



Cumbria Office of the Police, Fire and Crime Commissioner

Decision Making Policy 2023-2026

Document control

This policy applies to the Office of the Police, Fire and Crime Commissioner for Cumbria.

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Introduction

The Police, Fire and Crime Commissioner is two separate corporation soles: The Police and Crime Commissioner for Cumbria and the Cumbria Commissioner Fire and Rescue Authority. The Police, Fire and Crime Commissioner has an office which supports them in these functions known as the Office of the Police, Fire and Crime Commissioner.

Policy Objective

To outline the decision-making process and establish the parameters, approach and principles for decision making by the Commissioner when fulfilling his statutory and regulatory responsibilities for:

- Cumbria Constabulary
- Cumbria Fire and Rescue Service
- Office of the Police, Fire and Crime Commissioner

To outline the recording and publication of decisions made by the Police, Fire & Crime Commissioner. Appendix B of this policy illustrates the decision-making process for the each of the above organisations.

Policy Statement

Decisions taken by the Police, Fire & Crime Commissioner (the Commissioner) will primarily arise from discharging their statutory functions: moreover, a statutory duty has been placed on the Commissioner to record and publish decisions of significant public interest arising from the exercise of those statutory functions, whether made by the PFCC, as a result of a meeting or otherwise.

The OPFCC's Executive Team consists of the Chief Executive, Deputy Chief Executive and Chief Finance Officer. With the Commissioner and any appointed Deputy present this is known as Executive Team Gold. Decision-making regarding the Commissioner's strategic business will generally be carried out within these forums. On occasion, decisions will be taken by individual members of the above groups under delegated authority detailed within the Commissioner's Scheme of Delegation.

The implementation of a robust decision-making process will ensure that the right decisions are taken for the right reason at the right time. The Commissioner and Executive Team/Executive Team Gold will adopt rigorous standards of probity, regularity and transparency in their decision-making and all decisions will be taken solely in the public interest.

Statutory Framework

The statutory framework for decision making by police and crime commissioners consists of:

The Police Reform and Social Responsibility Act 2011 (PR&SR) sets out the functions of the PCC and provides the legal framework for the Police & Crime Commissioners decision-making.

The Police and Crime Commissioner Elections (Declaration of Acceptance of Office) Order 2012 requires the PCC to swear an oath of impartiality. It commits them to serve local people without fear or favour and to set out publicly their commitment to tackling their role with integrity, impartiality and fairness.

The PR & SR Act 2011 sets out the functions of the Police & Crime Panel and requires it to review and scrutinise decisions made by the PCC.

The Policing Protocol sets out the framework within which the PCC & CC should work and also requires all parties (including the PFCC and their staff) to abide by the Nolan Principles.

Policing and Crime Act 2017 under Section 6 makes provision for a PCC to assume responsibility for a fire and rescue service

The Police, Fire and Crime Commissioner for Cumbria (Fire and Rescue Authority) Order 2022 is the statutory instrument which creates the corporation sole.

Fire and Rescue Authority (Police and Crime Commissioner) (Application of Local Policing Provisions, Inspection, Powers to Trade and Consequential Amendments) Order 2017,

The Financial Management Codes of Practice provides clarity around the financial governance arrangements and specifies the need to embed the principles of good governance.

The Elected Local Policing Bodies (Specified Information) Order 2011 (as amended) and ***The Elected Local Policing Bodies (Specified Information) Order 2011 (Amendment) Fire and Rescue Authorities 2017*** specify the information that must be published by the PFCC and includes specific reference to decisions.

The Freedom of Information Act 2000 provides a further level of public access to information. Public authorities must publish information about their activities including decision making, and members of the public are entitled to request information from public authorities, subject to specific exemptions.

Functions of the Police, Fire and Crime Commissioner

The Commissioner is responsible for the provision of policing and fire services within Cumbria. He publishes a Police and Crime Plan setting out the aims and objectives to guide the provision of policing services in Cumbria. He is also responsible for the setting of a Fire and Rescue Service Plan which outlines the objectives and provision of fire services. These plans may also contain the Commissioner's aims and intentions for other aspects of their statutory responsibilities. The Commissioner must present his Plans or any revision of them to the Police, Fire and Crime Panel and must have regard to any report or recommendations made by the Panel.

Each year he publishes an Annual Report identifying the extent to which the objectives of the Police and Crime Plan and the Fire and Rescue Service Plan are being achieved. The Annual Report is also presented to and scrutinised by the Police, Fire and Crime Panel.

The Commissioner publishes a proposed Precept for both policing and fire by the 1 February in each year and following review by the Police, Fire and Crime Panel shall issue the precept by the prescribed date of 1 March.

Local Controls and Mechanisms

In order to ensure good governance in relation to decision making the Commissioner will have arrangements in place which will cover the way the OPFCC will work. These will include the Scheme of Governance, Financial Regulations, Contract Standing Orders, a Joint Audit Committee, a risk register as well as a register of interests, gifts, and hospitality.

The ***Scheme of Governance*** sets out the delegations by the Commissioner to a Deputy Police, Fire and Crime Commissioner (Deputy PFCC) (if appointed), the Chief Executive. It also sets out the parameters for decisions delegated to the Chief Constable and the Chief Fire Officer.

The ***Financial Regulations*** and ***Contract Standing Orders*** form a part of the Scheme of Governance and prescribe the procedural arrangements and financial limits for decisions taken by the Commissioners, Chief Constable's and the Chief Fire Officer's officers and staff. Appendix C illustrates the financial limits and therefore who has responsibility for making what decisions.

The ***Joint Audit Committee*** provides independent oversight of governance and financial management of the three organisations. It has a relationship with the internal and external auditors and looks also at internal controls, financial reporting, and corporate governance.

