for public release

**POLICE AND CRIME COMMISSIONER (PCC) FOR LINCOLNSHIRE
REQUEST FOR DECISION**

REF: 2012/002

DATE: 22 November 2012

| | |
|--|--|
| SUBJECT | SCHEME OF ARRANGEMENTS FOR THE DISCHARGE OF FUNCTIONS INCLUDING CONSENTED POWERS, DELEGATIONS TO OFFICERS, FINANCIAL REGULATIONS AND CONTRACT & PROCUREMENT REGULATIONS |
| REPORT BY | CHIEF EXECUTIVE & CHIEF FINANCE OFFICER |
| CONTACT OFFICER | JULIE FLINT, CHIEF FINANCE OFFICER Tel 01522 947222 |
| EXECUTIVE SUMMARY AND PURPOSE OF REPORT To seek approval to the attached Scheme of Arrangements for the Discharge of Functions | |
| RECOMMENDATION | <i>That the Scheme of Arrangements for the Discharge of Function appended to this report be approved.</i> |

| | |
|---|-----------------------|
| POLICE AND CRIME COMMISSIONER FOR LINCOLNSHIRE | |
| I hereby approve the recommendation above, having considered the content of this report. | |
| Signature:  | Date: 22/11/12 |

A. NON-CONFIDENTIAL FACTS AND ADVICE TO THE PCC

A1. INTRODUCTION AND BACKGROUND

- 1.1. The Police Reform and Social Responsibility Act 2011 ("the Act") makes provision about the administration and governance of police forces. The Act charges the Police and Crime Commissioner for Lincolnshire with securing the maintenance, efficiency and effectiveness of Lincolnshire Police.
- 1.2. The Scheme of Arrangements for the discharge of functions including consented powers, delegations to officers, financial regulations and contract and procurement regulations ("the scheme") details the key roles of the Police and Crime Commissioner, and those functions/powers

which he/she designates to the Chief Executive, Chief Finance Officer, the Chief Constable, and if appointed, a Deputy Police and Crime Commissioner. The Commissioner may limit these powers and/or remove delegation at any time.

- 1.3. The scheme provides a framework which makes sure the business is carried out efficiently, ensuring that decisions are not unnecessarily delayed.
- 1.4. The Commissioner may set out reporting arrangements on any authorised powers.
- 1.5. Powers are given to the Chief Constable by laws, orders, rules or regulations. Also, national conditions of employment give powers to the Commissioner or the Chief Constable or, as in the case of police regulations, the Secretary of State for the Home Department.
- 1.6. The powers given to the professional officers should be exercised in line with the Commissioner's delegation, the law, and also policies, procedures, plans, strategies and budgets. This scheme does not identify all the statutory duties which are contained in specific laws and regulations.

Transfer of assets, liabilities and staff

- 1.7. The previous governance environment for policing comprised the Police Authority as a body corporate: the Police Authority owned all of the assets, employed police staff and was the party to all contracts. With the advent of Police and Crime Commissioners, two corporations sole are created by the legislation: the Police and Crime Commissioner and the Chief Constable. As a corporation sole, the legislation allows the Chief Constable to employ staff, and he may enter into contracts and own assets, but only with the consent of the Police and Crime Commissioner.
- 1.8. The Police Reform and Social Responsibility Act 2011 provides for a first stage transfer of all assets, liabilities, staff and contracts from the Police Authority to the Police and Crime Commissioner. This took place on 22 November 2012. There is also provision for the Secretary of State to direct PCC's to make one or more transfer schemes which, subject to the Secretary of State's approval, could effect the transfer of assets, liabilities, staff and contracts from the Police and Crime Commissioner to the Chief Constable. Ministers have indicated that such transfers should take place by 1 April 2014, although the Secretary of State has not, as yet, issued formal direction. These "second-stage" transfers will need to be accompanied by a Scheme of Consent which will specify the functions which the Police and Crime Commissioner consents can be undertaken by the Chief Constable. Prior to any second stage transfer, staff under the direction and control of the Chief Constable when the PCC takes office will remain under the direction and control of the Chief Constable.
- 1.9. There are significant implications involved in the Chief Constable employing staff and being empowered to hold assets and liabilities and enter into contracts. The current Balance Sheet would need to be

reviewed in detail and the assets/liabilities split between the two bodies corporate. The Chief Constable would need to have his/her own insurance and banking arrangements and may be subject to Corporation Tax. If staff were to be employed by the Chief Constable, he/she would need to make separate pension arrangements which may involve significant budgetary implications in terms of the rate at which the Local Government Pension Fund deficit is recovered because the Chief Constable is not currently designated as a Local Authority. There would be a significant amount of administrative and financial work to be undertaken.

- 1.10. There may also be benefits in the Chief Constable employing staff and consenting to the Chief Constable holding assets/liabilities and entering into contracts. The Police and Crime Commissioner might see advantages in a clear separation between the bodies corporate of the PCC and Chief Constable so that policy/commissioning is clearly a responsibility of the PCC with service delivery being separate and clearly a responsibility of the Chief Constable.
- 1.11. From the outset, in order to minimise the resources required for transition, our plans have been based upon the assumption that, until 1 April 2014, all staff will be employed by the PCC and all assets/liabilities and powers to enter into contracts will remain vested in the PCC only. The former Police Authority's Scheme of Arrangements for the Discharge of Functions would form the basis of the PCC's Scheme from 22 November 2012, subject to revisions to reflect the governance body changes. In due course, we will seek a steer on the scope of a second stage transfer to be implemented on 1 April 2014 and make plans to effect the changes from that date.

A2. LINKS TO POLICE AND CRIME PLAN AND PCC'S STRATEGIES/PRIORITIES

None.

B. FINANCIAL CONSIDERATIONS

None.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

[this should include the legal powers the PCC has for making the decision]

These are detailed within the attached Scheme of Arrangements

D. PERSONNEL AND EQUALITIES ISSUES

None.

E. REVIEW ARRANGEMENTS

Financial Regulations and Contract & Procurement Regulations will be updated on an annual basis and reviewed in full every 3 years by the Chief Finance Officer in consultation with the Force Chief Finance Officer.

F. RISK MANAGEMENT

Risk identification and mitigation considerations have informed the development of the Scheme of Arrangements.

H. PUBLIC ACCESS TO INFORMATION

Information in this form along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation. Part 1 of this form will be made available on the PCC's website within one working day of approval. However, if release by that date would compromise the implementation of the decision being approved, publication may be deferred. An explanation for any deferment must be provided below, together with a date for publication.

Is the publication of this form to be deferred? No

If Yes, for what reason:

Until what date:

Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate part 2 form.

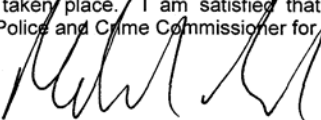
Is there a part 2 form? No

If Yes, for what reason:

ORIGINATING OFFICER DECLARATION

| | Tick to confirm |
|---|-----------------|
| Originating Officer: The Chief Executive and Chief Finance Officer recommend this proposal for the reasons outlined above. | ✓ |
| Financial advice: The PCC's Chief Finance Officer has been consulted on this proposal. The CC's Chief Finance Officer has been consulted on this proposal. | ✓ |
| | ✓ |
| Monitoring Officer: The PCC's Monitoring Officer has been consulted on this proposal | ✓ |
| Chief Constable: The Chief Constable has been consulted on this proposal | ✓ |

OFFICER APPROVAL

| | |
|--|------------------------------|
| <p>Chief Executive</p> <p>I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. Consultation outlined above has also taken place. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner for Lincolnshire.</p> | |
| <p>Signature: </p> | <p>Date: 22/11/12</p> |

**THE POLICE AND CRIME COMMISSIONER
FOR LINCOLNSHIRE**

Scheme of Arrangements for the Discharge of Functions

Including

**Consented Powers, Delegations to Officers, Financial
Regulations and Contract and Procurement Regulations**

V1.0 November 2012

LIST OF CONTENTS

| | |
|--|-----------|
| SECTION ONE | 8 |
| INTRODUCTION | 8 |
| STATUTORY BACKGROUND | 8 |
| PURPOSE | 8 |
| KEY ROLES OF THE POLICE AND CRIME COMMISSIONER | 8 |
| SECTION TWO | 10 |
| DEFINITIONS | 10 |
| SECTION THREE | 13 |
| GENERAL PRINCIPLES OF DELEGATION AND CONSENT | 13 |
| SECTION FOUR | 16 |
| DEVELOPMENT AND REVIEW OF THE POLICY FRAMEWORK | 16 |
| PF1 APPROVAL | 16 |
| PF2 CONSULTATION | 16 |
| PF3 POLICE AND CRIME PLAN | 16 |
| PF4 OTHER PLANS AND STRATEGIES COMPRISING THE POLICY FRAMEWORK | 17 |
| PF5 ACTION AND DELIVERY PLANS | 17 |
| SECTION FIVE | 18 |
| MANAGEMENT OF HUMAN RESOURCES AND DESIGNATED FUNCTIONS | 18 |
| POLICE & CRIME COMMISSIONER | 18 |
| HR1 APPOINTMENT OF SENIOR POLICE OFFICERS | 18 |
| DEPUTY POLICE & CRIME COMMISSIONER | 18 |
| HR2 FUNCTIONS DESIGNATED TO THE DEPUTY POLICE AND CRIME COMMISSIONER (IF APPOINTED) | 18 |
| CHIEF EXECUTIVE | 18 |
| HR3 FUNCTIONS DESIGNATED TO THE COMMISSIONER'S CHIEF EXECUTIVE | 18 |
| HR4 GENERAL | 19 |
| HR5 FINANCIAL | 19 |
| HR6 HUMAN RESOURCES | 19 |
| HR7 OTHER | 20 |
| CHIEF FINANCE OFFICER | 20 |
| HR8 FUNCTIONS DESIGNATED TO THE COMMISSIONER'S CHIEF FINANCE OFFICER | 20 |
| CHIEF CONSTABLE | 22 |
| HR9 FUNCTIONS DESIGNATED TO THE CHIEF CONSTABLE | 22 |

| | | |
|------|---|-----------|
| HR10 | GENERAL | 22 |
| | FINANCIAL..... | 23 |
| HR11 | PROPERTY | 23 |
| HR12 | LEGAL | 24 |
| HR13 | OTHER | 24 |
| | APPOINTMENT OF CIVILIAN STAFF | 24 |
| HR14 | INTRODUCTION..... | 24 |
| HR15 | POWERS OF THE CHIEF CONSTABLE IN RELATION TO POLICE OFFICERS AND CIVILIAN STAFF UNDER HIS/HER DIRECTION AND CONTROL..... | 24 |
| HR16 | STAFF UNDER THE DIRECTION AND CONTROL OF THE COMMISSIONER'S CHIEF EXECUTIVE | 27 |
| HR17 | BUDGET AND POLICY FRAMEWORK | 28 |
| | SECTION SIX..... | 29 |
| | ASSET MANAGEMENT..... | 29 |
| AM1 | BUDGET & POLICY FRAMEWORK..... | 29 |
| AM2 | PROPERTY | 29 |
| AM3 | ACQUISITIONS AND DISPOSALS..... | 29 |
| | SECTION SEVEN | 31 |
| | LEGAL FUNCTIONS..... | 31 |
| | SECTION EIGHT | 32 |
| | PARTNERSHIPS..... | 32 |
| | SECTION NINE..... | 33 |
| | URGENCY POWERS..... | 33 |
| | SECTION TEN | 34 |
| | PROPER OFFICERS | 34 |
| PO1 | APPOINTMENT..... | 34 |
| PO2 | CHIEF EXECUTIVE | 34 |
| PO3 | COMMISSIONER'S CHIEF FINANCE OFFICER..... | 34 |
| | SECTION ELEVEN | 35 |
| | FINANCIAL REGULATIONS | 35 |
| FR1 | PURPOSE..... | 35 |
| FR2 | STATUS..... | 35 |
| FR3 | BREACHES | 35 |
| FR4 | SUSPENSION OF REGULATIONS AND URGENT EXPENDITURE | 36 |

| | | |
|------|--|-----------|
| FR5 | VALUE ADDED TAX..... | 36 |
| FR6 | REVIEW | 36 |
| | FINANCIAL MANAGEMENT | 37 |
| FR7 | THE COMMISSIONER | 37 |
| FR8 | THE STATUTORY OFFICERS | 37 |
| FR9 | OTHER OFFICERS..... | 40 |
| | FINANCIAL PLANNING..... | 40 |
| FR10 | MEDIUM TERM FINANCIAL STRATEGY | 40 |
| FR11 | PREPARATION OF THE BUDGET AND CAPITAL PROGRAMME..... | 41 |
| | FINANCIAL MANAGEMENT | 41 |
| FR12 | BUDGETARY CONTROL | 41 |
| FR13 | CAPITAL EXPENDITURE | 42 |
| FR14 | FINANCIAL APPRAISALS (BUSINESS CASES) | 42 |
| FR15 | VIREMENT..... | 44 |
| FR16 | YEAR END CARRY FORWARD | 44 |
| FR17 | USE OF BALANCES AND RESERVES | 45 |
| FR18 | ANNUAL STATEMENTS OF ACCOUNT..... | 45 |
| FR19 | ACCOUNTING POLICIES..... | 46 |
| FR20 | ACCOUNTING RECORDS | 46 |
| FR21 | RETENTION OF RECORDS..... | 46 |
| | RISK MANAGEMENT AND CONTROL OF RESOURCES..... | 46 |
| FR22 | RISK MANAGEMENT AND INSURANCE..... | 46 |
| | INTERNAL CONTROLS & AUDIT..... | 48 |
| FR23 | INTERNAL CONTROL | 48 |
| FR24 | AUDIT REQUIREMENTS – INTERNAL AUDIT..... | 48 |
| FR25 | AUDIT REQUIREMENTS – EXTERNAL AUDIT | 49 |
| FR26 | PREVENTING FRAUD AND CORRUPTION..... | 49 |
| FR27 | STOCKS AND STORES | 49 |
| FR28 | INVENTORIES | 50 |
| | TREASURY MANAGEMENT..... | 50 |
| FR29 | BORROWING AND INVESTMENTS | 50 |
| FR30 | BANKING ARRANGEMENTS | 51 |
| FR31 | IMPRESTS..... | 52 |
| FR32 | VOLUNTARY FUNDS..... | 52 |

| | | |
|------|--|-----------|
| FR33 | LEASES..... | 52 |
| FR34 | PFI SCHEME..... | 52 |
| | SYSTEMS AND PROCEDURES | 53 |
| FR35 | GENERAL..... | 53 |
| FR36 | INCOME | 53 |
| FR37 | WRITE OFFS | 54 |
| FR38 | PAYMENTS FOR GOODS, WORK AND SERVICES..... | 54 |
| FR39 | SALARIES, WAGES AND PENSIONS (INCLUDING EXPENSES) | 55 |
| FR40 | TAXATION | 55 |
| | EXTERNAL ARRANGEMENTS | 56 |
| FR41 | GIFTS, LOANS AND SPONSORSHIP..... | 56 |
| FR42 | WORK FOR THIRD PARTIES | 57 |
| FR43 | EXTERNAL FUNDING | 57 |
| | ANNEX TO FINANCIAL REGULATIONS | 58 |
| FR44 | DELEGATED LIMITS..... | 58 |
| FR45 | Police and Crime Commissioner/G4S Delegation of Authorities..... | 59 |
| | Treasury Management -Investments | 59 |
| | Treasury Management - Borrowing | 60 |
| | Treasury Management -Banking Arrangements | 60 |
| | Treasury Management - Leasing Arrangements | 61 |
| | Approval and Award process for Police and Crime Commissioner for Lincolnshire Contracts and Orders | 62 |
| | Invoice Processing Retained, Managed & Held in Trust Activities | 62 |
| | Creditor Payment Runs..... | 62 |
| | Payroll | 63 |
| | Virement | 63 |
| | Debtor Invoices..... | 63 |
| | Credit Notes..... | 64 |
| | Debtor Write Off..... | 64 |
| | Stock Write Off | 64 |
| | SECTION TWELVE | 65 |
| | CONTRACT AND PROCUREMENT REGULATIONS | 65 |
| | EXECUTIVE SUMMARY | 65 |
| CP1 | THE NEED FOR THESE REGULATIONS: | 65 |

| | | |
|------|--|-----------|
| CP2 | GENERAL REQUIREMENTS | 65 |
| | PROCUREMENT FLOW CHART | 68 |
| CP3 | BASIC PRINCIPLES | 69 |
| CP4 | INTERPRETATION | 70 |
| CP5 | APPLICATION | 70 |
| | RESPONSIBILITIES | 72 |
| CP6 | CHIEF CONSTABLE..... | 72 |
| CP7 | HEADS OF DEPARTMENT | 72 |
| CP8 | OFFICER RESPONSIBILITIES: | 73 |
| | EXCLUSIONS AND EXCEPTIONS | 74 |
| CP9 | EXCLUSIONS..... | 74 |
| CP10 | EXCEPTIONS..... | 74 |
| | PROCUREMENT PROCEDURE | 75 |
| CP11 | COMPETITIVE DIALOGUE..... | 75 |
| CP12 | E-PROCUREMENT | 75 |
| CP13 | PRE-PROCUREMENT PROCEDURE | 75 |
| CP14 | ESTIMATING THE CONTRACT VALUE..... | 77 |
| CP15 | BONDS AND PARENT COMPANY GUARANTEES | 77 |
| CP16 | FRAMEWORK ARRANGEMENTS AND FORCE CONTRACTS (including National Mandated Contracts)..... | 77 |
| CP17 | STANDARDS AND AWARD CRITERIA..... | 77 |
| | PROCUREMENT PROCEDURE UP TO £100,000 | 78 |
| CP18 | ORDERS/CONTRACTS-LESS THAN £5,000 | 78 |
| CP19 | ORDERS/CONTRACTS-FROM £5,001 TO £25,000 | 79 |
| CP20 | ORDERS/CONTRACTS-FROM £25,001 TO £100,000 | 79 |
| | PROCUREMENT PROCEDURE ABOVE £100,000 | 79 |
| CP21 | FORMAL TENDER PROCESS..... | 79 |
| | FORM OF CONTRACT | 80 |
| CP22 | CONTRACT DOCUMENTS..... | 80 |
| CP23 | CONTRACT FORMALITIES..... | 81 |
| | VARIATIONS AND EXTENSIONS | 82 |
| CP24 | CONTRACT VARIATIONS | 82 |
| CP25 | CONTRACT EXTENSIONS | 82 |
| | CONDUCT | 82 |

| | | |
|--------|---|-----------|
| CP26 | PREVENTION OF CORRUPTION..... | 82 |
| CP27 | CONTRACT MANAGEMENT & PAYMENTS..... | 83 |
| CP28 | CONTRACT TERMINATION..... | 84 |
| CP29 | RISK ASSESSMENT & CONTINGENCY PLANNING..... | 84 |
| CP30 | PECUNIARY INTERESTS..... | 85 |
| CP31 | REPORTS TO THE POLICE AND CRIME COMMISSIONER..... | 85 |
| CP32 | REVIEW AND AMENDMENT OF CONTRACT AND PROCUREMENT REGULATIONS.. | 85 |
| | APPENDIX 'A' | 86 |
| | FORMAL TENDER PROCESS GUIDANCE | 86 |
| TEND1 | PRE-TENDER..... | 86 |
| TEND2 | DECIDING THE EVALUATION CRITERIA..... | 86 |
| TEND3 | INVITATIONS TO TENDER/QUOTATIONS..... | 86 |
| TEND4 | SHORTLISTING..... | 87 |
| TEND5 | SUBMISSION, RECEIPT AND OPENING OF TENDERS..... | 88 |
| TEND6 | ALTERATION OF OPENED TENDERS..... | 91 |
| TEND7 | CLARIFICATION PROCEDURES AND POST-TENDER NEGOTIATIONS..... | 92 |
| TEND8 | EVALUATION AND AWARD OF CONTRACT..... | 93 |
| | APPENDIX B | 94 |
| | DELEGATED AUTHORITIES IN RESPECT OF VARIATIONS TO THE STRATEGIC PARTNERSHIP CONTRACT WITH G4S CARE AND JUSTICE SERVICES | 94 |
| APPB2 | Change request forms and process flowchart..... | 94 |
| APPB3 | Scoped changes – delegation of authorities..... | 94 |
| APPB4 | Un-scoped changes (Including any KPI/performance contract changes, any financial changes or changes which have cost implications) – delegation of authorities ... | 94 |
| APPB5 | Contract amendments resulting from the change process..... | 95 |
| APPB6 | Additional delegated authorities..... | 95 |
| APPB7 | Flag Reports..... | 95 |
| APPB8 | Invoices..... | 95 |
| APPB9 | Original costed/convincing/conceptual projects, new projects, business development opportunities..... | 95 |
| APPB10 | Novation of Third Party Contracts to G4S..... | 95 |
| APPB11 | Flowchart..... | 96 |

SECTION ONE

INTRODUCTION

STATUTORY BACKGROUND

- 1.1. The Police Reform and Social Responsibility Act 2011 ("the Act") makes provision about the administration and governance of police forces. The Act charges the Police and Crime Commissioner for Lincolnshire with securing the maintenance, efficiency and effectiveness of Lincolnshire Police.

