

CLEVELAND POLICE AUTHORITY EXECUTIVE

A meeting of Cleveland Police Authority Executive was held on Wednesday 29 September 2010 at 10.00am in the Members Conference Room at Police HQ.

PRESENT: Councillor Caroline Barker, Councillor Paul Kirton, Councillor Ron Lowes, Councillor Dave McLuckie (Chair), Councillor Hazel Pearson OBE, Councillor Carl Richardson.

Independent Members
Miss Pam Andrews-Mawer, Mr Chris Coombs, Mr Ted Cox JP, Mr Geoff Fell, Mr Peter Hadfield, Mr Aslam Hanif, Mr Mike McGrory JP.

OFFICIALS: Mrs Julie Leng, Mr John Bage, Mr Michael Porter (CE)
Mr Derek Bonnard, Mrs Ann Hall, and Mr Christian Elliss (CC)
Mrs Lynne Snowball, Mr Paul Heppel

267 **APOLOGIES FOR ABSENCE**

Apologies were received from Mr Peter Race MBE (Vice Chair), Mayor Stuart Drummond, Councillor Mary Lanigan, Councillor Barry Coppinger, Mr Sean Price,

268 **DECLARATIONS OF INTERESTS**

There were no declarations of interest.

269 **ANNUAL GOVERNANCE REPORT**

The Audit Commission reported to Members their Annual Governance Report for 2009/10. The Audit Commission informed Members that they propose to issue an unqualified audit opinion.

Members were informed that there was one material error, on the valuation of the Authority's PFI asset and related liabilities. New accounting requirements from the International Financial Regulations Interpretation Committee (IFRIC 12) in 2009/10 brought PFI schemes on to the balance sheet.

The Audit Commission informed the Police Authority that it had addressed the complex and technical issue well overall, but a material adjustment had been needed to correct the initial value of the asset and related accounting entries.

Members were informed that the audit fee had been set based upon the expected programme of audit and inspection work required, and their risk based audit approach. Since agreeing this fee the scope of their work had increased beyond that expected, due to other risks emerging. Because of this additional work the Audit Commission alerted the Audit & Internal Control Panel at its August meeting that it would likely be charging an additional audit fee. Now that the planned work for the year is completed the Audit Commission confirmed that this was the case, and estimate a revised fee is required.

The Chairman requested that an itemised breakdown of fee's charged this year be brought to the next Audit & Internal Control Panel.

**Audit
Commission**

Members were informed that the Audit Commission are required to decide whether the Police Authority had put in place satisfactory corporate arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the Value for Money conclusion.

The Audit Commission informed Members that the Authority and Force had managed spending within available resources while improving performance and increasing public satisfaction. Performance is now equal to or better than similar Authorities in most crime categories and for detection rates. Public confidence is high. Financial management and reporting is good.

The Audit Commission intend to issue an unqualified conclusion stating that the Authority had adequate arrangements to secure Value for Money.

ORDERED that;

1. the Letter of Representation be agreed.
2. the report be agreed.

270

AUDITED STATEMENT OF ACCOUNTS 2009/10

The Treasurer reminded Members that they had received and approved the Statement of Accounts 2009/10, subject to audit, at their June meeting. It was agreed that the audited accounts and any amendments resulting from the audit would be presented to a future meeting of the Police Authority.

Members were informed that the accounts are prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom: Statement of Recommended Practice (SORP) 2009/10. This specified the principles and practices of accounting required to prepare a Statement of Accounts which gave a true and fair presentation of the financial position of the Authority.

The Treasurer informed Members that changes to the accounts resulting from changing the initial values of the PFI assets that were used in the accounts that Members approved on the 25 June 2010 from £49.2m to £35.0m had the following net impact on the 2009-10 accounts:

- Debit - Interest Payable £660k (I&E impact)
- Credit - Minimum Revenue Provision (£660k) (Statement of Movement of General Fund impact)
- Debit - PFI Liability £10,993k (Long term Liabilities impact on the Balance Sheet)
- Credit - Capital Adjustment Account (£10,993k) (Balance Sheet movement)

The Statement of Accounts had been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom: Statement of Recommended Practice 2009/10 and the subsequent Police Pension Fund Regulations 2007 (SI 1932/2007) and gave a true and fair presentation of the financial position of the Authority and the Police Pension Fund for the year ended 31st March 2010.

