

EXPLANATORY MEMORANDUM TO
THE POLICE REFORM AND SOCIAL RESPONSIBILITY ACT 2011
(TRANSITIONAL PROVISION) ORDER 2013

2013 No. 2319

1. This explanatory memorandum has been prepared by the Home Office and is laid before Parliament by Command of Her Majesty.

2. **Purpose of the instrument**

2.1 This instrument makes transitional provision in relation to the accounts of chief constables and the Commissioner of Police of the Metropolis (“the Commissioner”) in connection with Part 1 of the Police Reform and Social Responsibility Act 2011 (“the 2011 Act”).

3. **Matters of special interest to the Joint Committee on Statutory Instruments**

3.1 None.

4. **Legislative Context**

4.1 Part 1 of the 2011 Act establishes chief constables and the Commissioner as corporations sole with the power to employ staff to enable them to exercise their functions or otherwise to assist their police forces.

4.2 Part 3 of Schedule 15 to the 2011 Act provides for the making of transfer schemes under which existing police civilian staff are to become employees of the relevant chief constable or the Commissioner. When these transfer schemes take effect, it will be for chief constables and the Commissioner to account for the pension liabilities in relation to these staff.

4.3 Part 1 of the Local Government Act 2003 (“the 2003 Act”) makes provision in relation to the capital finance and accounts of local government bodies. Sections 21 and 22 allow the Secretary of State (in Wales, the Welsh Ministers) to make regulations and issue guidance in relation to the accounting practices to be followed by local authorities, with particular regard to the charging of expenditure to a revenue account.

4.4 Chief constables and the Commissioner are not presently local authorities for the purposes of Part 1 of the 2003 Act. However, clause 122 of the Anti-Social Behaviour, Crime and Policing Bill (H.C. Bill 93) amends the 2011 Act with the effect that various provisions of Part 1 of the 2003 Act (including sections 21 and 22), and the regulations made under those provisions, will apply to chief constables and the Commissioner as they apply to local authorities.

5. Territorial Extent and Application

5.1 This instrument applies to England and Wales.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

- What is being done and why

7.1 This Order modifies Schedules 2 and 4 to the 2011 Act, with the effect that chief constables and the Commissioner are treated as though they were subject to various local government enactments concerning accounting practices, and particularly the charging of expenditure to a revenue account. The purpose is to ensure that staff pension liabilities are treated in accordance with accepted practices in the accounts of chief constables and the Commissioner.

7.2 The Order will cease to have effect on the coming into force of clause 122 of the Anti-Social Behaviour, Crime and Policing Bill, or any other enactment to the same effect.

- Consolidation

7.3 The issue of consolidation does not arise.

8. Consultation outcome

8.1 The Home Office consulted the Police and Crime Commissioners Treasurers Society, the Chartered Institute of Public Finance and Accounting, the Audit Commission, the National Policing Finance and Resources Business Area, the Department for Communities and Local Government and the Welsh Government in relation to the instrument, and they are content with the instrument.

9. Guidance

9.1 The Home Office does not intend to issue guidance in relation to this instrument in particular. There is already a significant quantity of accounting guidance available to chief constables and the Commissioner from a variety of Government and professional sources.

10. Impact

10.1 There is no impact on business, charities or voluntary bodies.

10.2 The impact on the public sector is minimal. Chief constables and the Commissioner are required by separate legislation to prepare accounts; the instrument merely concerns the practices to be applied in keeping those accounts.

10.3 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 There are no particular plans to monitor the impact of this instrument, but the Home Office keeps the subject area of policing governance and finance under general review.

13. Contact

13.1 Eleanor Cannell at the Home Office Tel: 020 7035 3110 or email eleanor.cannell@homeoffice.gsi.gov.uk can answer any queries regarding the instrument.