

**FINAL REPORT**  
**THE ARRANGEMENTS FOR REMUNERATION & ALLOWANCES TO ACPO RANKS**  
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**THE ARRANGEMENTS FOR REMUNERATION & ALLOWANCES TO ACPO RANKS**  
**EXECUTIVE SUMMARY**

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**1. INTRODUCTION**

- 1.1 We conducted this audit to clarify issues identified during our audit review of police pay and allowances in relation to the arrangements for police officers at Commander rank and above (known as ACPO<sup>1</sup> rank officers). This work is intended to assist both the Commissioner and the Metropolitan Police Authority (MPA) in ensuring that the issues identified can be promptly and effectively addressed.
- 1.2 The MPA has a statutory responsibility for setting and approving the terms and conditions, including allowances and benefits in kind, that are given to ACPO rank officers within the Metropolitan Police Service. The Home Office provides guidance and the MPS and ACPO both advise the MPA to enable this role to be discharged. Terms and conditions for the Commissioner and Deputy Commissioner are set separately by the Home Office but were included in our audit as the MPA and the MPS are responsible for applying the arrangements.

**2. OBJECTIVES**

- 2.1 The objectives of the audit were to review and evaluate the adequacy and effectiveness of controls to ensure that:
- Payments, benefits in kind and allowances paid or provided to ACPO officers are in accordance with Police Regulations or other Home Office authority and are authorised and approved by the MPA.
  - Adequate evidence exists to confirm that only the authorised pay, benefits in kind and allowances have been paid or given to each ACPO officer.
  - The MPA and where appropriate the MPS has discharged the MPA's responsibilities in relation to tax regulations, including declarations of taxable benefits and adequate arrangements to pay any tax liability falling to the MPA for benefits and allowances to ACPO ranks.
  - ACPO officers are aware of their responsibilities and have declared to and appropriately reimbursed the MPA for any private use of officially provided benefits or allowances.

**3. AUDIT OPINION**

- 3.1 Our overall opinion is that adequate controls are not in place to meet all the system objectives and controls are not being consistently applied.
- 3.2 Salary payments are in accordance with the approved rates. But benefits in kind and allowances paid are not always either in accordance with Police Regulations or authorised and approved by the MPA. For some benefits in kind and allowances, adequate evidence does not exist to confirm that only the authorised ones were given or paid.

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<sup>1</sup> Association of Chief Police Officers

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- 3.3 Although there is a system in place to enable the MPS to discharge its responsibilities to the MPA in relation to the tax regulations, the MPS has not ensured that the tax position has been adequately declared and accounted for all ACPO officers.
- 3.4 The vast majority of current ACPO officers appear to be aware of their responsibilities and have appropriately reimbursed the MPA. Some ACPO officers have however indicated that they are not aware of their responsibilities.
- 3.5 The MPA is at risk of public criticism, embarrassment and imposition of tax penalties as the MPS has failed to declare to the Inland Revenue through the P11D process some officers in receipt of taxable benefits. In these instances the MPS has also not paid the tax liability owed by the MPA for providing the benefit.

**4. SCOPE**

- 4.1 We reviewed the pay and following allowances for the 41 MPS ACPO ranks in post at the time of our fieldwork (including the Commissioner and the Deputy Commissioner) and in total 55 MPS ACPO officers who have been in post since the formation of the MPA:
- Central Service Allowances and Non-Pensionable Allowance
  - London Weighting, London Allowances
  - Plain clothes allowances
  - Meal/refreshment, Lodging/subsistence and Mileage Allowance
  - Permanent Telephone Allowance.
- 4.2 We also reviewed arrangements in respect of officially provided cars and provision of temporary police accommodation. This report is based on our findings up to the period ended April 2003 when the main testing was carried out.
- 4.3 We excluded the following from a detailed examination during this audit:
- Housing and Rent Allowances (this has been covered in a separate audit review)
  - Additional Compensation Allowance and Compensatory Grant