ORDERED that;

1. the Statement of Accounts for 2009/10 be agreed.

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MINUTES OF THE POLICY & RESOURCES PANEL HELD ON 26 AUGUST 2010

ORDERED that the following minutes of the Policy & Resources Panel held on 26 August 2010 were submitted and approved.

POLICY & RESOURCES

A meeting of the Policy & Resources Panel was held on Thursday 26 August 2010, commencing at 10.30 am in the Members Conference Room at Police Headquarters.

PRESENT Mr Aslam Hanif (Chair), Councillor Hazel Pearson OBE (Vice Chair), Councillor Barry Coppinger, Mr Ted Cox JP, Miss Pam Andrews-Mawer, Councillor Ron Lowes, Mr Peter Race MBE and Councillor Carl Richardson.

ADDITIONAL MEMBERS Mr Peter Hadfield and Mr Geoff Fell.

OFFICIALS Mr Michael Porter, Mr Norman Wright, Mrs Sarah Wilson and Mr John Bage (CE)
Mr Sean Price, Mr Derek Bonnard, Mrs Anne Hall, Miss Kate Rowntree (CC).

272 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Dave McLuckie (ex officio).

273 **WELCOME**

The Chair extended a welcome to Cllr Carl Richardson as a new Member on the Panel.

274 **DECLARATIONS OF INTERESTS**

There were no declarations of interests.

Action

275 **MINUTES OF THE POLICY & RESOURCES PANEL HELD ON 9 JUNE 2010**

The minutes were agreed as a true and accurate record.

276 **OUTSTANDING RECOMENDATIONS**

ORDERED that:-

1. the Outstanding Recommendations be noted.

277 **BUDGET OUTTURN 2009/10**

The Assistant Chief Officer Finance + Commissioning (ACO F&C) presented the report. Members were reminded that on 25 February 2010 they had approved a Net Budget Requirement (NBR) of £132,172k and budgeted revenue expenditure of £149,573k, the balance of expenditure being funded by specific grants, other income and transfers from reserves. The report set out the year end position against delivery of that budget and was part of the process introduced by the Authority to maintain prudent financial management.

Members were informed that on 27th May 2010, the Government informed Cleveland Police that their revenue grant receipt would be £1.366m lower than previously indicated for the 2010/11 financial year – an unprecedented in year reduction. This represented a 2.65% cut on the previously announced grant receivable.

The ACO F+C informed Members that in order to achieve a balanced budget, a staged approach is proposed. This would involve £648k of specific cuts in

areas agreed by the Executive, as shown in Table 1 in Appendix E to the report. A further £628k to be removed from service unit discretionary budgets (non-pay budgets not impacted by Project I) and finally the central uniform budget to be reduced by £90k to reach the overall £1.366m.

Members enquired as to the Mutual Aid budget head and requested information as to its current status.

The ACO F+C informed Members that this area of expenditure would be balanced by the next financial quarter.

Members sought assurance surrounding the proposed budget cuts to the Forensic budget head, and enquired as to the degree of risk associated with this.

The Chief Constable informed Members that the reduction would pose a risk, but prioritisation of tasks will assist in absorbing such risk currently, but further movements may need to be taken into consideration post, the forthcoming Comprehensive Spending Review.

ORDERED that:-

1. the report be noted.
2. the reduction in service unit budgets of £1.366m to offset the grant funding reduction communicated by the Government on 27th May 2010 be agreed.

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CAPITAL MONITORING

The Assistant Chief Officer Finance & Commissioning (ACO F+C) reminded Members that they had approved the capital programme of £10,209k for 2010/11 and the capital plan for 2010/14 at their meeting on 25th February 2010. Members were informed that the report set out the progress against delivery of the programme and is part of the process introduced by the Authority to maintain prudent financial management.