PURPOSE

- 1.2. This Scheme of Arrangements for the discharge of functions including consented powers, delegations to officers, financial regulations and contract and procurement regulations ("the scheme") details the key roles of the Police and Crime Commissioner, and those functions/powers which he/she designates to the Chief Executive, Chief Finance Officer, the Chief Constable, and if appointed, a Deputy Police and Crime Commissioner. The Commissioner may limit these powers and/or remove consent at any time.
- 1.3. All powers given to the Chief Constable within this scheme are delegated and not consented.
- 1.4. This scheme provides a framework which makes sure the business is carried out efficiently, ensuring that decisions are not unnecessarily delayed.
- 1.5. The Commissioner may set out reporting arrangements on any authorised powers.
- 1.6. Powers are given to the Chief Constable by laws, orders, rules or regulations. Also, national conditions of employment give powers to the Commissioner or the Chief Constable or, as in the case of police regulations, the Secretary of State for the Home Department.
- 1.7. The powers given to the professional officers should be exercised in line with the Commissioner's delegation, consent, the law, and also policies, procedures, plans, strategies and budgets. This scheme does not identify all the statutory duties which are contained in specific laws and regulations.

KEY ROLES OF THE POLICE AND CRIME COMMISSIONER

- 1.8. 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.
 - appoint and, if necessary dismiss the Chief Constable
 - hold the Chief Constable, and those under his/her direction and control to account on behalf of the people of Lincolnshire, ensuring they have regard to the Police and Crime Plan and the Strategic Policing Requirement.

- set the strategic direction and objectives of Lincolnshire Police through the Police and Crime Plan, monitoring the performance of the force against the agreed priorities.
 - scrutinise, support and challenge overall performance of the force.
 - make crime and disorder reduction grants
 - produce an annual report.
 - have regard to statutory responsibilities e.g. Freedom of Information Act 2000, and all human rights and equality laws
 - maintain an effective 'independent custody visiting scheme' for monitoring facilities for people being held in custody;
 - provide the local link between the police and communities, working to translate the legitimate desires and aspirations of the public into action.
- 1.9. The Police and Crime Commissioner will receive 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 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.
- 1.10. The Police and Crime Commissioner will be held to account by the Police and Crime Panel, who will scrutinise his/her decisions. The Panel has a check and balance role on the Commissioner, rather than the Chief Constable.
- 1.11. The Police and Crime Commissioner may appoint a deputy to exercise his/her functions, with the exception of those which cannot be delegated.
- 1.12. The Commissioner will be responsible for handling complaints and conduct matters in relation to the Chief Constable, monitoring complaints against all other police officers and police staff, and complying with the requirements of the Independent Police Complaints Commission.
- 1.13. 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.

SECTION TWO

DEFINITIONS

- 1.14. **"The Budget"** means the Annual Revenue Budget and capital programmes prepared and approved in accordance with Section FR11 of this Scheme
- 1.15. **"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.
- 1.16. **"Budget Holder"** means the person to whom budget management responsibility is delegated.
- 1.17. **"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.
- 1.18. **"CFO"** means Chief Finance Officer
- 1.19. **"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 Lincolnshire Police Force
- 1.20. **"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
- 1.21. **"Chief Officer"** means the Chief Constable, the Deputy Chief Constable, Assistant Chief Constable or Force Chief Finance Officer.
- 1.22. **"Commissioner"** means the police and crime commissioner for Lincolnshire.
- 1.23. **"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
- 1.24. **"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.
- 1.25. **"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
- 1.26. **"Estimated value"** means the value of the Contract estimated under these Contract and Procurement Regulations.
- 1.27. **"EU"** means the European Union

- 1.28. **"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.
- 1.29. **The "Financial Management Code of Practice"** 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.
- 1.30. **"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
- 1.31. **"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 both Police Officers and Police Staff, which goes beyond the legal definition of a Force but is used for the sake of brevity and simplicity.
- 1.32. **"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.
- 1.33. **"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.
- 1.34. **"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.
- 1.35. **"Police Officers"** means all police officers appointed in accordance with the Police Regulations.
- 1.36. **"Police Staff"** means all civilian support staff appointed on the terms and conditions agreed by the Police Support Staff Council.
- 1.37. **"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 Asset Strategy.
 - Any other plans and strategies which are expressed to form part of the Policy Framework.
- 1.38. **"Quotation"** means a quotation of price and any other relevant matter without the formal issue of a Tender.
- 1.39. **"Procuring Officer"** means the police officer or police staff responsible for a particular procurement.
- 1.40. **"SPU"** means Strategic Procurement Unit
- 1.41. **"Strategic Partner"** means third party organisation that provide services to the Commissioner and/or the Chief Constable under a long term partnership contract
- 1.42. **"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
- 1.43. **"Virement"** means the transfer of amounts from one Budget Head to another.

SECTION THREE

GENERAL PRINCIPLES OF DELEGATION AND CONSENT

- GPD1** The powers delegated and/or designated to the Chief Constable, Chief Executive, Commissioner's Chief Finance Officer and Force Chief Finance Officer shall be exercised in accordance with:
- All relevant legislation;
 - The Budget;
 - The Policy Framework;
 - All relevant provisions of this Scheme;
 - All other policies, principles, procedures, precedents, plans, strategies and budgets of the Commissioner as may be current from time to time.
- GPD2** The Commissioner may require that a specific matter be referred to him/her for decision and not dealt with by an officer under Delegated Powers/powers of consent.
- GPD3** The Scheme does not attempt to list all matters which form part of everyday management responsibilities.
- GPD4** The delegation and consent of powers to officers under this scheme does not prevent an officer from referring a matter to the Commissioner for decision if the officer wishes or considers it appropriate. In particular the Commissioner requires officers to draw to his/her attention sensitive issues or any matter which may have a significant financial implication.
- GPD5** The Chief Constable, Chief Executive, Commissioner's Chief Finance Officer or Force Chief Finance Officer, when considering a professional or technical matter that is also within the sphere of competence of another of these officers, must consult with that officer before authorising the action.
- GPD6** The Commissioner will want to be involved in any projects/areas of work which may have a significant impact on the people of Lincolnshire. He/she will want to be involved in the scope, tendering process and evaluation of any business case where this is not delegated under this Scheme.
- GPD7** Matters that are of a novel, repercussive or contentious nature must always be referred to the Commissioner for decision
- GPD8** Any reference in this Scheme to any Statute or Statutory Instrument or any Section or Regulation thereof shall also be to the same as at any time amended or where such Act, Instrument, Section or Regulation has been replaced, consolidated or re-enacted, with or without amendment, such reference shall be to the provisions of the replacing, consolidating or re-enacting Statute or Instrument.
- GPD9** All decisions made by officers under powers delegated to them by the Commissioner shall be properly documented and available for inspection.
- GPD10** Except where the context otherwise requires, references in this document to the Chief Constable, Chief Executive, Commissioner's Chief Finance Officer and Force Chief Finance Officer shall include such other officers as may be authorised by them to act on their behalf.

-
- GPD11** The Chief Constable, Chief Executive, Commissioner's Chief Finance Officer and Force Chief Finance Officer shall maintain a record of those officers authorised to act on their behalf.
- GPD12** The Chief Constable shall be responsible for ensuring that the provisions and obligations of this Scheme are properly drawn to the attention of members of staff under his/her direction and control. 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 this scheme.
- GPD13** The person appointed as the Chief Executive (who will also be the Monitoring Officer), the Commissioner's Chief Finance Officer and the Force Chief Finance Officer have statutory powers and duties relating to their positions, and therefore do not rely on matters being delegated to them to carry these out.
- GPD14** The scheme provides an officer with the legal power to carry out duties of the Commissioner. 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 Lincolnshire Police's employment policies and procedures.
 - The Data Protection Act 1998 and the Freedom of Information Act 2000
 - Health and Safety at Work legislation and codes
- GPD15** When carrying out any duties, the Commissioner must have regard to the following (this list is a summary and is not exhaustive):
- The views of the people in Lincolnshire
 - Any report or recommendation made by the Police and Crime Panel on the annual report for the previous financial year.
 - The Police and Crime Plan and any guidance issued by the Secretary of State.
- GPD16** Pursuant to Section 18 of the Police Reform and Social Responsibility Act 2011, the Commissioner may arrange for any of his statutory officers to exercise any function of the Commissioner with the exception of those listed below:
- Issuing the Police and Crime Plan;

- Determining objectives in the Police and Crime Plan;
- Calculation of budget requirements;
- Being consulted in relation to the appointment or removal of Chief Officer posts;
- Suspension of the Chief Constable, or asking him or her to resign or retire
- Attendance at the Police and Crime Panel for specified duties;
- Preparing the annual report

GPD17 Functions pursuant to holding the Chief Constable to account, the development of strategy (including the Police and Crime Plan), budget development and access to information that could be reasonably required by the Commissioner in the discharge of his duties are designated to the Chief Executive and Chief Finance Officer. For the avoidance of any doubt, the Commissioner reserves to himself all formal decision making within the meaning of his policy statement on making and the publication of decisions of significant public interest

GPD18 The Commissioner may give additional consent 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 Commissioner's governance framework, including this scheme will be reviewed annually. With the exception, of those matters listed in paragraph GPD16, the scheme allows any person, with appropriate authority, to delegate that power further.

GPD19 The Commissioner must not restrict the operational independence of the police force and the Chief Constable who leads it.

GPD20 To enable the Commissioner to exercise the functions of their office effectively they will need access to information, and officers and staff within their force area. This access must not be unreasonably withheld or obstructed by the Chief Constable, or restrict the Chief Constable's direction and control of the force.

GPD21 The Commissioner has a wider responsibility than those solely relating to the police force, namely:

- the delivery of community safety and crime reduction;
- the ability to bring together Community Safety Partnerships at a force level;
- the ability to make crime and disorder reduction grants for their force area.
- a duty to ensure that where collaboration would provide the best outcome for another local policing body or force in delivering better value for money and enhance the effectiveness of policing capabilities and resilience this should be pursued;
- the enhancement of the delivery of criminal justice in their area.

SECTION FOUR

DEVELOPMENT AND REVIEW OF THE POLICY FRAMEWORK

PF1 APPROVAL

PF1.1 The Commissioner will approve all strategies and plans comprising the Policy Framework.

PF2 CONSULTATION

PF2.1 In formulating or amending or updating any policy or document forming part of the Policy Framework the Commissioner and the Chief Constable shall have regard to any views expressed by the people within the Policing Area about matters concerning the policing of the Area.

PF2.2 In accordance with Section 96 of the Police Act 1996 and Section 14 of the Police Reform and Social Responsibility Act 2011 the Commissioner shall make and from time to time review arrangements for obtaining the views of people in the Policing Area having consulted with the Chief Constable as to the arrangements that would be appropriate.

PF3 POLICE AND CRIME PLAN

PF3.1 In accordance with Section 5 of the Police Reform and Social Responsibility Act 2011, the Commissioner must issue a police and crime plan within the financial year in which each ordinary election is held.

PF3.2 Before issuing such a plan the Commissioner must

- prepare a draft of the plan,
- consult with the Chief Constable in preparing the draft,
- send the draft to the police and crime panel,
- have regard to any report or recommendations made by the panel,
- give the panel a response to any such report or recommendations, and
- publish any such response.

PF3.3 A police and crime plan must set out, in relation to the planning period

- the Commissioner's police and crime objectives,
- the policing of the area which the Chief Constable is to provide,
- the financial and other resources the Commissioner is to provide to the Chief Constable for him to exercise his functions,
- the means by which the chief constable will report to the Commissioner on the chief constable's provision of policing,
- the means by which the chief constable's performance in providing policing will be measured;
- the crime and disorder grants which the Commissioner is to make and any conditions of these.

PF3.4 The planning period begins with the day on which the plan is issued or takes effect and ends with the last day of the financial year in which the next ordinary election is expected to take place.

PF4 OTHER PLANS AND STRATEGIES COMPRISING THE POLICY FRAMEWORK

PF4.1 The Commissioner shall adopt the following non-statutory plans and strategies, namely:

- the Medium Term Financial Strategy and Financial Plan;
- the People Strategy;
- the Procurement Strategy;
- the ICT Strategy;
- the Asset Strategy;
- any other plans and strategies which are expressed to form part of the Policy Framework.

PF4.2 Before adopting any of the plans and strategies listed in paragraph PF4.1, the Commissioner shall consult with the Chief Constable.

PF4.3 The contents of any non-statutory plan shall not purport to derogate from the Chief Constable's statutory powers and responsibilities for the direction and control of the Force.

PF5 ACTION AND DELIVERY PLANS

PF5.1 The Chief Constable will prepare action and delivery plans which will underpin the plans and strategies comprising the Policy Framework

PF5.2 Action and delivery plans will be approved by the Commissioner annually or in accordance with a timetable agreed between the Chief Constable and the Chief Executive (or in default of agreement determined by the Commissioner)

SECTION FIVE

MANAGEMENT OF HUMAN RESOURCES AND DESIGNATED FUNCTIONS

POLICE & CRIME COMMISSIONER

HR1 APPOINTMENT OF SENIOR POLICE OFFICERS

- HR1.1 In accordance with Section 38 of the Police Reform and Social Responsibility Act 2011, the Commissioner will appoint the Chief Constable.
- HR1.2 In accordance with Sections 39 and 40 of the Police Reform and Social Responsibility Act 2011, the Chief Constable will consult the Commissioner before appointing a person as Deputy Chief Constable or Assistant Chief Constable.
- HR1.3 The Commissioner may suspend from duty the Chief Constable.
- HR1.4 The Chief Constable may suspend from duty a Deputy or Assistant Chief Constable.

DEPUTY POLICE & CRIME COMMISSIONER

HR2 FUNCTIONS DESIGNATED TO THE DEPUTY POLICE AND CRIME COMMISSIONER (IF APPOINTED)

- HR2.1 The Commissioner may appoint a deputy to exercise his/her functions (except those which cannot be delegated, these are listed in paragraph GPD16). The Deputy Police and Crime Commissioner can give consent to the Chief Executive to carry out any functions in his/her absence (defined as leave or illness).
- HR2.2 The Commissioner cannot give consent to his/her deputy to carry out the following functions:
- issuing the police and crime plan;
 - appointment, suspension or removal of the Chief Constable by requiring him/her to retire or resign;
 - calculating the budget requirement.

CHIEF EXECUTIVE

HR3 FUNCTIONS DESIGNATED TO THE COMMISSIONER'S CHIEF EXECUTIVE

- HR3.1 The Chief Executive is the head of the Police and Crime Commissioner's staff, and is also the Monitoring Officer for the Commissioner.
- HR3.2 The formal consents, listed below, are those given to the Chief Executive, which are in effect at the time of the publication of the scheme.

HR4 GENERAL

- HR4.1 To act as 'Monitoring Officer' under section 5(1) of the Local Government and Housing Act 1989 and in accordance with Schedule 16 of the Police Reform & Social Responsibility Act 2011..
- HR4.2 Prepare the police and crime plan in consultation with Lincolnshire Police for submission to the Commissioner.
- HR4.3 Produce an annual report
- HR4.4 Provide information to the Police and Crime Panel, as reasonably required to enable the panel to carry out its functions.
- HR4.5 To sign all contracts on behalf of the Commissioner (and Deputy Commissioner if appointed) in accordance with any decisions either has made.
- HR4.6 To approve the Commissioner's Records Management Policy Statement.

HR5 FINANCIAL

- HR5.1 To approve exceptional cases in the provision of police advice and assistance to international agencies because:
- The full cost is £4,000 or more (including air flights, accommodation and salary costs of the police officer or member of staff)
 - It is a sensitive case involving travel to a politically sensitive country.
- HR5.2 To fix fees for copies of documents and extracts of documents members of the public ask for under the Local Government (Access to Information) Act 1985, the Freedom of Information Act 2000, or the Data Protection Act 1998.

