

POLICY & RESOURCES / CORPORATE DEVELOPMENT

A meeting of the Policy & Resources / Corporate Development Panel was held on Thursday 10 September 2009 commencing at 10.00 am in the Members Conference Room at Police Headquarters.

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| PRESENT | Councillor Hazel Pearson OBE (Chair), Councillor Victor Tumilty (Vice Chair), Councillor Barry Coppinger, Mr Ted Cox JP, Mr Alf Illingworth TD JP, Mr Peter Race (ex officio) |
| OFFICIALS | Mr Norman Wright and Mrs Julie Leng (CE) Mrs Ann Hall, and Sgt Christian Ellis (CC) |
| ADDITIONAL MEMBERS | Councillor Ron Lowes |

APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr Chris Coombs, Councillor Mary Lanigan, Councillor Dave McLuckie (ex officio), and Mr Sean Price

DECLARATIONS OF INTERESTS

There were no declarations of interests.

Action

MINUTES OF THE POLICY & RESOURCES / CORPORATE DEVELOPMENT PANEL HELD ON 11 June 2009

The minutes were agreed as a true and accurate record.

OUTSTANDING RECOMENDATIONS

ORDERED that:-

1. the Outstanding Recommendations be noted.
2. Recruitment Report – to be removed from this Outstanding Recommendations and placed on the HR and Diversity Panel Outstanding Recommendations.
3. Long Term Financial Plan – Members requested that a briefing still take place to look at worst case scenario options.

CHANGE TO THE AGENDA

ORDERED that Agenda Item 10 – The Management of Time Off in Lieu be presented first to allow two members who had notified the Chair that they would have to depart at 11.00 am an opportunity to raise questions they had in relation to this report.

TIME OFF IN LIEU

The Assistant Chief Officer Finance and Commissioning

updated Members on the work being undertaken by the Force to reduce levels of time of in lieu (TOIL).

The Force has been working during the course of last year to reduce the levels of TOIL held by Police Officers and Police Staff across Cleveland Police. This was prompted by concerns that changes to the International Financial Recording Standards (IFRS) may mean that a financial liability is incurred as a consequence of retaining large amounts of time off held by members of the Force as a consequence of working additional duty. To date a scrutiny of policy and levels of time off held by members of the Force has been undertaken by the Operational Performance Team (OPT). This has led to proposals to the Force to amend the policy and agree maximum levels of time off that can be retained. It was important to differentiate time off in lieu from annual leave which is a statutory requirement.

The target date for a reduction off in lieu across Cleveland Police to the proposed maximum levels had been set for 31 March 2010. In addition, a linked proposal was currently being consulted upon to amend the annual leave year period for Police Officers within the Force from the current arrangement which runs from 1 January to 31 December in any year to the more common national agreement that also reflects the Police Staff annual leave year (1 April to 31 March).

Members raised a number of issues in relation to this report and specifically asked for reassurances on the following areas:-

- Does it have implications on reserves?
- Does this in turn lead to revenue implications?
- What are the current levels for both Police Officers and Police Staff?
- What is the agreed level that we are working to by 31 March 2010?
- What is the Federation and Unison reaction to these proposals?
- Who makes the decision to grant TOIL?
- What is the difference between TOIL and overtime – and who decides which is offered?
- BCUs agreement to manage down – how is this to be done?
- Is there to be a new agreement where TOIL must be taken within a set time?
- What is the 'cause' of this large amount of TOIL been allocated?
- Are the shift patterns correct?

Members all agreed that they required further information on this issue as it was not viable to continue with this unplanned / unknown liability.

ORDERD that:-

1. the contents of the report be noted.

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| 2. | A members briefing be arranged to discuss all the issues raised by Members as detailed above (briefing note be circulated in advance of the briefing detailing the amounts and trying to answer some of the questions so that members could have an informed discussion). | ACC |
| 3. | The Association of Police Authorities (APA) be contacted to establish what other Authorities are doing. | Head of Strategy & Performance |
| 4. | A further report be submitted to this Panel in November. | ACC |

BUDGET MONITORING REPORT TO 31 JULY 2009

The Assistant Chief Officer Finance and Commissioning presented the report. Members had approved a Net Budget Requirement (NBR) of £128,790k and budgeted revenue expenditure of £146,911k, the balance of expenditure being funded by specific grants, other income and transfers from reserves. The report set out the progress against delivery of that budget and was part of the process introduced by the Authority to maintain prudent financial management.

Since setting the 2009/10 budget firmer information was now available that allowed us to revisit the assumptions and best estimates that this budget was based upon. By doing this it was possible to reduce the contribution from General Reserves needed to support the budget during 2009/10 by £625k. This reduced contribution from Reserves during 2009/10 could then provide additional financial options when the 2010/11 LTFP was being developed.

Members were informed that the position to date and the year end forecast were shown at Appendix A to the report. No material risks, other than those set out in the Risk Monitor at Appendix D to the report, had been identified to the delivery of a break even position for 2009/10.

Members were pleased to receive the report and commented that this advanced planning rather than crisis management was key.

Members requested further information on the impact of the Olympics both on Officer abstractions and cost implications.

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| An update report on the Major Incident Contingency Fund would be submitted to the next meeting of the Panel. | ACO Finance and Commissioning |
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ORDERED that:-

1. the contents of the report be noted.
2. the expenditure plan for 2009/10 be reviewed in line with the proposals detailed in 3.4 of the report

be agreed.

