



RESOURCES COMMITTEE

**MONDAY 23 SEPTEMBER 2008 AT 10.00AM
IN CABINET ROOM C, COUNTY HALL, PRESTON**

NB If you have any queries regarding the Agenda papers or require any further information, please contact Ian Dickinson on 01772 533462.

AGENDA

PART I (OPEN TO PRESS AND PUBLIC)

1 APPOINTMENT OF CHAIR AND VICE CHAIR

Following the completion of the Authority's Member Development meetings, through the urgent business procedure, the Police Authority appointed County Councillor Geoff Roper and County Councillor Clive Grunshaw as Chair and Vice Chair of the Committee respectively for 2008/09.

2 MEMBERSHIP OF THE COMMITTEE

A report detailing the membership of the Committee for 2008/09 is presented at item 2.

3 APOLOGIES FOR ABSENCE

4 DISCLOSURE OF MEMBERS' INTERESTS

Members are asked to consider any personal/prejudicial interests they may have to disclose to the meeting in relation to any matters under consideration on the Agenda in accordance with the law, the Authority's Standing Orders and the Member Code of Conduct.

5 MINUTES OF THE MEETING HELD ON 30 JUNE 2008

Copy enclosed for confirmation at item 5.

6 MATTERS ARISING

In relation to the provision of indemnity insurance for Members and officers, the Authority's Treasurer will update the Committee on the current position.

ITEMS FOR DECISION

7 BLUE PRINT UNDERSPEND

A report regarding the projected underspend from the 2008/09 Blueprint funding is attached at item 7.

8 REQUEST FOR GROWTH FUNDING – A NEW APPROACH TO STRATEGIC ROAD POLICING

A report setting out a request for growth funding for Strategic Road Policing is attached at item 8.

9 CAPITAL PROGRAMME 2008/ 09 - TRANSFER OF FUNDING TO FINANCE SHORTFALL ON CCTV PROGRAMME

A report requesting the transfer of capital funding to meet a shortfall on the provision for CCTV in custody areas in 2008/09 is attached at item 9.

ITEMS FOR INFORMATION

10 CAPITAL MONITORING REPORT 2008/09

A Capital monitoring report at the end of August 2008 is attached at item 10.

11 REVENUE BUDGET MONITORING 2008/09

A report on the Revenue Budget monitoring position is attached at item 11.

Report to follow

12 FIVE YEAR FINANCIAL FORECAST

A report detailing the latest Five Year Financial Forecast 2009-2014 is attached at item 12.

13 HMIC FINANCE AND RESOURCES ANALYSIS 2008/09

The Finance and Resources Analysis 2008-09 produced by HMIC is attached at item 13.

14 REPORT ON THE TRANSACTION OF URGENT BUSINESS

A report on the transaction of urgent business is attached at Item 14.

15 URGENT BUSINESS

An item of urgent business may only be considered under this heading where, by reason of special circumstances to be recorded in the Minutes, the Chair of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency. Wherever possible, the Chief Executive should be given advance warning of any Member's intention to raise a matter under this heading.

16 DATE OF NEXT MEETING

The next meeting of the Committee is scheduled to be held at 10.00am on Tuesday 2 December 2008, at County Hall, Preston.

17 EXCLUSION OF PRESS AND PUBLIC

The Committee is asked to consider whether, under Section 100A(4) of the Local Government Act, 1972, it considers that the press and public should be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraphs of Part I of Schedule 12A to the Act, as indicated against the heading to the items, and the public interest not to disclose it outweighs the public interest in disclosing it.

PART II (PRIVATE AND CONFIDENTIAL)

ITEMS FOR DECISION

18 A REVIEW OF ACCOMMODATION AT LANCASHIRE CONSTABULARY HQ

(NOT FOR PUBLICATION – Exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972.)

A report considering the strategic direction by which a shortfall of suitable accommodation on the Headquarters site this could be most appropriately addressed over four phases is attached at item 18.

19 LANCASHIRE CONSTABULARY ESTATE MANAGEMENT

(NOT FOR PUBLICATION – Exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972.)

An update on a selection of Capital Projects and other Estate Management issues is attached at item 19.

Miranda Carruthers-Watt
CHIEF EXECUTIVE

RESOURCES COMMITTEE

23 SEPTEMBER 2008

MEMBERSHIP OF HUMAN RESOURCES COMMITTEE

PART I

Issue for Consideration

The Committee's Membership for 2008/09.

Information

Following completion of the Authority's Member Development meetings, and through the urgent business procedure, the Police Authority agreed the Membership of the Committee as set out below.

RESOURCES COMMITTEE MEMBERSHIP (11)
Councillor Bell County Councillor Davies Councillor Doherty Mr Edmundson County Councillor Grunshaw (Vice-Chair) County Councillor Jones County Councillor Roper (Chair) County Councillor Stuart Ms Sumner, JP County Councillor Whipp Mr Winthrop, JP

Decision Required

The Committee is asked to note the Membership of the Committee for 2008/09.

Background Papers

Relevant urgent business report.

Report Author

Name: Lizzie Heath
Organisation: Lancashire Police Authority  (01772) 533589



RESOURCES COMMITTEE

ITEM 5

TUESDAY 30 JUNE 2008 AT 10.00 AM
IN CABINET ROOM C AT COUNTY HALL, PRESTON

MINUTES

PRESENT:-

County Councillor G Roper – Chair
Councillor G Bell
County Councillor G Davies
Mr D Edmundson
County Councillor A P Jones
County Councillor Mrs J Stuart
Ms M Sumner, JP
County Councillor D M Whipp
Mr D Winthrop, JP

IN ATTENDANCE:-

Ms M Carruthers-Watt – Chief Executive, Lancashire Police Authority
Mr D Brindle – Director of Resources, Lancashire Constabulary
Mr J Edney – Interim Treasurer, Lancashire Police Authority
Mr D Ainscough – Deputy Chief Financial Officer, Lancashire Police Authority
Ms B Michnowiec – Senior Accountant, Lancashire County Council
Mr I Dickinson – Committee Administrator, Lancashire Police Authority
Mr C Smith – Audit Commission

APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor M Doherty and County Councillor C Grunshaw.

APPOINTMENT OF CHAIR AND VICE-CHAIR

01/08 RESOLVED: - That it be noted that, due to ongoing Member Development meetings, the appointment of Chair and Vice Chair of the Committee will be deferred to the next meeting, and that in the interim period the existing Chair and Vice-Chair, County Councillor G W Roper and County Councillor C Grunshaw, respectively retain their positions.

MEMBERSHIP AND TERMS OF REFERENCE

02/08 RESOLVED: -

1. That it be noted that the Membership of the Committee will be deferred to the Committee's next meeting and, in the interim period, the existing appointments will continue.
2. That the Terms of Reference of the Committee for 2008/09 be noted.

APPOINTMENT OF CHAIR AND VICE-CHAIR TO THE APPEALS SUB-COMMITTEE

03/08 RESOLVED:- That, due to ongoing Member Development meetings, the appointment of Chair and Vice-Chair of the Appeals Sub-Committee, be deferred until the next meeting.

MINUTES OF THE MEETING HELD ON 13 MAY 2008

04/08 RESOLVED:- That the Minutes of the meeting held on 13 May 2008 be confirmed and signed by the Chair.

MATTERS ARISING

In relation to the provision of indemnity for Members and officers, the Authority's Interim Treasurer reported that he was still awaiting responses from two councils regarding insurance cover for the provision of an Indemnity for Council Members. It was anticipated that this information would be available in time to be presented to the next meeting in September.

FINAL OUTTURN 2007/08 APPROVAL OF THE STATEMENT OF ACCOUNTS

The Committee received a report setting out the Final Outturn position on the Authority's 2007/08 Revenue and Capital Expenditure and presenting the Authority's Statements of Accounts for 2007/08.

(A copy of the report is set out in the Minute Book.)

The Authority's Deputy Chief Financial Officer, Mr D Ainscough, reported that the outturn position had changed very little from that reported to the last meeting of the Committee. The revenue budget showed a net-in-year under spend of £0.093m. In respect of capital expenditure, no further changes had been made since the last meeting of the Committee in May.

In line with the Accounts and Audit Regulations 2006, within the Statement of Accounts were presented for approval before the 30th June deadline. Mr Edney asked that his appreciation for the hard work of the finance staff in preparing the Statement of Accounts be recorded.