HR6 HUMAN RESOURCES

- HR6.1 To appoint and dismiss staff not under the control of the Chief Constable (see also "Staff under the direction and control of the Commissioner's Chief Executive" below) except the Commissioner's Chief Finance Officer.
- HR6.2 To make recommendations to the Commissioner with regard to staff terms and conditions of service, in consultation with the Commissioner's Chief Finance Officer.
- HR6.3 To undertake the management of staffing resources for all staff employed by the Commissioner (and not under the direction and control of the Chief Constable) in line with agreed policies and procedures.
- HR6.4 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.
- HR6.5 To appoint Independent Custody Visitors and terminate appointments if necessary.

HR6.6 To approve the Facilities Agreement with Unison.

HR7 OTHER

- HR7.1 To affix the common seal of the Commissioner, including making an entry in the seal book, to:
- any document transferring an interest in land;
 - all contracts, agreements or transactions in respect of which there is no consideration
 - when it is determined by the Commissioner (or Deputy Commissioner if appointed) there is a particular need for the seal to be attached.
- HR7.2 To authorise the issue, defence, withdrawal or settlement of any claims or legal proceedings on the Commissioner's behalf, in consultation with the Commissioner's Chief Finance Officer if there are significant financial implications.
- HR7.3 To consider, with the Commissioner, any complaint made against the Chief Constable, and where appropriate, to make arrangements for appointing an officer to investigate the complaint or otherwise resolve or manage the complaint.
- HR7.4 To respond to consultations on proposals affecting the Commissioner, if necessary, after first taking the views of the Commissioner, the Chief Finance Officer or the Chief Constable, as appropriate.
- HR7.5 To obtain legal or other expert advice and to appoint legal professionals whenever this is considered to be in the Commissioner's best interests and for his/her benefit and where this is necessary to enable the Chief Executive to properly discharge his/her duties as Monitoring Officer.
- HR7.6 To make sure, in consultation with the Chief Constable, appropriate arrangements are made to gather the community's views on the policing of Lincolnshire and preventing crime.

CHIEF FINANCE OFFICER

HR8 FUNCTIONS DESIGNATED TO THE COMMISSIONER'S CHIEF FINANCE OFFICER

- HR8.1 The Commissioner's Chief Finance Officer is the financial adviser to the Commissioner and has statutory responsibility to manage his/her financial affairs as set out in sections 112 and 114 of the Local Government Finance Act 1988, and the Accounts and Audit Regulations 2003 (as amended).
- HR8.2 The Commissioner's Chief Finance Officer must ensure that the financial affairs of the Commissioner and the force are properly administered having regard to their probity, legality and appropriate standards
- HR8.3 The formal consents, listed below, are those given to the Commissioner's Chief Finance Officer, which are in effect at the time of the publication of this scheme.

- HR8.4 To approve the arrangements for the treasury management function, including the day to day management, the production of the treasury management strategy, and supporting policies and procedures.
- HR8.5 To approve the arrangements for securing and preparing the Commissioner's accounts, and seek assurances that there are appropriate arrangements in place for the preparation of the force's accounts.
- HR8.6 To seek assurances that there are appropriate arrangements in place within the force for its financial management.
- HR8.7 To be responsible for all banking arrangements, together with creating, closing or authorising all bank accounts.
- HR8.8 To administer grants awarded by the Commissioner or Deputy Commissioner if appointed.
- HR8.9 To be responsible for investing and borrowing money, as necessary, in line with the treasury management strategy.
- HR8.10 To authorise payments, without having to get approval and regardless of whether or not provision has been made in the revenue budget in relation to:
- payments the Commissioner has to make by law
 - payments ordered by the court
 - payments due under any agreement entered into by the Commissioner.
- HR8.11 To act as 'Money Laundering Reporting Officer' under the Proceeds of Crime Act 2002 and Money Laundering Regulations 2003.
- HR8.12 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.
- HR8.13 Sign cheques on behalf of the Commissioner.
- HR8.14 To prepare and annually review draft financial and contract regulations, in consultation with the force, for approval by the Commissioner, or Deputy Commissioner, if appointed.
- HR8.15 To prepare and annually review draft expenses and benefits framework for approval by the Commissioner.
- HR8.16 To determine when goods are surplus to requirements or obsolete and arrange for disposal in line with financial regulations.
- HR8.17 Provide for an adequate and effective internal audit service.
- HR8.18 To report to the Commissioner and the external auditor any unlawful or potentially unlawful spending by his/her, or the force's officers.
- HR8.19 To approve the Information Sharing Protocol for Financial Information.

CHIEF CONSTABLE

HR9 FUNCTIONS DESIGNATED TO THE CHIEF CONSTABLE

- HR9.1 The Chief Constable is responsible for maintaining the Queen's peace and has direction and control over the force's officers and staff.
- HR9.2 The Chief Constable is accountable for the exercise of police powers, and to the Police and Crime Commissioner for the delivery of efficient and effective policing, and management of resources and expenditure by the police force.
- HR9.3 The formal consents, listed below, are those given to the Chief Constable, which are in effect at the time of the publication of this scheme.

HR10 GENERAL

- HR10.1 To lead the force in a way that is consistent with the attestation made by all constables on appointment and ensuring that it acts impartially.
- HR10.2 To support the Police and Crime Commissioner in the delivery of the strategy and objectives set out in the Police and Crime Plan.
- HR10.3 To provide the Commissioner with access to information, officers and staff as required.
- HR10.4 To have regard to the Strategic Policing Requirement when exercising and planning their policing functions in respect of their force's national and international policing responsibilities.
- HR10.5 To notify and brief the Commissioner of any matter or investigation on which he/she may need to provide public assurance either alone or with the Commissioner (all Police and Crime Commissioners will be designated as Crown Servants under the Official Secrets Act 1989(a) making them subject to the same provisions in relation to sensitive material as Government Ministers).
- HR10.6 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.
- HR10.7 To remain politically independent of the Police and Crime Commissioner.
- HR10.8 To manage all complaints against the force, its officers and staff, except in relation to the Chief Constable, and to ensure that the Commissioner is kept informed to enable him/her 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.
- HR10.9 To exercise the power of direction and control in such a way that the Commissioner will be able to access all necessary information and staff within the force.

FINANCIAL

- HR10.10 To ensure that the financial affairs of Lincolnshire Police are properly administered having regard to probity, legality, and appropriate standards.
- HR10.11 To assist the Police and Crime Commissioner in planning the force's budget.
- HR10.12 To undertake the day to day management of the budget delegated to Lincolnshire Police in accordance with financial regulations.
- HR10.13 To approve business cases for revenue and capital expenditure below £25,000 (FR14.2 and FR44), provided there is sufficient funding within the approved Budget or Capital Programme, and with the exception of expenditure proposals of an exceptional nature.
- HR10.14 Commit expenditure within the approved budget to meet policies and objectives agreed with the Commissioner and reflected in the Police and Crime Plan.
- HR10.15 Approve all agreements for the provision of services to other organisations within the force area with a value below £25,000. (FR42/44) (This does not apply to the provision of mutual aid by the Chief Constable 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 Commissioner). All such contracts will be in the name of the Police & Crime Commissioner for Lincolnshire to whom income will accrue.
- HR10.16 Approve the provision of policing services to external bodies where the contract is less than £25,000. All such contracts will be in the name of the Police & Crime Commissioner for Lincolnshire to whom income will accrue.
- HR10.17 Undertake the day to day management of the insurance function in line with the strategy approved by the Commissioner on an annual basis.
- HR10.18 To approve non exceptional cases in the provision of police advice and assistance to international agencies.
- HR10.19 To provide regular monitoring information to the Commissioner in respect of the approved capital programme.
- HR10.20 The above list is not exhaustive and reference should be made to the financial regulations, which form part of this Scheme, in order to view all delegations that are in place.
- HR10.21 In addition, the Contract and procurement regulations set clear regulations for the procurement of goods, works and services for the Commissioner and the Force, which must be followed.

HR11 PROPERTY

- HR11.1 Asset management functions designated to the Chief Constable are detailed in section six

HR12 LEGAL

HR12.1 Legal functions designated to the Chief Constable are detailed at section seven

HR13 OTHER

HR13.1 To exercise the powers and duties of the Police (Property) Regulations 1997 by:

- authorising, where appropriate, requests to donate unclaimed lost property to charity; and
- approving the keeping of unclaimed lost property if it can be put to good use for police purposes.

HR13.2 To make necessary arrangements to involve and work with communities and partner organisations in order to solve local policing problems

APPOINTMENT OF CIVILIAN STAFF

HR14 INTRODUCTION

HR14.1 The Commissioner must appoint a person to be head of his/her staff (the Commissioner's Chief Executive) and a person to be responsible for the proper administration of the Commissioner's financial affairs (the Commissioner's Chief Finance Officer). The Commissioner may appoint such other staff as he/she thinks appropriate to enable him/her to exercise the functions of the Commissioner. The appointment and dismissal of such staff is delegated to the Chief Executive.

HR14.2 All civilian staff appointments shall be made on the terms and conditions agreed by the Police Staff Support Council or on terms and conditions agreed by the Commissioner.

HR14.3 The Commissioner may make arrangements with any member of civilian staff under the direction and control of the Chief Constable to cease being so and be under the Commissioner's direction and control.

HR14.4 The Chief Constable must appoint a person to be responsible for the proper administration of the Force's financial affairs (the Force's Chief Finance Officer). The Commissioner will continue to employ all police staff, including those under the direction and control of the Chief Constable. Direction and control includes powers of appointment and dismissal.

HR15 POWERS OF THE CHIEF CONSTABLE IN RELATION TO POLICE OFFICERS AND CIVILIAN STAFF UNDER HIS/HER DIRECTION AND CONTROL

HR15.1 To adjust the police staff and police officer establishment in numbers, locations, ranks and gradings within the overall workforce budget approved by the Commissioner, (except for posts at chief-officer level, which require consultation with the Commissioner) Details of all variations made to establishment are to be reported to the Commissioner.

- HR15.2 To appoint all Lincolnshire Police officers and staff (after consultation with the Commissioner on posts above the rank of Chief Superintendent)
- HR15.3 To appoint the Force Chief Finance Officer and any other civilian officers of equivalent seniority having taken into account the advice of the Commissioner's Chief Finance Officer who will participate in the selection process.
- HR15.4 To authorise, in accordance with Police Staff Conditions of Service, the suspension of staff and/or the termination of their employment with the exception of staff whose appointment is made by the Commissioner's Chief Executive and who are not under the direction and control of the Chief Constable.
- HR15.5 To approve, within any policy approved by the Commissioner, the retirement, in the interests of the efficiency of the service, of employees subject to the Local Government Pension Scheme with or without enhancement of service and to report to the Commissioner on this issue each year
- HR15.6 To approve the appointment or secondment of police officers for central services or overseas duty.
- HR15.7 In accordance 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 in respect of police officers selected to take degree courses at University.
- HR15.8 To implement national agreements on salaries, wages and conditions for which provision has been made in the Budget. For the avoidance of any doubt all awards resulting in expenditure in excess of the Budget shall require prior approval by the Commissioner and all those relating to the Chief Constable shall require prior approval by the Commissioner's Chief Finance Officer.
- HR15.9 To approve payments under any bonus, productivity or performance related payment schemes, honoraria payments in recognition of additional duties and responsibilities and similar special payments provided such payments are to be made in accordance with a scheme approved by the Commissioner. However all payments relating to the Chief Constable's Review/Bonus Scheme can only be approved by the Commissioner.
- HR15.10 Notwithstanding the provisions of HR15.8 above, to undertake negotiations and reach agreements with recognised Trade Unions and Staff Associations on any matters suitable for local determination. This shall be done in consultation with the Commissioner or his/her Chief Executive.
- HR15.11 To approve, within Police Regulations and any Police Staff Council guidelines, requests from police officers and police staff to undertake additional outside work. Any appeals from officers (both police officers and police staff) against decisions arrived at by the Chief Constable in determining whether a business interest is compatible with an officer's duties will be considered in line with the Force policy.
- HR15.12 Within any Commissioner approved policy, to designate a police officer or police staff post as an authorised essential or casual car user for official

business and the payment of the relevant allowances within approved budgets.

- HR15.13 To make awards under any Commissioner approved staff suggestion scheme provided that details of all such awards made are contained within an annual report to the Commissioner.
- HR15.14 To make appointments of medical examiners in accordance with the terms and conditions agreed by the JNC for the Fees of Doctors Assisting Local Authorities, or any alternative scheme approved by the Authority provided that it is within budgetary provision.
- HR15.15 To implement changes in rates of motor vehicle and subsistence allowances following national agreement.
- HR15.16 To make arrangements for the administration of any car loan or leasing scheme in accordance with conditions to be approved by the Commissioner.
- HR15.17 To approve the payment of gratuities for the fingerprinting of decomposed bodies in accordance with rates prescribed by the Home Office.
- HR15.18 To approve the payment of standard rate transitional rent/housing allowances in accordance with Police Regulations.
- HR15.19 To approve claims for reimbursement of removal expenses in accordance with Police Regulations.
- HR15.20 To reimburse expenses in respect of voluntary transfers between Forces below Chief Officer level in accordance with Police Regulations.
- HR15.21 To approve the number of designated first aiders and the payment of appropriate First Aid allowances.
- HR15.22 Subject to agreement with the Chief Executive, to issue certificates sought by staff seeking exemption from political restriction under the Local Government and Housing Act 1989, in those cases where it is considered that the duties of the post do not fall within Sub-section 3 of Section 2 of the Act.
- HR15.23 To approve the retirement of Police officers and Police staff of the Force on the grounds of ill health and the payment of ordinary and ill health pensions and gratuities as appropriate, with due regard to the advice of the Force Medical Examiner or selected medical practitioner. This power to be restricted to officers up to and including the rank of Chief Superintendent. However the Commissioner must be consulted on the retirement of Assistant Chief Constables and the Deputy Chief Constable. This provision includes the Force Chief Finance Officer. In exercising this power details of all ill health retirements approved are to be reported to the Commissioner.
- HR15.24 To authorise, in the circumstance of the death of an officer, special constable or member of the support staff in service, the payment of either a donation to charity or a floral tribute on behalf of the Force/Commissioner up to a limit of £50

HR16 STAFF UNDER THE DIRECTION AND CONTROL OF THE COMMISSIONER'S CHIEF EXECUTIVE

- HR16.1 As required by Schedule 1 of the Police Reform and Social Responsibility Act 2011, the Commissioner will appoint a person to be the head of the Commissioner's staff (the Commissioner's Chief Executive) and a person to be responsible for the proper administration of the Commissioner's financial affairs (the Commissioner's Chief Finance Officer).
- HR16.2 The Commissioner may appoint such other staff as he/she thinks appropriate to enable the Commissioner to exercise his or her functions.
- HR16.3 The Commissioner's powers of direction and control over staff (other than the Chief Executive) employed to enable the Commissioner to discharge his/her functions shall be exercised by the Chief Executive.
- HR16.4 All staff appointments made by the Chief Executive shall be made on the terms and conditions agreed by the Police Staff Support Council or on terms and conditions agreed by the Commissioner.
- HR16.5 The powers of direction and control of the Chief Executive shall include:
- the appointment and dismissal of staff with the exception of the Commissioners Chief Finance Officer;
 - the management of disciplinary procedures and implementation of any outcome;
 - the management of grievance/fairness at work procedures and implementation of any outcome;
 - the approval of the extension of service for non-pensionable employees;
 - the approval of the extension of service for staff over normal retiring age;
 - the approval of the payment of all allowances payable under national or local conditions of service including car and telephone allowances;
 - the approval of the extension of sick leave on full pay (less National Insurance benefits) for a period within any policy agreed by the Commissioner;
 - the approval of leave of absence without pay beyond that provided for within the relevant Terms and Conditions of appointment;
 - the approval of the payment of honoraria to officers who have undertaken additional duties over an extended period in the absence of a more senior Officer;
 - the grant of one merit increment in any year in salary;
 - the discharge of any civilian employee whom a medical examiner has certified as being permanently medically unfit from performing his/her duties;

-
- The Approval within any Police Staff Council guidelines for requests to undertake additional outside work. Any appeals from officers against the Chief Executive's decisions will be considered by the Commissioner.

HR16.6 The Deputy Police and Crime Commissioner is a member of the Commissioner's staff (Section 18 (10) of the Police Reform and Social Responsibility Act 2011). Powers of direction and control over the Deputy Commissioner are reserved to the Commissioner.

HR16.7 In the absence of the Chief Executive and in any circumstances where action is required before the Chief Executive is expected to return or where there is no Chief Executive currently in post, his or her powers of direction and control under paragraph HR16.5 shall be exercised by an officer that the Commissioner shall designate for that purpose

HR17 BUDGET AND POLICY FRAMEWORK

HR17.1 Without derogating from the respective statutory powers and duties of the Commissioner and the Chief Constable all aspects of the management of human resources will be undertaken in accordance with the Budget and Policy Framework and having particular regard to the People Strategy.

SECTION SIX

ASSET MANAGEMENT

AM1 BUDGET & POLICY FRAMEWORK

AM1.1 Without derogating from the respective statutory powers and duties of the Commissioner and the Chief Constable all aspects of the management of assets will be undertaken in accordance with the Budget and Policy Framework and having particular regard to the Asset Strategy.

AM2 PROPERTY

AM2.1 Having regard to the recommendations of the Financial Management Code of Practice relating to property management the following functions are designated to the Chief Constable.

AM2.2 The Chief Constable shall make arrangements for the day to day management, furnishing and equipping of Lincolnshire Police premises, subject to the provisions of the financial regulations, and shall make arrangements for its proper security and maintenance.

AM2.3 The Chief Constable shall ensure that assets are properly maintained and securely held, and that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place. Assets include stocks, stores, equipment, records, and intangible items such as intellectual property

AM2.4 The Chief Constable will arrange for all attractive and portable items such as computers, cameras and video recorders to be identified with security markings as belonging to the Commissioner

AM2.5 The Chief Constable shall establish and maintain a register of all property and major assets owned by or leased to the Commissioner, including vehicle and intellectual property, which shall include a current valuation of assets valued at and above the delegated limit (see FR44)

AM2.6 The Chief Constable shall make such arrangements, as he deems necessary in line with current recognised practices to ensure the safe custody of all documents of title to land owned or leased by the Commissioner.

AM2.7 The Chief Constable shall take the role of Employer in civil engineering contracts where the Commissioner is the employer in respect of: -

- deduction of liquidated damages;
- other matters within the limits imposed by the Financial Regulation.

AM3 ACQUISITIONS AND DISPOSALS

AM3.1 Any acquisition or disposal of property that does not fall within the Policy Framework or Budget shall be subject to the prior approval of the Commissioner.

