

MINUTES OF A MEETING HELD ON 6 APRIL 2010 IN CONSTABULARY HEADQUARTERS, WINSFORD

Present: D Bateman, Chairman
M Ollerenshaw, Vice-Chairman
M Chapman
A Doran

J Ebo
E Lam
R McNeil
A Walmsley

Also in attendance: D Cargill

Authority Officers:
M Sellwood, Chief Executive
M Eaton, Member Services Manager

Constabulary Officers:
D Whatton, Chief Constable
B Simmons, Assistant Chief Officer
R Muirhead, Head of Finance & Planning

Apologies: M Darby

41. MINUTES

RESOLVED:

That the Minutes of the meeting held on 26 January 2010 be received.

42. ANNUAL COUNCIL TAX AND BUDGET SURVEY 2010/11

The Chief Executive presented a report which summarised the results of the annual survey on council tax levels and budgets for 2010/11. The survey showed that police authorities had set their council tax precept between 1.5% - 7.5%, and that the average Band D council tax level was £179.26.

The Panel noted that Cheshire's increase of 2.72% resulted in a Band D council tax level of £144.53, placing Cheshire 35th out of 43 police authorities.

RESOLVED:

That the council tax and budget survey for 2010/11, be noted.

43. BASIC COMMAND UNIT SPENDING PLANS 2010/11

Further to the Authority decision on 23 February 2010 (Minute 100), the Assistant Chief Officer reported on the proposed Basic Command Unit Fund spending plans for 2010/11 prepared by the three Area Commanders. It was noted that the Governments funding had remained at the same level as in previous years and totalled £526,118.

Each Area Commander had developed a spending plan in consultation with the relevant CDRP in response to direction from Ministers. The spending against the plans would be monitored and reported to the Panel.

The Panel discussed with the Assistant Chief Officer a number of issues in relation to the preparation of the plans including the level of consultation with the CDRPs and accountability for spending and performance outcomes; the lack of detail in the Eastern Area plan; the need for an exit strategy for posts, should the Government reduce future funding; and the measures for monitoring the plans.

RECOMMENDED: That

- (1) the BCU Fund spending plans, as set out in the report, be approved and submitted to the Home Office;
- (2) a mid-year report on expenditure including an assessment of the risk to staff should future Government funding cease or reduce, be submitted to the Panel on 9 November 2010; and
- (3) a final year-end report be submitted to the Panel in April 2011.

44. PARTNERSHIP FUNDING

The Assistant Chief Officer presented a report on the how the Constabulary and Authority fund, and were funded by Partnerships in relation to community safety activity. The report also outlined a proposal to establish long-term, sustainable partnership funding arrangements throughout Cheshire and the progress of the review of partnership funding which was being overseen by the sub-regional Community Safety & Justice Commission.

RESOLVED: That

- (1) the progress of the review of partnership funding across Cheshire, as set out in the Chief Constable's report, be supported; and
- (2) a report on the outcome of the review be presented to the Panel on 10 November 2010.

45. CHARGING FOR POLICE SERVICES

The Head of Finance & Planning presented a further report on aspects of the Authority's charging policy as requested by the Authority on 23 February 2010 (Minute 90). Members were advised that charging for police services was based upon the principle of full cost recovery and currently there was no abatement for charitable events, although a number of civic and ceremonial events were not subject to charges. The charging policy would be reviewed following receipt of new national guidance.

RECOMMENDED: That

- (1) the policing of civic and ceremony events be not charged for, pending receipt of final guidance on charging to be issued by ACPO and APA; and
- (2) a further report be submitted to the Panel on 8 June 2010 on the implications of the national charging policy guidance.

46. GOVERNMENT REPORT ON POLICE VALUE FOR MONEY

The Chief Executive presented the Government's report on Police Value for Money (VFM), which had been issued by the Home Secretary in February 2010. The report outlined the Government's expectations of authorities and forces to deliver greater VFM and efficiency savings and provided a blueprint of the initiatives, authorities and forces should be undertaking to improve performance.

The Chief Executive reported on the savings targets announced by the Chancellor of the Exchequer in the Budget on 24 March 2010, the business re-engineering being undertaken as part of the Transforming Policing and Transforming Business Services projects, the inclusion of VFM statements in the Policing Plan, and the need to make better use of benchmarking as commented upon in the Authority's Inspection Report. Members were advised of the level of VFM inspection/assessment being undertaken by the Audit commission and HMIC.

The Panel discussed the Governments report; the duplication in inspection; and the review of police regulations being undertaken by the Police Negotiating Board.

RESOLVED: That

- (1) the Report of the High Level Working Group on Police Value for Money, published by the Home Secretary, be welcomed; and
- (2) the Report be used to inform the delivery of the Authority's Efficiency and Productivity Strategy 2010-13 and the outcomes of the Transforming Policing Project.

