



Cambridgeshire Police & Crime Commissioner

FINANCE SUB-GROUP

APPROVED MINUTES

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|-----------------------|------------------------------------|--------------------------------------|
| Date: | 27th August 2015 | |
| Time: | 10:00 hours | |
| Location: | OPCC Office at Cambourne | |
| Members: | Brian Ashton | Deputy Police and Crime Commissioner |
| | Niki Howard | Director of Finance & Resources |
| | Josie Gowler | Director of Finance for OPCC |
| | Mark Hopkins | T/Deputy Chief Constable |
| In Attendance: | Tanya Little | Senior Admin Officer |

1. Welcome and Apologies

The DPCC welcomed everybody to the meeting.

Apologies were received from Dorothy Gregson, Chief Executive OPCC and Nancy Leversha, Strategic Accountant OPCC.

2. Actions arising from minutes of meeting 30th July 2015

NH noted that motor vehicle access insurance was imminent and was to increase, although there had not been any major claims to disrupt the figures.

The DPCC asked about the Casualty Reduction and Support Fund in respect of the precise arrangements around requesting money from that fund and spending it. JG offered to write up the key principles and methodology.

The DPCC said it was an OPCC supported reserve to cover initiatives such as Speedwatch, defibrillators, safety equipment and initiatives to improve driver behaviour and the prevention of collisions.

Further clarification regarding the funding of Metis devices in excess of the grant receipt from vehicle receipts was provided by NH.

The DPCC asked whether there had been progress regarding the notes at Item 10 of the minutes re collaborated finance and organisational support. He said it was important to always be ahead of the curve to avoid spending more at the beginning of the year unless planned for. NH noted this would be kept in mind in the Final Business Case. A Force workshop in December 2015 would be used to help budget for the more complicated areas of collaboration such as ICT. The budget could not be completely ironed out but vacant posts would be identified as clearly as possible.

The minutes were agreed and signed by the DPCC.

3. Force Revenue Monitoring report Month 3 2015/16

NH took the Group through a report updating the budget position for financial year 2015/16. It was noted that Table 1 showed a predicted year-end Force underspend of £2.1m but the impact of Athena has not yet been taken into account in the forecast. Further discussion of collaboration costs then took place.

NH raised a comment regarding a change to Police Pensions and a lack of clarity from the Home Office. It was thought the Home Office would change the contribution to 24% for all.

The DPCC had heard that an increasing number of young police officers were not taking up the offer of a police pension, commenting this would diminish the cash fund.

The T/DCC asked NH to provide the numbers of Cambridgeshire officers not signing up or leaving the Police Pension Scheme. This was in order to consider whether hardship is having an effect on their decision or perhaps other factors are at work.

The display of CTC income in excess of expenditure was considered with the potential to add a further note at the bottom of the page.

Referring to Paragraph 2.4 of the report the T/DCC asked about the current Athena training of officers and whether the costs for this had been built into these figures; it was confirmed that they were not. £25k had been used for permanent matting to strengthen the car park at Monks Wood to accommodate vehicles of trainees. Buses would have been a cheaper option but there would have been additional implications in terms of abstractions. Door and security matters were also being addressed. These costs would all be captured under Athena.

NH noted the training budget for month 4 would be less (about £300k) than planned as not all used up due to the precedence of Athena training, although some of the training was compulsory so may have to be pushed to catch up later in the year. JG noted this underspend could possibly be earmarked as a reserve.

- (i) NH would look into the numbers and reasons for the reduction of new officers joining the Police Pension Scheme.
- (ii) The group noted the report.

4. Capital Programme Monitoring

NH talked through the paper which provided a financial overview of the Capital Programme for the three months ending 30 June 2015 including a table of in year schemes which includes major works on land and buildings, rolling vehicle replacements and the rollout of mobile devices. The £226k brought forward from 2014/15 for the dangerous dogs facility has been cancelled in 2015/16.

Fleet Management had already been set aside and is being delivered, financed from Revenue now rather than Capital. The table also included in year Revenue Contribution to Capital Outlay (RCCO) schemes from the Chief Constable's budget (£51k) and the Police & Crime Commissioner's budget (£83k).

The DPCC and JG were appreciative of the way the table had been set out to improve clarity. NH would add a notes column to provide further detail.

- (i) The group approved the recommendations and noted the report.

5. Cash Flow August 2015

The Group were all pleased with the cash flow report. JG noted the Treasury Management Annual Report would soon be complete.

- (i) The group noted the report.

6. Authorisation of Reserves – PCC CFO report

JG presented a report providing the Group with the movement of reserves to 31 March 2015, further to the approval received to tidy up and merge certain earmarked reserves at the FSG meeting on 25 June 2015. The paper set out a robust explanation of cash-backed reserves and background to how reserves are managed. This was discussed and various matters and procedures were explained.

- (i) The group noted the report.

7. Funding Formula Consultation Update

JG presented a report setting out progress on analysing the implications of the Home Office's funding formula consultation and the proposed next steps for Cambridgeshire PCC and Constabulary.

The Home Office had looked at the Funding Formula on 21st July and announced proposals with an 8 week consultation period, ending on 15th September. JG and the Strategic Accountant had researched the proposals in-house. JG discussed the proposed formula at a recent workshop of the Police and Crime Commissioners' Treasurers Society, as well as with other PCC CFOs and at a meeting with the Home Office statisticians. The transition to the new formula was expected to be in FY 2016/17 but this was likely to be too soon for the Forces that would lose out under the formula.

Initial suggestions showed that it would be positive for Shire counties and negative for Metropolitan areas. The increased population in Cambridgeshire was expected to help.

The Home Office had been reluctant to release their calculations and their response is expected in November 2015.

JG is drafting the response and would share with the DPCC and NH for review prior to agreeing a final response from Cambridgeshire.

- (i) *JG would share the draft Home Office response with NH and the DPCC.*
- (ii) *The group noted the report.*

8. ESG Minutes from 16th July 2015

JG noted that Decision Notices regarding the Vehicle Workshop and Yaxley Police Station mentioned at Item 3 of the minutes would go to the Business Co-Ordination Board later the same day.

The minutes were noted and approved.

- (i) *The group noted the report.*

9. Any Other Business

There was no other business to discuss.

11. Date of next meeting

Wednesday 30th September 2015 at 10:00am, OPCC Cambourne.



Brian Ashton