

INTRODUCTION

PURPOSE

1. To conduct its business efficiently, Lincolnshire Police Authority (“the Authority”) needs to ensure that there are sound financial management policies in place and that these are strictly adhered to. Part of this process is the establishment of Financial Regulations that set out the financial policies of the Authority.
2. The Financial Regulations provide clarity about the financial accountabilities of individuals, particularly the Authority’s Clerk and Treasurer, and the Force’s Chief Constable and Director of Finance. They apply to every member and Officer of the Authority and the Lincolnshire Police Force (“the Force”) and anyone acting on their behalf. Each of the Financial Regulations sets out the overarching financial responsibilities.

SUSPENSION

3. In exceptional cases, the Finance and Strategy committee may suspend the application of these Regulations, provided that such a suspension shall be reported to the next meeting of the Full Authority.
4. In cases of urgency, the Chief Constable jointly with the Clerk or Treasurer may, in consultation with the Chairman of the Authority, authorise on behalf of the Authority the incurring of any lawful expenditure which would otherwise be contrary to these Regulations. The exercise of this authority shall in every case be reported to the next meeting of the Full Authority.

STATUS

5. The Financial Regulations link with other regulatory documents such as the Contract Regulations and the Standing Orders for Regulation of the Business of the Authority.
6. All Members, police officers and police staff must take reasonable action to provide for the security of the assets under their control, and ensure that the use of these resources is legal, is properly authorised, provides value for money and achieves best value.
7. The Chief Constable, in consultation with the Treasurer, shall jointly prepare a Finance Manual which sets out in greater detail than these Financial Regulations the procedures for carrying out particular financial transactions. The Manual shall emphasise the need for effective systems of Internal Control.
8. The Director of Finance shall ensure that all police officers and police staff are aware of the existence and content of the Authority’s Financial Regulations and other internal regulatory documents and that they comply with them.

BREACHES

9. The Chief Constable shall advise breaches of the Financial Regulations to the Treasurer, who shall, where appropriate, report the breach to the next meeting of the Finance and Strategy Committee.

VALUE ADDED TAX

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

REVIEW

11. The Treasurer shall maintain a continuous review of the Financial Regulations in consultation with the Clerk and the Chief Constable and shall submit any additions or changes necessary to the Full Authority for approval.
12. At least every three years, the Treasurer shall undertake a wide ranging review of the Financial Regulations in consultation with the Clerk and the Chief Constable, including the re-assessment of all financial limits. The results shall be reported to the Full Authority for approval.

F1 FINANCIAL MANAGEMENT

F1.1 THE AUTHORITY AND ITS COMMITTEES

The need for this Regulation

The Authority delegates some of its responsibilities for financial management to Committees in order that it can focus on strategy and high level issues.

The extent of this Regulation

- 1.1.1. The Full Authority shall adopt the overall framework of accountability and control, and monitor compliance with the agreed framework.
- 1.1.2. The Full Authority shall approve procedures for recording and reporting financial decisions taken, including key decisions taken by or delegated by the Full Authority and its Committees. These delegations and details of who has responsibility for which decisions are set out in the “Standing Orders for the Regulation of the Business of the Lincolnshire Police Authority” and the “Terms of Reference and Functions of Full Authority and Committees”.
- 1.1.3. The Finance and Strategy Committee shall consider the draft budget and estimates and make recommendations to the Full Authority. This Committee also approves Business Cases, and in year changes to revenue estimates and the capital programme.
- 1.1.4. The Scrutiny and Audit Committee provides a mechanism for achieving close liaison between the various internal and external activities and gives members the opportunity to ask questions about the conduct of the Authority’s finances and the achievement of value for money.
- 1.1.5. The Community and Consultation Committee approves bids for funding from any community safety fund established by the Authority.
- 1.1.6. The Personnel Committee determines all matters relating to the pay and conditions of service of Senior Police Officers, and contractual conditions or remuneration of the Clerk and Treasurer.

F1.2 THE STATUTORY OFFICERS

The need for this Regulation

Specific duties are allocated to individual officers of the Authority by relevant statutes.

The extent of this Regulation

The Treasurer

- 1.2.1. The Treasurer has statutory duties in relation to the administration and stewardship of the Authority’s financial affairs. This statutory responsibility cannot be overridden. The statutory duties arise from:
 - Section 151 of the Local Government Act 1972.

- The Local Government Finance Act 1988.
- The Local Government and Housing Act 1989.
- The Accounts and Audit Regulations 2002.

1.2.2. The Treasurer shall:

- provide financial advice to the Authority on all aspects of its activity, including the strategic planning and policymaking process;
- assist members in seeking to obtain best value for money;
- advise the Authority on financial propriety;
- ensure that accurate, complete and timely financial management information is provided to the Authority and the Chief Constable;
- secure the preparation of statutory and other accounts in accord with the recommended practices;
- provide an effective audit service and assistance in providing safe and efficient financial arrangements;
- secure treasury management including loans and investments;
- advise, in consultation with the Clerk, on the safeguarding of assets, risk management and insurance;
- arrange for the determination, issue and transfer of the precept;
- advise on budgetary matters including any consequent long term implications; and
- vary Members' Allowances from time to time in accordance with new Regulations and on the basis currently in operation.

1.2.3. In accordance with Section 114 of the Local Government Finance Act 1988 the Treasurer shall report to the Full Authority and external auditor if the Authority or the Force, 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 Authority; and
- is about to make an unlawful entry in the Authority's accounts.

1.2.4. In addition, in accordance with Section 114 of the 1988 Act:

- the Treasurer shall nominate a properly qualified member of staff to deputise should he or she be unable to perform the duties under section 114 personally; and
- the Authority in conjunction with the Chief Constable shall provide the Treasurer with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under section 114.

