



LONDON FIRE BRIGADE

Decision title

Structures Review 2020

Recommendation by
General Counsel

Decision Number
LFC-0322-D

Protective marking: **NOT PROTECTIVELY MARKED**
Publication status: Published in full

Summary

Subsequent to the appointment of Andrew Roe as London Fire Commissioner on 1 January 2020, a new Transformation Delivery Plan in response to the Grenfell Tower Inquiry and the inspection report by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services has been developed. The plan envisages a review of the structure of the LFB organisation. As an interim position, the Commissioner has opted not to appoint a new Deputy Commissioner for Operations, and replace the top tier of management with only two directorates instead of three.

As a result of the structural changes, minor amendments are proposed to the Scheme of Governance. A more detailed review of the governance framework will be undertaken in line with the Transformation Delivery Plan.

Decision

The London Fire Commissioner approves the organisational structure reforms set out in Appendix A and the reviewed Scheme of Governance at Appendix B.

Andy Roe
London Fire Commissioner

Date 4th March 2020.

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LONDON FIRE BRIGADE

Report title

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Report to

London Fire Commissioner

Date

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As a result of the structural changes, minor amendments are proposed to the Scheme of Governance. A more detailed review of the governance framework will be undertaken in line with the Transformation Delivery Plan.

Recommended decision

The London Fire Commissioner approves the organisational structure reforms set out in the report.

Background

1. In December 2019, the Commissioner's Board considered proposals to confirm a small number of structural changes, including the movement of the Grenfell Tower Investigation and Review Team and Operational Resilience and the Special Operations Group, together with the establishment of a new Property function. That report was considered but no Commissioner's decision was taken.
2. On the 1 January 2020, Andrew Roe was appointed as the London Fire Commissioner. A first priority for the Commissioner has been the establishment of a Transformation Delivery Plan (TDP) to drive the London Fire Brigade's response to the Grenfell Tower Inquiry (GTI) Phase 1 report and Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) inspection report published in December 2019.
3. Pending the appointment of the Transformation Director being appointed, the Commissioner has, as an interim position, decided not to appoint a new Director of Operations at this time, with

the two remaining directors being the Deputy Commissioner for Operational Delivery and Assurance and the Director of Corporate Services incorporating work under the previous Director of Operations.

4. The Commissioner's early priority is to ensure that his transformation plan is able to be delivered efficiently and effectively within the appropriate corporate governance structures. Within the context of having only two directors, there is a need to introduce changes to the organisational structure and associated changes with the Brigade's governance framework.

Directorate Structures

5. There have been three directorates: Operations, Corporate Services and Safety and Assurance. The Director for Corporate Services is the Commissioner's Chief Finance Officer and Head of Paid Service. Since April 2018, the two operational directorates have been led by Deputy Commissioners.
6. The directorate layer of governance ensures that directors are able to scrutinise proposals to the Commissioner and to the Deputy Mayor prior to any formal submission; have a forum for monitoring the work of their directorates; and are able to exercise delegated decisions effectively.
7. In order to provide clarity of accountability in the delivery of the Transformation Delivery Plan, it is proposed to reconcile services from the existing three directorates into the Corporate Services Directorate and the Operational Delivery and Assurance Directorate. The directorates' scope will be:

Corporate Services

- a) Finance
- b) People Services
- c) Technical and Commercial Services
- d) Training and Development
- e) Communications
- f) General Counsel's Department
- g) Property (see paragraph 8 below)
- h) Information and Communications Technology

Operational Delivery and Assurance

- a) Fire Safety
- b) Fire Stations
- c) Mobilising and Control
- d) Health and Safety
- e) Operational Policy
- f) Operational Resilience
- g) Strategy and Risk
- h) Grenfell Tower Investigation and Review
- i) London Resilience

Property Services

8. In June 2019 a report was discussed with the Deputy Mayor for Fire and Resilience, which proposed the disaggregation of Property Services from Technical and Commercial Services and the recruitment of an interim Assistant Director for Property tasked with the development of

proposals for a reformed in-house property function for the Brigade. To support and enable the interim Assistant Director, version 2.2 of the Commissioner's Scheme of Governance attached as Appendix 1 includes that post as a Head of Service with the associated delegations and moves property-related delegations from the Assistant Director for Technical and Commercial Services to the Assistant Director for Property. Those delegations are:

- a. The declaration of property as surplus to requirements
- b. The approval of terms for the acquisition or disposal of leasehold property where the lease term is for under seven years and where the value is less than £150,000.
- c. The approval of terms for the grant or taking of licenses and of leases (of up to seven years in length and where the value is less than £150,000).
- d. The approval of contracts and other agreements for the purchase of works, goods or services up to a value of £150,000.

Scheme of Governance

9. A number of further refinements to the Scheme are proposed to better enable efficient working within the Brigade:
 - (i) The Assistant Director for Technical and Commercial Services, who remains responsible for procurement and FLEET services, has proposed refinements to the Procurement Standing Orders (PSOs) to remove duplication and to provide greater clarity for definitions; and
 - (ii) Minor changes are made to delegations to officers, to facilitate the Commissioner's intent to allow greater delegative responsibility for directors.

Finance comments

10. This report recommends the implementation of reforms to the organisational structure and the Scheme of Governance. The changes to the structure include the move from three to two directorates on an interim basis and the creation of a Transformation Director position. The Transformation Director and any associated costs will be funded from the Transformation Reserve.

Workforce comments

11. The directors and effected Heads of Service have been consulted in the development of this report and the amended Scheme of Governance. No consultation with representative bodies has taken place.

Legal comments

12. The recommendations in the report seek to formalise the organisational structure change, and bring the LFC's Scheme of Governance in line with the new structure, also adding clarity around delegated functions.
13. Section 1 of the Fire and Rescue Services Act 2004 states that the London Fire Commissioner ('Commissioner') is the fire and rescue authority for Greater London. Section 327A (5) of the Greater London Authority Act 1999 requires the Commissioner to secure that the London Fire and Rescue Service is efficient and effective. This means the personnel, services and equipment secured by the London Fire Commissioner for the purposes of carrying out the Commissioner's functions.

14. The new structure will aid the delivery of the Transformation Delivery Plan. The revised internal governance arrangements will also enable functions and for the administration of affairs to be conducted in a transparent, consistent and timely manner, thereby ensuring the organisation remains efficient and effective.
15. The proposals set out in this report are within the Commissioner's general powers.

Sustainability implications

16. There are no sustainability considerations associated within the report.

Equalities implications

17. The London Fire Commissioner and decision takers are required to have due regard to the Public Sector Equality Duty (s149 of the Equality Act 2010) when taking decisions. This in broad terms involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.
18. It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.
19. The protected characteristics are: Age, Disability, Gender reassignment, Pregnancy and maternity, Marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), Race (ethnic or national origins, colour or nationality), Religion or belief (including lack of belief), Sex, and Sexual orientation.
20. The Public Sector Equality Duty requires us, in the exercise of all our functions (i.e. everything we do), to have due regard to the need to:
 - (a) Eliminate discrimination, harassment and victimisation and other prohibited conduct.
 - (b) Advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.
 - (c) Foster good relations between people who share a relevant protected characteristic and persons who do not share it.
21. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic;
 - (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it (;

(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

22. The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

23. Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—

(a) tackle prejudice, and

(b) promote understanding.

An Equality Impact Assessment (EIA) has not been undertaken.

An EIA was not required because the changes proposed introduce one new post to the London Fire Brigade; amend departmental structures; deliver greater delegations to officers; and clarify procurement standing orders. There are no discriminative impacts upon individuals within one of the protected characteristics. No opportunities to advance equality of opportunity nor foster good relations between people who share a protected characteristic and those who do not is available.

