



Police & Crime Commissioner for Cleveland
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Chief Executive & Monitoring Officer:

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PCC Scrutiny, Delivery & Performance Meeting

Date: 20 December 2017
Time: 10am
Venue: PCC Conference Room

Agenda

| | | Presented by |
|----|--|---------------------|
| 1. | Apologies For Absence | |
| 2. | Declaration of conflict of interest/disclosable pecuniary interest | |
| 3. | Notes of the previous meeting – 29 November 2017 | |
| 4. | Strategic Direction | Cleveland Police |
| 5. | Any Other Business | |



Scrutiny, Delivery & Performance Meeting
Wednesday 29 November 2017
10.00pm
PCC Conference Room, Police Headquarters, Ladgate Lane

Present

Barry Coppinger - Police and Crime Commissioner
Louise Drummond – Head of Performance, Quality and Review, Cleveland Police
Jo Gleeson – Chief Finance Officer
Joanne Hodgkinson – Assistant Chief Executive, OPCC
Judith Nellist – Commissioners Officer for Scrutiny and Policy, OPCC
Simon Nickless -Deputy Chief Constable, Cleveland Police
Michael Porter – Chief Finance Officer for the PCC
Elise Pout - Standards and Scrutiny Manager, OPCC

1. **Apologies for absence**
Simon Dennis, Chief Executive and Monitoring Officer, OPCC
2. **Declarations of Conflict of Interest/Disclosable Pecuniary Interest.**
None declared.
3. **Notes of the Previous Meeting**
The notes of the following meeting were approved for publication.
 - i. 3 October 2017
 - ii. 25 October 2017

Cleveland Police – Corporate Financial Monitoring Report to 31st October 2017

4. At the Scrutiny, Delivery and Performance meeting on 29 November an update was provided on the Corporate Financial Monitoring Report to 31 October 2017 by the Chief Finance Officer. The report outlined that the overall year end forecast was for an overspend of £520k which was linked to the extra 1% bonus payment to Police Officers approved by the Home Office in September, along with the overtime costs associated with reassurance patrol and general overtime pressures within commands. The 2017/18 cost of the Police Officer bonus was approximately £320k which could not be absorbed within current spending, the overspend on the bonus was partially mitigated against savings made on Police Officer pay due to early retirement and the move of officers into collaborative roles.
5. It was outlined that savings were required against pay and non pay budgets and the Force had adopted an approach which saw close working with commanders, looking across the force at financial issues and avoiding a 'silo' approach to separate budgets. Commanders and Heads of functions were reminded of the savings required at the monthly finance meetings and it was noted that colleagues had worked hard together in order to reduce overspend. It was also noted that if the same pay award was approved for police staff then that would add another £120k on top of the £320k needed for police officers.

6. The forecast for the non-pay budget was an overall overspend of £335k and the major variances were set out within the report. A detailed analysis of the expenditure split was given in the report. The collaborations were showing as breakeven as was the capital budget.
7. In regard to the capital budget an update was provided on the key schemes including the Community Safety Hub, the Learning and Development Centre, the Force Armoury, Thornaby Fire Station and equipment schemes including ANPR equipment and the key management system.
8. A robust approach had been taken in regard to planning and spending on ICT which had worked well. Information from the Head of Service was now provided as part of the budget planning process on the totality of ICT schemes. The PCC asked if we could be assured that the ICT facilities would be improved in the new hub. It was noted that an awful lot of work and expertise had gone into ensuring that this would be the case, for example information had been moved to cloud and the Force was putting in the best equipment it could afford.

Action – that the information was noted

PCC Budget Monitoring Report to 31st October 2017

9. The Chief Finance Officer for the PCC detailed the budget monitoring report to 31 October 2017. The £850k budget for the OPCC was expected to spend all funds allocated and income received was forecasted to be £250k more than the original budget.
10. The budget was made up of the following
 - £850k to run the office of the PCC
 - £8,950k for Corporate Services
 - £3,245k to support PCC initiatives and Victims and Witnesses Services, including £1,250k to invest in Neighbourhood Policing.
 - £119,835 to the Police Force
 - £750k to the Capital Programme
 - Supported by £1,925k from Reserves
11. Income and funding – The PCC set the budget based on receiving income and funding of £131,705k and the report detailed the actual levels of income forecast to be received and the variances. The budget was increasingly tight having been reduced by £350k (or 30% in cash terms) over the last 5 years.
12. It was noted that the finances of the organisation were very tight, with the best service possible being delivered within the budgetary constraints. As noted in the previous report, there were a number of areas which caused pressure and were being closely monitored. The staff pay award had not been concluded and it was expected to result in an additional pressure for the organisation.

