



**LINCOLNSHIRE POLICE AUTHORITY
FINANCE AND PERFORMANCE COMMITTEE
8 JUNE 2010
1.00PM – 4.40PM**

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 J Walker

Apologies: Mr B Young

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 P Steed (Director of Finance and Administration), Mr A Tomlinson (Head of Finance), Mr N Rothwell (Head of Asset and Facilities Management), Ms E Janisch (Niche Project Manager), Mr S Croft (A/Performance Manager), D/Sergeant I Jarman (Economic Crime Unit), Mr D Wilkinson (Criminal Justice Support Business Manager), Ms S Parkinson (Accountancy)

01/10 DECLARATIONS OF PERSONAL AND/OR PREJUDICIAL INTERESTS

Mr C Underwood-Frost declared a personal interest in item 13/10 as Chairman of West Lindsey District Council's Planning Committee.

02/10 ELECTION OF CHAIRMAN FOR MUNICIPAL YEAR 2010/2011

Resolved	Responsible Officer
1. That Mr R Must be elected as Chairman of the Finance and Performance Committee for the municipal year 2010/2011.	-

03/10 ELECTION OF VICE CHAIRMAN FOR THE MUNICIPAL YEAR 2010/2011

Resolved	Responsible Officer
1. That Mr K Smith be elected as Vice Chairman of the Finance and Performance Committee for the municipal year 2010/2011.	-

04/10. MINUTES – 28 APRIL 2010

Resolved	Responsible Officer
1. That the Minutes of the Finance and Performance Committee meeting held on 28 April 2010 be taken as read and signed by the Chairman as a correct record.	-

05/10 ACTION SUMMARY

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

06/10 POLICE AUTHORITY/FORCE RISK REGISTER UPDATE

The Research and Performance Officer advised that a Task & Finish Group had been appointed by the Audit, Risk and Governance Committee to assess the risks facing the Authority in light of the revised Strategic Objectives and to further explore the Authority's risks in relation to partnership working. A full report including recommendations was due to be received by the Committee on 28 June 2010.

Members were further advised of a Strategic Planning Committee meeting held on 22 April 2010 which had identified a degree of misalignment between the Authority and Force Risk Registers, particularly around strategic risk. The matter was due to be discussed at a meeting involving the Chairman of Audit, Risk and Governance Committee, the Chief Executive and the Deputy Chief Constable. The Chairman would also be attending the next scheduled meeting of Force's Risk Management Board as an observer.

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

07/10. NICHE – IMPLEMENTATION AND DEVELOPMENT PLAN UPDATE

The Project Manager briefed Members on progress with the implementation of Niche, including planned activity for the forthcoming year. It was confirmed that the project had completed the technical implementation of Crime and Intelligence, Custody and Case Preparation modules. The latter had been implemented within an immensely tight timescale

to meet the deadline for NSPIS maintenance renewals, resulting in immediate financial savings of just under £340,000 per annum. However, achieving the deadline had left insufficient time to properly develop staff and implement changes to processes and working practices prior to going live. A short period of consolidation was underway involving significant engagement from senior officers and the project team to identify/resolve issues, develop skills and prioritise enhancements needed by users. This was presenting some significant challenges in terms of the timeliness and accuracy of performance data, particularly in relation to sanctioned detections. However, improvements had been made since go live and further steps were being taken to return the level of performance reporting to that expected by the Authority and other partnerships.

The Deputy Chief Constable was clear that the introduction of new systems was necessary not only for financial reasons but to replace the previous antiquated technology. Whilst there were still a number of challenges to overcome in the short term, Niche would transform the way in which the Force carried out its business, delivering significant efficiencies and modernising processes.

The Chairman queried when the Authority could have full confidence in the performance figures being published by the Force for Sanction detections. The Deputy Chief Constable was satisfied that performance figures were improving month-on-month and suggested that July could prove a turning point.