List of Appendices

Appendix	Title	Protective Marking
1.	Scheme of Governance Version 2.2	None

Consultation

Name/role	Method consulted
Assistant Director for Technical and Commercial Services	In person
Assistant Director, Finance	Email
General Counsel	Email
Head of Procurement	In person
Assistant Director, Property	In person

LONDON FIRE COMMISSIONER

SCHEME OF GOVERNANCE

4 March 2020

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- PART 7 Definitions**

PART 1 – Code of Corporate Governance

Context

1. The London Fire Brigade ('the Brigade') provides the fire and rescue service for London. The Brigade is governed by the London Fire Commissioner (the 'Commissioner') which is a statutory corporation sole. This Scheme of Governance sets out the Commissioner's governance arrangements, as follows:
 - Part 1 – Code of Corporate Governance
 - Part 2 – Standing Orders relating to Business set out the Commissioner's formal rules for the conduct of business.
 - Part 3 – Standing Orders relating to Procurement set out the Commissioner's formal rules for the purchase of works, goods, and services
 - Part 4 – Delegations to Officers set out the decisions delegated by the Commissioner to Officers
 - Part 5 – Appointment of Statutory and Proper Officers
 - Part 6 – Financial Regulations
 - Part 7 – Definitions

2. The Commissioner was created under the Greater London Authority Act 1999, following changes brought in by the Policing and Crime Act 2017, which makes them one of the **functional bodies** of the GLA. Consequently:
 - the Mayor of London (the 'Mayor') holds the Commissioner to account for the exercise of the Commissioner's functions
 - the Commissioner's budget is set by the Mayor
 - the Mayor can give guidance and directions to the Commissioner as to the exercise of the Commissioner's functions
 - the London Assembly scrutinises the actions of the Commissioner through their Fire, Resilience and Emergency Planning Committee
 - the Commissioner must have regard to various strategies which the Mayor is required by law to produce
 - the Mayor requires the Commissioner to address certain policy concerns and to work co-operatively with the other functional bodies.

3. The Commissioner is the **Fire and Rescue Authority** for Greater London under the Fire and Rescue Service Act 2004. In this capacity, the Commissioner:
 - must ensure that the Brigade is efficient and effective
 - has a direct and close relationship with the Home Office, the Ministry for Housing, Communities and Local Government and the Cabinet Office, as the government service responsible for fire and rescue services, resilience capabilities and local authorities' resilience arrangements, as well as other government services such as Department for Business, Energy and Industrial Strategy, regarding its fire prevention function
 - must fulfil other statutory functions of the fire and rescue authority.

Organisational structure

4. The Commissioner is supported by two Deputy Commissioners and one Director. These officers meet regularly with the Commissioner as the Commissioner's Board ('CB'). Directors meet regularly with their Heads of Service and other senior officers as Directorate Boards ('DBs'). These consider the business and management of directorates and the organisation.
5. Many responsibilities of the Commissioner are undertaken through Delegated Decisions taken by senior officers – Directors and Heads of Service. The delegations to these officers are set out in Part 4 of this Scheme.
6. The Commissioner has statutory officers who have specific duties to ensure the good governance of the body corporate:
 - The **Head of Paid Service** is responsible for reporting to the Commissioner on the co-ordination of the discharge of functions, the numbers and grades of staff required and their organisation, appointment and management. The Commissioner is required to consider any such report within three months of receiving a copy of it.
 - The Section 127 Officer ('**Chief Finance Officer**') of the Greater London Authority Act 1999 reports to the Commissioner on the proper administration of financial affairs and specifically if it appears that the Commissioner or a person holding any office or employment under the Commissioner: (a) has made or is about to make a decision which involves or would involve the Commissioner incurring expenditure which is unlawful, (b) has taken or is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the Commissioner, or (c) is about to enter an item of account, the entry of which is unlawful. The Section 127 Officer is also required to report to the Commissioner if it appears that the expenditure of the Commissioner incurred (including expenditure proposed to be incurred) in a financial year is likely to exceed the resources (including sums borrowed) available to the Commissioner to meet that expenditure. The Section 127 Officer must send a copy of the report to the Mayor of London and to the Chair of the London Assembly.
 - The **Monitoring Officer** is responsible for monitoring the business of the Commissioner and reporting to the Commissioner upon any unlawful proposals, decisions omissions or actions, by the Commissioner or by anyone holding office or employment under the Commissioner. The Monitoring Officer is also responsible for reporting to the Commissioner any maladministration on the part of the Commissioner or by anyone holding office or employment under the Commissioner that is the subject of a report issued by the Local Government Ombudsman. The Commissioner is required to consider the Monitoring Officer's report within three months of receiving a copy of it.

In addition, the Commissioner may appoint a statutory **Deputy London Fire Commissioner** who may exercise any or all the powers and duties of the Commissioner:

- during any absence, incapacity or suspension from duty of the Commissioner
- during any vacancy in the office of the Commissioner but not for a continuous period of three months or more without the consent of the Mayor, or
- at any other time, with the consent of the Commissioner but not for a continuous period of three months or more without the consent of the Mayor.

Principles of good governance

7. The Commissioner has adopted the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government* which sets out the core principles on which effective governance should be built. These are:
 - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
 - Ensuring openness and comprehensive stakeholder engagement
 - Defining outcomes in terms of sustainable economic, social, and environmental benefits
 - Determining the interventions necessary to optimise the achievement of the intended outcomes
 - Developing the entity's capacity, including the capability of its leadership and the individuals within it
 - Managing risks and performance through robust internal control and strong public financial management
 - Implementing good practices in transparency, reporting, and audit to deliver effective accountability.
8. This Scheme of Governance incorporates the core good governance principles in a way that is relevant to the Commissioner's role and responsibilities. It also sets out the arrangements for reviewing how effective the Commissioner is in following them.
9. The way in which the Commissioner puts each of the core principles of good governance into practice and its proposals to enhance its governance arrangements are set out below.
10. In **executing a strategy for London in relation to its core functions**, the Commissioner will:
 - explicitly state in their Integrated Risk Management Plan ('the London Safety Plan') how an effective and efficient fire and rescue service is being provided for London
 - develop and implement specific strategies and action plans appropriate to their functions
 - maintains and develop partnerships at borough and pan-London levels
 - operate a performance management framework ensuring that the information needed to scrutinise service delivery is effectively and regularly available
 - support, and appropriately resource, the Commissioner's statutory officers
 - have regard to the statutory powers and duties of their officers when making decisions
 - be innovative in exercising available powers for the benefit of the people of London
 - produce an Annual Governance Statement detailing their adherence to these principles, which is submitted to the Mayor of London and the London Assembly's Fire, Resilience and Emergency Planning Committee
 - collaborate with other emergency services.
11. Ensuring that officers work within **clearly defined functions and roles**, the Commissioner:
 - defines the responsibilities of staff through clear job descriptions, monitoring and managing the performance of their staff
 - defines performance indicators against which performance is regularly monitored by officers and are the subject of regular report to and scrutiny by the London Assembly
 - ensures delivery of service strategies through the adoption of common deliverables in the service plans of all departments

- demonstrates best practice in their financial management and procurement through compliance with and regular reviews of their Standing Orders, financial regulations and procurement policies
- through the activities of the Section 127 Officer, ensures the financial scrutiny of proposed actions and the management of an annual programme of audits.

12. Upholding high standards of **conduct and behaviour**, the Commissioner:

- adopts a set of values which are communicated through initiatives such as staff briefings
- expects senior officers to set a tone for the organisation of openness, support, good communication and respect
- continues to ensure that equality, diversity and inclusion strategy drives best practice and is integral to how the organisation and their staff conduct business
- ensures staff interests and offers of gifts and hospitality to staff are available to be scrutinised through easily accessible registers
- ensures standards and expectations of staff are set and enforced through Brigade policies
- works with the GLA and other functional bodies to maintain common standards of ethical governance in accordance with the GLA Group's Corporate Governance Framework Agreement
- maintain effective policies and procedures on whistle-blowing, compliments, complaints and conflicts of interest, ensuring effective, transparent and accessible arrangements are in place for their management.

