

4th April 2014

Hertfordshire Police and Crime Panel

Gavin Miles
Clerk to the Police and Crime Panel
Broxbourne Borough Council

Dear Panel Members

**Chief Finance Officer of the Police and Crime Commissioner for
Hertfordshire**

As you are aware, since the establishment of my office in November 2012, the Constabulary's Director of Resources, James Hurley has been my Chief Finance Officer through a joint CFO arrangement with the Chief Constable. This arrangement has been very successful, however, under the Stage 2 transfer arrangements, Mr Hurley's employment transfers to the Chief Constable. Mindful of the recent opinions expressed by external professional bodies and legal advice on joint CFO arrangements, together with the significant complexity of our future collaboration activity and the developing financial environment, I have decided to move to a separate CFO appointment. This will provide additional and independent professional financial advice to my office which will strengthen and further support my ability to scrutinise and challenge the Chief Constable as we go forward.

The Police Reform and Social Responsibility Act 2011 requires me to appoint a person to act as Chief Finance Officer if, and for as long as, the post is vacant. The qualifications of that person must be in accordance with Section 113 of the Local Government Finance Act 1988.

I write to present to the Panel, my proposal to fill my vacant CFO role. Financial services will continue to be provided by the Constabulary's financial team, and on that basis I propose that the required CFO support to my office can be covered, as now, on a part-time basis. I have therefore made interim arrangements with the County Council to provide appropriate seconded support to my office for this statutory role, subject of course to approval and confirmation by the Police and Crime Panel. A seconded arrangement is considered appropriate due to the immediate availability of the candidate. As I am reviewing the permanent senior leadership structure and arrangements within my office, (on which I am due to report my proposals to the Panel in the summer of this year), the temporary secondment arrangement for this role also aligns with the timescales for the development of those plans and subsequent recruitment to permanent roles.

Police and Crime Commissioner

for Hertfordshire

I propose to the Panel, John Franklin, Hertfordshire County Council's Head of Accountancy Services to be seconded on a part-time basis to fulfil the role of Chief Finance Officer in my office. Mr Franklin is a fully qualified accountant, a full member of CIPFA since 2000 and Deputy Section 151 Officer for the County Council. As such, he satisfies the formal qualification requirements to act in this role. His experience is current and highly relevant, as responsibilities in his County Council role include leading on:

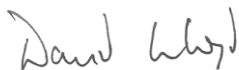
- The production of HCC's statement of accounts
- HCC's Medium Term Financial Strategy, annual integrated planning/budget process and council tax precept setting
- The preparation of the Authority's monthly and quarterly revenue and capital budget monitors
- HCC's capital planning, monitoring and control processes
- Monthly/quarterly presentation and discussion of budget monitors/financial accounts with Senior Management Board, Executive Member for Resources, Cabinet, Resources and Transformation Panel and Audit Committee
- Liaison with External Audit, Audit Manager and Internal Audit re annual report

He is also an active member of the Southern Counties Chief Accountant Group.

I have consulted with the Chief Executive of the County Council and confirm that a seconded arrangement equivalent to 1 day of Mr Franklin's time per week is acceptable to all parties. This secondment arrangement has been established for a period of 12 months with a review at the 6 month period, by which time my plans for the permanent leadership team structure will have been presented to the Panel. Mr Franklin would remain a full-time employee of the County Council and retain HCC's standard terms and conditions for his current role which include 30 days annual leave. His salary for this arrangement covering both roles is £66,000 and my office will refund to the County Council the pro-rata cost of his salary, employment on costs and travel which will be £19,500 for the full year.

Mr Franklin and I will be happy to attend the public meeting arranged for the Panel to review my proposed appointment.

Yours faithfully



David Lloyd
Police and Crime Commissioner for Hertfordshire