

THIS MEMORANDUM OF UNDERSTANDING is made the First day of April Two Thousand and Fourteen

**BETWEEN**

THE POLICE AND CRIME COMMISSIONER FOR LANCASHIRE (PCC),

at the Office of the Police and Crime Commissioner for Lancashire, Room 34,  
County Hall, PRESTON, Lancashire, PR1 8XB

which expression shall include his successor of the one part **and**

THE CHIEF CONSTABLE OF LANCASHIRE CONSTABULARY (CC),

at Lancashire Constabulary Headquarters, Saunders Lane, Hutton, PRESTON,  
Lancashire, PR4 5SB

which expression shall include his successor of the other part.

## **Memorandum of Understanding**

### **Whereas**

By a letter dated 27 March 2013, the Home Secretary directed all Police and Crime Commissioners to make and submit a staff transfer scheme under Part 3, Schedule 15 to the Police Reform and Social Responsibility Act 2011 (the Act) for approval.

The Act requires Police and Crime Commissioners to consider what staff they and the Chief Constable require to discharge their functions and to consult with the CC.

The PCC and the CC have together looked at the most effective way for the two corporate bodies to discharge their functions and responsibilities. The PCC has taken cognisance of the CC's need to deliver effective and efficient policing, whilst retaining the ability to set strategic direction and to be responsible for the totality of policing.

The approach agreed for the Lancashire Constabulary area is for the PCC to transfer all staff, save those directly supporting the Office of the Police and Crime Commissioner, to the CC. The staff employed by the CC will deliver the services to meet the needs of both corporate bodies. The transfer scheme sets out which staff will transfer from PCC's employment to the CC's employment on 1 April 2014.

This Memorandum of Understanding (MOU) is in respect of the Lancashire Constabulary area.

This MOU sets out the principles upon which this transfer scheme is entered into and identifies the high level principles that will inform the Scheme of Governance

The principal activity of the Police and Crime Commissioner for Lancashire is to be responsible for the totality of policing, including setting the strategic direction, and holding the CC to account for the delivery of effective and efficient policing within Lancashire. The PCC also has other responsibilities and obligations in respect of the wider criminal justice and community safety frameworks which are outside the scope of this MOU.

The principal activity of the Chief Constable of Lancashire is the delivery of effective and efficient policing. He is responsible for ensuring that the Constabulary is able to deliver its obligations under the strategic policing requirements. In matters of operational independence the CC is answerable to the law and his position is constitutionally established.

The Parties agree to work in co-operation to ensure the effective and efficient delivery of policing services to people who live and work in and visit Lancashire.

## 1. Introduction

1.1 In this Memorandum of Understanding, the following expressions have the following meanings:

1.1.1 "MOU"	This Memorandum of Understanding
1.1.2 "Services"	The services provided by the parties to the MOU
1.1.3 "Date of Commencement"	Shall mean 1 <sup>st</sup> April 2014 (date when commences)
1.1.4 "Confidential Information"	Shall mean any and all information, whether in writing or otherwise, that is disclosed by any party before, on or after the commencement date including, but not limited to, financial information, marketing data, procedures, business plans, lists of funders, personnel data, business relationships, current products, services and anticipated products and services and financial information concerning the disclosing party's business and all disclosures, howsoever made to the other party, in connection with this MOU.

1.1.5 “Party” Shall mean a party to this MOU and “Parties” shall be construed accordingly.

1.2 The headings in this MOU are for ease of reference only and have no legal effect.

1.3 In this MOU, the singular shall mean the plural and vice versa.

1.4 The MOU is a statement of intent between the Parties to work in partnership to implement the Stage 2 Transfer and to define an effective working relationship between the PCC and the CC.

1.5 The purpose of this MOU is to define the role of the Parties, and the expectations of how they will work together.

## **2. Scope of the MOU**

2.1 The MOU sets out the mutual understanding of the principles underlying the relationship between the Parties in matters concerning the planning and delivery of the services to achieve the aims of the PCC set out in the Police and Crime Plan and the requirements of the CC to deliver those aims and those of the strategic policing requirement.

2.2 Accepting the terms of this MOU, the PCC shall make available from the Police grant (as agreed through the budget process) funds to enable the CC to deliver effective and efficient policing services in accordance with the objectives and outcomes as set out in the Police and Crime Plan.

## **3. Statement of Principles for Staff Transfer**

3.1 It has been agreed by the PCC and CC in accordance with the Act, the Protocol for collaborative working between the PCC and the CC, and the Scheme of Governance that in consideration of this agreement, which relates to the employer/employee relationship, the PCC will transfer to the CC, the employment of staff as set out in the transfer scheme.

3.2 It is further agreed that the CC will use his best endeavours to deliver services in support of the legitimate expectations of the PCC as set out in the Act. The Protocol for collaborative working between the PCC and the CC has been agreed and is appended to this document at Appendix 1.

