

Devon and Cornwall Police Authority

MINUTES

A meeting of the **Resources Committee** was held on Thursday 9th September 2010 in the Police Authority Conference Room at Endeavour House, Woodwater Park, Exeter, starting at 10:30hrs.

Present:

Chair: Mr B Greenslade

Vice Chair: Mr M Bull

Members: Mr M Clayton, Mrs V Pengelly, Mrs L Price, Lady Stanhope.

Also attending: Mrs L Williams – items R/891 onwards

Police Authority

Mr D Walton (Treasurer), Mrs G Clifton (Committee & Meeting Services Officer).

Constabulary

Ms A Daveney (Head of Technical Accounting) – up to R/885 only, Ms S Goscomb (Director of Finance and Resources), Mr S Jose (Head of Procurement), Mr A Morris (Head of Estates) – item R/893 only, Ms J Neale (Director of Scientific Services) – item R/ 889 only, Mr M Stamp (Director of Legal Services) - agenda item R/891 - 892 only, Mr R Wheeler (Acting Head of Finance)- up to R/886 only.

NB the minutes reflect the order in which the items were discussed rather than the order on the agenda.

R/877 Appointment of Chair

Mr B Greenslade was nominated by Mrs Price and seconded by Lady Stanhope.

There were no other nominations.

All members agreed to the appointment of Mr Greenslade as Chair of the Committee.

R/878 Appointment of Vice Chair

Mr M Bull was nominated by Mr B Greenslade and seconded by Lady Stanhope.

There were no other nominations.

All members agreed to the appointment of Mr Bull as Vice Chair of the Committee.

R/879 Apologies for Absence

Apologies for absence were received from Mr M Hodge and Mr D Money.

R/880 Declarations of Interest

The following declarations of interest were received:

| Name | Agenda Item | Minute ref | Interest | Details | Action taken |
|-----------------|---|------------|----------|---------------------------------|--------------------------------|
| Mr M Bull | 10. Police Property Act Funds – Annual Report | R/886 | Personal | Chairman of the DCF | Spoke & voted |
| Mr B Greenslade | 10. Police Property Act Funds – Annual Report | R/886 | Personal | Member of Devon County Council | Spoke & voted |
| Mr B Greenslade | 13. Devon and Cornwall Police Civil Claims | R/892 | Personal | Member of Devon County Council | Rescinded Chair, Spoke & voted |
| Mrs V Pengelly | 15. Estate Strategy | R/893 | Personal | Member of Plymouth City Council | Spoke & voted |

R/881 Chairman's Announcements

There would be an extra item in the open session – Cost of In-House Legal Services Provision in Relation to Civil Claims Handling.

R/882 Minutes

R/876 Estate Strategy and Programme Update – Resolution (iii) to read “that future building receipts could be re-invested in the Capital Building Programme based on the merits of the projects”.

RESOLVED that the minutes of the meeting held on 3rd June 2010 be confirmed as a correct record subject to the above amendment.

R/883 Financial Monitoring Report

The Director of Finance and Resources introduced the report that provided an update on financial monitoring – revenue and capital budgets 2010-11, and included progress on the in-year budget cuts. Issues discussed during consideration of this item included:

- The Force had overachieved on VFM savings and the halt in recruitment had helped to balance the gap. Ceasing Special Priority Payments (SPP) could be open to legal challenge until the planned Home Office review of terms and conditions is completed. There had been a ring-fenced grant for SPP but this had been withdrawn even though there was still an obligation to pay these payments.
- The target to reduce number of staff by 100 had identified 84 posts which had been netted down to 72. However, the financial target had been met. The posts had been removed from the establishment.
- The Force was confident that the £2.8m savings could be delivered in the year.
- The Police Officer and staff ratios showed that Devon and Cornwall Police has an above average number of sergeants and a below average number of population per police officer. This was to be expected in a rural area. However, these variations would be scrutinised as part of the Blueprint programme.
- The number of leavers was much closer to forecast this year. A presentation had been given to senior management teams to say that officer numbers would be reviewed following the Comprehensive Spending Review (CSR) in October.
- The Committee did not approve Recommendation (v) as each scheme should be judged on the merits of its Business Case. More details would be brought to the next meeting.

