

CUMBRIA POLICE AUTHORITY

Minutes of a Meeting of Cumbria Police Authority held on Wednesday 17 February 2010
in the Conference Room, Cumbria Rural Enterprise Agency, Redhills, Penrith
commencing at 10.05 am.

PRESENT

Mr R Cole (Chair)

Mr Alan Barry
Mr Jim Bland
Mrs Christine Egan
Mr Patrick Everingham
Ms Beth Furneaux
Mr Andrew Hampshire
Mrs Jill Heath

Mr Rob Huck MBE
Mrs Margaret Johnson
Mrs Joke Maes
Mr John Mallinson
Mrs Lynda Shaw
Mr Peter Thornton
Mr John Woolley

Also present:

Chief Executive (Mr C Alcock)
Treasurer (Mr D Thomas)
Policy and Performance Officer (Ms N Brooker)
Chief Constable (Mr C Mackey)
Assistant Chief Constable (Mr J Graham)
Constabulary Director of Finance and Resources (Mr M Thompson)
Constabulary Director of Personnel and Development (Ms J Bancroft)
Committee Services Officer (Mrs J Head)

PART 1 – ITEMS CONSIDERED IN THE PRESENCE OF THE PRESS AND PUBLIC

Prior to the commencement of the meeting the Chairman presented to the Lake District Search and Mountain Rescue Association (LDSAMRA) a cheque in the sum of £15,000. Following their invaluable assistance during the floods in West Cumbria much of their clothing and equipment had to be destroyed due to contaminated flood water. The donation by the Police Authority was to assist the LDSAMRA to replace this clothing and equipment and to help them to improve their resilience in the event of future assistance to the authorities during civil contingencies.

The Chair also took the opportunity to thank the Chief Executive on behalf of the Police Authority for all his hard work during the past 7 years and wish him well, as this would be his last Police Authority meeting before taking early retirement in March 2010.

127. APOLOGIES FOR ABSENCE

Apologies for absence were received from Ms E Barraclough

128. URGENT BUSINESS AND THE EXCLUSION OF THE PRESS AND PUBLIC

There were no items of urgent business to be considered by the Committee. Members were advised that agenda item number 20, Estates Strategy, was to be withdrawn from the agenda and would be presented to the Police Authority at its meeting in March 2010.

RESOLVED, that under section 100A(4) of the Local Government Act 1972, (as amended), the press and public be excluded from the meeting during consideration of the following items on the grounds that they involve the likely disclosure of exempt information as defined in the paragraph indicated in Part 1 of Schedule 12A to the Act –

| <u>Item</u> | <u>Title</u> | <u>Paragraph</u> |
|-------------|----------------------------------|------------------|
| 19 | Capital Strategy Business Case | 3 |
| 21 | Police Authority Meeting Minutes | 1 |

129. DISCLOSURE OF PERSONAL INTERESTS

There were no disclosures of any personal interest relating to any item on the Agenda.

130. MINUTES

The Chairman presented the minutes of the Police Authority Meeting held Tuesday 19 January 2010, which had previously been circulated with the Agenda for the meeting.

In relation to Minute No 113 (c) and the Scafell Project, a member asked what progress had been made in relation to the continued financing of it. Assistant Chief Constable Graham advised that following discussions, the Safer Stronger Thematic Partnership and the county's Drug and Alcohol Action Team (DAAT) would be providing additional financial support in the next financial year for the project as would the Constabulary. He advised that work was being undertaken to secure longer term financial security for the Scafell Project.

A member asked what the Constabulary's policy was in relation to police officers patrolling in pairs. Assistant Chief Constable Graham advised that it was not the Constabulary's policy for officers to patrol in pairs unless a particular situation warranted it.

RESOLVED, that, the Minutes of the meeting of the Authority held on 19 January 2010 be confirmed as a correct record and signed by the Chair.

131. QUESTIONS FROM THE PUBLIC

Members were advised that no questions from the public had been received.

132. FEEDBACK FROM THE PUBLIC

The Chief Executive presented a report detailing comments and feedback received by the Authority from members of the public since the Authority's last meeting on 19 January 2010. It was the Authority's responsibility to take account of public views especially those given in relation to the budget process which would be decided upon later in the agenda.

In relation to the Community Liaison Forum meeting held in Carlisle on 12 January 2010, a member asked how the Authority could be assured that people with Mental Ill Health issues were dealt with appropriately in custody and that staff and officers received relevant training. The Chief Constable advised that HMIC (Her Majesty's Inspector of

Constabulary) and HMIP (Her Majesty's Inspectors of Prisons) had completed an inspection of all custody suites in Cumbria in September 2009 where this issue had been flagged up. Assistant Chief Constable Graham advised that discussions were being held with health professionals in relation to dealing with people with Mental Ill Health issues whilst in custody. Police officers, police staff and PCSOs (Police Community Support Officers) were given awareness training to help them identify and deal appropriately with people with such issues.

The Chairs of the Authority's Community Liaison Forums thanked the Treasurer for attending the meetings in January to explain to members of the public the various budget options being considered and what this would mean to Council Tax payers.

RESOLVED, that the report be noted.

133. EFFICIENCY AND VALUE FOR MONEY

The Director of Finance and Resources presented a report detailing the joint Police Authority and Constabulary Efficiency and Value for Money Strategy. Detailed were the efficiencies currently achieved in 2009-10 with proposals for a three year efficiency target commencing in 2011-12 culminating in 2013-14, which was the Authority's responsibility to set and which were based on proposals worked up with Authority Officers. Over that three year period the Constabulary would need to achieve £9m in efficiencies, £6m of which would be cash savings to match budget requirements and £3m on improved productivity. This was in line with the Government's aspirations in the white paper for the whole police service to become more efficient.

The setting and scrutiny of the Constabulary's efficiency achievements would be undertaken by the Authority's Policing Plan and Performance Committee throughout the financial year.