1.2.5. In accordance with Section 113 of the Local Government Finance Act 1988 the Treasurer shall be a member of one or more of the bodies listed, which include:

- The Institute of Chartered Accountants in England & Wales.
- The Chartered Association of Certified Accountants.
- The Chartered Institute of Public Finance and Accountancy.
- The Chartered Institute of Management Accountants.

The Clerk

- 1.2.6. The Clerk, in his/her capacity as the Authority's monitoring Officer, shall:
- report any actual or potential breaches of the law or mal-administration to the Authority;
 - ensure that procedures for recording and reporting key decisions are operating effectively;
 - advise all Authority members and officers about who has the authority to take a particular decision;
 - advise the Chief Constable or Authority on whether a decision is likely to be considered contrary to or not wholly in accordance with the policy framework; and
 - ensure the legality of the actions of the Authority, the Force, and their officers.
- 1.2.7. The Clerk shall:
- fix fees for copies of documents and extracts of documents requested by the public under the provisions of the Local Government (Access to Information) Act 1985; and
 - sign or seal contracts on behalf of the Authority.
- 1.2.8. The Clerk may approve in an emergency, for the purposes of the Police Authority Members' Allowance Scheme, the attendance of members at courses, conferences, etc after consultation with the Chairman of the Authority, together with the payment of attendance allowance, travelling and subsistence expenses. A record of approvals and refusals should be kept and copies of all such decisions forwarded to the Director of Finance who has responsibility for the payment of allowances. The Clerk shall submit a report to the next meeting of the Full Authority of the details of each approval.

The Chief Constable

- 1.2.9. The Chief Constable shall propose the policy framework and budget to the Full Authority, and discharge executive functions in accordance with the policy framework and budget. This comprises:
- corporate and overall strategic management;
 - reporting to and providing information for the Authority;

- establishing a framework for management direction, style, standards and delegation for monitoring the performance of the organisation;
- ensuring that members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Director of Finance;
- signing contracts or making other financial commitments, within the limits of the delegated budget, on behalf of the Authority; and
- consulting with the Treasurer and seeking approval on any matter specified within the Financial and Contract Regulations.

1.2.10. The Chief Constable shall exercise the powers and duties of the Police (Disposal of Property) Regulations 1975.

Director of Finance

1.2.11. The Director of Finance is responsible to the Chief Constable for financial activities undertaken in the Force and should have a place on the Chief Constable's senior policy team.

1.2.12. The Director of Finance shall be a member of one of the bodies listed in Section 113 of the Local Government Finance Act 1988.

F1.3 LEGAL PROCEEDINGS

The need for this Regulation

In cases where it is necessary for the Authority to enter legal proceedings, either as plaintiff or defendant, an Officer is required to undertake certain duties on behalf of the Authority. This section sets out the parameters in which the Chief Constable and Clerk can undertake those duties.

The extent of this Regulation

1.3.1. Where calculated to facilitate, or conducive or incidental to, the discharge of any of the functions of the Authority, the Chief Constable or the Clerk 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, or the name of the Authority; and
- make representations in his own name or in the name of the Authority at any public inquiry held by or on behalf of any Minister or public body under any enactment.

This element of delegation is subject to the requirement for the Chief Constable to advise the Clerk and Treasurer of industrial tribunals or other civil cases where the matter is potentially of a high profile nature or is likely to involve the Authority in expenditure in excess of £25,000 (inclusive of any external legal costs).

- 1.3.2. Both the Chief Constable and the Clerk shall act as authorised officers of the Authority in connection with Section 223 of the Local Government Act 1972 (as amended) which relates to appearance on behalf of the Authority in legal proceedings.
- 1.3.3. The Chief Constable shall issue and serve notices and impose requirements under any legislation relating to the functions administered by the Force.

F1.4 DEVOLVED DELEGATED AUTHORITY

The need for this Regulation

The Chief Constable, Clerk and Treasurer will be unable to undertake all duties delegated to them personally which creates a requirement for them to be allowed to devolve certain duties to other police officers and police staff. This devolvement may be through **delegation** to other senior officers or by delegated officers giving **authorisation** to others to act on their behalf.

The extent of this Regulation

- 1.4.1. The Chief Constable, Clerk and Treasurer may **authorise**, in writing, named police officers and civilian employees who are under their direction and control, either generally or specifically for the purpose to exercise any or all of the powers hereby delegated or included in the Financial and/or Contract Regulations.
- 1.4.2. Within the Force, the Chief Constable may only **delegate** the power to delegate to an Officer holding the rank of Deputy Chief Constable, Assistant Chief Constable, or Director of Finance, within a framework laid down by the Chief Constable.
- 1.4.3. The Clerk and Treasurer may not **delegate** the power to delegate to any other Officer.
- 1.4.4. The Clerk and Treasurer shall notify the Chief Constable, in writing, of all staff who have been specifically **authorised** to exercise any or all of the powers delegated to them.
- 1.4.5. The Chief Constable shall maintain a list, in writing, of all police officers and police staff who have been specifically **authorised** to exercise any or all delegated powers. The list shall include the staff of the Clerk and Treasurer who have been authorised to act on their behalf and must include details of the powers the individual member of staff are authorised to carry out.

F1.5 VIREMENT AND USE OF BALANCES

The need for this Regulation

The organisation needs to be able to optimise the use of the available resources in order to manage changing spending priorities, whilst remaining within the overall policy framework determined by the Authority.