AM3.2 The Chief Constable shall arrange for disposal of any land, premises and other assets which become surplus to requirements and have been declared as such in accordance with the Budget and Policy Framework or under

paragraph AM3.1. The Chief Constable shall take advice from an appropriately qualified valuer regarding the disposal of any land or premises. Where the estimated disposal value exceeds the delegated limit (see FR44) Chief Constable shall submit the terms of the proposed disposal to the Commissioner for approval together with a copy of the Valuer's written advice.

AM3.3 The Chief Constable shall advise both the Chief Executive and Commissioner's Chief Finance Officer in writing of any contractual difficulties with regard to the acquisition or disposal of property that are potentially likely to cost the Commissioner in excess of the delegated limit (see FR44) or where the matter could be of a high profile, novel, contentious or repercussive nature for the Commissioner.

SECTION SEVEN

LEGAL FUNCTIONS

- L1** Where calculated to facilitate, or conducive or incidental to, the discharge of any of the functions of the Commissioner, the Chief Constable shall be empowered to: -
- prosecute or defend or appear in any legal proceedings and, in the case of civil proceedings, to institute them in his own name; and
 - make representations in his own name at any public inquiry held by or on behalf of any Minister or public body under any enactment.
- L2** The Chief Constable must advise the Chief Executive and Commissioner's Chief Finance Officer of any legal proceedings where the matter is potentially of a high profile nature or is likely to involve the Commissioner in significant expenditure.
- L3** The Chief Constable shall issue and serve notices and impose requirements under any legislation relating to the functions administered by the Force.
- L4** Arrangements for the settlement of claims within the terms of the Commissioner and Chief Constable's insurance policies, ex-gratia payments and payments arising from Employment Tribunal settlements are detailed in the financial regulations at FR22

SECTION EIGHT
PARTNERSHIPS

- P1** The Chief Constable may within the sphere of his or her operational responsibility form partnerships with other local public, private, voluntary and community sector organisations but shall prior to entering into such partnerships consult the Commissioner. The Chief Constable shall report at least annually to the Commissioner on the work of all such Partnerships.
- P2** The Chief Constable through the Force Chief Finance Officer shall promote and maintain the same high standards of conduct with regard to financial administration in partnerships that apply to the Commissioner.
- P3** The Commissioner's Chief Finance Officer and Force Chief Finance Officer must ensure that the accounting arrangements to be adopted relating to partnerships are satisfactory. They must also consider the overall corporate governance arrangements and legal issues when arranging contracts with external bodies. They must ensure that all identifiable risks have been fully appraised before agreements are entered into with external bodies.
- P4** For the purposes of paragraphs P1 – P3, 'partnership' is defined as a formal agreement between two or more independent bodies to work collectively at a strategic level to achieve agreed (an) objective(s) where highlighted risks are apparent. These risks are financial input, contractual obligations and staffing implications.
- P5** Reporting as required by paragraph P1 shall be for those partnerships which are assessed as being of a combined high risk.

SECTION NINE

URGENCY POWERS

- UP1** Where a matter which is not delegated to any officer under this scheme requires a decision that cannot wait for the attention of the Commissioner or Deputy Commissioner (to whomever power is reserved), and only in such circumstances, the Chief Executive and/or Commissioner's Chief Finance Officer may take the necessary decision provided that the provisions of paragraphs UP2 to UP4 are complied with.
- UP2** Before taking a decision under paragraph UP1 the Chief Executive and/or Commissioner's Chief Finance Officer shall consult each other and the Chief Constable (except in relation to matters which would otherwise be determined by the Commissioner without reference to the Chief Constable).
- UP3** Every effort must be made to discuss the proposed decision with the Commissioner or his/her Deputy using the most appropriate means of communication.
- UP4** Urgent decisions taken under delegated authority in accordance with these provisions must be reported to the Commissioner and published in the manner normally used for decisions of the Commissioner.

SECTION TEN

PROPER OFFICERS

PO1 APPOINTMENT

PO1.1 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.

PO2 CHIEF EXECUTIVE

PO2.1 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.

PO3 COMMISSIONER'S CHIEF FINANCE OFFICER

PO3.1 The Commissioner's Chief Finance Officer is designated as the Proper Officer for the following: -

- Section 115 (2) – Receipt of monies due from officers.
- Section 228 (3) – Inspection of accounts.

SECTION ELEVEN

FINANCIAL REGULATIONS

FR1 PURPOSE

- FR1.1 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.
- FR1.2 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.
- FR1.3 FR44 sets out the delegated limits attributable to these Financial Regulations.

FR2 STATUS

- FR2.1 These Financial Regulations are embedded within and must be read in conjunction with the other constituent parts of the scheme of arrangements.
- FR2.2 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.
- FR2.3 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 emphasise the need for effective systems of internal control to be in place and complied with.
- FR2.4 The Commissioner shall ensure that all of his/her staff are aware of the content of the Financial Regulations and guidance and other internal regulatory documents and ensure that they comply with them. The Commissioner shall also ensure that all bodies commissioned to deliver services comply with the Financial Regulations insofar as they are relevant and applicable to the body.
- FR2.5 The Chief Constable shall ensure that all police officers, police staff and the Strategic Partner's staff are aware of the content of the Financial Regulations and guidance and other internal regulatory documents and ensure that they comply with them.

FR3 BREACHES

- FR3.1 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.

FR3.2 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 or Strategic Partner 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 the Force CFO shall discuss the breach with the Commissioner's CFO with a view to identifying appropriate action.

FR4 SUSPENSION OF REGULATIONS AND URGENT EXPENDITURE.

FR4.1 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. Any decision to suspend the Regulations shall be recorded in writing along with the reason(s) for making the decision.

FR4.2 In cases of urgency:

FR4.2.1 the Chief Constable jointly with the Chief Executive and the CFOs, and in consultation with the Commissioner, may authorise the Force to incur any lawful expenditure which would otherwise be contrary to these Regulations; or

FR4.2.2 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.

FR4.3 If, in respect of Regulation 4.2.1, 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.

FR4.4 The exercise of regulation FR4.2 shall in every case be recorded in writing along with the reason(s) for making the decision.

FR5 VALUE ADDED TAX

FR5.1 All limits specified within these Financial Regulations exclude any Value Added Tax (VAT) which may be payable.

FR6 REVIEW

FR6.1 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 Commissioner or Chief Constable) are delegated to the Commissioner's CFO in consultation with the Force CFO and Monitoring Officer as required. All other changes must be approved by the Commissioner.

- FR6.2 The CFOs will review FR44 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.
- FR6.3 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 FR44 and will submit any recommendations for change to the Commissioner for approval.

FINANCIAL MANAGEMENT

FR7 THE COMMISSIONER

- FR7.1 In accordance with the statutory requirements and deadlines, and having consulted with the Police and Crime Panel and other stakeholders, the Commissioner shall approve the Budget and Capital Strategy and Programme and shall determine the precept for the forthcoming financial year.
- FR7.2 The Commissioner shall regularly monitor compliance with the Budget and Capital Strategy and Programme.
- FR7.3 The Commissioner shall approve procedures for recording and reporting financial decisions taken, including key decisions taken by the Commissioner, the Chief Constable and any other person with delegated authority to make key decisions.
- FR7.4 The Audit Committee shall continuously monitor the effectiveness of the Commissioner's and the Chief Constable's financial management and the achievement of value for money.

FR8 THE STATUTORY OFFICERS

- FR8.1 In accordance with statutory requirements the Commissioner will appoint the Chief Executive and Commissioner's CFO, each of whom has responsibilities relating to the financial management of the Commissioner.
- FR8.2 The Chief Executive will:
- FR8.2.1 advise the Commissioner, staff and officers about who has the authority to take a particular decision;
 - FR8.2.2 advise the Chief Constable or Commissioner on whether a decision is likely to be considered contrary to or not wholly in accordance with the policy framework; and
 - FR8.2.3 undertake the duties of Monitoring Officer, ensuring the legality of the actions of the Commissioner, the Force, and their officers and staff.
- FR8.3 The Commissioner's CFO has statutory duties in relation to the administration and stewardship of the Commissioner's financial affairs. These duties are not delegations from the Commissioner but are vested in the Commissioner's CFO consequent upon his or her designation as the Proper Officer under the relevant Statutory Provisions. Within the Scheme of Arrangements most

financial management is delegated to the Chief Constable and through him/her to the Force Chief Finance Officer. However, the Commissioner cannot derogate from the Commissioner's CFO's functions under these provisions which are:-

- Local Government Act 1972 (S151).
- The Local Government Finance Act 1988 (S112).
- The Local Government Finance Act 1988 (S114).
- The Local Government and Housing Act 1989.
- The Accounts and Audit Regulations 2011.
- The Local Government Act 2003 (S28).

FR8.4 The Commissioner's CFO shall:

- FR8.4.1 have a place on the Commissioner's leadership team to provide financial advice to the Commissioner on all aspects of their activity, including the strategic planning and policy making process;
- FR8.4.2 assist the Commissioner in obtaining best value for money;
- FR8.4.3 advise the Commissioner on financial propriety;
- FR8.4.4 ensure that accurate, complete and timely financial management information is provided to the Commissioner;
- FR8.4.5 ensure the preparation of statutory and other accounts;
- FR8.4.6 undertake an adequate and effective internal audit of its accounting records and of its system of internal control;
- FR8.4.7 undertake treasury management activity including loans and investments;
- FR8.4.8 advise, in consultation with the Chief Executive, on the safeguarding of assets, risk management and insurance;
- FR8.4.9 arrange for the determination, issue and transfer of the precept; and
- FR8.4.10 advise on budgetary matters including any consequent long term implications. .

FR8.5 In accordance with Section 114 of the Local Government Finance Act 1988 the Commissioner's CFO shall report to the Commissioner and external auditor if the Commissioner or the Chief Constable, or one of their officers:

- has made, or is about to make, a decision which involves incurring unlawful expenditure;
- has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the local policing body; and
- is about to make an unlawful entry in the Local policing body's accounts.

- FR8.6 In addition, in accordance with Section 114 of the 1988 Act:
- FR8.6.1 the Commissioner's CFO shall nominate a properly qualified person to deputise should he or she be unable to perform the duties under section 114 personally; and
- FR8.6.2 the Commissioner shall provide the Commissioner's CFO with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out their duties under section 114. This support may be provided to the Commissioner's CFO by the Force CFO and their team and/or by the Strategic Partner.
- FR8.7 In accordance with Section 113 of the Local Government Finance Act 1988 the Commissioner's CFO shall be a member of one or more of the bodies listed in that section.
- FR8.8 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 CFO 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.
- FR8.9 The Chief Constable, in consultation with the Commissioner, Chief Executive and Commissioner's CFO shall appoint the Force Chief Finance Officer
- FR8.10 The Force Chief Finance Officer shall:
- FR8.10.1 be responsible to the Chief Constable for financial activities undertaken in the Force or by the Strategic Partner;
- FR8.10.2 be responsible for the proper financial administration of the Force including the preparation of statutory statements of account;
- FR8.10.3 have a place on the Chief Constable's Senior Command team;

-
- FR8.10.4 be a member of one of the bodies listed in Section 113 of the Local Government Finance Act 1988.
- FR8.10.5 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.
- FR8.10.6 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.

FR9 OTHER OFFICERS

- FR9.1 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.
- FR9.2 Budget Holders shall be responsible for the management and control of budgets and cost centres allocated to them. A Budget Holder may be an employee or volunteer of the Commissioner, of the Chief Constable, of a Strategic Partner or of a commissioned body
- FR9.3 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 centres within their purview.
- FR9.4 In respect of major projects such as business changes as well as all capital programme projects the Commissioner or Chief Constable (as appropriate) 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.

FINANCIAL PLANNING

FR10 MEDIUM TERM FINANCIAL STRATEGY

- FR10.1 The Commissioner's CFO will prepare for the Commissioner 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

FR10.2 In preparing the Medium Term Financial Strategy the Commissioner's CFO shall consult with the Commissioner, the Chief Constable and the Force CFO and shall take into account the views of relevant third parties.

FR11 PREPARATION OF THE BUDGET AND CAPITAL PROGRAMME

FR11.1 The Commissioner shall approve the annual revenue Budget and Capital Programme and set the precept having consulted with the local community.

FR11.2 The Commissioner's annual Budget and Capital Programme shall be prepared having regard to the Policy Framework and in particular to the three year Police and Crime Plan approved by the Commissioner.

FR11.3 In respect of the annual budget and capital programme for the Force Commissioner's CFO shall agree with the Force CFO the detailed timetable for the preparation of the annual Capital and Revenue budgets and the format of those budgets. Furthermore, the Chief Constable shall:

FR11.3.1 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

FR11.3.2 ensure that a draft revenue budget is prepared alongside the Police and Crime Plan each year for consideration and comment by the Commissioner;

FR11.3.3 submit a revised budget at a time to be agreed each year for approval by the Commissioner;

FR11.3.4 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

FR11.3.5 implement the approved budget in accordance with the Financial Regulations and Contract and Procurement Regulations.

FINANCIAL MANAGEMENT

FR12 BUDGETARY CONTROL

FR12.1 The Commissioner and the Chief Constable shall ensure that allocated resources are used for their intended purposes and are properly accounted for.

FR12.2 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.

-
- FR12.3 The Commissioner may authorise lawful expenditure included in that part of the approved annual estimates that is under the direct control of the Commissioner.
- FR12.4 Control of expenditure and income shall be against the appropriate Budget Head.
- FR12.5 After the annual budget has been approved the Chief Constable shall provide to the Commissioner's CFO ahead of the new financial year (i.e. by 31 March) the allocations of the budget to their Budget Holders. These allocations will then be utilised for budget monitoring and financial accountability.
- FR12.6 The Chief Constable will monitor the budgeted income and expenditure, and provide the Commissioner's CFO 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. Each quarter, a budget monitoring report, in a format approved by the Commissioner's CFO, shall be presented to the Commissioner.
- FR12.7 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.
- FR12.8 The Commissioner and 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 FR 15), the details shall be included within the next budget monitoring report to the Commissioner. The report shall include an explanation for the overspend and details of the action taken or proposals made to deal with it.
- FR13 CAPITAL EXPENDITURE**
- FR13.1 At the same time as the Budget is prepared each year, capital expenditure estimates and capital programmes shall be prepared by the Chief Constable in consultation with the Commissioner's CFO and Chief Executive and approved by the Commissioner (see FR 11).
- FR13.2 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 be submitted on a quarterly basis to the Commissioner's CFO.
- FR13.3 Any in-year changes to the Capital Programme must be approved by the Commissioner, having consulted with the Commissioner's CFO.
- FR14 FINANCIAL APPRAISALS (BUSINESS CASES)**
- FR14.1 A Business Case must be prepared by the Chief Constable of all capital and revenue schemes and other new service developments which involve new policy or capital expenditure. Every Business Case shall be in a format agreed with the Force CFO which will include:
- the scope of the proposal;
 - the need or justification for the proposal;

- an evaluation of the financial costs (capital and revenue) and benefits of the proposal over its whole life (as reasonably estimated);
 - an assessment of non-financial costs and benefits if relevant and reasonably quantifiable;
 - how the proposal is to be funded;
 - the risks associated with the delivery of the proposal; and
 - other options available.
- FR14.2 For proposals estimated to cost less than the lower delegated limit (see FR44) the Chief Constable may approve the proposal provided there is sufficient funding within the approved Budget or Capital Programme.
- FR14.3 Business Cases on proposals estimated to cost between the lower and upper delegated limits (see FR44) shall be submitted by the Chief Constable to the Commissioner's CFO for approval.
- FR14.4 For all proposals above the upper delegated limit (see FR44) and any proposals for which there is no funding within the approved Budget or Capital Programme, the Business Case should be submitted by the Chief Constable and Commissioner's CFO to the Commissioner.
- FR14.5 In the case of emergency work it may be necessary for proposals above the upper 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.
- FR14.6 In circumstances where a proposal is initially estimated to cost less than the upper delegated limit (see FR44) 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.
- FR14.7 All proposals which have been appraised under these Regulations will be subject to a reappraisal by the Chief Constable if:
- The cost of the originally approved scheme is estimated to be exceeded by more than the delegated limit (see FR44) on schemes up to an estimated cost of the upper delegated limit (see FR44) or by more than 10% or the delegated limit (whichever is the lower) on schemes above the upper delegated limit.
 - In the professional opinion of the Chief Constable, the nature of the proposal or its benefits have changed materially since the original approval.
- FR14.8 All re-appraisals of proposals costing between the lower delegated limit and the upper delegated limit (see FR44) shall be referred to the Commissioner's

CFO, and those over the upper delegated limit (see FR44) to the Commissioner for approval.

FR14.9 Where the Commissioner's CFO declines to approve any Business Case submitted to him or her under paragraphs FR14.3 or FR14.6 the Chief Constable may refer the Business Case to the Commissioner for determination.

FR15 VIREMENT

FR15.1 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:

FR15.1.1 is likely to result in a failure to achieve objectives and targets set out in the Police and Crime Plan; or

FR15.1.2 is intended to initiate new policies other than those that have been approved by the Commissioner; or

FR15.1.3 increases committed expenditure in future years by more than the delegated limit in FR44 (excluding annual pay awards and inflation).

FR15.2 The following are authorised to undertake virement within their delegated limits (see FR44 and FR45):

FR15.2.1 The Commissioner

FR15.2.2 each Chief Finance Officer in respect of their organisation

FR15.2.3 Budget Holders, provided they are responsible for both relevant budget heads

FR15.3 Virement from the Capital Programme to the revenue budget, or vice versa, is not permitted.

FR15.4 No approval is required for an increase in an expenditure budget up to the delegated limit (see FR44) which is fully matched by additional income, including specific grant income. If additional, unbudgeted income is expected to exceed the delegated limit the Commissioner's CFO or Force CFO (as appropriate) should refer the matter to the Commissioner for a decision on what the income should be used for.

FR16 YEAR END CARRY FORWARD

FR16.1 No automatic carry forward shall apply from one financial year to the next of any underspends or overspends, either in the Capital Programme or the revenue Budget.

FR16.2 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 may be carried

forward to the following financial year but only for the purpose of completing the said capital project.

- FR16.3 In respect of the revenue budget if, prior to the end of the financial year, the Chief Constable is able to forecast an aggregate underspend of their budget they may make a request to the Commissioner to carry forward the underspend to the following financial year. Such a request to carry forward an underspend must include the reasons that resulted in the underspend and proposals for what the budget would be used for in the following financial year.