Within the ***Scheme of Governance*** the approach to risk is set out. Strategic risk registers maintained by each organisation will provide assurance that decisions made take account of organisational risks.

Principles of Decision Making

Decision-making will be well informed. Decisions will be taken based on good quality information and clear objective advice in order to reduce the risk of taking decisions that fail to achieve the Commissioner's objectives or have unintended consequences.

The decision-making process will be open and transparent. In order to make well-informed decisions the Commissioner will give proper consideration to all relevant parties and for some decisions consultation and engagement will be a statutory requirement.

To have 'due regard' within the decision-making process. The Police Reform and Social Responsibility Act places a duty on the Commissioner, the Chief Constable, community safety and criminal justice partners to consider the plans and priorities of each organisation, satisfy themselves that plans and priorities have been interpreted correctly and making clear the reasons for departing from those plans if appropriate.

Be rigorous and transparent about how the decisions are taken. The decision-making process will have regard to the principles as set out in The Good Administrative Practice.

All decisions of significant public interest will be recorded and published. The statutory requirement for the recording and publication of information surrounding decisions is set out in the Elected Local Policing Bodies (Specified Information) Order 2011.

The Commissioner/Chief Executive/Executive Team/Executive Team Gold will uphold the highest standards of integrity and honesty when taking decisions, as set out in the Nolan Principles.

The seven principles of public life are –



Approach to Decision Making

The Commissioner, Chief Executive and senior managers within the OPFCC, Cumbria Constabulary and Cumbria Fire and Rescue Service will demonstrate probity and regularity in their decision-making, not just as a matter of good governance but also as a matter of law. Therefore, the approach to decision making will adhere to the **Good Governance Standard for Public Services** published by the Independent Commission on Good Governance in Public Services; and the **Good Administrative Practice 2** published by the Local Government & Social Care Ombudsman.

Effective decision making is underpinned by the provision of good quality information. Financial performance, risk and equality information will be significant in most decisions the Commissioner makes and will form part of the decision-making process.

The decisions of Commissioners will fall along a sliding scale of interest to their communities, complexity and impact (e.g. from local to national). This sliding scale of decision-making will usually demand a related and proportionate scale in the amount of information, advice, support, challenge, scrutiny and consultation given in advance of, and following the decision.

The following will be considered in advance of making key strategic decisions:

- **Understand local needs**, resources and priorities and consider the views of partners and stakeholders
- Based on this knowledge **agree outcomes** and how they can be delivered effectively, efficiently, equitably and sustainably
- Establish all the **relevant and material facts**
- **Consult** those who might reasonably consider they would be adversely or significantly affected
- Consider **all reasonable courses of action** open to the PFCC
- Seek appropriate **specialist advice**
- Consider **risk, performance and financial information**
- Ensuring **value for money** is obtained

The Chief Executive (Monitoring Officer) and S151 Chief Finance Officer have statutory responsibilities for identifying and reporting any contraventions of law or maladministration. These post holders will be responsible for ensuring compliance to good governance principles of decision making and this Policy.

A completed decision template summarising the request and rationale for the decision being sought will be provided to assist in the decision-making process. Details of how this process is carried out is provided in Annexe B.

The Commissioner will ensure that a record of decisions taken is kept in line with the OPFCC Retention Policy and published on the OPFCC website.

The Commissioner has made arrangements for the delegation of a number of his responsibilities and associated decision making to specified Chief Officers within the OPFCC, Cumbria Constabulary and Cumbria Fire and Rescue Service. The framework setting out the delegation of responsibilities and decision making is the Scheme of Delegation which is incorporated into the Governance Frameworks.

The Governance Frameworks, are reviewed and updated on a cyclical basis, sets out the parameters within which the delegations are to be exercised and can be found on the OPFCC website.

Urgent Decisions

There may be occasions where the circumstances of a decision dictates that only some elements of the checklist will be employed, for example an urgent decision would limit the amount of engagement that could be undertaken. However, all measures will be taken to ensure that urgent decisions are infrequent.

Contentious Issues/Decisions

Occasions will arise when the 'line' between the strategic and operational will be ambiguous. These issues/decisions will be classified as 'contentious'. To avoid possible conflict in who should take the decision the principle of 'due regard' will be employed.

Contentious decisions can be defined as those of a political nature, matters of high public/media interest, matters likely to impact on a community or communities, high risk issues (e.g. upon reputation, public confidence) and could include the following:

- Actions that conflict with the priorities set out in the Commissioner's Police & Crime Plan and Fire and Rescue Service Plan and will impact on the delivery of the plan's outcomes.
- Policy Changes. A decision that has a direct impact on local communities, for example the re-organisation of local policing or fire service provisions.
- Political Issues. These could be any number of areas and a checklist could be derived from the Police & Crime Plan or the Fire and Rescue Service Plan.

Mandatory Decisions Notices

The Commissioner will make decisions arising from the discharge of statutory functions and across a wide variety of issues. When spending public money it is important that processes are robust and transparent.

The Specified Information Order 2011 (as amended) identifies the types of information which should be published by the Commissioner, including “*a record of each decision of significant public interest arising from the exercise of the elected local policing body’s function.*” In general terms decisions should be made for areas of significant public interest, strategic business areas and statutory duties.