The extent of this Regulation

- 1.5.1. The approval of the Full Authority is required for any virement (i.e. transfer between budgets) which:
 - is likely to result in a failure to achieve objectives and targets set out in the Authority's annual policing plan; or
 - is intended to initiate new policies other than those that have been approved by the Authority; or
 - increases committed expenditure in future years by more than £25,000, excluding annual pay awards.
- 1.5.2. The Chief Constable may approve all other virement proposals in respect of budgets under his direct control subject to the prior agreement of the Treasurer where the amount of an individual item exceeds £50,000, or the aggregated transfers affecting the budget head during the year exceeds £50,000. Virement from capital to revenue is not permitted.
- 1.5.3. No approval is required to the following types of virement:
 - an increase in an expenditure budget which is fully matched by additional income; and
 - the re-allocation of the approved repairs and maintenance budget across cost centres.
- 1.5.4. All virement approvals in accordance with paragraph 1.5.2, where the individual item exceeds £5,000, shall be specifically reported to the next Finance and Strategy Committee by the Chief Constable.
- 1.5.5. The Chief Constable may carry forward from one financial year to the next any under/overspends to make optimum use of the available resources. Carry forward shall be in accordance with a scheme to be agreed between the Chief Constable and the Treasurer which shall be subject to the following specific exclusions from the carry forward facility:
 - direct salaries, wages and overheads (although overtime costs are included within the carry-forward rules);
 - police pensions;
 - other employee expenses;
 - contributions to Regional Squads;
 - capital financing charges; and
 - major incident costs.
- 1.5.6. The Chief Constable shall make arrangements for the carry-forward rules to be extended to Devolved Budget Managers.
- 1.5.7. The cost of major incidents shall be financed in accordance with the latest policy approved by the Authority.
- 1.5.8. Proposals for additional expenditure to be financed from the Authority's balances may only be approved by the Full Authority. However, if the matter is so urgent that normal approval of the Full Authority cannot be obtained in time and where the action is necessary for the proper discharge of the Authority's functions or for the preservation of its

property or finances. In such circumstances, the Treasurer may approve a request for additional expenditure to be financed from the Contingency Fund or the Authority's balances, in consultation with the Chairman of the Authority. The Treasurer shall provide a written report on the subject to the next meeting of the Full Authority.

F1.6 ACCOUNTING POLICIES

The need for this Regulation

The Authority's statement of accounts must be prepared in accordance with proper practices as set out in the format required by the *Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice* (CIPFA/LASAAC), for each financial year ending 31 March.

The extent of this Regulation

- 1.6.1. The Director of Finance, in conjunction with the Treasurer, shall select and consistently apply accounting policies.
- 1.6.2. Any changes to accounting policies which may have a financial impact on the Authority of more than £100,000 should be reported to the Finance and Strategy Committee by the Treasurer.

F1.7 ACCOUNTING RECORDS

The need for this Regulation

Maintaining proper accounting records is one of the ways in which the Authority discharges its responsibility for stewardship of public resources.

The extent of this Regulation

- 1.7.1. The Treasurer shall determine the accounting records to be maintained for the Authority.
- 1.7.2. All accounts and records relating to the finances of the Authority shall be open to inspection by the Treasurer, or any Officer authorised by the Treasurer. The Treasurer 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.

F1.8 ANNUAL STATEMENT OF ACCOUNT

The need for this Regulation

The Authority's annual statement of accounts must fairly present its operations during the year.

The extent of this Regulation

- 1.8.1. The Treasurer shall ensure that the annual statement of accounts is prepared in accordance with the *Code of Practice on Local Authority*

Accounting in the United Kingdom: A Statement of Recommended Practice (CIPFA/LASAAC).

- 1.8.2. The Full Authority or the Finance and Strategy Committee shall approve the annual statement of accounts.

F2 FINANCIAL PLANNING

F2.1 POLICY FRAMEWORK

The need for this Regulation

Each Police Authority has a statutory responsibility to publish various performance plans, including a best value performance plan.

The extent of this Regulation

- 2.1.1. The Full Authority shall approve the financial policy framework and budget. The framework includes the following statutory plans and strategies:
- Policing Plan;
 - three year capital and revenue strategy;
 - Best Value Performance Plan; and
 - Efficiency Plan.
- 2.1.2. In accordance with Section 8 of the Police Act 1996, the Chief Constable shall propose the annual Policing Plan to the Full Authority for approval prior to 31st March each year. This plan must contain:
- the ministerial priorities set by the Home Secretary;
 - local priorities, after consultation with the public;
 - performance targets, linked to the above priorities;
 - best value performance plan; and
 - details of the financial resources available.
- 2.1.3. The Chief Constable in conjunction with the Treasurer shall produce annually a three-year capital and revenue strategy for consideration by the Finance and Strategy Committee.
- 2.1.4. The Treasurer shall prepare each year the Best Value Performance Plan which must be submitted to the Full Authority for approval.
- 2.1.5. The Chief Constable shall prepare annually for approval by the Finance and Strategy Committee an Efficiency Plan in accordance with Home Office guidelines.
- 2.1.6. The Chief Constable shall present a quarterly report, plus an end of year report, to the Scrutiny and Audit Committee on the implementation of the Efficiency Plan.

F2.2 BUDGET SETTING

The need for this Regulation

The Authority is responsible for spending a large sum of public money providing a range of policing services across a large geographical area.

It needs to plan effectively and to develop systems to ensure that scarce resources are allocated to priorities.

The extent of this Regulation

- 2.2.1. The Authority shall determine priorities based on the advice of the Chief Constable, Clerk and Treasurer following consultation with the public and business community, and provide the Chief Constable with a written statement of the Authority's aims and objectives to provide the basis for constructing budget plans.
- 2.2.2. The Treasurer shall agree with the Chief Constable the detailed timetable for the preparation of the annual Capital and Revenue budgets and the format of those budgets.
- 2.2.3. The Chief Constable shall:
 - ensure that a revenue budget is prepared on an annual basis for consideration by the Finance and Strategy Committee, before submission for approval by the Full Authority;
 - issue guidance on the general content of the budget in consultation with the Director of Finance as soon as possible following approval by the Full Authority; and
 - ensure that budget estimates reflect agreed service plans and that these estimates are prepared in line with the guidance issued by the Full Authority.
- 2.2.4. The Full Authority shall approve annual revenue and capital programmes based on the Government grant settlement and any guidelines for capital expenditure, and set the precept. The Full Authority may amend the budget or ask the Chief Constable to reconsider it before approving it.
- 2.2.5. The capital strategy shall be implemented by the Chief Constable in accordance with the approved programme, these Financial Regulations, and Contract Regulations.