RESOLVED (i) that the latest revenue projection for 2010-11 be noted;
(ii) that a virement of £230k for the additional contribution to the Capital Financing Reserve is approved;
(iii) that members note the drawdown of £246k from the Budget Management Fund;
(iv) that the revised capital programme for 2010-11 be noted;
(v) that the latest capital projection for 2010-11 be noted;
(vi) that the latest Police Officer staffing levels be noted.

R/884 Treasury Management

The Treasurer introduced the report that detailed treasury management performance for the period 1st April 2010 to 31st July 2010. Issues discussed during consideration of this item included:

- Performance is largely in line with the budget plan. The cost benefits of using small amounts in longer term external borrowing are being looked at while interest rates are low. The Committee agreed to give the Treasurer delegated authority in consultation with the Chair and Vice Chair of the Resources Committee to undertake this borrowing if the analysis forecasts a benefit.
- There had been some concern over Santander but following reassurances the bank is used for overnight deposits.
- It was not known how having financial reserves would affect the Council Tax precept submission but a significant proportion of the reserve is cashflow.

- RESOLVED** (i) that the treasury management performance be noted;
(ii) that the Treasurer be given delegated authority in consultation with the Chair and Vice Chair of the Resources Committee to undertake external borrowing if deemed to be of benefit.

R/885 Efficiency Plan Monitoring Report

The Head of Technical Accounting introduced the report that detailed performance against the efficiency plan for the period 1st April 2010 to 31st August 2010 and progress on longer term VFM planning. Issues discussed during consideration of this item included:

- In February the Authority set a budget saving target of £27m. Of this £2.2m savings had been realised through VFM but the productivity savings identified by Quest were taking longer to materialise. A paper on these savings would be brought to the next meeting of Resources Committee.
- The Committee required clarity on the difference between cashable and non cashable savings and their contribution to the target.
- Annex 2 showed guidance from the Home Office on how efficiency saving could be achieved. Some of these proposals were included in the Blueprint project and others e.g. streamlining support service had already been achieved.

- RESOLVED** (i) that the forecast efficiency savings for 2010-11 as compared to the target be noted;
(ii) that the increase to the efficiency plan savings as a result of the in-year budget cut be noted;
(iii) that the progress on the plan to ensure that the Police Authority continues to make value for money improvements in 2010-11 and beyond is noted;
(iv) that the Committee receives a report on the costs and delivery of the Quest project.

Ms A Daveney left the meeting

R/886 Annual Report of the Police Property Act Fund by Devon and Cornwall Community Foundations

n.b. Mr Bull and Mr Greenslade declared an interest in this item

The Acting Head of Finance introduced the report that gave an update on progress regarding the distribution of the Police Property Act Funds by Devon Community Foundation and Cornwall Community Foundation. Over £9,000 in awards had been agreed by the panel. There would be a report in April 2011 and an annual report in future.

- RESOLVED** (i) that the initial awards from the Police property Act Fund be noted;
(ii) that a paper outlining further awards be brought to the Resources Committee in April 2011.
(iii) that the Annual Report on the Property Act Fund be brought to the Resources Committee in June 2011.

Mr R Wheeler left the meeting

R/887 Risk Management – review of risks on risk register.

This item allowed the Committee to give consideration to the risks that have been allocated to the Resources Committee and the impact thereon of any decisions made in respect of the items considered at this meeting and make recommendations to the Risk Review Group of any suggested changes.

- At a meeting with the Internal Audit Manager some risks had been identified as needing updating e.g. the appointment of the new Treasurer. The Risk Review Group had met to try to align the Registers of the Force and the Police Authority.
- A new computer system was to be installed later in the month for the Risk Register.
- Risks would be allocated across committees once the new committee structure was approved.