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**5. KEY RECOMMENDATIONS**

- 5.1 We have made recommendations throughout the report aimed at introducing effective controls or improving those already in place. To mitigate those risks in areas where controls need to be improved before system objectives can be achieved, we recommend:
- 5.2 The MPA issues clear guidelines to each ACPO appointee and ensures that all ACPO officers have a formal signed agreement on appointment setting out their entitlements and terms and conditions.  
(Paragraph 6.1 refers)
- 5.3. The MPA draws up clear criteria for determining the pay scale point for new appointees to or promoted officers within the ACPO rank.  
(Paragraph 6.2 refers)
- 5.4 The MPS Exchequer Services set up a system for regularly reviewing and ensuring accuracy of the current allowances and expenses being paid to ACPO ranks.  
(Paragraph 7.12 refers)
- 5.5 The MPS Exchequer Services take steps to ensure that in all appropriate cases, a P11D return is made and a tax settlement is agreed with the Inland Revenue.  
(Paragraph 8.5 refers)
- 5.6 The MPS Transport Services ensure that there is a properly controlled system for issuing allocated cars to ACPO ranks within the parameters approved by the MPA (and for notifying the appropriate section in the MPS Exchequer Services once a car has been allocated).  
(Paragraph 8.6 refers)
- 5.7 The MPS Transport Services provide guidance on and monitor the use and availability of fleet cars to business groups and those responsible for arranging for the use of cars by senior officers on official business.  
(Paragraphs 8.6 and 8.8 refer)
- 5.8 The MPS Exchequer Services take steps to monitor and ensure that the officers submit a prescribed return at appropriate intervals and pay for private use. We have also recommended that the MPA considers alternative arrangements for payment in respect of the fuel used for business use.  
(Paragraphs 8.8 and 8.9 refer)
- 5.9 The MPS Transport Services set up an adequate and effective mechanism to ensure that vehicle logbooks are completed with sufficient information to identify any home to office and other private mileage for or by ACPO rank officers and regular reports of usage are made to the appropriate section within Exchequer Services.  
(Paragraph 8.13 refers)

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### MAIN FINDINGS AND RECOMMENDATIONS

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#### 6. TERMS AND CONDITIONS OF APPOINTMENT

6.1 ACPO ranks are appointed for a fixed term. Except for recent appointments ACPO officers have been sent a letter of appointment and a summary document of ACPO rank entitlements but no specific document setting out the particular circumstances of any benefits or allowances for the individual officer. The absence of formal terms and conditions and agreement for each ACPO rank officer has at times led to ambiguity and inconsistency. **We recommend that the MPA:**

**6.1.1 Ensures that all ACPO officers have a signed formal agreement on their entitlements, terms and conditions.**

**6.1.2 Issues clear, approved guidelines covering the appointment of ACPO officers and the relevant terms and conditions and allowances etc.**

6.2 We have verified that all officers are being paid within the laid down pay scales. Most Commanders and DACs have been appointed on or close to the maximum of the scale. **We recommend that the MPA considers the following whilst establishing a clearly defined criteria on pay for new appointees to the ACPO rank:**

- Previous pay of the officer, time spent on the previous pay scale and total cost/value of the pay and incentives of the new rank
- The degree of difficulty in recruiting
- Breadth of their responsibility and cost of overall package compared to other posts in the MPS
- Whether it is intended to have any pay progression or performance related pay for ACPO ranks.

#### 7. ALLOWANCES

##### Central Service Allowances and Non-Pensionable Allowance

7.1 Central Service allowances (liable to income tax and NICs) may be paid as compensation for working long hours, domestic disruption, or in recognition of particular skills to the holders of the certain Central Service posts.

7.2 On temporary promotion, an officer on secondment to a Central Service may elect to stay on the substantive rank pay and claim the difference between the promoted rank (central service post) and the officer's substantive rank as "non-Pensionable allowance".

7.3 We have reviewed these payments in respect of a few MPS officers seconded to Central Service and found that these comply with the laid down procedures.

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London Weighting, London Allowances 1 and 3

- 7.4 There are three types of London Weighting/Allowances payable as appropriate. We have found the system in place to ensure the correct payment of these allowances to be adequately controlled.