F2.3 BUDGETARY CONTROL

The need for this Regulation

The Authority requires a continuous process in order to ensure that allocated resources are used for their intended purposes and are properly accounted for, and to allow budget targets to be adjusted during the financial year. Budgetary control also drives accountability through making staff responsible for defined elements of the budget.

The extent of this Regulation

- 2.3.1. The Chief Constable may authorise lawful expenditure included in that part of the approved annual estimates that is under his/her direct control, subject to compliance with these Financial Regulations and Contract Regulations.
- 2.3.2. The Treasurer may authorise lawful expenditure included in that part of the approved annual estimates that is under the direct control of the

Authority, excluding the Contingency Fund, and compliance with these Financial Regulations and Contract Regulations.

- 2.3.3. Control of expenditure and income shall be against the appropriate budget head.
- 2.3.4. After the annual budget has been approved, the Chief Constable shall monitor the budgeted income and expenditure, and provide the Treasurer with monthly reports comparing revenue expenditure in the year to date with a profile of the approved budget for the equivalent period. Each quarter, a budget monitoring report, in a format approved by the Treasurer, shall be presented to the Finance and Strategy Committee.
- 2.3.5. A capital programme implementation report shall be submitted on a quarterly basis to the Finance and Strategy Committee which sets out the progress made with individual schemes and a comparison of expenditure to date against the total scheme cost.
- 2.3.6. 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.
- 2.3.7. The Chief Constable and Treasurer shall ensure, as far as practicable, that expenditure in excess of the approved budget is not incurred without the prior approval of the Full Authority or the Finance and Strategy Committee. Where an estimated or actual overspend is identified, which can not be dealt with by virement (see Regulation 1.5), the details shall be included within the next budget monitoring report (see Regulation 2.3.4) to the Finance and Strategy Committee. The report shall include an explanation for the overspend and details of the action taken or proposals made to deal with it.

F2.4 FINANCIAL APPRAISALS (BUSINESS CASES)

The need for this Regulation

Financial appraisals are required to ensure that the Authority's aims and objectives are being met and that the available resources are utilised in an efficient, effective and economic manner to achieve best value for money.

The extent of this Regulation

- 2.4.1. All capital and revenue schemes and other new service developments which in the opinion of the Chief Constable involve new policy or are defined as capital expenditure, shall be subject to a Business Case by the Chief Constable in a format agreed with the Treasurer which will include:
 - the scope of the proposal;
 - the need/justification for the proposal;
 - an evaluation of the costs and benefits of the proposal, and how it is to be funded;
 - the risks associated with the project; and

- other options available.

Where the proposals are estimated to cost less than £50,000, only a brief Business Case is required.

- 2.4.2. Business Cases on proposals estimated to cost between £25,000 and £50,000 shall be submitted by the Chief Constable to the Treasurer for approval. Over £50,000, the Business Case should be submitted jointly by the Chief Constable and Treasurer to the Finance and Strategy Committee for approval.
- 2.4.3. In exceptional circumstances, where the matter is considered to be urgent for the preservation of the Authority's interests, property and/or finances, the Business Case may be submitted direct to the Full Authority where no meeting of the Finance and Strategy Committee is scheduled for the interim period.
- 2.4.4. In case of emergency work it may be necessary for schemes costing £50,000 and above to commence prior to the approval of the Finance and Strategy Committee and/or the Full Authority. In these cases, the Chief Constable and Treasurer shall consult with the Chairman of the Authority and the Chairman of the Finance and Strategy Committee with a view to proceeding with the expenditure on the basis that a full appraisal will be presented retrospectively to the next meeting of the Finance and Strategy Committee.
- 2.4.5. In circumstances where a proposal is initially estimated to cost less than £50,000 but subsequently it becomes clear that the proposal will cost more than £50,000 a Business Case must be submitted at the earliest opportunity to the Finance and Strategy Committee.
- 2.4.6. 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 £5,000 on schemes up to an estimated cost of £50,000 or by more than 10% on schemes above an estimated value of £50,000.
 - In the professional opinion of the Chief Constable, the nature of the proposal or its benefits have changed materially since the original approval.
- 2.4.7. All re-appraisals of proposals costing between £25,000 and £50,000 shall be referred to the Treasurer, and those over £50,000 to the Finance and Strategy Committee.

F3 RISK MANAGEMENT AND CONTROL OF RESOURCES

F3.1 RISK MANAGEMENT AND INSURANCE

The need for this Regulation

All organisations, whether private or public sector, face risks to people, property and continued operations. Processes need to be in place, therefore, to identify and manage such risks, including taking out insurance where appropriate.

The extent of this Regulation

- 3.1.1. The Full Authority, with the advice of the Treasurer, shall approve arrangements for risk management and insurance, and shall review the effectiveness of risk management.
- 3.1.2. Within the overall policy determined by the Authority, the Chief Constable shall effect and administer the risk management policies, including ensuring that:
 - procedures 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;
 - 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.
- 3.1.3. The Chief Constable in conjunction with the Treasurer shall effect insurance arrangements to mitigate risks where appropriate. The Chief Constable shall administer such insurance arrangements, including ensuring that procedures are in place to investigate claims within required timescales.
- 3.1.4. Members of the Authority and officers shall promptly notify the Chief Constable of:
 - all new risks, or whatever nature, which require to be insured, indicating the scope and amount of cover required, together with variations in existing risks; and
 - any loss, liability or damage, or of any event likely to lead to a claim, either against the Authority or in favour of it.
- 3.1.5. No member or Officer shall admit liability to a claimant, or make any statement which could be construed as such, concerning a matter which is to be dealt with by insurers.

