

Devon And Cornwall Police Authority

MINUTES

A meeting of the **Resources Committee** meeting held in the Conference Room, Endeavour House, Woodwater Park, Exeter on Wednesday 27 July 2005 starting at 10.30 hrs.

Present

ChairmanMr B Greenslade.

Mr J Currie, Mr D Money, and Mr J Smith and Mr W Thomas.

Officers In Attendance

Police Force:

Mr F Graney (Director of Finance and Administration), Superintendent S Swani (Superintendent Partnerships), Mr P Tucker (Force Business Change Manager), and Mr M Walton (Head of ICT). Inspector G Reynolds (Head of Counter Terrorism Office) joined the meeting for the Security update item .

Police Authority:

Mr J Glasby (Treasurer), Mr S Mellor (Finance Manager) Mrs E Tanner, (Administrator). Miss T Kelland (Consultation Officer) joined the meeting for item 6 and 7.

R/439 Apologies for absence

Apologies were received from Mr Mike Nevitt, Mrs Jill Owen and Mrs C Ryan.

R/440 Chairman's Statements

The Chairman gave the following statements in relation to those matters not included on the agenda.

Having regard to the special circumstances pertaining in this matter – namely the need to respond to the Association of Chief Police Officers before the close of the day, the Chairman was of the opinion that the matter of the Neighbourhood Policing Fund should be considered at the meeting as a matter of urgency.

Having regard to the special circumstances pertaining in this matter – namely the timeliness of the information, the Chairman was of the opinion that the matter of security issues should be considered at the meeting as a matter of urgency.

Having regard to the special circumstances pertaining in this matter – namely the desirability of determining the matter, the Chairman was of the opinion that the matter of treasury management should be considered at the meeting as a matter of urgency.

R/441 Declarations of Interest

No declarations of interest were made in respect of any item on the agenda.

R/442 Minutes

(a) **RESOLVED** that the minutes of the meeting held on the 14 June 2005 were confirmed as a correct record.

(b) Matters Arising From the Minutes

The following issues were raised:

- **R/428** Mr Smith attended the meeting and should be removed from the apologies list.

R/443 Treasury Management

Devon County Council currently invest monies on behalf of the Police Authority with the State backed Landers Banks in Germany. Current investment limits ranged from £4-6m. The Treasurer had been made aware that the State backing had now been withdrawn from the Landers Banks resulting in increased risk to investments. It was recommended that the investment limits be downgraded in light of the withdrawal of State backing.

It was likely that the Landers Banks would not wish to deal in small investments and it was therefore recommended to increase the limits with the Debt Management Office which was backed by the Treasury.

RESOLVED that for the financial year 2005/06 investment limits with

- i. the Berlin Bank be reduced from £6m to £3m;
- ii. all other Landers Banks be reduced from £4m to £1m;
- iii. the Debt Management Office be increased from £6m to £10m.

R/444 Neighbourhood Policing Fund

The Constabulary had recently received correspondence from the Home Office consulting on how the Neighbourhood Policing Fund could be accessed for an increase in Police Community Support Officers. There was a requirement that the Authority agree in principle by Friday 29 July to the Home Office proposals for accessing the fund and increasing the number of PCSOs in Force. A report was therefore tabled providing an overview of the funding situation in respect of PCSOs at an Authority and national level and identified the most recent Home Office and ACPO information around the current funding availability and the benefits of accessing this fund.

In the past, the Authority had accessed PCSO funding streams through a bidding process, whereby Forces were allocated numbers in response to bids submitted. It was now proposed that additional PCSOs would be allocated based on the Police funding formula, which would result in an increase to 458 PCSOs for Devon and Cornwall.

The Home Office proposal was for 100% funding for the first year of recruitment of the additional PCSOs, with 75% funding for the second year. A condition of receiving the funding was a commitment to reaching the recruitment target by 31 March 2008. It was proposed that funding for 2008/09 onwards would be met from the Authority's overall budget with the Neighbourhood Policing Fund being rolled into the general police grant for 2008/09 to support this.