The proposed Value for Money Statement identified the seven ways in which the Constabulary would strive to become more efficient and productive. These were:-

- Improved deployment of Officers and Staff
- Reductions in overtime spending
- Process improvements and reduced bureaucracy
- Adoption of national frameworks for procurement
- National coverage of information technology
- Reduction in proportion of budget in support services
- Reduction in overheads.

Members were advised that the value for money statement would be incorporated into the Policing Plan which members would be approving later in the agenda.

The Treasurer assured members that the proposed Efficiency and Value for Money Strategy reflected both the Constabulary and Police Authority's views.

In response to a question from a member on whether the efficiencies from the BCU reviews would be realised, the Chief Constable advised that these were being well developed and would be realised in 2010-11. A paper to be discussed later in the

agenda provided a fuller picture of the position of the Constabulary's Structure Review programme.

Although the report detailed that there would be a shortfall of £633k against the total planned efficiencies in 2010-11, the members were assured that these would be achieved within the overall three year period.

- RESOLVED,** that, the
- (i) report be noted;
 - (ii) role of the Police Authority in setting efficiency targets and monitoring efficiencies made and value for money be noted;
 - (iii) proposed efficiency target for 2010-11 be re-affirmed;
 - (iv) indicative three year efficiency target covering the period 2011-12 to 2013-14 be agreed;
 - (v) Authority's Policing Plan and Performance Committee be delegated to scrutinise the arrangements for the delivery of efficiencies in 2010-11; and
 - (vi) Value for Money Statement be incorporated into the Policing Plan.

134. POLICING PLAN 2010-11 to 2012-13

The Chief Constable presented the proposed Policing Plan for the period 2010 – 2013. The Policing Plan essentially set out how policing would be delivered within Cumbria for the period of the plan. He advised that the Constabulary's performance continued to be good with Cumbria having the lowest levels of burglary and robbery in England. A draft of the Policing Plan had been presented to the Authority's Policing Plan and Performance Committee at its meeting in January 2010 where it had been agreed to recommend its approval to the full Police Authority.

The Policing Plan and Performance Committee would monitor the Constabulary's performance against the Policing Plan. This would be done against an agreed set of performance measures and targets which would be finalised at the Policing Plan and Performance Committee meeting on 22 February 2010.

A member asked if a list of acronyms could be included in the plan to assist members of the public understand some of the abbreviations. The Chief Constable agreed that this could be included.

A member asked whether the plan included particular focus on Children and Young People as this had not been easily identifiable to them. Assistant Chief Constable Graham stated that should it be necessary additions in relation to this area of work could be included. This would be discussed in the Policing Plan and Performance Committee meeting on 22 February 2010.

In relation to how the Constabulary had responded to audits and inspections a member asked that details of the levels of scoring be provided to illustrate how the Constabulary had performed.

In response to a question from a member the Chief Constable advised that the results of the HMIC Policing Pledge inspection and the Constabulary's plan to improve major crime services re-inspection would be included in the Policing Plan once they were published

in mid March. The Policing Plan once approved would be issued by the end of March and published on both the Police Authority and Constabulary's websites by the end of June 2010.

The members thanked the Constabulary and Authority Officers for all their hard work in creating the Policing Plan.

- RESOLVED,** that,
- (i) the report be noted;
 - (ii) the Policing Plan 2010-2013 be **approved**;
 - (iii) Police Authority Chief Executive and the Chair of the Authority be given delegated authority to agree any amendments requested by the Police Authority;
 - (iv) the Policing Plan and Performance Committee be given delegated authority to develop and agree the suite of performance measures for monitoring the Policing Plan; and
 - (v) a list of abbreviations be included in the Policing Plan.

135. BUDGET PROPOSALS FOR 2010-11 AND MEDIUM TERM FINANCIAL FORECAST TO 2013-14

The Chief Constable presented a report which outlined the revenue budget proposals for 2010-11 and the Medium Term Financial Forecast (MTFF) to 2013-14. The paper built on previous reports to the Authority in December 2009 and January 2010 with an assumption that the increase in Council Tax precept would be limited to 3% as previously indicated by members. It was noted that, with few exceptions, there had been little change to earlier assumptions, to the extent that they impacted upon the Constabulary in 2010-11.

In June 2009 the MTFF brought to member's attention the emerging public funding gap and contained within the report were the longer term estimates of savings and efficiencies which would be required to sustain the budget. The Government grant funding for 2011 onwards would not be known until December 2010.

Members were advised that should the Constabulary have to implement national initiatives, there had been no provision made for this within the budget. Final calculations of the continuation budget were now completed which amount to £106m. The report also contained principal assumptions against the budget areas.

The Chief Constable advised that police officer recruitment had been frozen with 30 posts currently vacant, and this may have to be made into a recurrent saving. The Constabulary were undergoing a workforce modernisation programme which could see the civilianisation of some posts where appropriate. Non recruitment and the minimisation of redundancies would allow the Constabulary headroom for the current and future years.

A member asked how the Chief Constable proposed to align his vision for the Constabulary with that of the Authority's. It was proposed that the Authority and Constabulary have joint strategy days where such issues could be discussed and an agreed vision be driven forward.

Members were concerned about the Constabulary's ability to make enough budget savings to balance future budgets and stated that the Constabulary would need to progress quickly the areas identified by the Structures Review and workforce modernisation programme. The Chief Constable assured members that everything in the budget was deliverable and the Constabulary hoped to get more savings from the budget than those identified.

RESOLVED, that, the
(i) report be noted; and
(ii) 2010-11 budget proposals be endorsed.

136. CAPITAL PROGRAMME 2010-11 AND BEYOND

The Director of Finance and Resources presented the proposed Capital Strategy for 2010-11 and beyond which updated members on currently approved capital schemes and proposed new capital schemes.

Broadly the current schemes were on schedule with some slippage into the 2010-11 financial year. The Authority's Governance Committee would receive a detailed report in relation to the schemes at its meeting on 24 February 2010.

Members were advised that future schemes would be smaller in their nature and be around the replacement of fleet, radio and IT equipment. The report illustrated how existing and new schemes would be funded. Where borrowing was being considered the Constabulary would need to show that the scheme was prudent, affordable and sustainable which they were confident that they were and anticipated that gains could be made.

