

HUMBERSIDE POLICE AUTHORITY

(Special Meeting)

16 FEBRUARY 2010

<u>PRESENT:-</u>	Ms Branton MBE in the Chair
Elected Members:-	Councillors Beasant, Black, Bunyan, Hull, Jawaid MBE, Matthews, Parsons, Rudd, Uzzell.
Independent Members:-	Mr Palmerley, Mr Shipley, Mr Smith, Mr Southern and Mrs Taylor MBE.
Officers:-	Mr K Sharp, Chief Executive, Mr T Hollis, Chief Constable, Mr D Griffin, Deputy Chief Constable, Mr P Goatley, Assistant Chief Officer (Support), , Mr J Bates, Deputy Chief Executive and Treasurer, Mr N Kingston, Strategic Development Manager (Assistant Chief Executive), Mr P Wainwright, Strategic Development Manager (Corporate Business), Mr P Cheeseman, Strategic Development Manager (Communities and Partnerships), Mr Michael Chappell, Head of Finance, Mr Martyn Ransom, Principal Finance Officer (Accountancy), Mr Ian Porter, Assistant Finance Manager (Accountancy), Mr David Porter, Principal Research Officer, Mr Steve Garmston, Police Federation, and Ms S Blair, Better Times Ltd.

The Authority met at Pacific Exchange, Kingston upon Hull.

- 57 **DECLARATIONS OF INTEREST/OFFERS OF GIFTS OR HOSPITALITY** – The Chair reminded Members of the need to record any personal or prejudicial interest in items on the agenda and to disclose any relevant receipt or offering of gifts or hospitality.
- There were no declarations or disclosures made.
- 58 **APOLOGIES** – Apologies for absence were received on behalf of Mrs Groves.
- 59 **(35) PRIORITIES WORKSHOP: OUTCOMES** – The Chief Executive submitted a report that requested that Members debate and determine the draft local priorities for 2010/11, to ensure that suitable measures (local or national) were in place within the Local Policing Plan and decide on targets

for 2010/11 (where appropriate).

The Strategic Development Manager (Corporate Business) advised that any discussions would be fed into the draft Policing Plan that it was hoped would be sent in draft format to Members over the next couple of weeks. The final local priorities and Policing Plan would then be submitted to the full Police Authority meeting on 23 March for approval.

Members referred to the draft local priorities for 2010/11 outlined within the report and suggested that priority 2, “to work with the Business Community to improve confidence and reduce shoplifting” be amended to read “to work with the Business Community to improve confidence and to tackle priorities of local businesses” as they felt that this would make the priority more strategic.

Following discussions, Members agreed that more clear reference be made within the local priorities for 2010/11 to the targets highlighted by the Citizens’ Panel, namely drug dealing/taking, burglary and violent crime.

A Member referred to recent good news stories within A Division and commented on the reporting of such stories in the press not always conveying the positive messages that they deserved.

The Strategic Development Manager (Corporate Business) then discussed the proposed changes to the indicators and targets for 2010/11. He advised that the British Crime Survey figure for ‘confidence’ was 48.3% in comparison to the confidence levels in Humberside that were approximately 70% (at the end of September) as identified by Humberside Police Authority’s Citizens Panel.

A Member suggested that the results of local surveys be used to set future indicators instead of using British Crime Survey (BCS) statistics as they were operated on a larger scale and appeared to provide more realistic information.

Members expressed concerns with the proposal to discontinue using the existing indicators for domestic violence with a refocus on the reduction of repeat incidents of domestic violence stating that the number of domestic violence cases reported was rising. The Chief Constable and Deputy Chief Constable reminded Members that the increase in figures for this category could be misleading as the Force aimed to see more incidents reported and commented that should the Police Authority request that the Force reduce the number of domestic violence incidents reported, this could have an adverse effect. They assured Members that the refocus on repeat incidents of domestic violence incidents would prove to be much more effective than those currently used.