Members emphasised the importance of ensuring that lessons were learned from the implementation of Niche for future complex projects. The Deputy Chief Constable advised that the project team was undertaking a review of the effects of Niche implementation on behalf of the NPIA. The Chief Executive suggested that the findings of the review also be shared with the Committee.

Resolved	Responsible Officer
<p>That</p> <ol style="list-style-type: none"> 1. the completed areas of implementation to date be noted; 2. the current focus of Niche activity be noted; 3. the planned development for financial year 2010/11 and beyond be noted; 4. the findings of the review into the implementation of Niche being undertaken on behalf of the NPIA be presented to the Committee in due course. 	<p>- - - DCC</p>

08/10. REVENUE ACCOUNT MONITORING 2010/11 AND IMPLICATIONS FOR THE MEDIUM TERM FINANCIAL FORECAST

The Head of Finance highlighted a number of issues that had occurred since the original 2010/11 budget had been set. He also tabled a new Appendix (C1) to the report which set out a revised budget for the current year. Members were advised that following the General

Election the new coalition government had made a number of announcements on public sector funding for the year, including a reduction in grant for policing in Lincolnshire of £1m. The report identified a number of areas for reductions in spend in order to achieve a balanced budget. Further measures expected to be brought in by the Government included a 2 year council tax freeze and a freeze in public sector pay for all but the lowest earners. Members were advised that the planned increase in employer's national insurance would not now take place.

The Treasurer advised that the current year was the final year of a 3 year funding settlement, which had been honoured in full by the Government. This had given a degree of certainty for financial planning. However, the Government intended to publish a new budget on 22 June followed by a spending review sometime in the autumn. It was highly unlikely that funding announcements for 2012/13 would be made before December at the earliest. Whilst this would hamper financial planning, Members were reminded that the Policing Plan set a target of £4m savings to be achieved each year, which, if achieved, would address the funding gap (as currently identified).

Members expressed concern about some of the budget planning assumptions for 2010/11 onwards, which were considered overly optimistic given the current financial climate. The Director of Finance and Administration reminded Members that the assumptions contained in the report were those which had originally been presented to the Authority in February as part of the 2010/11 budget considerations and would be updated in the near future to reflect the emerging financial picture.

Resolved	Responsible Officer
<p>That</p> <ol style="list-style-type: none"> 1. the report be noted; 2. the Chief Constable's proposals for in year savings be endorsed; 3. the revised budget provision for the year as set in Appendix C1 be approved. 	<p>-</p> <p>-</p> <p>-</p>

09/10. UPDATE ON VALUE FOR MONEY PROGRAMME

The Deputy Chief Constable advised that the joint Value for Money (VfM) Board had already made some good progress with revenue savings of £750,000 and capital savings of £31,000 having already been identified from reviews to date. However, he warned that it would still be necessary to find £3m in savings by the end of the year.

The Director of Finance presented a draft VfM Statement for inclusion within the 2011 - 2014 Policing Plan. The Statement would also be used to drive VfM activity within the Force. Members noted that savings in a number of business areas identified in the Statement had yet to be confirmed as reviews were either still being scoped or in progress.

Members suggested that some further thought needed to be given as to how this could be presented in a meaningful way within the Policing Plan.

Resolved	Responsible Officer
1. That the report be noted.	-

10/10. REVENUE OUTTURN 2009/2010

The Head of Finance invited Members to consider a number of proposed movements to both new and existing earmarked reserves in addition to a contribution of £56,000 into the General Reserve. The Treasurer reminded Members that the Authority had previously adopted a policy of transferring all underspends to the General Reserve. It would be for the Committee to determine whether any or all of the proposed movements were a priority.

Following a number of detailed questions and comments, the Chairman sensed reluctance from Members to commit funds to a number of new reserves. The Director of Finance warned that the Force would need to find at least £115,000 from within existing resources if the proposed movements were not approved. This would be on top of the £1m funding reduction identified earlier in the meeting. He further explained that funds from the proposed "Invest to Save" reserve would only be released with the agreement of the Committee after consideration of a business case.

