



**LINCOLNSHIRE POLICE AUTHORITY  
FINANCE AND PERFORMANCE COMMITTEE  
7 OCTOBER 2011  
10.00AM – 1.55PM**

**PRESENT:**

**Members:** Mr R Must (Chairman), Mr K Smith (Vice-Chairman), Mr J Atter, Mr A Dezonie, Mr C Underwood-Frost, Mr J Walker

**Apologies:** Mr B Young, Mr G Dark

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

**Force Officers:** Mr N Rhodes (Deputy Chief Constable), Mr K Smy (Assistant Chief Constable – Safer Neighbourhoods), Mr A Tomlinson (Head of Finance), Mr N Rothwell (Head of Asset and Facilities Management)

**Also in Attendance:** Mr J Cooke

**22/11 DECLARATIONS OF PERSONAL AND/OR PREJUDICIAL INTERESTS**

Mr C Underwood-Frost declared a personal and prejudicial interest in item 38/11 as Chair of West Lindsey District Council Planning Committee.

**23/11. MINUTES – 9 JUNE 2011**

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

**24/11 ACTION SUMMARY**

The Chairman referred to discussions at the last meeting of the Committee in June regarding the Capital Programme and whether the delivery of capital schemes was reflected in individual performance targets. The Head of Finance undertook to make enquiries and to report back to the Committee.

<b>Resolved</b>	<b>Responsible Officer</b>
<p>That</p> <ol style="list-style-type: none"> <li>1. progress with the Action Summary be noted;</li> <li>2. the Committee be advised as to whether the delivery of capital schemes is reflected in individual performance targets.</li> </ol>	<p>- HoF</p>

## 25/11. POLICE AUTHORITY RISK REGISTERS

The Chairman advised that the Audit, Risk and Governance Committee had drawn attention to critical risk C01 regarding the failure to achieve and demonstrate efficiencies and value for money (VfM), as the level of risk had remained unchanged for a considerable period of time. The Head of Finance advised that an Internal Audit review of the Efficiency Savings Programme had recently commenced. Under the circumstances, he recommended that the risk remain as currently scored.

The Vice Chairman recommended that the review of critical risk C18 also await the outcome of the KPI Task and Finish Group.

<b>Resolved</b>	<b>Responsible Officer</b>
<ol style="list-style-type: none"> <li>1. That the overall risk scores for critical risks C01 and C18 remain unchanged.</li> </ol>	<p>-</p>

## 26/11. FORCE RISK REGISTER

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

## 27/11. COMMITTEE WORK PLAN

The Treasurer referred to the review of Treasury Management detailed under task 3 of the Work Plan and confirmed that a draft report had been received from Deloitte & Touche in June. Whilst work pressures had prevented a finalised version of the report from being brought to the Committee, it was anticipated that this would be presented at the next meeting in November. Members would also receive an update on task 7 concerning the development of an Assurance Framework for Financial Management.

<b>Resolved</b>	<b>Responsible Officer</b>
That	
1. progress with the Work Plan be noted;	-
2. the Committee receive the Treasury Management review report at the November 2011 meeting;	T
3. the Committee receive an update on the development of an Assurance Framework for Financial Management at the November 2011 meeting;	T
4. the Responsible Officer for task 11 in the Work Plan be changed from the Treasurer to the Assistant Chief Officer.	RPO

## 28/11. REVENUE BUDGET MONITORING 2011/2012

The Head of Finance advised that the budget for police officers was currently forecast to be overspent by £1.8m, primarily due to police officer strength being higher than had been planned for the year. It was anticipated that this would continue to be above the planned profile during the remainder of the year leading to additional costs of £844k. The situation had been further compounded by errors in calculating national insurance and employer pension contributions and in omitting to include costs associated with officers on maternity leave. However, it was confirmed that the overspend would be met from underspending in other areas of the budget, providing for a forecast underspend of £826k for year. Members were advised that the budget would be reviewed at the half way point in the year when spending levels for the outturn position would be clarified at the December meeting of the Committee.