Issues discussed during consideration of this item included:

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- The annual cost of funding the 25% shortfall in funding could amount to approximately £2.5m.
- The certainty of future funding was not clear since the proposal was to incorporate it into the police grant and this is subject to floors and ceilings mechanisms. Devon and Cornwall already 'benefits' from safety nets on grant and there is a real concern that the full costs of our investment would not be covered by grant increases long term. Annual Police grant increases were currently protected under the safety net arrangements. Unless the safety net was raised, funding could be lost and contributions would need to be found from elsewhere.
- It may be possible to convert existing posts to PCSOs which could result in savings against budget of £2.5m – sufficient to fund the 25% funding shortfall for the years to 2007/08. This initiative would mean an increase in establishment of approximately 300.
- There were concerns about the possibility of match funding from partner organisations. For example, it was anticipated that the Counties faced a 6% grant reduction in coming years.
- The Authority had resolved to reach the recruitment target for police officers before considering recruitment of PCSOs. This target would be reached by March 2006 and therefore the proposal to have additional PCSOs was now welcomed.
- It was suggested that it should be considered where PCSOs would be posted, bearing in mind police station capacity.
- The Authority could receive a one off payment from the Home Office of £2,500 per new PCSO for equipment costs.

Specific funding questions were asked that would require a response from the Government as follows:

- Whether or not the rural policing fund would remain in place;
- Whether the capping criteria would be changed;
- If pensions would be taken out of the capping criteria;
- Assurance regarding the continuation of funding from 2008/09 onwards.

It was agreed that the Chairman of the Police Authority would write to all Members to inform them about the Home Office proposals. A draft response to ACPO would be prepared and agreed by the Chairman of the Police Authority and the Chairman of the Resources Committee. A copy of the response would be sent to MPs.

There was a requirement that the Police Authority give final agreement to the Home Office proposals for accessing the Neighbourhood Policing Fund by the end of September. It was agreed that this decision would be made by Members at their Seminar on 15 September.

RESOLVED to

- i. commit in principle to access the Neighbourhood Policing Fund (NPF) for an increase in PCSOs;
- ii. seek assurances from the Government regarding the continuation of funding from 2008/09 onwards and other funding concerns.

- iii. give support for the proposed access criteria principles subject to satisfactory responses regarding future funding being received.

R/445 Annual Statement of Accounts 2004-05

The statement of accounts for 2004-05 was presented for consideration. Because the Government had brought forward the time by which the accounts needed to be approved from September it was likely that some minor changes may be required. Should any changes be required, they would be brought to the next meeting of the Committee for approval, or under urgency procedures if required.

RESOLVED that the draft statement of accounts for 2004-05 be approved.

R/446 Financial Monitoring 2005-06

Members considered a report setting out the latest financial position.

Key issues included:

- Spend against the Major Operations budget was on target.
- Negotiations between the Scottish Executive and Police Negotiating Board and Police Federation in relation to reimbursement for policing assistance during the G8 conference were still ongoing. This was because of the additional policing support provided due to the unrest at the event.
- Home Office reimbursement of costs to Constabularies for policing assistance in Asia following the Tsunami disaster on Boxing Day would continue through until the anniversary of the disaster.
- Police Officer recruitment was on track. From 2006/07, the responsibility for probationer training would revert to the Constabulary and the Police grant would be increased to account for this change.
- An underspend in the capital programme was forecast for 2005/06 and subsequently the 3 year strategy would need reworking to enable the operational estates strategy to be met.

Issues discussed during consideration of this item included:

- Capacity within the Estates Department to drive the capital programme forward.
- The need for Members to focus on the capital programme.
- Funded post profiles (FPP) for BCUs and Departments in relation to allocation of police officers to BCUs.
- The need to ensure that FPP within BCUs is closely monitored to ensure that failure to meet the targets does not result in decreased efficiency savings.

RESOLVED

- i. to note the latest financial forecasts for 2005-06
- ii. to recommend to the Police Authority that revised capital programme for 2005-06 be approved.