Resolved	Responsible Officer
<p>That</p> <ol style="list-style-type: none"> 1. the following amounts be contributed to Earmarked Reserves from the 2009/10 revenue outturn: <ul style="list-style-type: none"> ➤ ANPR South Division - £75k ➤ Case & Custody Project - £60k. ➤ 21st Century Uniform Project – £30k ➤ Operations Fusion & NOVA - £15k 2. the contribution to the General Reserve of £271k be approved; 3. the Revenue Outturn position be noted. 	<p>-</p> <p>-</p> <p>-</p>

11/10. FORCE PERFORMANCE REVIEW 2010/11

Members questioned the Force on a number of exceptional areas of performance as follows:

Q1: *Interim sanction detection data is currently being used in Force with some strong 'health warning' alerts (hence they are not included in the published Performance Pack). When does the Force expect reliable sanction detection data to be available?*

It was accepted that the issue of data quality as it related to sanction detections had already been discussed in some detail earlier in the meeting (see Minute 7/10).

Q2: *Members will recall discussions from the last Committee meeting about the need to identify a way of understanding drug performance data in a meaningful context to assist both the Force and the Authority in assessing performance. What is the latest position on the drugs indicator?*

The Chairman made reference to Appendix 2 to the report which provided a detailed narrative on changes to the drugs indicators. He also reminded Members that both he and the Vice Chairman received periodic briefings from Detective Chief Superintendent Roger Bannister on the identification and disruption of organised crime groups. However, because of the confidential nature of the briefings, neither Member had kept written notes. With the forthcoming inspection of the Authority on the horizon, they needed to find a way of giving Members confidence that activities were being properly scrutinised without breaking confidentiality. The Deputy Chief Constable suggested that a mature approach might be for a short report to be prepared in conjunction with D/C/S Bannister to be received by the Committee in the exempt part of the agenda. The Chairman agreed to raise the matter with D/C/S Bannister after the meeting.

Q3: *What activities/measures have been undertaken or are planned to address sexual offences in order to achieve continuous improvement?*

It was agreed that the matter would be deferred until the quality of performance data relating to sanction detections had improved and could provide a clearer picture. There also appeared to be some correlation between the reported increase in recorded sexual offences and the recent opening of the new Sexual Assault Referral Centre (SARC).

Q4: *Does the Force understand the reason for the sudden drop in performance in relation to emergency call handling? Can this be attributed to a specific issue, or does the Force feel that it is a random fluctuation?*

Members were advised that the implementation of Niche had impacted on working practices within the FCCC. The Force was working through a number of solutions to make processes more efficient and effective. It was also explained that call times were longer due to the number of questions that needed to be asked under the Policing Pledge.

In noting the report, the Chairman congratulated the Force on the achievement of a 46% approval rating for trust and confidence. The Deputy Chief Constable thanked the Chairman for his comments but expressed his disappointment at the Committee's earlier

decision to block funding for a number of initiatives such the Force Open Day and Marketing Strategy that that could have helped to increase trust and confidence still further.

Resolved	Responsible Officer
<p>That</p> <ol style="list-style-type: none"> 1. Force performance be noted; 2. Force performance in key, exceptional areas of performance be noted; 3. action being taken by the Force to address areas of underperformance highlighted in the report be noted; 4. areas of exceptionally good performance as highlighted in the report be acknowledged; 5. the 10 Hallmarks of effective performance management and the Member (Performance) Role Description be noted. 	<p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p>

12/10. LINKING FINANCE AND PERFORMANCE

The Treasurer provided an update on progress with developing a scorecard which would be used to analyse the consumption of financial resources and consequent impacts on performance. It was envisaged that the scorecard would be used for multiple purposes, for example, in strategic decision-making and as an input into the decision conferencing process.

