

**Briefing Note Following NPAS Finance Meeting 14<sup>th</sup> September 2011**

A finance meeting was arranged by Durham Constabulary and was attended by Police Authority Treasurers and lead finance officers from Durham, Northumbria and Cleveland. (We were represented by Michael Porter, Claire Hinnigan and Simon Wilkinson). Also in attendance were A/Supt Richard Watson and Susan Carte who is a recently seconded accountant on the NPAS team.

Ms Carte and A/Supt Watson also had a similar finance meeting with Humberside on the 13<sup>th</sup> September. South Yorkshire Police Authority met on the 9<sup>th</sup> September (not sure whether NPAS were present) and they decided they could not join NPAS but have requested further information and will be meeting again on 23<sup>rd</sup> September to discuss the issue further.

The main points from the meeting on 14<sup>th</sup> September 2011 were:

1. The NPAS team are now talking about a 'transition period'. They refer to the financial figures recently circulated to forces and state that we will be required to pay these figures for the first two years only. During this period they intend going to Chief Constables Council and getting agreement on a new funding formula.
2. It was repeatedly stated that CC Marshall was having great difficulties getting all forces to sign up and if the 'fairer' funding model was used now, there would be a number of forces who would have to pay substantially more (such as North Yorkshire) and so they would not sign up.
3. A/Supt Watson was challenged as to why Chief Constables would therefore agree to such a model in two years time following this transition period, if for some there would be a large cost increase. He accepted they may not agree and already started talking about an exit strategy.
4. Northumbria questioned why we were being asked to sign up on the present model, when they intended changing it in two years time. It appeared this was purely because forces would not agree to a new model.
5. The NPAS team stated there were no figures available beyond the ones already produced and these would only apply for the two year transitional period. All forces pointed out the real importance of having further figures, but it was repeated that none were available.
6. NPAS were challenged why such figures were not available, as it must be possible to forecast when aircraft will be withdrawn and roughly what any new funding model would look like, assuming all forces participated. They repeated they had not done this work, but also how all models had been previously examined and they could not find a model that would be acceptable. Again they were challenged as to how would this position change in two years time and they were not able to answer.

7. Mr Porter pointed out that if we were part of NPAS, the North of the North East region would be very similar to our old arrangement of NEASU. A/Supt Watson agreed this was the case. Mr Porter then stated that 3 years ago we were paying £750,000 for the service NPAS are offering us, but they are asking us to pay £1.6million. He also pointed out that the precept in Cleveland was increased to pay for our own helicopter and that it would be very hard to get the public to see the service going back to where we were three years ago, but still paying the new full cost. A/Supt Watson accepted this was very challenging.
8. When asked regarding the capital rebates for the Cleveland helicopter and the fact that they should start from 2011 and not 2009, there appeared real confusion between Ms Carte and A/Supt Watson. They at first stated this rebate was not to buy our asset from us, but when challenged could not explain what the rebate was for. Carte also stated that we should be reimbursed for our loan costs on the aircraft, but A/Supt Watson appeared to disagree. (Miss Hinnigan has since submitted the loan costs to Carte so they can be considered/included)
9. The NPAS team agreed to produce new revenue figures taking into account our reduced flying hours and our reduced budget.
10. In respect of the request for 10 years forecast figures, they repeated that they had no figures, despite all forces submitting up to date figures in the summer as requested.
11. In respect of the issue of MRP and budgeting issues around forming a 'joint venture' there again was some confusion from Carte, but she agreed to look further at these issues.
12. It was pointed out regarding the importance of the 'same or better service for less cost'. A/Supt Watson struggled to answer this and appeared to accept that 20 hours service was not the same level. He agreed to produce some information regarding what level of service we would receive.
13. A/Supt Watson agreed that there should be an exit strategy but stated that one had not yet devised.
14. A/Supt Watson stated that we were rather unique in this part of the region, compared to the rest of the Country, as we are very isolated and do not have other aircraft nearby.
15. A/Supt Watson stated 10 forces had agreed in principle to join NPAS.

The NPAS team were informed of the Cleveland Police Authority meeting on the 28<sup>th</sup> September and the cut off date of the 21<sup>st</sup> September. They agreed to try and produce some further information before that date. We all left the meeting extremely dissatisfied that we appear no further forward than where we were 18 months ago.