

PFCC Decision Report

Report reference number: 026/2020
Classification: Not protectively marked
Title of report: Interim Appointment – PFCC’s Section 151 Officer
Area of county / stakeholders affected: Countywide; Kent PCC’s office
Report by: Pippa Brent-Isherwood (Chief Executive and Monitoring Officer)
Date of report: 20 February 2020
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1. Purpose of the report

To appoint Rob Phillips (Chief Finance Officer to the Kent Police and Crime Commissioner) as the interim Section 151 ('S151') officer to the PFCC in relation to policing and crime matters, and to delegate to him the appropriate powers and functions to perform this role for the foreseeable future, until more sustainable arrangements are put in place.

2. Recommendations

- 1 That Rob Phillips (Chief Finance Officer to the Kent Police and Crime Commissioner) is appointed to act as the interim S151 officer to the PFCC in relation to policing and crime matters with immediate effect.
- 2 That the functions delegated to the Chief Finance Officer under the PFCC's Scheme of Delegation be delegated to the Chief Finance Officer to the Kent Police and Crime Commissioner throughout the period for which he is acting as the interim Section 151 Officer to the PFCC.
- 3 That the delegations previously made to Debbie Martin (Chief Finance Officer to the Chief Constable for Essex Police) whilst acting as the interim Section 151 Officer to the PFCC, via decision report 019/2020, be removed with immediate effect.
- 4 That, for the period for which the Chief Finance Officer to the Kent Police and Crime Commissioner is acting as interim Section 151 Officer to the PFCC, the requirement set out in the PFCC's Decision Making Numbering Policy and Procedure for the Section 151 Officer to sign off all decision reports relating to policing and crime matters prior to their approval by the PFCC is temporarily dispensed with. There will remain a requirement for

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the Section 151 Officer to sign off all decisions for which there is either a statutory requirement or a requirement under the PFCC's Financial and Procurement Regulations for the Section 151 Officer to sign off the decision.

3. Benefits of the proposal

The proposal will ensure that the Commissioner continues to comply with their statutory requirement to appoint a Section 151 Officer whilst ongoing restructuring of the Commissioner's office is completed.

4. Background and proposal

Within the PFCC's established structure, the Treasurer role is the statutory Section 151 Officer to the Commissioner in respect of policing and crime matters. This post has been unoccupied since March 2018, initially due to ill health and then following the incumbent's passing. The post has remained vacant during a review of the PFCC's establishment and subsequent staff consultation on restructuring proposals, which are now to be implemented.

During this period, up until 6 February 2020, the PFCC's Financial Scrutiny Officer undertook additional duties to fulfil the statutory Section 151 Officer role in respect of the Commissioner's policing and crime functions. The new structure that is now to be implemented removes both the existing Treasurer role and the existing Financial Scrutiny Officer role and creates two new roles of Strategic Head of Performance and Resources and Head of Finance, with the latter including the statutory Section 151 role. The existing Financial Scrutiny Officer is due to leave the PFCC's employment on 29 February 2020 and has given notice of reversion to their substantive post with effect from 6 February 2020. This leaves both new roles to be externally recruited to.

This situation left the Commissioner with an urgent requirement to designate an alternative Section 151 Officer to fulfil the statutory requirements associated with this role until the new Head of Finance role is appointed. As the interim Section 151 Officer needs to be both suitably qualified (as specified in legislation) and appropriately vetted to access police systems, the Chief Constable offered the support of Debbie Martin, Essex Police's Chief Finance Officer, for the immediately foreseeable future, with effect from 6 February 2020. This arrangement was formalised via decision report 019/2020. That decision report noted that these arrangements would not be sustainable beyond the short term due to the existing demands on Debbie in her substantive role and that, as such, this would be a short term solution to ensure the Commissioner's continued compliance with their statutory duties while more sustainable interim arrangements were put in place pending recruitment to the permanent role.