Any significant decision of the Commissioner or Deputy Commissioner, such as those identified within funding agreements, shall be set out in a decision notice and published on the Commissioner’s website. These will include but are not limited to:

- The Police, Fire & Crime Plan
- Fire and Rescue Service Plan
- PFCC Annual Reports
- Setting annual budgets and council tax precepts
- Annual Budget, Medium Term Financial Forecasts, Financial Regulations (including revenue and capital budgets)
- Financial decisions including overspend or underspend within the limits identified within a funding agreement.
- Approval of financial recommendations outside the original budget approval and the final year end outturn position
- Decisions that incur a cost that is not provided for within annual budgets or financial programmes and therefore not within the remit of delegated powers; that will require financing outside of the baseline budget which may include the use of reserves
- Estates – such as asset acquisitions, disposal or repurposing.
- Entering into or withdrawal from Collaboration Agreements
- Approval of key strategy documents (eg Health and Safety Policy)
- Governance and assurance including policy development and holding the Chief Constable and the Chief Fire Officer to Account
- Appointment, suspension or removal of the Chief Constable or Chief Fire Officer
- Decisions relating to complaints and conduct matters concerning the Chief Constable or Chief Fire Officer
- Decisions to direct the Chief Constable to comply with obligations in regard to complaints (Schedule 14, para 7 of PRSR Act 2011)
- Appointment of a Deputy PFCC or OPFCC statutory staff roles

Business decisions regarding the operation of the OPFCC, will primarily be taken by the OPFCC Executive Team Gold and where necessary delegated to the Executive Team. For Cumbria Constabulary this will be the Chief Officer Group (COG) and for Cumbria Fire and Rescue Service the Senior Leadership Team (SLT) or the Strategic Finance and Governance Board (SGB). A record of all

decisions must be retained and for key decisions a decision form must be completed. Detailed below are examples of some key business decisions, but is not an exhaustive list:

- Staffing Establishment (including growth, change or amendment to roles and change management)
- Strategies and policies which directly impact the organisation with financial implications, change management or reputational risk.
- Commissioning Strategy and the commissioning of services, awarding of contracts and grants, including exemptions.
- Employment Issues including Health & Safety, Pay Policy and Pensions.
- Financial Decisions [those over £35,000 for Fire and £50,000 for Police]
- Strategies – such as Estates, Fleet, Digital, Commercial, Charging for Services, Insurances, OPFCC Business Continuity and others which relate to the core business of Cumbria Constabulary, Cumbria Fire and Rescue Service and the OPFCC.

Recording Decisions

To ensure the Commissioner adheres to the principle of openness and transparency, the information used to inform the decision-making process will be recorded in documents and reports used by officials and the Commissioner. An accurate record of the discussion prior to taking a decision will be recorded and will include the rationale for discounting options.

Exclusions

There will be occasions when some information has to remain confidential, examples include: issues of national security; safety of individuals; prejudice the administration of justice. Decision related information may also be restricted where security restrictions are placed on the information held by the Police.

Wherever possible careful consideration will be given to the classification of restricted information to ensure that the public has access to the widest range of information possible.

Publication of Decisions

The statutory requirement for the recording and publication of decisions are set out in the Elected Local Policing Bodies Specified Information Order 2011 (as amended). The Commissioner's website will be used to publish the Significant Public Interest decisions made by the Commissioner. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

As an absolute minimum, the Commissioner will publish all statutory decisions together with the information relating to the decision. The Part 2 decision template

will be as and when appropriate for example in confidential, personnel and business sensitive situations.

All available forms of communications will be utilised, including:

- Office of the Police, Fire and Crime Commissioner website – decision records and associated papers
- Meetings held in public
- Annual Reports

Statutory Officers

The Chief Executive (Monitoring Officer) and the Chief Finance Officer are part of the legal framework to report contraventions of the law or maladministration. They have ultimate responsibility for identifying any deviation from the core principles of good governance; and to report anything that gives rise to concern over a proposal, decision or omission.

These roles will therefore provide a gatekeeper role for ensuring this policy and its principles are implemented. It is essential that they are involved in the decision-making process for not only decisions made by the Commissioner but those of the OPFCC, Cumbria Constabulary and CCFRA.

Policy Review

This document will be subject to formal three-year cyclical reviews.