3.3 The PCC and CC are committed to the delivery of effective and efficient services. They are committed to reduce and remove duplication and will review the mechanisms by which services are provided on an ongoing basis to achieve that aim. As the transferring employer, the PCC is committed to considering collaborative and partnership working in order to deliver effective and efficient services without interfering with the operational independence of the CC. In turn the CC undertakes to explore, consider and submit to the PCC, proposals for the future delivery of services through collaboration and joint working.

3.4 The PCC and the CC are committed to the Union Charter to set out the position in respect of civilian staff and the principles of that Charter have been agreed and adopted by the CC and the PCC and form part of this MOU at Appendix 2.

3.5 The PCC is committed to the principle of being a living wage employer and the CC undertakes to adopt those principles.

3.6 The PCC is committed to police staff falling under the arrangements for collective bargaining of the Police Staff Council for all staff, employed by either the PCC or the CC. The CC undertakes to remain within the Police Staff Council or any successor body and not to operate outside the provisions agreed by that body without the express consent of the PCC.

#### **4. Governance arrangements**

4.1 It is accepted that an effective Scheme of Governance is essential to ensure effective operating. The PCC and CC have had regard to the joint work which has been done to highlight importance of a Scheme of Governance. The Scheme of Governance shall comprise of the following documents :-

1. Code of Corporate Governance
2. Scheme of Consent
3. Financial regulations
4. Standing Orders relating to contracts
5. Scheme(s) of Delegation

4.2 The PCC believes that this will meet the requirements of the Act and the Home Office Financial Management Code of Practice (FMCOP), and also that it would:

- (a) Enable the PCC and CC to set out a high level statement regarding good governance based on CIPFA / SOLACE principles, and emphasise the importance of working together.
- (b) Contain a detailed statement of relevant roles and responsibilities.

- (c) Provide a transparent audit trail for decisions made by the PCC and CC.
- (d) Include 'delegations' from the PCC to the Deputy PCC, Chief Executive Officer and Chief Finance Officer and from the CC to relevant officers and staff. This will provide transparency in delegated decision making.
- (e) Provide transparency regarding PCC 'consents' to issues being dealt with by the CC.
- (f) Provide an integrated scheme to ensure clarity between the statements of roles, delegations, and consents, which would in turn avoid overlaps and inconsistencies between different documents.

#### 4.3 The Scheme will set out: -

- How the PCC expects the funds provided to the CC for policing to be applied.
- How the PCC will hold the CC to account for the day to day management of those funds.
- How the CC will carry out his duty to assist in the exercise of the PCC's functions.
- How the CC will exercise his power to do anything calculated to facilitate the exercise of his own functions.
- How the PCC will exercise his power to delegate the exercise of his functions to his own staff.
- Any conditions which may be attached by PCC, without affecting the operational independence of the CC, to the use of the financial and other resources provided to the CC.

## 5. Roles of the Parties

5.1 Role of the PCC: The principal activity of the PCC is to be responsible for the totality of policing, including setting the strategic direction, and holding the CC to account for the delivery of effective and efficient policing within Lancashire. The PCC also has other responsibilities and obligations in respect of the wider criminal justice and community safety frameworks which are outside the scope of this MOU.

5.2 Role of the CC: The principal activity of the CC is the delivery of effective and efficient policing. He is responsible for ensuring that the Constabulary is able to deliver its obligations under the strategic policing requirements. In matters of operational independence the CC is answerable to the law and his position is constitutionally established.

## **6. Status of the Parties**

6.1. The relationship between the Parties is that of independent organisations, as each Party is a separate corporation sole. This agreement is made between each corporation sole and is intended to bind their successors to this role. Nothing in this MOU shall create or be deemed to create a partnership of agency, franchise or employment between the Parties.

6.2. Subject to the provisions of the Scheme of Governance, the CC shall not enter into any contractual obligations on behalf of the PCC, acquire or dispose of land on behalf of the PCC without the prior express written consent of an authorised signatory of the PCC.

6.3 Notwithstanding the obligation of the CC to provide the Support Services to the PCC, the PCC may seek the provision of such services from a third party / parties. The PCC and the CC anticipate that this would occur in the event that either the relevant skills were not available “in house” or there was an isolated piece of work where a conflict of interest appeared to arise. The use of external services under this provision would be in isolated cases.

6.4 No fee is payable from one Party to another in remuneration for any services provided within the scope of this MOU. The Support Services will be provided from the existing budgetary provision from time to time allocated by the PCC to the CC.

6.5 All assets (i.e. all land and buildings, vehicles, equipment and IT systems) have been retained by the PCC. However, it is recognised that the CC, his officers and staff require the use, as necessary, of such assets in furtherance of their obligations under this MOU and in order to carry out their general responsibilities under the Act and all other common law and statutory provisions in relation to the provision of policing services. The PCC therefore grants the CC, his officers and staff licence (revocable at his discretion) to use such assets as the CC considers necessary to enable him to discharge his obligations and responsibilities in this regard.