RESOLVED to note the position

R/888 Closed Items (items considered by the Committee with only members of the Police Authority, appropriate officers and expert advisors present, on the grounds that exempt/confidential information may be disclosed.)

RESOLVED that the Agenda items detailed in the table below be considered as closed items:

| Agenda Item | Minute No. | Report Title | Relevant Act | Relevant Section |
|--------------------|-------------------|---|---|--|
| | R/889 | Scientific Support Unit Savings | Local Government Act 1972 as amended by the Local Government (Access to Information) Act 1985 | Schedule 12A, paragraph 7, information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of a crime. |
| 11 | R/892 | Devon and Cornwall Police Claims 2009-10 | Local Government Act 1972 as amended by the Local Government (Access to Information) Act 1985 | Schedule 12A, Paragraph 5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings |
| 12 | R/890 | Procurement Update | Local Government Act 1972 as amended by the Local Government (Access to Information) Act 1985 | Schedule 12A, Paragraph 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 13 | R/893 | Estate Strategy and Programme Update | Local Government Act 1972 as amended by the Local Government (Access to Information) Act 1985 | Schedule 12A, Paragraph 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information) |

Ms J Neale joined the meeting

R/889 Scientific Support Unit Savings

The Director of Finance and Resources introduced the report which provided information on the savings achieved within the Scientific Support Unit for the period 1st April 2009 to 31st March 2010. Issues discussed during consideration of this item included:

- Concern had been expressed at the previous meeting that the reduction in costs had compromised the quality of the service. The Committee was reassured that the cost savings had resulted from three major changes:
 - (i) the centralisation of the Scene of Crime Management from BCUs to HQ;
 - (ii) the introduction of the Joint Forensic Procurement Contract; and
 - (iii) the introduction of the SOCRATES computer system.
- The NPIA was mandating frameworks for forensic contracts and wants to use best practice from the two existing contracts.
- SOCRATES was not yet fully operational; work was ongoing and the Committee would be updated once the project was complete.
- The Committee wanted to record it's thanks to the Director of Scientific Services for the excellent way she had managed the changes within the department.

RESOLVED to note the contents of the report

Ms J Neale left the meeting
Mr A Morris and Mr S Jose joined the meeting

R/890 Procurement Update

The Head of Procurement introduced the report that updated the Committee on procurement activities and procurement savings achieved. Issues discussed during consideration of this item included:

- Common standard specifications had been agreed for uniforms across the four regions; tenders from suppliers would be assessed over the next month. The saving anticipated over 8 to 10 years of £70,000 seemed small.
- The Home Office was consulting on mandating central frameworks for contracts and an e-procurement process.
- It was unlikely that the Forensic Medical Examiner's contract would be revised as this would result in an unacceptable risk. The Force has enquired what the impact would be if there was a capped price on the contract.
- The new national vehicle framework due to be awarded in October 2010 might result in some cash savings.
- A regional joint procurement team could provide savings in staff costs. Further details would be provided following the report from SWPAJC.
- It was difficult to disaggregate the savings on a contract and the demand reduction through the procurement process, further analysis was needed.

RESOLVED (i) to note the contents of the report;
(ii) that a further report on procurement savings would be brought at the end of the financial year.

Mr M Stamp joined the meeting

RESOLVED that the following item be considered as an open item for the purposes of FOI.

R/891 The Cost of In-House Legal Services Provision in relation to Civil Claims Handling

The Director of Legal Services introduced the report that provided the additional information requested at the previous meeting regarding the cost of in-house legal provision as compared to out of house resolution by private practice. Issues discussed during consideration of this item included:

- The Committee was satisfied with the comparison figures provided which reflected the fact that the internal legal service provision represented strong VFM and felt that the costs quoted for the private sector services could have been underestimated making the VFM for in house legal provision even better value.

RESOLVED to note the report

RESOLVED that the following Agenda items (detailed in the table above) be considered as closed items.