Appendices

Appendix A - Decision Making Process Flow Chart

Appendix B - Decision Making Procedure

Appendix C – OPFCC & Cumbria Constabulary Financial Rules

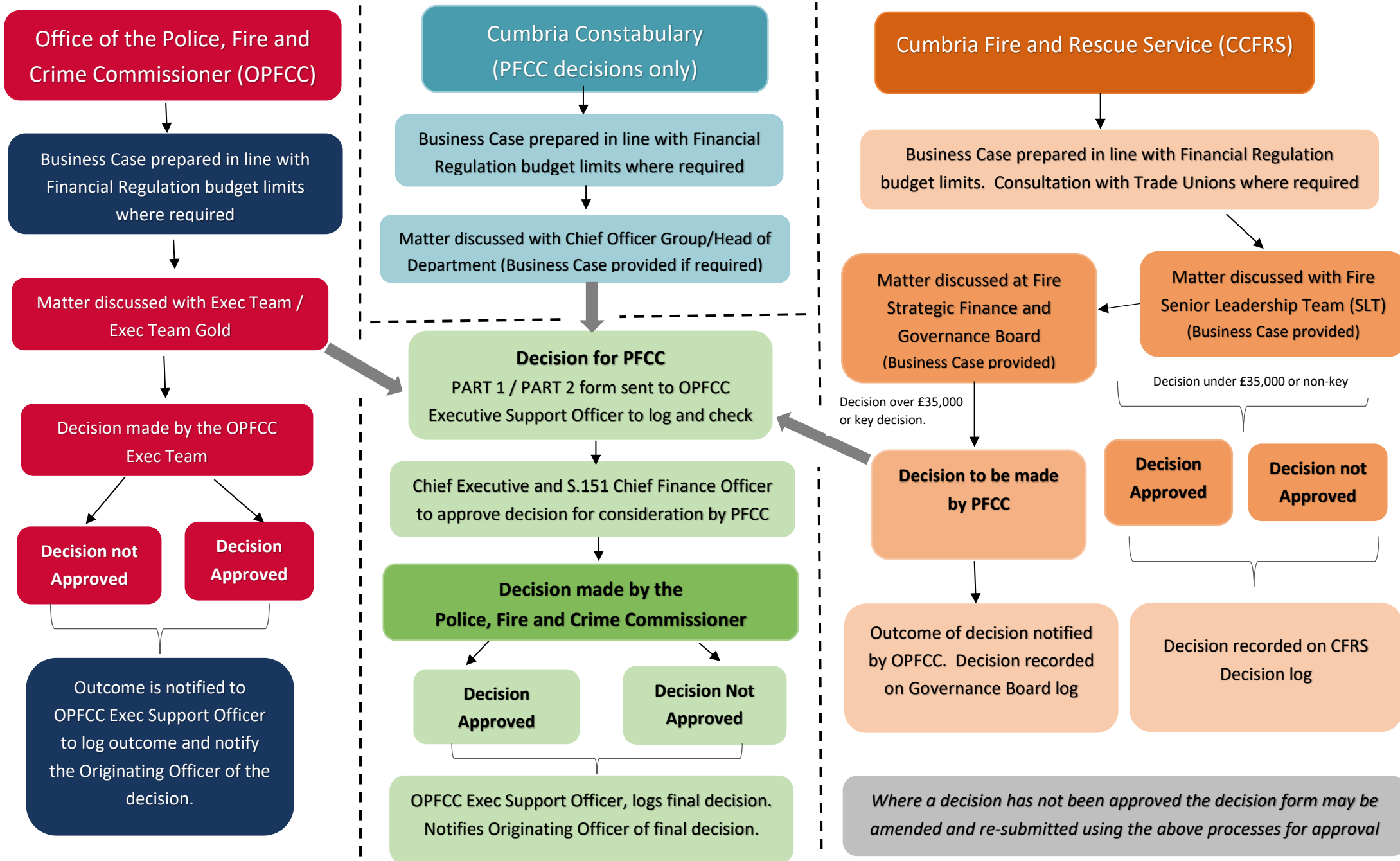
Appendix D - CFRS Financial Rules

Appendix E – OPFCC Decision Form

Appendix F – CFRS Decision Form

Cumbria Police, Fire and Crime Commissioner Decision Process

Refer to Scheme of Delegation and OPFCC Decision Making Policy to identify decisions to be made by the PFCC.



Appendix B

Decision Making Procedure

This procedure identifies the process to be followed to request a decision to be made. Prior to the request factors such as the complexity, impact, cost and public interest associated with the decision, as set out below, should be considered.

- Refer to each organisations Scheme of Delegation and Financial Regulations to identify the levels of approval required.
- All relevant material, information, and facts will be compiled.
- Consultation will take place with all interested and affected parties.
- Consideration of all available courses of action and/or options
- Specialist advice will be sought where required.
- Information will be presented which focuses on core issues, consistent with the PFCC's aims and objectives.
- Value for money considerations will be taken into account as well as the financial implications of the decision.

All requests for a Commissioner decision must be submitted by the Lead Officer for the relevant organisation to the OPFCC Executive Support Officer on an approved decision notice form. This document will provide a record, justification and supporting information or business case to inform the decision-making process.

The Commissioner's Decision-Making process is shown as a flowchart at Appendix A; financial regulations illustrating budget limits are at Appendix C and decision notice template is contained in Appendix D.

A decision notice requires a number of considerations to be taken into account including matters relating to legality, probity, finance, value for money, consultation with trade unions (where required) and equality impacts, all of which are to be recorded. For complex decisions it is anticipated that the template form will be supported with additional information at an appropriate level of detail for the Commissioner to make the decision.

The following procedure should be followed when requesting a decision by the Commissioner:

- (a) Any proposed decision should be discussed with the Commissioner, Deputy Commissioner or Senior Officer Teams prior to it being submitted to the Commissioner for final decision. This can take place through strategic boards or more informally through a 1-2-1 meeting with the Commissioner or Deputy. Decisions that have not been previously discussed may be rejected and asked to be resubmitted to the Commissioner after they have gone through a relevant board or group.
- (b) The Lead Officer will be the individual responsible for the business area for which a decision is required. Depending upon the nature of the decision the Lead Officer will

be either be an OPFCC staff member; an officer or member of staff of either Cumbria Constabulary or Cumbria Fire and Rescue Service.