13. Taking **robust, accountable and transparent decisions**, which are subject to effective scrutiny and risk management, the Commissioner will:

- ensure that informed decisions are taken, based on the correct and sufficient information that has been subject to appropriate due diligence and impact assessments
- ensure robust systems for identifying and managing corporate risks are in place, including the regular review of the Corporate Risk Register by Directorate Boards and the Commissioner's Board and regular reporting of significant risks for scrutiny by the London Assembly
- maintain a statutory publication scheme, ensuring access to information in accordance with the Freedom of Information legislation and refusing access to information only where the public interest in doing so clearly outweighs the public interest in granting access
- acknowledge the scrutiny role of the London Assembly by supporting the Mayor and Deputy Mayor in responding on scrutiny issues and attending the Assembly's appropriate committee as required
- consult on relevant plans, policies and proposals and take account of the results of that consultation in taking decisions
- ensure that as much of its formal business as possible is published and that members of the public can ask questions or raise matters of concern
- ensure good practice in workplace equality and diversity.

Assuring the governance arrangements

14. Each year the Commissioner validates their governance arrangements by preparing an Annual Governance Statement for submission to the external auditor upon the closure of the annual accounts. The Statement must include commentary on the effectiveness of the governance framework, including the system of internal control and an evaluation of performance against this Code. In addition, the Code itself will be reviewed against the CIPFA/SOLACE framework, notable

Scheme of Governance – Code of Corporate Governance

practice identified elsewhere and any subsequently produced standards or regulatory guidance. Any actions required to address identified failings or areas for improvement will be included the Annual Governance Statement action plan.

PART 2 – Standing Orders Relating to Business

1. Commissioner's Decisions

- 1.1 Commissioner's Decisions will be taken on the recommendation of, and following consideration of, a report of a Director or Head of Service.
- 1.2 Reports recommending a Commissioner's Decision will be published on the Commissioner's website five clear working days before the report is considered for decision. This Standing Order will not apply where the Commissioner determines that an earlier decision is required to protect the interests of the Commissioner, the community or any members of it.
- 1.3 Commissioner's Decisions will be published not later than the third working day after the decision is taken.
- 1.4 Commissioner's Decisions on reports may be deferred.
- 1.5 The publication requirements set out in Standing Orders 1.2 and 1.3 will not apply to any report or decision containing information which in the written determination of the General Counsel is exempt from disclosure under freedom of information or other legislation. In such cases, and wherever possible, a summary of the report and decision will be published.

2. Execution of Documents

- 2.1 The Seal of the Commissioner shall be kept in the custody of the General Counsel.
- 2.2 The General Counsel will execute and affix the seal to any document which is required to be sealed to give effect to a Commissioner's Decision. The General Counsel will attest the fixing of the seal with their signature. This signature will be a full and sufficient certificate that the document has been duly and validly sealed in compliance with the Standing Orders of the Commissioner.
- 2.3 The General Counsel may execute as a deed under their hand or seal or sign any document required to give effect to a Commissioner's Decision.
- 2.4 The General Counsel may authorise in writing officers of the General Counsel's Department to exercise on their behalf the functions set out in Paragraphs 2.2 and 2.3 of the Standing Orders Relating to Business.
- 2.5 Directors, Head of Service and other officers nominated by Directors may sign any document related to matters for which they are responsible and required to give effect to a Commissioner's or delegated decision. Details of such nominations shall be deposited with the General Counsel.

3 Privacy of documents

- 3.1 Where information is exempt under legislation or otherwise, from disclosure by the Commissioner, the General Counsel may:
 - decide which documents or parts of documents should not be published
 - mark such documents in accordance with the Commissioner's Protective Marking Scheme.
- 3.2 The General Counsel will remove the markings, when they are no longer required, from all or part of the document.

4. Waiver of Standing Orders

- 4.1 Following consultation with the General Counsel, any provision of these Standing Orders Relating to Business may be waived, suspended or amended by a Commissioner's Decision.

PART 3 – STANDING ORDERS RELATING TO PROCUREMENT

1. Purpose

- 1.1. The purpose of these Procurement Standing Orders ('PSOs') is to ensure that the Commissioner's procurement activities:
 - 1.1.1. Comply with relevant laws relating to procurement and spending public money;
 - 1.1.2. Ensure Best Value is achieved;
 - 1.1.3. Ensure appropriate market competition through fair and transparent sourcing; and
 - 1.1.4. Protect the business and reputational interests of the Commissioner through robust contracting and Contractor management.
- 1.2. PSOs must be complied with at all times. Non-compliance may be grounds for disciplinary proceedings under the Commissioner's disciplinary policy.

2. The Regulations

- 2.1 Public sector procurement is a regulated sector, governed by the Public Contract Regulations 2015 ('PCR'). All officers are responsible for complying with the requirements of the PCR. Further advice is available from Technical and Commercial Services.

3. Scope

- 3.1. These PSOs apply to the procurement of, and award of contracts for all goods, works or services, except those in paragraph 3.3 below.
- 3.2. Contracts with a Contract Value of less than £10k are only in scope of PSO5.
- 3.3. The following contracts are not subject to these PSOs:
 - 3.3.1. Contracts for the acquisition or lease of land and/or real estate; and
 - 3.3.2. Employment contracts for the employees of the Commissioner.

4. Estimating the Contract Value

- 4.1. The Contract Value must be based on the full duration that the requirement may be needed.
- 4.2. If the duration of a contract requirement is unknown, the estimate should be based on a four year period.
- 4.3. When calculating the Contract Value, it must not be:
 - 4.3.1. estimated at a value as to deliberately avoid the application of the PCR or PSOs; or
 - 4.3.2. subdivided into multiple contracts to avoid the application of the PCR or PSOs.

5. General principles

5.1. When procuring, or proposing to procure, officers must:

- 5.1.1. comply with all legal requirements, including the PCR and the applicable Standing Orders contained within the Commissioner's Scheme of Governance;
- 5.1.2. ensure that impartiality is maintained and shown to be maintained;
- 5.1.3. ensure that no Contract is awarded unless it provides to the Commissioner the appropriate quality of goods, works and /or service and Best Value;
- 5.1.4. ensure that Contractors are managed in accordance with Contract provisions, and that requisitions and purchase orders are raised in accordance with that Contract; and
- 5.1.5. ensure that all procurements and contract management are carried out in a proportionate manner.

6. Roles and responsibilities

6.1. Technical and Commercial Services are responsible for the delivery of all procurements that are subject to these PSOs. In particular, Technical and Commercial Services are responsible for:

- 6.1.1. Managing all procurement activities from identification of need to contract award, including the publication of contract notices;
- 6.1.2. Providing commercial contract management advice and support;
- 6.1.3. Ensuring the relevant clients are engaged in all contract strategies and awards;
- 6.1.4. Managing robust contract management arrangements for a prescribed list of Contracts designated as major Contracts by the Assistant Director Technical and Commercial;
- 6.1.5. Overseeing that purchase orders are placed in accordance with Contract requirements and any applicable financial regulations;
- 6.1.6. Maintaining a list of Contracts in accordance with the requirements stated within the Transparency Code;
- 6.1.7. Reviewing Procurement Documents provided by clients and approving them as market ready; and
- 6.1.8. Deciding which route to market will likely provide a Best Value outcome.