6.6. The MOU will automatically lapse if either Party withdraws from participation in the Scheme of Governance as agreed.

## **7. Review and Termination**

7.1. This MOU will commence on the Commencement Date and will remain in force unless reviewed in accordance with this section or it lapses under clause 6.6 above.

7.2. Within 12 months of the Commencement Date of the MOU, the Parties will undertake a review of the Police and Crime Plan and of the services provided. The Parties will also undertake a review of the MOU to ensure that the MOU is fit for purpose.

7.3 The MOU is also subject to review following a change in either of the corporations sole.

7.4 Any proposals to change the MOU following a review under this section shall be presented to the Police and Crime Panel (PCP) for scrutiny before any change takes effect.

## **8. Confidentiality**

8.1 Both Parties agree that, during the term of this MOU, or at any time thereafter, neither they nor any of their employees, officers, agents (including volunteer staff) or sub-contractors, shall divulge, furnish or make accessible to anyone any of the confidential information listed at 1.1.4 above unless:

8.1.1. At the date of this MOU, the confidential information is already in the public domain or subsequently comes into the public domain through no fault of the other Party;

8.1.2 the confidential information rightfully becomes available to the other Party from sources not bound by obligations of confidentiality;

8.1.3 the confidential information was available to the other Party on a non-confidential basis prior to its disclosure to such party; and

8.1.4 the other Party is required by compulsion of law to disclose the information.

8.2 The Parties agree that all discussions and negotiations shall be carried out on a strictly confidential basis and any statements (either written or oral) to be made in relation to the existence of the negotiations between the Parties shall be subject always to written agreement by both Parties and the overarching provisions of the Scheme of Governance.

8.3 The disclosure of confidential information must be agreed in advance by both the PCC and CC.

## **9. Limitation of Liability**

9.1 Both Parties are indemnified by a single insurance policy held in the name of "The Police & Crime Commissioner for Lancashire and/or the Chief Constable of Lancashire" in respect of any liability loss claim or proceedings whatsoever arising at Common Law or by Statute in respect of personal injuries to or death of any person whomsoever arising out of or in the course of providing services under this MOU unless due to any act of neglect of either Party or their servants.

9.2 It shall be the responsibility of both Parties to ensure that it has adequate insurance against any actions, claims or demands which may be brought or made against it by any person suffering damage or loss in connection with its activities in

carrying out this MOU. Both Parties shall have in force for the duration of this insurance cover with minimum Indemnity limits of £50m Employers Liability, and £50m Public Liability. Both Parties will produce evidence of any such insurance if requested to do so by either Party.

9.3 Where any of the Parties' obligations under this MOU are carried out by sub-contractors, the Party shall take all reasonable steps to ensure that in carrying out those obligations the sub-contractors comply with the provisions of this section.

## **10. Notices**

10.1 Any notice given under this MOU by either Party must be in writing and may be delivered personally, sent by facsimile transmission, sent by e-mail or sent by recorded delivery post. In the case of personal delivery, facsimile transmission or e-mail, the notice will be deemed to have been given on the same day and in the case of post will be deemed to have been given four (4) working days after the date of posting.

10.2 Notices will be delivered or sent to the addresses of the Parties as given at the head of this MOU or to any other address notified in writing by any Party to the other Party for the purpose of receiving notices after the Commencement Date of this MOU.

## **11. Dispute Resolution**

11.1 If a Party considers the other Party to be in breach of their duties under this MOU or has a grievance about some aspect of the operation of the MOU, the Parties shall use their best endeavours to resolve the issue through joint discussions. In the event that this is not possible a proposal for dispute resolutions shall be agreed with the Chair of the PCP.

11.2 The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with the MOU within 20 working days of either Party notifying the other of the dispute.

11.3 Nothing in this dispute resolution procedure shall prevent the Parties from seeking from any court of competent jurisdiction an interim order restraining the other Party from doing any act or compelling the other Party to do any act.

11.4 If the dispute cannot be resolved by the Parties pursuant to clause 11.1 the dispute shall be referred to mediation pursuant to the procedure being developed which forms part of this MOU at Appendix 4 unless

- (a) the PCC considers that the dispute is not suitable for resolution by mediation; or
- (b) the CC does not agree to mediation.



**12. General**

12.1 The Parties to this MOU do not intend that any of its terms will be enforceable by virtue of The Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to it.

12.1.1 No variation to this MOU shall be effective unless in writing and signed by duly authorised representatives of each of the Parties.

12.1.2 Any variation to the MOU proposed by any successor body will be subject to the scrutiny of the PCP.

Signed by, for and on behalf of PCC

Name.....Position.....

Signature .....

Date .....

Signed by, for and on behalf of CC

Name .....Position.....

Signature .....

Date .....