## Force Resources Scrutiny Meeting Thursday 19 February 2015 09:00am, Conference Room, Hoffmanns Way

## Present:-

Lindsay Whitehouse, Deputy Police and Crime Commissioner (DPCC) for Essex	LW
Susannah Hancock, Chief Executive	SH
Abbey Gough, Financial Analysis and Scrutiny Officer, OPCC	AG
Debbie Martin, Chief Finance Officer	DM
Richard Jones, Insurance and Management Accounting Manager	RJ
Derek Benson, Deputy Chief Constable	DB
Ian Drysdale, Director of Human Resources	ID
Jules Donald, Director of IT	JD

	Item	Action	Owner	Date for Completion
1.	Matters arising			
	Apologies Charles Garbett, Treasurer, OPCC Carly Fry, AD Performance and Scrutiny, OPCC Mark Gilmartin, Director of Shared Services			
2.	Notes of previous finance scrutiny meeting Minutes agreed			
3.	Monthly Force Finance Performance Reports:			
	Budgetary control report month 10, with three month financial forecast Medium term financial plan.			
	DB said that a site visit to Chigwell FCR could be arranged for representatives of the OPCC if required.	OPCC to advise DB of names of those wishing to attend		
	Indications have come from the Home Office suggesting that EP could receive £200k from the Home Office in respect of the request for additional funds in respect of the two murders in Colchester. A sum in order of £2.7Million had been requested.			
	Police staff pay award has been agreed this week, this will be from March 2015 and will not be backdated. Money previously earmarked in the event of a backdated awardl be transferred to reserves. ID confirmed that industrial action has now been called off. LW confirmed that the OPCC supports the pay equalisation reserve.			
	ID said that HR tries to establish the average Police Officer strength; currently the attrition rate is higher than planned. ID said that the public are interested in			

strength figures and in particular deployable strength.			
LW asked what fixed assets under £10k were sold. After the meeting DM confirmed that these fixed assets were for vehicle sales.			
Acting up budget: ID stated that it takes time for individuals to be promoted into ranks, the costs incurred against the acting up budget related mainly to the sergeant rank. DB said that there may be a link to Athena with staff acting up whilst training was taking place. The acting up budget is monitored by Ian Read at Corporate Finance.			
ID noted that there is a qualification period for officer promotion which translates into a number of days acting up before they are eligible for promotion. ID said that there was a need to change the authorisation levels in SAP.			
LW noted that Evolve figures suggested that there had been a reduction in the number of officers at lower ranks and not at the top. It was noted that these figures were from the old system and believed to be correct.			
LW requested a report to be produce detailing the split in officer numbers by rank and the acting up budget.	ID to produce report	ID	23 <sup>rd</sup> April 2015
SH inquired as to the resourcing costs surrounding Op Maple. DB said that at present these cost were not known; DB suggested that the best time to look at these costs would be in the Summer. Andy Prophet was producing a paper on public protection which would be completed at the end of May, after this would be the best time to look at these costs.	Op Maple costs/resources to be established	DB	Approx. June 2015
DM said that there would be direct costs such as overtime and opportunity costs related to this which would be based on average costs.			
Capital:  DM said that there was an improved picture for month 10 with FCR contributing to the increased spend, with further spend to occur in February and March. RJ confirmed that Peter Ramsey challenges the project holder each month to ensure			

	that the correct level of spend was forecast.			
	JD also confirmed that 88% of IT capital was due to be spent by the 31st March.			
	Capital Grants: RJ/DM asked to confirm whether capital receipts are due to be received by the year end.	DM/RJ to check capital grants	RJ/DM	19 <sup>th</sup> March 2015
	Collaborative: Collaborative payments relate to posts which would not be included within the pay line and then a technical virement to Kent collaboration costs to account for the costs.			
	Appendix C: CG to consider the value and use of appendix C. This is costly to produce in terms of time for Essex Police.	CG to review appendix C	CG	19 <sup>th</sup> March 2015
4.	IT Single Desktop & Software Licensing			
	JD said that the enterprise agreement was due at the end of March and it is believed that Microsoft will agree to waive the additional £1.6m provided that going forward the appropriate amounts are paid. The costs will be split 50/50 between Kent and Essex.			
	At present there has been no movement on Oracle. Crown Commercial Services are working with 11 forces to take forward the issues with Oracle on a national level.			
	JD stated that in regards to SAP there were different models between Kent and Essex and no license costs have been paid since 2003. JD said that she does not believe that EP/KP are entitled to pay. Methods and Mason are currently looking into this and will provide recommendations going forward. JD believes that it is unlikely that we would be liable to pay high costs and that we would look to have transferrable licenses between Essex and Kent. JD noted that there were different levels of licenses between staff and was looking into procuring licenses by FTE numbers.			

	JD stated that the Methods business case would be due for completion by the			
	end of March.			
	JD to provide an updated report on IT licenses in May.	JD to provide an updated report on IT licenses	JD	21 <sup>st</sup> May 2015
	Single Desktop:	Topon on II morned		
	JD said that the original business case is now 5 years old and was reviewed by			
	James Cook. The savings which were due to be made have now been cancelled out by the Microsoft licensing costs. JD stated that the process in the future will have to be more automated.			
	The Home Office is looking to secure a quote for Microsoft which would provide additional support for XP.			
5.	Compensation			
	RJ reported that the level of claims in 2014/15 appears stable compared to 2013/14.			
	RJ said that EP were looking to benchmark processes for the future, this should be available for the renewal process on 1 <sup>st</sup> October. Legal costs can fall into any year even if the original claim/case was in a prior year. It is expected that public liability costs will be lower for 2014/15 than the previous year.			
	Financial Strain:			
	Financial strain applies when people are over 55 years of age and they take redundancy, the employer is then obligated to into the pension scheme since the individual is then able to draw down on their pension. The level of financial strain reduces the closer an individual is to age of 65.			
	ID said that redundancies are based on business cases and depending on the level of financial strain EP may not be able to afford to make certain individuals redundant.			
	ID noted that redundancies are driven by the Evolve model which will indicate the areas where staff reductions are required. Length of service and salary will be considered when making staff redundant.			

	LW asked how this will fit into the MTFS; ID responded that the Evolve model is the catalyst and once finalised further decisions can be made. DB said that the		
	MTFS is a rolling three year programme and can be adjusted; the Evolve plan is		
	expected in the summer.		
6.	Any Other Business		
	Actions from the Grant Thornton report will be reviewed at the end of the monthly		
	Resources Scrutiny meetings.		
7.	Date of Next Meeting		
	Next Resources Scrutiny Meeting		
	Thursday 19 <sup>th</sup> March 9am		
	Hoffmanns Way		
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