R/892 Devon and Cornwall Police Claims 2009-10

NB; Mr Greenslade declared an interest in this item

The Director of Legal Services introduced the report that provided an update on the significant civil claims against the Constabulary. Issues discussed during consideration of this item included:

- A recent high value case that required urgent attention had resulted in a decision to provide details of significant claims on a regular basis to the Resources Committee in future. High value claims are deemed to be those over £75,000 in damages and costs.

- Legal Services currently has 167 claims not all of which are high value. The regular report to the Committee will include high value and high reputation claims. In future, employment tribunals will also be included. The numbers of these are small but numbers are increasing, which reflects industry norms given 56% more cases issued in ETs nationally in 2009/2010 compared to 2008/2009.

Mr Bull chaired the next issue as Mr Greenslade had declared an interest.

- Regarding the claim arising from Barnstaple Civic Centre it was proposed that mediation be considered. The costs of retaining counsel for the day of mediation would be insignificant compared to the cost of the claim.

- RESOLVED
- (i) the Committee notes the content of the report generally
 - (ii) the Committee agrees that the regular report to the Committee should include high value/high reputation cases issued in the Employment Tribunal as well as civil claims.
 - (iii) the Committee notes the case of Y v Devon and Cornwall Police and authorises the defence of this claim;
 - (iv) the Committee notes the update in the case of Devon and Cornwall Police v H;
 - (v) the Committee notes the settlement in the matter of T v Devon and Cornwall Police;
 - (vi) the Committee notes the contents of the report into the claim for damages at Barnstaple Civic Centre and authorises the proposed course of action.

Mr M Stamp left the meeting

Mr Greenslade resumed the Chair

R/893 Estate Strategy and Programme Update

The Head of Estates introduced the item that gave a progress update on the delivery of the capital building programme and Estate Strategy including recommendation requests. Issues discussed during consideration of this item included:

- The company contracted to develop the new Ashburton Crime Hub had gone into liquidation with the building 85% complete. This will mean that the project will go over budget and over programme. Access onto the site is not completed; it was hoped that this could be sorted out but the site owner has the same director as the company that has gone into administration so it is likely to be problematic. It appeared that the latest valuation of the Ashburton Crime Hub might have been overpriced. The Force was considering a claim against the quantity surveyor and would keep the Chair of the Resources Committee informed. Legal advice is being sought.
- Additional work was being requested at the new site to convert the roof space into a major incident briefing room, to alter the internal layout and to enhance the automated heating and cooling system to allow co-location of existing station staff within the new building with Crime. The Committee delegated the decision to the Chair and Vice Chair of the Committee to determine this once they had seen a detailed cost breakdown of the proposed works. The results would be emailed to committee members before a decision was made. A private security firm had been employed to protect everything on site owned by the Police Authority to avoid losses.

Mrs V Pengelly declared an interest in the following issue

- The value of the land at Devonport had been re-valued at £200k compared with an asking price of £300k. A meeting was planned with a hope to compromise on the price.
- The Business Case for the Exeter Criminal Justice Centre would be ready in about a week. A small group of members would assess it before it came to the next meeting of the committee.
- The Committee would find a one page report useful for the Bodmin Scheme which evaluated the projects timescale, costs, lessons learnt etc. a template would be drawn up by the Chair and Vice Chair of the Committee.

- RESOLVED**
- (i) that the disposal of the Ashburton Police Station be approved;
 - (ii) that the decision on the extra funding needed for additional work at Ashburton be delegated to the Chair and Vice Chair of the Committee;
 - (iii) that the lease acquisition for a new PPU at Bodmin and the associated fit out cost as detailed in the report be approved;
 - (iv) that the disposal of 2/4 Moorland Road and the St Austell annexe be approved following the opening of the new PPU;
 - (v) that the occupation of the Zephyr Team within property currently leased by the Authority and the recovery of costs through a management agreement be approved.
 - (vi) that the Estates Programme highlight report be noted.

There being no other business the meeting closed at 13.20hrs.