47. HOME OFFICE REPORT: POLICE OVERTIME

The Chief Executive presented a report on a research document on police overtime published by the Home Office in February 2010. The report detailed how overtime could be reduced and examined and focused on increased managerial control; process improvement to increase productivity; and effective deployment. It was noted that in 2009/10 overtime costs in the Constabulary was 3.9% of the budget and was below the Government's current target of 4% and included substantial unavoidable commitments for bank holiday cover and externally funded activity.

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RECOMMENDED: That

- (1) the Internal Audit review of overtime be supported and the outcome considered by the Panel on 7 September 2010;
- (2) the Chief Constable consider the good practice identified in the Home Office report on overtime and ensure the actions recommended in the report are considered and implemented as appropriate in the Constabulary; and
- (3) the research document on police overtime published by the Home Office, be noted at this stage and be used to inform the Internal Audit review, which will include an assessment of action taken by the Chief Constable in accordance with (2) above.

48. VALUE FOR MONEY: REPORT FROM COST BENCHMARKING GROUP

The Chief Executive submitted a report on the outcomes of the initial work undertaken by the Cost Benchmarking Group, which had been established to review the £36m of non-pay expenditure in the budget and identify cash savings. The report detailed those areas scrutinised by the Group and the anticipated savings that could be realised.

RESOLVED: That

- (1) the work of the Group, as set out in the report, be supported;
- (2) a report on the findings from the review of the HMIC VFM profiles be considered by the Panel on 8 June 2010; and
- (3) a final report on the work of the Group be considered by the Panel at the meeting on 7 September 2010.

49. REVENUE BUDGET: PROCEEDS OF CRIME ACT INCOME

The Head of Finance & Planning reported on the projected Proceeds of Crime Act income streams, as requested by the Authority on 23 February 2010 (Minute 87).

Members discussed with the Chief Constable the operation of the Asset Recovery Incentivisation Scheme and the arrangements for allocating income to forces; and sought clarification on the difference between confiscation and forfeiture of assets.

RESOLVED: That

- (1) the report on projected Proceeds of Crime Act income be received; and
- (2) the outcome of activity to increase proceeds by reinvesting excess receipts be reported to the Panel as part of the budget monitoring process.

50. CAPITAL PLANNING AND FINANCING STRATEGY 2011-14

The Head of Finance & Planning reported on the proposed capital planning and financing strategy for 2011-14. The 2010/11 capital programme was the last to be supported from funding within the 2008-2011 Comprehensive Spending Review period. The Panel was asked to consider the strategy for capital expenditure from April 2011 onwards, particularly in the light of likely future reductions in capital grants and receipts. The report outlined the impact of the current economic climate; asset management and lifecycle approach; financial and prudential indicators and other issues which may impact on future grants.

RECOMMENDED: That

- (1) further work on asset management and lifecycle approach by undertaken and reported back to the Panel on 7 September 2010;

- (2) an annual contribution to an earmarked capital reserve be included in the budget from 2011/12 onwards, which will be considered further by officers and taken into account in updating the Medium Term Financial Strategy; and
- (3) the element of new schemes which impact on server storage capacity be set aside within the reserve.

51. REVENUE BUDGET: THREE-YEAR BUDGETING

The Head of Finance & Planning reported on the work being undertaken to produce three-year budgets from 2011/12, following a request by the Authority on 23 February 2010 (Minute 100).

RESOLVED: That

- (1) progress on producing future years' budgets be welcomed;
- (2) an indicative budget for 2011-14, based on current Medium Term Financial Strategy (MTFS) assumptions be considered by the Panel on 8 June 2010; and
- (3) the MTFS be updated to reflect any post Election budget proposals and the outcome of the next Comprehensive Spending Review.

52. REVENUE BUDGET: ZERO BASED BUDGETING

The Head of Finance & Planning reported on plans to carry out a programme of zero based budgeting. The report outlined the advantages of the approach and the initial programme; the links with the Transforming Business Services and Transforming Policing Projects; and the timescales.

The Panel discussed a number of issues including benchmarking; the mechanisms for monitoring budgets; and the levels of financial risk with the Head of Finance & Planning.

RECOMMENDED: That

- (1) the initial zero based budgeting programme, as detailed in the report, be approved;
- (2) the Base Budget Review of Legal Services be reported to Finance Panel on 27 July 2010;
- (3) the remaining 2010/11 reviews be presented to Finance Panel on 9 November or 7 December 2010, for consideration; and
- (4) the outcomes of the reviews for 2011/12 onwards be reported to Finance Panel each year in November or December, and taken into account as part of the budget preparation process.

Duration of Meeting: The meeting commenced at 9.30am and concluded at 11.05am.

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