

## **POLICY & RESOURCES / CORPORATE DEVELOPMENT**

A meeting of the Policy & Resources / Corporate Development Panel was held on Wednesday 27 January 2010, commencing at 10.00 am in the Members Conference Room at Police Headquarters.

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| PRESENT            | Mr Aslam Hanif (Chair), Councillor Hazel Pearson OBE (Vice Chair), Councillor Victor Tumilty, Mr Ted Cox JP, Mr Chris Coombs, Miss Pam Andrews-Mawer, Councillor Ron Lowes. |
| OFFICIALS          | Mr Norman Wright, Mr Paul Kirkham and Mr John Bage (CE)<br>Mr Derek Bonnard, Mr Michael Porter, Ms Denise Curtis-Haigh and Mr Steve Matthews.(CC).                          |
| ADDITIONAL MEMBERS | Mr Peter Hadfield.  |

### **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Barry Coppinger, Councillor Paul Kirton, Councillor Dave McLuckie (ex officio), Mr Peter Race MBE (ex officio) Mr Sean Price and Mrs Ann Hall.

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| FOR INFORMATION | The Chair informed the meeting that Agenda Item 8 was to be withdrawn from the meeting. |
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### **DECLARATIONS OF INTERESTS**

There were no declarations of interests.

**Action**

### **MINUTES OF THE POLICY & RESOURCES / CORPORATE DEVELOPMENT PANEL HELD ON 24 NOVEMBER 2009**

The minutes were agreed as a true and accurate record.

### **OUTSTANDING RECOMENDATIONS**

**ORDERED** that:-

1. the Outstanding Recommendations be noted.

### **BUDGET MONITORING REPORT TO 30 NOVEMBER 2009**

The Head of Corporate Finance 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 £975k in total. This reduced contribution from Reserves during 2009/10 could then provide additional financial options when the 2010/11 budget and 2010/14 LTFP were 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 gave a clear picture to the Force's budgetary control.

Members raised concerns regarding the indicated 35% overspend in the overtime statement for Specialist Operations and requested what controls were in place to manage that spending line. The Deputy Chief Constable informed Members that monthly performance reviews are held with ACC (Crime Operations) and the Head of the Dept's concerned, to control such activity. He confirmed to Members that a robust regime is in place to manage such activities and it will be reinforced for the future. A review will also be undertaken of the profiling of next years budget to ensure it matches appropriate operational demand.

Members sought to clarify the situation regarding employment contracts for PCSO's, as indicated at para 3.5 to the report. Members wished to clarify the position and establish what changes if any would occur. The Deputy Head of P&D informed Members that upon the changes to be effected in February 2010, the PCSO's currently on a fixed term contract would be offered a permanent contract and the newly recruited PCSO's would be placed on a fixed term contract upon commencement.

**ORDERED** that:-

1. the report be noted.
2. the expenditure plan for 2009/10 be reviewed in line with the proposals detailed in 3.1 of the report be agreed.

### **CAPITAL MONITORING REPORT TO 30 NOVEMBER 2009**

The Head of Corporate Finance 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 totaling £9,806k at their meeting on 26<sup>th</sup> 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 sought clarification on the proposed HQ Lift Upgrade and Replacement at Appx A to the report. Members were reminded that this proposed capital scheme had been mooted for some time and enquired as to what the current situation was. Members requested that a cost benefit analysis be brought to the next meeting to determine the best way forward with this matter.

DCC Bonnard

**ORDERED that:-**

1. the report be noted.
2. the £46k being allocated into the Accommodation Adjustment line from the Provision for Estates Strategy be agreed.
3. the addition of the Integrity Unit Relocation Scheme at a cost of £28k from the Provision for Estates Strategy be agreed.
4. the addition of the Saadian PINS system scheme at a cost of £38k to be funded from the ISIS Provision be agreed.
5. a reduction in the Air Support budget of £350k be agreed.

**TREASURY MANAGEMENT REPORT TO 30 NOVEMBER 2009**

The Head of Corporate Finance presented the report to Members.

Members agreed an investment strategy for 2009/10 at their meeting on 26<sup>th</sup> 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.

**PROCUREMENT REPORT ON THE FUEL CARD CONTRACT**

The Deputy Chief Constable informed Members that the purpose of the report was to present a new national contract that improves the service to Cleveland Police Authority.