A member asked why the cost for the Finance and HR system upgrade had gone from over £500k to £350k. The Director of Finance and Resources advised that under the scheme of delegation BCU's held local funds for contingencies some of which had been netted off to finance this scheme. Members were concerned that if reserves were being used to finance capital programmes then the overall cost of the scheme would not be apparent. The Treasurer advised that highlighted within appendix 7 of the next agenda item were the figures in respect of all reserves, including the anticipated movements over the period to 2013-14. It was agreed that future reports would illustrate if any reserves were contributing to the cost of a scheme.

An additional scheme was proposed to the 2009-10 capital programme to redesign the layout of the ground floor of the West BCU HQ at Workington following flood damage. The initial estimate for this work was £150k. Members asked why when the Authority's Estates Working Group had met on 3 February that they had not been advised of this proposal. The Director of Finance and Resources stated that the business case had not been ready at the time of the meeting. However members stated even so they could have been given an outline of the proposed works, even if all the details were not available.

A discussion took place as members were not happy to approve the Capital Strategy without fully discussing the business case regarding West BCU at Workington. Following advice from the Chief Executive it was agreed that the press and public would be asked to leave the meeting whilst members discussed the Part 2 item.

(NOTE: The press and public left the meeting at this point)

PART 2 – ITEM TO BE CONSIDERED IN THE ABSENCE OF THE PRESS AND PUBLIC

Capital Programme Business Case

The ground floor of Workington Police Station had been damaged following the floods in West Cumbria in November 2009. Rather than restore the building in the same layout as before it was proposed, amongst other things, to change the layout of existing rooms by creating open plan offices, utilise more effectively existing smaller rooms and creating a disabled toilet. Experience gained from the new Durranhill Police Station had been applied to the business case.

Members were advised that the cost of these works to the Constabulary would be £150k and would be undertaken by the PFI (Public Finance Initiative) management agents. They asked whether this was a finalised or estimated cost. The Director of Finance and Resources stated that this was an estimated cost at present.

The business case advised that the Constabulary did not consider that there would be any impact to the current financial charges to the PFI unitary charge following these works. Members sought and were given assurance that none had been identified during the ongoing discussions to date.

Members discussed the merits of altering the layout of the ground floor of Workington Police Station and agreed it would be a better and more efficient use of space. As the building over 20 years old, modification works may be required in the future and to carry out works now would minimise disruption in the future.

Members noted that on the drawings for the proposed changes to operational areas a canteen and servery were detailed and asked whether facilities similar to those at Durranhill were going to be provided. They were advised that this was not a proposal and that the changes to the rooms would only be providing the existing facilities.

PART 1 – ITEMS CONSIDERED IN THE PRESENCE OF THE PRESS AND PUBLIC

Having made their decision the members invited the press and public back into the meeting.

RESOLVED, that, the

- (i) report and the proposed Capital Programme for 2010-11 and beyond be noted;
- (ii) latest estimates of expenditure against current schemes be approved;
- (iii) delegated approval of the new scheme in respect of Mobile Armed Support to Surveillance Teams, which is to be funded by a contribution from the revenue account, be confirmed;
- (iv) redevelopment of the ground floor at Workington BCU HQ to make more effective use of space be approved; and

- (v) further £100k draw down of the mobile working budget to allow the extension of the current pilot scheme for mobile devices in West BCU to other BCUs be approved.

137. TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL INDICATORS 2010-11 to 2011-12

The Treasurer presented a report, submitted jointly with the Chief Constable, which detailed the annual review of the Treasury Management Strategy for the financial year 2010-11. A set of Prudential Indicators were also included, as set out in the CIPFA Code of Practice for Capital Finance in Local Authorities.

The Local Government Act 2003 required the Authority to approve an investment strategy and, so far as Cumbria Police Authority was concerned, annual investment strategies had always been limited to counterparties with high credit ratings. Given the banking events of 2008, the Police Authority had limited counterparties in 2009-10 to the seven, named UK Banking Institutions with access to the government's credit guarantee scheme; five named Asset Management Funds with 'AAA' status and constant net asset value; Local Authorities; and the Government Debt Management Office. This was in line with external advice from the Authority's Treasury Management advisors.

The Treasurer highlighted to members a strategic change for the proposed 2010-11 strategy in relation to the Counter Party Selection Criteria. Following consultation with the Authority's treasury advisors, Alringclose Limited, it was proposed that the Authority's investment portfolio be extended to include non UK banks. These would be of a significant stature in highly rated sovereign states with Government support mechanisms. Members were assured that any investments would be subject to an analysis of the bank's credit ratings, credit default swaps, the GDP and debt as a percentage of GDP in the country of origin. By allowing the Authority to undertake such investments would further open up competition and competitive investment rates.

RESOLVED

- that, the
- (i) report be noted;
 - (ii) Strategy for Treasury Management as set out in paragraph 4 of the report be **approved**;
 - (iii) Prudential Indicators for 2010-11 as described in paragraph 5 and as set out in detail at Appendix 3 of the report be **approved**;
 - (iv) Minimum Revenue Provision Policy Statement for 2010-11 as set out in paragraph 6 of the report be **approved**; and
 - (v) Changes to the criteria for drawing up the lending schedules, the limits on individual investments as set out at Appendix 1 and the revised schedule of investment counterparties required by the Code of Practice as set out at Appendix 1 of the report be **noted**.

138. BUDGET AND COUNCIL TAX REQUIREMENTS 2010-11

The Treasurer presented a report that updated Members on the Final Grant Settlement and advised on all aspects to be considered for approving the budget: - Revenue – Capital – Council Tax – Precepts and Efficiency Targets. The report was supported by

19 appendices, including a model resolution for the budget proposed for consideration by the Authority.

