



Appendix A

## Police and Fire Governance Business case – options paper around the role of the Section 151 Officer

The business case around Police and Fire governance integration contained within it the proposal to streamline the number of Section 151 officers from three down to two. Currently the three Section 151 officer posts sit within three distinct legal entities (corporation sole) discharging the legal duties of the Section 151 Officer to each corporation sole. However, legally there is nothing to stop an individual being the Section 151 Officer of more than one organisation subject to adequate governance remaining in place to avoid any potential conflicts of interest, not least to protect the Section 151 Officer. This model of sharing Section 151 Officers is tried and tested on a national basis, predominantly between small district councils, however in some larger entities the sharing of Section 151 Officers does occur. For example in Durham the Police and Crime Commissioner and Chief Constable share a Section 151 Officer, or in Hampshire where the Section 151 Officer for the Police and Crime Commissioner is also the County Treasurer of Hampshire.

The sharing of roles in other local areas underlines the fact that the reduction of one of the Section 151 roles is achievable, coupled with a significant number of OPCC S151 roles being part time. Indeed locally the substantive vacant role in the OPCC covers both finance and performance thus suggesting the OPCC S151 role could be covered on a part time basis if it was just focussed on finance. Local experience suggests a significant amount of 'doubling up' at Force meetings between OPCC S151 Officer and CC S151 Officer, representing what could be seen as a poor use of taxpayer's resource.

In pulling together the options below we have balanced the need to ensure good governance with the need to maintain service specific knowledge (and thus advice) with the need to ensure taxpayers money is being spent in the most efficient and effective way in line with the business case around the integration of Police and Fire governance. These three options are:

- 1) No change with 3 substantive Section 151 Officers
- 2) The current Section 151 for Fire taking on the OPCC Section 151 role (horizontal integration)
- 3) The current Section 151 for the Chief Constable taking on the OPCC Section 151 role (vertical integration)

## Option 1 – no change

Under this option there would be no change to the current arrangements whereby three section 151 officers are in post. This is an option given that under the new governance arrangements we still have three corporations sole (OPCC, CC and SCFRA)

Benefits	Drawbacks	
<ul> <li>Ease of governance - each corporation sole has a S151 Officer</li> <li>Greater senior management capacity</li> </ul>	Cost prohibitive – deletion of one of the posts is likely to free up c.£100k to reinvest in front line Fire and Policing services	
Creater comer management superst,	<ul> <li>Goes against the original business case</li> <li>Does not end the current 'doubling up' at</li> </ul>	
	Force meetings	



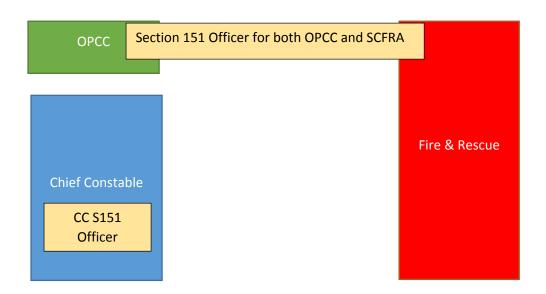


Does not streamline Policing decision
making – e.g. for a decision form around
capital spend to be signed both S151
Officers have to be in agreement. This
arrangement does not exist in the wider
local authority sector
• Situation where by OPCC S151 has no staff
• Situation where by CC S151 can be seen as
subservient to OPCC S151 thus
undermining authority within the Force

**Conclusion** – based upon the value for money argument in the business case coupled with ease of decision making and 'doubling up' at meetings this is the least favoured option. At a time of increasing front line demand the £100k saving would be better spent on front line Police and Fire activities.

## **Option 2 – Horizontal Integration**

Under this option the current Section 151 Officer for the Staffordshire Commissioner Fire and Rescue would also become the Section 151 Officer for the OPCC. In effect this would link up both corporation sole that are charged with governance. However, due to the Staffordshire Commissioner Fire and Rescue being a fully integrated employer (rather than just a governance body as the OPCC is) this would leave the Section 151 Officer responsible for governance of both Police and Fire as well as running the service financial advisory for Fire.



