

DERBYSHIRE POLICE AND CRIME PANEL

**REPORT OF THE DIRECTOR OF LEGAL SERVICES OF DERBYSHIRE
COUNTY COUNCIL**

PCC BUDGET WORKING GROUP UPDATE REPORT

26 May 2016

1. Purpose of Report

To update the Panel of the working group's work in challenging and supporting the PCC's budget and financial performance.

2. Information and Analysis

The Panel agreed at its pre-meeting on 28 January 2016 to establish a working group to look in more detail at the PCC's in year and longer term budgets. It was agreed that the working group be made up of Councillors Ellis, Murray, Robinson and Claff. Subsequently Councillor Robinson had to withdraw from the working group.

The working group held its first meeting on 4 April 2016. The meeting notes can be found in appendix one.

Members of the working group discussed the current provision of financial information both to the Panel and the Strategic Governance Board. Members were also informed of practices from other Police and Crime Panels in relation to using working groups to review budgets.

A way forward was proposed, which included an initial meeting to be held with the Office of Police and Crime Commissioner on the 2 June. The objective of the meeting will be to clarify what will be of value to monitor given the Panel's remit.

The working group believe that the work on budget monitoring should be a standing item. Membership of the standing working group should be done on a yearly cycle. New Members can come on board to develop knowledge of the Panel, although there should not be a full change of Membership composition all at once. As such, it is proposed that quarterly budget monitoring, in respect of the PCC's budget, is delegated to the working group.

The working group also propose to report back the Panel at each meeting to update on the work carried out. The working group envisage that regular

reporting to the Panel will ensure it is fully informed and can deliver its duty to the best of its ability on reviewing the PCC's pre-cept proposal.

3. Other considerations

In preparing this report the relevance of the following factors has been considered: financial, legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health and transport considerations.

4. Background papers

Files held by the Improvement and Scrutiny Officer.

5. OFFICER'S RECOMMENDATIONS

That the Panel approve;

1. the delegation of PCC budget monitoring to the working group
2. establishment of quarterly budget monitoring meetings
3. that budget monitoring becomes a standard item with representation of the standing working group reviewed on a yearly cycle.

John McElvaney

Director of Legal Services

Derbyshire County Council

Police and Crime Panel Working Group – OPCC Budget

Meeting Notes 04/04/2016

Present:

- Cllr's Claff, Ellis and Murray
- David Rose (Improvement and Scrutiny Officer)

Introduction

The working group met for the first time to discuss how to take forward appropriate challenge and support of the Office of the Police and Crime Commissioner's (OPCC) budget.

Scope of working group

Members of the working group reviewed the OPCC budget scoping report as presented to the Police and Crime Plan in March 2016. Members also reviewed examples of financial reports that have been presented to the Panel in the past, as well as to the PCC's Strategic Governance Board. Additionally, Members received examples of other Police and Crime Panel's use of working groups in relation to budget monitoring, for example Warwickshire County Council. The following points were discussed and noted:

- The working group needs to better understand the financial processes that the Police and the OPCC operate under.
- The working group also needs to understand what potential service impacts there are as a result of financial decision being made. This includes how it impacts on each Police and Crime Plan objective.
- The working group discussed how best to understand the changes to levels of service in relation to any financial decision that is being made. It was noted that a key question for any financial decision is "what will the service impact be?" Potentially, the working group could seek evidence from witnesses and conduct public consultation on this.

- The working group will be mindful of the savings that have been already been targeted due to historic Police Grant Settlements. Ensuring this message is put across is important, especially when the recent settlement was 'protected' (predicated on PCC's raising their pre-cept by 1.9%).
- The PCC operates on a finite budget (eg Government Grant and Pre-cept) and therefore has to make decisions on resource allocation in conjunction with the Chief Constable. This includes in areas of service which has added to the responsibility of the Police, such as counter-terrorism and safeguarding.
- The working group will always keep in mind their remit of challenge and support of the PCC.

Proposed way forward

The working group agreed to take the following forward:

- An initial meeting to be held with the County Council's Financial Officer, the OPCC Treasurer and the Chief Finance Officer from the Police.
- The objectives of the meeting are:
 - For the working group to be informed of the financial processes and timetable of budget monitoring
 - For the working group to inform the Police and OPCC of their work in budget monitoring
 - Setting up of quarterly budget monitoring meetings (subject to agreement of the Police and Crime Panel)
- The working group will make a recommendation to the Panel that it is a standing item. Membership of the standing working group should be done on a yearly cycle. New Members can come on board to develop knowledge of the Panel, although there should not be a full change of Membership composition all at once.
- The working group will report back the Panel at each meeting to update on the work carried out.

- The working group envisage that regular reporting to the Panel will ensure it is fully informed and can deliver its duty to the best of its ability on reviewing the PCC's pre-cept proposal.

Actions:

- **Set up meeting between working group Members and DCC, OPCC and Police financial representatives**
- **Produce a report on the working group's activity for the next Panel meeting in May 2016.**