In particular, the report addressed –

- (a) the Local Government Financial Settlement for Policing in 2010-11 and indicative figures for 2011-12;
- (b) the revised budget position for the year to 31 March 2010; and recommendations on revised contributions to and from earmarked reserves to reflect the savings identified;
- (c) the capital programme presented by the Chief Constable(see agenda item 8);
- (d) the budget option prepared by the Chief Constable at the request of the Authority (see agenda item 6) and the decisions which the Authority is required to make;
- (e) the level of budget savings required to be made over the outlook period to 2012-13 and beyond;
- (f) the legal requirement on the Treasurer to report on the robustness of the estimates and the adequacy of the Authority's Balances and Reserves;
- (g) Ministerial guidance on increases in council tax for 2010-11;
- (h) the Budget Requirement, Basic amount of Council Tax and the Precepts required to support the budget proposal put forward by the Chief Constable;
- (i) the key dates for receiving reports on the development of the 2011-12 budget and strategic plans;
- (j) a recommendation to establish a Finance Working Group as a basis for engaging with the Chief Constable in developing the 2011-12 budget, on which the Authority had called for an early discussion paper.
- (k) a combined and comprehensive model resolution for the budget proposal including the capital programme and which can be used to propose a revenue and capital budget and all of the necessary statutory determinations for 2010-11.

The Treasurer reminded members that when the Authority set the 2010-11 Budget and Precept, at least half of the total membership of the Authority must vote in favour of a budget; including more than half of the County Council members appointed to the Authority (irrespective of the numbers present or voting).

Member's attention was drawn to the finalisation of the tax base and collection fund and the fact that there had been an actual increase resulting in an additional income of £163k compared to the initial planning assumptions.

The Treasurer reminded Members that Section 25 of the Local Government Act 2003 required that the Chief Financial Officer (in the case of Cumbria Police Authority their Treasurer) must report to the Authority on the robustness of the estimates and the adequacy of the Authority's Reserves and Balances. He advised members that the estimates were robust and that any risks were clearly spelt out and proportionate. The current balance and reserves supported the proposed budget for 2010-11 although given the current economic and political climate could not be guaranteed thereafter.

Mr R Watson advised that he wished to propose an amendment to points 3 and 5 only of the draft resolution - Revenue Budget, Precept and Capital Programme 2010-11 as set

out in Appendix 19. The Chief Executive asked that in order for Mr Watson to propose his amendment the members would need to propose and second the motion in respect of the Chief Constable's budget proposals as it currently stood. Mr J Bland duly proposed and Mrs L Shaw seconded the motion.

The Chief Executive then asked for Mr R Watson to propose his amendment to the motion, which he duly did, and called for a seconder. Mr J Woolley seconded the proposed amendment.

Mr R Watson then presented his proposed amendment, a copy of which was circulated to members. In essence he proposed to draw money from the Authority's reserves to be utilised to employ 15 police officers. The Constabulary currently held 30 police officer vacancies which had not been filled during the previous year. Mr Watson argued that rather than have large reserves, that £0.5m should be used to recruit and deploy 15 officers. He was confident that whichever Government came to power after the forthcoming election would still be supportive of policing and that the same funding would be available. The main target for the Constabulary was confidence and if there were 30 less officers on the street then public confidence may be left wanting.

One member stated that although it was a compelling argument to employ more police officers, by taking money from reserves in an uncertain financial climate may shatter public confidence if they could not be sustained and future redundancies occurred. The Constabulary had performed well over the past year whilst carrying the 30 vacancies and therefore was it necessary at this point in time to recruit 15 officers.

A member asked for the Treasurer's advice on what effect the using of reserves in the proposed way would have on the Authority. The Treasurer reminded members that it was the Authority's policy to sustain the free reserves at 5% which would be £5.1m at the end of 2010-11. To use some of these reserves would mean that the reserves would drop to 4½% (£4.5m), resulting in the Authority needing to amend its policy next year to continue with a reduced level of reserves or increase future contributions in order to restore and sustain them at 5%.

The Treasurer advised that the Chief Constable's report had acknowledged the cost of change which was likely to exceed the proposed budget and that any excess beyond the balance of £640k in the Management of Change Reserve, or the increased savings generated in 2010-11 could only be met from reserves, including the general fund. A member asked over what timescale this amount could be rebuilt into the reserves. The Treasurer advised that to recoup £0.5m would take 3 years at £170k pa.

One member stated that in the future funding for policing would be competing with other public bodies and therefore by taking money from reserves now would not negate the possibility of having to reduce staff in the future.

Another member stated that the current budget was prudent and sustainable for the next 3 years and should not be changed.

In favour of the proposed amendment two members stated that increased police officer presence on the streets would increase public confidence. They advocated that no political party would cut policing budgets and therefore recruiting 15 police officers would not adversely affect the Constabulary or Authority. Sickness and officers called to attend the Olympic Games in 2012 would affect the current police officer staffing levels.

A member asked the Chief Constable that if later in the year the Authority was in a financial position to increase the number of police officers, how easily the Constabulary would be able to fill the vacancies. The Chief Constable advised that the vacancies could be filled very quickly. At present the vacancies were affording the Constabulary headroom whilst it undertook its Structure Review and workforce modernisation programme.

Having heard all the arguments for and against the proposed amendment the Chief Executive advised members that at least half of the total membership of the Authority must vote in favour of the amendment; including more than half of the County Council members appointed to the Authority for it to be approved.

On being put to the vote, three members (of whom all 3 were County Councillors) voted for the proposed amendment, and thirteen members voted against (of whom 5 were County Councillors). It was therefore agreed not to continue with the proposed amendments to the motion.

The Chief Executive then asked members to vote on the original motion. On being put to the vote, all sixteen members present (of whom 8 were County Councillors) voted for the Budget Proposals. Members unanimously agreed –

RESOLVED,

(as follows, next page)

Revenue Budget, Precept and Capital Programme 2010-11**1. Revised Revenue Estimates 2009-10**

(a) that the revised net 'Budget Requirement' for 2009-10 as summarised in Appendix 3 to the report of the Treasurer in the estimated amount of £99.785m, after the revised use of earmarked reserves, be noted.