Since 6 February, discussions have been held with Essex County Council, which has agreed to provide the PFCC with an interim Head of Finance until the role is recruited to permanently. A suitable individual is currently being identified from within Essex County Council's Finance Department to fulfil this role, however there will be a delay in them starting the position due to police vetting requirements. The PFCC has requested that the vetting process be accelerated.

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In the meantime, the Kent Police and Crime Commissioner has offered the services of their Chief Finance Officer, Rob Phillips - who is both appropriately qualified and police vetted – to fulfil the statutory Section 151 Officer requirements of the role only until the selection and vetting process has been completed, in order that Debbie can return to focusing solely on her substantive duties as Chief Finance Officer to the Chief Constable. This support will be provided remotely, from the Kent PCC's offices and will be called upon as and when required.

In order for Rob to fulfil this role, the following functions delegated to the Chief Finance Officer under the PFCC's Scheme of Delegation need to be delegated to the Chief Finance Officer to the Kent Police and Crime Commissioner for the period for which they are acting as the interim Section 151 Officer to the PFCC:

- To approve the arrangements for the Treasury Management function including the day to day management and production of the Treasury Management Strategy and supporting policies and procedures.
- To approve the arrangements for securing and preparing the PFCCs accounts, and seek assurances that there are appropriate arrangements in place for the force's accounts.
- To approve the opening of all bank accounts.
- To undertake the day to day management of the PFCC's budget.
- To commit expenditure within the PFCC's approved budget to meet the policies and objectives agreed with the PFCC and reflected in the Police and Crime Plan.
- To manage the grants awarded to the PFCC.
- To prepare from time to time draft financial and contract regulations, in consultation with and having due regard to the view of the force, for approval by the PFCC.
- To act as the money laundering reporting officer under the Proceeds of Crime Act 2002 and Money Laundering Regulations 2003 or other appropriate legislation from time to time in force.
- To prepare and annually review financial and contract regulations, in consultation with the force, for approval by the PFCC or the Deputy PFCC.
- To prepare and annually review a draft expenses and benefits framework for approval by the PFCC.
- To determine when any goods are surplus to requirements or obsolete and arrange for disposal in line with financial requirements.
- To report to the PFCC and the external auditor any unlawful or potentially unlawful spending by his or the force's officers.
- To provide for an effective internal audit service.

5. Alternative options considered and rejected

The role of the S151 Officer is a statutory appointment and, as such, it is not an option for the PFCC not to make this interim appointment.

Alternative options to those recommended were explored, including sourcing a longer period of interim cover for the entire Head of Finance role either from elsewhere within Essex Police's Finance department, or from within the Kent Police and Crime Commissioner's office. Unfortunately it was not possible to secure alternative cover from within Essex Police at the pay grade the role has

been evaluated at, and the Kent PCC's office was not able to spare the capacity to cover the role fully.

6. Police and Crime Plan

This will help to deliver on the priorities set out in the Police and Crime Plan.

7. Police operational implications

There are no operational implications of this decision for Essex Police, other than that it will allow the Chief Finance Officer to the Chief Constable once again to focus wholly on that role.

8. Financial implications

There are no immediate financial implications associated with this decision as the support to be provided by the Kent Police and Crime Commissioner's office has been offered free of charge.

The financial implications of the more sustainable interim arrangements to be sourced from Essex County Council will be dealt with through a separate decision report in due course.

9. Legal implications

Section 151 of the Local Government Act 1972 requires the Commissioner to make arrangements for the proper administration of their financial affairs and to appoint a S151 / Chief Finance Officer to have responsibility for those arrangements. The role of the S151 Officer is set out within Section 151 of the Act. The Section 151 Officer has a statutory responsibility to manage the Commissioner's financial affairs in accordance with this legislation, and also in the manner detailed in section 112 and 114 of the Local Government Finance Act 1988 as well as the Accounts and Audit Regulations 2011.