The accounts had been prepared in line with recommended accounting practice and included a number of significant changes from last year. It was noted that, under the existing regulations, the Chair of the Committee in approving the accounts had a responsibility for signing and dating the final documents. The accounts would be placed on deposit for public inspection from 7 July to 1 August.

The Committee was informed that the Accounts and Audit Regulations required the Authority to conduct an annual review of the effectiveness of its internal control systems and publish a statement to this effect within its Annual Accounts. The Annual Governance Statement was considered and approved by the Authority's Audit and Standards Committee at its meeting on 19 June.

The Committee's attention was drawn to the Capital Programme 2008/09. It was noted that the outturn position for 2007/08 and the slippage in that year had the effect of further increasing the capital programme in 2008/09 from that agreed in February by £1.738m to £17.925m. This slippage was additional to that of £2.757m already included within the 2008/09 capital programme agreed in February. The total slippage to be financed in 2008/09 was therefore, £4.495m. In addition to this, the Committee noted that there had been a request for an increase of £0.078m which related to income from Divisions and Departments who had charged for the internal hiring of proactive vehicles. Taking this into account, the total financing required in 2008/09 was £1.816m, increasing the programme to £18.003m. The new value of assets on the balance sheet was noted (£185.769m).

The Committee also noted that the Authority had adopted in full the recommendations of the Financial Standards (FRS) 17. The net assets of the Pensions Account had been separated from the Balance Sheet of the Authority. The Committee also noted that the charge did not alter the net worth of the Authority.

The Committee discussed the impact of the Police Pensions Scheme on the accounts. The long term liability to pay future benefits was clear and the in-year net cost was currently paid for by the Government's annual top-up grant. The annual cash position of the Police Authority remained healthy.

The Committee asked whether the Constabulary had made any provision with regard to the police pay claim which had been subject to a judicial review. In response Mr Brindle informed the Committee that budgetary provision had been made last year. Mr Ainscough stated that a successful appeal by the Federation against the outcome of the judicial review was so unlikely that a contingent liability had not been included in the final accounts.

Concern was raised around the 22% increase in the Constabulary's publicity expenditure. Ms Carruthers-Watt explained that a large problem facing the Constabulary was managing the difference between actual crime and the perception of crime and such expenditure should be seen as public reassurance and not just publicity. However, it was agreed that there was a need to assess the evidence surrounding public reassurance to see if it was an acceptable use of resources.

In respect of hours in lieu, the Committee was advised that historically police officers built up considerable levels of hours. Recently the Constabulary had introduced a maximum number of 'in-lieu' hours that could be carried forward, but unfortunately this had not yet achieved the desired outcome. Therefore, the matter would be reassessed in the future, but in the meantime, it had been recognised that there was a possibility this could increase the level of overtime claimed by officers.

05/08 RESOLVED:-

1. That the final Revenue Outturn Position for the financial year 2007/08 be noted.
2. That the final Capital Outturn Position for the financial year 2007/08 be noted.
3. That the additional slippage and revised Capital Programme for 2008/09 as set out in paragraph 3.2 of the report be noted.
4. That the Statement of Accounts for the financial year 2007/08 be approved.

REVIEW OF TREASURY MANAGEMENT 2007/08

The Committee considered a report on a review of the Authority's borrowing and lending activities during 2007/08. The Committee asked that its thanks be placed on record to those Officers involved in overseeing treasury management activities, for effectively managing the Authority's funds throughout the year.

The Committee recalled that, as part of the Treasury Management Strategy for 2007/08 it had agreed a borrowing requirement for the year of £6.517m based on a Capital Programme totalling £17.162m. However, in February 2008, the Committee had noted a lower revised borrowing requirement of £4.485m for 2007/08. The main reason for the reduction was the predicted underspend and slippage on the Capital Programme. Consequently, after finalisation of the capital outturn, the actual requirement was £4.332m.

With regard to borrowing, the Committee was informed that the Authority's borrowings to meet the 2007/08 requirement had been well timed so as to broadly coincide with the low points in the interest rate cycle.

In relation to credit risk on investment, the Committee noted that new accounting procedures in the Statement of Recommended Practice for 2007/08 required the Authority to disclose the extent of the credit risk it was exposed to through its financial investments. This disclosure had been made in the Statement of Accounts. However, the Committee was requested to formally agree to the acceptance of the risk.

It was noted that the nature of the risk was complicated by the fact that the Authority's investments were not placed directly with external financial institutions but were deposited in the County Council's General County Fund and lent out from there as part of a combined balance which was all in the name of the County Council. Over the past year, the level of the Authority's deposits in the County Council's General County Fund had implied a share of the overall risk that had been broadly equivalent to the risk that the Authority would have run had it made investments in its own name. The risk was controlled by placing third parties into groups defined by their assessed financial standing. Financial limits and maximum lending powers were placed on how much could be lent to each financial institution in accordance with the assessed risk. Overall limits were also placed on how much could be lent for more than one year.

Furthermore, the Committee were advised that the Authority's share of any loss would be in proportion to its share of the total amount invested in the County Council's name should the Committee agree to accept its share of any loss that might arise. In considering whether to agree to the Authority accepting its share of any loss that might arise, County Councillor Jones sought assurances in relation to Members' personal liability and what future input the Authority would have into the management of the Fund.

In response, Mr Edney explained that the Members approved the policy. Investment and borrowing decisions were delegated to officers. Therefore, there would be no liability on individual Members in case of a loss. Furthermore, the Treasurer had regular treasury meetings with the County Council and could exercise day to day involvement if necessary. Mr Edney assured Members that any concerns or changes to the policy would be reported to the Committee as appropriate.

Finally, Mr Edmundson sought clarification on the discrepancy in relation to the £2.246m in interest earned on balances invested in the County Council's General County Fund and the figure of £2.209m shown in the outturn for financing charges for 2007/08. It was agreed that Mr Ainscough would look into the discrepancy and report back to Mr Edmundson in due course.

Finally, the Chair thanked Mr Edney for his hard work over the last 12 months.

06/08 RESOLVED:-

1. That the report be noted.
2. That the Committee agree to accept responsibility for the credit risk associated with investments made on its behalf by Lancashire County Council as set out in the report now presented.

LANCASHIRE CONSTABULARY DEVOLVED FINANCIAL MANAGEMENT SCHEME

The Committee received a report on the changes made to the Constabulary's Devolved Financial Management Scheme to reflect current practices and revised financial limits.

Clarification was sought to 4.4.1 relating to requests for the early retirement/redundancy for police staff in line with the Management of Change policy. In response, it was explained that the Management of Change policy related to any member of staff seeking retirement/redundancy and also incorporated a redeployment process.

Ms Carruthers-Watt informed the Committee that an organisational review was currently underway within the Constabulary, lead by Chief Superintendent Graham and suggested that there might be merit in revisiting the DFM Scheme in October when the outcomes of the review would be known.

07/08 RESOLVED:-

- 1) That the DFM Scheme for 2008/09 be approved.
- 2) That the DFM Scheme be reviewed further following the completion of the organisational review in October.

VALUE OF SPONSORSHIP, GIFTS & LOANS RECEIVED IN 2007/08

The Committee received a report detailing the value of sponsorship, gifts and loans received during 2007/08.

The overall value of sponsorship, gifts and loan received during the year had been £217,588.82 which compared to £214,307.78 for 2006/07.

08/08 RESOLVED:- That the report be noted.

ANNUAL REPORT OF THE PURCHASING AND CONTRACT SERVICE

An annual report setting out the purchasing and contracts activity undertaken within the Constabulary in 2007/08 was presented to the Committee.

It was noted that a regional review was underway looking at developing a more effective process of procurement.

09/08 RESOLVED:- That the report be noted.

INCLUSION OF A SCHEME IN THE 2008/09 CAPITAL PROGRAMME – MOBILE INFORMATION

The Committee received a report recommending the inclusion of a scheme in the 2008/09 Capital Programme for mobile information at a cost of £3.360m financed from the Home Office.

Mr Brindle informed the Committee that the Constabulary's IT Department had worked extremely hard to secure the equipment, which was far more advanced than any other Force based around the TETRA system. The Committee noted that the Home Office funding had to be spent by 31 March 2009.

10/08 RESOLVED:- That the scheme for Mobile Information be included in the Capital Programme 2008/09 at a cost of £3.366m, financed by the Home Office.