The Deputy Chief Constable expressed his disappointment that the projections around police officer numbers had proved inaccurate and that savings generated from underspendings across the devolved budget would have to be used to off set the overspend. However he assured Members that the Force had a robust Workforce Plan in place for the next financial year and a clear recruitment strategy to achieve the target establishment.

The Chairman questioned whether there were any other options available for addressing the overspend including enforcement of regulation A19 of the Police Pensions Regulations, which would enable the Force to compulsorily retire officers on efficiency grounds. The Deputy Chief Constable suggested that the measure was unnecessary as the financial gap would be bridged initially through underspendings in other areas of the budget and through a reduction in the numbers of officers recruited in 2012/13. He further suggested that regulation A19 would be extremely unpopular and lead to experienced operators leaving the Force.

Members suggested that recent events had raised some questions regarding the financial and human resource management within the Force. Both planning and the monitoring of delivery against plan needed to be strengthened. The Deputy Chief Constable acknowledged the concerns and suggested that a position paper be prepared for the Committee setting out in detail what affect implementation of Regulation A19 would have on the Force. He further suggested that the Authority and the Force take forward a joint piece of work to quality assure the workforce planning process. The Deputy Chief Constable also welcomed the opportunity to work with the Chief Executive and the Treasurer to identify further potential solutions for mitigating the overspend.

The Chairman welcomed the opportunity for closer cooperation and requested that a further report on revenue budget monitoring be submitted to the next meeting of the Committee, providing an updated forecast outturn together with budget revisions to ensure that spending remained within budget.

<b>Resolved</b>	<b>Responsible Officer</b>
<p>That</p> <ol style="list-style-type: none"> <li>1. the report be noted;</li> <li>2. a position paper on Regulation A19 of the Police Pension Regulations be prepared for the Committee;</li> <li>3. the Authority work with the Force to quality assure workforce planning assumptions;</li> <li>4. an updated revenue budget monitoring report be submitted to the next meeting of the Committee.</li> </ol>	<p>-</p> <p>DCC</p> <p>CE/T/DCC</p> <p>ACO/DoR</p>

## **29/11. FORCE PERFORMANCE REVIEW 2011/12**

The Research and Performance Officer presented an exceptions based review of Force performance for the period April to August 2011. Members were advised that areas of negative exception including 'urban response times' would be examined in more detail in November. The Committee was also invited to approve the formation of a KPI Task and Finish Group to consider performance indicators for use in the Policing Plan 2012 – 15.

The Deputy Chief Constable was pleased to advise that despite the upheaval caused by the Policing Change Programme (PCP) earlier in the year and the current focus on Business Transformation, overall Force performance had not deteriorated.

The Assistant Chief Constable (Safer Neighbourhoods) referred to two key areas of concern for the Force around service user satisfaction and the growing problem of metal theft. He advised that keeping service users informed remained a challenge to the Force and the most common reason for service user dissatisfaction. A recent dip in the level of user satisfaction appeared to correspond with the withdrawal of the Crime Helpdesk service under PCP. A new system had been put in place but would take time to embed. The Committee was advised that theft of metal had accounted for 4000 additional crimes during

the year. The Force was working closely with regional partners and key agencies to tackle the problem as well as taking direct action through Operation Brompton, volume crime teams and through improved intelligence and use of Stop and Search powers.

<b>Resolved</b>	<b>Responsible Officer</b>
<p>That</p> <ol style="list-style-type: none"> <li>1. Force performance be noted;</li> <li>2. a KPI Task and Finish Group be formed.</li> </ol>	<p>- RPO</p>

### **30/11. ASSURANCE UPDATE**

The Committee was invited to consider the level of assurance that it had with regard to Finance and Performance related key issue areas as detailed in the Assurance Framework:

#### Value for Money

The Chairman considered that as little progress had been made on the delivery of efficiencies and value for money, the level of assurance should remain as 'Limited' but suggested that the 'direction of travel' indicator be removed.