Members were informed that the current Fuel Card Framework Contract governed by Buying Solutions was due to expire on 31<sup>st</sup> January 2010. The system worked by fuel cards being issued to drivers of police fleet vehicles and hire cars. From all the suppliers available on the Buying Solutions contract, Arval UK Limited offered the most advantageous geographically placed garages.

The Deputy Chief Constable informed Members that this ensured access to the majority of garages in our area as well as nationwide. The contract is in place ready to join upon approval. The contract will expire on 22<sup>nd</sup> August 2013. Arval UK Limited are a current supplier to Cleveland Police and they are more than comfortable with our needs and procedures.

The Buying Solutions procurement process had been completed in line with European Legislation, and the Contract meets the specification required by Cleveland Police. By networking with other Forces, the contract will deliver long-term financial benefits. The core services provided by Arval UK Limited are provided both free of card and transaction fees. Rebates are available annually based on annual spend levels.

**ORDERED that:**

1. Cleveland Police Authority transfer to the new national contract tendered and awarded by Buying Solutions (previously know as OGC) with immediate effect be agreed.

**FORCE COMPLIANCE WITH THE HUMAN RIGHTS ACT**

Members were informed that the Human Rights Act 1998 came into force in October 2000 and enshrined in statute 15 different human rights. Public authorities, such as the Police, have a duty to comply with these rights.

The Deputy Chief Constable informed Members that the Force ensured that it kept up to date with all relevant advice on Human Rights with the latest guidance having been taken from The Equality and Human Rights Commission report '*Human Rights Enquiry 2009*'.

Inline with the recommendation from the recent '*Human Rights Enquiry*' the Force is currently looking at identifying a Human Rights champion/champions that can drive any issues

forward across Service Units.

Members sought to clarify whether other organisations acting on behalf of the Force also complied with the Act. The Deputy Chief Constable assured Members that such compliance was built into contractual arrangements with third party's.

Members enquired as to whether Members would be involved with others acting as Human Rights Champions. The Deputy Chief Constable informed Members that volunteers from the Authority would be welcome.

Members were informed that there were no material issues to report, the principles of the Human Rights Act are imbedded in Force policies and procedures, and are subject of regular review.

**ORDERED that:**

1. the content of the report be noted.

**WORKFORCE MODERNISATION**

The Deputy Chief Constable informed Members that the report outlined to the Police Authority activities undertaken in the last 12 months along with activity currently underway in relation to Workforce Modernisation

Members were informed that to enable the effective delivery of the Policing Plan a series of strategic changes were identified, a number of which had significant implications on the effective management of the workforce. Key elements of change were then incorporated within the three year People and Diversity Strategy in regard to workforce planning.

A review of Police Officer promotion processes was undertaken and brought in line with the new Putting People First behaviors framework. A Police Officer promotion / succession plan was developed and delivered to ensure timely promotion activity to ensure that the correct workforce mix was sustained.

The PSCO recruitment plan was delivered to make certain that the Force was able to meet the establishment of 197 FTE. The plan ensured that local authority partnership funding was used in the four districts effectively and efficiently, which ultimately supported the delivery of neighbourhood policing plans.

Members sought clarification on the establishment between Cleveland and Durham Forces of developing a joint firearms service provision.

The Deputy Chief Constable informed Members that currently negotiations are taking place to scope and agree operational Command and Deployment issues regarding such.

Members sought clarification on cross border professional standard issues, and required clarification on what processes were in place should any disciplinary issues arise. The Deputy Chief Constable informed Members that work on this subject was currently being carried out nationally.

The Deputy Chief Constable informed Members that the Force had been reviewing its workforce and during the current financial year a number of activities had been delivered and a number are currently in planning or implementation stages. Members will be kept updated on developments.

**ORDERED that:**

1. the content of the report be noted.

**FLEXIBLE RETIREMENTS**

Members were informed that the Force had received a request for flexible retirement from a member of staff. Flexible Retirement was introduced into the Local Government Pension Scheme in April 2006 as a discretionary provision which allowed employees, with the employer's consent, to reduce their hours or move to a lower graded position and withdraw the pension benefits already accrued. Employees can also continue to pay into the LGPS under flexible retirement in order to accrue further benefits.

The Deputy Chief Constable reminded Members of the Force's statement of policy in relation to Flexible Retirements. To date applications for Flexible Retirement have not been approved where there had been a cost to the Force. Those individuals willing to take actuarially reduced benefits, where there is normally no cost to the Force, had been able to take flexible retirement.