DELEGATION OF POLICE PENSIONS

The Committee received a report on the reporting arrangements in respect of powers in relation to police pensions exercised by the Chief Constable under the Scheme of Delegation.

11/08 RESOLVED:- That the Authority be recommended to agree that the scheme of delegation be amended so that the annual report on the use of delegated powers in relation to police pensions is presented to the Human Resources Committee and that the report includes information on the overall financial implications of the powers used.

URGENT BUSINESS

The Committee was informed that, with the agreement of the Chair, an item of urgent business would be considered in Part II of the Agenda.

DATE OF NEXT MEETING

12/08 RESOLVED:- That the next meeting of the Committee be held at 10:00am on Tuesday, 23 September 2008, at County Hall, Preston.

EXCLUSION OF PRESS AND PUBLIC

13/08 RESOLVED:- That the press and public be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined under the appropriate paragraph of Part I of Schedule 12A to the Local Government Act 1972, as indicated against the heading to each item and that the public interest not to disclose the information outweighed the public interest in disclosing it.

PART II PRIVATE AND CONFIDENTIAL

THE ACCEPTANCE OF TENDERS FOR SHORT AND LONG TERM VEHICLE HIRE

(NOTE – Reason for exclusion of the Press and Public – Exempt information as defined in paragraph 3).

The Committee received a report seeking the acceptance of tenders from three suppliers for the provision of both short and long term vehicle hire for the period 1 August 2009 to 31 July 2009, with the option to extend the contract until 31 July 2012.

It was noted that the contract would be open to any other police force within the UK.

12/08 RESOLVED:- That the approval be given for the Chief Constable to enter into a contract with the three suppliers as set out in the report now presented, for the provision of both short and long term vehicle hire to Lancashire Constabulary for the period 1 August 2008 to 31 July 2009, with the option to extend the contract until 31 July 2012.

THE ACCEPTANCE OF TENDERS FOR THE PRESTON OPERATING CENTRE – PHASE III

(NOTE – Reason for exclusion of the Press and Public – Exempt information as defined in paragraph 3).

The Committee received a report seeking the acceptance of a tender for the fit out of the Phase 3 buildings for the Central Divisional Operating Centre.

It was noted that there was a shortfall of £828,000 on Capital Programme against the lowest tender, due predominantly as a result of inflation of around 12% over the last two years.

Concern was raised by the Committee that such a shortfall constituted a material change in the nature or scope of the contract and sought clarification on the need to re-tender. Therefore, the Committee asked that further work was done around the procurement of the tender to ensure that the principles of competition still existed and that the decision to accept the tender be delegated to the Chief Executive in consultation with Chair of Resources.

13/08 RESOLVED: - That, following further work around the procurement of the contract to ensure that the principles of competition still existed, the decision to accept the tender be delegated to the Chief Executive in consultation with the Chair of Resources.

PROGRESS AND UPDATE ON LITIGATION

(NOTE – Reason for exclusion of the Press and Public – Exempt information as defined in paragraph 5).

The Committee received a verbal update on the current position with regards to the conduct of litigation and suggested the measures outlined by the Chief Executive.

14/08 RESOLVED:-

1. That the measures outlined in the verbal update by the Chief Executive be supported.
2. That the Police Authority be recommended to agree to the further expenditure for the procurement of expert evidence in support of the Constabulary's defence.
3. That the Authority be recommended to approach the Home Office for assistance as outlined in the verbal report presented by the Chief Executive.

MIRANDA CARRUTHERS-WATT
CHIEF EXECUTIVE

RESOURCES COMMITTEE

23 SEPTEMBER 2008

PART I

PROJECTED 2008-09 BLUEPRINT UNDERSPEND AND 2008-09 COST PRESSURES

Issue for Consideration

To consider whether the identified cost pressures should be met from the projected underspend in 2008-09 on Blueprint funding

Information

A number of unfunded cost pressures have been identified in 2008-09 as well as two growth proposals for Motorway collaboration and Strategic Roads Policing that have cost implications for the current year. These are detailed below.

- ACPO Cabinet, in February, agreed that all forces would contribute to the National Ballistics Intelligence Service (NaBIS) on a subscription basis, linked to the number of recorded firearms incidents occurring in each force area. For 2008-09, Lancashire's contribution has been assessed as £86,472 and there is no budget provision for this expenditure.
- A staff officer post has been established in Corporate Development to support the new Assistant Chief Constable. While initially a staff officer post was not created, the workload associated with the ACC post has made this appointment a priority.
- The £20,000 contribution to Victim Support was previously funded from Proceeds of Crime Act (POCA) monies but this is not possible this year. The position on POCA is the subject of a separate paper on this Agenda.
- A recent agreement has been reached between North West forces to contribute to the development of a business case around shared back office services. The required contribution is £25,000 in the current year and there is no budgetary provision for this.
- In February 2007, Lancashire, Cheshire and Merseyside Constabularies agreed a collaborative initiative for policing the combined motorway network. This collaboration, now known as the North West Motorway Police Group (NWMPG) includes the

establishment and staffing of a regional control centre (RCC) which went live in July 2008. Lancashire has agreed to contribute £260,250 in 2008-09 to cover staffing and set-up costs. It is intended that a reduction in the current staffing in the Southern Communications Room will eventually make a significant contribution to the recurring costs of the RCC but, due to the implementation of the Storm system, it is not possible to achieve this in the current year. Costs in 2008-09 are estimated at £191,000. Net costs in future years are estimated at £91,000 per annum.

- The Constabulary has recently reviewed its Strategic Roads Policing function and considers that there is a need to invest in a Roads Policing central governance framework, delivering central coordination of roads policing activity, compliance with and dissemination of doctrine and guidance and improved collision investigation. In addition, enhanced investment in driver refresher training is required. An investment of three police officer posts and one support staff post is considered necessary, together with additional resources for driver training. Full details are elsewhere on this Agenda. The required investment amounts to £244,000 per annum in total. In order to start to meet some of the challenges faced in this area; it is proposed that the posts are established from November 2008. The 2008-09 costs are estimated at £77,000 of which £39,500 can be met from H Division's budget carry forward from last year. The shortfall of £37,500 has been included below.

Some of these items also have an impact on future years and will need to be part of the consideration of the Five Year Financial Forecast elsewhere on this agenda.

In total, the costs amount to:

	Part-year 2008-09		Recurring 2009 onwards	
	£000		£000	
National Ballistic Intelligence System	87		87	
Corporate Development Staff Officer	48		64	
Victim Support	20		20	
Contribution to NW Shared Services	25		-	
Motorway collaboration	191		91	
Strategic Roads Policing	37.5		244	
TOTAL COSTS	2008-09	£408,500	2009 onwards	£506,000

The costs identified are net of any identified resources that can be used to part-fund the proposals.

The £506,000 identified for future years has been provisionally included on the Five Year Forecast, which is the subject of a separate paper on this Agenda. It should be noted that an amount of £750,000 was originally earmarked on the forecast for unavoidable commitments, of which £150,000 has already been identified (£70,000 for regional collaboration on serious & organised crime and £80,000 for Corporate Development surveys) leaving £600,000 in 2009-10, subject to final budget approval. Approving the items above of £506,000 will effectively use up the remaining resources.

It was always anticipated that a certain amount of the growth allocated this year for Blueprint would not be spent in full during the current year. This is due to the inevitable delays in establishing people into new posts. While it is too early to say exactly what the underspend will be, it is estimated that it could amount to £650,000, of which £200,000 has already been committed to Summer Nights, leaving approximately £450,000.

This would be sufficient, with Police Authority approval, to fund the 2008-09 costs of £408,500 identified above.

If the proposal is not accepted, the timing of the growth would have to be reconsidered and savings would need to be made elsewhere to fund the committed expenditure.

Decision Required

The Committee is asked to recommend the Authority to agree to fund the identified 2008-09 cost pressures from the estimated underspend in 2008-09 on Blueprint funding.

Background Papers

Nil

Report Author

Name: Linda Taylor

Rank: Finance Manager

Organisation: Lancashire Constabulary



412292

RESOURCES COMMITTEE

23 SEPTEMBER 2008

PART I

REQUEST FOR GROWTH FUNDING – A NEW APPROACH TO STRATEGIC ROADS POLICING

Issue for Consideration

To Consider Growth Funding for Roads Policing.