Members were informed that on 27th May 2010, the Home Office advised of a £119k reduction in the capital grant for 2010/11 which had been reflected in Appendix D to the report. In order to balance the plan it will be necessary to reduce the provision for business cases available in year.

ACO F+C referred Members to para 3.2 of the report and informed Members that the outturn indicated of £1,277K was mainly for ICT related schemes.

Members sought information relating to HQ Lift Replacement, particularly when it was to be carried out and whether it would be done with-in the current financial year.

ACO F+C informed Members that a written update would be brought to the next meeting and any refurbishment would be carried out in this financial year.

ACO F+C

ORDERED that:-

1. the report be noted.

2. the reduction in capital grant of £119k as advised by the Home Office on 27th May 2010 be noted.
3. a reduction in the provision for business cases in order to balance the 2010/11 capital plan in light of the grant reduction be agreed.
4. the adding back of £122k from the Identity and Access Management project to the provision for business cases be agreed.
5. the addition of the following schemes as approved by Members of the Policy & Resources Panel on 9th June 2010 be noted.

➤ Microsoft Licences	£160k
➤ Air Support Unit Downlink	£85k
➤ Enterprise backup	£30k
6. the addition of the Night Vision Scopes at a cost of £14k which will be funded by a transfer from revenue, and was approved under delegated authority be noted.
7. the addition of Project I capital schemes totaling £3.17m, approved as part of the outsourcing decision on 15th June 2010 be noted.

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TREASURY MANAGEMENT TO 30 JUNE 2010

Members were reminded that they agreed an investment strategy for 2010/11 in line with the CIPFA Code of Practice at their meeting on 25th February 2010. The report was to update Members on the status of the Authority's investments and borrowing. It is part of the process introduced by the Authority to maintain prudent financial management.

The ACO F+C informed Members that the loan profile is set out at Appendix A to the report. As at the end of May the Authority had £14.380m of outstanding long term loans. This is within the Operational Boundary for External Debt of £21.998m and also the Authorised Limit for External Debt of £23.998m approved by the Authority on 25th February 2010.

Members were informed that the protection of the Authority's underlying investments will continue to be of utmost importance throughout 2010/11. The investments of the Authority will continue to be placed in a prudent manner and also one that ensures sufficient funds are available to meet its' commitments as they become due.

ORDERED that:-

1. the report be noted.

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THE PUBLIC SECTOR PENSIONS DEBATE

The Strategy & Performance Manager informed Members that the purpose of the report was to outline some of the key issues in the current debate around the future of public sector pensions, with particular reference to funding issues, which has a direct impact on the cost of policing.

Members were informed that the Government has asked John Hutton, a former Labour minister, to investigate public sector pensions, with a preliminary report due before the spending review in October.

The public sector pensions debate revolved around future liabilities and the balance of contributions as between the employer and the employee. This is one of many funding pressures on employers, who will seek to at least cap their long term costs. It should however be noted that, even if there are reductions in future benefits and an increase in the employee contribution rates, the already accrued liabilities for schemes will tend to increase the short term funding pressures to the extent that an increase in employer contributions may be required.

ORDERED that:-

1. the report be noted.

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CLEVELAND POLICE AUTHORITY SINGLE EQUALITY SCHEME UPDATE

The Strategy & Performance Manager informed Members that the purpose of the report was that of a scheduled update to the CPA Single Equality Scheme, which was first accepted by the Police Authority Executive on 14th June 2007.

Members were informed that for a number of years there had been a legal requirement for public authorities to produce equality schemes covering race, disability and gender. The Equality Act 2010 developed this into a single Public Sector Equality Duty combining all strands, now including marriage, civil partnership, pregnancy and maternity. There are also strengthened provisions for disability, age and gender reassignment.

The Single Equality Scheme included an Action Plan and a pro forma for staff to use when completing the statutory equality impact assessments of policies, procedures and projects.

