



CAMBRIDGESHIRE POLICE AND CRIME PANEL

WEDNESDAY 12 SEPTEMBER 2018, 10.30 AM

The Executive Suite - ABAX Stadium, London Road, Peterborough PE2 8AL

Contact – jane.webb@peterborough.gov.uk, 01733 452281

AGENDA

Page No

1. Apologies for Absence

Membership

Councillors: A Ali, D Baigent, R Brown, D Connor, K Cuffley, C Daunton, C Hogg, D Oliver, J Palmer, A Sharp, M Shellens,

Independent Co-opted Members

Edward Leigh (Chairperson)
Claire George

Substitutes

Councillors: A Bond, S Bywater, J Huffer, A Sinnott, A Miscandlon, N Sandford, H Smith, L Ayres, M Howell, L Nethsingha, E Murphy

Officer Support

Jane Webb, Peterborough City Council



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| CAMBRIDGESHIRE POLICE AND CRIME PANEL | Agenda Item No. 3 |
| 12 SEPTEMBER 2018 | Public Report |

Report of: Jane Webb, Peterborough City Council, Police and Crime Panel Lead

Contact Officer(s) – Jane Webb

Contact Details – jane.webb@peterborough.gov.uk

Proposed Appointment of the Police and Crime Commissioner’s Chief Finance Officer

1. PURPOSE

1.1 This report is submitted to the Panel following a notification from the Police and Crime Commissioner of his proposed appointment to the post of Chief Finance Officer on 3 September 2018.

2. RECOMMENDATIONS

2.1 That the Panel notes the process to be followed to undertake the Confirmation hearing for the post of Chief Finance Officer as identified below.

2.2 That the Panel considers the Police and Crime Commissioner’s report (Appendix A) and reviews the proposed appointment of Matthew Warren as the Chief Finance Officer for the Cambridgeshire Police and Crime Commissioner.

2.3 That the Panel considers the information provided by the Police and Crime Commissioner (see appendices A,1,2) and, following questioning of the candidate at the hearing, agrees a recommendation to the Commissioner on whether or not to appoint Matthew Warren to the post of Chief Finance Officer in accordance with the Police Reform and Social Responsibility Act 2011.

3. TERMS OF REFERENCE

3.1 This report is for the Panel to consider under its Terms of Reference No 3 - To hold a confirmation hearing and review, make a report, and recommendation in respect of proposed senior appointments made by the Police and Crime Commissioner.

4. BACKGROUND

4.1 Paragraph 6, Schedule 1 of the Police Reform and Social Responsibility Act 2011 requires every Police and Crime Commissioner outside London to appoint a person to be responsible for the proper administration of the Commissioner’s financial affairs, referred to as the Chief Finance Officer.

4.2 The Cambridgeshire Police and Crime Commissioner formally notified the Chair of the Police and Crime Panel of his proposed appointment to the post of Chief Finance Officer on 3 September 2018.

4.3 Under the terms of the Act, this Panel is required to:

- Review the proposed senior appointment
- Make a report to the Police and Crime Commissioner on the proposed senior

appointment

- Include within the report recommendations to the Police and Crime Commissioner as to whether or not the candidate should be appointed. It should be noted that for Schedule 1 appointments, the Panel has no power to veto the appointment.

4.4 **Appendix A** to this report includes a report from the Police and Crime Commissioner that proposes to continue the Memorandum of Understanding with Cambridgeshire and Peterborough Fire Authority and in this way appoint Matthew Warren to discharge the duties of his Chief Finance Officer within the Office of the Police and Crime Commissioner. The terms a Memorandum of Understanding between the Police and Crime Commissioner and the Fire Authority is at **Appendix 1**. Matthew Warren's CV is at **Appendix 2**.

4.5 The Panel is therefore required to question the candidate in order to confirm she has the necessary professional competence to carry out the role. Following the hearing, the Panel will arrive at a conclusion on the proposed candidate during a closed session.