Information

Background

At present, most of the Constabulary's road policing resources are deployed to territorial divisions, and although there is a dedicated Motorway Unit situated within H Division, the only road policing resources held at the centre are the Strategic Roads Policing lead (Chief Inspector), and a Road Safety Team comprising of a Road Safety Co-ordinator (LC 7/8) and a Road Safety Constable.

There are currently a number of threats to the Constabulary in the area of road policing, in particular with regard to casualty reduction performance and doctrine compliance. In addition, the Constabulary is due to be subject to a HMIC road policing themed inspection in February 2009. In order to meet these challenges, and also ensure that an enhanced, truly citizen focused, road policing service is delivered by the Constabulary, a review of the Constabulary's approach to strategic roads policing was conducted earlier this year.

In addition to a number of issues not subject of this report, the Strategic Roads Policing Review identified the following strategic issues in relation to delivery of the road policing function;

- Significant duplication of effort, particularly with regard to planning and co-ordinating activity, currently occurs across territorial divisions with regard to force wide and national road policing calendar operations. It should be noted that the existing Road Safety Constable currently plays a rudimentary co-ordination role in relation to national calendar events and traffic management although this mainly involves the collation of data.

- There is a need to invest resources in responding effectively to numerous and regular road policing doctrine publications and the dissemination of good practice.
- Casualty reduction performance would benefit from central co-ordination of the Constabulary's approach to the traffic management function and the development of corporate policies relating to road policing issues.
- Compliance with the Road Death Investigation Manual would be enhanced by the provision of a formal review mechanism for fatal and serious, life changing collision investigations.
- The Constabulary would benefit from the provision of driver refresher training.

The review further recommended that resolution of these issues would require resourcing and, now that the recommendations of the review have been supported by commanders and Business Group, this paper requests that this Committee now considers providing the growth funding outlined below.

Each of the issues identified above is examined in this paper and the business case established for the appropriate rank/grade to deliver the required performance. The intention being to create a central governance framework for road policing, and an increase in the capacity of Motor Driving School to deliver driver refresher training.

Duplication of Effort

The current wholly devolved model means that with regard to every forcewide initiative (eg, Summer Nights) and every national calendar campaign (eg, Drink Drive, Tispol, Seatbelt) requiring submission of data, of which there are over 20 per annum, road policing staff from each division co-ordinate activity and data collation for their respective area. This means that effort in respect of each campaign is duplicated across divisions.

Notwithstanding that the Constabulary is currently building a strong reputation for enthusiastic contribution to national calendar campaigns in that there is contribution of some sort for all such campaigns, very often the numbers of interventions are low, and it is in this area that significantly enhanced performance can be achieved for less co-ordination effort.

It is considered that this function could be delivered effectively at the constable level, appropriately supported by a sergeant and inspector, and with appropriate administrative support to collate and submit required data.

Doctrine Compliance/Dissemination of Good Practice

Gap analysis conducted in relation to the numerous doctrine and guidance publications regularly published often identifies a number of doctrine gaps for the Constabulary. Formulating and progressing action plans in respect of each doctrine/guidance publication requires considerable effort and such activity is currently tasked out to various individuals with knowledge of road policing. Such a model leads to varying degrees of progress, and it is considered that this activity could be much better conducted if conducted by a small number of road policing experts working closely together in a structured and co-ordinated manner.

The existing mechanism for disseminating good practice in road policing throughout the Constabulary could be improved. Currently, good practice is disseminated either via e mail or through the bi-monthly Road Policing Supervisors meeting. To maximise the opportunities this presents, a formal structure involving environmental scanning and a consistent process for disseminating and monitoring identified good practice would help.

Co-ordination of the TM Function

The Strategic Roads Policing review recommended that the traffic management (TM) function remain devolved to divisions albeit with some additional commitment to ensure they all meet performance criteria in relation to the function. The review further recommended there be some central governance of the function to ensure a consistent approach with an effective intelligence led focus on casualty reduction. It is envisaged this central governance would include a traffic management meeting framework, quality assurance activity, provision of intelligence products and facilitating partnership support.

RP Collision Review Process

The Constabulary's compliance with the Road Death Investigation Manual would be improved by systemising a review process for fatal and serious, life changing collision investigations. A number of other forces have invested considerable resources in ensuring they achieve compliance in this important area of business and although this takes several forms it often includes the dedication of more than one police officer. Other models have included dedicated road policing senior investigating officer cadre models which incorporate this function being conducted during downtime or by the dedicated cadre inspector. It is considered that the effective delivery of this function would mean the carrying out of approximately 40 full concluded reviews per annum and the monthly review of every live investigation.

Driver Refresher Training

In 2007, the IPCC made a recommendation that forces should ensure driver refresher training for officers every 3 to 5 years, and this recommendation has now been incorporated into the ACPO Code of Practice on Police Pursuits. The Constabulary is keen to adopt this recommendation.

Central Governance Structure

It is considered essential to implementing the aforementioned recommendations of the Strategic Roads Policing Review that the road policing resources currently in place at the centre be expanded to create a road policing central governance framework. This would ensure effective delivery of the issues listed above identified as current gaps in the delivery of a high quality citizen focused road policing function.

The development of a central road policing governance structure, ensuring the effective sharing and implementation of best practice, and having a co-ordinating role for delivering a consistent approach to road policing across the Constabulary will ensure enhanced, truly citizen focused, delivery of the road policing function.

There is currently a police constable in post performing some elements of these functions. This resource has been considered as part of the plans for developing a central structure. In view of this, the above examination of the resource requirements to ensure effective delivery would demand the following growth at an annual cost of £180,000.

- 1 admin post grade LC1/4
- 1 Constable post
- 1 Sergeant post
- 1 Inspector post

With regard to driver refresher training, HQ Training School are currently in the process of formulating this training provision and estimate that the delivery of this function would require resourcing of £64,000 pa recurring (see below).

The creation of the governance structure as advocated would ensure a resilient and competent team, able to shape and co-ordinate road policing activity across the force, in line with published doctrine and guidance, and ensure the Constabulary has robust processes in place that would swiftly be able to withstand scrutiny.

Performance Issues

Forces that perform well, and score highly when inspected, have road policing models akin to the model advocated above. It should be noted that the functions affected by this proposal are not new business but core functions that, it was acknowledged during the review, have been somewhat neglected in recent years as the focus has been placed upon crime performance and progressing neighbourhood policing.

The model would ensure almost immediately enhanced delivery of all elements of the road policing function. This will not only provide for an improved citizen focused approach to road policing issues, but will place the Constabulary in a position to achieve a higher grading during the HMIC Road Policing themed inspection in February 2009. This has important reputation consequences for the Constabulary with associated public confidence and satisfaction implications.

Finally, the enhanced road policing performance anticipated were this model to be implemented increases the possibility of the Constabulary sharing a £2.7m Local Area Agreement stretch target reward grant if motorcycle casualty reduction targets are met by March 2009.

It is considered that this growth is essential to delivering the recommendations outlined. Failure to deliver these recommendations could adversely affect the Constabulary's ability to deliver a truly citizen focused road policing service. This, in turn, has the potential to affect casualty performance, tackling criminals using the roads network and, ultimately the Constabulary's reputation following the Road Policing themed HMIC Inspection scheduled for February 2009.

Financial Implications

The additional cost of the staffing for the central governance structure recommended in this paper would amount to £180,000pa. In addition, £64,000pa is required to deliver driver refresher training making a total of £244,000 recurring, plus one off set up costs of £2,000 in 2008-09.

In order to ensure the road policing central governance structure proposals become established and effective prior to the HMIC Road Policing themed Inspection in February 2009 it would be preferable to implement them asap. Anticipating implementation from 1 November 2008, year one costs would therefore amount to £75,000 plus the £2,000 set up costs, the full costs being £77,000, of which £39,500 could be absorbed from H Division's under-spend / carry forward from 2007 - 08.

If this is agreed, the total part year funding provision required to implement these proposals is £37,500.

Funding provision of £37,500 is therefore requested to implement the proposed RP Central Governance Framework during the current financial year, and £244,000 recurring funding for subsequent years.

These proposals constitute growth for the Constabulary. Elsewhere on this agenda, Committee Members are being asked to consider funding the 2008-09 growth from under-spends on Blueprint, and supporting the inclusion of the recurring costs on the 5 year forecast.