(b) that the revised net 'Budget Requirement' for 2009-10 be increased from £99.785m to the original provision of £100.300m by the transfer of £0.515m to the Constabulary's Support Budget Reserve for release in support of the 2010-11 budget and that revised amounts of £2.423m detailed in the table below be transferred *to* earmarked reserves and revised amounts of £4.771m detailed below be transferred *from* the stated reserves for the year ending 31 March 2010, it being noted at that date it is estimated that the Authority's General Reserve will stand at £4.842m (4.85% of net revenue expenditure).

(c) that the amended provisions and transfers to be made in 2009-10

to and from Reserves be as follows:-

| Revised Transfers 2009-10 | To | From |
|---|--------------|----------------|
| Reserves (Earmarked) | £000 | £000 |
| Insurance Reserve | | 54 |
| Management of Change Reserve | 200 | 238 |
| Operational Reserve | | 200 |
| PFI Funding Reserve | 140 | |
| Airwave Reserve | | 120 |
| Pensions Liability Reserve | | 100 |
| Health and Safety Reserve | | 42 |
| Sleuth / Impact System Reserve | 1,098 | 490 |
| PND Reserve | 276 | 104 |
| Mobile Data Reserve | | 100 |
| South Estate Review Reserve | | 119 |
| Devolved Budgets Reserve - General | 194 | 693 |
| - General Budget Support 2009-10 | | 807 |
| - Support for 2010-11 Reserve | <u>515</u> | |
| Total Earmarked Reserves | 2,423 | 3,067 |
| General Reserve | | <u>126</u> |
| Total Transfers to and from Revenue Reserves | 2,423 | 3,193 |
| DDA Capital Reserve | | 15 |
| Capital Reserve | — | <u>1,563</u> |
| Total Transfers From Reserves 2009-10 | | (4,771) |
| Total Transfers To Reserves 2009-10 | 2,423 | <u>2,423</u> |
| Net Transfers From Reserves 2009-10 | | (2,348) |

2. Statement of Treasurer on Robustness of Estimates and Adequacy of Balances and Reserves.

(a) the comments of the Treasurer and his statement on the robustness of the estimates and the adequacy and limitations on Balances and Reserves as summarised in section 5 of his Budget Report and detailed in Annex A together with his qualifications which would apply from 2011-12 be noted and reflected in the decisions made by the Authority in making the following budget determinations for 2010-11.

3. Revenue Estimates 2010-11 **£**

(a) that the net Revenue Continuation Budget of **105,956,000**
excluding recurring provision for a contribution to General Fund of (150,000)
or net use of reserves (dealt with below) 868,000
-giving an adjusted continuation budget for 2010-11 of **106,674,000**

be amended as follows:-

(b) provide for capital expenditure funded from revenue capital reserves 2,189,000

(c) reduce for savings detailed in Appendix 12 to the report
(i) recurring efficiency and other savings (976,000)
(ii) non-recurring savings 2010-11 only (1,211,000) (2,187,000)

(d) approve Non -Recurring New Developments detailed in
Appendix 13 Financial Services – Ledger Development 40,000
Overseeing Excellence and Sustainability 100,000
106,816,000

(e) approve the revenue effects in 2010-11 of proposed new Capital
Schemes detailed in paragraph 4.6 of the Treasurer's report totalling
£126,000 included in the estimates, noting that the full-year costs of
£122,000 by 2013-14 are fully reflected in Appendix 9 showing the
revised forecasts to 2013-14 to be incorporated in the MTF.

**(f) the Net Expenditure (including a contingency of £55,000
for 2010-11) be approved in the sum of 106,816,000**

(g) that amounts totalling £240,000 be transferred to
Earmarked Reserves and £4,256,000 be transferred
(from) Earmarked Reserves as follows:- £ £

| | | |
|---|-------------------|--------------------|
| PFI Financing Reserve | 140,000 | |
| Budget Holders | <u>100,000</u> | 240,000 |
| Airwave Revenue Reserve | | (50,000) |
| Public Holidays Reserve | | (150,000) |
| Sleuth / Impact | | (502,000) |
| Mobile Data | | (100,000) |
| Insurance Reserve | | (54,000) |
| Budget Holder Reserve | <u>(252,000)</u> | (1,108,000) |
| Budget Holders (in support of 2010-11 budget) | (444,000) | |
| Budget Support Reserve 2010-11 | <u>(515,000)</u> | (959,000) |
| Revenue Funded Capital Reserve | | <u>(2,189,000)</u> |

102,800,000

(h) a contribution be made to the Authority's General Reserve of 288,000 which will be estimated to stand at £5.130m at 31 March 2011 equivalent to 4.99% of net revenue estimates.

(i) the Authority's net **Budget Requirement** for 2010-11 be approved as **£103,088,000**

(j) that the Authority notes the information in the various appendices supporting the Treasurer's report (and also those of the Chief Constable) and particularly notes Appendix 9 which extends the Authority's Medium Term Financial Forecast to 2013-14 and estimates a need to make cumulative savings of £6.167m in the period before 2013-14 but a requirement for £5.311m to balance the 2011-12 budget.

4. Council Tax Base 2010-11

It be noted that the Authority has calculated the amount of **176,422.85** as the council tax base for 2010-11 being the aggregate of the tax bases calculated by the District Councils in accordance with Regulation 3 of the Local Authorities (Calculation of Tax Base) Regulations 1992 (as amended) made under Section 33 (5) of the Local Government Finance Act 1992.

5. Budget Requirement

That the following amounts be now calculated by the Authority for the year 2010-11 in accordance with Sections 43 to 48 of the Local Government Finance Act 1992.

- (a) £127,291,000 being the aggregate of the amounts which the Authority estimates for the items set out in Section 43(2) (a) to (d) of the Act, as amended by the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2009, including a contribution of £288,000 to its General Reserve Fund, £240,000 to earmarked Revenue Reserves.
- (b) £24,203,000 being the aggregate of the amounts which the Authority estimates for the items set out in Section 43(3) (a) and (b) of the Act, as amended by the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2009, including the amounts totalling £4,256,000 to be transferred from reserves in 2010-11.
- (c) **£ 103,088,000** being the amount by which the aggregate at 4(a) above exceeds the aggregate of 4(b) above, calculated by the Authority in accordance with Section 43 (4) of the Act, as its **Budget Requirement** for the year.