- (c) A decision notice must be fully completed and the matter reviewed by the relevant senior management team prior to submission. This includes information regarding any identified implications in relation to finance, legal or risks; and trade union discussions which are necessary to inform the decision-making process.
- (d) Where there are a number of options to be recommended the decision notice should clearly indicate the preferred option to assist with the final decision.
- (e) The decision form should be sent to the OPFCC Executive Support Officer who will arrange for the OPFCC Chief Executive (Monitoring Officer) and/or Section 151 Chief Finance Officer to review it.
 - a. The OPFCC Chief Executive and Monitoring Officer (or the OPFCC's legal advisor) and the Section 151 Chief Finance Officer respectively have statutory responsibilities for identifying and reporting any contraventions of law or maladministration and ensuring compliance to good governance principles of decision making.
 - b. The role of the Monitoring Officer and their responsibilities is defined in statute [Local Government and Housing Act 1989 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1989/30/section/1) the role and responsibilities of a Section 151 Officer is also defined in statute [Local Government Act 1972 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1972/70/section/1).
- (f) Once complete, the OPFCC Executive Support Officer will provide a decision number. They are responsible for ensuring that the decision notice form is fully completed including all accompanying papers and that the Lead Officer and any other staff / advisors are available to brief the Commissioner and/or Chief Executive if required. No decision will be made unless accompanied by the appropriate decision template form.
- (g) The OPFCC Executive Support Officer (in consultation with the Chief Executive, as required) will determine which decision-making route will be followed. Unless the decision is one that has been delegated (through agreed schemes of delegation) or is urgent, the main decision-making forums are the PFCC's Public Meetings or the Executive Team Gold meetings.
- (h) Where the request for a decision is urgent and the urgency has been justified by the Lead Officer, the OPFCC Executive Support Officer will arrange for the decision to be considered by the Commissioner/Chief Executive as soon as possible.
- (i) Following approval of each decision, the OPFCC Executive Support Officer will advise the Lead Officer of the outcome if they were not present at the decision meeting and update the decision log.
- (j) Final copies of the decision notice is retained by the OPFCC Executive Support Officer who will carry out any agreed redaction for publication.
- (k) The approved decision notice for publication will then be uploaded onto the OPFCC website.

Information contained within decision notices and their supporting documentation are subject to the Freedom of Information Act 2000 (FOI Act) and other legislation. Unless the information provided is covered by an exemption, it should be assumed that the information contained in the form will be published, in full, on the OPFCC public website.

Where any information provided in either the Decision Notice itself or in the associated document(s) is not suitable for publication, a rationale must be given which should be recorded in the relevant section on the Decision Notice form. This should quote the relevant exemption being applied. Where only some portions of a document are not suitable for disclosure, consideration must be given to redacting these (quoting the relevant exemptions when doing so) so that the remainder of the document can be published.

It is the responsibility of those supplying information on which Decision Notices are determined to ensure that the above guidance is complied with – failure to do so may require a Decision Notice to be re-drafted or re-submitted and could delay the required decision being reached.

Categories of 'Exempt Information'

Where information contained within a decision is not to be published a PART 2 decision paper should be completed. As part of the form there is a requirement to identify how the information is exempt from publication. Detailed below are the categories under Schedule 12A of the Local Government Act 1972 (as amended):

1. Information relating to an individual
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connect with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes –
 - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

Qualifications

- (1) Information falling within the above paragraphs is not exempt information by virtue of that paragraph if it is required to be registered under –
 - (a) The Companies Act 1985;
 - (b) The Friendly Societies Act 1974;
 - (c) The Friendly Societies Act 1992;
 - (d) The Industrial and Provident Societies Act 1965 to 1978;
 - (e) The Building Societies Act 1986; or
 - (f) The Charities Act 1993

- (2) Information is not exempt information if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to regulation 3 of the Town and Country General Regulations 1992.
- (3) Information which falls under paragraphs 1 to 7 above and is not prevented from being exempted by virtue of (1) or (2) above, is exempt information if and so long as, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- (4) Furthermore, where a meeting of a Standards Committee or a Sub-Committee of a Standards Committee is convened to consider a matter referred under the provisions of Section 64(2) or 71(2) of the Local Government Act 1972 the provisions of Schedule 12A of the 1972 Act shall apply with the addition of the following descriptions of exempt information:
 - 7A – information which is subject to any obligation of confidentiality.
 - 7B – information which relates in any way to matters concerning national security.
 - 7C – the deliberations of a Standards Committee or of a Sub-Committee of a Standards Committee established under the provisions of Part 3 of the Local Government Act 2000 in reaching any finding on a matter referred under the provisions of section 60(2) or (3), 64(2), 70(4) or (5) or 71(2) of that Act.

Decisions by OPFCC Executive Team

Where a decision is to be taken by the OPFCC Executive Team, reference should be made to the Scheme of Delegation and financial limitations to identify who is eligible to make the decision. The above process should be followed to prepare a decision notice. As the Chief Executive and the Section 151 Chief Finance Officer have statutory responsibilities for identifying and reporting any contraventions of law or maladministration, they must approve the decision notice prior to it being considered.

The decision notice should then be provided to the OPFCC Executive Support Officer to log and place on the relevant meeting agenda. Following discussion at the meeting they will be notified of the decision outcome and the lead officer subsequently advised.

The PART 1 element of decisions will be published on the OPFCC website, where applicable.

Decisions by CCFRA Senior Leadership Team or Governance Board

Where a decision is to be taken by the OPFCC Executive Team, reference should be made to the Scheme of Delegation and financial limitations to identify who is eligible to make the decision. The above process should be followed to prepare a decision notice. As the Chief Executive and the Section 151 Chief Finance Officer have statutory responsibilities for identifying and reporting any contraventions of law or maladministration, they must approve the decision notice prior to it being considered.

The decision notice should then be provided to the CCFRA Programme Lead (Transition) to log and place on the relevant meeting agenda. Following discussion at the meeting they will be notified of the decision outcome and the lead officer subsequently advised.

Section G Regulation Limits and Delegations

Introduction

The Commissioner expects anyone acting under this scheme to draw to their attention any issue which is likely to be regarded as novel, contentious or repercussive. In addition, the Commissioner is ultimately accountable for the Police Fund. Before any financial liability affecting the Police Fund that the Commissioner might reasonably regard as novel, contentious or repercussive is incurred; prior written approval must be obtained from the Joint Chief Finance Officer.

The regulation limits apply in respect of delegations between the Commissioner and the Commissioner's staff and between the Chief Constable and the Chief Constable's staff. The financial freedoms and flexibilities provided to the Chief Constable from the Commissioner are set out within a wider Scheme of Consent and detailed with the Chief Constable's annual Funding Arrangement.