6.2. Except for Contracts owned by Technical and Commercial Services as the client, it is the responsibility of Lead Client Officer (LCO) to ensure the following actions are fulfilled in a timely and sufficient manner:

- 6.2.1. Initiating subsequent re-tendering of a Contract by submitting a Procurement Request Form to the Director of Corporate Services for approval;

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- 6.2.2. Issuing a Tender Request Form to Technical and Commercial Services;
 - 6.2.3. Ensuring continuity of service by seeking the approval of the Director of Corporate Services or Assistant Director of Technical and Commercial to extend a Contract;
 - 6.2.4. Arranging for consents to be granted (procurement initiation, financial authority or Contract Award);
 - 6.2.5. Writing the Specifications for goods, works or services;
 - 6.2.6. Identifying key quality and performance requirements;
 - 6.2.7. Providing selection and evaluation criteria, with weightings, for the Contract Award process; and
 - 6.2.8. Ensuring that requisitions for goods, works or services are raised in accordance with the Contract and securing the delegated financial authority from the budget holder.
- 6.3. The LCO and Technical and Commercial Services are jointly responsible for working collaboratively to develop the Contract Documentation and relevant Contract schedules to include payment mechanisms, quality standards and, where appropriate, performance regimes and key performance indicators, business continuity, asset refresh programmes, exit strategy, sustainability, equality and diversity.

7. Contracts register

- 7.1. The Assistant Director Technical and Commercial is responsible for holding and maintaining a register of all current Contracts and future Contracts for which a Tender Request Form has been submitted.
- 7.2. All Heads of Service are responsible for providing the Procurement Department with:
 - 7.2.1. regular updates of the status of each Contract under their management in relation to re-procurements; and
 - 7.2.2. Tender Request Forms detailing Contracts that will be required to be awarded within the next 18 months or within any appropriate longer period for more complex procurements.

8. Waivers

- 8.1. Where an LCO requests to waive a competitive procurement process, approval must be sought from the Assistant Director Technical and Commercial if the Contract Value is under the EU Threshold.
- 8.2. If the Contract Value is in excess of the EU Threshold, approval to waive a competitive procurement process must be sought from the Director of Corporate Services, in consultation with the General Counsel and the Assistant Director Technical and Commercial. Permission will only be granted if the criteria stated in PCR regarding a non-competitive procurement procedure apply.
- 8.3. Approval in accordance with 8.2 above, must be granted prior to commencement of any negotiation with the Contractor.

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- 8.4. All other PSOs will apply including the requirement to acquire Procurement Initiation consent and Contract Award consent.

9. Procurement Initiation

- 9.1. Prior to issuing Procurement Documents to the market or incurring non-contracted expenditure, approval to initiate a procurement must be sought by submitting a Procurement Request Form to the Director of Corporate Services (or in their absence, to the Assistant Director Technical and Commercial).
- 9.2. If the procurement involves any matters or implications of a novel, contentious or repercussive nature, details of these must be stated on the Procurement Request Form. Where 9.2 applies, the requestor must report the proposed procurement to the Commissioner's Board for discussion prior to submitting the Procurement Request Form to the Director of Corporate Services for approval.

10. Procurement Process

- 10.1. Where a procurement request is approved, a procurement process will be conducted by the Procurement Department.
- 10.2. Technical and Commercial Services will consult with the LCO to ensure that a suitable procurement process is selected that will provide Best Value to the Commissioner.
- 10.3. In instances where the Contract Value is in excess of the EU threshold, the procurement process will comply with the procedures in the PCR.

11. Responsible Procurement

- 11.1 Appropriate Responsible Procurement requirements must be included within all Procurement Documents in order to fulfil the requirements of the Responsible Procurement Policy.

12. Contract Award

- 12.1. Prior to the award of any Contract, approval to award must be granted.
- 12.2. If the Contract Value is less than £150k, the Assistant Director Technical and Commercial may approve the Contract Award.
- 12.3. If the Contract Value is greater than £150k, the decision to award must be made by a director or the Commissioner in accordance with the Commissioner's Scheme of Governance.
- 12.4. When the evaluation of tenders is complete, the successful Contractor has been identified and approval to award has been granted, Technical and Commercial Services will issue correspondence to the successful and unsuccessful Contractors.

13. Contract Execution

Scheme of Governance – Standing Orders relating to Procurement

- 13.1. Technical and Commercial Services, in consultation with General Counsel, will draft and issue the appropriate Contract documentation to the appointed Contractors.
- 13.2. Contracts will be executed in accordance with Standing Order 2 of Part 2.

14. Contract Extensions

- 14.1. Contracts which have been subject to a PCR and PSO compliant procurement process and which contain an extension clause may be extended, subject to the approval of the Assistant Director of Technical and Commercial.
- 14.2. In the absence of an extension clause, a Contract may be extended if:
 - 14.2.1. the Contract Value is less than the EU threshold, the extension can be reasonably justified, would not amount to a substantial change to the Contract, and the Assistant Director of Technical and Commercial's approval has been granted; or
 - 14.2.2. the Contract Value is greater than the EU threshold, the proposed variation complies with the requirements of PCR and a Commissioner's Decision has approved the extension.

15. Contract Management

- 15.1. The Head of Service responsible for the Contract must:
 - 15.1.1. ensure that effective management arrangements are in place to secure delivery of the Contract;
 - 15.1.2. after consultation with the Assistant Director Technical and Commercial, Director of Corporate Services and the General Counsel as appropriate, deal with all matters arising from the management of the Contract including delays or claims by Contractors; and
 - 15.1.3. provide the Assistant Director Technical and Commercial with an evaluation of the Contractor's performance at intervals specified by the Assistant Director Technical and Commercial.

PART 4 – DELEGATIONS TO OFFICERS OF THE LONDON FIRE COMMISSIONER

1. Introduction

- 1.1 The Commissioner delegates to Directors and Heads of Service, and officers nominated by Directors and Heads of Service, to act on the Commissioner's behalf, the functions set out in the Delegations to Officers in this Part 4 of this Scheme of Governance. Such nominations shall not be effective unless lodged with the General Counsel and published on the Commissioner's website.
- 1.2 The Commissioner may make additional specific or general delegations from time to time.
- 1.3 The exercise of all functions delegated is subject to:
 - The Standing Orders in Part 2 of this Scheme of Governance
 - All decisions, policies, procedures, codes of practice and protocols adopted by the Commissioner (or the predecessor Authority to the extent that they remain relevant)
 - Any expenditure falling within the Commissioner's approved budget
 - The responsibility of staff appointed to management and supervisory posts to manage staff and resources
 - Consultation with professional and operational officers, external advisers and the Commissioner's statutory officers as appropriate
 - Consultation with staff and their representatives where appropriate.
- 1.4 Any functions delegated to a Head of Service may be exercised by their Director, and with the consent in writing of the Commissioner any function delegated to a Director may be exercised by a Head of Service within their Directorate.
- 1.5 Any delegated function may be exercised by the Commissioner.

2. Delegations

2.1 All Directors

- The approval of any proposal (including approvals required under the Procurement Standing Orders set out in Part 3 of this Scheme of Governance and its consequential expenditure involving estimated expenditure of up to £150,000, subject to consultation with the Director of Corporate Services (or Assistant Director (Finance) where the Director is the decision-maker).
- The authorisation in writing of employees of the Commissioner to exercise emergency powers under Section 44 of the Fire and Rescue Service Act 2004.