4.6 The Panel will then publish a report within five working days on the proposed appointment to the Police and Crime Commissioner, with a recommendation as to whether or not the candidate should be appointed. The Act allows the Police & Crime Commissioner the right to accept or reject the Panel's recommendations; however, he must inform the Panel of his decision

5. **KEY ISSUES**

5.1 To assess whether the proposed candidate is suitable for the post and make a recommendation to the Commissioner.

6. **Consultation**

None

7. **Implications**

None

8. **APPENDICES**

- 8.1
- Report from the Police and Crime Commissioner (Appendix A)
 - Memorandum of Understanding (Appendix 1)
 - Matthew Warren's CV (Appendix 2)

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| CAMBRIDGESHIRE POLICE AND CRIME PANEL | Agenda Item No. 3 Appendix A |
| 12th September 2018 | Public Report |

Report of the Cambridgeshire Police and Crime Commissioner

Contact Officer – Dorothy Gregson

Contact Details – cambs-pcc@cambs.pnn.police.uk 0300 333 3456

APPOINTMENT OF THE CAMBRIDGESHIRE POLICE AND CRIME COMMISSIONER’S CHIEF FINANCE OFFICER

1. PURPOSE

1.1 The purpose of this report is to notify the Cambridgeshire Police and Crime Panel (the “Panel”) under Schedule 1 to the Police Reform and Social Responsibility Act 2011 (the “Act”) that the Police and Crime Commissioner (the “Commissioner”) is proposing to continue the Memorandum of Understanding (MoU) with Cambridgeshire and Peterborough Fire Authority (the “Fire Authority”) and in this way appoint Matthew Warren to discharge the duties of his Chief Finance Officer within the Office of the Police and Crime Commissioner (OPCC).

1.2 In accordance with the Act this report provides the Panel with:

- the name of the person whom the Commissioner is proposing to appoint;
- the criteria used to assess the suitability of the candidate for appointment;
- why the candidate satisfies those criteria; and
- the terms and conditions on which the candidate is to be appointed.

2. RECOMMENDATION

2.1 The Panel endorses the continuation of the MoU between the Commissioner and the Fire Authority and in this way appoint Matthew Warren to discharge the duties of OPCC Chief Finance Officer. This process falls under paragraph 9 of Schedule 1 to the Act and therefore the Panel has no power of veto over the appointment.

3. BACKGROUND

3.1 Under Paragraph 6 of Schedule 1 to the Act a police and crime commissioner must appoint a person to be responsible for the proper administration of their financial affairs (referred to as the Commissioner’s Chief Finance Officer). This is the same arrangement as a s151 Officer¹ under the Local Government Act 1972.

3.2 Section 113 of the Local Government Finance Act 1988 ‘Qualifications of responsible officer’ applies to the Commissioner’s Chief Finance Officer. These are that the post holder is a member of one or more of the following bodies: the Institute of Chartered Accountants in England and Wales; the Chartered Association of Certified Accountants; the Chartered Institute of Public Finance and Accountancy (CIPFA); or the Chartered Institute of Management Accountants. Therefore, to perform this role the post holder must be a professionally qualified accountant and be suitably experienced.

¹ The term S151 Officer has been used as a short hand expression to refer to the role and duties of the ‘Responsible Financial Officer’ as defined by CIPFA i.e the function of the most senior finance officer employed by an organisation.

- 3.3 Through reports to the Panel and sharing of decision making notices, the Panel has been informed of the ongoing provision of the Chief Finance Officer functions to the OPCC via a MoU with the Fire Authority. However, the arrangements have not until this point been subject to scrutiny as set out under Paragraph 6 of Schedule 1 to the Act.
- 3.4 The Home Secretary's decision regarding the Commissioner taking on the governance of Cambridgeshire Fire And Rescue Service (the "Fire Service") is currently subject to legislative challenge. Nonetheless, without presumption regarding the outcome of this, the Commissioner has decided on the basis of the business need to continue to deliver the Chief Finance Officer role through a MoU with the Fire Authority. This will be reviewed once the arrangements for the long term governance of the Fire Service is resolved.