References to Sections refer to the relevant part of these regulations where the regulation limit is to apply.

Section B: Financial Planning and Control

Financial Planning: The budget estimates shall identify all proposed individual major revenue projects. A major revenue project shall be defined as one in excess of an estimated value of **£100,000**

Budgetary Control: Major projects need not be referred back to the Commissioner for further approval unless, when negotiating contract details, amendments to the nature of the scheme are sought or the cost of the scheme exceeds the **lesser of 10% or £100,000**. Where the net position on the Constabulary budget is forecast to over or underspend by more than £500k or where the position is known to have changed by more than £500k since the last monitoring report, the Joint CFO must be notified as soon as the variation is known.

Virements: The levels of authorisation for virements are:

Limit	JointCFO	Chief Executive
Up to £100,000	✓	
Up to £150,000	✓	✓

Section G Regulation Limits and Delegations

In addition, the Chief Constable is authorised to approve virement within Constabulary budgets as set out within the Funding Arrangement. Any further virement within the Constabulary budget must comply with the approvals set out above, being authorised by the Joint CFO or the Joint CFO and Chief Executive.

The Joint CFO is authorised to approve any virement within the capital budget to address issues of timing where the scheme is approved and the virement is consistent with the business case for the scheme. This includes virements to and from capital reserves to bring forward schemes planned for future years where there is capacity and a business imperative to commence schemes in advance of the planned programme.

Year End Balances: Year end balances will be returned to general balances other than where specific approval has been given to carry forward those budgets. Budget holders may apply to the Joint CFO to carry forward any underspend. The Joint CFO will present to the Commissioner a report with recommendations in respect of budget carry forward. This will take account of under spend due to circumstances beyond the budget holders control and under spend where there is likely to be an unbudgeted liability for the unspent sum in the following financial year. Budget holders who overspend their budget in any financial year may have their budget reduced for the following year subject to the determination of the Commissioner after consultation with the Joint CFO.

Capital Programme: The Chief Executive must be notified of all proposed property leases or renewals before any agreement is made. Any lease with a value in excess of **£50,000** pa or any lease over 5 years in duration shall be subject to the Commissioner's approval.

All capital schemes within the capital project are subject to approval of a detailed business case. Detailed estimates for each scheme in the approved capital programme shall be prepared by the responsible officer before tenders are sought or commitments made. Schemes need not be referred back to the Commissioner for further approval unless the cost of the scheme exceeds **10% or £100,000** whichever is the lower amount.

For non-rolling capital schemes in excess of **£500,000**, the project manager shall, as soon as is practical after completion of the scheme, brief the Joint CFO on the final cost of the scheme compared to budget and within 12 months of completion provided an evaluation of the business benefits delivered,

Section G Regulation Limits and Delegations

compared with the original business case.

Section C: Management of Risk and Resources

Assets: The de-minimus for capital expenditure is £25k. The de-minimus for capital income is £10k. Single items below this amount are treated as revenue. Items of individual cost value below £25k are capitalised where they are acquired as part of a rolling programme and combined for the purposes of procurement. For capitalised expenditure, the Chief Executive shall secure that an asset register is maintained. The asset register will comprise:

- Land & Buildings - All values of land and building
- Vehicles – vehicle assets procured within the rolling annual capital programme with cumulative value above £25k
- Computers – computer assets procured within the rolling annual capital programme with cumulative value above £25k
- Plant & Equipment – plant and equipment assets procured within the rolling annual capital programme with cumulative value above £25k

The Chief Officers shall maintain inventories that record an adequate description of portable and desirable items such as computers, monitors, printers, facsimile machines, mobile phones and photographic equipment above the value of **£250**.

Discrepancies between the actual level of stock and the book value of stock may be written off by the Chief Executive up to the level shown below. Amounts for write off above this value must be referred to the Joint CFO for approval.

- Individual items **£5,000**
- Overall annual limit on all stock **£15,000**

Obsolete stock, or equipment and materials surplus to requirements may be written off by the Chief Executive up to the level shown below. Amounts for write off above this value must be referred to the Joint CFO for approval.

- Individual items **£5,000**
- Overall annual limit on all stock **£15,000**

Section G Regulation Limits and Delegations

The Chief Executive may dispose of surplus land, buildings, vehicles and items of equipment up to the estimated value shown below. Disposals above this value are to be reported to the Commissioner for prior approval.

- Land & Buildings **£250,000**
- Equipment **£10,000**
- Vehicles **£10,000**

Items above the estimated value shown below shall be disposed of by public auction or sealed bids after advertisement.

- Land & Buildings **£500,000**
- Equipment **£15,000**

Section D: Systems and Processes

Income: Individual amounts may be written off by the Joint CFO up to **£10,000**. Amounts for write off above this value must be referred to the Chief Executive for approval.

All cases where write off action results from theft or fraud shall be referred to the Joint CFO for approval up to a maximum of **£10,000** and to the Commissioner for approval of amounts in excess of that sum.

Ordering of Goods and Services: Quotations shall be obtained or tenders invited from suppliers or contractors in accordance with the requirements set out in procurement regulations

Ex Gratia Payments: The Constabulary may make ex-gratia payment to employees or members of the public up to £4,999 (per claim) in accordance with its scheme of delegation and as set out in the financial regulations. Payment of £5,000 or above must be approved by the Commissioner.

Cumbria Fire and Rescue Service – Financial Rules

Section F Delegated Limits

The section references below refer to the main body of text within sections A to E of these Financial Regulations. All financial limits are contained within this section in order to minimise the need for change when values are updated.