- 3.1.6. The Chief Constable is delegated to approve settlements of claims within the terms of the Authority's insurance policies up to a value of £25,000. For insurance settlements in excess of £25,000, the Chief Constable must consult with the Treasurer.
- 3.1.7. The Chief Constable is delegated to approve 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 of less than £1,000), up to a value of £10,000. For ex-gratia settlements in excess of £10,000, the Chief Constable must consult with the Treasurer. The value of ex-gratia payments includes any legal fees or other disbursements payable.
- 3.1.8. The Director of Finance shall provide a quarterly report to the Finance and Strategy Committee of claims experience and detailing insurance settlements in excess of £25,000 and ex-gratia payments in excess of £10,000, together with the current position in respect of claims estimated at over £50,000.
- 3.1.9. The Chief Constable shall submit an annual report on insurance arrangements, including claims experience to the Finance and Strategy Committee.

F3.2 INTERNAL CONTROLS

The need for this Regulation

The Authority faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its objectives. Internal controls are necessary to manage these risks.

The extent of this Regulation

- 3.2.1. Internal control refers to the systems of control devised by management to help ensure the Authority's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Authority's assets and interests are safeguarded.
- 3.2.2. The Director of Finance, in conjunction with the Treasurer, shall advise on and implement effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes, regulations and other relevant statements of best practice. The systems should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use.
- 3.2.3. The Treasurer shall establish sound arrangements for planning, appraising, authorising and controlling financial operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving financial performance targets.

F3.3 AUDIT REQUIREMENTS – INTERNAL AUDIT

The need for this Regulation

The Accounts and Audit Regulations 2003 specifically require the Authority to “maintain an adequate and effective system of internal audit of their accounting records and accounting control systems in accordance with proper Internal Audit practices”.

The extent of this Regulation

- 3.3.1. The Authority, on the advice of the Treasurer, shall arrange for an adequate and effective internal audit service which will include an examination of accounting, financial and other operations of the Authority, in accordance with generally accepted internal auditing standards.
- 3.3.2. The Authority’s Head of Internal Audit will produce an Audit Charter setting out the framework within which the Internal Audit Service is delivered to the Authority. This charter will act as a guide for members and for police officers and police staff throughout the Authority and Force.
- 3.3.3. The Head of Internal Audit will prepare an annual internal audit plan for the Treasurer which shall be discussed with the Chief Constable prior to its submission to the Scrutiny and Audit Committee for approval.
- 3.3.4. The Chief Constable, by agreement with the Treasurer, shall be able to request directly from Internal Audit, systems audits and value for money audits.
- 3.3.5. All reports produced by Internal Audit shall be available to both the Treasurer and the Chief Constable, and shall be presented to the Scrutiny and Audit Committee by the Treasurer.
- 3.3.6. The Treasurer or his representative, including an internal auditor acting on behalf of the Authority, shall:
 - have access at all reasonable times to premises, personnel, documents, and assets that are considered necessary for the purposes of their work; and
 - be provided with any information and explanations that they seek in the course of their work.
- 3.3.7. The Chief Constable will consider and respond promptly to recommendations concerning the Force in audit reports, and ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.

F3.4 AUDIT REQUIREMENTS – EXTERNAL AUDIT

The need for this Regulation

The Authority’s accounts are scrutinised by external auditors, who must be satisfied that the statement of accounts ‘presents fairly’ the financial position of the Authority and its income and expenditure for the year in question and complies with the legal requirements.

The extent of this Regulation

- 3.4.1. The Audit Commission is responsible for appointing external auditors to each Authority. External auditors shall work closely with the Treasurer and Chief Constable and have full access to internal audit reports.
- 3.4.2. The Scrutiny and Audit Committee should use the reports from external auditors to assist it in monitoring performance, including the operation of these Regulations.

F3.5 PREVENTING FRAUD AND CORRUPTION

The need for this Regulation

The Authority will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the Authority.

The extent of this Regulation

- 3.5.1. 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 breaches which they observe.
- 3.5.2. Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of the Authority, the Chief Constable, Clerk, Treasurer and Head of Internal Audit shall be notified forthwith and the appropriate action, by way of investigation and report shall be taken.

F3.6 ASSETS AND PROPERTY

The need for this Regulation

It is important that assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the management and security of both assets and information required for service operations.

The extent of this Regulation

General

- 3.6.1. The Chief Constable should ensure that assets are properly maintained and securely held, and should ensure 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.
- 3.6.2. The Chief Constable shall establish and maintain a register of all property and assets owned by or leased to the Authority (including vehicles and intellectual property), which are valued at over £6,000. In addition a register of all IT equipment will be maintained.
- 3.6.3. The Chief Constable shall undertake the day to day management, furnishing and equipping of Lincolnshire Police premises and shall make arrangements for its proper security and maintenance.

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

Acquisitions and Disposals

- 3.6.6. 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 Finance and Strategy Committee.
- 3.6.7. The Chief Constable shall arrange for disposal of any land, premises and other assets which become surplus to requirements. Where the estimated disposal value exceeds £75,000, the Chief Constable shall provide the Finance and Strategy Committee with details in advance of their disposal.
- 3.6.8. The Chief Constable shall advise both the Clerk and Treasurer in writing of any contractual difficulties with regard to the acquisition or disposal of property that are potentially likely to cost the Authority in excess of £75,000 or where the matter could be of a high profile nature for the Authority.