Consultation

It should be noted that there is potential for up to £26,000 of LAA Stretch Target Pump Prime money allocated to support motorcycle casualty reduction activity to be used to support these costs. Agreement has been reached with LCC to utilise up to 20% of allocated funding (proportional to cumulative amount spent) for administration and co-ordination of activity. At this time however, it is unclear how much money will be made available through this process, as it may be the case that the Constabulary is unable to utilise the full £130,000 that has been allocated. Any money received via this process however, will be contributed to reducing this requested funding.


Decision Required

The Committee is asked to recommend that the Authority agree the funding provision of £37,500 to implement the proposed road policing central governance framework during the current financial year, and £244,000 recurring funding for subsequent years. These costs are considered in more detail elsewhere on the Agenda.

Background Papers

None

Report Author

Name: Chief Inspector Jon Donnelly, Road Policing Co-ordinator
Organisation: Lancashire Constabulary, H Division  01772 412231



RESOURCES COMMITTEE

23 SEPTEMBER 2008

PART I

CAPITAL PROGRAMME 2008/ 09 - TRANSFER OF FUNDING TO FINANCE SHORTFALL ON CCTV PROGRAMME

Issue for Consideration

Transfer of capital funding to meet a shortfall on the provision for CCTV in custody areas in 2008/09.

Information

Included in the Capital Programme for 2007/08 was a scheme for CCTV in custody at a cost of £650,000; £519,000 was spent in that year with £131,000 being carried forward into the current year's Programme.

Since the inception of the project and as a result of Professional Standards Department / Independent Police Complaints Commission investigations the specifications in the original project have changed significantly. For example, in the original plan a corridor had two cameras, one at each end and this was considered sufficient. But as the project has developed there has been a need to consider the impact of open cell doors, sinks which are set back off the main corridor and these have required the fitting of additional cameras to ensure that there are no "blind spots" within the specification.

This has increased costs not only in terms of additional cameras but also in terms of labour to fit them and most significantly the number of recording units required has also increased.

The initial budget has also had to absorb costs around the provision of air conditioning at Blackpool, work in relation to asbestos at Blackpool and Burnley and other unforeseen problems during installation.

In order to ensure a consistent specification across all custody sites, further expenditure of £77,000 is required.

To meet this additional cost the Chief Constable proposes to utilise savings within the ICT Strategy - System Replacement capital provision for 2008/09. Included within this is a sum for Voice Recording Equipment in Communication Rooms; this was required on the basis that technical support for the existing kit would cease in 2008/09. In reviewing work, in the light of the

Mobile Data Project, to identify areas that could be postponed it has been possible to extend the support for a further year.

Accordingly a sum of £77,000 can be released for the provision for System Replacement to finance the shortfall in CCTV requirements. The provision for Voice Recording will however need to be included in the 2009/10 programme.

Decision Required

The Committee is asked to recommend the Authority to approve the transfer of £77,000 from the provision for System Replacement in the 2008/09 Capital Programmes to the CCTV Programme scheme.

Background Papers


None

Report Author

Name: Alan Brown

Head of Management Accounts

Organisation: Lancashire Constabulary

 01772 412131



RESOURCES COMMITTEE

23 SEPTEMBER 2008

PART I

CAPITAL MONITORING REPORT 2008/09

(Appendix "A" refers)

Issue for Consideration

Capital monitoring report at the end of August 2008.

Information

Capital Monitoring Position

The Resources Committee, at its meeting on 30 June 2008, received confirmation of the final outturn position on the Capital Programme for 2007/08. The report confirmed slippage in the Programme of £4.495M to be carried forward into 2008/09 thereby providing a Capital Programme for 2008/09 of £17.925M. The Committee also agreed the inclusion of an additional £0.078M for the purchase of replacement proactive vehicles to be funded from the income received by Fleet Services.

As a consequence of the above the value of the Programme for monitoring purposes in 2008/09 was therefore £18.003M.

At the same meeting the Committee approved the inclusion of a scheme for Mobile Information at a cost of £3.360M financed from a Home Office grant.

In addition, a report was also considered on the acceptance of tenders for phase 3 of the Preston Operating Centre when approval was given to meet the funding gap of £0.413M from the following:-

	£M
Reduction Neighbourhood Policing Scheme	0.100
Transfer from Revenue Budget	0.120
Hydra Suite Scheme Savings	0.200
	<u>0.420</u>

The contribution of £0.120M from the Revenue Budget (Programmed Maintenance) in respect of the above and inclusion of the Mobile Information Scheme (£3.360M) increases the value of the Programme for monitoring purpose from £18.003M to £21.483M.

Appendix "A" provides details of the monitoring position at the end of August 2008 which is summarised below:-

	Programme	Expenditure
		31.8.08
	£M	£M
Accommodation Strategy	9.635	1.017
IT Strategy	8.798	3.108
Vehicle Replacement	2.845	1.806
Other Schemes	0.205	0.005
	<u>21.483</u>	<u>5.936</u>

Although actual capital expenditure does not follow a predictable pattern, after 5 months of the Programme year it could be expected that around £9M should have been spent to date compared to the actual spend now reported of £6M. The main variance is around the Accommodation Strategy costs (expected spend £4M, actual £1M) and reports are included elsewhere on the Agenda with updates on various schemes.

Meetings will be scheduled with the Director of Resources and scheme sponsors over the next few weeks to determine the likely outturn position on the Capital Programme and an update will be provided to the Committee's next meeting.

Decision Required

The Committee are asked to note the position on capital monitoring at the end of August 2008.

Background Papers

None

Report Author

Name: Alan Brown
Head of Management Accounts
Organisation: Lancashire Constabulary
☎ 01772 412131

LANCASHIRE CONSTABULARY - CAPITAL EXPENDITURE MONITORING STATEMENT

APPENDIX A

FINANCIAL POSITION AS AT 31 AUGUST 2008

APPENDIX "A"

Description of Scheme	BUDGET	ACTUALS	
	Revised Programme 08/09	Expenditure to Date	Cumulative Variance
	£,000	£,000	£,000
<u>Divisional Accommodation Strategy</u>			
CENTRAL DIV OP CENTRE		5	5
NEIGHBOURHOOD POLICING	225	69	-156
ROSSENDALE OPERATING CENTRE	1,570	429	-1,141
EASTERN DIV SUPPORT UNIT	10	10	
GREAT HARWOOD RELOCATION	228	7	-221
CENTRAL DIV PHASE 2	-15	3	18
CENTRAL DIV PHASE 3	2,310	70	-2,240
CENTRAL DIV PHASE 4	200		-200
EASTERN DIV - HYNDBURN OPERATING CENTRE	1,000		-1,000
G DIV - PROTECTIVE SERVICES ACCOMODATION	1,000		-1,000
<u>Other Upgrading / Refurbishments</u>			
MINOR CAPITAL WORKS AND REFURBISHMENTS	1,832		-1,832
TRAINING CENTRE - TACTICAL TRAINING CENTRE	605	424	-181
LIFT IN MAIN HQ BUILDING	220		-220
TRAINING CENTRE - RESIDENTIAL ACCOMODATION UPGRADING	200		-200
OCCUPATIONAL HEALTH, SAFETY AND WELFARE RELOCATION	250		-250
Sub Total - Accommodation Strategy	9,635	1,017	-8,619
<u>IT STRATEGY</u>			
<u>Desktop Replacement</u>			
	608	380	-228
<u>System Replacement</u>			
	1,704	1,118	-586
<u>Network Access & Security</u>			
	3,126	899	-2,227
<u>Mobile Information</u>			
	3,360	711	-2,649
Sub Total - IT Strategy	8,798	3,108	-5,690
<u>VMU SCHEMES</u>			
VEHICLE REP PROGRAMME	2,845	1,806	-1,039
Sub Total - Vehicle Replacement	2,845	1,806	-1,039
<u>OTHER SCHEMES</u>			
RECORD FACILITIES FOR VICTIMS	47	1	-46
ANPR SERVER	27		-27
CCTV PROGRAMME	131	4	-127
Sub Total - Other Schemes	205	5	-200
GRAND TOTAL	21,483	5,936	-15,547



RESOURCES COMMITTEE

23 SEPTEMBER 2008

PART I

FIVE YEAR FINANCIAL FORECAST

(Appendix A refers)

Issue for Consideration

To consider the latest Five Year Financial Forecast 2009-2014

Information

The latest forecast is attached at Appendix A. Significant assumptions underpinning the forecast are as follows:

- An increase in Home Office grant of 2.7% per annum over the next two years and 2.3% thereafter.
- Taxbase increases of 0.45% per annum. This assumption may have to be revised down in the near future to reflect the recent speculation by District Treasurers of the slowing down of the growth in Lancashire's tax base caused by the "credit crunch".
- Council tax increases of 5% per annum, subject to Police Authority consideration.
- General inflation of 2.5% per annum
- Additional estimated cost increases for petrol and energy
- An estimated £1 million of budget reductions to be found within the Constabulary per annum
- An annual amount of £750,000 for potentially unavoidable commitments (previously £500,000), against which, in 2009-10, the growth items below have been set.