The CPA Single Equality Scheme is progressing as expected, with the Action Plan items being attended to and equality impact assessments being carried out, as required.

ORDERED that:-

1. the updated Single Equality Scheme and Action Plan at Appx A to the report be agreed.
2. the Single Equality Scheme will be further amended once the impact of the Equality Act 2010 is fully assessed be agreed.

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GOVERNMENTS VISION FOR POLICING IN THE 21ST CENTURY

The Strategy & Performance Manager informed Members that the purpose of the report was to inform Members of the Government's new policy document entitled 'Policing in the 21st Century: Reconnecting people and the police', which was published in July 2010.

Members were informed that the Home Secretary stated that she aims to create a radical shift in power and control away from Government and back to communities. This is then followed by proposals outlining the new structures for delivering policing and community justice, and an emphasis of the need to make very significant savings in the cost of policing. The policy

document is also a consultation document for stakeholders and the public to respond to.

A key message from HM Government is that scarce resources in challenging times need to be focused on strengthening front line policing. The assertion was made that "the public want to know that crime and anti-social behaviour is being dealt with in their neighbourhoods and that the police will be there for them when they need them".

The Strategy & Performance Manager informed members that the new policing strategy is currently being consulted upon and the Government had stated that legislative changes to implement significant aspects will be incorporated within the Police and Social Responsibility Bill that will be published in the autumn.

Members enquired as to whether the consultation document would have the opportunity to engender confidence in the public.

Members were informed that a number of questions at the beginning of the document would allow such commentary to be captured, which may permit confidence.

ORDERED that:-

1. the report be noted.
2. Members respond to the consultation questions attached to the Government's policy document be agreed.

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POLICE AUTHORITY – HEALTH & SAFETY POLICY STATEMENT

The Strategy & Performance Manager presented an updated Health and Safety Policy Statement in order to define the health and safety role and responsibility of the Police Authority in relation to the current Force health and safety policies.

The police authority has a key role to play in health and safety matters. The police authority has, as an employer, a legal responsibility for the health and safety of police staff and also for health and safety issues in police buildings. However, the law makes it clear that the Chief Constable carries the prime responsibilities for health and safety management covering both police officers and police staff.

Members were informed that the Force recently issued a revised Health and Safety Policy (policy number 77). The Police Authority had certain roles and responsibilities referenced within this and associated documents and therefore the role of the Police Authority had been clarified in the revised Police Authority Health and Safety Policy Statement at Appendix A to the report. This replaces the previous Policy agreed by the Authority in March 2007.

ORDERED that;

1. the updated Police Authority Health and Safety Policy Statement at Appendix A to the report be agreed.

BUDGET CONSULTATIONS RESULTS

The Consultation & Performance Officer presented the results of recent consultation exercises carried out to ascertain the public's priorities for resource allocation.

Members were informed that during July 2010 Cleveland Police Authority carried out budget consultation roadshows at three community events – Ridewell at Wynyard Hall, Middlesbrough Mela at Albert Park and Cleveland Show at Stewarts Park. The aim of the roadshows was to seek the public's views on how Cleveland Police should allocate its budget and how cost savings could be made.

The Consultation & Performance Officer informed Members that the consultation had been both popular with the public and illuminating for the Force and Authority. It is for Members and the Executive to decide upon the future direction of budget consultation, some of which could be to engage with Officers and Staff in order to elicit suggestions for future savings.

The Chief Constable informed that the Force is currently engaged in such an exercise via Service Unit Managers and that it wouldn't be efficient to duplicate this process.

Members enquired as to whether a joint exercise to gather such information was feasible.

The Chief Constable informed Members that the process was currently being carried out and that a report on suggestions for savings would be compiled in due course and made available to the Panel for reference.

**Chief
Constable**

ORDERED that;

1. when considering the outcomes of the Comprehensive Spending Review in October 2010 the report be noted.

MINUTES OF THE POLICE AUTHORITY EXECUTIVE HELD ON 15 SEPTEMBER 2010

ORDERED that the minutes of the Police Authority Executive held on 15 September 2010 were submitted and approved.