

PART FOUR: FINANCIAL REGULATIONS

INDEX

PAGES

Introduction

1. Roles and Responsibilities.
 - 1.1 Treasurer to the Authority.
 - 1.2 Chief Constable.
 - 1.3 GMP's Director of Finance.
 - 1.4 Chief Executive.
2. Maintenance of Accounts.
3. Financial Plan and Budgets.
 - 3.1 Financial/Policing Plan.
 - 3.2 Budgets (Capital and Revenue Guidelines).
 - 3.3 Budget Monitoring and Control.
 - 3.4 Reporting Guidelines.
4. Accounting Procedures.
5. Financial System and Procedures.
 - 5.1 Introduction.
 - 5.2 Risk Management and Insurance.
 - 5.3 Treasury Management.
 - 5.4 Banking Arrangements.
 - 5.5 Imprest Accounts.
 - 5.6 Income.
 - 5.7 Gifts, Loans and Sponsorship.
 - 5.8 Grants.
 - 5.9 Police Property Act Fund.
 - 5.10 Unofficial Funds.
6. Audit.
 - 6.1 Internal Audit.
 - 6.2 External Audit.
 - 6.3 Control of Assets.
 - 6.4 Trust Funds.

Appendix A Police Authority Reward Scheme.

Financial Regulations

Introduction

These Financial Regulations have been prepared in accordance with the requirements of the "Home Office Code of Practice on Financial Management", made under section 39 of the Police Act 1996. These Financial Regulations were drawn up by the Treasurer to the Police Authority, in consultation with the Chief Constable and the Chief Executive, and approved by the Police Authority on 6th June, 2008. The main aims of these Regulations are to:

- Ensure that the financial affairs of the Police Authority and the Greater Manchester Police are conducted properly and use best practice.
- Allow the Treasurer to the Authority to discharge his or her statutory obligations and responsibilities.
- Encourage delegation for financial matters to the lowest level, both between the Authority and in GMP whilst maintaining adequate control.

It is an overriding requirement of these Financial Regulations that the Treasurer to the Authority will be satisfied that the Chief Constable has adequate systems, procedures, personnel and expertise within GMP to handle the delegated responsibilities in a proper and effective manner. These Financial Regulations are complementary to, and supported by GMP's own Chief Constable's Financial Instructions, as drawn up by the Chief Constable, and should be read in conjunction with Standing Orders. The Treasurer to the Authority will keep these Financial Regulations under review, in consultation with the Chief Constable and the Chief Executive to ensure that the working arrangements for both the Authority and GMP are conducted appropriately. These Regulations may be varied only with the approval of the Police Authority and will be reviewed again in 2010, at the same time as Procedural Standing Orders, Standing Orders for Personnel and Pensions and Contractual Standing Orders.

1. Roles and Responsibilities

1.1 Treasurer to the Authority

1.1.1 The Treasurer to the Authority shall, for the purpose of Sections 112 and 114 of the Local Government Finance Act 1988 and the Accounts and Audit Regulations 2003 (as amended) be responsible for making sure there is proper administration of the financial affairs of the Police Authority and the Greater Manchester Police.

1.1.2 The Treasurer to the Authority shall make sure that adequate systems and procedures exist to account for all income due and disbursements made on behalf of the Police Authority and Greater Manchester Police, and that controls operate to protect the Police Authority's assets from loss, waste, fraud or other impropriety.

1.1.3 The Treasurer to the Authority shall report to the Police Authority and the External Auditor if:-

- It appears that the Police Authority's expenditure is likely to exceed its resources.
- Any decisions or actions are made or proposed which involve unlawful expenditure and/or are likely to cause a loss or deficiency or an unlawful entry in the accounts.

1.1.4 The Police Authority must satisfy itself that the Chief Constable exercises his or her financial responsibilities in a proper manner.

1.1.5 The Treasurer to the Authority is the Police Authority's adviser on all financial matters and is responsible for:-

- Providing financial advice to the Police Authority.
- Ensuring that the Authority has systems in place which deliver value for money (VFM).
- Advising the Authority on financial propriety and on budgetary matters including any consequent long-term implications.
- Ensuring the production by GMP of accurate, complete and timely financial management information as required.
- Securing the preparation of statutory and other accounts.
- Securing effective Treasury Management, including loans and investments.
- Advising on the safeguarding of assets including risk management and insurance.
- Arranging for the determination, issue, and transfer of the Precept.
- Preparing, as appropriate, grant claims and other Government returns requiring certification by him/her - (or by such suitably qualified officer of Salford City Council whom he or she might appoint for this purpose).

1.1.6 The Treasurer to the Authority is the Authority's appointed Money Laundering Reporting Officer, who shall be responsible for the oversight of all aspects of the Authority's and GMP's anti money laundering and combating the financing of terrorism activities and establishing and monitoring appropriate procedures, in consultation with the Chief Executive and Chief Constable, to forestall and prevent money laundering within the Authority's and GMP's activities, including outsourced activities.

1.2 Chief Constable

1.2.1 The Chief Constable shall have responsibility for:-

- The financial management of Greater Manchester Police on behalf of the Authority under delegated powers.
- The operational control of all financial systems and procedures.
- Making instructions that govern financial management.

1.2.2 The Chief Constable shall appoint a suitably qualified Director of Finance to advise him or her.

1.2.3 All officers or employees of the Police Authority, the Greater Manchester Police, Salford City Council or any other local authority or other organisation providing a service to the Police Authority, shall share responsibility for the safe custody and management of the Authority's assets under their care and control.

1.3 GMP Director of Finance

The GMP Director of Finance is responsible to the Chief Constable for all financial activities undertaken within GMP or contracted out under the supervision of GMP.

1.4 Chief Executive

1.4.1 The Chief Executive is appointed under section 16 of the Police Act 1996 to be responsible for the Authority's general administration.

1.4.2 The City Solicitor, Salford City Council, is designated the Monitoring Officer under section 5 (1) of the Local Government and Housing Act 1989, with responsibility for reporting any illegal action, breach of any code of practice, maladministration or injustice by:-

- The Police Authority or any of its committees, groups or panels.
- Any Member of the Police Authority.
- Any employee of the Police Authority.
- Any police officer.
- Any employee of Salford City Council or other local authority or organisation providing services to the Police Authority.

1.4.3 The Chief Executive is authorised to instigate, defend or appeal legal proceedings in any court or tribunal to protect the Police Authority's interests and the interests of the Chief Constable except that no appeal may be made to the House of Lords without the consent of the Police Authority and the Chief Constable.

1.4.4 The Chief Executive is authorised to settle claims including legal costs in tort, under contract or under regulation made against the Police Authority. Claims against the Chief Constable shall be settled in consultation with the Chief Constable.

1.4.5 The Chief Executive is authorised to grant an extension of up to 42 days to the time within which claims may be brought under the Riot (Damages) Act 1886.

1.4.6 The Chief Executive may, after consulting with the Chief Constable, give an indemnity in the name of the Police Authority.

2. Maintenance of Accounts

The GMP Director of Finance shall provide such budgets, accounts and other financial information to Government Departments, HMIC and constituent local authorities in relation to shared or pooled financing arrangements as agreed with the Treasurer to the Authority from time to time.

3. Financial Plan and Budgets

3.1 Financial/Policing Plans

3.1.1 The Treasurer to the Authority shall, in consultation with GMP's Director of Finance, approve the timetable, format for and detailed form of the capital and revenue estimates.

3.1.2 The Chief Constable shall produce a draft Policing Plan for consideration by the Authority annually, setting out the proposed use of resources for the financial period consistent with the capital and revenue estimates of the Authority as referred to in Financial Regulation 3.1.1

3.1.3 The GMP Director of Finance, in consultation with the Treasurer to the Authority, shall prepare annually a strategic financial forecast, identifying implications for GMP's budget.

3.2 Budgets (Capital and Revenue Guidelines)

The GMP Director of Finance and appropriate designated officers shall be responsible for preparing draft capital and revenue budgets. The definition of capital and revenue will be as set out in the Manual of Financial Procedures. The Chief Constable and the Treasurer to the Authority are responsible for submitting draft capital and revenue budgets to the Police Authority. The format of such reports should, once approved, enable the responsibility for the day-to-day management and control of budgets to be delegated to the Chief Constable in accordance with these Financial Regulations.

3.3 Budget Monitoring and Control

3.3.1 Once approved, and subject to the provisions of Standing Orders and Financial Regulations, budgets will give authority to the Chief Constable to incur expenditure without the need to obtain further approval from the Authority, except where:-

- The Chief Constable proposes a change in policing policy and/or the objectives and targets in the Policing Plan; and/or
- Expenditure on an approved budget head would increase or decrease by more than £250,000.

3.3.2 Where the Chief Constable proposes a change in policing policy affecting the objectives and the targets in the Policing Plan and/or varying expenditure by more than £250,000, the Chief Constable in conjunction with the Treasurer to the Authority, will seek the approval of the Authority to the changes, so that

the approved budget might be amended accordingly, if the Authority approves.

- 3.3.3 The Chief Constable and the Treasurer to the Authority shall present capital and revenue budget monitoring reports to each meeting of the Finance, Assets and Technology Resources Committee, highlighting any significant variations.
- 3.3.4 Virement shall not be made from a capital budget to a revenue budget except where the Authority has approved an amendment of direct revenue funding or the use of balances.
- 3.3.5 The Chief Constable and the Treasurer to the Authority shall manage and record the expenditure and income of the Police Authority in accordance with their respective responsibilities.
- 3.3.6 The Chief Constable shall identify officers to whom he or she proposes to delegate responsibility to manage and control budgets under delegated arrangements including the Devolved Financial Management (DFM) scheme and such officers shall manage and control the budgets so delegated.
- 3.3.7 The delegated budget arrangements shall include procedures for virement between delegated budget heads and carry-forward arrangements between financial years, subject to limits set from time to time by the Chief Constable.

3.4 Reporting Guidelines

All reports to the Authority shall include a section, where appropriate, setting out the financial implications of the proposals being made, together with any comments and/or advice of the Treasurer to the Authority and GMP's Director of Finance. Consultation between the Treasurer to the Authority and GMP's Director of Finance will be required in each instance.

4. Accounting Procedures

- 4.1 The Treasurer to the Authority shall determine which accounting procedures and records are to be adopted and maintained by the Authority and its officers. Where such procedures and records are maintained by the Chief Constable, under delegated powers, these will be governed by the Chief Constable's Financial Instructions.
- 4.2 The following principles shall be observed in the allocation of accounting duties:-
 - The duties of providing information regarding sums due to or from the Authority and of calculating, checking and recording these sums, shall be separated from the duty of collecting or disbursing them.
 - Officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of the transactions.

- 4.3 Accounting procedures and records of GMP shall be regulated in a more detailed form by the Chief Constable's financial Instructions to be produced and updated when required by the Chief Constable with any amendments being made available to the Treasurer to the Authority.
- 4.4 The Chief Constable's Financial Instructions shall govern the Greater Manchester Police accounting procedures and records. These shall comply with the Accounts and Audit Regulations 2003, as amended, and have regard to any other statutory provision that may affect the financial affairs of the Authority.
- 4.5 All officers and employees of the Police Authority and Greater Manchester Police shall give the Chief Constable or the Treasurer to the Authority any information deemed necessary including:-
- Statements
 - Financial returns
 - Employee information, or
 - Other financial and non financial information

for the purpose of accounting and the controlling of budgets.

5. Financial Systems and Procedures

5.1 Introduction

- 5.1.1 Subject to consultation with the Treasurer to the Authority, GMP's Director of Finance, on behalf of the Chief Constable, will be responsible for the day-to-day operation and control of the systems and procedures required to:-
- Order goods and services.
 - Pay salaries, wages and pensions.
 - Pay creditors, allowances and expenses.
 - Where appropriate, collect and bank income generated by the Police Authority.
 - Provide, protect and dispose of the Police Authority's assets.
- 5.1.2 The Chief Constable shall ensure there are adequate internal controls and checks to ensure that financial systems and procedures operate with appropriate propriety.
- 5.1.3 The GMP Director of Finance, on behalf of the Chief Constable, shall not replace, significantly upgrade or make additions to any financial systems without the approval of the Treasurer to the Authority.
- 5.1.4 The Chief Constable, in consultation with the Treasurer to the Authority, shall issue and keep updated the Chief Constable's Financial Instructions covering the financial systems and procedures outlined above. This will contain the detailed procedures to be followed and must be read in conjunction with these Financial Regulations.

5.2 Risk Management and Insurance

- 5.2.1 The Treasurer to the Authority shall be responsible for advising the Police Authority on insurance matters and, in conjunction with GMP's Director of Finance, preparing and monitoring a Risk Management Programme and advising on appropriate and/or available options with regard to premiums and/or levels of risk.
- 5.2.2 The Chief Constable, in conjunction with the Treasurer to the Authority, shall keep under review the organisational business risks.
- 5.2.3 The Chief Constable shall be responsible for operational control and management of all insurance funds, subject to the policy direction of the Authority.
- 5.2.4 The Treasurer to the Authority, in consultation with the Chief Constable, shall review, at least annually, the arrangements for insurance and risk management to ensure that they remain effective.
- 5.2.5 The Chief Constable shall seek legal advice and, where appropriate, settle civil claims that are not determined by the Police Authority's Insurers. Where the Chief Constable or his/her representative considers it appropriate he or she shall consult with the Chief Executive.
- 5.2.6 All officers and employees of the Police Authority and Greater Manchester Police, Salford City Council or any other local authority or organisation providing services for the Police Authority shall inform the Chief Constable and/or the Treasurer to the Authority, as appropriate, promptly of any new risks, properties, vehicles, or other assets which may need to be insured and of any amendments which need to be made to existing policies.
- 5.2.7 The Chief Constable and the Treasurer to the Authority shall ensure that, where necessary, officers and employees of the Police Authority, Greater Manchester Police, Salford City Council or any other local authority or organisation providing services to the Police Authority are covered by fidelity guarantee insurance.
- 5.2.8 The Chief Constable shall, in consultation with the Treasurer to the Authority, determine the terms of any indemnity that the Police Authority needs to give.
- 5.2.9 The Chief Constable shall have power to settle ex-gratia claims for loss or damage (so far as they are not otherwise insured) up to an individual value of £2000 within the approved budget. Above that amount claims must be submitted to the Authority for approval, including a summary of the circumstances of the claim, the amount claimed and the Chief Constable's recommendation. This section does not apply to payments made under the terms of the Police Authority Reward Scheme - Appendix "A" to these Financial Regulations sets out, in more detail, how this scheme operates.

5.3 Treasury Management

5.3.1 The Authority and Treasurer to the Authority will comply with all relevant legislation, codes and guidance including:-

- The Local Government Act 2003;
- The Local Government Finance Act 1988;
- The CIPFA Code of Practice for Treasury Management in the Public Services;
- The CIPFA Prudential Code for Capital Finance in Local Authorities (as it relates to Treasury Management);
- Investment Guidance provided by relevant Government Departments;
- The Audit and Account Regulations 2003 (as amended).

5.3.2 The Treasurer to the Authority shall be responsible for advising the Police Authority on all matters relating to Treasury Management, investments and borrowing. The Treasurer to the Authority shall have control of the aggregated monies and securities of the Police Authority.

5.3.3 Before the commencement of each financial year the Treasurer to the Authority shall produce a Treasury Management Strategy Document setting out a strategy and principles for approval by the Police Authority.

5.3.4 Administrative decisions on borrowing, investments or financing shall be delegated to the Treasurer to the Authority who shall be required to act in accordance with relevant legislation, codes and guidance.

5.3.5 The Treasurer to the Authority shall report to the Police Authority on Treasury Management as required by the Treasury Management Strategy Document.

5.3.6 The Treasurer to the Authority is authorised to:-

- Make applications to the Public Works Loan Board (PWLB) or the Money Market for advances to finance capital payments.
- Borrow, on behalf of the Police Authority, by temporary loan or overdraft to meet liabilities.
- Issue bonds, including negotiable bonds, and mortgages with the approval of the Police Authority.

5.4 Banking Arrangements

5.4.1 The Treasurer to the Authority is responsible for all banking arrangements and must authorise the creation or closure of any account.

5.4.2 The Chief Constable shall make banking arrangements with the Police Authority's bankers, as approved by the Treasurer to the Authority.

5.4.3 Cheques drawn on the Police Authority's bank accounts shall either bear the facsimile signature of, or be signed by the Treasurer to the Authority, or be signed by an officer authorised by him/her. In the event of an authorised signatory being suspended from duty the Treasurer to the Authority must be

informed and that person's name shall be removed from the list of authorised signatories.

- 5.4.4 Cheques drawn with a value exceeding £20,000 shall be signed by two authorised signatories.
- 5.4.5 The Chief Constable shall be responsible for the ordering, control and despatch of cheques drawn on the Police Authority banking and imprest accounts.
- 5.4.6 The Treasurer to the Authority shall be responsible for ensuring the reconciliation of authorised bank accounts monthly or, where he/she considers it necessary, more frequently.
- 5.4.7 The Chief Constable shall supply, on request, such reports and information determined by the Treasurer to the Authority. The Treasurer to the Authority shall promptly notify the Chief Constable of any necessary adjustments required and the Chief Constable shall promptly action them.

5.5 Imprest Accounts

- 5.5.1 The Chief Constable shall establish advance accounts for the purpose of paying petty cash and other expenses. These accounts shall be maintained on the imprest system.
- 5.5.2 Subject to the approval of the Treasurer to the Authority, the Chief Constable may open an advance account with the Police Authority's bankers, which shall not be overdrawn.
- 5.5.3 The Police Authority's bankers shall be instructed to report promptly, and in any event within 24 hours of the bank becoming aware of the situation, on any overdrawn balance to the Treasurer to the Authority and the Chief Constable.
- 5.5.4 Purchasing Cards are now one of the Authority's preferred methods of ordering and payment. They are corporate credit cards that are issued to staff to purchase goods and services direct from companies who will take payment via a card.

Cards should be used in accordance with the purchasing card manual available on the Salford City council's intranet.

5.6 Income

- 5.6.1 The collection of all monies owed to the Police Authority, including the raising of accounts, shall be made under arrangements determined by the Chief Constable and approved by the Treasurer to the Authority. All monies received on behalf of the Police Authority must be banked promptly in the name of the Police Authority.
- 5.6.2 The Chief Constable shall:-

- Be authorised to write-off irrecoverable debt under £1000.

- Be authorised to write-off an irrecoverable debt of £1000 or over, after consulting the Treasurer to the Authority.
- Report annually to the Authority the total of debts written-off in that year.
- Have powers of debt recovery including the use of legal action.
- Account for all monies or transactions under the control of staff who have cash handling, income collection and/or control of bank accounts prior to their resignation or retirement.
- Review all rents, fees and charges for services provided at least annually.
- Identify the charging policies to be pursued in any financial year.

5.7 Gifts, Loans and Sponsorship

5.7.1 The Chief Constable may, under the Police Authority's agreed scheme, accept gifts of money, gifts, loans of other property, including the use of human resources, to improve or extend the normal service of Greater Manchester Police.

5.7.2 Gifts or loans can be accepted in the form of commercial sponsorship. Amounts totalling £100,000, in any twelve month period, require Authority approval before acceptance.

5.7.3 The total value of gifts, loans and sponsorship in any financial year shall not be more than 1% of the Police Authority's annual revenue budget.

5.8 Grants

The Chief Constable may, under the Police Authority's agreed scheme, accept a grant from, or make a grant to an outside body or an individual or a local authority within the agreed budget provision.

5.9 Police Property Act Fund

The Police Authority may award grants for charitable purposes under the Police Property Act 1896.

5.10 Unofficial Funds

5.10.1 An official fund is an approved fund held in the name of the Police Authority or the Greater Manchester Police.

5.10.2 An unofficial fund is not an official fund of the Police Authority or the Greater Manchester Police. It is controlled by officers or employees of the Police Authority or the Greater Manchester Police, because of their office or employment.

5.10.3 Officers or employees of the Police Authority or the Greater Manchester Police shall inform the Treasurer to the Authority or the Chief Constable of any unofficial fund they are involved with.

5.10.4 The Chief Constable, on behalf of the Greater Manchester Police, and the Chief Executive, on behalf of the Police Authority, shall agree with the Treasurer to the Authority the audit needed for unofficial funds.

(NOTE: Section 8.8 of the Chief Constable's Financial Instructions covers the operation of this type of account in more detail).

6. Audit

6.1 Internal Audit

6.1.1 The "relevant body" responsible for maintaining an effective internal audit function under the Accounts and Audit Regulations 2003 (as amended) shall be the Police Authority.

6.1.2 The Police Authority and Greater Manchester Police require its internal auditors to function professionally, operating in accordance with the Auditing Practices Board's "Guidance for Internal Auditors" and with any other statutory obligations and regulations.

6.1.3 In respect of Partnering Arrangements it is a requirement of the Statement of Recommended Practice (SORP) 2006 that, "Where an authority is in a group relationship with other entities and undertakes significant activities through the group, the review of the effectiveness of the system of internal control should include its group activities."

Internal Audit is responsible for monitoring the quality and effectiveness of systems of internal control within group activities and where relevant, making recommendations for improvement.

6.1.4 Under the Public Interest Disclosure Act 1999 the Treasurer to the Authority shall operate, in conjunction with the Chief Constable, a "whistle blowing" strategy aimed at rooting-out malpractice whilst protecting innocent parties from malicious allegations.

6.1.5 The Treasurer to the Authority, or his authorised representative, shall have authority to:

- Enter at any time any Police Authority premises or land.
- Access all records, documents and correspondence relating to any business activity of GMP or the Authority.
- Require an explanation from any police officer or police staff or Member or officer of the Police Authority about any matter under examination.
- Require an officer or employee of the Police Authority or the Greater Manchester Police to produce cash, stores, or any asset under their control.
- Attend meetings to advise or report on matters affecting his or her responsibility.

6.1.6 Whenever any matter arises which might involve:-

- Irregularity relating to cash, stores or other property of the Police Authority.
- Suspected irregularity, irrespective of whether criminal proceedings have been instigated, in the affairs of the Police Authority or the Greater Manchester Police.

the Chief Constable shall notify the Treasurer to the Authority promptly. All financial irregularity and/or breach of rules or regulations shall be reported to the Police Authority by the Treasurer to the Authority and the Chief Constable.

- 6.1.7 The Treasurer to the Authority, following consultation with the Chief Constable, shall agree an Internal Audit Plan with the Audit and Inspection Committee, including the matters to be covered in the Plan.
- 6.1.8 The Treasurer to the Authority shall send copies of audit reports to the Chief Constable.
- 6.1.9 The Chief Constable may ask internal audit to undertake value for money studies or other specific projects and to report the findings directly to him or her. However, all internal audit reports will be made available to the Audit and Inspection Committee upon completion.
- 6.1.10 The Treasurer to the Authority shall ensure that the internal audit function co-ordinates its activities with the Authority's external auditors and other review bodies within GMP.