3. the transfer from General Reserves of £1,900k to support the 2009/10 budget, as approved by Members on the 26 February 2009, be reduced by £625k to £1,275k as a result of the proposals detailed in paragraph 3.4 to the report be agreed.
4. the expenditure plan for 2009/10 be further reviewed and proposals for creating additional in year savings be brought forward to a future meeting be agreed. The aim would be to provide further reductions in the amount needed to support the 2009/10 budget which would in turn provide more options in developing the 2010/14 Long Term Financial Plan.
5. further information on the impact of the Olympics both on Officer abstractions and cost implications to be provided in a future report. ACO Finance and Commissioning

CAPITAL MONITORING REPORT TO 31 JULY 2009

The Assistant Chief Officer Finance and Commissioning presented the progress against the delivery of the Capital Programme for 2009/10 and the Capital Plan for 2009/13 which Members had approved at their meeting on 26 February 2009.

Members approved a capital programme totalling £9,806k at their meeting on 26th February 2009. This included new capital schemes, schemes carried forward from 2008/09 and unallocated funding. Since the original programme was agreed, a number of changes had been identified. These were detailed at Appendix B to the report.

Members raised a number of questions around PFI funding and sought clarification on the amount of capital incorporated into PFI funding and the revenue impacts on PFI schemes. An update on PFI expenditure would be provided. ACO Finance & Commissioning

ORDERED that:-

1. the report be noted.
2. the addition of the following projects to the 2009/10 Capital Programme which were approved under delegated authority be noted:
 - North Ormesby Gates £8k
 - Stockton Parking Bays £9k
 - ANPR £25k
3. the addition of the following projects to the 2009/10 Capital Programme be approved:-
 - Vulnerable Person's Unit - £93k

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| ➤ | Vulnerable Person's Unit - Billingham | £67k |

4. the addition of £100k to the NSPIS Origin HR and Self Service project be approved.

TREASURY MANAGEMENT REPORT TO 31 JULY 2009

The Assistant Chief Officer Finance and Commissioning presented the report to Members.

Members agreed an investment strategy for 2009/10 at their meeting on 26th February 2009. At that meeting Members resolved to continue to delegate authority to amend the approved List of Counterparties and the investment limits with institutions, to the Chief Executive in consultation with the Deputy Section 151 Officer.

The report updated Members on the status of the Authority's investments and borrowing. This was part of the process introduced by the Authority to maintain prudent financial management.

Members were informed that the protection of the Authority's underlying investments had continued to be of utmost importance throughout 2009-10. The investments of the Authority had continued to be placed in a prudent manner and also one that ensured sufficient funds were available to meet its commitments as they became due.

ORDERED that:-

1. the contents of the report be noted.
2. the period of delegated authority to the Chief Executive in consultation with the Deputy Section 151 Officer, to amend the approved List of Counterparties and the Investment Limits with institutions to 31 March 2010 be approved.
3. the Investment Strategy for the remainder of 2009-10 would be unchanged from that approved by members on the 26 February 2009 be noted.

PROCUREMENT REPORT FOR THE PROVISION OF FURNITURE

The Assistant Chief Officer Finance and Commissioning provided Members with a summation of the procurement benchmarking exercise carried out to award a contract for the provision of Office Furniture.

A mini-competition was carried out in line with EU legislation using the Thames Valley Police and NEPO Frameworks as a benchmark.

The recommendation was for the contract to awarded to Tenderer 1 using a local distributor. It was reported that this option offered value for money, providing a saving of 27% on current furniture expenditure and this option also supported the local economy and was considered to be a low risk option.

ORDERED that:-

1. the procurement method used be noted and the recommendation put forward by the Evaluation Team be approved.
2. the contract be awarded to Tender 1, using a local distributor be approved.
3. the revised prices and projected saving of 27% be accepted.

PROCUREMENT REPORT FOR THE PROVISION OF TEMPORARY STAFF

The Assistant Chief Officer Finance and Commissioning provided Members with a summation of the procurement exercise carried out to award a contract for the provision of Temporary Staff.

Cleveland Police have used the Emergency Services Collaborative Framework Agreement for the supply of Temporary Staff since 2003. This contract was a Master Vendor, tiered approach system.

Cleveland Police have an ongoing requirement for temporary staff and the current process for engaging the Master Vendor for the recruitment of temporary staff was inefficient and ineffective. The contract was let by Thames Valley Police who are the Lead Authority, however it expired in 2009. This contract had been extended via exemption whilst an options appraisal was completed by the Procurement Unit in conjunction with People and Diversity.

Options investigated included a mini-competition exercise on the new Emergency Services Collaborative Agreement, however, as this Framework was a Master Vendor, tiered approach, it was agreed by the Evaluation Team that this option was not viable for the Authority.

The North East Purchasing Organisation (NEPO) a contract for temporary staff on a Vendor Neutral basis earlier in 2009. This contract was awarded in line with European Legislation and was available to all Public Authorities and Emergency Services within the North East.

This Vendor Neutral approach offered value for money by implementing internal process efficiencies to reduce costs, mitigate risk, improve candidate quality and access improved Management Information.

This option also supported the local economy and was considered to be a low risk option.

ORDERED that:-

1. a full tender process in line with EU Legislation had been carried out by the North East Purchasing Organisation (NEPO) be noted.
2. the recommendation put forward by the Evaluation Team for the use of a Vendor Neutral Contract and the award of the contract to the successful tendered for the NEPO contract be approved.