



Dorset Police and Crime Panel

Minutes of a meeting held at County Hall, Dorchester
on 11 September 2014

Present: **Members**

Borough Poole

Elaine Atkinson

Co-opted members:

Phil Goodall

Bournemouth Borough Council

John Adams (Chairman)

Co-opted members:

Malcolm Davies

Dennis Gritt

Christchurch Borough Council

Bernie Davis

Dorset County Council

Fred Drane

Ian Gardner

East Dorset District Council

Malcolm Birr

North Dorset District Council

Gary Jefferson

Purbeck District Council

Ali Patrick

West Dorset District Council

John Russell (Vice-Chairman)

Weymouth & Portland Borough Council

Michael Goodman

Independent member

Iain McVie

Mike Short

Officer advisers to the Police and Crime Panel:

Debbie Ward, Chief Executive, Dorset County Council

Andy Frost, Strategic Manager DAT & Community Safety, Dorset County Council

Fiona King, Senior Democratic Services Officer, Dorset County Council

Also in attendance:

Martyn Underhill, Dorset Police and Crime Commissioner (PCC)

Officer advisers to the Police and Crime Commissioner

Dan Steadman, Chief Executive to the Police and Crime Commissioner

Richard Bates, Treasurer to the Police and Crime Commissioner

Debbie Simpson, Chief Constable, Dorset Police

(Note: These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Dorset Police and Crime Panel on **10 November 2014**.)

Apologies for Absence

36. Apologies for absence were received from David Smith (Bournemouth Borough Council) and Ann Stribley (Borough of Poole).

Code of Conduct

37. There were no declarations by members of any disclosable pecuniary interests under the Code of Conduct.

Minutes

38. The minutes of the meeting held on 5 June 2014 were confirmed and signed.

Public ParticipationPublic Speaking

39.1 There were no public questions received at the meeting in accordance with Standing Order 21(1).

39.2 There were no public statements received at the meeting in accordance with Standing Order 21(2).

Petitions

40. There were no petitions received in accordance with the County Council's petition scheme at this meeting.

Chairman's Announcements

41. The Chairman advised members that the National PCP Conference he had been due to attend in July had been postponed. It had now been rescheduled to 17 October 2014 and he would report back to members at the next Panel meeting on 10 November 2014.

Medium Term Financial Update

42.1 The Panel considered an update to the Medium Term Financial Plan (MTFP) 2014-15 which had been presented to the Panel in February 2014. It had become clear that the Force had underspent and therefore there had been some changes that had been made to the financial strategy:

- Some budget lines had been reduced where reserves were in place
- Some had been changed due to developments since the budget was set
- Some budgets had been amended in light of the 2013-14 outturn where it was felt a permanent reduction was possible

The Force's attitude to risk had been re-adjusted around some of the budget lines. Increasing the risk of these budget lines being overspent whilst removing the risk of future underspends.

42.2 The Treasurer highlighted section 4 of the report which dealt with changes to staffing levels in the current year where the Force were over-recruiting to maximise the use of the pay budget.

42.3 Members were advised that a full MTFP update report would be presented at the next meeting of the Panel which would provide:

- An update on the budget assumptions; and
- A re-look at the capital programme and capital financing

This report would also provide a revised baseline on which next years precept proposals would be based upon.

42.4 Members asked the following questions of the Treasurer in respect of the MFTP update:

- 1) Can the Commissioner confirm that the agreed budget for 2014/15 included at least £1.2m per annum in respect of budgets now not needed for their original purpose and this underspend is further to the additional £2m underspend generated for 2013/14 that he advised the Committee of when we last met in June.

The Medium Term Financial Plan is not something which is agreed in February and then left on the shelf until the following budget round. It is a living document which is updated to reflect developments, opportunities and risks throughout the year.

The underspend in 2013-14, as reported at the June Police and Crime Panel meeting presented a further opportunity for a number of budget areas to be challenged.

The main area of underspend related to pay savings, which we are addressing through over-recruitment of officers in the current financial year, which will avoid this being repeated.

There were however several other areas where it was felt that the budgets should be reduced. This increases the risk of them being overspent at the year end but will be closely monitored. There are also other changes which have happened since the budget was set.

Taking the items in turn:-

£200k Major Operations Budget – The 2013/14 outturn was exceptionally low. Whilst it is unlikely that this level will be repeated, the creation of an Major Ops Contingency reserve means we can take additional risk here and use part of the reserve if required.