FR17 USE OF BALANCES AND RESERVES

- FR17.1 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.
- FR17.2 The cost of major incidents shall be financed from the Major Incidents Reserve in accordance with the latest policy approved by the Commissioner.
- FR17.3 The net cost of insurance claims shall be financed from the Insurance Reserve in accordance with the latest policy approved by the Commissioner.
- FR17.4 Proposals for unbudgeted expenditure to be financed from the Commissioner's General and Earmarked (other than Major Incidents and Insurance) Reserves may only be approved by the Commissioner, unless the matter is so urgent that such approval cannot be obtained in time and the action is necessary for the proper discharge of the Chief Constable's functions or for the preservation of its property or finances. In such circumstances, the Chief Executive may approve a request for additional expenditure to be financed from the General Reserve or the Commissioner's Earmarked Reserves, in consultation with the Commissioner's CFO. The Commissioner's CFO shall provide a written report on the subject to the Commissioner as soon as practicable after the event.

FR18 ANNUAL STATEMENTS OF ACCOUNT

- FR18.1 The CFOs shall ensure that annual statements of account are prepared for both the Commissioner and the Chief Constable by 30th June each year immediately following the year end. The Commissioner's CFO shall also ensure that group accounts are prepared by 30th June each year.
- FR18.2 The statements of account must be prepared in accordance with proper practices and the Accounts and Audit Regulations 2011 and all applicable guidance and codes of practice. Each 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 Commissioner or Chief Constable, as the case may be. The Accounts will be submitted to the Commissioner for noting prior to the external audit being carried out.
- FR18.3 Following the completion of external audit the statements of account are to be recertified by the respective CFO and the Commissioner or Chief Constable, as appropriate
- FR18.4 Before 30th September each year the Audit Committee shall review the statements of account and any reports on them made by the external auditor.

The Audit Committee shall report any concerns it may have to the Commissioner and Chief Constable.

- FR18.5 The accounts must be published by 30th September each year, including publication on the Commissioner's and the Chief Constable's websites, together with any certificate, opinion, or report issued, given or made by the external auditor.

FR19 ACCOUNTING POLICIES

- FR19.1 The Commissioner's and Chief Constable's 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 Commissioner's CFO, in consultation with the Force CFO, shall determine and consistently apply accounting policies, which comply in all respects with the latest accounting guidance and standards. If there is any dispute 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.

- FR19.2 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 FR44) must be reported to the Commissioner by the Commissioner's CFO.

FR20 ACCOUNTING RECORDS

- FR20.1 The Commissioner's CFO shall determine the accounting records to be maintained by the Chief Constable.
- FR20.2 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 himself/herself as to the correctness of any matters under consideration.

FR21 RETENTION OF RECORDS

- FR21.1 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.

RISK MANAGEMENT AND CONTROL OF RESOURCES

FR22 RISK MANAGEMENT AND INSURANCE

- FR22.1 The Commissioner and Chief Constable, with the advice of the CFOs, shall approve the strategic arrangements for risk management and insurance, and shall periodically review the effectiveness of these arrangements.
- FR22.2 The Commissioner's CFO shall monitor the risk management and insurance arrangements operated by the Commissioner and the Chief Constable and

shall undertake regular reviews of risk registers and assess the effectiveness of any actions being taken. The Commissioner's CFO may make recommendations to the Commissioner and/or the Chief Constable based on any findings.

- FR22.3 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.
- FR22.4 The Commissioner, in conjunction with the Commissioner's CFO, shall implement and manage insurance arrangements where required to have such insurance by law and also to mitigate other risks where appropriate. Insurance policies shall be in the name of the Commissioner. Any self insurance must be agreed with the Commissioner's CFO.
- FR22.5 The Chief Constable, in conjunction with the Force CFO, shall implement and manage insurance arrangements where required to have such insurance by law and also to mitigate other risks where appropriate. Insurance policies shall be in the name of the Chief Constable. Any self insurance must be agreed with the Commissioner's CFO.
- FR22.6 Officers and staff shall promptly notify the Force's CFO of:
- FR22.6.1 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
- FR22.6.2 any loss, liability or damage, or of any event likely to lead to a claim, either against the Force or in favour of it.
- FR22.7 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.
- FR22.8 The Chief Constable may approve settlements of claims within the terms of the insurance policies up to a value of the delegated limit (see FR 44). For insurance settlements in excess of this delegated limit, the Chief Constable must consult with the Commissioner's CFO.

-
- FR22.9 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 FR 44). For payments and settlements in excess of the delegated limit, the Chief Constable must consult with the Commissioner's CFO.
- FR22.10 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.
- FR22.11 The Chief Constable shall submit an annual report on insurance arrangements, including claims experience, to the Commissioner.

INTERNAL CONTROLS & AUDIT

FR23 INTERNAL CONTROL

- FR23.1 The Force Chief Finance Officer, in conjunction with the Commissioner's CFO, shall advise managers about effective systems of internal control.
- FR23.2 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.

FR24 AUDIT REQUIREMENTS – INTERNAL AUDIT

- FR24.1 The Commissioner and the Chief Constable 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 2011.
- FR24.2 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 and chief constables.
- FR24.3 The internal audit provider will prepare an annual internal audit plan in consultation with the CFOs, and submit it the Commissioner and Chief Constable for approval.
- FR24.4 The Chief Constable, by agreement with the Commissioner's CFO, shall be able to request directly from Internal Audit, systems audits and value for money audits.
- FR24.5 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.
- FR24.6 The internal audit provider shall:

FR24.6.1 have access at all reasonable times to premises, personnel, documents, and assets that are considered necessary for the purposes of their work; and

FR24.6.2 be provided with any information and explanations that they seek in the course of their work.

FR24.7 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.

FR24.8 All recommendations concerning the Commissioner will be notified to the Chief Executive who will consider and respond promptly and ensure that any agreed actions arising are carried out within agreed timescales..

FR24.9 The Audit Committee will track the implementation of all audit recommendations.

FR25 AUDIT REQUIREMENTS – EXTERNAL AUDIT

FR25.1 The Audit Commission 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.

FR25.2 The Audit Committee should use the reports from external auditors to assist it in monitoring performance, including the operation of these Financial Regulations.

FR26 PREVENTING FRAUD AND CORRUPTION

FR26.1 The Chief Constable shall develop and maintain an anti-fraud and anti-corruption policy. All police officers and police staff are required to observe the policy and to bring to the attention of senior management any beaches which they observe.

FR26.2 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. Whichever CFO is notified about the irregularity shall inform the other CFO as soon as practicable.

FR27 STOCKS AND STORES

FR27.1 The Force CFO, in consultation with the Commissioner's CFO, shall prepare guidance relating to the manner in which stocks and stores are to be administered.

FR27.2 Stocks shall not be held in excess of normal operational requirements except in special circumstances with the approval of the Force CFO.

FR27.3 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 FR 44). Writing off amounts of stock in excess of the delegated limit shall require the approval of the Commissioner's CFO.

FR28 INVENTORIES

- FR28.1 The Chief Constable is responsible for maintaining adequate records for inventory items. 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 should also be included in the inventory.
- FR28.2 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.
- FR28.3 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 FR44) provided that any deficiencies are due to fair wear and tear. Other discrepancies will be subject to normal internal audit scrutiny.
- FR28.4 Surplus and obsolete vehicles and equipment with a value greater than the delegated limit (see FR44) should be disposed of via the most appropriate route in accordance with good practice (e.g. tender, auction, etc). Items with a value under the delegated limit may be disposed of with the approval of the Force Chief Finance Officer. All proceeds from disposal will be credited to the Commissioner's and Chief Constable's accounts as provided for in the Scheme of Consent.
- FR28.5 An inventory, to include furniture, must be maintained in respect of staff residential quarters distinguishing between items owned by the Commissioner and items owned by members of staff.

TREASURY MANAGEMENT

FR29 BORROWING AND INVESTMENTS

- FR29.1 The Commissioner has adopted CIPFA's 'Treasury Management in the Public Services: Code of Practice' ("the Code").
- FR29.2 The Commissioner's CFO shall borrow, temporarily invest and repay monies, subject to any constraints imposed by statute or the CIPFA Code of Practice, and subject to the general directions and within any limits prescribed from time to time by the Commissioner. The Chief Constable does not have the power to undertake any borrowing or investment activity.
- FR29.3 The Commissioner will approve the Treasury Management Strategy and Policy prior to the commencement of each financial year having first taken the advice of the Commissioner's CFO. The Commissioner's CFO shall report to the Commissioner from time to time during each financial year on treasury management activity and shall submit a Treasury Annual Report by the end of September each year.
- FR29.4 The Commissioner's CFO may make arrangements for the Force Chief Finance Officer, other officers or a strategic partner 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/G4S Delegation of Authorities" at FR45.

FR29.5 No person shall borrow money on behalf of the Commissioner without the prior written approval of the Commissioner's CFO.

FR30 BANKING ARRANGEMENTS

FR30.1 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/G4S Delegation of Authorities" at FR45. All Commissioner bank accounts, including imprest accounts, must include "The Police and Crime Commissioner for Lincolnshire" in the title and not the name of any officer or staff member by name or designation, or establishment, except for specific covert accounts have been expressly approved by the Commissioner's CFO.

FR30.2 All cheques generated and printed from the computerised financial systems and drawn on any Commissioner bank account shall bear the printed facsimile of the signature of the Commissioner's CFO. Manual cheques and bank instructions shall be authorised and signed by one of the CFOs or the Chief Executive, Deputy Chief Executive or Force Accountant.

FR30.3 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.

FR30.4 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.

FR30.5 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.

FR30.6 Credit, debit and/or purchasing cards will only be issued to individuals after specific agreement by the Force CFO in accordance with terms and conditions approved by the Commissioner's 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/G4S Delegation of Authorities" at FR45.

FR30.7 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/G4S Delegation of Authorities" at FR45.

FR31 IMPRESTS

- FR31.1 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/G4S Delegation of Authorities" at FR45.
- FR31.2 Payments from the imprest accounts shall be limited to minor items of expenditure, not exceeding the delegated limit per item (see FR44), 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.
- FR31.3 Informants' fees and Identification Parade fees may be paid out of imprest accounts subject to compliance with written procedures issued by the Force CFO.
- FR31.4 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.

FR32 VOLUNTARY FUNDS

- FR32.1 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), and of the arrangements for their reporting and audit.
- FR32.2 The Chief Constable shall consult with the Commissioner's 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.

FR33 LEASES

- FR33.1 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 Commissioner's CFO. 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/G4S Delegation of Authorities" at FR45.

FR34 PFI SCHEME

- FR34.1 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.

SYSTEMS AND PROCEDURES

FR35 GENERAL

- FR35.1 The Force Chief Finance Officer shall operate the Commissioner's accounting systems, the supporting financial records and the preparation of the accounts in the form agreed by the Commissioner's CFO. The day to day management of the accounting systems may be undertaken by the strategic partner, under the supervision of the Force CFO.
- FR35.2 Any changes made to the existing financial systems or the establishment of new systems must be approved by the both CFOs.
- FR35.3 The Chief Constable should ensure that all police officers and police staff receive relevant financial training that has been approved by the Force CFO.
- FR35.4 The Chief Constable must ensure that, where appropriate, computer and other systems are registered in accordance with data protection legislation.
- FR35.5 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, including the strategic partner.

FR36 INCOME

- FR36.1 The Commissioner's CFO shall, in conjunction with the Force CFO, make and maintain arrangements for the financial organisation and accounting necessary to ensure the prompt recording of all sums due to the Commissioner and for the collection, custody, control and banking of all income.
- FR36.2 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.
- FR36.3 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.
- FR36.4 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.
- FR36.5 Where required, VAT must be charged by the Commissioner. Officers must charge and account for VAT in accordance with HMRC regulations and any guidance issued by the CFOs.
- FR36.6 The Commissioner must protect itself from being used by money launderers. It is therefore not the normal policy for the Commissioner to accept payments

in cash of more than the delegated limit (see FR44). Where such a large payment is proposed to be made by a third party, prior approval should be obtained from the Commissioner's or the Force CFO.

- FR36.7 Personal or third party cheques shall not be cashed out of money held on behalf of the Commissioner.
- FR36.8 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.
- FR36.9 The delegation of authorities in relation to the debtor invoices is set out in the annex to these regulations "Police and Crime Commissioner/G4S Delegation of Authorities" at FR45.
- FR37 WRITE OFFS**
- FR37.1 Sums due to the Commissioner or Chief Constable shall not be written off without the direct approval of the Commissioner except as outlined at FR45. FR45 also sets out the delegation of authorities in place for stock write off.
- FR37.2 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, together with the total of all write-offs below the lower delegated limit.
- FR37.3 The CFOs 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.
- FR37.4 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.
- FR37.5 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 ACPO and approved by the Commissioner.
- FR37.6 The Force CFO shall ensure that all discretionary charges are reviewed annually in consultation with the Commissioner's CFO.
- FR38 PAYMENTS FOR GOODS, WORK AND SERVICES**
- FR38.1 All staff who place orders for goods or services should seek to ensure that the Commissioner 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.
- FR38.2 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
- FR38.3 Orders, in writing, in a form approved by the Commissioner's CFO, shall be issued in advance for all goods, work and services required, except for supplies of public utility services, rent, rates and petty cash disbursements.

- FR38.4 The originator shall indicate on the order, by use of codes approved by the Commissioner's CFO, the expenditure headings to which the expenditure shall be charged.
- FR38.5 The Force CFO should agree with the Commissioner's CFO the policies and procedures for the use of corporate credit cards and purchasing cards.
- FR38.6 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.
- FR38.7 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/G4S Delegation of Authorities" at FR45.
- FR39 SALARIES, WAGES AND PENSIONS (INCLUDING EXPENSES)**
- FR39.1 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/G4S Delegation of Authorities" at FR45.
- FR39.2 The Chief Constable or Commissioner's CFO shall notify the appropriate Payroll officer (who may be an employee of the Commissioner, the Chief Constable or a strategic partner) of all appointments, terminations, absences or any other changes which may affect the pay or pension of an office-holder, employee or ex-employee.
- FR39.3 Payments of expenses and allowances will be made monthly in arrears 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.
- FR39.4 Any private phone calls (including from mobile phones) made by employees or office-holders must be paid for at the rates advised by the Force Chief Finance Officer. For calls of an emergency nature payment will not be required.
- FR40 TAXATION**
- FR40.1 The Force Chief Finance Officer, in conjunction with the Commissioner's CFO, should advise the Commissioner and the Chief Constable (as appropriate) on all taxation issues that affect their organisations, in the light of guidance issued by appropriate bodies and relevant legislation..
- FR40.2 The Force CFO 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.

EXTERNAL ARRANGEMENTS

FR41 GIFTS, LOANS AND SPONSORSHIP

- FR41.1 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.
- FR41.2 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.
- FR41.3 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.
- FR41.4 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:
- by accepting offers from sources which come under the direct scrutiny of the police;
 - where the provider seeks endorsement of a product or service in order to gain preferential treatment in supplying or contracting goods and services to the police; or
 - to influence the direction of a particular policy or operation.
- FR41.5 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.
- FR41.6 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.
- FR41.7 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.

FR41.8 Where publicity is sought by the donor/lender/sponsor, a commercial agreement should be signed.

FR41.9 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 FR44). Above this delegated limit, the Chief Constable must obtain the prior approval of the Commissioner.

FR41.10 The Chief Constable must maintain a complete record of the market value of all gifts, loans, and sponsorship received, and provide details to the Commissioner's CFO in an annual report.

FR41.11 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.

FR41.12 Only interest free loans may be accepted under these provisions.

FR42 WORK FOR THIRD PARTIES

FR42.1 Where the Chief Constable undertakes to carry out any work for third parties;

FR42.1.1 arrangements should be in place to ensure that any risks associated with third party work is minimised and that such work is within the powers of the Chief Constable.

FR42.1.2 The Chief Constable should approve the contractual arrangements for any work for third parties or external bodies, including the identification of all risks related to that work.

FR42.1.3 If the value of such work is in excess of the delegated limit (see FR44), the Commissioner must be advised through the Chief Executive

FR42.1.4 All contracts will be in the name of the Police & Crime Commissioner for Lincolnshire to whom all income will accrue..

FR42.2 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.

FR43 EXTERNAL FUNDING

FR43.1 All receipts of external funding that exceed the delegated limit (see FR44) 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.

ANNEX TO FINANCIAL REGULATIONS

FR44 DELEGATED LIMITS

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

| Regulation | Brief Description | Level | Delegated Limit |
|------------------------|---|--|-----------------|
| FR14.2, FR14.3 | Business Cases – proposals estimated costs | Lower limit | £25,000 |
| FR14.3, FR14.4 | Business Cases – proposals estimated costs | Upper limit | £50,000 |
| FR14.5, FR14.6, FR14.8 | Business Cases – reappraisal level | Schemes up to upper limit (by more than) | £5,000 |
| FR14.7, FR14.8 | Business Cases – reappraisal level | Schemes over upper limit | 10% or £10,000 |
| FR15.1.3 | Virement – increases committed expenditure in future years. | Exceeds | £25,000 |
| FR15.2.1 | Virement – individual item or aggregated values | above | £100,000 |
| FR15.2.2 | Virement – individual item or aggregated values | up to | £100,000 |
| FR15.2.2 | Virement – individual item or aggregated values | up to | £50,000 |
| FR15.4 | Virement of additional, unbudgeted income | above | £50,000 |
| FR19.2 | Accounting Policies – policy change causes financial impact | Exceeds | £100,000 |
| FR22.8 | Insurance – settlement of claims | Up to | £25,000 |
| FR22.9 | Ex-gratia payments | Up to | £10,000 |
| FR22.10 | Insurance – claims reporting | Exceeds | £25,000 |
| | Ex-gratia payments reporting | Exceeds | £10,000 |
| | Estimated claims | Exceeds | £25,000 |
| AM2.5 | Asset Management – asset register | Exceeds | £10,000 |
| AM3.2 | Acquisitions & Disposals – disposal value | Exceeds | £75,000 |
| FR28.3 | Stocks & Stores – write off | Up to | £5,000 |
| FR28.4 | Surplus & Obsolete stock – disposal | Exceeds | £25,000 |
| FR31.2 | Imprests – minor items | Up to | £250 per item |
| FR36.6 | Money Laundering – maximum cash payment | Up to | £10,000 |
| FR37.2 | Write Offs | Up to – lower | £5,000 |
| FR37.2 | Write Offs | Up to – upper | £25,000 |
| FR41.9 | Gifts, Loans and Sponsorship | Up to | £50,000 |
| FR42.1.3 | Work for Third Parties | Exceeds | £25,000 |
| FR43.1 | External Funding | Exceeds | £25,000 |

FR45 Police and Crime Commissioner/G4S Delegation of Authorities

FR45.1 The following sets out the authority limits for G4S and Police and Crime Commissioner staff for the provision of Financial Services. Retained functions do not require authorisations by the Commercial Partnership Team.

