



OFFICE OF THE POLICE AND CRIME COMMISSIONER FOR ESSEX
FINANCE SCRUTINY MEETING

19 June 2014, 10:00 – 12:00
OPCC Conference Room, Hoffmanns Way

Present

Charles Garbett, PCC Treasurer	CG
Craig Griffiths, Temp Financial Scrutiny Officer (OPCC)	CDG
Debbie Martin, Chief Finance Officer, (EP)	DM
James Cook, Finance lead for Evolve Programme	JC
Jules Donald, Interim Head of IT	JD
Lindsay Whitehouse, Chair & Deputy PCC	LW

Matter Raised	Action	Owner	Date for Completion
<p>The Chairman welcomed everyone to the first meeting of its type. All present agreed that over the coming months the format and content of the meeting is likely to evolve and develop.</p> <p>Apologies Carly Fry, Assistant Director Performance and Scrutiny, OPCC</p>			
<p>1. Minutes of Performance Meeting held on 3 April 2014. The minutes were approved</p>	Publish on PCC website	CDG	10.07.2014

<p>2. Budgetary control report month 2, with three month financial forecast</p> <p>LW asked if the Finance reports could be issued 7 days in advance of the meeting. DM replied that this may necessitate a change of meeting dates</p> <p>CG asked how Essex Police will provide accurate forecast of over or under spend. DM referred to development of reports that made this information more readily apparent and the paper presented to the Performance Meeting on 3/4/14</p> <p>LW asked if more narrative could be provided to explain the virements. The technical and collaborative virements were explained; a list of the income virements will be provided.</p> <p>LW asked if the presentation of staffing information could be reviewed so that it is more easily understood by members of the public and local politicians. CG asked if the income projection for PCSOs could be broken down. JC confirmed that financial projections assume zero PCSO recruitment but this is not yet a formal decision approved by the Chief Constable. DM explained that the papers were internal monitoring reports.</p> <p>CG felt that some information had not necessarily reached him. LW stated this meeting should serve to present all key financial data . DM confirmed that the financial information was submitted on 13/6/14.</p> <p>CG remarked that some projects</p>	<p>Schedule of dates of future meetings to be agreed.</p> <p>Post meeting note: We subsequently agreed a target of 6 days in order to allow Essex Police sufficient time to complete mandatory accounting actions.</p> <p>Provide further explanation of income virements for the next meeting.</p> <p>To present a detailed plan of how PCSO staffing will be managed. Present to a future meeting (not July)</p> <p>Key financial information should be provided in advance of the meeting.</p> <p>JC to provide plan of possible revenue or capital projects to this overall value this could include a reduction of borrowing or an uplift into the pension fund</p>	<p>CDG</p> <p>DM</p> <p>DM</p> <p>DM/JC</p> <p>JC/DM</p>	<p>10.07.2014</p> <p>10.07.2014</p> <p>10.07.2014</p> <p>tbc</p> <p>10.07.2014</p>
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<p>could be funded from the general reserve and a sum of up to £4Million could be considered.</p> <p>JC will identify projects for consideration for funding from reserves which could include spend to save initiative, as well as capital or revenue projects.</p> <p>LW asked if presentation of some of the data could be reviewed to make it more readily understood by non-accountants.</p> <ul style="list-style-type: none"> • Medium term financial plan DM commented that this has not changed from the last meeting. • 2013/14 Draft Outturn CG commented on the movement from £4.9 to 4.1m underspend. DM stated that this was to do with accruals and closure in SAP for the first time. Underspend has reduced not gone up. <p>CG examined the Statement of Accounts (13/14) in Appendix CB. The Income & Expenditure for PCC group (incl. force) showed that the total expenditure was £270m and was broken down by policing service. CG asked how do we compare with the Other forces with the allocation of resources. JC stated that a HMIC analysis should provide comparisons. This analysis is likely to be available shortly on a national basis</p> <p>CG noted that the net cost of service has moved in recent years. A comparison with past years would be useful.</p>	<p>JC agreed to look at developing some alternative templates and DM agreed to cross reference a more detailed explanation to the remarks columns</p>	<p>JC</p>	<p>10.07.2014</p>
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<p>JC suggested Gross exp is reducing in cash terms.</p> <p>CG noted that some senior staff names were not listed on the Statement of Accounts salary notification. JC observed that some salaries were paid in full by Kent but then re-charged to Essex. He agreed to look at presenting this information in a different way at future meetings.</p> <p>The COMG had been informed by DM of an anticipated underspend of £4.165 Million from 2013/2014 it is possible that approximately £2m could be utilised to cover insurance provision liabilities. A separate report will be presented around this subject.</p> <p>COMG to considered a contribution to the minimum revenue provision. Internal borrowing is coming down every year. CG and DM to consider external borrowing v reserves.</p>	<p>JC to review presentation</p>	<p>JC</p>	
<p>3. IT (Substantive item)</p> <p>JD mentioned the new functionality Evolve. A £3.1 capital bid recently made?? It is planned to issue Officers with tablets for personal use for mobile management of data. Roll out expected early 2015.</p> <p>Athena issues were highlighted and remain on-going.</p>			
<p>4. HR (Substantive item)</p> <p>LW stated that the OPCC needs to invite relevant staff to meetings to discuss HR issues.</p> <p>It was noted information that would allow comparison of Essex costs with other Police Forces could be obtained</p>	<p>HMIC will shortly issue a report which contains this analysis</p>		