£200k Contribution to the Insurance Reserve – A formal assessment of the insurance fund was carried out by our Insurance Broker in late March 2014, after the budget was set, which suggested that a reduction could be made but would need to be reviewed annually.

£100k Software Charges – The 2013/14 outturn showed a small underspend through active management to reduce costs. The current year budget is showing this area under pressure (with new systems coming out of initial warranty period). This will be closely monitored.

£100k Operational Contingencies – set up to allow commander some limited flexibility in addressing operational needs. It was spent in 2013/14, but decision that this could be reduced and require commanders to fund such needs from overtime, if at all.

£100k Special Constabulary – the additional costs of recruitment / expenses being carefully managed and maintained within existing budgets. 2013/14 outturn provided evidence that this budget could be reduced, even with taking the recruitment of additional specials.

£200k Increase in DAS Income – Introduction of new No Excuse dedicated resource (agreed this year) will be self funding, but also allow for small additional income to offset other road safety costs.

£200k Forensic Services Collaboration – scope of and participation in this collaboration had not been agreed by the partners at the time of 2013/14 budget setting. Now clearer – and will be substantial non staff savings, and amendments to structures.

£100k Pay Award provision – pay award was not agreed when we last met. Now agreed at 1%.

- 2) Can the Commissioner explain his rationale for investing the majority of these resources released in 2014/15 into employee costs?

The resources released (£1.1m) are being applied to further reduce the local government pension scheme deficit (hence they are shown as an increase in employee costs). Members of the panel will recall that an additional payment was made last year and that has put us into a position to repay the remaining balance early and release the base budget. I will cover this more fully in one of your later questions.

Alongside this, the decision has also been taken to over-recruit police officer numbers in the current year. Turnover of officers has been higher than predicted in recent years and, together with the time taken to recruit new officers, this has led to the pay budget being significantly underspent.

Over-recruitment will put an additional pressure on the budget in the current year but Dorset Police do have a very good track record of driving out in-year budget savings to compensate.

The additional officers will be available to Dorset Police at various stages during 2014-15 and the recruitment has been sped up by taking on a number of transferees from other forces. This additional resource will be of great benefit in delivering the priorities set out in the Police and Crime Plan.

- 3) Can the Commissioner give an indication of where the further additional savings for 2014/15 referenced in section 4.3 of the report come from?

The financial discipline instilled into Dorset Police over many years has meant that there is a continual challenge over expenditure and a drive to ensure value for money. We can therefore be confident of continued savings on procurement activities and on reduced demand for non staff goods and services.

Additionally, collaborative work within the South West continues to drive out efficiencies and the Strategic Alliance work with Devon and Cornwall is already highlighting further opportunities. The successful bids to the Police Innovation Fund will also provide further opportunities for smarter working and additional savings.

- 4) In respect of the pension fund deficit can the Treasurer be clear to this committee what is being proposed as part of this report and the impact it would have in 2014/15 and the MTFP?

Dorset Police and Crime Panel – 11 September 2014

	£000's	
<i>LGPS Deficit as at 31/03/13</i>		5,806
<i>Less Contributions 13/14</i>		
<i>Base contribution</i>	(721)	
<i>Additional Contribution</i>	<u>(1,400)</u>	(2,121)
<i>Contribution 14/15</i>		
<i>Base contribution</i>	(847)	
<i>Additional Contribution</i>	<u>(1,100)</u>	(3,339)
<i>Contribution 15/16</i>		
<i>Base Contribution</i>	(847)	
<i>Additional Contribution</i>	<u>(892)</u>	(1,739)
Residual Deficit		0

The deficit stood at £5.8m as at the last actuarial valuation (31.03.13). Repayments made last year totalled £2.1m. The base budget provision for 2014-15 is £847k and the plan is to supplement this with the £1.1m savings. A repeat of this within 2015-16 should repay the deficit.

This does of course depend upon the performance of the Local Government Pension Fund and the profile of new staff and leavers over that period, prior to the next actuarial revaluation as at 31/03/16.

On this basis everything else being even, it will free up the £847k base budget provision for pension deficit in 2016-17. It will also free up the £1.1m of savings for 2016-17 (with potentially a part year in 2015-16 (1,100-892). So this should be £2m off the £6.7m budget gap for 2016-17.