2.2 All Heads of Service

- The determination of the number and duties of posts in their department
- The appointment, management and dismissal of staff below Head of Service level
- The approval of any expenditure
 - up to £50,000 per transaction or item, or
 - of a recurring nature, incurred at least annually and not exceeding £150,000
- The approval of expenditure to be reimbursed by the Commissioner's insurers or from some other source
- The approval and waiver of charges for publications, information, service or facilities provided by the Commissioner following consultation with the Director of Corporate Services

Scheme of Governance – Delegations to Officers

- The approval of changes to policies and procedures of which they are the designated custodian
 - The writing off of losses up to £500
- 2.3 *The Director of Corporate Services*
- The approval of treasury management action
 - The approval of borrowing
 - The determination of Stage 2 Internal Dispute Resolution Procedure appeals under the Firefighters Pension Scheme
 - The amendment of service budgets to reflect income received.
 - The exercise of the Commissioner's powers as shareholder of London Fire Brigade Enterprises Limited
 - The writing off of losses up to £100,000
- 2.5 *All Assistant Commissioners and all Deputy Assistant Commissioners*
- The approval of prohibition notices under Article 31 of the Regulatory Reform (Fire Safety) Order 2005
- 2.4 *The Assistant Commissioner (Fire Safety)*
- The authorisation of Fire Investigating Officers under Section 45 of the Fire and Rescue Service Act 2004
 - The appointment of
 - Fire Safety Inspectors under Article 26 of the Regulatory Reform (Fire Safety) Order 2005
 - Inspectors under Section 19 Health and Safety at Work etc. Act 1974
 - Such other statutory inspectors or enforcement officers as the Commissioner is empowered to appoint
 - The approval of enforcement action including statutory alteration, enforcement and other notices
 - The grant of exemptions in accordance with the Fire Precautions (Sub-Surface Railway Stations) Regulations 2009
 - The approval and termination of primary scheme agreements and memoranda of understanding relating to fire safety.
- 2.5 *Assistant Director (People Services)*
- The approval of nil cost employee benefit and salary sacrifice schemes
 - The implementation of agreements secured through joint negotiating arrangements
 - The approval of trades union facilities agreements
 - The approval of the grading of posts
 - The approval of redundancy, settlement and termination payments
 - The extension or reduction of sick pay to staff.
 - The approval of the employment of Commissioner's staff by contractors to the Commissioner
 - The exercise of discretions under the Firefighters Pension Schemes and the Local Government Pension Scheme
- 2.6 *Assistant Director (Communications)*
- The approval of the terms of sponsorship arrangements and agreements with organisations external to the Brigade
 - The approval of communications strategies and new communications tools in line with those strategies.
- 2.7 *Chief Information Officer*
- The approval of the Commissioner's Publication Scheme.

2.8 *General Counsel to the Commissioner*

- The authorisation of prosecutions by the Commissioner following consultation with the Assistant Commissioner (Fire Safety)
- The discontinuance of prosecutions following consultation with the Assistant Commissioner (Fire Safety)
- The authorisation of civil proceedings by the Commissioner
- The taking of any action to support the statutory functions, or protect the assets, of the Commissioner, or to protect the community or its members, including the initiation and defence of any judicial or quasi-judicial proceedings, the laying of informations and the submission and defence of appeals
- The authorisation of officers (not being certificated solicitors, certificated barristers or chartered legal executives) to appear on the Commissioner's behalf in legal proceedings.
- The authorising, following consideration of a recommendation of a Director, of legal representation for employees of the Commissioner who are involved in legal proceedings arising in connection with the discharge of their duties
- The taking of any action to facilitate the compliance by the Commissioner with a decision of a court or tribunal
- To act as Solicitor to the Commissioner taking such action as flows from that appointment
- The appointment of counsel, solicitors, transcribers, inquiry agents and agency services and consultants.
- The settlement of any claim, including claims for costs, by or against the Commissioner up to £150,000
- The negotiation and approval of legal documentation, in accordance with any recommendations from a Director, Assistant Director or Assistant Commissioner, to give effect to any decision of the Commissioner.

2.9 *Assistant Director (Technical and Commercial)*

- The approval of terms for the disposal of unwanted vehicles and equipment
- The approval of contracts and other agreements for the purchase of works, goods or services up to a value of £150,000.

2.10 *Assistant Director (Property Services)*

- The declaration of property as surplus to requirements
- The approval of terms for the acquisition or disposal of leasehold property where the lease term is for under seven years and where the value is less than £150,000.
- The approval of terms for the grant or taking of licenses and of leases (of up to seven years in length and where the value is less than £150,000).

2.11 *Assistant Director (Finance)*

- The determination of Stage 1 Internal Dispute Resolution Procedure appeals under the Firefighters and Local Government Pension Schemes

PART 5 – APPOINTMENTS BY THE LONDON FIRE COMMISSIONER OF STATUTORY AND PROPER OFFICERS

1.1 Statutory Officers

Statutory Officer	Officer Appointed
Deputy London Fire Commissioner	Deputy Commissioner (Operational Delivery and Assurance)
Head of Paid Service	Director of Corporate Services
Chief Finance Officer	Director of Corporate Services
Monitoring Officer	General Counsel

1.2. Proper Officers

Statutory Provision	Responsibilities	Officer Appointed
Section 115 Local Government Act 1972	Taking receipt of monies due to the Commissioner and held by officers.	Assistant Director (Finance)
Section 146 Local Government Act 1972	Provision of statutory declaration/certificate specifying securities and verifying change of name and identity of The Commissioner.	Assistant Director (Finance)
Section 225 Local Government Act 1972	Taking receipt of and retaining documents deposited with The Commissioner.	Head of Information Management
Section 229 Local Government Act 1972	Certifying photographic copy as true copy of document which is in The Commissioner's possession or which has been destroyed whilst in The Commissioner's possession.	Head of Information Management
Section 234 Local Government Act 1972	Authentication of documents which the Commissioner is authorised /required by/under legislation to give/make/issue.	General Counsel
Section 23 Landlord and Tenant Act 1927	Taking receipt of service of notices.	Assistant Director (Technical and Commercial Services)
Section 30 Local Government Act 1974	Giving public notice by advertisement in newspapers of availability of LGO's report.	General Counsel

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Statutory Provision	Responsibilities	Officer Appointed
Section 41 Local Government (Miscellaneous Provisions) Act 1976	Certifying copies of resolution/order/report/minutes of the Commissioner or minutes of its predecessors.	General Counsel
Section 2(4) Local Government and Housing Act 1989	Taking receipt from the Commissioner of deposited list of politically restricted posts.	General Counsel
Local Government Area Change Regulations 1976	Duties relating to transfer of statutory registers to successor authorities.	General Counsel
Article 37(1) of the General Data Protection Regulations 2016	Data protection officer	Head of Information Management

PART 6 – FINANCIAL REGULATIONS

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Financial Regulations

These Financial Regulations (Regulations) set out how the Commissioner meets their statutory responsibilities in relation to the administration of their financial affairs.

1. Scope of these Regulations

- (a) All members and staff have a responsibility for resources under their control, ensuring that the use is legal, appropriately authorised, offers value for money and best value.
- (b) All staff who have responsibility for financial management or who have control of budgets must adhere to these Regulations.

2. Financial Management Responsibilities

- (a) The Director of Corporate Services has responsibility for the administration of the Commissioner's financial affairs, under Section 127 of the Greater London Authority Act 1999, and is required to ensure that arrangements are made by Heads of Service for all financial and accounting matters and the security of money and other assets are economic, efficient and effective.
- (b) The Director of Corporate Services is also required to:
 - ∥ set and monitor compliance with financial management standards;
 - ∥ advise on the corporate financial position and on the key financial controls necessary to secure sound financial management;
 - ∥ provide financial information;
 - ∥ prepare the revenue budget and capital programme;
 - ∥ carry out treasury management and;
 - ∥ prepare the Commissioner's statutory statement of accounts and accounting returns.
- (c) Heads of Service must consult with the Director of Corporate Services on issuing financial instructions and making arrangements as necessary.
- (d) All financial systems, methods, records and controls must be agreed with the Director of Corporate Services. The Director of Corporate Services reports to the Commissioner not less frequently than once a year on the effectiveness of the financial administration.

FINANCIAL PLANNING, MONITORING AND CONTROL

3. Budget process

- (a) The Mayor is responsible for setting a consolidated budget and council tax requirement for the Commissioner.

4. Budget timetable

- (a) The Commissioner receives budget guidance from the Mayor in the early summer and then sets their detailed budget for the following financial year in March in line with the overall funding level set by the Mayor.

5. Revenue budgets

- (a) The Commissioner is responsible for management of the approved budgets, Heads of Service must:
 - ▮ advise the Commissioner of the financial implications of all proposals (as previously agreed by the Director of Corporate Services);
 - ▮ advise the Director of Corporate Services on variations and take action to avoid exceeding their budget allocation;
 - ▮ consult with the Director of Corporate Services on issuing instructions for all financial and accounting matters and the security of money and other assets;
 - ▮ agree in year virements (transfers of budget) within delegated limits (in consultation with the Director of Corporate Services).