4. THE CHIEF FINANCE OFFICER ROLE

- 4.1 The Chief Finance Officer works in close liaison with the OPCC's Chief Executive, Cambridgeshire Constabulary's (the "Constabulary") Director of Finance and Resources and a range of collaborative partners. The role of the Chief Finance Officer is to provide strategic advice to the Commissioner on all aspects of financial strategy, financial management and risk mitigation. The post holder acts as the OPCC's professional expert on finance, and provides support to the Commissioner in respect of the effective, efficient and economic use of resources, delivering the required financial targets and duties, and on the best possible stewardship of over £130m of public money. The post holder works collaborative with policing partners across both Bedfordshire and Hertfordshire, regionally across the Seven Force collaboration (Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Kent, Norfolk, and Suffolk) and nationally, and with other public sector bodies in Cambridgeshire and Peterborough. They hold a fiduciary responsibility to local taxpayers. The post is politically restricted.
- 4.2 As a key member of the Commissioner's Senior Leadership Team the Chief Finance Officer will:
- be the Commissioner's Section 151 Officer under the Local Government Act 1972;
 - help to develop and implement strategies and to enable resourcing and delivery of strategic objectives sustainably as given in the Commissioner's Police and Crime Plan and which are in the public interest;
 - be actively involved in, and able to bring influence to bear on, all material business decisions (subject to the Commissioner's statutory responsibilities) to ensure immediate and longer term implications, opportunities and risks are fully considered and mitigated (where necessary), and aligned with the financial strategy; and
 - lead the promotion and delivery of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

5. COMMISSIONER'S EXISTING INTERIM FINANCE TEAM ARRANGEMENTS

- 5.1 Following the departure of the Commissioner's Director of Finance in January 2017, the Commissioner's Business Co-ordination Board (BCB) meeting on the 17th January 2017 discussed and agreed the Commissioner's proposal for Matthew Warren, the Deputy Chief Executive of the Fire Service, and Treasurer to the Fire Authority, to become the Commissioner's Acting Chief Finance Officer (and consequently the Acting Section 151 Officer). It was agreed that this would be for an initial period to 31 December 2017 (Commissioner's Decision Notice CPCC 2017-001 refers).
- 5.2 This arrangement was based on the time commitment being flexible with additional financial accountant support for the OPCC being utilised on an ad-hoc basis. A sharing arrangement between the Commissioner and the Fire Authority was agreed and a MoU signed (attached at Appendix 1).

5.3 The budgeted costs for the Director Finance post for 2017/18 was £119,650 (including on-costs). The costs of the interim arrangements for 2017/18 were:

- Interim Chief Finance Officer (Matthew Warren) - £15,448
- Interim Head of Finance (consultant) - £48,600

Therefore the total cost was £64,048 representing the release of £55,602 against the 2017/18 budgeted for costs.

5.4 The additional financial accounting resource i.e an interim Head of Finance, was accessed using a consultancy contract to create the necessary flexibility to provide support requirements and respond to the planned changes in governance.

6. PROPOSED FUTURE ARRANGEMENT

6.1 These interim arrangements have now been in place for almost 18 months. Without presumption regarding the legislative challenge (as referred to in paragraph 3.4 above), the Commissioner has decided on the basis of the business need to continue to deliver the Chief Finance Officer role through a MoU with the Fire Authority and to undertake a recruitment exercise for a substantive Head of Finance (part-time).

6.2 The Head of Finance will report to the Chief Finance Officer. For the Panel's information (and not as part of their remit to consider), the Head of Finance post is being advertised pro-rata three days a week which equates to £28,771 with on-costs of £9,433, totalling £38,204.

7. THE NAME OF THE PERSON WHOM THE COMMISSIONER IS PROPOSING TO APPOINT

7.1 The Commissioner is proposing to continue the MoU with the Fire Authority and in this way appoint Matthew Warren to discharge the duties of the Commissioner's Chief Finance Officer.

8. CRITERIA USED TO ASSESS THE SUITABILITY OF THE CANDIDATE

8.1 The MoU signed by the Commissioner and the Fire Authority outlines the key duties, responsibilities, and strategic importance of the Chief Finance Officer, and embraces the CIPFA statement for such a role, which includes:

- having a clear understanding of the role;
- why they are confident they have the skills and experience to deliver the role;
- their own principles for good financial management and how they would apply them to the role;
- building effective partnership relationships, in particular how these could contribute to increasing community safety and reducing crime;
- has an understanding of, and approach to, the relationship with the Constabulary's Director of Finance and Resources and wider collaborative partners;
- has an understanding of, and ability to, challenge and influence collaborative working;
- organisational behaviours relating to budgeting and financial governance;
- risk management and approaches to embedding these within the organisation; and
- understanding of broad public sector context.