Following a query in relation to the presentation of figures for APACS 8.1 and

the 'value of cash forfeiture orders and confiscation orders' being displayed as per 1000 population, the Strategic Development Manager (Corporate Business) advised that although the Scorecard for the Strategic Policing Committee displayed the actual figures, they had been displayed as per 1000 population for the purposes of this report to allow the figures to be normalised and comparisons to be made to Most Similar Groups.

In relation to Employment/Diversity Issues, a Member suggested that as the Force had always performed well in the proportion of female officers that it employed, a move should now be taken to break this information down further; to look at how many female officers were in post per rank and how females were able to progress through the ranks compared to males. In addition, with regards to BME recruitment, it was suggested that this include 'white other' as well as BME to more accurately reflect the emerging population of Humberside.

The Chief Constable informed Members that the Force was due to have visits from two Central Government teams (namely the Prime Ministers Delivery Unit and the Home Office Public Confidence Unit) that had recognised the positive work being undertaken by the Force. The Chief Constable referred to the previous comment in relation to the use of BCS statistics in comparison to statistics derived from local surveys and advised that this would be discussed with the two teams during the visits and their views sought.

Resolved – (a) That the proposed draft local priorities for 2010/11 be amended taking into account the discussions and proposals above; (b) that the draft local priorities be sent out to partners for their views and comments; (c) that the proposed indicators and targets, set out at Appendix B, be approved, and (d) that a report be submitted to the Police Authority on 23 March 2010 on the final local priorities, relevant indicators and targets.

60 (36) MEDIUM TERM FINANCIAL STRATEGY 2010/11 – 2014/15 – The Chief Constable and the Deputy Chief Executive and Treasurer submitted a joint report that introduced the Medium Term Financial Strategy (MTFS) for 2010/11 to 2014/15. The report also set out details of proposed Prudential Indicators for 2010/11.

In response to Member queries, the Deputy Chief Executive and Treasurer advised that the MTFS would be reviewed on an ongoing basis as the year progressed. The Assistant Chief Officer (Support) went on to advise Members that the Integrated Business Model (IBM) had gone live in September and as a result, new demands were predominantly being funded through existing resources.

Following comments from a Member, the Assistant Chief Officer (Support) advised that whilst additional costs arising from regional working would inevitably occur, these would always be clearly set out for Members. With

regards to a further question on pay awards he advised that the dynamic between grants and pay awards would always be monitored very carefully as this was a crucial issue within the MTFs.

Following comments from a Member regarding the inclusion of 'alternative scenarios' within the report, the Deputy Chief Executive and Treasurer accepted that there were uncertainties due to the upcoming election process, however he assured Members that the MTFs would be revised on an ongoing basis and this would include incorporating intelligence on the spending plans of a new administration after the election. He commented on the need to set the budget for the next 12 months on the basis of the best assumptions available. He added that the additional information provided by the 'alternative scenarios' within the report illustrated the implications of alternative decisions on the level of precept and on the corresponding impact on the use of reserves and savings targets. The Assistant Chief Officer (Support) advised that a zero base review was ongoing for the Choices Programme and informed that reports submitted to the Finance Committee had made it clear that the base budget continued to be supported by the use of balances. The outcome of the zero basing would be reported to Members in March.

Members commented on the increase in the police staff vacancy factor and the Assistant Chief Officer (Support) advised that this was one of the measures being taken as a result of the Choices Programme. He commented on the importance of achieving a balance between savings and performance. He also advised Members that this was one of the factors that allowed Humberside to avoid having to employ some of the 'top down' and arbitrary measures being taken by some other authorities.

The Assistant Chief Officer (Support) assured Members that the MTFs had been a standing item for the Finance Committee for the whole of the previous year and detailed figures had been provided at those meetings.

