

**Force Resources Scrutiny Meeting**  
**Thursday 19 March 2015**  
**14:00am, Conference Room, Hoffmanns Way**

Present:-

Lindsay Whitehouse, Deputy Police and Crime Commissioner (DPCC) for Essex	LW
Carly Fry, AD for Performance and Scrutiny, OPCC	CF
Charles Garbett, Treasurer, OPCC	CG
Abbey Gough, Financial Analysis and Scrutiny Officer, OPCC	AG
Debbie Martin, Chief Finance Officer	DM
Richard Jones, Insurance and Management Accounting Manager	RJ
Sam Milbank, Corporate Finance	SM
Derek Benson, Deputy Chief Constable	DB
Richard Leicester, Head of Resourcing	RL
Karen King, Contracts and Procurement Manager	KK
James Greenaway, Head of Estates	JG

	Item	Action	Owner	Date for Completion
1.	<p><b>Matters arising</b> CG agreed that Appendix C could be removed from the monthly monitoring report.</p> <p><b>Apologies</b> Mark Gilmartin, Director of Shared Services Ian Drysdale, Head of Human Resources Candace Bloomfield, Head of Procurement</p>			
2.	<p><b>Notes of previous finance scrutiny meeting</b> Minutes agreed</p>			
3.	<p><b>Monthly Force Finance Performance Reports:</b></p> <p>Budgetary control report month 11, with three month financial forecast Medium term financial plan.</p> <p>LW raised the costs of the FCR expenditure and noted that they have increased from £840K to £1.282M; DM said that the £300k travel expenses were to come from the Force Investment Fund. The costs for the FCR were broken down into a number of smaller projects, DM noted that a request had been received for a breakdown of the FCR costs from the OPCC and a draft had been completed.</p> <p>JG noted that it was a large project which stretched across Estates, IT and included both revenue and capital spend. CF asked that a breakdown of the FCR spend be sent through as soon as possible.</p> <p>JG confirmed that the £65k redecorating project related to the FCR and included replacing replacement lighting and toilets.</p> <p>CG asked whether the new monthly POA (Police Objective Analysis) can be</p>	FCR cost breakdown to be sent through to the OPCC	DM	23 <sup>rd</sup> April 2015

<p>linked with the PCCs eight areas of focus, CG understood that the POA would not fit directly into the PCCs plan however he hoped that it would be possible to link them together.</p> <p>DM said that the first step was to complete the POA which Alistair Greer is currently working on to ensure that officers are posted to the correct areas. DM said that the first POA would be completed for quarter one. DM said that EP would have to look into how the lines link together. DM said that there is no month 12 report produced in April however a draft of the new reporting format will be taken to the April meeting.</p> <p>CF asked if the work already done on SAP coding would mean that there is less work to do for the POA element required for the new dashboard; DM said that it was more complex but mid-year restructures were reflected, however further work was required to ensure that the coding was correct for the POA.</p> <p>LW about fixed asset revenue from car sales and whether the returned monies are used against the purchase of new fleet vehicles. DM and CG confirmed that this was the case; however CG said that he thought the policy around this needed to be strengthened.</p> <p>LW noted that the acting up spend had reduced in the last period.</p> <p>CG raised the issue of EP capital spend and that the OPCC had been given previous assurance that 80% of capital would be spent, CG asked what more could be done to ensure that capital spend is more accurately forecast.</p> <p>DM said the EP would be meeting with capital managers on 31<sup>st</sup> March and the above matter was on the agenda. RJ also noted that from the 1<sup>st</sup> April budget holder contracts would be issued for capital, RJ hoped that this would lead to improvements as seen against the revenue budgets. DM said that the original budget was £12.2m however the 2014/15 capital plan was not approved until the Strategic Capital Board in 24/6/2014 and was set at £9.9m, CG said that this board should be brought forward to sure that the capital projects were authorised at the start of the year. CF asked why there was such a lower spend than in the original budget, and if the low levels of staffing in Procurement have an impact on</p>	<p>Strategic Capital Board to be arranged</p>	<p>AG</p>	<p>27<sup>th</sup> March 2015</p>
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	<p>this.</p> <p>JG said that it was difficult for the estates team to forecast their capital spend for 5 years, and that one reason for the change in capital spend was due to the removal of Southend refurbishment from 2014/15 to 2015/16.</p> <p>Appendix C: LW asked whether there would be 81 more officers on EP strength compared to the year-end planned establishment. RL said that this was the case and they have plans to reduce the recruitment intake for the year to meet the demand; RL said that the civilianisation plans had affected this year's establishment and strength figures.</p> <p>LW noted that Appendix C was a confusing document and can work be done to simplify this. DM said that this was a working document and a simplified version would be part of the revised format presented to the April meeting.</p> <p>Appendix E: CF asked whether business cases for 2015/16 had been agreed. SM said that EP was looking at the 5 year plan and what projects could be brought forward to 2015/16. SM said that areas where savings were achieved had approved business cases; once the projects to be included in 2015/16 have been agreed the business cases will be completed. It was hoped that the Public Contact project could be brought forward to 2015/16 however on review this will not be possible and is likely to be moved back to 2016/17. The DCC said that Claire Heath was completing a report which would be taken to Chief Officers.</p> <p>CF noted that it was the view of the PCC that Public Contact needed to be delivered next year.</p> <p>CF asked if any back office areas were going to be assessed such as Support Services. SM said that the areas where EP have overachieved on the target savings would be reviewed to see if further savings could be achieved.</p>			
4.	<p><b>Procurement</b></p> <p>KK noted that Procurement have had resourcing problems over the last six months and are trying to find a temporary solution, as well as ensuring that the appropriate people are in the role. KK said that Procurement has 75 projects</p>			