The Chief Finance Officer must ensure that the financial affairs of the PFCC are properly administered, having regard to their probity, legality and relevant standards. Whilst undertaking their duties, the interim s151 Officer must comply with all relevant statutory and regulatory requirements as well as:

- The Police and Social Responsibility Act 2011 and other relevant legislation issued under this Act
- Financial Regulations
- Home Office Financial Management Code of Practice for the police service
- CIPFA Statement on the role of the Chief Finance Officer of a PCC
- Contract Regulations
- The PFCC's Constitution
- The Data Protection Act 2018, the Freedom of Information Act 2000 and General Data Protection Regulation (GDPR)
- The Equality Act 2010 and related equality and diversity regulations and guidance

10. Staffing implications

Approval of these arrangements does not create any new posts nor increase the establishment within the PFCC's office.

11. Equality and Diversity implications

There are no equality and diversity implications arising from this decision.

12. Risks

As Mr. Phillips will only be covering the statutory Section 151 elements of the Head of Finance role, and the current Financial Scrutiny Officer role is soon to be vacated, there will be a diminution in terms of the overall level of financial support available to the PFCC until such time as one of the two new roles is recruited to on a permanent basis. The situation will improve – but not be fully remedied – once the interim arrangements with Essex County Council commence, as it is anticipated that support will then be provided on-site for two days per week. In making the decision outlined above, the Commissioner therefore needs to be cognisant that they will not be supplied with the usual level of financial support during the intervening period. For example, the Chief Finance Officer to the Kent PCC will not have the capacity to sign off all decision reports before they are presented to the Commissioner for approval (as is current practice), though they will sign off all those for which there is either a statutory requirement or a requirement under the Commissioner's Financial and Procurement Regulations to secure approval of the Section 151 Officer.

The HR department has been instructed to commence recruitment to the Strategic Head of Performance and Resources role as soon as possible, and a specialist recruitment agency has been appointed to support with this in order to expedite the process and maximise the likelihood of a successful appointment. The Commissioner has instructed that appointment to the Head of Finance role is to commence as soon as the more senior role is appointed to.

13. Governance Boards

This interim arrangement is entered into by the Police, Fire and Crime Commissioner and the Kent Police and Crime Commissioner, and is not subject to endorsement from any related governance bodies. In due course, the permanent appointment to the new Head of Finance role will be subject to a confirmation hearing by the Police, Fire and Crime Panel in accordance with the requirements of the Police Reform and Social Responsibility Act 2011.

14. Background papers

Decision report 019/2020

Report Approval

The report will be signed off by the OPFCC Chief Executive and Treasurer prior to review and sign off by the PFCC / DPFCC.

Chief Executive / M.O. Sign: [Signature]
 Print: P. BEATTY-HILLWOOD
 Date: 20 FEBRUARY 2020

Chief Finance Officer / Treasurer Sign:
 Print:
 Date:

Publication

Is the report for publication? YES
 NO

If 'NO', please give reasons for non-publication (Where relevant, cite the security classification of the document(s). State 'None' if applicable)

 N/A

If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

Redaction

If the report is for publication, is redaction required:
 1. Of Decision Sheet? YES NO
 2. Of Appendix? YES NO

If 'YES', please provide details of required redaction:

Date redaction carried out:

Treasurer / Chief Executive Sign Off – for Redactions only

If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.

Sign:

Print:
 Chief Executive/Treasurer

Date signed:

Report Approval

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Chief Executive / M.O.

Sign: [Signature]

Print: [Print Name]

Date: 20 February 2020

Chief Finance Officer / Treasurer

Sign: [Signature]

Print: [Print Name]

Date: 20/2/20

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2. Of Appendix?

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If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.	
Sign:
Print:
Chief Executive/Treasurer	
Date signed:

Decision and Final Sign Off

I agree the recommendations to this report:

Sign: *[Handwritten Signature]*

Print: *R.C. HIRST*

PFCC/Deputy PFCC

Date signed: *20/02/20*

I do not agree the recommendations to this report because:

.....

Sign:

Print:

PFCC/Deputy PFCC

Date signed:

