



CONFIRMATION OF THE CHIEF FINANCE OFFICER

1. PURPOSE

The purpose of this report is to enable members of the Police and Crime Panel (PCP) to consider the Police and Crime Commissioner's (PCC's) proposed appointment of a temporary Chief Finance Officer (Treasurer).

In doing so the Panel must satisfy itself that the preferred candidate selected by the PCC has the professional competence to undertake the role and has sufficient personal independence to be able to act operationally independent of the PCC.

The report provides an overview of the appointment process that was undertaken by the PCCs for Warwickshire and West Mercia to select the preferred candidate. Detailed within the report are the reasons why the candidate has been selected for consideration by the PCP. A confirmation hearing for the preferred candidate has been held separately by the Warwickshire PCP.

2. PROCEDURE FOR CONFIRMATION HEARING

All Police and Crime Commissioners must appoint a person to be responsible for the proper administration of the Commissioner's financial affairs, referred to as a Chief Finance Officer or Treasurer, in accordance with Schedule 1 of the Police Reform and Social Responsibility Act 2011. The Commissioner is required to notify the Police and Crime Panel of the proposed appointment once a decision has been reached about the preferred candidate. It is then the duty of the Police and Crime Panel to:

- a) hold a public confirmation hearing within three weeks to review the proposed appointment;
- b) determine whether it recommends approval or recommends refusal of the proposed appointment;
- c) notify the PCC of its decision and any recommendations; and
- d) publish its report and any recommendations.

The confirmation hearing must be held in public session but the Panel can retire in private to discuss their views and recommendations regarding the proposed appointment.

The purpose of the confirmation hearing is for the Panel to assess the suitability of the candidate proposed by the Police and Crime Commissioner and put questions to him/her. The questions for the candidate should focus on:

- Professional competence - ability to carry out the required role and professional judgement and insight
- Personal independence - ability to act in a manner that is operationally independent of the Commissioner where appropriate to the post.

3. BACKGROUND

Following the previous Treasurer's announcement that he wanted to retire on Monday 27th July 2015 the PCCs for Warwickshire and West Mercia discussed the option of not replacing the Chief Finance Officer (CFO) and moving to an arrangement whereby the two PCCs and

the Warwickshire and West Mercia forces shared Treasury advice, to be provided by the Director of Finance for the Alliance.

Both the '**CIPFA statement on the role of the Chief Finance Officer of the PCC and the Chief Finance Officer of the Chief Constable**' and the '**Financial Management code of practice for Police Forces of England and Wales**' requires that both the PCC and Chief Constable should appoint separate CFOs and when a joint CFO is appointed the reasons should be explained publically in the PCC's Annual Governance Report, together with an explanation of how the arrangement will deliver the same impact.

The two PCCs agreed to appoint a temporary CFO separate from that of the Chief Constables, and that this appointment would be reviewed in May 2016 following the next PCC elections.

The PCC must under the Police Reform and Social Responsibility Act 2011 notify the PCP of the preferred candidate for appointment as temporary CFO. Schedule 8 of the Act states that the PCC must provide the following information:

- a) The name of the person whom the PCC is proposing to appoint;
- b) The criteria used to assess the suitability of the candidate and how the candidate satisfies these criteria; and
- c) The terms and conditions under which the candidate is to be appointed.

Also provided for the PCP's consideration are:

- i) The recruitment, application and interview process;
- ii) Role profile and person specification;
- iii) The criteria used for assessment;
- iv) CV of the preferred candidate – which has been circulated separately to Panel members.

4. ISSUES FOR CONSIDERATION

4.1 Advertisement

The Advertisement for the role of CFO was circulated by the Chartered Institute of Public Finance & Accountancy (CIPFA) – Recruitment services seeking applications. An advert was also placed on both the Warwickshire and West Mercia OPCC Websites. The closing date was Wednesday 1st July 2015.

Prospective applicants were asked to submit a CV in support of their application. A detailed job description and person specification was circulated with the advert, please see **Appendix A**.

4.2 Role Profile and Person Specification

The role profile is a key document in the appointment process. It sets out clearly the expectations and requirements of the role. This was drafted for the process and approved by both PCCs.

4.3 Shortlisting

Five applications were received and reviewed by Neil Hewison, Chief Executive of the Warwickshire OPCC, Andy Champness, Chief Executive of West Mercia OPCC, and the Chief Finance Officer David Clarke. All five applicants were considered suitable for interview. The shortlisting panel drafted the interview questions.

4.4 Selection Process

The selection process used was a competitive interview. The interviews took place at Hindlip Hall, Worcester, on Monday 6th July and Thursday 9th July 2015. Each interview lasted up to one hour.

The Interview panel consisted of:

- Ron Ball (PCC for Warwickshire)
- Bill Longmore (PCC for West Mercia)
- Bill Wilkinson (CIPFA Police Panel)
- John Vereker (Independent Chair of Warwickshire and West Mercia Joint Audit Committee)

Andy Champness, Chief Executive, provided support to the panel.

At the end of this process the preferred candidate Elizabeth Hall was selected. Please refer to **Appendix B** for her CV, which has been circulated separately to Panel members.

4.5 Preferred Candidate – Elizabeth Hall

As is apparent from her CV, Elizabeth has extensive experience as a CFO / Section 151 Officer in local government. She has held a number of Senior Public Finance Officer roles with a number of local authorities since 1994. She is a qualified Accountant member of CIPFA.

4.6 Criteria used for selection:

Each candidate was asked a set of agreed questions. The questions asked probed the candidates' technical capabilities in the following areas:

- An awareness of current and future funding issues (Question 1)
- Experience of Financial Planning (Question 2)
- Experience of Governance and financial control (Questions 3,6,7)
- Delivering value for money (Question 4)
- Experience of Audit (Question 5)

Attached (**Appendix C**) are the questions asked of the candidates.

Each question was scored and a total score for each candidate was reached. The preferred candidate achieved the highest score.

4.7 Terms and Conditions of appointment

The term of appointment will be from Monday 17th August 2015 until 1st July 2016. The preferred candidate has passed the necessary vetting.

The Chief Finance Officer post is at Grade N (Alliance Police Staff Pay Grade). The preferred candidate will work 3 days a week, pro rata. This cost is covered equally by both Warwickshire and West Mercia OPCC's, so the salary cost to each office is around £25,000.

The post holder will be eligible to enrol in the Local Government Pension Scheme. Expenses and business mileage costs incurred in connection with the role will be reimbursed. The cost of expenses are to be split 50:50 between the two OPCCs.

Elizabeth Hall appeared before the Warwickshire Police and Crime Panel and her appointment was confirmed by them on Friday 14th August 2015.

5. RECOMMENDATION

It is recommended that the PCP:

- a) considers the PCC's preferred candidate, Miss Elizabeth Hall, for the role of temporary Chief Finance Officer to the PCC; and
- b) makes a report and recommendation to the Police and Crime Commissioner on the outcome of the confirmation hearing.

6. SUPPLEMENTARY INFORMATION

Appendix A – Job description and Person specification

Appendix B – Elizabeth Hall CV (circulated to Panel members separately)

Appendix C – Interview Questions