Ве	nefits	Drawbacks	
•	Cost savings as per the business case	•	Whilst Fire can have integrated decision
	(£100k) which can be reinvested back in		making under one S151 Officer Policing
	frontline services		cannot
•	Governance bodies (OPCC and SCFRA) are	•	Does not end the current 'doubling up' at
	aligned under same person		Force meetings



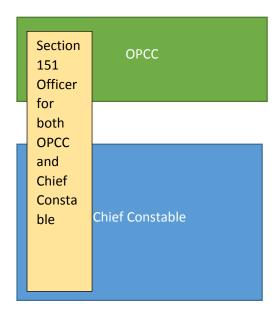


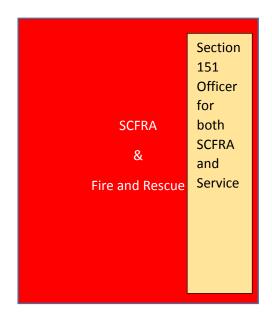
- Does not streamline Policing decision making – e.g. for a decision form around capital spend to be signed both S151 Officers have to be in agreement. This arrangement does not exist in the wider local authority sector
- Situation where by CC S151 can be seen as subservient to OPCC & SCFRA S151 thus undermining authority within the Force
- Potentially viewed as a Fire takeover of Police Governance or a loss of a distinct Fire 'identity'
- Requirement for S151 of OPCC and SCRFA to have detailed understanding of both Policing and Fire

**Conclusion** - based upon the above this option is workable, and from the purpose of achieving the savings within the business case is attractive. The drawbacks to this remain that it does not solve the current issues in Policing about having to align two S151 Officers (both whom have statutory duties) and thus speed of decision making – coupled to this from a governance point of view it could be perceived that a 'parent child' relationship exists for Policing but not for Fire (given Fire's vertical integration).

## **Option 3 – Vertical Integration**

Under this option the current Section 151 Officer for the Chief Constable would also become the Section 151 Officer for the OPCC. In effect this would link up both corporation sole that are charged with Policing and Crime. This would mean having a Section 151 Officer for Police and Crime and one for Fire and Rescue.









Benefits	Drawbacks
<ul> <li>Cost savings as per the business case (£100k) which can be reinvested back in frontline services</li> <li>Creates a finance lead for Police &amp; Crime and one for Fire and Rescue</li> <li>Perceived parity of Chief constable and Chief Fire Officer in terms of Fire CFO also 'holding the chief to account'</li> <li>Ends 'doubling up' at Force meetings</li> <li>Allows for more integrated &amp; streamlined decision making in the Policing sphere</li> <li>Creates two S151 Officers of equal status</li> <li>Finance restructure supports this model of delivery with greater capacity in Force for day to day advisory, allowing S151 to become more strategic in focus</li> <li>Model in use in other areas (e.g. Durham)</li> <li>Is a simple extension of the existing SLA to provide finance and commercial services into the OPCC – in essence the only missing element of the current SLA is the provision of a S151 Officer</li> </ul>	<ul> <li>Need to ensure clear governance if a disagreement occurs between OPCC and Force on financial issues – honest broker role</li> <li>Maintains two distinct governance organisations</li> </ul>

**Conclusion** – based on the above analysis this would deliver the savings as per the business case as well as maintaining a sector specific CFO and as such would be the preferred option. This is dependent upon sorting out the governance between Force and OPCC in relation to the S151 role, however for example Durham would prove a useful example of how to make this work. The role of the SCFRA S151 would be enhanced to ensure that any governance arrangements between OPCC and Force for a shared S151 officer were being adhered to. If this governance proved unworkable option 2 would become the preferred option. It would allow for more streamlined decision making in the Policing sphere and also reduce the risk of the S151 Officer of the SCFRA not being able to provide the existing high level of service to the Fire and Rescue service from being spread thinner. This option does not cause disruption in the Fire and Rescue service thus being in line with the concept of a 'soft landing' on the back of governance changes