The Chief Constable referred back to the previously mentioned police staff vacancy factor. This was part of the methodology to provide flexibility and was important as the Choices Programme was about moving people around within the organisation. He assured Members that the Force was keen to reduce the risk of redundancies.

Resolved - (a) That the document be endorsed, whilst noting:- (i) the level of general Government Grants (Police Grant, Revenue Support Grant and Non-domestic Rates) and proposed increases in precept/Council Tax; (ii) the budget forecasts provide for the cost implications of the agreed Police and Police Staff Pay Awards; (iii) the use of an assumption of increases in Council Tax of 2.5%; (iv) the supporting information in connection with alternative options; (v) the lack of information on detailed capping criteria; (vi) the uncertainty about some ring fenced grants after 2010/11; (vii) the potential for

cutbacks in specific and general grants in later years; (viii) the capital programme and proposals to undertake prudential borrowing; (ix) the information on treasury management strategy for 2010/11; (x) the proposed prudential indicators for 2010/11 and amended indicators for 2009/10 to reflect latest forecast capital spending; (xi) the proposed use of the Authority's reserves; (xii) the information on the investments held in Icelandic Banks; (xiii) the level of provision for growth included in the Medium Term Financial Strategy in 2010/11; (xiv) the proposal to incorporate a contingency provision for growth in future; (xv) the level of savings identified for the Choices Programme; (xvi) the proposals for setting off unallocated growth against savings and the potential requirement for any shortfalls to be met in the short term by the exceptional one off addition use of reserves, subject to additional approval measures, and (xvii) the proposals with regard to including provision for growth in the cost of Regional working, also subject to further consideration before formal approval to spend is given; (b) that the requirement for the budget to be brought back into balance within the timescales agreed in March 2009 be re-affirmed, whilst at the same time supporting initiatives to enhance performance and service delivery; (c) that the Chief Constable be required to provide details of budget allocations to Divisions and Branches, and (d) that the Deputy Chief Executive and Treasurer and the Assistant Chief Officer (Support) be requested to update Members of the Finance Committee on changes that affect the underlying assumptions in the MTFs as the year progresses.

- 61 **(37) REVENUE BUDGET AND PRECEPT 2010/11** –The Chief Constable and the Deputy Chief Executive and Treasurer submitted a joint report that provided detailed information on the financial framework within which the Authority would have to operate in 2010/11.

The report, which was read in conjunction with the report on outcomes from the Priorities Workshop and the Medium Term Financial Strategy 2010/11-2014/15, confirmed details of the Local Government Finance Settlement and Police Grant and recommended Revenue and Capital budgets for 2010/11 for consideration and approval. The report had been prepared in accordance with the Police Act 1996 to enable the Authority to approve the financial resources required to support the Policing Plan, and the level of precept for 2010/11.

Details of an increase in precept/Council Tax for a Band D property representing increases over 2009/10 of 2.5% were set out in attached appendices which replicated information provided in the MTFs. A further appendix also provided information on alternative scenarios illustrating Council Tax increases of 1%, 2% and 2.9%. Members were requested to approve the specific precept/Council Tax increase for the year and to agree the corresponding level of the budget for 2010/11.

The Deputy Chief Executive and Treasurer commented on the detailed

supporting information available which underpinned the analysis contained within the financial reports held within the Finance Unit. This information was available to Members and would allow interactive sessions to provide them with a greater understanding of how the MTFs can model alternative assumptions included within it. He advised that the Period 10 outturn positions would be submitted in March.

The Deputy Chief Executive and Treasurer informed Members that a Value for Money Statement may be required to be included within the Policing Plan. He circulated a draft Value for Money Statement for 2010-11 and asked Members to note the document until further information was received.

The Deputy Chief Executive and Treasurer referred Members to paragraph 85 of the report and the duty to consult with representatives of non-domestic ratepayers in the area. He advised that the Strategic Development Manager (Communities and Partnerships) had conducted work to improve contacts with business rate payers and that local business representatives had been briefed on budget issues in January. The Humberside Chamber of Commerce and Federation of Small Businesses had received copies of the reports for comment.