42.6 Following a discussion about recruitment, the Chief Constable advised that the timescale to recruit a new officer was about a year so the aim was to strike a balance between engaging new recruits and already trained transferees from other Forces who were looking perhaps for further opportunities and this allowed Dorset to plug any specialist gaps there might be. She advised that to date 65 officers had been recruited.

42.7 In response to a comment from a member from Dorset County Council regarding the lack of police representation at a recent Partners and Communities Together (PACT) meeting, the Chief Constable undertook to look into this outside of the meeting. The PCC added that the Police were just one of the groups that attended these meetings, it was about partners working together. He highlighted that the days of police officers just attending meetings were now gone, he agreed an update and reason for not attending a particular meeting should be given, but it was unreasonable to expect police officers to attend every meeting.

42.8 The member from North Dorset District Council made reference to the dramatic fall in crime during a time of lack of investment. The PCC responded that his aim was to end up with the same amount of officers in post as there were when he was elected and noted that police numbers were not linked to the fluctuations in the rate of crime.

42.9 Following a comment from an Independent Member about how the extra precept money had been used, the PCC undertook to update members fully at the next meeting on 10 November 2014.

42.10 At the request of members, the Treasurer also undertook to provide the following information at the next meeting of the Panel in November:

- A complete breakdown of reserves held.
- On the insurance reserve:
 - What is the value of the annual input to the insurance reserve?
 - Why can the surplus of circa £1M in the insurance reserve not be utilised for Pensions and NI?
 - What happens to the funding that Dorset Police receives in insurance claims? Where does it feature in the accounts?
- An update on the Icelandic bank holdings. Whilst one holding has now been resolved, the Landbankski account has currently repaid some £2.5M:
 - How has that funding been utilised?
 - What is the plan for the utilisation of the remaining £2.5M?
- As requested at the last meeting - a risk matrix on how financial risk is to be mitigated.
- A column in the table on Q1 Report 2014/15 page 25 showing actual expenditure by line entry to date in order to provide financial planning information.
- Some granularity on the procurement budget of £3.5M.

Noted

Progress against the Police and Crime Plan (Q1 Report)

43.1 The Panel considered a report by the Commissioner which informed members of the progress against the Police and Crime Plan 2013 – 17 for Quarter 1 (April - June).

43.2 The Commissioner highlighted a few key areas of activity to members, to which members asked questions on the following priorities:

43.3 Priority 1: The PCC drew members' attention to graphs in relation to this priority and noted that whilst the data was correct the final date should read June 2014. Following a question from the Chairman in relation to cyber crime and local victim support the PCC advised that action fraud from a victim point of view had now improved.

43.4 Priority 2: In response to a question from the member from North Dorset District Council about any particular reason why the positive outcome rate had dropped, the Chief Constable advised that the threshold test had to be met and that there needed to be victims and witnesses to allow an officer to take cases to court. Every crime was reviewed by investigators but there had to be a balance and likelihood of conviction.

43.5 One member from the Borough of Poole commented about the high re-offending rate and wondered if there was any assistance the Panel could offer in relation to putting pressure on the court systems. The PCC referred to the lobbying work that had been done with the Magistrates Association to bring back magistrates rights with regards to sentencing. The biggest issues for members of the public was the 50% tariff rule, he felt that despite lobbying it was unlikely to change.

43.6 Following a further question concerning the avoidance of a 'Rotherham' scenario here in Dorset, the PCC noted a number of differences between the areas. The Chief Constable added that processes in Dorset had been updated since the issues in Rotherham had come to light and officers now had a better understanding of child sex exploitation and had the ability to see where the risks were.

43.7 Priority 3: The PCC undertook to provide members with figures for assets seized from criminals at the next meeting in November. The Chairman noted the importance of encouraging people to talk about and report instances of cyber crime.

43.8 Priority 4: The PCC recognised that he had very little ownership of the issues contained in this priority.

43.9 One member from Bournemouth Borough Council drew the PCC's attention to the high figures in relation to temporary and agency staff. The PCC advised that this was due to the call handling issue and would be short term.

43.10 In relation to the PCC's community engagement activity, the Chairman felt it would be helpful if Panel members knew in advance when he was visiting their particular areas so they might be able to attend.

43.11 The PCC also updated members separately on the following areas:

- Emergency Phone Call Demand Service;
- Restorative Justice; and
- Community Remedy.