6. Capital Budgets

- (a) The Director of Corporate Services must prepare the medium-term capital programme and annual capital estimate for approval by the Commissioner as part of a November budget submission to the Mayor and in the final budget report.

7. Reserves

- (a) To meet the requirement of the Local Government Act 2003 in respect of adequacy of reserves and to comply with the guidance on local authority reserves and balances issued by The Chartered Institute of Public Finance and Accountancy (CIPFA), the Commissioner must provide, as part of the budget submission to the Mayor:
 - ▮ a statement of reserve policy;
 - ▮ details of all reserves and general balances;

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- ▮ an analysis and explanation of the expected movements between the start and end of each financial year;
 - ▮ medium term forecast;
 - ▮ in the case of earmarked reserves, an indication should be given as to when they are likely to be applied; and
 - ▮ proposed allowances for contingencies separately identified and justified.
- (b) In support of the detailed statement on the adequacy of reserves, the corporate and service financial risk assessment must be refreshed annually.

8. Budget Monitoring

- (a) The Director of Corporate Services must provide appropriate financial information to enable budgets to be monitored effectively.
- (b) Each Head of Service must actively manage the budget delegated to them and control income and expenditure within their area and to monitor performance, taking account of financial information provided by the Director of Corporate Services.
- (c) At least once a month the Director of Corporate Services will provide access to budgetary control information to Heads of Service and guidance on variances that require explanation. Heads of Service are required to provide an explanation of key variances within agreed timetables.
- (d) Heads of Service must continually monitor and control the budgets, in respect of income and expenditure, and forecast out-turn, throughout the financial year and:
- ▮ forecast outturn and report on all variances at thresholds set by the Director of Corporate Services to the Director of Corporate Services;
 - ▮ advise of any action to be taken to contain under or over spends; and
 - ▮ review outstanding orders and the forecast position on agency payments to the end of the year.
- (e) Heads of Service must advise the Director of Corporate Services of the financial impact of the long-term forecasts (Medium Term Financial Strategy) for income and expenditure for each of the activities being undertaken.
- (f) Following consultation with the relevant Heads of Service the Director of Corporate Services will present budget monitoring reports to the relevant Board regularly.

9. Virements (Transfers of Budget)

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A virement is a transfer of a revenue budget that has not been committed. Virements between capital and revenue budgets are not permitted.

- (a) With the agreement of the Director of Corporate Services Directors may transfer up to £150,000 between budget heads within that department's approved budget.
- (b) With the agreement of the Director of Corporate Services, a Head of Service may transfer up to £50,000 from a budget head within that department's approved budget to a budget head within another department's approved budget, but if those budget heads are in different Directorates the agreement of the appropriate Director or the Commissioner is also required.
- (c) With the agreement of the Director of Corporate Services Directors may transfer up to £150,000 from a budget head within that department's approved budget to a budget head within another department's approved budget.
- (d) The Director of Corporate Services shall report all transfers under (b) and (c) to the Commissioner as part of the quarterly financial position reports.
- (e) A virement is also permissible to gross up income and expenditure budgets to reflect the in-year receipt of income.

10. Accounting Records

- (a) The Director of Corporate Services must maintain accurate accounting records to ensure that the Commissioner meets their obligation to manage public resources. To achieve this the Director of Corporate Services is required by the Accounts and Audit Regulations 2015 to:
 - ∥ Develop the accounting procedures and records for the Commissioner;
 - ∥ Arrange for the collation of all accounts and accounting records;
 - ∥ Make arrangements for the audit of the Commissioner's accounts and ensure all claims for funds including grants are made by the due date;
 - ∥ Prepare and publish the audited accounts of the Commissioner for each financial year and ensure the Commissioner approves the statement of accounts before 31 July; and
 - ∥ Retain all financial documents in accordance with statutory and the Commissioner's requirements.
- (b) The Director of Corporate Services is responsible for the preparation of the Commissioner's statement of accounts. The statement of accounts is required to ensure that the financial position correctly reflects the Commissioner's income and expenditure, correct accounting records are maintained, suitable accounting policies are selected and applied and systems of internal control are in place.

- (c) The Director of Corporate Services is responsible for the completion, in a timely manner, of all statutory accounting returns.

FINANCIAL CONTROLS AND INSURANCE

11. Financial Risk Management and Insurance

- (a) Heads of Service are required to immediately advise the Director of Corporate Services of:
 - ▮ the acquisition or disposal of assets requiring insurance cover;
 - ▮ any incident or occurrence that may adversely affect the Commissioner's assets and likely to give rise to a claim on the Commissioner's insurers;
 - ▮ any incident or occurrence that might give rise to a claim against the Commissioner such notice or estimate is to also be given to the General Counsel.
 - ▮ any incident or occurrence that might give rise to a claim being made by the Commissioner on its insurance policies, for e.g. thefts, accidents; and
 - in cases of marine and motor accidents such notice or estimate is to also be given to the General Counsel.
- (b) The Director of Corporate Services is responsible for negotiating all claims with the Commissioner's insurers.
- (c) Heads of Service must consult with the Director of Corporate Services and the General Counsel in respect of any terms of any indemnity which the Commissioner is requested to give.
- (d) The Director of Corporate Services is responsible for ensuring that proper insurance exists where appropriate and the level of cover and risk is reported in the Statement of Accounts.

12. Internal controls

- (a) The Director of Corporate Services must identify, meet and monitor compliance with the Commissioner's statutory obligations and to ensure that the Commissioner's assets and interests are safeguarded.
- (b) When allocating tasks dealing with the control of the Commissioner's assets, officers must:
 - ▮ separate the tasks of providing information about amounts due to or from the Commissioner and calculating, checking and recording these amounts from the task of collecting or paying them; and

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- ▮ ensure staff with the task of examining or checking the accounts of cash transactions must not themselves be involved in these transactions.
- (c) The Director of Corporate Services is responsible for:
- ▮ advising on effective systems of internal control which need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice; and
 - ▮ ensuring that the Commissioner's funds are properly safeguarded and used economically and efficiently.

13. Internal Audit

- (a) The Commissioner is required to make arrangements for the proper administration of their financial affairs and maintain an adequate and effective system of internal audit of their accounting records and control systems.
- (b) The Head of Internal Audit, who reports to the Director of Corporate Services, liaises closely with the Director of Corporate Services.
- (c) Heads of Service are required to provide the Head of Internal Audit:
- ▮ access at all reasonable times to enter any the Commissioner premises or land;
 - ▮ access to records, documents and correspondence relating to any transaction of the the Commissioner;
 - ▮ explanations as are necessary concerning any matter under examination; and
 - ▮ access to any asset or property under their control.
- (d) Heads of Service are required to ensure that any agreed actions arising from audit recommendations are carried out to agreed deadlines.
- (e) Heads of Service are required to inform the Director of Corporate Services, of any matter which involves irregularities or any suspected irregularity concerning cash, stores, property or any irregularity in the exercise of the functions of the Commissioner.
- (f) Where there are sufficient grounds to believe that a criminal act has been committed, the Director of Corporate Services will consult with the General Counsel and, as appropriate with the Commissioner or his/her nominated officer, before referring the matter to the police for investigation.
- (g) Any confirmed irregularities falling under the responsibilities of internal audit may result in the Commissioner taking disciplinary action against those responsible.
- (h) Heads of Service are required to ensure that records and assets are properly maintained and securely held.