In response to comments from a Member on the amount of increase being applied to Council Tax for other services within Humberside and the reference to financial gearing at paragraph 25 of the report; the Deputy Chief Executive and Treasurer and Assistant Chief Officer (Support) advised that they would provide Members of the Finance Committee with a presentation on the topic of financial gearing at a later date.

The Deputy Chief Executive and Treasurer then introduced the Prudential Indicators for 2009/10 and 2010/11 attached at Appendix 2 of the report. He advised that the indicators would need to be approved by the Authority at its meeting in March and would be reported in future on Scorecards presented to the Finance Committee.

In response to comments from a Member, the Deputy Chief Executive and Treasurer assured Members that the Authority and Force were well aware of the need to borrow funds at the right time. He informed that treasury management consultants would be appointed within the next few days. One of their first tasks would be to look at the Authority's Treasury Management plans including providing advice on when would be the right time to borrow. He also advised that the consultants would hold workshops involving Members to ensure that they were sighted on the decision making process. In relation to borrowing decisions he advised that the external advisors would also review the Treasury Management Policy Statement and Treasury Management Strategy previously submitted to the Finance Committee. These documents would be submitted to the Police Authority in March for approval.

The Head of Finance responded to comments from a Member in relation to the timeliness of borrowing and advised that a presentation paper on treasury management had been received at the last meeting of the Finance Committee. The report had indicated that cash balances would continue to be used to postpone borrowing until the next financial year due to the difference between prevailing short term and long term interest rates as this presented too great a risk. The Deputy Chief Executive and Treasurer explained that this concerned the temporary use of the Authority's cash balances in lieu of borrowing and that it was not direct revenue funding to finance capital expenditure.

It was unanimously:-

Resolved – (a) That taking into account the issues set out in the report, the requirements of the Policing Plan and information provided in the MTFS, a Council Tax increase of 2.5% be agreed; (b) that the budget be agreed at the approved level of Council Tax (£184.593m); (c) that the arrangements, outlined at paragraphs 50, 51 and 56 of the report, that identify spend and savings proposals requiring further consideration before final approval and the governance arrangements proposed for oversight and approval for the releases of reserves be agreed; (d) that the Collection Fund surplus of £544k be used to fund the 2010/11 revenue budget; (e) that the precept payable by the Unitary Authorities be paid in 12 equal instalments on dates to be agreed; (f) that the Capital programme and funding proposals for 2010/11 and later years as set out at paragraph 71 of the report be approved; (g) that the Prudential Indicators detailed at Appendix 2 of the report and exemplified further in the MTFS, including the amendments to the indicators for 2009/10 to reflect the latest budget information, be approved; (h) that the Police Authority's Treasury Management Policy and Treasury Management Strategy for 2010-11 be submitted in March, and (i) that the Value for Money Statement 2010-11 be noted.

62 (38) MEMBER DEVELOPMENT PROPOSALS - The Chief Executive submitted a report that sought approval to the Authority's plans to improve the capacity and capability of the Police Authority through a Member Development Programme.

In response to a query from a Member as to the involvement of Members in the proposed Member Development Programme, the Strategic Development Manager (Assistant Chief Executive) advised that it was hoped that the Member Development Champion would sit on the Regional People Policy Network. Members agreed however that in addition to representation on this group, a Member Development Group within the Authority should also be established to ensure that Members were able to influence the training that was delivered.

Resolved - (a) That the Member Development Strategy, attached at

Appendix A to the report, be approved; (b) that Mr Smith JP be nominated as the Member Development “Champion” for this Authority; (c) that the Police Authority sign up to Member Charter; (d) that the need to carry out a self assessment against the IIP framework be approved, before deciding whether to proceed with Investors in People, and (e) that a Member Development Group for Humberside Police Authority be established.