Treasury Management -Investments

| Investment Counter Parties | | |
|--|---------------------------|---------------|
| G4S staff | Provision of Proposals | No limit |
| Force Chief Finance Officer (FCFO) | Consideration of Proposal | No delegation |
| Commissioner's Chief Finance Officer (CFO) | Consideration of Proposal | No delegation |
| Commissioner's Chief Finance Officer (CFO) | Authorisation of option | No limit |

| Investment Options | | |
|---------------------------|--|----------------------------------|
| G4S staff | Provision of options | No limit |
| G4S staff | Processing of option following Authorisation | In accordance with Authorisation |

| Investment Authorisation | | |
|--|-------------------------|---|
| Commissioner's Chief Finance Officer (CFO) | Authorisation of option | Within limits specified in the counter party list |
| Force Chief Finance Officer (FCFO) | Authorisation of option | Within limits specified in the counter party list |
| Force Accountant | Authorisation of option | Within limits specified in the counter party list |
| Chief Executive | Authorisation of option | Within limits specified in the counter party list |
| Deputy Chief Executive | Authorisation of option | Within limits specified in the counter party list |

| Information Required |
|---|
| Schedule of Approved Counterparties showing limits and amounts already placed. Period of Investment and Rate |

| Return of Investments | | |
|------------------------------|--|----------------------------------|
| G4S staff | Provision of options | No limit |
| G4S staff | Processing of option following Authorisation | In accordance with Authorisation |

| Return of Investment Authorisation | | |
|--|-------------------------|--|
| Commissioner's Chief Finance Officer (CFO) | Authorisation of option | |
| Force Chief Finance Officer | Authorisation of option | |

| Return of Investment Authorisation | | |
|---|-------------------------|--|
| (FCFO) | | |
| Force Accountant | Authorisation of option | |
| Chief Executive | Authorisation of option | |
| Deputy Chief Executive | Authorisation of option | |

Treasury Management - Borrowing

| Borrowing | | |
|---|---------------------------|----------------------------------|
| G4S staff | Provision of Proposals | No limit |
| Force Chief Finance Officer (FCFO) | Consideration of Proposal | No delegation |
| Force Accountant | Consideration of Proposal | No delegation |
| Commissioner's Chief Finance Officer (CFO) | 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. | | |

Treasury Management -Banking Arrangements

| Approval of New Accounts | | |
|---|---------------------------|---------------|
| G4S staff | Provision of Proposals | No limit |
| Force Chief Finance Officer (FCFO) | Consideration of Proposal | No delegation |
| Force Accountant | Consideration of Proposal | No delegation |
| Commissioner's Chief Finance Officer (CFO) | Authorisation of option | No Limit |
| Information Required | | |
| Details of Account type and justification Potential Turnover | | |

| Approval of New Credit Cards | | |
|---|-------------------------|----------|
| G4S staff | Provision of Proposals | No limit |
| Force Chief Finance Officer (FCFO) | Authorisation of option | No limit |
| Commissioner's Chief Finance Officer (CFO) | Authorisation of option | No limit |
| Information Required | | |
| Details of justification Required credit limit | | |

| Approval of New Imprest Accounts | | |
|---|-------------------------|----------|
| G4S staff | Provision of Proposals | No limit |
| Force Chief Finance Officer (FCFO) | Authorisation of option | No limit |
| Force Accountant | Authorisation of option | No limit |
| Information Required | | |
| Details of Account type and justification | | |

| |
|--------------------|
| Potential Turnover |
|--------------------|

| Approval of Bank Transfers | | |
|--|--|----------------------------------|
| G4S staff | Provision of Proposals | No limit |
| G4S staff | Processing of proposal following Authorisation | In accordance with Authorisation |
| Force Chief Finance Officer (FCFO) | Authorisation of option | No limit |
| Commissioner's Chief Finance Officer (CFO) | Authorisation of option | No limit |
| Force Accountant | Authorisation of option | No limit |
| Chief Executive | Authorisation of option | No limit |
| Deputy Chief Executive | Authorisation of option | No limit |
| Information Required | | |
| Recipient | | |
| Details of reason for transfer | | |
| Amount | | |

| Approval of Manual Cheques | | |
|--|--|----------------------------------|
| G4S staff | Provision of Proposals | No limit |
| G4S staff | Processing of proposal following Authorisation | In accordance with Authorisation |
| Force Chief Finance Officer (FCFO) | Authorisation of option | No limit |
| Commissioner's Chief Finance Officer (CFO) | Authorisation of option | No limit |
| Force Accountant | Authorisation of option | No limit |
| Chief Executive | Authorisation of option | No limit |
| Deputy Chief Executive | Authorisation of option | No limit |
| Information Required | | |
| Recipient | | |
| Details of reason for cheque | | |
| Amount | | |

Treasury Management - Leasing Arrangements

| Approval of New Arrangements | | |
|--|---------------------------|---------------|
| G4S staff | Provision of Proposals | No limit |
| Force Chief Finance Officer (FCFO) | Consideration of Proposal | No delegation |
| Force Accountant | Consideration of Proposal | No delegation |
| Commissioner's Chief Finance Officer (CFO) | Authorisation of option | No Limit |
| Information Required | | |
| Details of Amount and justification | | |

Approval and Award process for Police and Crime Commissioner for Lincolnshire Contracts and Orders

| Contract Value | Contract / Order Approval | Contract / Order Award |
|----------------|--|---|
| Up to £10k | Head of Department or Delegated Representative or G4S staff | Head of Department or Delegated Representative or G4S staff. Note: The approval and award cannot be undertaken by the same officer. |
| Up to £100k | Commercial Delivery Manager, Assets and Facilities Relationship Manager, ICT Contract Liaison Officer, Operational Contract Liaison Officer, Retained Head of Department or Delegated Representative | Force Chief Finance Officer (FCFO), Force Accountant |
| Above £100k | Commercial Partnership Manager, Commercial Delivery Manager In respect of retained functions - Chief Officer | Force Solicitor |

Invoice Processing Retained, Managed & Held in Trust Activities

| | | |
|--|--|-------------|
| G4S staff | Preparation of Invoice | No limit |
| G4S staff | Authorisation of Invoice | Up to £10k |
| Assets and Facilities Relationship Manager, ICT Contract Liaison Officer, Operational Contract Liaison Officer, Head of Retained Service | Authorisation of Invoice | Up to £100k |
| Commercial Partnership Mgr, Commercial Delivery Manager, Head of Retained Service | Authorisation of Invoice | Above £100k |
| Commissioner's Chief Finance Officer (CFO), Chief Executive, Deputy Chief Executive | Authorisation of Invoice for G4S contract milestones | No limit |
| Information Required | | |
| Payments Voucher | | |

Creditor Payment Runs

| | | |
|--|---|----------------------------------|
| G4S staff | Preparation of creditor payment list | No limit |
| G4S staff | Processing of payment following Authorisation | In accordance with Authorisation |
| Commissioner's Chief Finance Officer (CFO) | Authorisation of payment | No limit |
| Force Chief Finance Officer (FCFO) | Authorisation of payment | No limit |
| Force Accountant | Authorisation of payment | No limit |
| Chief Executive | Authorisation of payment | No limit |

| | | |
|---|--------------------------|----------|
| Deputy Chief Executive | Authorisation of payment | No limit |
| Information Required | | |
| Payments Schedule and Control Documentation | | |

Payroll

| | | |
|---|--------------------------|----------------------------------|
| G4S staff | Preparation of payroll | No limit |
| G4S staff | Authorisation of payment | In accordance with Authorisation |
| Commissioner's Chief Finance Officer (CFO) | Authorisation of payment | No limit |
| Force Chief Finance Officer (FCFO) | Authorisation of payment | No limit |
| Force Accountant | Authorisation of payment | No limit |
| Chief Executive | Authorisation of payment | No limit |
| Deputy Chief Executive | Authorisation of payment | No limit |
| Information Required | | |
| Payments Schedule and Control Documentation | | |

Virement

| | | |
|--|--|----------------------------------|
| G4S staff | Preparation of proposals | No limit |
| G4S staff | Undertaking virement following Authorisation | In accordance with Authorisation |
| Budget holder | Authorisation of Virement | Up to £50k |
| Force Chief Finance Officer (FCFO) | Authorisation of Virement | Between £50k to £100k |
| The Police and Crime Commissioner for Lincolnshire | Authorisation of option | No limit above £100k |
| Information Required | | |
| Virement Schedule and justification | | |

Debtor Invoices

| | | |
|------------------------------|--|----------------------------------|
| G4S staff | Preparation of sales ledger invoice request | No limit |
| G4S staff | Authorisation of sales ledger invoice request. [Where the customer is G4S or a related party the invoice request should be countersigned by the commercial partnership team] | No limit |
| G4S staff | Invoice raising following Authorisation | In accordance with Authorisation |
| Information Required | | |
| Sales ledger invoice request | | |

Credit Notes

| | | |
|---|--|----------------------------------|
| G4S staff | Preparation of credit note request | No limit |
| G4S staff | Undertaking raising of credit note following Authorisation | In accordance with Authorisation |
| G4S staff | Authorisation of credit note request | Up to £5k |
| Commissioner's Chief Finance Officer (CFO) | Authorisation of credit note request | No limit |
| Force Chief Finance Officer (FCFO) | Authorisation of credit note request | No limit |
| Force Accountant | Authorisation of credit note request | No limit |
| Chief Executive | Authorisation of credit note request | No limit |
| Deputy Chief Executive | Authorisation of credit note request | No limit |
| Information Required | | |
| Request to raise credit note, corresponding sales invoice and justification | | |

Debtor Write Off

| | | |
|--|---|----------------------------------|
| G4S staff | Preparation of proposals | No limit |
| G4S staff | Undertaking write off following Authorisation | In accordance with Authorisation |
| Force Chief Finance Officer (FCFO) | Authorisation of write off | Up to £1k |
| Chief Constable | Authorisation of write off | Up to £5k |
| Chief Constable & Commissioner's Chief Finance Officer (CFO) | Authorisation of write off | Between £5k to £25k |
| The Police and Crime Commissioner for Lincolnshire | Authorisation of write off | above £25k |
| Information Required | | |
| Write off Schedule and justification | | |

Stock Write Off

| | | |
|--|---|----------------------------------|
| G4S staff | Preparation of proposals | No limit |
| G4S staff | Undertaking write off following Authorisation | In accordance with Authorisation |
| Chief Constable | Authorisation of write off | Up to £5k |
| The Police and Crime Commissioner for Lincolnshire | Authorisation of write off | above £5k |
| Information Required | | |
| Write off Schedule and justification | | |

SECTION TWELVE

CONTRACT AND PROCUREMENT REGULATIONS

EXECUTIVE SUMMARY

CP1 THE NEED FOR THESE REGULATIONS:

- CP1.1 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 good purchasing practice and ensure a system of openness, 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.
- CP1.2 These regulations cover all procurement undertaken by the Commissioner and within any partnership arrangements regardless of the source of funding. These lay down the minimum requirements; particular contracts may require more stringent requirements.
- CP1.3 Officers responsible for purchasing must comply with these Contract and Procurement Regulations, the Financial Regulations and all UK and European Union (EU) legal requirements.

CP2 GENERAL REQUIREMENTS

- CP2.1 Procuring Officers must follow the regulations set out in these Contract and Procurement Regulations when they procure goods, services or the carrying out of works.
- CP2.2 Procuring Officers must take all necessary professional procurement, legal and financial advice.
- CP2.3 Procuring Officers must declare to the Force CFO any personal financial interest in a Contract. Corruption is a criminal offence.
- CP2.4 Procuring Officers must conduct any value for money review and appraise the purchasing need.
- CP2.5 Procuring Officers must check whether there is any existing relevant Corporate Contract or Framework Agreements they can make use of before undergoing a competitive process.
- CP2.6 Procuring Officers must keep bids confidential.
- CP2.7 Procuring Officers must not negotiate with Suppliers except where authorised to do so by the Commissioner's CFO or the Force CFO, as appropriate.
- CP2.8 Procuring Officers must complete a written Contract or Official Purchase Order before the supply of goods, services or carrying out of works begins.
- CP2.9 Procuring Officers must where appropriate identify an officer with responsibility for ensuring the Contract delivers as intended.

-
- CP2.10 Procuring Officers must keep records of dealings with Suppliers in accordance with the Force and Commissioner's document retention policies.
 - CP2.11 Procuring Officers must assess each Contract throughout its terms and afterwards to see how well it meets/met the purchasing need and Value for Money requirements.
 - CP2.12 The SPU shall keep records relating to this regulation CP2 and Procuring Officers shall facilitate this by providing copies of relevant documentation to the SPU.

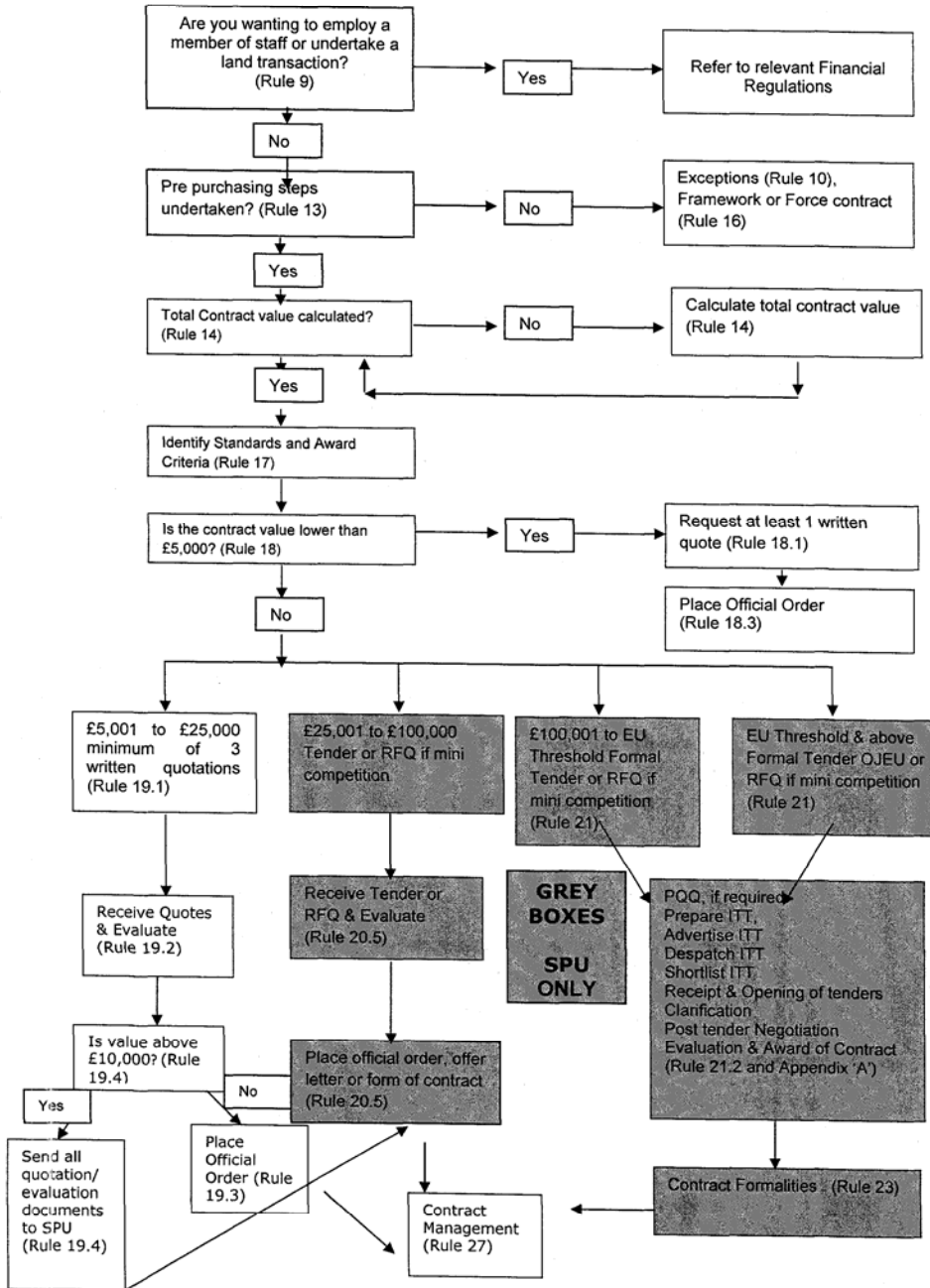
All Contracts must be subject to competition, unless there is an exception, as follows:

| Total Contract Value | | Process | Award Procedure Based On | Contract Publication | Documentation |
|----------------------|----------------|--|---|--|--|
| From | To | | | | |
| £0 | £5,000 | Written Quotation/Web | One Written/Web Quotation | | Budget Holder to record details |
| £5,001 | £25,000 | Written Quotation | Minimum of 3 Written / Web Quotations | | Budget Holder to record details |
| £25,001 | £100,000 | Tender or Request for Quotation (RFQ) if mini competition | Tender with standard T&Cs or based on a RFQ document with standard T&Cs | Web based publications | Based on a written specification provided to the suppliers. Quotation /Tender may be delivered by e-mail/ electronic means. |
| £100,001 | < EU Threshold | Mini competition under framework. Formal Tender unless alternative agreed by Chief Constable | RFQ document or Full Tender Process unless alternative agreed by Chief Constable | Web based publications & Specialist Publication if appropriate | Pre Qualification Questionnaire (PQQ) and Invitation to Tender (ITT) mini competition documentation as relevant, with sealed bids which may be submitted via an electronic tendering process |
| EU Threshold | Above | Formal Tender / mini competition under framework | RFQ document or Full Tender Process Official Journal of the European Union (OJEU) | Web based publications & Specialist Publication if appropriate | Consult the Strategic Procurement Unit |

S P U only

Total Contract value is the value/estimated value over the life of the Contract and not just the annual amount. For any EU contracts Procuring Officers must seek advice from the Strategic Procurement Unit. As a minimum these contracts can take at least 6 months in addition to the Contract lead-in time – adequate planning is therefore imperative.