NOT PROTECTIVELY MARKED

(d) **£68,879,129** being the aggregate of the sums which the Authority estimates will be payable for the year in to its General Fund in respect of

| | |
|-----------------------------------|--------------------|
| Redistributed Non Domestic Rates, | £31,848,983 |
| Revenue Support Grant, | £ 4,624,768 |
| Principal Formula Police Grant, | <u>£32,405,378</u> |
| | £68,879,129 |

(e) **£2,718** being the aggregate surplus on District Council Collection Funds at 15th January 2010 calculated in accordance with Regulations made under Section 99 (3) of the Local Government Finance Act 1988.

(f)

| | |
|--------------------------------|--------------------|
| the amount at 4(c) above | £103,088,000 |
| less the amount at 4(d) above | (£68,879,129) |
| less the surplus at 4(e) above | (£ <u>2,718</u>) |
| Council tax requirement | £34,206,153 |

divided by the amount at 4 above :- **176,422.85**

£193.89 being the amount calculated by the Authority in accordance with Section 44 (1) of the Act, as the Basic Amount of its Council Tax for the year.

| (g) | <u>Valuation Bands</u> | <u>Proportion</u> | <u>Amount</u> £.pp |
|-----|------------------------|-------------------|-----------------------|
| | A | 6/9 | 126.26 |
| | B | 7/9 | 150.80 |
| | C | 8/9 | 172.35 |
| | D | 9/9 | 193.89 |
| | E | 11/9 | 236.98 |
| | F | 13/9 | 280.06 |
| | G | 15/9 | 323.15 |
| | H | 18/9 | 387.78 |

being the amounts (appropriately rounded) given by multiplying the amount at 4(f) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular band divided by the number which in that proportion is in accordance with Section 47 (1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (h) The amount payable by each Billing Authority is set out below calculated as being the amount given by multiplying the amount at 4(f) by the tax base calculated by each District in accordance with Section 33(1) of the Act.

Calculation of the amount (of Precept) payable by each Billing Authority

C x T

Where C is the amount of £193.89 calculated by the Authority as its basic amount of council tax at 4(f) above;

T is the amount determined by each Billing Authority as its tax base in accordance with S 33(1) of the Act as set out below

| <u>District</u> | <u>Tax Base</u> | <u>Basic Tax</u> <u>Amount</u> £ | <u>Amount</u> <u>Payable</u> £ |
|-----------------|-----------------|--|--------------------------------------|
| Allerdale | 31,444.51 | 193.89 | 6,096,776 |
| Barrow | 21,545.98 | 193.89 | 4,177,550 |
| Carlisle | 34,508.69 | 193.89 | 6,690,890 |

NOT PROTECTIVELY MARKED

| | | | |
|----------------|-------------------|--------|--------------------|
| Copeland | 22,236.57 | 193.89 | 4,311,449 |
| Eden | 20,580.64 | 193.89 | 3,990,380 |
| South Lakeland | 46,106.46 | 193.89 | 8,939,582 |
| | 176,422.85 | | £34,206,627 |

6. Capital Strategy and Programme 2009-10 to 2014-15

(a) that revised expenditure in respect of the Capital Programme for 2009-10 and earlier years, based on an estimated out-turn of £6.288m in 2009-10, and the balance of approvals required to support those schemes to completion, which at 31 March 2010 is now estimated to total £6.985m, be approved as set out in the following table:-

(b) that the proposed Capital Programme 'new starts' for 2010-11 (and subsequent years to 2014-15 in respect of indicative renewals for IT, Radio and Fleet) detailed in the table below be approved in the amount of £12.733m on the basis that schemes grouped as 'firm' can proceed immediately and those described as 'indicative' will be reported to the Authority for approval to proceed only when the business case and other criteria are fully developed.

(c) the financing of estimated capital expenditure totalling £26.006m for the period 2009-10 to 2014-15 be approved as set out in the table below, noting that this will be reviewed annually to reflect changes in actual receipts, capital grants and cost of individual schemes so as to ensure adequate funding for future schemes remains before approval is granted for them to proceed.

(d) the Authority notes that the increased revenue effects of £126,000 in 2010-11 of proposed new Capital Schemes detailed in paragraph 4.6 of the Treasurer's report are included in the estimates and that the full-year costs of £122,000 by 2013-14 are fully reflected in Appendix 9 to the report showing the revised revenue forecasts to 2013-14 to be incorporated in the Authority's Medium Term Financial Forecast.

(e) the Authority notes that the MTFF at Appendix 9 does not incorporate the annual revenue funding cost, estimated at £0.7m on completion, of funding the indicative sums totalling £11.470m required to support the development of South BCU Estate and other future potential IT schemes. The Authority reiterates its aspiration to proceed in due course, subject to any refinement of the business case and funding requirements and sources being available, dependent critically on the success of the Chief Constable in releasing sufficient revenue capacity from the reviews he has undertaken in 2009-10 and is to implement in 2010-11 as part of setting the Constabulary budget on a sustainable footing for 2011-12.



