



**LINCOLNSHIRE POLICE AUTHORITY
FINANCE AND PERFORMANCE COMMITTEE
13 JANUARY 2012
10.00AM – 12.15PM**

PRESENT:

Members: Mr R Must (Chairman), Mr K Smith (Vice-Chairman), Mr J Atter, Mr G Dark, Mr A Dezonie, Mr C Underwood-Frost, Mr B Young

Apologies: Mr J Walker

Secretariat: Mr M Burch (Chief Executive), Ms J Flint (Treasurer), Mr J King (Committee and Administration Officer), Miss V Mason (Research and Performance Officer)

Force Officers: Mr N Rhodes (Deputy Chief Constable), Mr C Langley (Assistant Chief Constable – Protective Services), Mr A Tomlinson (Head of Finance), Mr R Pearse (Finance Department), Mr N Rothwell (Head of Asset and Facilities Management), Ms C Munday (Head of HR Strategy), Mr S Croft (Performance Manager)

49/11 DECLARATIONS OF PERSONAL AND/OR PREJUDICIAL INTERESTS

None.

50/11. MINUTES – 9 NOVEMBER 2011

Resolved	Responsible Officer
1. That the Minutes of the Finance and Performance Committee meeting held on 9 November 2011 be taken as read and signed by the Chairman as a correct record.	-

51/11 ACTION SUMMARY

Item C5 (9 June 2011): The Vice Chairman referred to additional information that had been provided regarding Exceptional Purchase Action in respect of contracts with a value in excess of £10k during the financial year 2010/11. He considered that the justification for Exceptional Action had been particularly weak and that a more robust approach to relationships with suppliers was required. However, he acknowledged that procurement regulations had since been reviewed and procedures tightened up. The Assistant Chief Constable (Protective Services) advised that there were no longer individual budget lines

below the rank of Chief Superintendent ensuring a much tighter control and oversight on spending. There had also been a noticeable increase in general knowledge around the scheme of delegation, financial and other associated regulations following the recent internal audit review of governance arrangements.

Resolved	Responsible Officer
1. That progress with the Action Summary be noted.	-

52/11. POLICE AUTHORITY RISK REGISTERS

The Research and Performance Officer invited the Committee to review critical risks C01 and C18, which were currently sponsored by the Chairman. With regards to critical risk C01, it was reported that the next meeting of the VFM Board would be held on the 23 February 2012.

Members were advised that following its meeting on 6 October 2011, the Human Resources Committee had suggested that the Finance and Performance Committee consider the potential financial risk of complying with International Financial Recording Standards (IFRS) with regard to liability for costs accrued from provisions such as undertaking rest days, time off in lieu and flexi time. The Treasurer confirmed that financial provision was being made for accumulated time off in lieu where the liability was crystallizing as a result of the Authority's relationship with the strategic partner. In terms of managing the risk on an on-going basis it was more appropriate that the risk should sit with Human Resources as it concerned processes for managing the levels of time off in lieu held by police officers and staff across the Force.

Resolved	Responsible Officer
<p>That</p> <ol style="list-style-type: none"> 1. the New/Developing Controls for critical risk C01 be updated with the date of the next VFM Board meeting scheduled for 23 February 2012; 2. the potential risk of an excessive accrued liability for annual leave, rest days, time off in lieu and flexi time, be referred back to the Human Resources committee for further consideration. 	<p>RPO</p> <p>RPO</p>

53/11. FORCE RISK REGISTER

Resolved	Responsible Officer
1. That the oral update be noted.	-

54/11. COMMITTEE WORKPLAN

Resolved	Responsible Officer
That 1. progress with the Workplan be noted; 2. task 1 be updated to reflect the date of the next VFM Board meeting scheduled for 23 February 2012.	- RPO

55/11. BUDGET MONITORING AND REVISED BUDGET 2011/12

The Committee was advised that the current forecast total net expenditure for the year was £115.162m against the revised budget of £115.585m, providing a forecast surplus of £423k. The surplus increased to just under £1m with the addition of £500k contingency provision, which currently had no charges set against it.

Members queried the level of forecast surplus at a time when the Authority was highlighting the impact of funding reductions on policing services and considering a potential increase in the council tax precept. The Head of Finance emphasised the importance of conserving reserves at a time of declining resources in order to help bridge the funding gap in 2012/13 and beyond. The Treasurer concurred stating that it would be unrealistic not to expect a degree of underspend within the budget as an overspend would be inconceivable. However, it was equally important to understand whether the level of underspend on the current budget had been deliberately planned or fortuitous.

[Mr B Young left the meeting at 10.30am]

Resolved	Responsible Officer
That 1. performance against the currently approved budget be noted; 2. the revised budget for the Business Transformation Project, as outlined at paragraph (5.1) be approved.	- -

56/11. BUDGET 2012/13 AND MEDIUM TERM FIANANCIAL STRATEGY – PROGRESS REPORT

The Treasurer presented a detailed summary of Budget proposals prepared by the Force for 2012/13 and into the Medium Term. Members were advised that the Government intended to provide a “one off” grant to help police authorities freeze their council tax in 2012/13. This would be equivalent to a 3% increase in precept. The Government also wanted to ensure that council taxpayers were protected against authorities which imposed excessive council tax rises. The Localism Act had introduced a new power for residents to approve or veto excessive council tax increases through a referendum. It was confirmed that a referendum would be triggered if the Authority sought to impose a council tax increase in excess of 4%. Members were reminded that current projections allowed for precept increases of 2.6% across the Medium Term. Should the Authority decide to accept the grant offer then Members were warned that the loss of a cumulative increase in council tax base income would lead to an increase in the deficit position. Members were invited to consider the report and to provide a steer on the budget options to be presented at the next meeting of the Committee in February 2012.