#### ICT

The Vice Chairman considered that performance monitoring remained a key concern in relation to the implementation of future ICT projects and services and measuring outcomes. He was due to meet with the Head of ICT later in the day and was therefore not in a position to recommend a change to the existing level of assurance.

#### Asset Management

Members agreed that the existing level of assurance should remain unchanged until the Asset Management Strategy had been delivered.

The Chief Executive emphasised the importance of ensuring that a Communications Plan was developed for the Strategy as it was vital that any public announcements on the future of the Force estate were handled carefully and sensitively. The Deputy Chief Constable concurred and recommended that a Communications Plan be developed jointly with the Authority.

#### Procurement

Members agreed that existing levels of assurance should remain unchanged for Procurement.

#### Income Generation

It was agreed that Income Generation be removed from the Assurance Framework as recommended by Audit, Risk and Governance Committee.

### Road Safety

The Authority's representative on the Road Safety Partnership briefed Members on a number of issues around Killed and Seriously Injured (KSI) performance and a growing problem of safety cameras being vandalised. He recommended that the existing level of assurance remained unchanged.

### Serious and Organised Crime

Following consideration of the Chairman and Vice Chairman's report during the exempt part of the meeting, the Committee agreed to set a Satisfactory level of assurance for Serious and Organised Crime. It was further agreed that key performance indicators would be developed to assist with assessing future performance.

<b>Resolved</b>	<b>Responsible Officer</b>
That	
1. the level of assurance in respect of Value for Money, ICT, Asset Management, Procurement, and Road Safety remain unchanged;	-
2. the level of assurance for Value for Money remain unchanged but that the 'direction of travel' indicator be removed;	RPO
3. a 'Satisfactory' level of assurance has been received for Serious and Organised Crime;	RPO
4. Income Generation be removed from the Assurance Framework as recommended by Audit, Risk and Governance Committee.	RPO

### **31/11. LOCAL GOVERNMENT RESOURCE REVIEW: PROPOSALS FOR BUSINESS RATES RETENTION – CONSULTATION AND LOCALISING SUPPORT FOR COUNCIL TAX CONSULTATION**

The Treasurer referred to key proposals contained in the DCLG consultation document that would allow local councils to have a share in the growth in business rates and would make councils responsible for the way Council Tax benefit was provided. Whilst neither proposal would have a direct impact on the Authority, at least during the current spending review period, Members were advised that there could be an indirect impact on the amount of revenue generated from Council Tax, if less were collected in future.

<b>Resolved</b>	<b>Responsible Officer</b>
1. That the oral update be noted.	-

### 32/11. DRAFT PROCURMENT STRATEGY

The Head of Finance invited Members to consider a proposed structure for the Procurement Strategy and to consider a suggested layout for the schedules that would support the document. It was further proposed that an annex be produced to map out the key timelines for existing contract renewals.

Following a number of questions and comments, Members approved the adoption of the proposed structure for the Strategy.

<b>Resolved</b>  1. That the proposed structure for the Procurement Strategy be approved.	<b>Responsible Officer</b>  -
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### 33/11. EXCLUSION OF PRESS AND PUBLIC

<b>Resolved:</b>  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 paragraph 3 and 7 of schedule 12A of the Local Government Act 1972 (as amended).	<b>Responsible Officer:</b>  -
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### 34/11. UPDATING THE MEDIUM TERM FINANCIAL STRATEGY – BUDGET 2012/13

<b>Resolved</b>  1. That the position on the Medium Term Financial Strategy and the target savings for the Business Transformation project be noted.	<b>Responsible Officer</b>  -
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### 35/11. SCRUTINY OF SERIOUS AND ORGANISED CRIME

<b>Resolved</b>  1. That report be noted.	<b>Responsible Officer</b>  -
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[The meeting was adjourned at 1.08pm and reconvened at 1.15pm]

[Mr C Underwood-Frost left the meeting at 1.15pm]

**38/11. THE LINCOLN PROJECT**

<b>Resolved</b>	<b>Responsible Officer</b>
1. That the presentation be noted.	-

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**Chairman**