Capital Programme 2010-11 to 2014-15 – Proposed Schemes

| Project Description | Forecast Outturn 2009-10 £000 | Forecast Outturn 2010-11 £000 | Forecast Outturn 2011-12 £000 | Forecast Outturn 2012-13 £000 | Forecast Outturn 2013-14 £000 | Forecast Outturn 2014-15 £000 | Total Costs £000 |
|--|--|--|--|--|--|--|-------------------------------------|
| Existing Schemes | | | | | | | |
| Pre 2009-10 Schemes | | | | | | | |
| HQ Adaptations Protective Services | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| Off Site Accomodation Protective Services | 6 | 0 | 0 | 0 | 0 | 0 | 6 |
| Oracle 11i-Origin HR System | 118 | 50 | 0 | 0 | 0 | 0 | 168 |
| Oracle 11i-Finance System Upgrade | 0 | 68 | 0 | 0 | 0 | 0 | 68 |
| Command & Control | 1,431 | 1,249 | 0 | 0 | 0 | 0 | 2,680 |
| Upgrade Power Supply & Transformer at HQ | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Implementation of Stand Alone e-learning | 124 | 0 | 0 | 0 | 0 | 0 | 124 |
| North Cumbria BCU Head Quarters | 48 | 0 | 0 | 0 | 0 | 0 | 48 |
| Alterations to Joiners Shop | -3 | 0 | 0 | 0 | 0 | 0 | -3 |
| Sleuth | 77 | 1,061 | 25 | 0 | 0 | 0 | 1,163 |
| Disability Discrimination Act Works (2007/08) | 15 | 46 | 0 | 0 | 0 | 0 | 61 |
| OS / Property Roof | 29 | 1 | 0 | 0 | 0 | 0 | 30 |
| Action for justice Interview Suites | 15 | 0 | 0 | 0 | 0 | 0 | 15 |
| Vehicle Replacements & Adaptations 08/09 | 240 | 0 | 0 | 0 | 0 | 0 | 240 |
| Total pre 2009-10 Schemes | 2,102 | 2,475 | 25 | 0 | 0 | 0 | 4,602 |
| Approved Schemes 2009-10 | | | | | | | |
| Vehicle Replacements & Adaptations 09/10 | 736 | 290 | 0 | 0 | 0 | 0 | 1,026 |
| IT Replacements 09/10 | 900 | 37 | 0 | 0 | 0 | 0 | 937 |
| Camera Scheme 09/10 | 88 | 0 | 0 | 0 | 0 | 0 | 88 |
| IT Infrastructure - Wide Area Network (WAN) & IP Telephony Phase 2&3 | 987 | 67 | 43 | 0 | 0 | 0 | 1,097 |
| West Estate - IT Server Room at Workington | 205 | 0 | 0 | 0 | 0 | 0 | 205 |
| South Estate - Kendal | 450 | 2,408 | 412 | 0 | 0 | 0 | 3,270 |
| Printer Replacement (Finance Lease) | 50 | 0 | 0 | 0 | 0 | 0 | 50 |
| PND Police National Database Programme (Phase 1) | 649 | 0 | 0 | 0 | 0 | 0 | 649 |
| MASST - Mobile Armed Support to Surveillance Teams | 41 | 0 | 0 | 0 | 0 | 0 | 41 |
| Indicative Schemes 2009-10 | | | | | | | |
| IT Application Server Replacement | 0 | 150 | 0 | 175 | 0 | 0 | 325 |
| Mobile Data | 30 | 803 | 0 | 0 | 0 | 0 | 833 |
| Workington BCU HQ - Ground Floor Works | 50 | 100 | 0 | 0 | 0 | 0 | 150 |
| Total Existing Schemes | 6,288 | 6,330 | 480 | 175 | 0 | 0 | 13,273 |
| Proposed Schemes 2010-11 | | | | | | | |
| Firm Schemes | | | | | | | |
| Fleet Replacement Programme | 0 | 833 | 953 | 960 | 1,020 | 920 | 4,686 |
| IT Replacement Programme | 0 | 500 | 500 | 500 | 500 | 500 | 2,500 |
| Indicative Schemes | | | | | | | |
| IT Network & Radio Infrastructure | 0 | 955 | 955 | 955 | 955 | 955 | 4,775 |
| PND Police National Database (Phase 2) | 0 | 0 | 399 | 0 | 0 | 0 | 399 |
| Finance System Upgrade | 0 | 373 | 0 | 0 | 0 | 0 | 373 |
| Total Proposed Schemes 2010-11 | 0 | 2,661 | 2,807 | 2,415 | 2,475 | 2,375 | 12,733 |
| Total Proposed Programme 2010-11 | 6,288 | 8,991 | 3,287 | 2,590 | 2,475 | 2,375 | 26,006 |
| Financed By: | Forecast Financing 2009-10 £000 | Forecast Financing 2010-11 £000 | Forecast Financing 2011-12 £000 | Forecast Financing 2012-13 £000 | Forecast Financing 2013-14 £000 | Forecast Financing 2014-15 £000 | Total Financing £000 |
| Capital Receipts | | | | | | | |
| Sale of Police Houses & Other Assets | 12 | 0 | 0 | 0 | 0 | 0 | 12 |
| Contribution re Camera Scheme | 88 | 0 | 0 | 0 | 0 | 0 | 88 |
| Contribution re Vehicles | 42 | 0 | 0 | 0 | 0 | 0 | 42 |
| Revenue Contributions to Capital Outlay | 1,000 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 7,000 |
| Capital Grants | | | | | | | |
| Capital Grants - Applied from Reserve | 4,681 | 2,861 | 845 | 845 | 845 | 845 | 10,922 |
| Specific Capital Grant - Mobile Data | 0 | 333 | 0 | 0 | 0 | 0 | 333 |
| Capital Reserves | | | | | | | |
| General Capital Reserve | 0 | 2,143 | 830 | 545 | 430 | 330 | 4,278 |
| DDA Reserve | 15 | 46 | 0 | 0 | 0 | 0 | 61 |
| Borrowing | 450 | 2,408 | 412 | 0 | 0 | 0 | 3,270 |
| Total Financing | 6,288 | 8,991 | 3,287 | 2,590 | 2,475 | 2,375 | 26,006 |



7. Strategic Timetable for preparing 2011-12 Budget

(a) In order to support the continued development of multi-year grant Settlements and to assist and further integrate the medium term strategic, operational and financial planning processes, the following dates be set as those on which the Authority should receive and consider reports on the budget and strategic elements as follows:

Governance Committee

| | |
|--------------|---|
| 18 May 2010 | Approval to the Annual Governance Statement. |
| 30 June 2010 | Provisional out-turn report for 2009-10 Approval to the Authority's Statement of Accounts for 2009-10 for submission to audit. Approval to the Annual Governance Statement (if not May meeting) |