6.2 External Audit

- 6.2.1 The Audit Commission is responsible for the external audit of the Police Authority.
- 6.2.2 The Chief Constable and the Treasurer to the Authority shall work in co-operation with the external auditors.
- 6.2.3 The Police Authority shall ensure that these Financial Regulations and the Chief Constable's Financial Instructions are being followed in the light of any report of the external auditor.
- 6.2.4 The Treasurer to the Authority shall ensure that the external auditor receives copies of all internal audit reports as they are issued.

6.3 Control of Assets

- 6.3.1 The Chief Constable shall make and maintain inventories of the furniture, fittings, equipment, plant and machinery under his or her control and make the necessary arrangements for these to be reviewed on a regular basis.
- 6.3.2 The Chief Constable and the Treasurer to the Authority shall agree the form of inventories and identify the type of items to be recorded and the system of recording.

- 6.3.3 The Chief Constable shall be responsible for the care, custody and stocktaking of stores.
- 6.3.4 All officers and employees of the Police Authority and the Greater Manchester Police are responsible for the security of confidential information held by the Police Authority and Greater Manchester Police. This includes the security of computer software and the control of access to records held on computer. They should also ensure that contingency plans, for the security of assets and continuity of service in the event of disaster or system failure, are in place.
- 6.3.5 The Chief Constable is responsible for the management and maintenance of the Police Authority's estate. All purchases and sale of property will be made under the terms of the Chief Constable's instructions.
- 6.3.6 The Chief Executive shall arrange for the safe custody of all title deeds.
- 6.3.7 The Chief Constable shall keep a record of properties owned by the Police Authority in accordance with CIPFA Evidence.
- 6.3.8 The Chief Constable may approve the disposal of surplus stores, equipment or other property in accordance with Contract Standing Order 22.

6.4 Trust Funds

The Treasurer to the Authority shall determine the form of accounts for:-

- A Police Authority trust fund.
- Trust funds where officers or employees of the Police Authority and/or Greater Manchester Police are trustees because of their office or form the majority of trustees.

APPENDIX "A"

POLICE AUTHORITY REWARD FUND

An Assistant Chief Constable may approve the offer of a reward in the following circumstances:

- 1) Where it is thought that the offer of a cash reward would bring an investigation to an early conclusion, reducing the expense of manpower called upon during such an enquiry.
- 2) In the latter stages of an investigation, where all lines of enquiry have been exhausted and the Senior Investigating Officer (SIO) hopes to revive media attention before the decision is made to close the case.
- 3) Where, in the opinion of the Senior Investigating Officer, the offer of a more substantial reward than that available through 'Crimestoppers' is necessary as part of the investigating strategy.
- 4) Where it is unlikely that a financial reward may be offered by any private or public body, in the same case (e.g. banks, building societies, insurance companies, victims' families, the media etc). If such other third party financial reward has been offered, the SIO should contact the donor to ensure its suitability, legality and that the Chief Constable will not be made financially liable.
- 5) For every application, a risk assessment should be made of the opportunities and threats that the existence of a reward might create (e.g. the impact a reward could have on the credibility of witnesses or on the offender's behaviour). The Risk Assessment should include a witness management strategy, covering the following point:
 - a) corroboration - of the relevant evidence given.
 - b) elimination - of the witness from the enquiry.
 - c) disclosure - to CPS and the defence.
 - d) recording - of the relevant evidence in its original form.

There should be a clear message to any potential witness that there is no absolute guarantee of a reward.

- 6) The reward offer will normally be up to £10,000. Where the amount requested to be offered exceeds £10,000 the Chairman of the Police Authority and the Chief Executive must be consulted to approve the offer and agree the amount.
- 7) Where an offer is made in accordance with the set policy, the Chairman of the Police Authority must be informed as soon as practicable.
- 8) Application will be made in report form, by the Senior Investigating Officer to an Assistant Chief Constable via the Branch Commander, Crime Investigations.