Housing and Rent Allowances (including Supplementary Rent Allowance)

- 7.5 The Police Regulations provide that an officer who is not provided with a house or quarters free of rent shall be paid a housing allowance, which shall be either a standard-rate allowance or a half-rate allowance. Similarly there is a provision for different types of rent allowance. We have reviewed the rate currently being allowed to the ACPO ranks and found these to be within the maximum limit.

- 7.6 There are certain conditions, which an officer must fulfil to qualify for the Housing Allowance. The officers are expected to notify any changes effecting their entitlement including provision of police provided accommodation. There is currently no system in place to review and ensure that the appropriate terms and conditions are met and a certificate is received from the officers, showing continuous entitlement. The lack of re-assessment on a periodical basis enhances the risk of overpayment. With a view to enhance the current system, **we recommend that the MPS Director Human Resources (HR):**

**7.6.1 Remind officers to review entitlement on the basis of their circumstances and rate applicable to them on initial appointment to the ACPO rank and notify HR and Capita accordingly.**

**7.6.2 Set up a system for seeking information and certification on a periodic basis to ensure the continuous entitlement and accuracy of the allowances.**

Plain Clothes Allowances (Permanent and Regular)

- 7.7 The Police Regulations provide for payment of the plain-clothes allowance to members of a police force below the rank of ACC (below the rank of Commander in the MPS). We have confirmed with the Home Office that there is no provision in the Regulations to allow this payment to ACPO rank officers. We identified 6 ACPO officers who are currently receiving these allowances and we advised the MPS Exchequer Services to review these cases and recover any overpayment. We now understand that the MPS Director HR will be reviewing these cases. **We recommend that the MPS Director HR resolves this issue urgently and that Capita is notified accordingly.**

Meal/refreshment, Lodging/subsistence and Mileage Allowance

- 7.8 The Police Regulations provide that “a member of a police force above the rank of superintendent may be paid an allowance, at such annual rate as is determined by the Police Authority, to cover additional expenditure incurred by him/her in obtaining food and lodging by reason of the exigencies of duty”.

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- 7.9 ACPO officers have been claiming and receiving payment for meal/refreshment, lodging/subsistence and mileage allowance. These arrangements were at variance with the spirit of the Home Office regulations. However, subsistence, refreshment and lodging allowances have been discontinued from 1 April 2003 and officers reimbursed with the actual expenditure provided it is necessary, reasonable, additional to what otherwise would have been incurred and backed up by a receipt. **We recommend that the MPS Exchequer Services carry out a periodic review to ensure compliance with the current Regulations.**

Essential Lump Sum Allowance

- 7.10 This is an allowance to compensate officers using their own car on official business. In addition the officers receive a mileage rate on such occasions as they use their personal vehicle. However, it has been declared MPS policy (published on the MPS intranet) since 1977/78 that all MPS officers are considered casual users and therefore cannot receive the essential lump sum. We identified a general lack of awareness of this policy. We also identified one ACPO officer continuing to receive an Essential Lump Sum although they had an officially provided vehicle available at all times. **We recommend that the MPS Director HR reviews the position in liaison with Capita and takes corrective action to ensure compliance with the approved policy.**

Permanent Telephone Allowance

- 7.11 During our review, we identified that 11 ACPO officers are in receipt of a Permanent Telephone Allowance. This allowance can be paid provided it is approved by the Police Authority. We have not been able to trace any authority from the MPC or the MPA for this payment to ACPO officers. **We recommend that the MPA reviews the position and determines whether or not these allowances should continue for each officer.**
- 7.12 To address a number of weaknesses that we have identified during this review we recommend that the MPS Exchequer Services set up a system to confirm the accuracy and validity of current allowances and expenses being paid to ACPO rank officers by, for example:
- 7.12.1 Confirmation of MPA authority for allowances on appointment to an ACPO rank and;
  - 7.12.2 An annual review (say in May) of e.g. pay data and financial records to ensure that the pay and allowances received by the officers are as per their approved terms of employment and in accordance with the relevant Police Regulations.