Budget adjustments for capital financing charges, revenue consequences of the Capital Programme, the revaluation of the superannuation scheme and the impact of previous decisions have been included.

In addition, a number of growth items are included. These are:

- £70,000 for additional costs arising from the regional collaboration initiative on Serious & Organised Crime,
- £80,000 for additional survey work which will enhance the quality of information on service delivery, confidence, anti-social behaviour and performance,
- £87,000 for Lancashire's contribution to the National Ballistics Intelligence Service (NaBIS) on a subscription basis, linked to the number of recorded firearms incidents occurring in each force area,
- £64,000 for a staff officer post in Corporate Development to support the new Assistant Chief Constable. While initially a staff officer post was not created, the workload associated with the ACC post has made this appointment a priority.
- £20,000 contribution to Victim Support, previously funded from Proceeds of Crime Act (POCA). The position on POCA is the subject of a separate paper on this agenda.
- £91,000 net costs for a collaborative initiative for policing the combined motorway network. This collaboration, now known as the North West Motorway Police Group (NWMPG) includes the establishment and staffing of a regional control centre (RCC) which went live in July 2008.
- £244,000 for Strategic Roads Policing, full details of which are elsewhere on this agenda.

The impact of this growth, if agreed, is to reduce in 2009-10 the £750k identified for unavoidable commitments, to just £94k. Any further growth identified above this amount would have to be met from additional budget cuts or reduced investment in Blueprint.

Based on an assumption of 5% annual Council Tax increases and the growth identified above, the amount available to invest in Blueprint would be a little over £700,000 from 2009-10, with further increases in subsequent years.

Decision Required

Members are asked to consider the current five year financial forecast.

Background Papers

None.

Report Author

Name: Linda Taylor
Rank: Finance Manager
Organisation: Lancashire Constabulary  412292

Lancashire Constabulary
Five Year Forecast 2009/10 onwards
(August 2008)

Appendix A

Taxbase

2009/10	2010/11	2011/12	2012/13
468335.41	470442.92	472559.91	474686.43
2.70%	2.70%	2.30%	2.30%
0.45%	0.45%	0.45%	0.45%
204.139	209.661	214.483	219.416
66.860	70.520	74.381	78.452
0.000	0.000	0.000	0.000
270.999	280.181	288.864	297.868

FUNDING

Home Office Grant increase

Taxbase increase (estimated based on settlement assumptions)

Home Office Resources (General Grant increase 2.7% 2009/11 ; 2.3% 2011/14)

Council Tax Precept (Assumed 5% pa)

Council Tax Surplus/(Deficit)

TOTAL INCOME

2009/10	2010/11	2011/12	2012/13
£m	£m	£m	£m
262.071	270.999	280.181	288.864
262.071	270.999	280.181	288.864

BASE BUDGET REQUIREMENT

Inflation

Police pay inflation (2.5% assumed across 5yr period)

Police Staff staff pay inflation (2.5% assumed across 5yr period)

Police Pensions Inflation (2.5% assumed across 5yr period)

Petrol costs inflation

Energy costs inflation

Other price increases (2.5%)

PCSO/IPLDP/DSP Grant increase

Total

3.564	3.653	3.744	3.838
1.366	1.400	1.435	1.471
0.789	0.808	0.829	0.849
0.500			
1.100	0.500		
0.911	0.934	0.957	0.981
-0.210	-0.216	-0.219	-0.224
8.019	7.079	6.745	6.915

Budget Adjustments:

Revenue consequences of proposed capital programme

Revenue consequences (growth assumptions)

Triennial Superannuation Scheme Valuation (3 Year Phasing)

Capital Financing Charges (Existing Programme)

Capital Financing Charges (Growth Assumptions)

Capital Financing Charges (Additional Revenue Contribution to Capital)

CONNECT (Full Year Effect)

Total

0.134	0.217	0.059	0.043
		0.191	0.207
0.200	0.300		
0.555	0.483	0.076	0.028
		0.424	0.472
0.250	0.250		
-0.604	-0.105	-0.043	
0.535	1.145	0.707	0.750

Estimated Additional Investment

HRS2 project implementation

Serious & Organised Crime, Regional Collaboration Initiative

Corporate Development Surveys

Contribution to NaBIS

Additional staff officer

Contribution to Victim Support

Motorway collaboration

Roads Policing

Other Potentially Unavoidable Commitments (balance of the £750k per annum)

Potentially Available for Blueprint

Total

-0.084	-0.101		
0.070			
0.080			
0.087			
0.064			
0.020			
0.091			
0.244			
0.094	0.750	0.750	0.750
0.708	1.310	1.480	1.590
1.374	1.959	2.230	2.340

Estimated Budget Reductions (Savings)

-1.000	-1.000	-1.000	-1.000
---------------	---------------	---------------	---------------

TOTAL BUDGET REQUIREMENT

270.999	280.181	288.864	297.868
----------------	----------------	----------------	----------------

Council Tax: Absolute

£142.76 £149.90 £157.40 £165.27

Increase

5.00% 5.00% 5.00% 5.00%

1% increase in Council Tax = approx £0.590m

1% increase in Home Office Grant = approx £2m

OTHER RISKS NOT SPECIFICALLY INCLUDED ABOVE

Possible pay impact re PCSO powers (currently being reviewed)



RESOURCES COMMITTEE

23 SEPTEMBER 2008

PART I

HMIC FINANCE & RESOURCES ANALYSIS 2008-09

(Appendix A refers)

Issue for Consideration

To note the recently published Finance and Resources Analysis 2008-09 produced by HMIC.

Information

Attached at Appendix A is an analysis produced by the HMIC Finance Advisor comparing Lancashire with our most similar forces (MSF). The analysis is produced annually for all forces and uses only nationally published data, mainly CIPFA statistics. It concentrates only on resource inputs with no attempt to link this to outputs or performance.

Lancashire is compared with Leicestershire, Kent, Nottinghamshire, West Yorkshire, Essex, Northamptonshire and Hertfordshire as these are the forces deemed to be most similar to ourselves. The main source of the data is the 2008-09 Estimates collated by CIPFA and therefore reflects a budget position rather than actual spend.

The main points to note are below.

A higher proportion of Lancashire's budget is spent on police officers than any of our most similar group (61.3% compared to an average of 57.3%). PCSO costs amount to 3.3%, slightly less than the average of 3.6% and other staff costs are markedly below average, at 18% compared to 21.6%. Lancashire has the highest ratio of uniformed police officers to other paid staff of the most similar group, 1.6 compared to 1.3.

Police overtime costs are just below the most similar group average and other staff overtime is well below, at 1.1% compared to 1.8%.

Lancashire has an above-average level of policing per head of population, 388 people per police officer compared to an average of 447, with a service cost per officer that has consistently been the lowest of the most similar group over the last three years.

Lancashire's management on-costs are slightly higher than the average and have been for several years, reflecting the force's commitment to management and supervision.

The number of police pensioners per police officer is higher than average in Lancashire but this reflects the pre-74 position where pensioners from prior to that date remain on Lancashire's records.

On Transport, Lancashire has above average costs, £1,116 per full-time equivalent police officers and staff compared to an average of £1,013. The Constabulary's transport function is currently being reviewed as part of the Organisational Support Review.

For both Supplies & Services and Premises, Lancashire has below average costs compared to the other forces.

Decision Required

The Committee is asked to note the HMIC report.