Emergency Phone Call Demand Service – 101 Service: The PCC thanked members for raising this issue with him. He had written to the Chief Constable and Assistant Chief Constable to determine what had gone wrong. The Chief Constable reported that they were aware that the service needed to be better, in June there had been an uplift of 7000 calls, a 28% increase, which however did not translate to more crime/incidents. There had been an amalgamation of 2 bases into 1 to try to better understand how a Police Enquiry Centre could impact on the deployment of staff. £1.2M had been saved, 21 new staff had been recruited with 5 more being vetted, and 15 more were due to start in October. A Gold group of high level Police officers had been convened to determine why there was such an increase in calls.

Members of the public had been advised that this was a non emergency number and that there were other ways to contact the Police. She highlighted an issue with public perception on how long call backs took on non emergency calls. She was however pleased to note the successful rate of response rate for 999 calls.

One member from Bournemouth Borough Council suggested that some people might have thought that 999 had been withdrawn and replaced with 101 and would support a triage type system in relation to call handling.

The member from North Dorset District Council asked about possible electronic recording mechanism for calls and the need to listen and determine what the calls were about. He noted there had been no increase in officer deployment in relation to the significant increase in calls. The Chief Constable advised that the HMIC inspected the Force and highlighted the need to better understand the demand and call handling assisted with this.

The Chairman and the member from North Dorset District Council undertook to visit the call centre within the next few days to gain a better understanding of the service and to listen to some of the calls.

Restorative Justice: The Chief Executive from the OPCC noted that the office had been very successful in securing additional funding to allow the PCC to drive innovation forward. He advised that Helen Fletcher had recently been appointed as the OPCC Restorative Justice Project Manager and was working in partnership with a wide variety of agencies. Standards were being developed with partners and work was ongoing to explore using Restorative Justice in relation to hate crime and abuse in certain areas.

Members congratulated the PCC on successfully securing additional funding.

Community Remedy: The PCC advised members that the Community remedy consultation was still live and the new Anti-Social Behaviour Act came into force on 16 October 2014. He shared some of the responses to the consultation that had been received so far which included that there had been an overwhelming response that Probation and Youth Offending should be the lead agencies in this area. Unfortunately no extra funding had been provided for this activity.

The member from Christchurch Borough Council noted that this was due to go live in 5 weeks time so someone would have to pay for it. The PCC responded that he was meeting with other agencies to discuss this but stressed that Dorset Police did not have the money to fund it.

One member from the Borough of Poole highlighted that public expectation had been raised over these new measures and expressed concern about how this would be managed. The PCC advised that they were already meeting community needs in some areas the issue was with the resilience of partners to meet these needs but the Police were fairly well placed to meet some of these community needs.

Noted

Progress with the Strategic Collaboration work with Devon and Cornwall

44.1 The Panel received an update from both members from Dorset County Council, as Lead members for Strategic Collaboration on behalf of the PCP, who had taken part in the discussions with the Chief Executive from the OPCC and the Deputy Chief Constable, regarding the outline proposals for strategic collaboration work with the Devon & Cornwall Force, prior to the PCC's decision to move forward with more detailed business cases. It was made clear that the intention was not to merge the two Forces but to join up on areas of business that were currently duplicated. Both members gave their endorsement to the PCC to investigate the collaboration further.

44.2 The Chief Executive from the OPCC presented a report which gave members an overview of the extent of collaboration within Dorset and the potential implications for the current review with Devon & Cornwall Police. He noted that he would be meeting again with the Lead members to keep them informed of any developments.

Noted

Dates of Future Meetings and Programme of Future Business

45. The Panel considered and agreed its work programme for the remainder of the year 2014.

Resolved

46.1 That the next meeting of the Panel be held on Monday 10 November 2014, 10.00am

46.2 The dates for future meetings be agreed as follows:

- Thursday 11 December 2014, 10.00am, Training and Development session for all members
- Tuesday 13 January 2015, 10.00am, Finance Workshop for all members
- Thursday 5 February 2015, 10.00am (Precept meeting)
- Friday 20 February 2015, 10.00am (Reserve date)
- Tuesday 9 June 2015. 10.00am
- Thursday 10 September 2015, 10.00am
- Tuesday 10 November 2015, 10.00am
- Thursday 10 December 2015, 10.00am, Training and Development Session for all members

Questions

47. No questions were asked by members.

Meeting Duration: 10.00am – 12.50pm