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**8. BENEFITS AND RELATED ISSUES**

**Cars, Drivers, Private Use and Blue Lights**

- 8.1 There is a benefit in kind tax liability if any vehicle is “made available for private use” (including journeys to and from work) - whether it is actually used or not. Home to Office use in an officially provided car (with or without an officially provided driver) is “not in the performance of the duties of employment”. If the officer deals with business papers and work etc. this does not change a home to work journey into a business journey for benefit in kind tax purposes. There is a charge for free Fuel or/and a Driver provided for the private use which includes home to work and return journeys. A broad definition/description of a fleet/pool car could be:
- The vehicle is not used exclusively by one person.
  - Any private use of the car is purely incidental.
  - The car is kept overnight on employer’s premises.
- 8.2 The MPA inherited agreement between MPS and the MPC on the provision of official vehicles to the ACPO ranks. The package agreed with the MPC in August 1997 states that:
- “The Commissioner, Deputy Commissioner, Assistant Commissioners and Commanders Special Branch and Anti Terrorist Branch will continue to be provided with a personal car and driver. This is on the grounds of the efficiency of the Service in the case of its most senior officers and, in some cases, of personal security”.
- 8.3 In March 1998, HR Directorate issued a Guidance Note setting out the specifics of how the provided and fleet car systems would work, including details of documentation that would need to be completed by ACPO officers on a monthly and annual basis and payment for private use.
- 8.4 Employers have a statutory duty to declare the benefits provided to their staff to the Inland Revenue. Each year a form P11D return has to be returned in relation to every officer receiving taxable benefits. Exchequer Services of the MPS are responsible for sending in an annual composite return for ACPO officers in receipt of benefits in kind, including provided cars, driver and mileage. Each year the Exchequer Services seek information to prepare and submit benefits in kind related information. We noted non-compliance with the Metropolitan Police Policy, procedures and indications of breach of Income Tax Regulations relating to these benefits in kind e.g.:
- A Notification of Charge/P11D returns were not submitted to the Revenue in respect of a number of officers. We have provided the details to the Exchequer Services for review and corrective action.
  - A number of the P11D returns sent may be incorrect as these show gross mileage instead of the correct mileage after deducting e.g. private journeys including home to work and return element.



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- There may be cases where the P11D should have included the provision of a driver and free fuel.
  - The MPS may have settled tax liability on behalf of some officers without authority from the MPA.
- 8.5 These issues need to be resolved by the MPS Director HR and Exchequer Services. Officers are responsible for reporting, on their own in personal income tax returns, details of all expenses and benefits paid to, or provided for, them and of meeting any tax liability which subsequently arises unless it is clear in their letter of appointment that expenses and benefits need not be reported by an individual officer in his/her tax return. Where an officer was required to settle his/her tax liability and the MPS did not make a P11 D return, a late return should be issued. **We recommend that the Exchequer Services take steps to ensure that in appropriate cases, a P11D return is made:**
- 8.5.1 Where an officer is liable to settle his/her tax liability.**
  - 8.5.2 A settlement is agreed with the Inland Revenue where the MPS were required (as approved by the Police Authority) to settle the tax liability.**
  - 8.5.3 In respect of all officers who are in receipt of any benefit in kind.**
- 8.6 To improve controls within the current system, **we recommend that the Transport Services:**
- 8.6.1 Ensure that there is a properly controlled system for issuing allocated cars to ACPO ranks within the parameters approved by the MPA (and for notifying the appropriate section in the MPS Exchequer Services once a car has been allocated).**
  - 8.6.2 Monitor and exercise an effective system of control over all vehicles known and claimed as “fleet cars” (including allocated cars claimed to be fleet cars (e.g. available to others).**

#### Payment for Private Use Fuel

- 8.7 All private mileage, including home to office, should be paid for at the rate set which has remained unchanged at 10.8p since 1996. The majority of ACPO officers use the officially provided fuel charge cards. Under current MPS arrangements the cost of the fuel used for private mileage should be repaid monthly. Form 8005 should be completed monthly for each ACPO rank with a provided vehicle showing business and private mileage, submitted to Exchequer Services with the appropriate payment. We noted that mainly due to lack of co-ordination and effective controls:
- There is a widespread non-compliance with the requirement to complete and submit a monthly return and pay for private use.
  - Some ACPO officers may not have declared or paid for fuel charge (and for driver in some cases) in respect of the private travel including journeys between home to work and return.