Action – that the information be noted

Long Term Financial Plan (LTFP) 2018/19 to 2021/22 and Capital Plans 2018/19 to 2021/22 Update

13. The Chief Finance Officer for the PCC outlined the changes since the last report on the LTFP that was approved in February. It was noted that the plans relied on assumptions and estimates about the future which were outside of the control of the organisation and those associated risks were outlined

in the report and would be kept under review. As with previous reports the pressures outlined included the effect of inflation and pay awards. A further update would be provided to the PCC when the actual Government Grant settlement figures were announced in December.

14. In summary, forces were still feeling the effects of inflation, despite flat cash settlements and that costs were being shunted from other public services . It was noted that 999 calls were at record levels, demand was increasing, recorded crime had increased, crime was more complicated and the risk of terror attacks had also risen. This was against the landscape of falling officer numbers: since 2010, the workforce has reduced nearly 19%.
15. The funding formula review had not progressed as expected and the Provisional Police Settlement was expected to be published in December.
16. Funding from the Precept provided for only 25% of the Net Budget Requirement and the assumption made through the plan was that the precept would continue to increase at a rate of 1.99% per annum.
17. The report outlined the expenditure plans including expenditure for the office of the PCC, Community Safety and Victims and Witnesses Commissioning and Corporate Services. The vast majority of the funding available was provided to the Chief Constable. The projected position of the overall finances available to the PCC was based on a significant number of assumptions, including that the Force could contain costs and deliver the level of services required within the financial constraints detailed within the report.
18. The risks were outlined as follows
 - Pay awards higher than assumed
 - Any differences between the future year's actual Government Grant settlement and estimated figures
 - The impact of the funding formula review
 - Legacy Council Tax grants being reduced
 - Variations in the estimated and actual declared tax base
 - Changes in the referendum limits for Precept increases
 - Increasing costs of the employers Pension Contribution
 - Inflation and borrowing costs
 - The ability and capacity to absorb growth/cost pressures and/or deliver savings
 - Ability to deliver the savings included within the plans and within the timescales.
19. Reserves were reducing and it was noted that the use of reserves was not the answer to support current imbalances in the financial plans. The PCC would only have sufficient funds available to support the current plans of the Police Force over the current year and the next 5 years, provided that some resources could be provided to the Capital programme from the revenue budget. Given the current revenue budget did not yet balance there was further work to do between now and setting the budget in February to establish the balance of priorities between Revenue services and Capital investment.
20. The position was summarised as one of a challenge, based on external factors in terms of increasing costs and static income. The Force was not spending money it didn't have or spending on what it couldn't afford and over the next few months difficult decisions would have to be made on how any gap in finances was to be funded. To put the picture in to context it was also noted that nationally, the financial picture was the same.

Actions – That the information was noted

Cleveland Police Long Term Financial Plan (LTFP) 2017/18 to 2020/21

21. The Chief Finance Officer for Cleveland Police presented a report which outlined the Force's financial position with regard to the current LTFP. The LTFP approved by the PCC in February was based on a series of assumptions which had been re-examined in the report.
22. It outlined the situation in terms of how the Force could 'claw back' the savings in the financial sustainability plan and how that looked in the future based on assumptions. The current challenges were outlined – and as noted in previous reports that included the need to make large scale savings (£500k), funded through police pay, reduction in contingency funding, fleet repairs and maintenance, cost of apprentice levy, learning development centre costs, cloud based budget, Job Evaluation provision and savings in relation to Evidence Based Practice
23. The Force was also required to make savings in future which consisted of £2.5m in 2018/19 and £2.9m in 2019/20. It was also noted that those figures may be required to go even further due to external pressures such as inflation and pay awards.
24. As previously stated the Force would find further savings extremely challenging as a reduction in officers of 34 this year rising to 54 next year would have already been deleted, deep dives into other non-reviewed areas of business will have been completed, workforce modernisation would be well underway and any unnecessary non-pay costs would have been removed. Leaving only a further review of what services were currently provided and whether they could be reduced or deleted with minimal impact on our communities.
25. The PCC asked about the cost implications of the Sopra Steria contract coming to an end but it was noted that any impact would not be until the end of the current LTFP. However there could be costs associated with a transition, review or renew and that it would become one of the key priorities for the organisation to deliver.

Actions – That the contents of the report and emerging financial risks be noted

PCC Scrutiny Questions

26. The PCC sought information on the following:

Radox

27. At the Scrutiny, Delivery and Performance meetings in March and July the PCC sought information on the implications of the recent reports into the manipulation of drug tests undertaken by the Radox company. The DCC provided an update on the position.
28. A national report came out in November and it was noted that DCC James Vaughan was taking a national lead on behalf of all forces. It was also noted that the situation with Radox had affected 42 forces nationally. Last week details were released about the approach which was being taken nationally. A prioritisation of cases had also been done nationally, which had resulted in 10,000 cases for review on top of any other daily work. Of those, 7,500 were for road traffic offences, but it did also include more serious offences. The order of prioritisation was based on live cases on trial or people in custody, convicted not sentenced, then live police investigations where decisions were awaited and then those resulting in acquittal were there was NFA. The DCC outlined that the Force would align to the national approach and that it will take a period of time to through the previous cases.
29. A regional framework was being chaired by North Yorkshire. In Cleveland 220 samples had been affected of which, 11 were crime related. There had been 26 that had been recalled for testing of which 12 had identified different results. It was the responsibility of the CPS to disclose that

information to defendants.