PROCUREMENT FLOW CHART



CP3 BASIC PRINCIPLES

- CP3.1 All purchasing procedures must:
- CP3.1.1 Follow the EU procurement principles by being open, fair, transparent and proportional;
 - CP3.1.2 Achieve value for money;
 - CP3.1.3 Be consistent with the highest standards of integrity;
 - CP3.1.4 Ensure fairness in allocating public contracts;
 - CP3.1.5 Comply with all legal requirements;
 - CP3.1.6 Ensure that non-commercial considerations do not influence any contracting decision;
 - CP3.1.7 Comply with the Commissioner's policies;
 - CP3.1.8 Comply with the Police and Crime Plan;
- CP3.2 Further, all purchasing procedures must ensure that:
- CP3.2.1 Grant money received is spent in line with these Contract and Procurement Regulations unless the grant conditions state otherwise;
 - CP3.2.2 the procurement is legitimate, lawful and within the budget and policy framework;
 - CP3.2.3 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;
 - CP3.2.4 The procurement is authorised by the appropriate person and correctly recorded;
 - CP3.2.5 Goods, services and the carrying out of works received meet the requirements of the authorised order;
 - CP3.2.6 Payments are only made for goods, services and the carrying out of works received at the correct price, quantity and quality standards;
 - CP3.2.7 Self-authorisation of payments is restricted in line with schemes of authorisation;
 - CP3.2.8 Processes are in place to maintain the security and integrity of data for transacting business electronically.
- CP3.3 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 the Strategic Procurement Unit will advise if this is the case.

CP4 INTERPRETATION

- CP4.1 In these Contract and Procurement Regulations the words and phrases shall be interpreted as stated in the Definitions commencing on page 6, unless the context requires otherwise.
- CP4.2 All limits within these Contract and Procurement Regulations exclude any Value Added Tax (VAT) which may be payable.

CP5 APPLICATION

- CP5.1 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.
- CP5.2 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.
- CP5.3 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 Chief Executive should be notified in writing of any potential conflicts of interest immediately.
- CP5.4 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. The most economically advantageous procurement approach, balancing price and quality, should be used in all procurements.
- CP5.5 For any procurement exercise with a value estimated to be in excess of £100,000 the weightings applied between quality and price will be between 60:40 and 70:30. Approval to set a quality weighting outside these criteria will be required from the Commissioner's CFO prior to commencement of the procurement process. Any weighting for contracts with an estimated value of £100,000 or less will be delegated to the Force CFO.
- CP5.6 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.
- CP5.7 Any 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 may be sought from the SPU.

- CP5.8 Subject to CP9 and CP10, no exception to these Contract and Procurement Regulations can be made unless authorised by or approved by the Chief Constable in consultation with the Chief Executive or Commissioner's CFO and subsequently reported to the Commissioner. The Chief Constable shall maintain a register of all such exceptions.
- CP5.9 Any police officer, staff member strategic partner 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. Failure to observe such standards of conduct will be regarded by the Commissioner with the utmost gravity.
- CP5.10 The engagement of consultants and other professional advisors must be in accordance with these Contract and Procurement Regulations.
- CP5.11 These Contract and Procurement Regulations apply to Framework Arrangements so far as is practicable and the Chief Constable must organise Framework Arrangements accordingly to reflect value for money.
- CP5.12 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.
- CP5.13 Every Contract made by the Commissioner shall comply with European law and English law. Whenever European or English law conflicts with these Contract and Procurement Regulations and Financial Regulations, then that law shall take precedence.
- CP5.14 These Contract and Procurement Regulations apply when the Commissioner engages the services of an external organisation or individual who is permitted by the Commissioner to act as its agent in letting Contracts on behalf of the Commissioner and/or on behalf of or in partnership with other commissioners, forces or private sector partners. An agent may advise the Commissioner about contract terms etc but agents shall not make any final decision on whether to award a Contract or to whom a Contract should be awarded.
- CP5.15 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 Award Letter signed in accordance with devolved limits (or other arrangements/documents agreed by the Chief Executive or Commissioner's CFO).

CP5.16 **CONTRACT APPROVAL AND AWARD LEVELS OF AUTHORITY**

| Contract value | Approval to award contract | Contract signature |
|----------------|--|---|
| Up to £10,000 | Head of Department or Delegated Representative or G4S staff | Head of Department or Delegated Representative or G4S staff Note: the approval and award cannot be undertaken by the same officer |
| Up to £100,000 | Commercial Delivery Manager Assets and Facilities Relationship Manager ICT Contract Liaison Officer Operational Contract Liaison Officer Retained Head of Department initiating requirement or delegated representative | Force CFO, Force Accountant or Commissioner's CFO |
| Above £100,000 | Chief Constable / Deputy Chief Constable / Assistant Chief Constable / Force Chief Finance Officer in respect of retained functions Commercial partnership manager, commercial delivery manager | Force Solicitor or Chief Executive |

CP5.17 The Commissioner is the contracting party for all Contracts.

RESPONSIBILITIES

CP6 CHIEF CONSTABLE

- CP6.1 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.
- CP6.2 The Force CFO, in consultation with the Commissioner's CFO, shall prepare relevant guidance that will supplement these Contract and Procurement Regulations and shall apply to all Departments, units and establishments of the Commissioner and the Force.
- CP6.3 Ahead of each financial year, as part of the budget process, the Chief Constable will submit a Procurement Plan to the Commissioner for approval. 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.

CP7 HEADS OF DEPARTMENT

- CP7.1 Heads of Department are responsible for

- CP7.1.1 ensuring that staff are aware of their responsibilities under these procedures, receive adequate training and guidance and comply fully with these regulations.
- CP7.1.2 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.
- CP7.1.3 ensuring their staff only undertake procurements up to a value of £25,000. Any procurement in excess of this value must be referred to the SPU.
- CP7.1.4 If items below this limit are purchased regularly then this should be notified to the SPU for incorporation into a Force Contract/Framework.

CP8 OFFICER RESPONSIBILITIES:

- CP8.1 Any procurement carried out on behalf of the Commissioner may only be undertaken by police officers, police staff or a strategic partner, 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
- CP8.2 Procuring Officers must comply with these Contract and Procurement Regulations, Financial Regulations, and with all UK and EU binding legal requirements.
- CP8.3 Procuring Officers must have regard to any supplementary guidance issued.
- CP8.4 Procuring Officers must check whether a suitable Corporate Contract or Framework Agreement, exists before seeking to let a new contract.
- CP8.5 Where a suitable Corporate Contract or Framework Agreement exists, it must be used unless the Procuring Officer has express permission from the Force CFO.
- CP8.6 The SPU shall record in the Contract database all approved exceptions and Contracts with a total contract value above £25,000 (including any changes over the Contract life e.g. extensions)
- CP8.7 Tender procedures must be conducted in accordance with procedures set out in the Invitation to Tender.
- CP8.8 Procuring 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.
- CP8.9 Officers must take all necessary professional procurement, legal and financial advice when required. Failure to do so can expose the Commissioner to unnecessary risks.

-
- CP8.10 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 Procuring Officer must obtain legal advice before proceeding.

EXCLUSIONS AND EXCEPTIONS

CP9 EXCLUSIONS

- CP9.1 These Regulations do not apply to the following:
- CP9.1.1 Contracts for the employment of individual employees.
 - CP9.1.2 Contracts for goods or materials to be purchased at an auction.
 - CP9.1.3 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.
 - CP9.1.4 Where compliance with Contract and Procurement Regulations would have security implications. Any such exclusion should be authorised by the Chief Constable in person.
 - CP9.1.5 Contracts relating solely to the disposal or acquisition of an interest in land.
 - CP9.1.6 Contracts for the lending or borrowing of money.
 - CP9.1.7 Contracts subject to a 'Competitive Dialogue' process (see CP11).
 - CP9.1.8 Any procurement of goods or services which is required by government mandate to be made from a specified supplier or by a specified method

CP10 EXCEPTIONS

- CP10.1 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 Procuring Officers find themselves with insufficient time to undertake a competitive process.
- CP10.2 Such circumstances may include:
- CP10.2.1 Where goods, works or services can only be obtained from one source;
 - CP10.2.2 Where it is deemed an extreme urgency;

- CP10.2.3 Where the marketplace is limited and/or restricted (e.g. by quality standards);
- CP10.3 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.
- CP10.4 All exceptions for Contracts valued above £25,000, and the reasons for them, must be recorded on the Exceptional Purchase Action form and approved by the Chief Constable in consultation with the Chief Executive or Commissioner's CFO. Any exceptions below £25,000 must be recorded in writing, authorised by the Force CFO (or nominee) and retained with the purchase order.
- CP10.5 All Exceptional Purchase Actions above £25,000 will be reported to the Commissioner as part of the Departmental Annual Report.

PROCUREMENT PROCEDURE

CP11 COMPETITIVE DIALOGUE

- CP11.1 Procurement via the Competitive Dialogue procedure is not governed by these Regulations
- CP11.2 Where a Procuring Officer proposes to undertake a procurement using the Competitive Dialogue procedure they should, in consultation with the Force CFO, 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.

CP12 E-PROCUREMENT

- CP12.1 Electronic tendering is the preferred method of carrying out a Tender exercise. All electronic tendering will be undertaken by the SPU.
- CP12.2 The procedures provided by the electronic facility/vault 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).

CP13 PRE-PROCUREMENT PROCEDURE

- CP13.1 Before beginning a procurement the Procuring Officer responsible for it must appraise the procurement and consider (where appropriate):
- CP13.1.1 Taking into account the requirements from any relevant service reviews;
- CP13.1.2 Appraising the need for the expenditure and its priority e.g. has a business case been developed which sets out the service objectives, the criteria for evaluation and the options for delivery?;

-
- CP13.1.3 Defining the objectives of the procurement;
 - CP13.1.4 Consider the risks associated with the procurement over its life and how to manage them;
 - CP13.1.5 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;
 - CP13.1.6 Consulting users as appropriate about the proposed procurement method, contract standards, and also performance and user satisfaction monitoring;
 - CP13.1.7 Selecting the most appropriate procurement method; and
 - CP13.1.8 Considering the maturity of the market (local, regional and national) and whether the procurement approach is likely to yield enough competition.
- CP13.2 The Procuring Officer must confirm that:
- CP13.2.1 The proposed expenditure is in accordance with the approved budget and policy framework or there is a specific approval for the expenditure;
 - CP13.2.2 Prior Information Notices, where required under the EU Procurement Directive, have been placed in the Official Journal of the European Union (OJEU) by the SPU.
 - CP13.2.3 Advice has been sought on whether parent company guarantees or bonds are likely to apply to the Contract (see rule CP15).
- CP13.3 The Procuring 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.
- CP13.4 Procuring Officers 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 may also be placed in:
- CP13.4.1 National official journals; and/or
 - CP13.4.2 OJEU (even if there is no requirement under the EU Procurement Directive).

CP13.5 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.

CP14 ESTIMATING THE CONTRACT VALUE

CP14.1 Contract values should be calculated in order to determine the overall Estimated Value of the Contract, 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.

CP14.2 The subdivision of procurement to reduce the Estimated Value of the Contract is not permissible.

CP15 BONDS AND PARENT COMPANY GUARANTEES

CP15.1 The Procuring Officer must consult the Force CFO before the tender process commences about whether a bond (or similar) is needed:

CP15.1.1 Where the total Contract value exceeds £500,000.

CP15.1.2 Where it is proposed to make staged or other payments in advance of receiving the whole of the subject matter of the Contract.

CP15.2 The Procuring Officer should also consult the Force CFO regarding the financial vetting of prospective tenderers as part of the pre-qualification questionnaire (PQQ) process.

CP15.3 The Officer must further consult the Force CFO when an applicant is a subsidiary of a parent company, and:

CP15.3.1 The total Contract value exceeds £250,000, or

CP15.3.2 Award is based on evaluation of the parent company, or

CP15.3.3 There is some concern about the financial stability of the applicant.

CP16 FRAMEWORK ARRANGEMENTS AND FORCE CONTRACTS (including National Mandated Contracts)

CP16.1 Instructions and guidance on the use of Framework Arrangements, National Mandated Contracts and Force Contracts will be issued by SPU on behalf of the Commissioner. Such instructions and guidance must be followed. Failure to follow this regulation could expose the Commissioner to legal risk.

CP17 STANDARDS AND AWARD CRITERIA

CP17.1 Where appropriate the Procuring 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 Procuring Officer proposes to use standards other than European standards.

- CP17.2 The Procuring Officer must define Award Criteria appropriate to the procurement. Award Criteria must be designed to secure a sustainable outcome which represents Value for Money for the Commission. The options are to award the Contract to:
- CP17.2.1 The "most economically advantageous" offer (where considerations other than price also apply) or;
 - CP17.2.2 The "lowest price" offer.
- CP17.3 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; previous experience; 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.
- CP17.4 All award criteria, and if used sub-criteria, must be weighted.
- CP17.5 Award criteria must not include:
- CP17.5.1 Non-commercial considerations;
 - CP17.5.2 Matters which discriminate against suppliers from the European Economic Area or signatories to the Government Procurement Agreement.
- CP17.6 For any procurement exercise with a value in excess of £100,000 the weightings applied between quality and price will be between 60:40 and 70:30. Approval to set a quality weighting outside these criteria will be required from the Commissioner's CFO prior to commencement of the procurement process. Any weighting for contracts with an estimated value of £100,000 or less will be delegated to the Force CFO.

PROCUREMENT PROCEDURE UP TO £100,000

CP18 ORDERS/CONTRACTS-LESS THAN £5,000

- CP18.1 Competitive Quotations for Procurement with an estimated value of below £5,000 are not mandatory. Quotation(s) shall be obtained from at least one supplier. Quotations received by post, facsimile or electronically (including via web sites) are acceptable. Whilst only one Quotation is required, three Quotations should be obtained where possible and practical.
- CP18.2 The details of the Quotations should be recorded and retained within the department.

CP18.3 Contracts up to and including £5,000 will be awarded by means of the current purchase order form. Orders can be communicated by facsimile, post or electronically.

CP19 ORDERS/CONTRACTS-FROM £5,001 TO £25,000

CP19.1 For Contracts with an estimated value from £5,001 up to and including £25,000, a minimum of three written Quotations for each purchase will be sought. Quotations received by post, facsimile or electronically (including web sites) are acceptable.

CP19.2 The details of the Quotations should be recorded and retained within the department.

CP19.3 Contracts up to and including £25,000 will be awarded by means of the current purchase order form. Orders can be communicated by facsimile, post or electronically. See CP5.16 for Contract signature levels.

CP19.4 For Contracts with a value between £10,001 and £25,000, all Quotation and evaluation paperwork should be sent to the SPU to be checked and the SPU shall raise the purchase order form.

CP20 ORDERS/CONTRACTS-FROM £25,001 TO £100,000

CP20.1 SPU will decide the appropriate procurement process for any procurement exceeding than £25,000 and the procurement process must be managed by the SPU.

CP20.2 Prior to the commencement of the procurement process SPU 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.

CP20.3 A minimum of three Quotations (or Tenders if appropriate) will be sought by direct invitation and/or if appropriate or required, public advertisements. The number of Quotations or Tenders sought for purchases subject to EU/UK Regulations will be in accordance therewith.

CP20.4 Quotations or Tenders received by post, facsimile or electronically (excluding web sites) are acceptable.

CP20.5 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. Contractor's/supplier's terms of business are also an acceptable form of contract. Legal advice may have to be sought for any specific issues that arise before being signed.

PROCUREMENT PROCEDURE ABOVE £100,000

CP21 FORMAL TENDER PROCESS

CP21.1 Guidance in respect of the formal Tender Process are set out in detail in Appendix A. Tenders, or a mini competition under a framework,

must be undertaken for all contracts above £100,000 unless an alternative process is authorised by the Chief Constable in person.

CP21.2 The key stages are summarised below:

- CP21.2.1 Pre-tender
- CP21.2.2 Deciding the evaluation criteria
- CP21.2.3 Invitations to tender/quotations
- CP21.2.4 Shortlisting
- CP21.2.5 Submission, receipt and opening of tenders
- CP21.2.6 Clarification procedures & post-tender negotiation
- CP21.2.7 Evaluation and award of contract

FORM OF CONTRACT

CP22 CONTRACT DOCUMENTS

- CP22.1 Every Contract with a total Contract value of above £25,000 must be recorded by the SPU in the Contracts Register. Any changes made over the contract life e.g. extensions must also be recorded by the SPU in the Contracts Register. This covers all Contracts including the appointment of consultants.
- CP22.2 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).
- CP22.3 Every Contract over £25,000 will be accompanied by Standard Terms and Conditions 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 CP26);
 - 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.

CP22.4 The SPU shall seek further advice for the following contracts:

- CP22.4.1 Where the total Contract value exceeds £100,000;
- CP22.4.2 Contracts involving leasing arrangements, or which may incorporate embedded leases, must receive the approval of the Force CFO;
- CP22.4.3 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;
- CP22.4.4 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.
- CP22.4.5 Where it is proposed to use the Supplier's own terms of business;
- CP22.4.6 Those which are complex in any other way.

CP23 CONTRACT FORMALITIES

- CP23.1 All Contracts must be concluded formally in writing (either official order, contract, letter of acceptance, etc) before the supply, service or construction work begins, except in unforeseen emergencies, and only then with the written consent of the Chief Constable.
- CP23.2 **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.

-
- CP23.3 **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.
- CP23.4 The Force Solicitor will advise on those Contracts that will be subject to formal sealing.
- CP23.5 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.
- CP23.6 Archiving and Lodgement of Records - The original sealed Contract must be retained in accordance with the document retention policy.

VARIATIONS AND EXTENSIONS

CP24 CONTRACT VARIATIONS

- CP24.1 Every variation to a Contract shall be specifically authorised in writing by the Officer having charge of the work, and shall be notified in writing to the contractor.
- CP24.2 No variation to a contract resulting in additional expenditure in excess of 5% of the original contract price shall be made without the approval of the Chief Constable in person.

CP25 CONTRACT EXTENSIONS

- CP25.1 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 Constable in person prior to commencement of any extension period and reported to the Commissioner's CFO.