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8.8 At our request Martin Tiplady, the MPS Director HR, wrote to each of the current MPS ACPO officers, including those on secondment, up to and including AC rank seeking confirmation of their arrangements for the use of vehicles. However, to improve the current system, **we recommend that the MPS Exchequer Services and Transport Services take steps to monitor and ensure that:**

**8.8.1 Officers submit returns on a periodic basis duly signed by the officer concerned (this could be a quarterly or half-yearly return with the last quarter ending 5<sup>th</sup> April)**

**8.8.2 A recovery is also made in respect of any element of home to work and back (except for exempt officers).**

**8.8.3 Information from logbooks and fuel accounts ties up with the returns submitted by the officers.**

8.9 To provide better protection to the MPA, **we also recommend that the MPA considers alternative arrangements for payment in respect of the fuel used for business use.**

**Police Warning Equipment (Blue Lights)**

8.10 There is no formal policy permanently to fit blue lights (sometimes described as equipped with “**blues and two tones**”) on a car provided to ACPO officers. Where these lights are fitted, the taxable benefit to the individual officer is calculated at 20% (instead of the usual 35%) of the Manufacturers list price for the car. It has been left to the discretion of the individual ACPO officer whether the Blue lights are considered essential on operational grounds. The equipment costs around £4,000 per vehicle. However, we are informed that:

- Officers (and the driver) need a higher level of training to drive a police car with flashing headlights and blue lights to attend to an incident/emergency
- Attending an incident is not generally an urgent matter for an ACPO officer.
- Many of the dedicated civilian drivers for ACPO officers are not qualified or authorised to drive a vehicle using warning equipment
- There is little evidence of operational requirements and use of this equipment in practice.

8.11 **We recommend that the MPS Director HR reviews this area and a clear policy is drawn up, approved by the MPA and applied by the MPS.**

**Insurance Cover for Private Use**

8.12 For officially provided cars, the MPS Directorate of Professional Standards (DPS) insures the ACPO officer and, if requested, their partner to use the vehicle privately. This arrangement, costing around £800 per officer per annum, has not been authorised by the MPA, nor has the information been shared with the MPS Exchequer Services section responsible for the P11D returns. We also noted that three officers insured for private use have stated

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that they do not have any private usage. With a view to avoid any waste of funds, **we recommend that the DPS sets up a system to ensure that:**

**8.12.1 Insurance for private use is only arranged in respect of appropriate vehicles (e.g. vehicles known and accepted as allocated cars).**

**8.12.2 Necessary information is notified to the Exchequer Services for their review on a periodical basis and linking to the system for reporting benefits in kind.**

#### Vehicle logbooks

- 8.13 We reviewed the vehicle logbooks for provided and fleet vehicles used by ACPO ranks. We noted that in many instances they contained insufficient information to confirm the nature of journeys and locations visited. Logbooks showing the daily record need to contain (except the covert work) sufficient details of the journeys (e.g. between home to work and return, private and names of the places visited on official duty) so that the number of miles shown tie up with these details. Private journeys, which include between home to office and return, holidays and rest days should be clearly shown and accounted for payment of fuel charge. We recognise that some flexibility can be introduced in the case of a specifically identified sensitive/covert post provided a system of close review and control is in place. **We recommend that the MPS Transport Services set up an adequate and effective mechanism to ensure that vehicle logbooks are completed with sufficient information to identify any home to office and other private mileage for or by ACPO rank officers and regular reports of usage are made to the appropriate section within Exchequer Services.**

#### Accommodation

- 8.14 As per the current policy, a limited number of furnished flats are available for temporary use by officers of ACPO rank as a recruitment incentive. The accommodation is offered for a temporary period of up to 6 months on an assured short-hold tenancy. At the end of 6 months consideration can be given to extending the period of occupation for a further few months, subject to a maximum extension of no more than 6 months. The property will be available free of rent to pre-Sheehy officers for the first 6 months, following which officers will either forgo their Housing/Rent Allowance for that period or alternatively pay a rent for the continued use of the accommodation. Police Regulations do not allow free accommodation and payment of Rent/Housing Allowance at the same time.
- 8.15 On the basis of information received from the Property Services Department (PSD) and Exchequer Services, the following has emerged:
- Only two officers out of our sample of six paid rent for the accommodation after the first 6 months.