Stocks and Stores

- 3.6.9. The Chief Constable in conjunction with the Treasurer shall prepare a Code of Practice relating to the manner in which stocks and stores are to be administered.
- 3.6.10. Stocks shall not be held in excess of normal operational requirements except in special circumstances with the approval of the Treasurer.
- 3.6.11. The identification of any material surplus or deficiency shall be reported to the Chief Constable and may only be written off with his approval up to a limit of £1,000. Amounts in excess of that limit shall require the approval of the Treasurer.
- 3.6.12. A report is to be submitted annually to the Finance and Strategy Committee within six months of the end of the financial year on the full extent of stocks and stores written off during the year.

F3.7 TREASURY MANAGEMENT

The need for this Regulation

The Authority needs assurance that its surplus funds are properly managed in a way that balances risk with return, but with the overriding consideration being given to the security of the capital sum.

The extent of this Regulation

Borrowing and Investments

- 3.7.1. The Authority has adopted CIPFA's *Code of Practice for Treasury Management in Public Services*.
- 3.7.2. The Treasurer 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 Authority.
- 3.7.3. The Treasurer shall report to the Finance and Strategy Committee prior to the commencement of each financial year on the treasury management strategy. In addition, the Treasurer shall report not less than annually on treasury management activity.
- 3.7.4. The Treasurer may, with the agreement of the Chief Constable, make arrangements for the Director of Finance to undertake or procure, in a manner acceptable to the Treasurer, the daily management of cash, loans and investment work.
- 3.7.5. No Officer shall borrow money on behalf of the Authority, without the prior approval of the Treasurer.

Banking Arrangements

- 3.7.6. All arrangements concerning the Authority's banking accounts, the issue of cheques, and bank transfer instructions shall be approved by the Treasurer. All Police Authority bank accounts, including imprest accounts, must include "Lincolnshire Police Authority" in the title and not in the name of any Officer by name or designation, or establishment.
- 3.7.7. All cheques generated and printed from the computerised financial systems and drawn on the Authority's Payments Account shall bear the printed facsimile of the signature of the Treasurer. Manual cheques and bank instructions shall be authorised and signed by either the Treasurer, Chief Constable, Deputy Chief Constable, Assistant Chief Constable, Director of Finance or Force Accountant.
- 3.7.8. The Chief Constable shall make arrangements for the proper administration of payments made through the Bankers Automated Clearing System (BACS).
- 3.7.9. The Treasurer and, subject to his/her supervision, every person operating a bank account on behalf of the Authority 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.
- 3.7.10. Every Officer who receives money on behalf of the Authority shall promptly pay over such monies without deduction to the Authority's bankers or a representative of the Director of Finance, in accordance with such arrangements, as the Treasurer shall prescribe.

Imprests

- 3.7.11. The Chief Constable shall be empowered to establish such imprest accounts as he/she considers appropriate for the purpose of defraying petty cash and other expenses.
- 3.7.12. Payments from the imprest accounts shall be limited to minor items of expenditure, not exceeding £100 per item, and to such other items as may be agreed from time to time by the Chief Constable and Treasurer. 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.
- 3.7.13. Informants' fees and Identification Parade fees may be paid out of imprest accounts subject to compliance with written procedures set out in the Force's Finance Manual.
- 3.7.14. 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 the Treasurer.

Voluntary Funds

- 3.7.15. 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 Authority, are controlled or administered by police officers or police staff by reason of his or her employment with the Authority), and of the arrangements for their audit.
- 3.7.16. The Chief Constable shall consult with the Treasurer 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 receipts of the Police Authority. Where the same Officer keeps several unofficial funds, the funds should always be separate and readily identifiable.

Leases

- 3.7.17. No Officer shall enter into either a Finance Lease, an Operating Lease or agreement which may be a lease, in respect of furniture, vehicles or equipment, without the prior approval of the Treasurer.

F4 SYSTEMS AND PROCEDURES

F4.1 GENERAL

The need for this Regulation

Sound systems and procedures are essential to an effective framework of accountability and control.

The extent of this Regulation

- 4.1.1. The Director of Finance shall operate the Authority's accounting systems, the supporting financial records and the preparation of the accounts in the form agreed by the Treasurer. Any changes made to the existing financial systems or the establishment of new systems must be approved by the Treasurer.
- 4.1.2. The Chief Constable should ensure that all police officers and police staff receive relevant financial training that has been approved by the Director of Finance.
- 4.1.3. The Chief Constable must ensure that, where appropriate, computer and other systems are registered in accordance with data protection legislation.
- 4.1.4. 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.
- 4.1.5. The Chief Constable must produce business continuity plans for implementation in the event of a disaster which may result in significant loss or damage to the Force's resources.

F4.2 INCOME

The need for this Regulation

Income is a vulnerable asset and effective income collection systems are therefore necessary to ensure that all income due is identified, all collections are receipted and banked promptly and completely, and that the Authority's accounting records are properly and promptly updated.

The extent of this Regulation

- 4.2.1. The Treasurer shall in conjunction with the Chief Constable, make and maintain arrangements for the financial organisation and accounting necessary to ensure the prompt recording of all sums due to the Authority and for the collection, custody, control and banking of all income.
- 4.2.2. All official receipt forms or books or other documentation representing receipts for money's due to the Authority shall be in a form agreed with the Treasurer.

