

**Minutes of the Police and Crime Panel – Budget Working Group
held on 22 February 2018**

Present:

Members of the Working Group

Councillor Gwynne Pomfrett

Councillor Adrian Warwick

Councillor Nicola Davies

Councillor Richard Chattaway

Warwickshire County Council

Stefan Robinson, Senior Democratic Services Officer

Office of the Police and Crime Commissioner

Elizabeth Hall, Treasurer

1. General

(1) Apologies

Apologies for absence were received on behalf of Virginia Rennie, Strategic Finance Manager at Warwickshire County Council.

(2) Disclosures of Pecuniary and Non-Pecuniary Interests

There were no disclosures of interest

(3) Minutes of the previous meeting held on 21 November 2017

The minutes of the previous meeting were agreed as a correct record.

2. Money Matters – Quarter 3 Finance Report

The Working Group requested that their thanks be passed to Heather Costello, the retiring Force Director of Finance, for providing the group with reports over the years.

Elizabeth Hall, Treasurer to the Office of the Police and Crime Commissioner (OPCC), was invited to provide a summary of the report. She explained that the Money Matters Report had been provided to the Alliance Governance Group on 17 January to help inform the budget setting process.

There had been a number of savings decisions in June 2017 which sought to militate against the expectation of a reduction in funding for 2018/19. The main decision was to freeze recruitment to allow for a natural decline in officer

numbers as they voluntarily retire, in anticipation of a reduced pay budget in 2018/19. The result of this was an underspend forecasted at £2.079m on Police Officer pay.

Elizabeth explained that Warwickshire was forecast to spend £97.374m against an income (net budget requirement) of £91.062m. This would require a draw-down of reserves totalling £6.312m, a decrease of £0.452m against the original budget.

Councillor Warwick said he was surprised to see less Police Officers participating in the pension scheme, and noted that this had reduced employer contributions by approximately £0.400m. Elizabeth said that younger officers may be dissuaded from joining the pension scheme because they are prioritising their income for their housing needs. Elizabeth also said that once officers reached their maximum contributions, they stopped paying into the scheme.

Councillor Chattaway asked to receive more information on the average number of hours police officers were working, including overtime. He also asked to receive detail on how overtime was being used, such as the amount of overtime used to cover absences and in dealing with major incidents. Councillor Davies suggested that the demand for overtime had the potential to have a detrimental impact on staff and officer wellbeing.

Elizabeth explained that there had been a £0.683m overspend on overtime attributed to the implementation of Athena. Various major incidents had also increased the demand for officer overtime. Councillor Pomfrett asked to receive information on the amount of overtime committed to major incidents, and whether overtime was paid for follow up matters after the incident. Elizabeth said she would look into this.

Elizabeth explained that there was a forecasted underspend of £1.682m on police staff pay for 2017/18, but the forecast did not yet include the police staff pay award. This would reduce the underspend by approximately £0.25m.

Councillor Chattaway asked about the projections for PCSO leavers during the year. Elizabeth explained that there were 30 projected to leave in 2017/18 across the Alliance, but she did not have the figures for Warwickshire. This reduction was in part due to the freeze on recruitment. Councillor Chattaway asked for more information on the number of PCSO posts that would be recruited for in 2018/19. Elizabeth said she would report back on the numbers at the next meeting.

In relation to income, there was a forecasted overspend of £1.066m. Elizabeth said the income budget covered a range of fees, charges, grants and reimbursements. Because of the unpredictability around income, a significant budget of £2m against mutual aid had been allocated. There had been a lower than expected level of calls for mutual aid, meaning the projected income was not realised.

Elizabeth explained that the Money Matters Report would now include information on the transformation programme. In response to questions from Councillor Chattaway, she clarified that the £3,083m savings forecast for local policing in 2017/18 in the report was not accurate, and that Athena was operating within budget.

Councillor Chattaway raised the issue of the funding received by Warwickshire County Council and Warwickshire Police from speeding fines. Councillor Davies said this was an issue that the Planning and Performance Working Group had considered at their last meeting. Elizabeth explained that the Force received a portion of the money collected from speeding fines. New arrangements had recently been deployed for the retention and spending of this money on road safety measures. Elizabeth said she would provide an update for the Working Group at their next meeting.

Councillor Warwick expressed concerns over underspends in the capital programme, which Elizabeth said was due to slippage in the delivery of ICT projects, the Operational Command Centre, SAABSafe and telephony. This slippage however represented an improvement on previous years. Cash balances were also high which meant that there was no need for borrowing in 2017/18.

Police Officer Numbers

Elizabeth offered to provide the working group with an update in relation to the Police and Crime Panel's letter to the PCC on 7 February 2018 concerning his precept proposal. Specifically, she sought to address some of the questions raised about police officer numbers.

Elizabeth said there was a short timeframe in which to devise a new budget proposal, following the announcement made by the Home Office on 19 December 2017 to grant greater flexibility on the level of precept PCC's could raise. She said the cost of employing an experienced officer or transferee was in the region of £54,000 a year, whereas new recruits costed in the region of £35,000. After an initial consultation with the Chief Constable about the impact of raising the precept by £12 per Band D property, based on a worst case scenario of recruiting only experienced officers only (i.e the most expensive

option), the PCC understood that he would be able to retain 33 Police Officers. This is the number of Police Officers that could have been retained had the Force been needed to pay £54,000 for each officer.

However, after the public consultation had opened, the PCC asked the Chief Constable to take another look at how many Police Officers could be retained. The number of police officers expected to be retained then increased to approximately 50, based on a revised calculation of recruiting both a mix of new and experienced officers. This would reduce the average pay spend on a single Police Officer, therefore increasing the number that could be retained. This number would change however according to the split of experienced and new officers recruited.

Elizabeth explained that there was a significant challenge for the Force in terms of the speed at which recruitment could be undertaken and posts filled. She said that all PCCs nationally had raised the precept, meaning that they too were looking to recruit more officers. In turn, this unforeseen increase in recruitment had placed a high level of demand on the College of Policing, who assess new recruits, before they can proceed to training. The College of Policing was working to bring forward additional assessment dates to cope with this demand. However, by the end of 2018/19, it was hoped that the Force would have recruited its desired number of Police Officers.

Councillor Chattaway explained that the Home Office stated that Warwickshire Police had 855 officers in September 2015. He asked that that Working Group be provided with information on how many Police Officers were employed by Warwickshire Police and trend information to show any changes over the past few years.

Elizabeth explained that she was working with the OPCC to support the PCCs response to the Panel's letter. The response would take account of the questions raised by the Panel in relation to Police Officer numbers. Members reiterated their concern that the consultation could have been clearer in explaining the impact of a precept rise on Police Officer numbers.

Councillor Warwick said it would be useful to receive information on how many officers Warwickshire Police would be recruiting over 2018/19, and how many were projected to leave over the same period. Councillor Pomfrett added that if the Panel could understand the target recruitment figure, then they would be able to monitor the issue throughout the year.

The Working Group requested that the PCC's response to the Panel's letter regarding the precept be placed on the agenda for the Panel meeting on 19 March 2018.

3. Date of future meetings

Elizabeth advised that the next outturn report would be available in June 2018, and that a meeting could be scheduled once the publication date was clear. She would liaise with the Panel's support officer to secure a new date. The Working Group requested that an annual calendar of meeting dates be established.

The Working Group wished to record their thanks to Stefan Robinson, Senior Democratic Services Officer, for his support to the group as he moved to a new role at Oxford City Council in March 2018.

The meeting closed at 11:15am.