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- Four officers continued to receive Housing/Rent Allowance after the first 6 months period and did not pay any rent for the use of police accommodation after the first 6 months.

8.16 The Clerk to the MPA informed us of the ratification of extensions to the continuance of accommodation beyond six months. The continuance of free accommodation while receiving rent allowance gave these officers a considerable financial advantage during the extended period. There is a need to apply the policy consistently and action has not been taken to ensure that either the payment of Housing/Rent allowance is suspended or appropriate rent (£710 per month up to 31 April 2002 and £740 per month thereafter) is deducted. **We recommend that:**

**8.16.1 The MPA considers the position on the recovery of rent concerning the above officers and formally records a decision for each ACPO rank.**

**8.16.2 The PSD seeks instructions in respect of requiring a formal undertaking/agreement from the Officer clearly defining the terms and conditions for the provision of MPS accommodation including:**

- To suspend payment of Housing/Rent allowance or pay market rent if the authorised occupation goes beyond 6 months; and
- To vacate before the maximum period allowed i.e. 12 months.

**8.16.3 Roles and responsibilities within the PSD and Exchequer Services are outlined and clearly conveyed to ensure that timely approvals are received from the MPA and action taken after the initial period of 6 months.**

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**ACTION PLAN**

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**CATEGORY OF RISK**

Our recommendations in the Action Plan attached are categorised as follows:

- High** Recommendations which arise from major weaknesses in controls that expose the business to high risk of loss or exposure in terms of fraud, impropriety, poor value for money or failure to achieve MPS objectives. Remedial action should be taken urgently.
- Medium** Recommendations which, although not fundamental, relate to shortcomings in control which expose the individual systems to a high risk of exposure or loss.
- Low** Recommendations which, although not critical to the system, address areas where management would benefit from improved control.

**FOLLOW UP**

We have categorised this system as high risk and we will be reviewing progress towards the implementation of recommendations 6 months after the issue of the final report.

## ACTION PLAN

Ref.	Recommendation	Risk	Agreed	Management Response	Responsibility	Target Date
6.1	<ol style="list-style-type: none"> <li>1. Ensure that all ACPO officers have a signed formal agreement on their entitlements, terms and conditions.</li> <li>2. Issue clear, approved guidelines covering the appointment of ACPO officers and the relevant terms and conditions and allowances etc.</li> </ol>	<p>Medium</p> <p>Medium</p>	<p>Accepted</p> <p>Accepted (Also accepted by the MPS HR)</p>	The letter of appointment is sent by the MPA but we will liaise with MPA HR officers to improve contents. The Assistant Director of HR Services will contact HR officers by the end of November 2003 with a view to resolving all this by the new year.	MPA	January 2004
6.2	<p>Consider the following whilst establishing a clearly defined criteria on pay for new appointees to the ACPO rank:</p> <ul style="list-style-type: none"> <li>• Previous pay of the officer, time spent on the previous pay scale and total cost/value of the pay and incentives of the new rank</li> <li>• The degree of difficulty in recruiting</li> <li>• Breadth of their responsibility and cost of overall package compared to other posts in the MPS</li> <li>• Whether it is intended to have any pay progression or performance related pay for ACPO ranks.</li> </ul>	Medium	Accepted	The forthcoming PNB agreement on Chief Officers pay will have major implications for the issues raised in this recommendation.	MPA	April 2004

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Ref.	Recommendation	Risk	Agreed	Management Response	Responsibility	Target Date
7.6	Consider the following: 1. Reminding officers to review entitlement on the basis of their circumstances and rate applicable on initial appointment to the ACPO rank and notify Capita accordingly. 2. Setting up a system for seeking information and certification on a periodic basis to ensure the continuous entitlement and accuracy of the allowances.	Medium  Medium	Accepted  Accepted	MPS HR Directorate will consider with Exchequer Services Pay Contract Management Team, the need for periodic reviews of entitlements.	MPS Director Human Resources (HR)	December 2003  December 2003
7.7	Resolve the issue relating to possible overpayment of Plain Clothes Allowance and notify Capita accordingly.	Medium	Agreed	The overpayment has been stopped and the Director of Pay and Benefits together with Exchequer Services is addressing the matter of possible recovery.	MPS Director HR	May 2004
7.9	In respect of claiming and receiving payment for meal/refreshment lodging/ subsistence and mileage, carry out a periodic review to ensure compliance with the current Regulations.	Medium	Accepted		MPS Exchequer Services	May 2004