CONDUCT

CP26 PREVENTION OF CORRUPTION

- CP26.1 Procuring Officers and all other officers, staff and partner staff involved in a procurement must comply with the Code of Conduct and must not invite or accept any gift or reward in respect of the award or performance of any contract. In particular:
- CP26.1.1 It will be for the Procuring Officer or other officer, staff or partner staff to prove that anything received from an applicant or Contractor was not received corruptly;
- CP26.1.2 High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the statutes referred to below
- CP26.2 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:

- CP26.2.1 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
- CP26.2.2 Commit an offence under the Prevention of Corruption Acts 1889 to 1916 or Section 117(2) of the Local Government Act 1972; or
- CP26.2.3 Commit any fraud in connection with this or any other Commissioner contract whether alone or in conjunction with officers, staff, contractors or others.
- CP26.3 Any Contract clause limiting the Contractor's liability shall not apply to this clause.
- CP27 CONTRACT MANAGEMENT & PAYMENTS**
- CP27.1 The Chief Constable shall keep a Register of Contracts and payments made thereunder in a form agreed with the Commissioner's CFO.
- CP27.2 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.
- CP27.3 During the life of the Contract the Contract Manager must monitor in respect of:
- Performance;
 - Compliance with specification and contract;
 - Cost;
 - Any value for money requirements;
 - Working practices where appropriate e.g Health and Safety;
 - Changes in legislative requirements;
 - User satisfaction and risk management; and
 - Any additional factors in accordance with any guidance in the Delegated Procurement Guide.
- CP27.4 The Chief Constable shall ensure that, in line with current accepted practice, insurance and bonds are entered into by the contractor/supplier (see rule CP15).
- CP27.5 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.

-
- CP27.6 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.
- CP27.7 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.
- CP27.8 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 Force Solicitor 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.

CP28 CONTRACT TERMINATION

- CP28.1 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.
- CP28.2 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.
- CP28.3 Contracts with a value of £100,000 or more shall only be terminated with the approval of the Commissioner.

CP29 RISK ASSESSMENT & CONTINGENCY PLANNING

- CP29.1 A risk assessment must be prepared for all procurements with a potential value over the EU threshold. Provision for resources for the management of the contract, for its entirety, must also be identified.
- CP29.2 For all contracts with a value of over £100,000, Contract Managers must:
- CP29.2.1 Maintain a risk register (generic register acceptable) during the contract period and review it at least every three months;
 - CP29.2.2 Undertake appropriate risk assessments;
 - CP29.2.3 For identified risks, ensure contingency measures are in place;

CP29.2.4 Ensure critical support and maintenance arrangements are documented in the Specification in order to avoid costly post-tender negotiation.

CP30 PECUNIARY INTERESTS

CP30.1 If it comes to the knowledge of any police officer, member of police staff or office-holder that a Contract in which they have any pecuniary interest, whether directly or indirectly (not being a Contract to which he himself is 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.

CP31 REPORTS TO THE POLICE AND CRIME COMMISSIONER

CP31.1 Contracts awarded with a value in excess of £100,000 must be reported to the Commissioner in the Departmental Annual Report.

CP31.2 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.

CP32 REVIEW AND AMENDMENT OF CONTRACT AND PROCUREMENT REGULATIONS

CP32.1 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 and Commissioner's CFO..

CP32.2 Amended Contract and Procurement Regulations shall be agreed and adopted by the Commissioner.

APPENDIX 'A'

FORMAL TENDER PROCESS GUIDANCE

THE STRATEGIC PROCUREMENT UNIT (SPU) WILL UNDERTAKE ALL TENDER EXERCISES OVER £25,000.

TEND1 PRE-TENDER

TEND1.1 The SPU in conjunction with the user department will determine the correct Tender process to follow i.e. open/advertisement, select list or EC/UK Regulations and shall undertake the Tender process. Where the Contract estimated value exceeds the current EC threshold then the Contract must be tendered in accordance with the current Regulations.

TEND2 DECIDING THE EVALUATION CRITERIA

TEND2.1 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, previous experience of the contractors/suppliers under evaluation, delivery dates, cost effectiveness, relevant environmental considerations, aesthetic and personal characteristics, safety, after sales service, technical assistance and any other relevant matters. CP5.7 - quality/price weightings applies.

TEND3 INVITATIONS TO TENDER/QUOTATIONS

TEND3.1 Electronic tendering is the preferred method to be used. The Invitation to Tender or Quotation must include a specification. The specification must describe clearly the Commissioner's requirements in sufficient detail to enable the submission of competitive offers. In preparing specifications the Officer must have regard to any guidance in the Procurement Guide.

TEND3.2 The Invitation to Tender or Quotation must state that the Commissioner is not bound to accept any Tender or Quotation.

TEND3.3 Except where the Open Procedure applies, all Applicants invited to Tender or quote must be issued with the same information at the same time and subject to the same conditions. Evidence should be retained in respect of despatch of documents (e.g. recorded delivery/acknowledgement slip for non-electronic Tenders). Any supplementary information must be given on the same basis.

TEND3.4 The Invitation to Tender must specify the Award Procedure and forbid submission of Tenders by fax or email (unless submitted to a secure email box).

- TEND3.5 Where any prior advertisement has not defined the Award Criteria, Invitations to Tender must state the Award Criteria in weighted terms and if possible in descending order of importance.
- TEND3.6 The Invitation to Tender must include a form of Tender, Tendering Certificate and instructions to applicants.
- TEND3.7 The Invitation to Tender shall state that no Tender will be considered unless received via a secure electronic tendering system or contained in a securely sealed envelope on which shall be indicated the name and address of the sender and the word "Tender" followed by the subject to which it relates, such envelope to be enclosed in a second plain securely sealed envelope bearing the word "Tender" followed by the subject to which it relates but not bearing any distinguishing mark or mark to indicate the identity of the sender. The second envelope should be addressed impersonally to the agreed recipient department.
- TEND3.8 Applicants must be informed that if a private courier firm is to be engaged to deliver a Tender package the outer packaging must comply with the regulations above. It is acknowledged that this may not be achievable in the case of Tenders received from abroad.
- TEND3.9 The instructions should be clear on the closing date and time for receipt of Tenders.
- TEND3.10 Employees of the Commissioner 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 Chief Officer.
- TEND3.11 If post-tender negotiations or presentations are anticipated, the Tender documents should provide advance notice of this likelihood.
- TEND3.12 Any Tender amendments or changes to instructions should be issued to all Applicants on a formal basis.
- TEND3.13 The Invitation to Tender should normally include the Contract terms.
- TEND3.14 The Tender Control Document for non-electronic Tenders should be completed with the names of the Applicants invited.
- TEND4 SHORTLISTING**
- TEND4.1 Any Shortlisting must have regard to financial and technical standards relevant to the Contract. Special rules apply in respect of the EC Procurement Directives. Officers may decide not to Shortlist but to send Invitations to Tender and to evaluate all possible Applicants.

TEND5 SUBMISSION, RECEIPT AND OPENING OF TENDERS

TEND5.1 Electronic tendering is the preferred method of carrying out a Tender exercise. This includes submission, receipt and opening of Tenders (usually via a 'vault' mechanism).

TEND5.2 Tenders by fax must not be accepted.

TEND5.3 Period for Applicants' responses: Applicants invited to respond must be given an adequate period in which to prepare and submit a proper Tender, consistent with the urgency of the Contract requirement. Usually a minimum of at least two to four weeks should be allowed for submission of Tenders. The EC Procurement Directive lays down specific time periods.

| Tender Action | Electronic | Manual/Non-electronic |
|--------------------------------|---|--|
| Advertise Contract Opportunity | Advertise on e-tendering system, appropriate/relevant publications/journals | Advertise in appropriate/relevant publications/journals |
| Issue Tender Documentation | Upload and publish to e-tendering system, automatically despatched to tenderers. Audit log evidences receipt and views by tenderers. | Send Tender documentation to tenderers and include document for tenderers to acknowledge receipt. |
| Closing Date and Time | Included within e-tendering system and tender documents. The e-tendering system will send an automated reminder of the closing date and time to all suppliers invited to tender. | Included within tender documents |
| Tender Schedule | The e-tendering system generates this automatically | Prepare Tender control document and send to a nominated Officer |
| Tender Queries | Queries, questions and additional information is published and stored within the e-tendering system. Responses will be sent to all tenderers unless of a minor administrative nature | Queries, questions and additional information must be submitted in writing. Responses will be sent to all tenderers unless of a minor administrative nature affecting only the |

| Tender Action | Electronic | Manual/Non-electronic |
|-------------------------------|---|---|
| | affecting only the enquiring tenderer. | enquiring tenderer. |
| Tender Validity | <p>A Tender shall not be valid unless it has been submitted in accordance with the instructions given in the invitation to tender</p> <p>An invalid Tender shall not be accepted</p> | <p>A Tender shall not be valid unless it has been submitted in accordance with the instructions given in the invitation to tender</p> <p>An invalid Tender shall not be accepted</p> |
| Receipt of Tenders | <p>Tender submissions are date/time stamped when received by the e-tendering system. The system holds them securely until the opening date/time.</p> <p>Tenderers should not be contacted to establish whether a Tender is to be submitted. It is, however acceptable to request Tenderers, as part of the invitation, to "Opt out" of tendering on the e-tendering system.</p> | <p>On receipt, manual Tender submissions are endorsed with the date, time and place of receipt and initialled by mail room/reception staff.</p> <p>Receipts must be issued to any person hand-delivering a manual tender. All manual tenders are passed to the nominated Officer for safe custody until the opening date/time. Tenderers should not be contacted to establish whether a Tender is to be submitted. It is, however acceptable to request Tenderers, as part of the invitation, to inform the Commissioner if they do not intend to Tender for a particular Contract.</p> |
| Opening of Tenders | Tenders will only be opened after the date and time deadline for receipt of tenders has passed | Tenders will only be opened after the date and time deadline for receipt of Tenders has passed |
| Tender Opening Process | Tenders are locked by the system until the deadline has passed. | The SPU will oversee and manage the tender opening process. Manual |

| Tender Action | Electronic | Manual/Non-electronic |
|---------------|---|---|
| | <p>Tenders are verified by a member of the SPU who is not directly involved in the tender process.</p> <p>Once Tenders have been verified they are released for opening.</p> <p>Tenders are checked on opening/download to ensure that all the required documentation is included.</p> <p>The e-tendering system creates a full audit history of the verification process, documents/prices submitted and details of tenderers who have "opted out" of bidding and those that have not made any submission.</p> | <p>Tenders must be opened in the presence of two witnesses. Witnesses will be a member of the SPU and/or other departmental staff who are not directly involved in the tender process.</p> <p>Representatives of the Department originating the requirement will not be permitted to open the tenders.</p> <p>Tenders must be checked on opening to ensure that all the required documentation is included.</p> <p>Tender submission pricing details and any amendments (including the use of any correction fluid) must be initialled by the two witnesses and then entered on to the Tender control document, which must also be initialled, signed and dated by the two witnesses. Where no Tender is received or a tenderer has declined this must also be recorded and initialled on the Tender control document. The Tender control document must then be signed by both witnesses and forwarded with the Tenders to the SPU.</p> |

| Tender Action | Electronic | Manual/Non-electronic |
|---------------|---|---|
| Late tenders | Late Tenders may be considered if there is clear evidence and proof of a malfunction with the e-tendering system, or the Commissioner has agreed special arrangements with a tenderer(s) who are experiencing technical difficulties with uploading/publishing their tender submission to the e-tendering system and have contacted the SPU without delay and before the deadline has passed. | <p>Late Tenders may be considered if the Tender panel are satisfied that there is evidence of posting or proof of delivery prior to the time and closing date for receipt of Tenders. If necessary guidance should be sought from the SPU. A note "Late Tender" must be recorded and initialled on the Tender control document.</p> <p>Only the outer envelope should be opened to establish the identity of the sender. The SPU will promptly return rejected Tenders, to the tenderer(s) endorsed with the date, time and place of receipt, and reasons why the Tender was rejected.</p> <p>Outer Tender envelopes must be retained in respect of late tenders as evidence to support acceptance or rejection of a late Tender.</p> |

TEND6 ALTERATION OF OPENED TENDERS

TEND6.1 Tenderers are not allowed to alter their final submission or Best and Final Offer after the date set for the receipt of their submission. If arithmetical errors are found they should be identified and the tenderer(s) notified in writing. The tenderer(s) concerned should be asked to provide written confirmation that the corrected figures will stand as part of the overall bid or that they wish to correct or withdraw their submission.

TEND7 CLARIFICATION PROCEDURES AND POST-TENDER NEGOTIATIONS

- TEND7.1 Providing clarification of an Invitation to Tender to potential or actual Applicants or seeking clarification of a Tender whether in writing or by way of a meeting is permitted. The SPU will oversee and advise on all clarifications, communications and meetings that form part of the tender process.
- TEND7.2 If there appears to be an error in a bid or supporting information, the Tenderer must be invited to confirm, amend or withdraw the bid.
- TEND7.3 Where examination of tenders reveals errors or discrepancies, other than those set out above, which would affect the Tender figure in an otherwise successful Tender, the Tenderer should be given the opportunity of confirming, correcting or withdrawing their offer. If the Tenderer withdraws, the next Tender in competitive order should be dealt with similarly.
- TEND7.4 Post-tender negotiation means negotiations with any Tenderer after submission of a Tender/Best and Final Offer and before the award of the Contract with a view to changing the terms of the Tender in particular obtaining adjustments in price, delivery or content. When following EC Procurement Directives post-tender negotiation is not allowed. Care must be taken to ensure that clarification of issues does not turn into negotiation. For detailed advice contact the SPU.
- TEND7.5 Where post-tender negotiation results in a fundamental change to the specification or Contract terms the Contract must not be awarded but re-rendered.
- TEND7.6 Negotiations with Tenderers or Suppliers should only occur where permitted in the following circumstances:
- After adhering to normal competitive tendering procedures, with the prospective Supplier submitting the most economically advantageous tender/lowest price tender depending on the award criteria provided that it can be shown in the Commissioner's best interests;
 - By direct invitation to a single, prospective supplier where exceptions to normal tendering procedures have been approved in line with these Contract and Procurement Regulations.
- TEND7.7 Where the Contract value is above £25,000 the SPU must be consulted whenever it is proposed to enter into post-tender negotiations and about whether negotiation is to be with all Tenderers;
- TEND7.8 Procedures for conducting negotiations should be as follows:
- At least two nominated officers must be present at all negotiations or any meetings;

- A written record of negotiations is kept. The record to include the date, time, place and persons present at any meetings, the points discussed and the conclusions reached and are signed as a true record by all officers present and the Tenderer;
- The Tenderer in advance of any Contract/order must confirm any alterations as a result of negotiations to their original submission in writing;
- Post-tender negotiation must only be conducted in accordance with the guidance in the Procurement Guide.

TEND8 EVALUATION AND AWARD OF CONTRACT

TEND8.1 Apart from the debriefing requirements:

- Confidentiality of Quotations, Tenders and the identity of Applicants must be preserved at all times; and
- Information about one Applicant's response must not be given to another Applicant.

TEND8.2 Contracts must be evaluated, recorded and awarded in accordance with the Award Criteria.

TEND8.3 Tenders may be evaluated on the basis of lowest price, or a mixture of price, technical and quality. The basis on which the Tender will be evaluated must be determined before Tenders are invited and should be included as part of the Tender information. This includes the Contract Award Criteria and any sub-criteria and their respective weightings. CP5.7 regarding quality and price weightings applies.

TEND8.4 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.

TEND8.5 All Tenderers should be notified in the quotation/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 raised.

TEND8.6 The SPU will undertake all the appropriate notifications to all Tenderers of intentions to award the Contract and any debriefs required in accordance with EC/UK Regulations.

TEND8.7 No information should be given to Tenderers without taking the advice of the SPU.

APPENDIX B

DELEGATED AUTHORITIES IN RESPECT OF VARIATIONS TO THE STRATEGIC PARTNERSHIP CONTRACT WITH G4S CARE AND JUSTICE SERVICES

- APPB1.1 Contract variations are likely to occur throughout the life of the contract, for example, reprioritisation of services for operational reasons. The change process is formally set out in the contract with G4S, specifically in Schedule 3 Change Control Procedure and Clause 23. Schedule 3 outlines Scoped Changes, Unscoped changes, Fast-track changes and Emergency changes.
- APPB1.2 Scoped change – a change that has no increase in contract price or adverse effect on Services including Reprioritisation Change (clause 23.1 – 23.1.3)
- APPB1.3 Unscoped change – material adverse effect on the manner in which the Partner delivers the Services, or material impact on the costs (clause 23.2 – 4)
- APPB1.4 Fast-track change – an unscoped change with shortened timescales
- APPB1.5 Emergency change - an unscoped change with immediate implementation

APPB2 Change request forms and process flowchart

- APPB2.1 The following forms are to be utilised as appropriate to the circumstances. Change Request Form 1 (for use with Scoped Changes), Change Request Form 2 (for use with Unscoped Changes) Change Request Form 3 (Impact Assessment Form). B7 below outlines the change process in flowchart form and should be read in conjunction with the delegation of authorities at B3 and B4.

APPB3 Scoped changes – delegation of authorities

- APPB3.1 Provision of proposal – Strategic Partnership Manager
- APPB3.2 Authorisation – Deputy Chief Constable
- APPB3.3 Scoped changes shall be reported to the Chief Executive

APPB4 Un-scoped changes (Including any KPI/performance contract changes, any financial changes or changes which have cost implications) – delegation of authorities

- APPB4.1 Provision of proposal – Strategic Partnership Manager
- APPB4.2 Authorisation – Chief Executive/Commissioner's CFO
- APPB4.3 Unscoped changes shall be reported to the Commissioner by the Chief Executive.

APPB5 Contract amendments resulting from the change process

APPB5.1 In relation to authorised scoped and unscoped changes which result in a change to the original contract, there is a requirement to ensure that the original contract is amended to reflect the changes. This shall be carried out annually and aligned with the original Service Commencement date of 1st April. Notwithstanding this requirement, either party (PCC or G4S) may request a formal update to the Contract at any time should the party believe the change is of such significance that it should be captured within the contract in advance of the annual review.

APPB6 Additional delegated authorities

APPB6.1 In addition to contract variations, there are a number of other contract business areas where delegated authorities are in place.

APPB7 Flag Reports

APPB7.1 On a day to day routine basis there may be queries or agreements between department heads and G4S that refine processes without impacting in any way upon the contract or require a change control process. The Commercial Partnership Team shall capture any such routine issues in the form of a flag report. These reports provide a means for department heads to raise areas of concern, suggest improvements in service provision or report positive results. There may be occasions where such reports require escalation into change control procedure but it is expected that in the majority of cases, the flag report will identify and address the query raised.

APPB8 Invoices

APPB8.1 Invoices shall be authorised in line with FR45 of the Financial Regulations.

APPB9 Original costed/convincing/conceptual projects, new projects, business development opportunities

APPB9.1 Provision of proposal – Strategic Partnership Manager

APPB9.2 Consideration of proposal – Chief Executive/Commissioner's CFO

APPB9.3 Authorisation – the police and crime commissioner for Lincolnshire

APPB10 Novation of Third Party Contracts to G4S

APPB10.1 The novation of third party contracts to G4S shall be authorised by the Chief Executive, the Deputy Chief Executive or the Chief Finance Officer.

APPB11 Flowchart