R/447 Budget Working Party

The Treasurer updated members on the discussions at the Budget Working Party meeting held on 15 July 2005.

Issues that had been discussed included financial planning for the next three financial years and the comprehensive spending review. Changes to the funding formula were out for consultation and a possible response would be brought to the next meeting of the Resources Committee.

Other issues discussed included the anticipated low increase in police funding for 2006-07 which was estimated at between 2.75 and 3.25% and progress against the £5.8m efficiency savings required in 2005/06.

The next meeting of the Budget Working Party was scheduled for 22 September.

R/448 Budget 2006-07 Consultation Arrangements

Members discussed arrangements for consulting with the public leading up to the 2006-07 budget setting. In previous years, the Authority had consulted at Police Authority Liaison Meetings however changes to the arrangements for these meetings whereby the focus had shifted from a District to sector level meant that it was not possible to support the number of meetings that would be required to consult effectively. A number of alternative ways to consult were proposed as follows:

- Survey
- Website
- Engaging with local Members of Parliament and providing new Members of Parliament with a briefing on police funding
- Consultation with partner authorities
- Engaging with Parish Council Associations
- Engaging with senior representatives of organisations such as Age Concern

RESOLVED that the above suggestions would be considered for feasibility and a report be presented to the meeting of the Planning and Consultation Committee in November.

R/449 MacFarland Review of PITO

The Chairman advised that due to the limited time remaining before the meeting concluded this item would be deferred to the next meeting.

R/450 Devon Drug and Alcohol Action Team

The Chairman advised that due to the limited time remaining before the meeting concluded this item would be deferred to the next meeting.

R/451 Vehicle Utilisation

Increases in police officer numbers had resulted in an increase in police vehicles. Concerns had been raised by members of the public at Police Authority Liaison Meetings and by members of the Police Authority on the apparent uneconomical use of some vehicles inferred by the fact that some police cars appeared to be parked outside police stations for extensive periods.

The Constabulary was aware of these issues and had devolved vehicle budgets to Commanders to encourage better utilisation. In addition, the implementation of a new IT system, Transform, which logged total mileage for vehicles over a given period and which could be queried to identify seasonal usage or trends, enabled the Constabulary to better rationalise use of the fleet. Unfortunately, the quality of data input required for Transform had been poor and the programme was incapable of identifying actual times of day when vehicles were being used.

Vehicle data loggers could be used to address this problem, and were currently being piloted in a small number of vehicles. Drawbacks to this solution included the high costs of fitting all vehicles with data loggers; it was not cost effective to put data loggers into all vehicles.

Issues discussed during consideration of this item included:

- The need for the recent increase in the vehicle replacement budget in the capital programme was queried. It was accepted that there had been a requirement to upgrade some specialised vehicles, for example the Police Support Unit vans, all at the same time whereas usually the decision to replace was based on age and mileage of vehicles. Members requested a report to provide more detail about the need for large increases in the vehicle replacement budget.
- It was felt that the Constabulary should be stipulating the return of logs (required for input into the Transform system) as an incentive for vehicle replacement.
- It was suggested that the vehicle replacement budget be reduced and the effects of the reduction be monitored.
- The allocation of police vehicles was not always consistent with the allocation of police officers and this required further investigation and resolution.

RESOLVED

- i. that a report be presented to a future meeting of this committee advising on the need for the large increases in the vehicle replacement budget.
- ii. to consult with Chief Officers regarding the reduction of the vehicle replacement budget.

R/452 Programme / Project Business Benefits

The ability to quantify financial benefits was vital in the development of the budget for future years. A new format had been devised for monitoring and reporting Business Benefits associated with initiatives being handled within the overall Strategic Change Programme. An example of the proposed new Business Benefits Status Report was appended to the paper for Members consideration and comment. A summary of the current view of Financial Benefits for the period 2005/6 to 2009/10 was also provided.