- 4.2.3. Each Officer who receives money on behalf of the Authority shall give such acknowledgement thereof and keep such records as may from time to time be approved by the Treasurer, including an accurate and chronological account of all receipts and deposits.
- 4.2.4. The Director of Finance or his authorised representative shall be notified as early as possible of all monies due to the Authority under contracts, leases, tenancy agreements, agreements for the sale of property and any other arrangements involving the receipt of money by the Authority. Where the sum is to be paid directly into the Authority's bank account by the third party the Director of Finance or his authorised representative should be notified in advance of receipt.
- 4.2.5. Where appropriate VAT must be charged by the Authority on goods and services provided. Officers must charge and account for VAT in accordance with detailed rules included in the Force's Finance Manual.
- 4.2.6. Personal or third party cheques shall not be cashed out of money held on behalf of the Authority.
- 4.2.7. No debt in respect of an amount due to the Authority once established shall be discharged otherwise than by payment, by the issue of an official credit note or by write off.
- 4.2.8. Sums due to the Authority shall not be written off without the direct approval of the Authority except on:
- the authority of the Chief Constable in respect of any individual sum not exceeding £5,000; or
 - the joint authorisation of the Treasurer and Chief Constable in respect of any individual sum between the values of £5,000 and £10,000.
- 4.2.9. A brief summary of all sums due to the Authority that have been written off where the individual amount involved is more than £5,000 shall be reported half yearly to the Finance and Strategy Committee, together with the total of all write offs below £5,000.
- 4.2.10. The Treasurer 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.
- 4.2.11. 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.
- 4.2.12. The Chief Constable shall ensure that charges for special police services, made under Section 25 of the Police Act 1996, are calculated on the basis approved annually by the Authority.
- 4.2.13. The Chief Constable shall ensure that all discretionary charges are reviewed annually in consultation with the Treasurer.

F4.3 PAYMENTS FOR GOODS, WORK AND SERVICES

The need for this Regulation

The Authority should seek to achieve best value for money from all of its purchases. In this context, value for money means getting what is needed in the correct quality and quantity, at the right time and at the best possible price.

This Regulation should be read in conjunction with the Authority's Contract Regulations.

The extent of this Regulation

- 4.3.1. The Chief Constable should seek to ensure that the Authority obtains best value for money from any purchase by testing the market, where appropriate, before the Authority is committed to any expenditure.
- 4.3.2. The Chief Constable should procure goods, work and services in accordance with the Authority's Contract Regulations.
- 4.3.3. The Chief Constable should agree with the Treasurer policies and procedures for the use of corporate credit cards, which should be incorporated in the Force's Finance Manual.
- 4.3.4. Orders, in writing, in a form approved by the Treasurer, shall be issued for all goods, work and services required, except for supplies of public utility services, rent, rates and petty cash disbursements.
- 4.3.5. The originator shall indicate on the order, by use of codes approved by the Treasurer, the expenditure headings to which the expenditure shall be charged.
- 4.3.6. The Chief Constable should agree with the Treasurer policies and procedures for purchasing goods or materials at auction or from any consortium or association of which the Authority is a member. These procedures should be incorporated in the Force's Finance Manual.

F4.4 PAYMENTS TO EMPLOYEES

The need for this Regulation

The largest item of expenditure in the Authority is the cost of staffing. It is therefore important to have controls in place to ensure that payments are only made to bona-fide employees, are in accordance with individuals' conditions of employment, are only made in respect of services provided to the Authority, and that all amendments to the payroll are properly authorised.

The extent of this Regulation

- 4.4.1. The power of direction and control afforded to the Chief Constable includes the power of engagement and dismissal of staff. For clarification, the additional powers beyond engagement and dismissal, as set out in paragraph 4.4.3, are also deemed to be included in "direction and control".

- 4.4.2. The Authority shall agree with the Chief Constable those staff that are to be under the direction and control of either the Clerk or the Treasurer.
- 4.4.3. The power of direction and control for the Clerk and Treasurer shall include:
- the appointment and dismissal of staff;
 - the management of disciplinary procedures and implementation any outcome;
 - the management of grievance procedures and implementation of any outcome;
 - the approval of the extension of service for non-superannuable 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 Authority;
 - the approval of leave of absence without pay beyond that provided for by the Authority;
 - 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; and
 - the discharge of any civilian employee whom the Police Surgeon has certified as being permanently medically unfit from performing his/her duties.
- 4.4.4. Police officers shall be appointed in accordance with Police Regulations, whilst police staff shall be appointed on the terms and conditions agreed by the Police Support Staff Council.
- 4.4.5. The Chief Constable shall take the appropriate professional advice in respect of senior civilian appointments, such as the Director of Finance, Force Solicitor, Director of Personnel and Director of Information Technology, and notify the Full Authority of any changes in the member of staff in these posts.
- 4.4.6. The payment of all salaries, wages, pensions, compensation and other emoluments to all employees and pensioners of the Authority shall be made by the Chief Constable under arrangements agreed with the Treasurer.
- 4.4.7. Officers authorised by the Chief Constable shall advise the Director of Finance, or his/her nominated representative, in writing using a prescribed format, as soon as possible of all matters affecting the payment of emoluments and in particular:

- appointments, resignations, dismissals, suspensions, transfers and secondments;
 - absences from duty for sickness or other reason other than approved annual leave;
 - changes in remuneration, other than normal increments and pay awards and agreements of general application; and
 - information necessary to maintain records of service for pensions, income tax, national insurance, etc.
- 4.4.8. The Chief Constable shall authorise the payment of national pay awards in consultation with the Treasurer.
- 4.4.9. For ACPO officers incremental pay awards shall be approved by the personnel committee.
- 4.4.10. The Chief Constable shall implement payments in accordance with schemes agreed by the Police Negotiating Board (e.g. Competency Related Threshold Payments, Special Priority Payments, Bonus Scheme) subject to regular progress reports to the Personnel Committee.
- 4.4.11. The Chief Constable shall authorise the payment of statutory pensions and allowances, gratuities and compensation.
- 4.4.12. The Chief Constable shall agree, following consultation with the Chairman and Vice Chairman, rewards to police officers for exceptional diligence or other specially meritorious conduct under Section 31 of the Police Act 1996.
- 4.4.13. The Chief Constable must obtain the approval of the Treasurer to the enhancement of pensions in cases of retirement in the interests of efficiency or redundancy where the amount payable exceeds the limits set out in the Authority's latest approved policy.
- 4.4.14. Where an overpayment of pension arises on the death of a pensioner due to the Authority paying pensions monthly in advance, the Authority will not seek recovery of any amount relating to the month in which death occurred.