9. WHY THE CANDIDATE SATISFIES THOSE CRITERIA

9.1 Formalising the current interim arrangement will bring and build on the continuing established working relationship between the Commissioner, the OPCC, the Constabulary and collaborative partners. Equally, having this proven arrangement demonstrates efficiency and effectiveness, value for money, particularly when there is an ever increasing focus on identifying savings that ultimately can protect front line policing. It is also a visual indication of the collaborative intention of interoperability between blue-light services.

9.2 Matthew Warren satisfies the criteria for the role given he has:

- undertaken the role on an interim basis for 18 months;
- been a qualified accountant for 18 years and is a Fellow of the Institute of Chartered Accountants in England and Wales;
- public sector experience;
- proven experience in financial management and monitoring, forecasting, budgeting and modelling;
- led significant procurement and bid exercises;
- been responsible for governance and compliance;
- developed risk management processes and monitoring controls; and
- developed and managed robust internal controls and has worked with Audit Committees.

9.3 Matthew Warren has proved himself to be well qualified and experienced. Matthew stands out as being an excellent Chief Finance Officer, whose skills, experience and drive will be key to meeting the challenges the future brings for policing. Matthew has extensive experience of delivering highly complex projects and collaborations, including shared services.

9.4 Matthew's CV is attached at Appendix 2.

10. TERMS AND CONDITIONS OF APPOINTMENT

10.1 The Chief Finance Officer will continue to be employed by the Fire Authority under their existing terms and conditions, the scrutiny of which is not within the remit of the Panel. The OPCC will have a MoU with the Fire Authority, where it will pay a day rate equivalent to the previous Chief Finance Officer pay and on-costs. The MoU will have a six month notice period for the OPCC and the Fire Authority, should either party wish to seek alternative provision for the role.

10.2 The cost to the OPCC for Matthew Warren's time is estimated to be £15,500. Together with the cost of the Head of Finance (see para 6.2 above) this totals £53,704 releasing up to £65,946 from 2017/18 budgeted figure.

LIST OF APPENDICES

Appendix 1 – Memorandum of Understanding between the Police and Crime Commissioner and the Fire Authority

Appendix 2 – Matthew Warren's CV

BACKGROUND PAPERS

Police Reform and Social Responsibility Act 2011

<http://www.legislation.gov.uk/ukpga/2011/13/contents>

Chartered Institute of Public Finance and Accountancy statement on the role of the Chief Finance Officer

<http://www.cipfa.org/policy-and-guidance/reports/cipfa-statement-on-the-role-of-the-chief-financial-officer-of-the-police-and-crime-commissioner-and-the-chief-finance-officer-of-the-chief-constable>

'Future Financial Management Arrangements for the Office of the Police and Crime Commissioner', Agenda Item 7.0, Business Co-ordination Board, 17th January 2017

<http://www.cambridgeshire-pcc.gov.uk/wp-content/uploads/2017/01/17-01-17-BCB-Agenda-Item-7-OPCC-Future-Financial-Management-Arrangements.pdf>

Decision Notice CPCC 2017-001 to appoint an Acting Chief Finance Officer with associated section 151 responsibilities from 1st February 2017 to 31st December 2017.