The Police Authority in June 2008 agreed to delegate to the Chief Constable, any future decisions relating to Flexible Retirement requests which may have associated financial cost implications up to the value of £1,000 per case. In this particular case the individual will be unable to take actuarial reduced benefits, so is unable to retire without the cost being met by Cleveland Police.

**ORDERED that;**

1. the request for flexible retirement not be approved.

**ASSET MANAGEMENT STRATEGY 2010-13**

The Strategy & Performance Manager informed Members that the report was to seek approval for the Asset Management Strategy, which is intended to formally establish a strategy in support of the delivery of Police Authority's broader objectives.

The Police Authority's Draft Business Plan 2010-13, which had been approved for consultation at the Policy & Resources November 2009 Panel meeting, included a number of tasks and associated outcomes related to continuing improvements in value for money and services.

Members agreed the need for an Asset Management Plan as this had been an area for improvement identified in the Use of Resources (UoR) assessment. The Business Plan had as one of its outcomes the approval of an Asset Management Plan and Estates Strategy by April 2010.

The Strategy & Performance Manager informed Members that in order to facilitate the production of such plans and strategies, the Authority is requested to agree the overarching Asset Management Strategy contained at Appendix A to the report.

Members were informed that the Asset Management Strategy provided Members with assurance of the further development of an integrated business planning process that would focus on the delivery of improved services and value for money.

**ORDERED that;**

1. the Asset Management Strategy set out at Appendix A to the report be agreed.
2. the strategy be reviewed in December 2010, and thereafter at intervals that support the Police Authority's Business Planning processes be agreed.

**DRAFT BUSINESS PLAN 2010/11 – 2012/13**

The Executive Accountant updated Members of the progress in the development of the Business Plan. Members were informed that the Business Plan is currently out for consultation with stakeholders and that a final version will be brought to the Police Authority Executive on 25th February 2010.

Members were reminded that they approved the draft Business Plan for the purposes of consultation at the November 2009 meeting of the Policy & Resources Panel. Subsequently copies of the Business Plan were sent to all stakeholders (89 No.) who expressed an interest in attending the Police Authority's stakeholder event on 9<sup>th</sup> December 2009. The closing date for responses to this consultation was 15<sup>th</sup> January 2010.

Following the collation and assimilation of the stakeholder event responses, and discussions with the Force Executive, the draft Business Plan will be amended into a final version to be put to the Police Authority Executive on 25th February 2010.

The Executive Accountant informed Members that the Business Plan will become the vehicle for driving service and governance improvements and for dealing with the recommendations of audits, inspections and reviews, including the forthcoming police authority inspection.

**ORDERED that;**

1. the Business Plan will be brought to the Police Authority Executive on 25th February 2010 as a final version, be noted.

**UPDATE ON THE POLICE AUTHORITY INSPECTION PROCESS**

The Strategy & Performance Manager updated Member's on the preparations for the inspection of Cleveland Police Authority by the HMIC/Audit Commission.

Members were informed that the HMIC/Audit Commission police authority inspection process is well underway with the first 10 police authorities having been inspected as part of phase 1 of a process that will be completed in 4 stages, finishing in 2011. In November 2009 HMIC indicated that Cleveland will be subject to inspection as part of phase 2 covering a further 13 Authorities. Cleveland's inspection will take place during June 2010.

The Strategy & Performance Manager informed Members that the police authority continued to plan and work towards achieving a successful inspection in June 2010.

**ORDERED that;**

1. the HMIC/Audit Commission had formally notified the Police Authority that the Authority will be subject to an inspection in June 2010 be noted.
2. in March/April Officers of the Authority update the portfolio of evidences and inform Members accordingly.

**PARTNERSHIP STRATEGY & CODE OF PRACTICE**

The Strategy & Performance Manager informed Members that Partnerships play an important role in service delivery. The Police Authority is committed to strengthening the governance arrangements and strategic direction for existing and future partnerships entered into by the Authority.

Members were reminded that the Police Authority Standing Order 42 (Partnerships) stated that the Authority's involvement in Partnership arrangements shall conform to the principles of good governance and that there shall be guidance concerning the involvement in principal partnerships. This would include partnership agreements, performance management and risk management arrangements.

**ORDERED that;**

1. the Partnership Strategy and Code of Practice at Appendix A to the report be agreed.

**CLEVELAND POLICE AUTHORITY COMMUNICATIONS STRATEGY**

The Strategy & Performance Manager informed Members that an update of the original 2007 Communications Strategy was approved by Members in April 2009. The Strategy was designed to describe the required standards for Police Authority communications and to improve stakeholder and public awareness of the Police Authority.