<p>however as they are 50% down on staff only 40 projects were currently being worked on.</p> <p>The new Public Contract 2015 regulation have now come into force, this has an emphasis on SMEs and reduced bureaucracy as there are now fewer PQQs (Pre-Qualification Questionnaires).</p> <p>CF and LW asked what the plans were to ensure appropriate staff numbers. KK said that the new agency staff supplier, Matrix, goes live from the 23<sup>rd</sup> March. RL said that the new contract will mean that staff with the right skills can be drawn down quickly and established in the right role. The contract also allows for staff to be taken on the EP payroll after 3 months. RL confirmed that the current Reed/Adecco staff will stay however all future agency staff will be procurement through the Matrix contract. It was noted that the budgeted Procurement staff would be reduced from 19 to 16 FTE. RL felt that the number of agency staff may increase but the cost should reduce.</p> <p>CF asked whether there had been a cost benefit analysis on the planned FTE staff reduction, especially with the current work load in Procurement. KK said the monies would go on hiring specialist staff as and when they are required.</p> <p>CG noted that there were a number of projects to come up in the coming year, such as SERPICC and Cinvin. CG asked whether there was capacity for procurement advice.</p> <p>LW asked whether there was a matrix which was followed before a Single Tender Action (STA) was agreed upon. KK said that there was no matrix, it was considered in the team and was often a 'feeling'.</p> <p>CF asked whether more and better skilled staff would allow for fewer STAs; KK said that better education of the force was needed.</p> <p>CG noted that there are currently too many STAs, and that he had received a STA request for sign off after the work had been completed and that he should have been informed earlier and not several months after. CG noted that he has received a regular flow a STA requests and that large projects should be focused on first and should go through a tender process.</p>	<p>2015/16 Procurement Plan/pipeline to be shared</p>	<p>KK</p>	<p>23<sup>rd</sup> April 2015</p>
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	<p>LW asked what follow up analysis was done on the contract after it has been set up; KK said that Procurement look for best value for money contacts.</p> <p>LW asked what the notional value saved by Procurement was based on. KK said that this was specific Home Office guidelines which will be sent through to the OPCC.</p>	KK to send Home Office Guidelines through to the OPCC	KK	23 <sup>rd</sup> April 2015
5.	<p><b>Estates</b></p> <p>JG said there would be a meeting between the PCC and CC on 10<sup>th</sup> April to go through the top five HQ estate options. JG agreed that these documents would be published a week in advance of the meeting to allow the PCC time to read the documentation.</p> <p>CG said that the Strategic Finance Committee would be discussing the single issue of raising capital.</p>			
6.	<p><b>2015/16 Resources Scrutiny Plan</b></p> <p>The 2015/16 plan was noted; however the OPCC may make changes throughout the year.</p>			
7.	<p><b>AOB</b></p> <p>CF noted that from April papers would be published on the OPCC website and therefore any restricted information should be included on an Appendix B.</p>			
8.	<p><b>Date of Next Meeting</b>  Next Resources Scrutiny Meeting  Thursday 23<sup>rd</sup> April 9am  Hoffmanns Way</p>			