For the purpose of this document, “Sensitive” contracts are those that are above EU Procurement Limit threshold level (currently £213,477; now inclusive of VAT) for services and supplies and £5,336,937 (inclusive of VAT) for works, or are novel, contentious, in the public interest or politically repercussive.

Section F1 – Financial Planning

Annual Revenue Budget Preparation

1. The budget will include initial budget allocations based on the advice of the Chief Fire Officer and Chief Finance Officer. Officers with budget responsibility must manage within the agreed budgets. Spending should only be incurred in line with agreed budgets.
2. The PFCC may set aside central contingencies for specific provisions (e.g. for inflation). Allocation of such contingencies to the budget is subject to costed evidence prepared jointly with the Chief Finance Officer and agreed by the PFCC.
3. The budget estimates shall identify all proposed individual major revenue projects. A major revenue project shall be defined as one in excess of the estimated value shown below.
 - £35,000
4. Major projects need not be referred back to the PFCC for further approval unless, when negotiating contract details, amendments to the nature of the scheme are sought or the cost of the scheme exceeds the limits shown below:
 - By lesser of 5% or £10,000

Business Case Approval

Business case for provision of new service or change to the way services are provided which results in an expenditure of up to £35,000 may be approved by the Chief Finance Officer/Chief Executive. Approval of business cases in such categories over this are to be approved by the PFCC.

Approval of business case for capital expenditure requires the PFCC or his delegated officer approval in all circumstances.

Section F2 – Budgetary Control

Virement is defined to be the transfer of budget between budget heads within a financial year and will always be a net nil, whereas a budget adjustment is defined as a budget movement at the time budgets are prepared for the forthcoming financial year.

1. Revenue Virement/ Revenue Budgetary Movement Limits

It is the responsibility of the Budget Manager to request approval to virement and budgetary movement subject to the following limits.

Service Budget

- Up to £50,000 Chief Fire Officer
 - Over £50,000 Chief Finance Officer in conjunction with PFCC
2. All virements must be reported to the Chief Finance Officer. The following virement also requires the PFCC approval:
- That which involves a substantial change of policy of service delivery.
 - That which results in a significant addition to commitment in future years.
 - Transfer to and from capital expenditure.
 - Additional budget funded from reserves.
3. Expenditure Approval Limits

When agreeing expenditure within approved budgets the following limits will be in place for the placing of orders: -

£0 - £24,999	Budget Holder
£25,000 - £99,999	Chief Fire Officer/Deputy Chief Fire Officer
£100,000 +	Chief Finance Officer/Chief Executive/PFCC

These limits will be reviewed in light of how the system controls for any service provision from the unitaries will work in practice. The budget will be zero-based, and the definition of budget holder levels will be reviewed and agreed by the Chief Finance Officer.

4. Treatment of Year End Balances

As a default position, all carry forward underspends shall be transferred to reserves. Requirements should be prioritised carefully by the PFCC and Chief Fire Officer to enable best informed judgements as to future funding levels and planning the use of resources.

Section F3 – Capital Programme

1. Detailed estimates for each scheme in the approved capital programme shall be prepared by the responsible officer before tenders are sought or commitments made.
2. There may be instances where a capital requirement is identified in year, in addition to and outside of the agreed annual budget. In such cases, the bidding manager must raise a bid for the scheme.
3. A bid for capital scheme in year up to £35,000; fully funded/with no future years commitment requires joint approval from the Chief Finance Officer.

4. A bid for a capital scheme which are more than £35,000; unfunded and with future year's commitment requires the PFCC's approval.
5. The delegated limits for approval of investment in capital programme are as follows:
 - £100,000 over lifetime of investment: Chief Finance Officer
 - Over £100,000 over the lifetime of investment: PFCC
6. All variations to the Capital Programme is approved by the PFCC and reported to him/her or delegated staff quarterly. All capital overspends, when identified, will require PFCC approval as they have borrowing implications.

Section F4 – Financial Risk

1. The Chief Fire Officer shall be authorised to settle insurance liability claims up to the value shown below. Beyond this value, claims must be referred to the PFCC, for approval.

£10,000 excluding legal costs.

2. The Chief Fire Officer shall be authorised to settle civil claims settlements, including Employment Tribunal up to £10,000. Beyond this value, claims must be referred to the PFCC, for approval.

There are exceptions in employment tribunal cases. These occur when cases are felt to be sensitive for the reason below:

- They involve high profile claimants.
- There is a particular public interest in the case.
- There is a real risk that the PFCC will be exposed to serious public criticism or serious weaknesses in the organisation or police and procedures will be revealed. Such cases will be referred to the Chief Executive for consideration by the PFCC.

The PFCC must approve all requests for financial assistance to officers and staff involved in legal proceedings.

The Chief Finance Officer is responsible for the day-to-day management of the insurance functions.

Section F5 – Assets

Land & Buildings

1. The Chief Fire Officer may not acquire any freeholds/leaseholds without clear, prior written approval of the PFCC. However, the Chief Fire Officer may recommend purchases of Land & Buildings to the PFCC, which is in keeping with the operational requirements.
2. The Chief Finance Officer and Chief Fire Officer shall maintain an asset register for all Land and Buildings assets; the Chief Fire Officer will maintain an asset register for all fixed assets with a value in excess of the limits shown below:
 - Vehicles – £20,000
 - Computer Equipment and software– £10,000
 - Plant and Equipment - £10,000

Inventories

1. The Chief Fire Officer shall ensure inventories are maintained that record an adequate description of portable and desirable items such as computers, monitors, printers, facsimile machines, mobile phones and photographic equipment above the value shown below.
 - Above £250

Stocks and Stores

1. Discrepancies between the actual level of stock and the book value of stock may be written off by the Chief Fire Officer up to the level shown below. Amounts for write off above this value must be referred to the PFCC for approval.
 - Individual items £5,000
 - Overall annual limit for financial year £15,000
2. Obsolete stock may be written off by the Chief Finance Officer up to the level shown below.
 - Individual items £5,000
 - Overall annual limit on all stock £15,000

Amounts for write off above this value must be referred to the PFCC for approval.