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Ref.	Recommendation	Risk	Agreed	Management Response	Responsibility	Target Date
7.10	Review the position in respect of payment of Essential Lump Sum allowance in liaison with Capita and take corrective action to ensure compliance with the approved policy.	Medium	Accepted	The HR Pay Policy Unit will establish the position and rectify as necessary.	MPS Director HR	31 December 2003
7.11	MPA reviews the position in respect of Permanent Telephone Allowance and determines whether or not these allowances should continue for each officer.	Low	Accepted (Also Accepted by the MPS HR)	The MPS HR Pay Policy Unit shall review its continued payment in consultation with the Commanders' Association.	MPA	31 December 2003
7.12	Set up a system to confirm the accuracy and validity of current allowances and expenses being paid to ACPO rank officers by, for example: <ol style="list-style-type: none"> <li>1. Confirmation of MPA authority for allowances on appointment to an ACPO rank and;</li> <li>2. An annual review (say in May) of e.g. pay data and financial records to ensure that the pay and allowances received by the officers are as per their approved terms of employment and in accordance with the relevant Police Regulations.</li> </ol>	Medium	Agreed	This will be addressed as a joint responsibility of the Exchequer Services and the MPA. The MPA letters of appointment should clearly state pay and allowance entitlements for the officers as per recommendation 6.2 and the MPA should notify Exchequer Services in writing of any changes to those conditions. On that basis an annual review can be conducted as recommended.  The MPS HR has also agreed to pursue this with Exchequer Services.	MPS Exchequer Services	May 2004



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Ref.	Recommendation	Risk	Agreed	Management Response	Responsibility	Target Date
8.5	<p>Take steps to ensure that in appropriate cases, a P11D return is made:</p> <ol style="list-style-type: none"> <li>Where an officer is liable to settle his/her tax liability.</li> <li>A settlement is agreed with the Inland Revenue where the MPS were required (as approved by the Police Authority) to settle the tax liability.</li> <li>In respect of all officers who are in receipt of any benefit in kind.</li> </ol>	Medium	Agreed	<p>There is currently underway a review of the provision of cars and other benefits for ACPO officers, with a report due to go to the MPA in January 2004. Many of the recommendations in this section will be taken on board as part of this review.</p>	MPS Exchequer Services	May 2004
		Medium	Agreed			May 2004
		Medium	Agreed in principle			May 2004
8.6	<ol style="list-style-type: none"> <li>Ensure that there is a properly controlled system for issuing allocated cars to ACPO ranks within the parameters approved by the MPA (and for notifying the appropriate section in the MPS Exchequer Services once a car has been allocated).</li> <li>Monitor and exercise an effective system of control over all vehicles known and claimed as "fleet cars" (including allocated cars claimed to be fleet cars (e.g. available to others).</li> </ol>	Medium	Accepted	<p>The weakness is in the lack of approved, clear and unambiguous parameters.</p>	MPS Transport Services	<p>Within two months of the MPA approving a clear and unambiguous ACPO car policy.</p>
		Medium	Accepted	<p>Fleet cars should not be available for personal use. They are certainly not insured for such use. MPS Director HR and Exchequer Services have agreed to liaise with Transport Services and implement.</p>	MPS Director HR, Exchequer Services and Transport Services.	As above