<p>through the Police Objective Analysis tool..</p> <p>HR – A series of questions were presented to the Essex Police team</p> <p>What is the 2014/15 revenue and capital budget for IT and services to be delivered (including by permanent and temporary headcount: police officer, PCSO and staff member)? The answers are given below:</p> <p>Revenue budget excluding pay is £6.5m Police Staff 113.6 FTE, £4.5m Capital budget is £3.104.5m (tbc 24/6/14)</p> <p>How do these support current and projected operational need under EVOLVE?</p> <p>.HR Total cost for establishment for 2013/14 (by police officer, PCSO and staff member, permanent and temporary)</p> <p>Answer below:</p> <p>Police Officers £167.164m Police Staff £60.343m PSCO £8.511m Agency Staff £0.537m</p> <p>Question -Latest police officer recruitment plan and sensitivity of changes to the plan on the 2014/15 cost profile.</p> <p>Answer below</p> <p>See Appendix C of the Monitoring Report (this will</p>	<p>JC to refine for next meeting.</p>	<p>JC</p>	<p>10.07.14</p>
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<p>be tabled monthly) Modelling table to be utilised Details of the specific PCSO allocations to each district/LPA along with additional PCSO's to be funded by third parties.</p> <p>James Cook to update future meetings.</p> <p>Question Detail of Force plans to prevent a repetition of 2013/14 revenue budget underspends.</p> <p>Answers</p> <p>As per PCC Governance meeting 3rd April 2014 and review Meeting 13th May 2014.</p> <p>Specifics include:- Resource data spreadsheet to be expanded and utilised more for financial forecasting (reference Appendix C in the Monitoring Report). Change initial forecast outturn to 13/14 outturn rather than 14/15 budget (excludes pay and technical budgets) Budget holder contracts Challenging budget holders Holding budget holders to account Materiality focus Commitment accounting Financial risk log Utilise investment fund agreed for 2014/15 budget setting</p>	<p>Post-Meeting request from the Chair. Could the Essex Police team please produce a very brief summary document highlighting these plans for presentation to the Commissioner. The specific tools and actions highlighted will be subject to review at these monthly meetings.</p>		
<p>5. A.O.B LW mentioned the first strategic committee to be held 30 June 2014. Lyle Walters from Ford will lead This meeting will cover top level strategic financial management.</p>	<p>Subsequently at this meeting the following three priority actions were agreed for Essex Police to work on producing:</p> <p>1. Present the estates review with more specific</p>		

	<p>emphasis on costs saved, and cost of technology and people relocations with a timeline of projected actions presented as an integral part of this review. The plan to highlight projected capital gained from disposal of property and impact on future expenditure streams.</p> <p>2. Operational representation to be provided at these important financial meetings.</p> <p>3. Produce a summary document of all areas where money will be spent in 2014/2015.</p>		
Date of Next Meeting 17 July 2014			