Asset Disposal

1. The Chief Fire Officer may dispose of surplus vehicles, leases and items of equipment up to the estimated value shown below. The highest standards of probity must be maintained in any disposal process. All disposals must be reported to the Chief Finance Officer. Disposals above this value are to be reported to the PFCC for prior approval.
 - Equipment £5,000
 - Individual vehicles £10,000
2. Items above the estimated value shown below shall be disposed of by public auction or sealed bids after advertisement, unless it can be shown that an alternative method of disposal would provide better value.
 - Land & Buildings £250,000
 - Equipment £15,000

Section F6 – Banking Arrangements

All imprest cheques shall be signed at an appropriate level in accordance with an approved list agreed by the Chief Finance Officer.

Section F7 – Income

1. Where the monetary value of a sponsorship proposal is over the limit shown below or is perceived to be of a sensitive and controversial nature, this must be approved:
 - Up to £15,000 Chief Finance Officer
 - Over £15,000 PFCC
2. Individual debtor amounts may be written off by the Chief Finance Officer up to the level shown below. Amounts for write off above this value must be referred to the PFCC for approval.

Limit		Chief Finance Officer	PFCC
Individual Limit	< £15,000	✓	
	>£15,000		✓
Aggregate Limit	< £50,000	✓	
	>£50,000		✓

3. Salary Overpayment Write Off

To ensure the responsible stewardship of its resources, the Fire & Rescue Authority reserves the right to recover all overpayment of salary, expenses or other emoluments in excess of the employee's contractual entitlement. Finance should take all reasonable measures to pursue recovery of the overpayment, and this includes arranging a payment plan to recover the funds.

In exceptional circumstances, overpayments can be written off, in part or in full:

- Write offs for individual salary overpayment of £500 may be written off by the Chief Finance Officer.
- Chief Finance Officer may write off salary overpayments up to the maximum of £5,000 in a financial year.
- Salary overpayments over the above limit (individually or in a financial year) may only be approved by the PFCC.

All cases of overpayment will be dealt with on an individual basis to ensure minimum hardship for the employee.

All write-offs must be recorded and reported to the PFCC when the total exceeds £15,000 in any given financial year.

Section F8 – Procurement of Good and Services

1. Authorisation of orders shall be in accordance with the limits shown below:

(i) Total Value of Contracts (includes any extension options)	Method of Completion	Level of Authorisation
£0 to £24,999	Signature / Purchase	Budget Holder
£25,000 to £99,999	Signature / Purchase	Manager
£99,999 to EU's Upper limit (currently £213,477)	Signature / Purchase Order if a Framework call-off or written	Chief Finance Officer (in discussion with PFCC)

In excess of EU Public Procurement thresholds	Signature / Purchase Order if a Framework	PFCC
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ii. Approval of exemption to contract standing order (Single Tender)		
	Any value (subject to iii below)	Chief Finance Officer
iii. Approval of all sensitive contracts.		PFCC
iv. Approval of non-sensitive contract variation	Is in line with procurement delegated limits	Should a variation result in a delegated limit being exceeded, approval should be sought from the next level
v. Approval of non-sensitive contract extension, where there was no option	Max of 6 months, as long as it is within delegated limits	Chief Finance Officer
vi. Approve all variations, termination and extensions of		PFCC
vii. Termination of non-sensitive contracts	Up to EU Public Procurement threshold (currently	Chief Fire Officer
	In excess of EU Public Procurement threshold (£213,477)	PFCC

2. Written quotations shall be obtained in accordance with Contract Standing Orders as detailed below:

- Non catalogue purchase up to £5,000 a single quote obtained in writing.
- A minimum of two competitive quotes for non-catalogue purchases between £5,000 and £15,000.
- A minimum of three competitive quotes for non-catalogue purchases between £15,001 and £35,000.

Over £35,000 formal tender process undertaken in conjunction and complying with the special conditions for tenders over EU threshold.

Note: Any contract in excess of £35,000 can only be awarded following consultation with the Chief Finance Officer.

Section F9 – Legislative Payments

Authorisation of legislative (e.g., HMRC tax liabilities, apprenticeship levy and third-party payments) may be approved by the Chief Finance Officer.

Section F10 – Ex Gratia Payments

Gifts, Loans and Sponsorships

The Chief Finance Officer may only enter into sponsorship arrangements after the approval of the PFCC.

The Chief Finance Officer may make ex gratia payments to members of the public or recompense to a member of staff, up to the level shown below in any individual instance, for damage or loss of property or for personal injury or costs incurred as a result of fire and rescue service action where such a payment is likely to facilitate or is conducive or incidental to the discharge of any functions of the Service. The circumstances of the proposed payment must not have the effect of circumventing other pay and allowances, policies, rates and rules in the execution of duty or to a member of the public assisting the Service. Advice should be obtained from subject matter experts, and these may include HR and Legal Services. Amounts greater than those specified must be referred to the PFCC for approval.

- £5, 000

Section F11 – Grants

Authorisation of grants should be made in accordance with the limits detailed below:

Only the PFCC and his staff as set out in the consent of scheme and delegation may authorise grants.

Section 12 – External Funding

The Chief Fire Officer is authorised to identify and pursue external funding up to £50,000 and which is part of the agreed budget. Any external funding in excess of this limit and/or not within the agreed budget requires PFCC prior approval.