The Deputy Chief Constable suggested that the Authority faced a stark choice between making further cuts and increasing precept income. He considered that as Lincolnshire already had the leanest Force in the country additional savings could only come from further reductions in police officer numbers.

There was a consensus amongst Committee members that precept options of 0%, 3% and 4% should be prepared for consideration at the next meeting. Members emphasised the importance of effective public relations to explain the rationale for rejecting the grant offer should the Authority decide to opt for an increased council tax precept, including engagement with the County’s MPs.

Resolved	Responsible Officer
That 1. the report be noted; 2. precept options of 0%, 3% and 4% be prepared for the next meeting of the Committee.	- T / HoF

57/11. FORCE PERFORMANCE REVIEW 2011/12

The Committee was presented with an ‘exceptions’ based review of Force performance for the period April to November 2011. Members were also invited to consider a proposed new indicator for ‘offences brought to justice’ for 2011/12.

Members noted that the long term trend for serious sexual offences was on an upward trajectory. The Assistant Chief Constable (Protective Services) advised that the opening of

the Sexual Assault Referral Centre in May 2010 had led to a positive increase in the number of offences reported. However, detection rates had needed to be improved and this had led to the formation of Emerald Team in June 2011 to develop and improve the investigative capability of the Force. He was pleased to advise that sanctioned detection rates were beginning to improve due largely to the work of the unit.

The Chairman of the Authority referred to HMIC performance data that he had seen which had referred to the Force as an outlier in the 'crimes against the person' category. It was agreed that the matter would be followed up outside of the Committee with the Research and Performance Officer.

The Chairman suggested that response times for attending urgent urban incidents were stubbornly refusing to be turned around. The Assistant Chief Constable (Protective Services) referred to the reduction of 70 police officers and conceded that, unless more resources could be identified for Lincoln, performance could deteriorate still further. The Deputy Chief Constable commented that the Force was running a very tight operational model due to the level of cuts and savings previously made. This had led to improvements in processes and productivity albeit with a reduced workforce and increased workload for those police officers and staff that remained. The Assistant Chief Constable (Protective Services) advised that whilst moving to a 'one-force' model had led to a much tighter integration of performance management, the gap between funding and productivity continued to get wider and that was becoming a real concern.

Resolved	Responsible Officer
<p>That</p> <ol style="list-style-type: none"> 1. Force performance be noted; 2. the suggested 'offences brought to justice' related indicator for 2011/12 be approved; 3. the Chairman of the Authority, Chief Executive and Research and Performance Officer meet to consider HMIC performance data. 	<p>-</p> <p>-</p> <p>RPO</p>

58/11. EXCLUSION OF PRESS AND PUBLIC

Resolved:	Responsible Officer:
<p>That the press and public be excluded from the meeting on the grounds that the following items involved the disclosure or likely disclosure of exempt information as detailed in paragraphs 2, 3 and 7 of schedule 12A of the Local Government Act 1972 (as amended).</p>	<p>-</p>

59/11. CAPITAL PROGRAMME

The Head of Asset and Facilities Management updated Members on the potential sale of the former site of Grantham police station.

Resolved	Responsible Officer
<p>That</p> <ol style="list-style-type: none">1. a report be prepared on the potential sale of the former site of Grantham police station for the next meeting of the Committee;2. the revised programme for 2011/2012 of £6,541,700 and the method of financing that programme be approved;3. reprofiling from 2012/2013 of £340.1k has been identified and added to the 2011/2012 FCR Extension & Upgrade (Building) Scheme;4. reprofiling to 2012/2013 of £493.0k has been identified and removed from the 2011/2012 Spalding Police Station Scheme;5. reprofiling from 2012/2013 of £25.7k has been identified and added to the 2011/2012 FCR Extension & Upgrade (ICT) Scheme;6. reprofiling to 2012/2013 of £411.8k has been identified and removed from the 2011/2012 Virtualisation of Servers Scheme.	<p>HAFM</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p>

60/11. REGULATION A19

The Head of HR (Strategy) provided a detailed update on Regulation A19 of the Police and Pensions Act 1987. In noting the report, Members agreed that it should remain under review as a potential tool for meeting establishment targets.

Resolved	Responsible Officer
<ol style="list-style-type: none">1. That the report be noted.	<p>-</p>

61/11. SCRUTINY OF SERIOUS AND ORGANISED CRIME

Resolved 1. That the report be noted.	Responsible Officer -
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62/11. STRATEGIC PARTNERSHIP – PROGRESS REPORT

Resolved 1. That the oral update be noted.	Responsible Officer -
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Chairman