Report Author

Name: Linda Taylor

Organisation: Lancashire Constabulary



412292

FINANCE AND RESOURCES ANALYSIS 2008/09

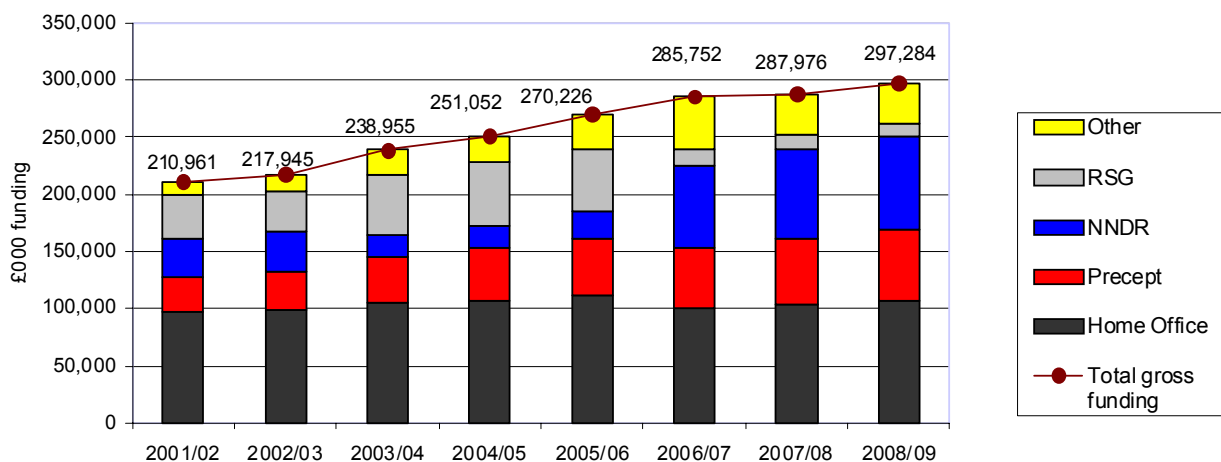
LANCASHIRE

The purpose of this paper is to provide background information for each authority/force on their use of resources. This information will contribute to the overall baseline (risk assessment) process and will help identify forces for inspection.

This paper concentrates on resource INPUTS to the service and does not try to relate inputs to outputs or outcomes. The HO through the PPAF, Policing Performance Assessment Framework (domains project) is undertaking this task. The latest (December 2007) most similar force analysis (MSF) has been used in the analyses in this paper. MSF analysis gives Lancashire the comparative forces of Leicestershire, Kent, Nottinghamshire, West Yorkshire, Essex, Northamptonshire and Hertfordshire.

The source of all data in this paper is CIPFA 2008/09 Police Estimates unless shown otherwise. The data in the tables from page 3 onwards are sorted on the 2008/09 results. For the past two years HMIC have been working closely with CIPFA to improve the consistency of reporting of information relating to PFI and to FRS17.

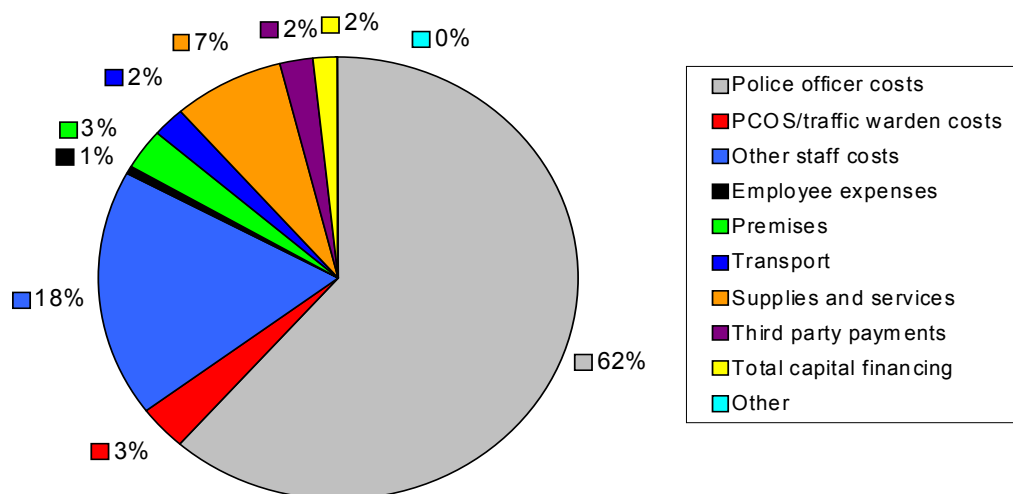
Table 1: Lancashire: Sources of funding



The histogram above illustrates the increasing percentage of funding deriving from the precept and other sources (mainly income and specific grants). The Home Office grant remains fairly constant over the years.

HMIC Finance and Resources Baseline Asset

Table 2: Lancashire: Gross expenditure analysis 2008/09



The above pie chart shows that staff costs account for 83% of Lancashire's 2008/09 gross revenue expenditure. Police officer staff costs form the highest proportion of Lancashire's gross revenue expenditure at 62% (£182,327,000 out of £297,284,000). Other staff costs form the next highest proportion at 18% (£53,498,000), PCOS and traffic wardens account for 3% (£9,929,000), Supplies and services account for 7% (£22,077,000), Premises for 3% and Transport for 2%.

The table below shows the MSF comparative percentages for 2008/09 for each of these categories of expenditure.

Table 3: MSF comparative percentage expenditure for 2008/09

Force	Police officer staff costs	PCOS/traffic warden staff costs	Other staff costs	Employee expenses	Premises	Transport	Supplies and services	Third party payments	Total capital financing	Other	TOT
	%	%	%	%	%	%	%	%	%	%	%
Lancs	61.3	3.3	18.0	0.7	3.0	2.3	7.4	2.3	1.6	0.0	100
Leics	61.1	3.2	19.0	1.2	2.3	1.9	9.8	0.0	1.2	0.4	100
Kent	58.5	3.0	22.4	1.5	4.6	2.0	7.3	0.6	0.0	0.0	100
Notts	59.9	3.9	19.8	0.6	3.3	3.0	7.4	0.5	1.0	0.5	100
W Yorks	56.9	4.4	19.9	2.1	3.4	2.0	7.4	2.1	1.9	0.0	100
Essex	54.4	3.7	25.1	0.4	3.3	2.1	8.8	1.2	1.0	0.0	100
Northants	52.5	3.5	23.9	1.2	2.5	1.7	10.6	1.6	2.3	0.0	100
Herts	53.9	3.5	25.0	1.3	3.5	1.4	8.0	2.6	0.8	0.0	100
AVERAGE	57.3	3.6	21.6	1.1	3.2	2.1	8.3	1.4	1.2	0.1	100

Lancashire spend the highest comparative percentage of their budget on police officer staff costs and a comparatively low percentage on other staff costs.

Table 3A: Police overtime as a percentage of police officer staff costs (including overtime) £

Force	Police officer total staff cost (inc o/t) £	Police officer overtime £	% of overtime (o/t as a % total P.O. staff cost inc o/t)
Hertfordshire	109,244	2,712	2.5%
Leicestershire	114,757	3,362	2.9%
Northamptonshire	66,720	2,016	3.0%
Essex	164,012	5,114	3.1%
West Yorkshire	275,625	9,309	3.4%
Lancashire	182,327	6,341	3.5%
AVERAGE	153,431	5,489	3.6%
Nottinghamshire	124,424	5,056	4.1%
Kent	190,336	10,002	5.3%

Lancashire have a just below average overtime percentage.

Table 3B: Other staff (PCOS, traffic wardens and other) overtime as a percentage of other staff costs (including overtime) £

Force	Other staff total staff cost (inc o/t) £	Other staff overtime £	% of overtime (o/t as a % total other staff cost inc o/t)
Essex	86,920	618	0.7%
Leicestershire	41,673	326	0.8%
Lancashire	63,427	670	1.1%
Hertfordshire	57,795	670	1.2%
Nottinghamshire	49,318	686	1.4%
Northamptonshire	34,819	553	1.6%
AVERAGE	66,786	1,199	1.8%
Kent	82,670	1,545	1.9%
West Yorkshire	117,669	4,525	3.8%

Lancashire have a below average overtime percentage.

OVERALL COST OF SERVICE

Table 4: Gross service costs per 000 population £

Force	2006/07	2007/08	2008/09
Essex	182,502	173,605	180,638
Northamptonshire	177,795	189,037	189,849
Hertfordshire	188,398	182,148	191,497
Leicestershire	191,952	187,346	195,069
Nottinghamshire	237,853	197,963	196,928
AVERAGE	196,378	192,659	197,761
Kent	183,614	193,585	198,880
Lancashire	198,411	198,358	205,080
West Yorkshire	210,498	219,232	224,147

Expenditure on the service per 000 population is above the MSF group average.