30. In seeking information about the risk and liability, the PCC was told that those issues were being considered through the Gold Group.

Action – further updates to be provided where necessary

Hate Crime

31. In October 2017, it was reported in national media that there had been a four month spike in hate crime. The increase was thought to reflect both a genuine rise of hate crime incidents and improvements in crime recording made by the police. The Force was asked to provide an updated position on recent hate crime statistics in Cleveland?
32. It was reported that there had been 1,132 hate crime incidents which was an increase of 18% and the majority were race related, of which 892 had been turned into a crime. The Force worked on the assumption that a lot of hate crime was under reported. Details were given on the investment in new roles put in place in the area in order to give the public confidence. There was no empirical evidence to show that certain events could be linked to spikes in Hate Crime, however spikes did occur and those spikes were not uncommon to the national picture. The DDC outlined how the Force continued to work on strengthening communities and how investment had helped enable the prevention and better investigation of hate crime.
33. It was also noted that at the recent Tactical Performance Group meeting, performance issues in relation to hate crime satisfaction had been highlighted and hate crime lead inspector lead Phil Morris was to work to with Commanders on how the Force approached improving investigations and to also build in scrutiny and accountability in relation to hate crime investigations.

Redesign of the Force Website

34. The Cleveland Police website had been refreshed and the PCC had received some feedback regarding accessibility issues with the translation into different languages. The Force was asked to provide some assurances that they were confident the website was accessible to people whose first language was not English.
35. The PCC was given assurances that several products had been used which enabled the user to change the background colour and font size for easy reading. Where any specific issues were found, they should be directed to Michael Beevor.

Volunteer Recruitment

36. The Force was asked to provide an update on the recent Volunteers' Fair and its outcome? Jason Harwin was identified as the regional citizens in policing lead and would be responsible for adopting good practice in this area. At the Criminal Justice Fair held on 31 October there had been 27 expressions of interest in volunteering with the Force.

Complaints

37. In the most recent IPCC statistics the Force has the longest number of days taken to finalise allegations by local investigation, 620 days, compared with all other forces. (1 April to 30 September 2017). The Force was asked to provide an explanation for this and what improvements would be made to improve on this statistic?
38. As part of the Transformation of PSD, improvements to practices had been implemented and it was noted that the new average figure was 107 days which was significant progress. The reason for the figure of 620 days had related to 1 single investigation with 36 allegations, an audit of cases on the

system, undertaken as part of the aforementioned improvements, had resulted in uncovering an administrative oversight that had meant that that particular case had remained opened despite actually being closed.

Any Other Business

39. None



Scrutiny, Delivery & Performance Meeting

20 December 2017

Strategic Direction

Purpose of the Report

1. In December 2015 the Police and Crime Commissioner (PCC) set out his strategic direction in response to litigation. That direction set out clear expectations for Cleveland Police arising from issues highlighted in the judgement including ensuring tolerance and fairness within the Force underpinned by the national police Code of Ethics. Huge progress has been made to date however it is timely and appropriate to revisit the work that has taken place since that direction was set.

Information Required

2. A brief, consolidated update presentation incorporating a proportionate level of detail on the following key themes:

Support and Welfare

- a) What initiatives have been put in place to improve staff wellbeing and how successful have those initiatives been?

Legal Issues

- b) Could the Force provide examples of appropriate forms of Alternative Dispute Resolution that have brought about timely and lasting solutions?

Conduct and Discipline

- c) How does the Force deal with conduct from litigation?
- d) How does the Force comply with IPCC discrimination guidance?

Professional Standards

- e) The strategic direction called for changes to be made to complaints handling and professional standards activity and for an appointment to be made to the lead role and the Transforming Professional Standards programme has been underway since January 2017 to do just that, could the Force provide information on how the new Standards and Ethics Directorate will be different and what improvements have been put in place to date?

Organisational Development

- f) A broad programme of organisational development was called for to strengthen and embed appropriate behaviours across the Force; the Everyone Matters Programme was then introduced as a result. Could the Force provide details of the difference the programme has made to officers and staff within the Force, particularly around ensuring that individuals feel supported within the organisation?

Communications

- g) An appropriate transparency strategy was called for, how has it been embedded into practice and how does the Force ensure that this policy of transparency will be carried through into the Standards and Ethics Department.

Actions Arising

3. Note the information received and seek any further details where appropriate.