<http://www.cambridgeshire-pcc.gov.uk/wp-content/uploads/2017/01/CPCC-2017-001-Acting-CFO.pdf>

'Update on Fire and Rescue Governance', Agenda Item 9.0, Business Co-ordination Board, 12th December 2017

<http://www.cambridgeshire-pcc.gov.uk/wp-content/uploads/2017/12/17-12-12-BCB-Agenda-Item-9.0-Fire-Governance-update.pdf>

Decision Notice CPCC 2017-027 to extend the contract of the Acting Chief Finance Officer, OPCC, 17th December 2018

<http://www.cambridgeshire-pcc.gov.uk/decisions/extend-contract-acting-chief-finance-officer-office-cambridgeshire-police-crime-commissioner/>

'Update on Fire and Rescue Governance', Agenda Item 7.0, Business Co-ordination Board, 12th April 2018

<http://www.cambridgeshire-pcc.gov.uk/wp-content/uploads/2018/04/18-04-12-BCB-Agenda-Item-7.0-Fire-Governance-Update.pdf>

'Update on Fire and Rescue Governance', Agenda Item 10.0, Business Co-ordination Board, 10th May 2018

<http://www.cambridgeshire-pcc.gov.uk/wp-content/uploads/2018/04/18-05-10-BCB-Agenda-Item-10.0-Fire-Governance-Update.pdf>

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DATED

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(1) THE POLICE AND CRIME COMMISSIONER FOR CAMBRIDGESHIRE

and

(2) CAMBRIDGESHIRE FIRE AUTHORITY

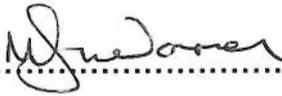
ACTING SECTION 151 OFFICER – OFFICE OF THE POLICE AND CRIME
COMMISSIONER FOR CAMBRIDGESHIRE

COLLABORATION AGREEMENT

BETWEEN:

1. THE POLICE AND CRIME COMMISSIONER FOR CAMBRIDGESHIRE; and
2. CAMBRIDGESHIRE FIRE AUTHORITY
3. Whereas: the parties agree to enter into a Collaboration Agreement to share an Acting Section 151 Officer. The Acting Section 151 Officer will remain employed by Cambridgeshire Fire Authority.
4. The agreement will run for an initial period to 31 March 2018 unless terminated earlier by mutual consent. After 31 March 2018 the agreement will be subject to review.
5. It is anticipated that the main activities of the role will include:
 - **OPCC**
 - Oversight of budget preparation, monitoring and control of the OPCC budget and grants
 - Acting as section 151 officer
 - Ensuring smooth running of the precept process
 - **OPCC/Constabulary Group**
 - Oversight of the Medium Term Financial Planning process and budget preparation
 - Oversight of financial accounts, management accounts and related papers to the OPCC Business Co-ordination Board.
 - Management of and reporting to the Joint Audit Committee
 - Treasury management
 - Strategic management of estates, working in collaboration with the Fire Authority on shared resources
 - Preparation of reports and attendance at the Police and Crime Panel
 - **Collaboration**
 - Strategic management of police-fire collaboration including the business case for closer working between the OPCC and Fire Authority
 - Strategic oversight of the ongoing VFM of the collaboration between Bedfordshire Police, Cambridgeshire Constabulary and Hertfordshire Constabulary and their respective Police and Crime Commissioners

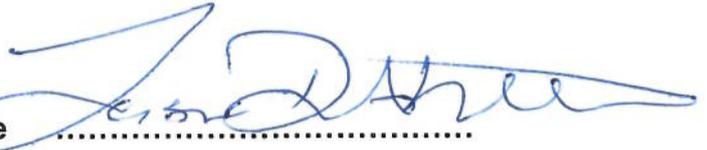
Matthew Warren CPFA Signature


.....

Date

29/11/2017
.....

Signed on behalf of the Police and
Crime Commissioner for Cambridgeshire


.....

Name

JASON ABIEWORK
.....

Date

29-11-17
.....

Signed on behalf of Cambridgeshire
& Peterborough Fire Authority


.....
KEVIN REYNOLDS

Name

.....

Date

29/11/2017
.....

- Strategic overview of the financial (including governance) implications of devolution
6. It is anticipated that the time commitment will be flexible and subject to the needs of the business, however, it is likely to be two days per week.
 7. Finance – the services will be reimbursed to the Fire Authority at a rate of £489 per day including on-costs, paid quarterly in arrears.
 8. Indemnity – Each Party shall indemnify and keep indemnified the other Parties against all losses, claims, damages, costs, charges, uninsured liabilities, demands or proceedings incurred or brought as a result of their negligence, negligence of its officers and/or staff or breach of their obligations under this Agreement. Each Party will remain liable in accordance with the law for the acts and omissions of its own officers and staff.
 9. Health and Safety – The Parties are liable at law for the health and safety of their staff and employees.
 10. Dispute and Complaints Resolution – The Chief Fire Officer and OPCC Chief Executive will attempt to resolve any disputes between the parties and if they cannot be resolved they will be escalated to the Chairman of the Fire Authority and the Police and Crime Commissioner to resolve.