## ACTION PLAN

Ref.	Recommendation	Risk	Agreed	Management Response	Responsibility	Target Date
8.8	<p>Take steps to monitor and ensure that:</p> <ol style="list-style-type: none"> <li>Officers submit returns on a periodic basis duly signed by the officer concerned (this could be a quarterly or half-yearly return with the last quarter ending 5<sup>th</sup> April)</li> <li>A recovery is also made in respect of any element of home to work and back (except for exempt officers).</li> <li>Information from logbooks and fuel accounts ties up with the returns submitted by the officers.</li> </ol>	<p>Medium</p> <p>Medium</p> <p>Medium</p>	<p>Accepted by Transport Services</p> <p>Accepted by MPS – HR</p> <p>Accepted by Transport Services</p>	<p>It is proposed to establish a single fleet manager within Transport Services to administer all ACPO cars. He/She will collate the quarterly returns, obtain, monitor and retain all logbook records and make regular usage reports to Exchequer Services. This matter is still to be resolved between HR and the MPA in relation to liabilities for home to office travel.</p> <p>The value of examining fuel accounts is questionable.</p>	<p>MPS Exchequer Services and Transport Services</p> <p>MPS Exchequer Services and Transport Services</p> <p>MPS Exchequer Services and Transport Services</p>	<p>Within two months of the MPA approving a clear and unambiguous ACPO car policy.</p> <p>As above</p> <p>Accepted for further consideration as per above timescale.</p>
8.9	Consider alternative arrangements for payment in respect of the fuel used for business use.	Medium	Accepted		MPA	April 2004
8.11	Review the provision of Police Warning Equipment on cars provided to ACPO officers and a clear policy is drawn up, approved by the MPA and applied by the MPS.	Medium	Accepted		MPS Director HR	January 2004

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Ref.	Recommendation	Risk	Agreed	Management Response	Responsibility	Target Date
8.12	<p>Set up a system to ensure that:</p> <ol style="list-style-type: none"> <li>1. Insurance for private use is only arranged in respect of appropriate vehicles (e.g. vehicles known and accepted as allocated cars).</li> <li>2. Necessary information is notified to the Exchequer Services for their review on a periodical basis and linking to the system for reporting benefits in kind.</li> </ol>	<p>Medium</p> <p>Medium</p>	<p>Accepted</p> <p>Accepted</p>	<p>The insurance will only be arranged on vehicles and driver details formally notified in writing by the MPS Fleet Managers.</p> <p>DPS is in the process of establishing the correct contact point for receiving information on cars and drivers and to confirm how often this data is required. Once these details have been established, the recommendation will be implemented immediately.</p>	<p>MPS Directorate of Professional Standards (DPS) (Mike Birt, Head of Accident Claims)</p>	<p>Implemented.</p> <p>May 2004</p>
8.13	<p>Set up an adequate and effective mechanism to ensure that vehicle logbooks are completed with sufficient information to identify any home to office and other private mileage for or by ACPO rank officers and regular reports of usage are made to the appropriate section within Exchequer Services.</p>	<p>Medium</p>	<p>Accepted</p>	<p>See comments against 8.8.1. The value of examining fuel account is questionable.</p>	<p>MPS Transport Services</p>	<p>Within two months of the MPA approving a clear and unambiguous ACPO car policy.</p>

## ACTION PLAN

Ref.	Recommendation	Risk	Agreed	Management Response	Responsibility	Target Date
8.15 and 8.16	1. Consider the position on the recovery of rent concerning the four officers and formally record a decision for each ACPO rank.	Medium	Accepted	MPS Property Services Department has agreed to liaise with MPS HR and seek a decision from the MPA to resolve the issue.	MPA	April 2004
	2. Seek instructions in respect of requiring a formal undertaking/ agreement from the Officer clearly defining the terms and conditions for the provision of MPS accommodation including: <ul style="list-style-type: none"> <li>To suspend payment of Housing/Rent allowance or pay market rent if the authorised occupation goes beyond 6 months; and</li> <li>To vacate before the maximum period allowed i.e. 12 months.</li> </ul>	Medium	Accepted	Agreed to seek authority and implement.	MPS Property Services Department	January 2004
	3. Roles and responsibilities within the PSD and Exchequer Services are outlined and clearly conveyed to ensure that timely approvals are received from the MPA and action taken after the initial period of 6 months.	Medium	Accepted	Agreed to liaise with MPS-HR and implement. As these activities have a personnel element, linked through offers of employment, MPS-HR should have responsibility for monitoring the delivery of MPS policy and ACPO recruits.	MPS Property Services Department	January 2004.