STAFFING

Table 5: Gross service costs per police officer FTE £

Force	2006/07	2007/08	2008/09
Lancashire	79,376	79,158	79,637
Leicestershire	78,899	79,919	83,461
West Yorkshire	78,539	81,788	84,483
Essex	89,109	83,783	87,515
Kent	82,039	85,837	87,720
AVERAGE	86,125	85,000	87,908
Nottinghamshire	101,823	86,680	88,790
Hertfordshire	91,752	88,862	94,244
Northamptonshire	87,460	93,969	97,414

Service cost per police officer is the lowest of the MSF group.

Table 6: Heads of population per FTE police officer

Force	2006/07	2007/08	2008/09
West Yorkshire	373	373	377
Lancashire	400	399	388
Leicestershire	411	427	428
Kent	447	443	441
AVERAGE	441	443	447
Nottinghamshire	428	438	451
Essex	488	483	484
Hertfordshire	487	488	492
Northamptonshire	492	497	513

Lancashire have an above average level of policing per head of population.

Table 7: Management on-costs (source: HMIC and HO statistics)

Force	at end March 2006	at end March 2007	at end March 2008
West Yorkshire	33.6%	35.3%	35.6%
Essex	34.5%	37.3%	36.7%
Kent	33.5%	35.7%	38.0%
Leicestershire	33.4%	33.4%	39.9%
AVERAGE	35.0%	38.4%	40.5%
Lancashire	37.7%	41.2%	42.0%
Hertfordshire	30.8%	35.1%	43.3%
Northamptonshire	38.6%	44.5%	44.0%
Nottinghamshire	38.3%	44.3%	44.5%

Lancashire have above average on-costs.

Table 8: Ratio of police constables to sergeants and above FTE

Force	2006/07	2007/08	2008/09
Essex	4.0	3.8	3.8
Leicestershire	4.1	3.4	3.7
Kent	3.9	3.7	3.6
West Yorkshire	3.8	3.7	3.6
Lancashire	3.5	3.4	3.4
AVERAGE	3.6	3.5	3.4
Hertfordshire	3.5	3.4	3.3
Northamptonshire	3.4	3.3	3.2
Nottinghamshire	3.0	3.0	3.0

Lancashire have the group average ratio of constables to sergeants and above.

Table 9: Ratio of uniformed police officers (FTE) to paid support/other staff (excluding voluntary staff)(FTE)

Force	2006/07	2007/08	2008/09
Lancashire	1.6	1.6	1.6
Nottinghamshire	1.5	1.4	1.4
West Yorkshire	1.6	1.5	1.4
Essex	1.4	1.4	1.3
AVERAGE	1.4	1.3	1.3
Leicestershire	1.6	1.6	1.2
Kent	1.4	1.2	1.2
Hertfordshire	1.2	1.2	1.1
Northamptonshire	1.2	0.9	1.0

Lancashire have the highest ratio of uniformed police officers to support and other staff of the group. Please note that this analysis excludes voluntary staff.

PENSIONS

Table 10: Number of police pensioners per FTE police officer

Force	2006/07	2007/08	2008/09
Hertfordshire	n/a	n/a	0.72
Essex	0.77	0.76	0.78
Leicestershire	0.78	0.83	0.83
Kent	0.79	0.81	0.83
Northamptonshire	0.78	0.82	0.85
AVERAGE	0.86	0.87	0.88
West Yorkshire	0.96	0.97	0.98
Lancashire	1.04	1.03	1.01
Nottinghamshire	0.90	n/a	1.03

Lancashire have an above average number of police pensioners per FTE police officer.

SUPPLIES AND SERVICES

Table 11: Expenditure on supplies and services per FTE police officer £

Force	2006/07	2007/08	2008/09
Lancashire	5,521	5,725	5,914
West Yorkshire	5,496	6,101	6,240
Kent	6,725	6,814	6,421
Nottinghamshire	5,835	7,113	6,598
AVERAGE	7,056	7,370	7,366
Hertfordshire	7,000	6,898	7,535
Essex	8,370	6,849	7,715
Leicestershire	6,566	7,309	8,145
Northamptonshire	10,935	12,148	10,355

Table 12: Expenditure on supplies and services per FTE all paid staff (police officers and other staff, excluding voluntary staff) £

Force	2006/07	2007/08	2008/09
Kent	3,925	3,676	3,551
Lancashire	3,389	3,490	3,601
West Yorkshire	3,349	3,618	3,614
Nottinghamshire	3,514	4,166	3,814
Hertfordshire	3,854	3,766	3,941
AVERAGE	4,111	4,142	4,078
Essex	4,828	3,970	4,336
Leicestershire	4,044	4,550	4,500
Northamptonshire	5,985	5,901	5,266

Lancashire have comparatively low expenditure on supplies and services.

TRANSPORT REVENUE COSTS

Table 13: Transport related expenses per police officer FTE £

Force	2006/07	2007/08	2008/09
Hertfordshire	1,182	1,258	1,355
Leicestershire	1,277	1,409	1,617
West Yorkshire	1,447	1,589	1,652
Northamptonshire	2,024	2,045	1,701
Kent	1,783	1,713	1,757
AVERAGE	1,685	1,758	1,807
Lancashire	1,734	1,822	1,832
Essex	1,732	1,684	1,851
Nottinghamshire	2,304	2,546	2,693

Table 14: Transport related expenses per FTE (police officers and other staff, excluding voluntary staff) £

Force	2006/07	2007/08	2008/09
Hertfordshire	651	687	708
Northamptonshire	1,108	993	865
Leicestershire	787	877	893
West Yorkshire	881	942	956
Kent	1,041	924	971
AVERAGE	990	1,000	1,013
Essex	999	976	1,041
Lancashire	1,064	1,111	1,116
Nottinghamshire	1,388	1,492	1,557

Lancashire have above average transport revenue costs.

PREMISES REVENUE COSTS

Table 15: Premises related expenses per police officer FTE £

Force	2006/07	2007/08	2008/09
Leicestershire	1,726	1,919	1,904
Lancashire	2,387	2,448	2,414
Northamptonshire	2,042	2,245	2,457
West Yorkshire	2,460	2,677	2,838
AVERAGE	2,357	2,663	2,849
Essex	2,776	2,948	2,909
Nottinghamshire	2,357	2,375	2,944
Hertfordshire	2,329	2,929	3,272
Kent	2,778	3,765	4,050

Table 16: Premises related expenses per FTE (police officers and other staff, excluding voluntary staff) £

Force	2006/07	2007/08	2008/09
Leicestershire	1,063	1,195	1,052
Northamptonshire	1,118	1,090	1,250
Lancashire	1,465	1,493	1,470
AVERAGE	1,384	1,512	1,588
Essex	1,602	1,709	1,635
West Yorkshire	1,499	1,588	1,643
Nottinghamshire	1,420	1,391	1,702
Hertfordshire	1,282	1,599	1,711
Kent	1,621	2,031	2,239

Lancashire have below average premises related expenses.

HMIC Finance and Resources Baseline Asset

This report has been prepared by Jenny Mason (Consultant) for HMIC's Finance and Resources Team to support the Baseline Assessments of forces. It uses IPF published material (the CIPFA Police Estimates) and is also available for use by Forces, via e-mail, through their Lead Staff Officers. It is posted on HMIC's internal system on: F/HMIC/Finance/BaseAssessments2008/9/Comparative/*Forcename*. .
Any comments should be sent to Barry Coker, HMIC,
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RESOURCES COMMITTEE

23 SEPTEMBER 2008

PART I

REPORT ON THE TRANSACTION OF URGENT BUSINESS

Issue for Consideration

Details of the matters dealt with by way of Urgent Business since the last meeting.

Information

It is reported for the information of the Authority that the following matters, which could not await this meeting, have been approved by the Chief Executive following consultation with the Chair and Vice Chair of the Authority:

- (i) The acceptance of Tender for the Preston Operating Centre Phrase III.
- (ii) Application for Second Homes funding from Fylde and Lancaster CDRP for over £5,000.

Background Papers

Relevant Urgent Business reports (ii only).

Decision Required

The Authority is asked to note the report

Report Author

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