MATTHEW WARREN

E Mail: matthew.warren@cambsfire.gov.uk

PROFILE:

I am a very enthusiastic and creative person with extensive senior management experience. I am outgoing with strong and effective communication and organisation skills. I am very versatile, always looking to learn and improve. I enjoy responding to new challenges.

MAJOR ACHIEVEMENTS:

- Appointed Interim Chief Financial Officer for Cambridgeshire Police and Crime Commissioner in January 2017;
- Appointed as Deputy Chief Executive for Cambridgeshire Fire and Rescue Service in January 2016;
- Appointed as Director of Resources to Cambridgeshire Fire and Rescue Service in February 2009;
- Appointed Chief Financial Officer to Cambridgeshire and Peterborough Fire Authority in October 2004;
- Re-engineered the Authority's Business Planning process;
- Restructured the Support Services function for Cambridgeshire Fire and Rescue Service, achieving a saving of £2.6 million, whilst improving the service provided;
- Lead the project to rebuild a Fire Station in Cambridge at zero cost to the taxpayer, whilst realising a receipt of £1.1 million in profit share;
- Created a Shared ICT Service with Bedfordshire Fire and Rescue Service;
- Founding member of a Fire and Rescue Services Insurance consortium focussed on refreshing the Insurance market and reducing premiums;
- Advised the Fire Authority on the restructure of the Principal Management Team;
- Devised and implemented a fully integrated commitment accounting system to Cambridgeshire Adult Social Care to control £20 million expenditure;
- Constructed the financial bid to secure £3 million European funding.

CAREER HISTORY:

2003 – to date Cambridgeshire and Peterborough Fire Authority

2016 – to date Deputy Chief Executive

- Lead the review of the Executive Management Team, advising elected members of the Authority on options recommending the most suitable option;
- Joint Chief Financial Officer for Cambridgeshire Fire and Rescue and Cambridgeshire Police and Crime Commissioner;
- Member on a number of national bodies working with central Government on developing and delivering new Government Policy.

MATTHEW WARREN

E Mail: matthew.warren@cambsfire.gov.uk

2003 – 2016 Director of Resources and Treasurer to Fire Authority

- Responsible officer for all aspects of financial control;
- Lead and direct the Authority's Finance, Procurement, Property, Information Technology, Human Resources, Programme Management and Business Support functions;
- Introduced a delegated approach to managing financial resources across the organisation;
- Integrated Risk Management into the Authority's planning processes;
- Lead on a major initiative to assess the viability to merge with Suffolk Fire and Rescue;
- Accountable to the Fire Authority on all Strategic financial advice (Statutory legal role);
- Implemented new systems and structure to improve the Project Management and delivery across the Service;
- Lead the implementation of new technology focussed on improving business process and realising efficiency savings.

1993 – 2003 Cambridgeshire County Council

2002 – 2003 Principal Accountant (Social Services)

- Managed Social Services budgets to the value of £25 million;
- Project manager for evaluating the departments methods and systems for controlling expenditure in light of significant budgetary overspends;
- Reduced the bad debt to the service by £400k;
- Business champion in implementing new integrated financial system.

1999 – 2002 Senior Accountant (Environment and Transport)

- Responsible for managing budgets in excess of £35 million;
- Project manager for best value review of Highways and Engineering services;
- Treasurer for the Cambridgeshire cost recovery partnership;
- Developed and delivered training packages to the departments budget holders;
- Produced public documents for approval by Senior Management Teams and Cabinet members.

QUALIFICATIONS:

CIPFA Qualified Accountant; AAT Qualified.

BTEC National Diploma in Business and Finance; 9 GCSE's – Grades A-C.