Members were invited to provide feedback on the format, content and approach of a draft scorecard appended to the report. The Chairman thanked the Treasurer, Director of Finance and Sarah Parkinson (Accountancy) for their efforts in developing the scorecard to date, which was fully supported by the Committee.

Resolved	Responsible Officer
<p>That</p> <ol style="list-style-type: none"> 1. the report be noted; 2. Members relay any feedback on the draft scorecard to the Treasurer. 	<p>-</p> <p>All</p>

13/10. ASSET MANAGEMENT PLANNING – APPROACH & METHODOLOGY

The Head of Asset and Facilities Management provided a detailed update on progress with developing an Asset Strategy and how it would support delivery of the Policing Plan. Members were also advised of regional and collaborative initiatives and potential co-location with key partner organisations in the County.

Members questioned the benefit and cost of employing consultants engaged by the Force to undertake survey work. Members were advised that consultancy costs would be in the region of £70,000 whilst survey work would be reduced from 1 to 2 years to 3 to 4 months.

In noting the report the Chairman emphasised the importance of developing an Asset Strategy that was based on a strategy for policing over the next 20 to 30 years.

Resolved 1. That the report be noted and proposals contained therein be endorsed.	Responsible Officer -
---	-------------------------------------

14/10. COMMITTEE WORKPLAN

Resolved 1. That the Committee workplan for 2010/11 be approved.	Responsible Officer -
--	-------------------------------------

15/10. FINANCIAL GOVERNANCE REPORT 2009/10

Resolved 1. That the report be noted.	Responsible Officer -
---	-------------------------------------

16/10. FINANCE AND ADMINISTRATION ANNUAL REPORT 2009/10

Resolved 1. That the report be noted.	Responsible Officer -
---	-------------------------------------

[Mr C Underwood-Frost left the meeting at 4.15pm]

17/10. CRIMINAL ASSET RECOVERY 2009/2010

It was reported that during 2009/10 Lincolnshire had obtained confiscation orders to a total value of £1,010,081.30 compared against the Home Office target of £870,000. This was the first time that the Economic Crime Unit (ECU) had managed to reach the Home Office target and to have obtained in excess of £1 million pounds. More criminal assets had been removed in 2009/10 than in the preceding three years combined making Lincolnshire the top performer in its most similar group of forces.

The Chairman congratulated the ECU on its excellent performance.

Resolved	Responsible Officer
1. That the report be noted.	-

18/10. EXCLUSION OF PRESS AND PUBLIC

Resolved:	Responsible Officer:
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 of schedule 12A of the Local Government Act 1972 (as amended).	-

[Mr A Dezonie left the meeting at 4.20pm}

19/10. CAPITAL PROGRAMME – OUTTURN 2009/10 & 2010/11

Resolved	Responsible Officer
That	
1. the outturn for 2009/10 and method of financing be approved;	-
2. the revised programme for 2010/11 of £10,841,800 and the method of financing that programme be approved.	-

20/10. CONTRACT APPROVALS

The Director of Finance and Administration advised Members on the outcome of two regional tenders for Forensic Analysis Services and Face-to-Face Interpreting.

The Treasurer suggested that procurement regulations should be updated to allow future regional tenders to be considered by the East Midlands Regional Collaboration Board and Joint Committee.

Resolved That <ol style="list-style-type: none">1. the result of the Forensic Analysis Services tender process be noted and approval given to the award of Lot 1 to the other than lowest tenderer;2. the result of the Regional Face to Face Interpreting tender process and the resultant award to an other than lowest tenderer be noted.	Responsible Officer - -
--	--

21/10. DIGITILISATION OF THE INTERVIEW

Resolved <ol style="list-style-type: none">1. That work on the regional procurement be approved with a business case to be submitted to the September 2010 meeting for consideration.	Responsible Officer CJS BM
---	--

Chairman