Authority Meetings

| | |
|--------------|---|
| 22 June 2010 | Annual Report and Local Policing Summaries Strategic Plan for 2010-2013 Update report on three-year MTFP to 2014-15 |
| 27 Sept 2010 | Draft Strategic Plan for 2010 – 13 Budget Outlook Report and update report on MTFP |
| 10 Nov 2010 | Draft Efficiency Plan and other savings for the period to 2012-13 Business case for any revenue growth items to 2013-14 Business case for Capital Expenditure to 2014-15. |
| 13 Dec 2010 | Strategic Plan for 2010 – 13 Revenue Continuation Budget for the three-year period 2011-12 to 2013-14 Annual Policing Priorities Report on the Provisional Financial Settlement and capital resources for 2011-12 (and a forecast to 2013-14) Draft Budget options for public consultation. |
| 14 Jan 2011 | Joint Strategic Co-ordination Budget Workshop for all members |
| 18 Jan 2011 | Report detailing strategic issues to be considered in setting a budget for 2011-12 and its impact and requirements in the period to 2014-15. Initial feedback from Chairs of Area Liaison forum meetings, all planned to take place in first two weeks of January. |



16 Feb 2011

Final 3 Year Efficiency and Value For Money Plans for 2011-14

Report on the Final Settlement for 2011-12.

Revenue and Capital Budget Report for 2011-12 and impact for later years.

Treasury Management Strategy and Prudential Indicators

- (b) that the Police and Performance Committee be delegated to consider a report and to agree a timetabled programme to be proposed by the Chief Constable in consultation with the Treasurer, which will deliver the Authority's strategic and budget plans in accordance with the timetable detailed above.
- (c) it be noted that some flexibility may need to be exercised in meeting the above programme, dependent on the progress and outcomes of the strategic reviews to be undertaken by the Chief Constable with the support of the Change Management Working Group.
- (d) the proposal to establish a Finance Working Group (or similar) be reported to an early meeting of the Police Authority for consideration together with a suggested work plan and timetable.

139. CONSTABULARY SUSTAINABILITY AND EXCELLENCE UPDATE

The Chief Constable presented a report which outlined the current developments within the Sustainability and Excellence Programme some of which had been alluded to earlier in the agenda. In particular the Chief Constable highlighted the areas concerning staffing, budget reductions and redundancy costs, workforce modernisation and shared services.

RESOLVED, that, the report be noted.

140. CHIEF CONSTABLE'S NOMINATION FOR BRAVERY AWARD 2010

The Chief Constable presented a report which reminded Members that, in 2003, the Authority had first agreed to make an annual award for bravery in conjunction with the Police Bravery Awards organised nationally by the Police Federation. The Cumbrian nominee would then progress to the 'National Bravery Award' as the Constabulary candidate.

For the current year, the Chief Constable commended to Members a nomination in respect of Police Constable Bill Barker for his actions on the Northside Bridge in Workington, when it collapsed in the floods on 20th November 2009. The



nomination was supported by the Police Federation Joint Branch Board and the Chief Constable.

- RESOLVED,** that
- (i) Members approved the nomination of Police Constable Bill Barker;
 - (ii) the Cumbria Police Authority Award for Bravery, an Elterwater Slate Shield, be presented to a nominee of Police Constable Bill Barker at the next Constabulary Award Ceremony at Rheged,; and
 - (iii) Police Constable Bill Barker receive a lifelong certificate from the Police Authority to accompany the Shield.

141. COMMUNITIES, EQUALITY & DIVERSITY COMMITTEE MINUTES

The Chairman presented the Minutes of the Communities, Equality & Diversity Committee meeting held on 11 January 2010 which had previously been circulated with the agenda.

- RESOLVED,** that, the Minutes of the meeting of the Communities, Equality and Diversity Committee meeting held on 11 January 2010 be received.

142. POLICING PLAN AND PERFORMANCE COMMITTEE MINUTES

The Chairman presented the Minutes of the Policing Plan and Performance Committee meeting held on 25 January 2010 which had been circulated to members.

- RESOLVED,** that, the Minutes of the Policing Plan and Performance Committee meeting held on 25 January 2009 be received.

143. NORTH WEST JOINT COMMITTEE MINUTES

The Chair of the Police Authority presented the Minutes of the North West Joint Committee meeting held on 16 November 2009 which had previously been circulated with the agenda.

- RESOLVED,** that, the Minutes of the North West Joint Committee meeting held on 16 November 2009 be received.

144. INSPECTIONS WORKING GROUP MINUTES

The Chairman presented the Minutes of the Inspections Working Group meeting held on 1 February 2010, which had been circulated to members.

- RESOLVED,** that, the Minutes of the Inspections Working Group meeting held on 1 February 2010 be received.



PART 2 – ITEMS TO BE CONSIDERED IN THE ABSENCE OF THE PRESS AND PUBLIC

145. POLICE AUTHORITY MEETING MINUTES

The Chairman presented the Part 2 Minutes of the Police Authority meeting held on 28 January 2010 which had previously been circulated with the agenda. The Treasurer advised members on the Chairman's decision to advance the date of retirement by one day to 30th March 2010 due to the uncertainty as to timing of amendments to the Local Government Pension Scheme.

- RESOLVED,**
- (a) that, the Minutes of the Police Authority meeting held on 28 January 2010 be received; and
 - (b) that the Chairman's action in advancing the date of retirement from 31st to 30th March be noted and endorsed

Meeting ended at 12.30 pm

Police Authority – Action Sheet

| Agenda Item | Action to be taken | Person Responsible | Date to report back to Cttee | Date Action Completed |
|--|--|-----------------------|------------------------------|---|
| DATE OF MEETING: 19 January 2010 | | | | |
| No 10b – Policing Pledge | Members be advised of the outcome of the HMIC Policing Pledge Inspection | ACC Graham | | |
| DATE OF MEETING: 17 February 2010 | | | | |
| No 8 Policing Plan | List of abbreviations / acronyms to be included in the plan | Strategic Development | 22.2.10 | Policing Plan & Performance Committee to ensure |
| | | | | |
| | | | | |
| | | | | |
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