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- (i) Heads of Service are responsible for contingency plans for the security of assets and the continuity of service in the event of disaster or system failure.
- (j) The Head of Internal Audit must provide an annual report to the Commissioner which:
 - ▮ Gives an opinion on the overall adequacy and effectiveness of the Commissioner's control environment, disclosing any qualification to that opinion, together with the reasons for the qualification;
 - ▮ Summarises the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies;
 - ▮ Draws attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the Annual Governance Statement;
 - ▮ Compares the work undertaken against that planned and summarises audit performance; and
 - ▮ Comments on Internal Audit's compliance with the CIPFA Code of Practice for Internal Audit in Local Government in the UK.
- (j) The Head of Internal Audit will notify the Director of Corporate Services of any loss or financial irregularity and will use this information to inform the opinion on the internal control environment and the Internal Audit work programme.
- (k) Internal Audit leads on anti-fraud and corruption. It is responsible for:
 - ▮ Updating and maintaining the Commissioner's Anti-Fraud Policy;
 - ▮ Leading the Commissioner's work on fraud prevention;
 - ▮ Conducting investigations into potential fraud or abuse involving members, staff or contractors; and
 - ▮ Making recommendations to address any control weaknesses identified as a result of investigative work.
- (l) The Director of Corporate Services ensures that serious losses and irregularities are reported to the relevant Board.
- (m) The Director of Corporate Services agrees the draft audit plan with the Head of Internal Audit prior to approval by the Commissioner.
- (n) The Director of Corporate Services reports progress in implementation of internal audit recommendations to the Commissioner.

14. Fraud and Corruption Irregularities

- (a) In all matters, Heads of Service shall comply with the Commissioner's Counter Fraud

And Corruption Policy, and Response Plan.

15. Stores

- (a) Heads of Service are responsible for the safe custody and control of stores held by their department and to ensure that the stocks held at any one time reflect consumption needs and do not exceed an appropriate level necessary to service the appropriate operations.
- (b) Heads of Service must undertake stock checks of all stores at least once each financial year in accordance with a programme approved by the Director of Corporate Services.
- (c) For every stocktaking, a list shall be prepared of the stock checked, indicating discrepancies with the stock records. Each list is to be accompanied by a certificate from the Head of Service that the stock shown in the list is held and whether the stock is in good condition and necessary and suitable for the requirements of the department.
- (d) A copy of the list is to be forwarded to the Director of Corporate Services. The Head of Service is to determine in conjunction with the Director of Corporate Services what action is to be taken to deal with any discrepancies.

16. Inventories

- (a) Inventories of the Commissioner's property must be prepared and kept up to date by Heads of Service in a form as advised by the Director of Corporate Services.
- (b) Inventories are to be checked with the physical asset regularly. Should deficiencies occur the Head of Service is to determine in conjunction with the Director of Corporate Services what action is to be taken.
- (c) The Commissioner's property is not to be removed otherwise than in accordance with the course of the Commissioner's business.

17. Disposal of Assets

- (a) Heads of Service are responsible for making arrangements for the disposal of surplus stores, equipment, furniture etc., subject to agreement by the Director of Corporate Services and in accordance with any policy laid down by the Commissioner.
- (b) Disposal of the Commissioner's land (including buildings) is to be in accordance with the relevant Code of Practice on the Disposal of Land as approved by the Commissioner.

18. Writing off

- (a) *Part 4 – Delegations* of this Scheme of Governance authorises writing off of losses by Heads of Service and the Director of Corporate Services up to specified limits. Any writing off is to be done in accordance with arrangements to be determined by the Director of Corporate Services.

19. External Audit

- (a) The Commissioner's accounts are scrutinised by external auditors, who must be satisfied that the statement of accounts presents a true and fair view of the financial position of the Commissioner and their income and expenditure for the year in question and complies with the legal requirements.
- (b) Heads of Service are required to:
 - ▮ Give the external auditors access at all reasonable times to premises, personnel, documents and assets which are considered necessary for the purposes of their work; and
 - ▮ Ensure that all records and systems are up to date and available for inspection.
- (c) The Director of Corporate Services has responsibility for identifying and leading implementation of recommendations from External Audit Reviews and to report progress in implementation to the relevant committee.

20. Treasury Management

- (a) Responsibility for the execution and administration of Treasury Management decisions are delegated to the Director of Corporate Services who will act in accordance with the Commissioner's Policy Statement on Treasury Management Activities and Treasury Management Practices and CIPFA's "Standard of Professional Practice on Treasury Management".
- (b) The Director of Corporate Services is authorised to make use of balances to fund internal borrowing when it is considered advantageous, provided the overall borrowing limit, determined by the Mayor for the Commissioner, is not exceeded.
- (c) In relation to The Prudential Code for Capital Finance in Local Authorities, the Commissioner delegates responsibility to the Director of Corporate Services, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long term liabilities (both "authorised limits" and "operational boundary"), in accordance with option appraisal and best value for money for the Commissioner, and any such changes made are to be reported to the relevant committee at its next meeting following the change.
- (d) The Director of Corporate Services must secure appropriate banking arrangements and treasury management borrowing and investments subject to approved treasury management and annual investment strategies.
- (e) The Director of Corporate Services must produce annually a Treasury Management Strategy report setting out the requirements for the forthcoming year and the proposals to meet them, for approval by the Commissioner.

21. Staffing

- (a) The Director of Corporate Services must ensure that budget provision exists for all existing and new employees and to advise the Commissioner, Directors and Heads of Service on National Insurance and pension contributions, as appropriate.

FINANCIAL SYSTEMS AND PROCEDURES

22. Financial Systems and Procedures

- (a) Any material change or amendment to any financial systems or procedures by Heads of Service must be carried out in consultation with the Director of Corporate Services.
- (b) Heads of Service must ensure there is a documented and tested disaster recovery plan to allow information system processing to resume quickly in the event of an interruption.
- (c) The Director of Corporate Services must authorise the financial systems and procedures for the receipt and payment of all Commissioner monies and determines the procedures and work practices to ensure there is adequate internal control and internal checks.
- (d) The Director of Corporate Services is responsible for the day to day operation and control of the systems and procedures required to:
 - ∥ order goods and Service;
 - ∥ pay salaries, wages and pensions;
 - ∥ pay creditors, allowances and expenses;
 - ∥ collect and bank all income due to the Commissioner;
 - ∥ provide, safeguard and subsequently dispose of all Commissioner assets (both tangible and intangible) within the limits set out in the Scheme of Delegation;
 - ∥ account for taxes and make necessary payments to the appropriate authorities; and
 - ∥ be responsible for meeting statutory requirements in relation to keeping records of all financial transactions, such as to enable financial control and audit of the accounts.
- (e) The Director of Corporate Services must arrange for the proper administration of the Commissioner's financial affairs to:
 - ∥ issue advice, guidance and procedures for officers and others acting on behalf of the Commissioner;

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- ¶ determine the accounting systems, form of accounts and supporting financial records;
- ¶ establish arrangements for the audit of the Commissioner's financial affairs;
- ¶ approve any new financial systems to be introduced; and
- ¶ approve any changes to be made to existing financial systems.

23. Income

- (a) Heads of Service must arrange for prompt collection, control and deposit of money due to the Commissioner and notify the Director of Corporate Services of all cash collected and income due to the Commissioner:
 - all monies received on behalf of the Commissioner is to be banked without delay in the Commissioner's name; and
 - ¶ all documentation relating to income receivable by the Commissioner must be in the name of the Commissioner, including agreements for the provision of Service, invoices and receipts.
- (b) At regular intervals agreed with the Director of Corporate Services, Heads of Service must review income received and likely to be received and bring any likely shortfall in income over departmental budgets to the attention of the Director of Corporate Services, together with any likely significant increase in income.
- (c) The Director of Corporate Services must as part of the annual budget cycle review all rents, fees and charges for services provided.
- (d) All agreements for the provision of services to other organisations must be on the basis of cost recovery.