The Communications Strategy had been revised again to take account of recent developments in policing services, such as the Policing Pledge, and in corporate governance, such as the development of the Business Plan.

Members were informed that the Communications Strategy would facilitate the achievement of the Police Authority's objectives to consult with public and stakeholders, to promote confidence in policing and to promote a greater understanding of the role and responsibility of the Police Authority.

**ORDERED THAT;**

1. the revised Communications Strategy at Appendix A to the report be agreed.

**PREPERATIONS FOR THE USE OF RESOURCES ASSESMENT 2009-10**

The Strategy & Performance Manager informed Members that the final Use of Resources audit assessment for 2008-2009 was presented to the Police Authority Executive on 10<sup>th</sup> December 2009 by the District Auditor.

Members were informed that for subsequent years the assessment process will be streamlined. The Audit Commission will examine the data and findings from the previous assessment and produce a "gap analysis" for each Key Line of Enquiry for the Authority to concentrate on in its evidence submission. This gap analysis is presently being provided by the Audit Commission.

Members were reminded that as in previous years, a joint Use of Resources/Annual Governance Statement Group had been established to take forward this work, to collect and collate evidence for submission to the Audit Commission for the 2009-2010 assessment. The initial evidence will be submitted in February 2010. The gap analysis from the 2008-2009 Use of Resources assessment will be used as the basis for the 2009-2010 evidence gathering requirements.

The Strategy & Performance Manager informed Members that in addition to the gap analysis, there is a further element of the managing resources theme to be assessed in 2009-2010, which is the use of natural resources. This requirement is summarised at Appendix A to the report.

Members enquired as to what processes were to be put in place to brief Members and prepare them for such assessments. The Executive Accountant informed Members that Officers were currently in dialogue with colleagues from the Audit Commission, to seek additional data. Members were informed that they should receive a briefing by the end of February 2010.

**ORDERED that;**

1. the Use of Resources assessment process for 2009-2010 is being carried out, focusing on the following evidence requirements;
  - the Use of Resources gap analysis from the Audit Commission - outlined at Appendix A to the report – will form the basis on which the assessment will be made for 2009-2010
  - the assessment of the effective use of natural resources outlined at Appendix B to the report, will be the new resource management assessment for the year 2009-2010

be noted.

**EXCLUSION OF THE PRESS AND PUBLIC**

**ORDERED** that pursuant to the Local Government Act 1972 the press and public be excluded from the meeting under Paragraphs 3 and 4 of Part 1 of Schedule 12A to the Act.

**JOB EVALUATION AND NEW PAY MODEL – POLICE STAFF**

The Deputy Head of People & Diversity updated Members on the work being undertaken to identify the potential benefits and costs associated with the introduction of an analytical job evaluation process and a new pay model for Police Staff.

Members were informed that the risks associated with continuing with the current job evaluation process and pay model were highlighted in the body of the report and were particularly associated with financial and legal risks.

**ORDERED that;**

1. the report be noted
2. a feasibility study be undertaken to produce a cost benefit analysis in relation to the proposed introduction of an analytical job evaluation scheme and new pay model, be agreed.

**HER MAJESTY'S INSPECTORATE OF CONSTABULARY  
(HMIC) – VALUE FOR MONEY PROFILES**

The Executive Accountant informed Members that the report was to inform Members of the HMIC Value for Money Profiles and to explore the range of responses to this benchmarking initiative.

Members were informed that the "Police Report Card" was the new assessment framework by which HMIC will draw conclusions about the performance of individual Forces and Authorities. Commencing in 2010 HMIC compiles a continuous assessment of the performance of Police Forces and Authorities. This assessment will be a public document and it will feed into the Continuous Area Assessment process and the Police Authority Inspection process.

The Executive Accountant informed Members that the HMIC Value for Money Profiles present Cleveland Police Authority and Force with both an opportunity to inform, and the drive and financial imperative to improve, the value for money of service delivery. It is proposed that the indicators with-in the report are utilised, to respond to the financial challenges facing the Force and Authority in 2011/12 and beyond.

**ORDERED that;**

1. Members receive the HMIC Value for Money Profiles for Cleveland Police detailed in Appendix D to the report be agreed.
2. the summary analysis of the variation between Cleveland and its Most Similar Group as set out at Appendix A to the report be noted.
3. further reports be brought forward to enable the Authority to review the movement in benchmark data, and the progress against agreed action plans for improvement in value for money over time, be agreed.