In discussing this item, the following issues were raised:

- It was not clear in the summary of identified financial benefits whether the benefits were positive or negative. In addition, cashable and non-cashable benefits had been merged together and this was not helpful.

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- It was thought essential that a budget owner (and hence a benefit owner) be identified at the start of any project. This would ensure that the anticipated benefits were actually delivered.
- It was requested that the Committee be made aware of projects and associated savings/ benefits at their inception, and to receive a progress report from time to time.
- It was requested that the HMIC Baseline Assessment columns in the Business Benefits Status Report be moved to be a primary entry in the table.

RESOLVED

- i. to note the content of the report;
- ii. that the above feedback on the report content and format be noted and incorporated into future reports to the Committee;
- iii. to defer the appointment of a lead member for Programme / Project Business Benefits.

R/453 Closed Items - Exclusion Of The Press And Public

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

Minute No	Report Title	Relevant Act	Relevant section
R/454	Update on Security and Associated Costs	Freedom of Information Act	Section 23 (Security Matters)
R/455	Force Integrated Management System (FIMS)	Freedom of Information Act	(1) Section 22 – Information intended for future publication (2) Section 43 (2) Prejudice the commercial interests of any person including the public authority holding it
R/456	Intranet Phase II	Freedom Of Information Act	Section 43 (2) Prejudice the commercial interests of any person including the public authority holding it
R/457	Torrington Police Station	Freedom of Information Act	Section 43 (2) Prejudice the commercial interests of any person including the public authority holding it

R/454 UPDATE ON SECURITY AND ASSOCIATED COSTS

Members received a presentation from Inspector Graham Reynolds, Head of the Counter Terrorism Office, on the current security status and associated costs following the bombings in London.

R/455 FORCE INTEGRATED MANAGEMENT SYSTEM (FIMS)

Members considered a report updating on the progress of the implementation of the Integrated Management System payroll solution.

In discussing this item, the following issues were raised:

- The FIMS Project Board had completed a detailed risk assessment of the payroll options currently available - to proceed with the FIMS solution or to outsource. The risk assessment had concluded that the FIMS option now provided the lowest risk option to the Authority.
- The Treasurer attended meetings of the project board. It was agreed that The Chairman of the Authority now attend all future meetings of the Project Board.
- A sample payroll had been undertaken and only minor errors on set-up had been identified. Confidence in the system was high.
- There were concerns about the interface between Finance and HR elements. Members were assured that these concerns were already being addressed and a successful resolution was anticipated by September.
- Members expressed concern about some of the risks identified in the risk assessment. Members were assured that risk ratings were continually changing (typically downwards).
- The project board was due to meet again in August and the final decision to proceed with the FIMS payroll solution was required by the end of August.
- The Police Authority would be advised immediately of any failings during testing / implementation of the system.

RESOLVED

- i. to progress with the implementation of the FIMS payroll solution
- ii. to note that the Committee underlined the importance of successful delivery and had expressed concern at some departments to deliver.

R/456 INTRANET PHASE II

Members received an update on the implementation of the Force Intranet. Progress was positive.

In discussing this item, the following issues were raised:

- Anticipated timescale for implementation of phase IV.
- Integration of data held in existing databases and the need to identify a timescale for this phase and confirm the implementing contractor.
- The need to discuss the Authority & Constabulary policy for future engagement with contractors when projects slip.

RESOLVED to receive a detailed progress report at the next meeting of the Committee.

R457 TORRINGTON POLICE STATION

Approval was sought for the provision of DDA access and the refurbishment of Torrington Police Station. Expected expenditure had not been included in the capital programme, however slippage in spending against the capital programme meant that this work could be accommodated within the 2005-

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06 budget. Some Concern was expressed that the correct officer approval procedures may have been short circuited and the Treasurer was asked to investigate.

RESOLVED to recommend to the Police Authority that approval be given to the business case to facilitate the refurbishment of the whole of Torrington Police Station, together with provision of DDA compliance within the financial year 2005-06 for a sum as stated in the report.

The meeting closed at 13.30 hrs.