24. Procedures for Payments and Authorisation of Accounts

- (a) The Director of Corporate Services is responsible for paying all properly authorised accounts submitted for payment.
- (b) Before approving a VAT invoice, those doing so must confirm that:
 - ¶ the works, goods or services to which the invoice relates have been received, carried out, examined and approved
 - ¶ the prices, extensions, calculations, trade discounts, other allowances, credits and tax rates are correct
 - ¶ the relevant expenditure has been properly incurred and is within the estimate
 - ¶ stock records (were appropriate) have been updated

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- ∥ the invoice has not previously been approved for payment and is a correct liability
 - ∥ the invoice meets HM Revenue and Customs definition of a valid VAT invoice for the purpose of reclaiming VAT.
- (c) Payments must be made in compliance with the statutory requirements regarding prompt payment.
- (d) The Commissioner and Directors may request, in writing, for the Director of Corporate Services to make payment where prices have increased beyond the control of the contractor/supplier. The Director of Corporate Services may make payment provided he/she is satisfied the increases are reasonable, and are in accordance with a decision of the Commissioner and are within overall budget provision (provided by virement if necessary).
- (e) Heads of Service must as soon as possible after 31st March in each year notify the Director of Corporate Services of all outstanding expenditure relating to the previous financial year, as set out in the closing of accounts timetable.

25. Salaries and pensions

- (a) The Director of Corporate Services is responsible for making payments of salaries, wages and pension benefits.
- (b) Any extraordinary payroll payments and payments outside of agreements of general application must be specifically approved by the Director of Corporate Services after consultation with the General Counsel.
- (c) The Director of Corporate Services is responsible for ensuring that the payment of salaries and allowances reflects:
 - ∥ appointments, resignations, dismissals, suspensions, secondments and transfers;
 - ∥ changes in remuneration.

26. Credit Cards

- (a) Credit cards must only be used in relation to the Commissioner's business, and only when this means of purchasing is appropriate.

27. Banking Arrangements

- (a) The Director of Corporate Services will advise the Commissioner on all banking and related arrangements. The Director of Corporate Services will open, operate and close bank accounts on behalf of the Commissioner.

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- (b) The Director of Corporate Services will arrange that all bank accounts which contain monies that form part of the Commissioner's funds bear an official title that includes the name of the Commissioner.
- (c) The Director of Corporate Services will determine the arrangements for authorising and making payments from the Commissioner's bank accounts.

28. Taxation

- (a) The Director of Corporate Services is responsible for the Commissioner's compliance with taxation legislation, including making tax payments, receiving tax credits, maintaining tax records and completing and submitting all statutory returns by due dates.
- (b) The Director of Corporate Services is responsible for issuing guidance on taxation issues that affect the Commissioner.

29. External Funding

- (a) Draft grant funding bids must be submitted to the Director of Corporate Services for review and full account taken of the conditions of grant, before it is approved.
- (b) The Director of Corporate Services must be consulted on the Value Added Tax implications of grant funding and raise invoices for the amounts due to the Commissioner.

PART 7 – DEFINITIONS

In this Scheme of Governance, the following terms have the following meanings:

Best Value is the duty imposed on the Commissioner by Part 1 of the Local Government Act 1999 and under which the Commissioner must seek continuous improvement in the way their functions are exercised, having regard to a combination of economy, efficiency and effectiveness and to the guidance issued by the Secretary of State and the Chartered Institute of Public Finance and Accountancy (and their successor bodies as the case may be) under Part 1 of the Local Government Act 1999.

Bluelight is an online a procurement database for contract and procurement information for buyers within the emergency Service in the UK.

Brigade is the London Fire Brigade

Budget provision is the amount identified in the Commissioner's budget for a particular purpose.

Commissioner is the London Fire Commissioner created by under Part 6A S.327A(1) of the Greater London Authority Act 1999 by virtue of an amendment under S.9 of Schedule 2 of the Policing and Crime Act 2017

Commissioner's Decisions are non-operational decisions taken by

- the Commissioner or a statutory deputy appointed by the Commissioner under Section 112 of the Local Government Act 1972 and Schedule 27A of the Greater London Authority Act 1999 as fire and rescue authority
- in accordance with Standing Order 1 of Part 2.

Constructionline is a Government run scheme of health and safety assessed and approved suppliers which is accessible by both the public and private sectors.

Contract Award is the process described in PSO 12.

Contract is any agreement for the for the supply of works, goods or services to the Commissioner, including Framework Agreements, call off contracts made under a Framework Agreement and Land Transactions, but does not include employment contracts.

Contractor means the other party or potential other party to a Contract.

Contracts Finder is an online portal provided for the purposes of the UK Regulations by or on behalf of the Cabinet Office.

Contract Value is the estimated value of a Contract which shall be the total anticipated spend under that Contract including all options to extend the term, net of VAT.

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Delegated Decisions are decisions delegated by the Commissioner to Directors and Heads of Service.

Directors are the Commissioner's:

- Deputy Commissioner (Operational Delivery and Assurance) and
- Director of Corporate Services.

E-Tendering System is an online system, accessible by all Contractors, which the Commissioner uses to process all Tenders and Contracts, and includes Bluelight.

EU Public Procurement Directives means European Union Directive 2014/24/EU and European Council Directive 89/665/EEC, any Directives and Regulations by which it is applied, extended, amended, consolidated or replaced and any re-enactment thereof.

EU Procurement Regime means European Union case law, treaties, directives and regulations, including the Public Contracts Regulations 2015, all as amended or replaced from time to time.

EU Thresholds means the thresholds for public advertisement of works, goods and services contracts as provided for in the EU Public Procurement Directives and advised by the Government.

EC Treaty means the Treaty establishing the European Community of 25 March 1957 as amended and superseded by subsequent treaties.

Evaluation Criteria are the criteria which are used to determine the most economically advantageous tender.

Financial Authority in the context of these PSOs is the authority to approve expenditure in relation to the Procurement of Contracts, and is automatically granted to the extent that a Contract is within the Budget Provision.

Framework Agreement means an agreement between one or more contracting authorities (bodies governed by public law) and one or more Contractors which establishes the terms governing call off contracts to be awarded during a given period, with regard to price and, where appropriate, the quantity envisaged.

Heads of Service are the Assistant Commissioners and Assistant Directors appointed to manage the following departments:

- Fire Safety
- Fire Stations
- Mobilising and Control
- Health and Safety
- Operational Policy
- Operational Resilience
- Training and Development
- Communications
- Finance
- People Services

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- Strategy and Risk
- Technical and Commercial Services
- Property Services

and the Chief Information Officer and the General Counsel and in the Procurement Standing Orders, unless the context indicates otherwise, are individually the Head of Service for whose purposes the contract is to be entered into.

Lead Client Officer (LCO) is a senior officer designated by the relevant Head of Service, after consultation with the Assistant Director Technical and Commercial, for the procurement of a Contract.

The Mayor is the Mayor of London

OJEU means the Official Journal of the European Union.

Procurement is the process of obtaining works, goods or services, usually through a competitive tendering process.

Procurement Documents are the documents used in the procurement process and include the invitation to tender, the Specification, the evaluation methodology, the form of tender, the bid pricing template, the terms and conditions of Contract and Contract schedules.

Procurement Initiation is the process described in PSO 9.

Procurement Request Form is the Commissioner's internal online form seeking the approval of the Director of Corporate Services to initiate a new procurement in the process described in PSO 9.

Responsible Procurement Policy is the Greater London Authority group Responsible Procurement policy adopted by the Commissioner as policy number 696.

Specification is the description of the works, goods or services to meet the Commissioner's requirements.

Standing Orders are the Standing Orders of the Commissioner, including the PSOs.

Tender is an offer to provide the Commissioner with works, goods or services at a price quoted in, or determined under, the tender documentation.

Tender Request Form is the Commissioner's internal online request form required to record in the Contract Register a new Contract for procurement.

Transparency Code is the local government transparency code 2015, as amended from time to time, which sets out the minimum data that local authorities should be publishing, the frequency it should be published and how it should be published.

Works, Supplies and Service are as defined in the EU Public Procurement Directives.

Scheme of Governance – Definitions