F4.5 TAXATION

The need for this Regulation

Like all organisations, the Authority is responsible for ensuring its tax affairs are in order. Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe. It is therefore very important for all officers to be aware of their role.

The extent of this Regulation

- 4.5.1. The Director of Finance, in conjunction with the Treasurer, should advise the Chief Constable, in the light of guidance issued by appropriate bodies and relevant legislation as it applies, on all taxation issues that affect the Authority.

- 4.5.2. The Director of Finance should maintain the Authority's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

F5 EXTERNAL ARRANGEMENTS

F5.1 PARTNERSHIPS

The need for this Regulation

Working in partnership with others brings a different set of risks which need to be identified and controlled.

The extent of this Regulation

- 5.1.1. The Chief Constable may form partnerships with other local public, private, voluntary, and community sector organisations to address local needs, subject to advising the Clerk of each proposal and to reporting to the Community and Consultation Committee on their work at least annually.
- 5.1.2. The Director of Finance shall promote and maintain the same high standards of conduct with regard to financial administration in partnerships that apply to the Authority.
- 5.1.3. The Treasurer and Director of Finance 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.

F5.2 GIFTS, LOANS AND SPONSORSHIP

The need for this Regulation

The Authority 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.

The extent of this Regulation

- 5.2.1. 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.
- 5.2.2. Gifts, loans and sponsorship must not be accepted where there is a risk of offending the integrity or propriety of the Authority or 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.

- 5.2.3. Such arrangements should only be used to support police activities which can readily be discontinued, since they can be withdrawn at any time on the initiative of the donor.
- 5.2.4. Where gifts, loans, or sponsorship are made from more than one company in a competing market, care must be taken to demonstrate an even handed approach in accepting or rejecting any offer.
- 5.2.5. Priority must be given to meeting the needs of the Force rather than those of the sponsor, and should avoid:
- potentially sensitive associations with inappropriate sponsors;
 - potentially sensitive associations with companies 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 costs;
 - offers of equipment which is incompatible;
 - inadequate contractual arrangements; and
 - the risk of becoming unduly dependent on a facility liable to be withdrawn.
- 5.2.6. Where publicity is sought, a commercial agreement should be signed.
- 5.2.7. The Authority delegates to the Chief Constable discretion to accept individual gifts, loans, or sponsorship in accordance with the above guidelines up to a value of £100,000. Above £100,000, the Chief Constable must obtain the prior approval of the Finance and Strategy Committee.
- 5.2.8. The total value of gifts, loans, and sponsorship must not exceed 1% of the approved annual revenue budget annually.
- 5.2.9. The Chief Constable must maintain a complete record of the market value of all gifts, loans, and sponsorship received, and provide details to the Treasurer in an annual report.
- 5.2.10. 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.

F5.3 WORK FOR THIRD PARTIES

The need for this Regulation

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 Authority.

The extent of this Regulation

- 5.3.1. 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.
- 5.3.2. If the value of such work is in excess of £10,000, the Finance and Strategy Committee must be advised through the Clerk.

F5.4 EXTERNAL FUNDING

The need for this regulation

Arrangements should be in place to ensure that any risks associated with the receipt of external funding are minimised.

The extent of this regulation

- 5.4.1 All receipts of external funding that exceed £25,000 and which do not fall under the capital or revenue budget for the year, shall be specifically reported to the next Finance and Strategy Committee by the Chief Constable.

APPENDIX 1: GLOSSARY

Authority

This term is used to describe the Lincolnshire Police Authority established under Section 3 of the Police Act 1996 that is responsible for securing the maintenance of an efficient and effective police force for the area described as Lincolnshire in Schedule 1 of the Act.

Budget Head

The term Budget Head is used in these Regulations to describe the lowest level of subjective analysis of budget approved by the Authority in the annual budget report or any revisions subsequently made to the budget by the Authority.

Chief Constable

The office of Chief Constable is an appointment under Section 11 of the Police Act 1996 with responsibility for the direction and control of a police force. This includes both police officers and police staff appointed to the Force under Section 15 of the Act.

Clerk

This term is used to describe the Officer with responsibility for the general administration of the Authority. This appointment is made under Section 16 of the Police Act 1996. This Officer is also designated the monitoring Officer, under Section 5(1) of the Local Government and Housing Act 1989, with responsibility for ensuring the legality of the actions of police authority and its officers.

Code of Practice on Financial Management

The Code of Practice on Financial Management was issued by the Secretary of State for the Home Department under Section 39 of the Police Act 1996. It covers the discharge by police authorities, established under Section 3 of the 1996 Act, of their functions relating to finance. Police authorities must have regard to the Code under Section 6 (3) of the 1996 Act.

Director of Finance

This term is used to describe the Chief Constable's senior financial Officer, who is responsible to the Chief Constable for all financial activities undertaken in the Force. The Director of Finance may be a civilian under the direction and control of the Chief Constable or a police officer.

Force

This refers to all those working under the direction and control of the Chief Constable as set out in Section 15 of the Police Act 1996. It covers both police officers and police staff, which goes beyond the legal definition of a force but is employed in the Financial Regulations for the sake of brevity and simplicity.

Full Authority

This refers to a meeting of all the members of the Lincolnshire Police Authority, as opposed to a Committee.

Police Officers

This term is used to describe all police officers appointed in accordance with Police Regulations.

Police Staff

This term includes all civilian support staff appointed on the terms and conditions agreed by the Police Support Staff Council.

Treasurer

This term is used to describe the Officer with overall responsibility for the administration of the Authority's financial affairs, as set out in Section 112 of the Local Government Finance Act 1988. Since the Authority has ultimate responsibility for all funds spent by the Force, there is no distinction in law between the financial responsibilities of the Authority and the financial responsibilities of the Force.

Virement

This is a technical term used to define the act of transferring resources from one Budget Head to another.