

Cumbria Police Authority

Audit and Performance Committee

7 February 2006

Agenda Item No ...12.....

Police Negotiating Board (PNB) Overtime / Life balance scheme

A report by the Chief Constable and Treasurer

1. Summary

- 1.1 The purpose of this report is to advise members of the latest prediction of overtime expected to be incurred during 2005-06 as part of the Police Negotiating Body (PNB) scheme to reduce overtime by 15% over three years as part of a 'life / balance' initiative. The report indicates that the Constabulary remains on course to meet the target for the current financial year, and thus meet the overriding reduction required by the scheme.
- 1.2 Monthly expenditure on overtime has fallen significantly from the higher monthly amounts reported in recent meetings, although the prediction for the whole year is higher than reported earlier. Accordingly, the gap between the target and the projection has reduced and now stands at £41k. With such reduced headroom, Chief Officers have reminded Area Commanders of the continued need to monitor overtime closely for the remaining months of the year to ensure the target is achieved.

2. Recommendations

- 2.1 Members are asked to note the contents of the report.

3. Details

- 3.1. Members will be aware that, as part of the package of reforms to pay and conditions for police officers put forward by the Police Negotiating Board, Authorities have been required to agree strategies to secure reductions in 'relevant' overtime amounting to 15% over a three year period, effective from 2003-04. The force has agreed that its internal management of the scheme will be via the Operations Board, whose members incur the vast majority of force overtime. HMIC will monitor compliance with the agreed target as part of the monitoring of the force efficiency plan.
- 3.2 Members will recall that the parameters of the national scheme were changed during 2003-04 so as to disregard overtime financed as a result of "...national or local ring-fenced funding or mutual aid". This was a welcome change, which the service had lobbied for and which considerably improved the workings of the scheme, which prior to the changes, had created a

number of perverse disincentives to apply for and accept some targeted funds because of their local impact on overtime spending.

- 3.3 Attached at Appendix 1 is a statement showing actual expenditure incurred for the first nine months of 2005-06 and forecasts for the remainder of the year. An adjustment has been made for the effect of the September 2005 pay award, although no allowance has been made at this stage for any possible future overtime associated with unforeseen major incidents. A more detailed analysis of 'other' overtime is also attached to Appendix 2.
- 3.4 The current predictions suggest that the force remains on line to meet the overtime target for 2005-06 at this stage, with a broad prediction of 'relevant' overtime amounting to £1.238m, which is £41k inside the target of £1.279m. This represents an increase in projected overtime expenditure of £92k compared the position reported at the previous meeting, principally due to commitments within Operational Support.
- 3.5 Previously reported overtime pressures in relation the effects of the Storm in North Cumbria and to cover staff shortages have been contained with no further increases forecast. The latest position and the reduction in the headroom has been brought to the notice of Area Commanders, and further measures are to be introduced to manage the reporting of overtime for the remaining months of the financial year to help ensure compliance with the target.
- 3.6 At the time of writing this paper, it is not clear what kind of external monitoring of overtime will take place beyond 2005-06. It would appear that this is the subject of some current debate between HMIC and PNB. Members will be advised of future arrangements as they become clearer.

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Attachments.

- Appendix 1 - Monthly analysis of 2005-06 overtime (in part two agenda)
Appendix 2 - 'Sub' Analysis of 'other' overtime (in part two agenda)
Appendix 3 - Calculation of Overtime target (attached)
Appendix 4 - Description of operations and events (in part two agenda)

PNB Overtime Reduction calculations

	2001-02	2003-04	2004-05	2005-06
	Overtime Expenditure	2,094,538		
<i>less</i>				
Public Holiday O/T	560,998			
Seconded Overtime	98,153			
ORIGINAL BASELINE	1,435,387			
<i>less</i>				
"Overtime for special purposes that is financed by ring fenced National or Local funds and overtime in respect of Mutual Aid"				
S.R.B. Whitehaven	2,183			
ACPO Operations	22,036			
Operation Neptune	6,261			
Foot & Mouth	74,221			
REVISED BASELINE	1,330,686			
Indexation :				
Indexed Baseline	1,330,686	6.6%	3.0%	3.0%
		1,418,511	1,461,067	1,504,899
Saving requirement				15.0%
				225,735
Savings				
	2003-04	5.0%	70,926	70,926
	2004-05	10.0%		73,053
	2005-06	15.0%		81,756
Cumulative Saving			70,926	143,979
				225,735
Overtime Payments Targets		1,347,586	1,317,088	1,279,164

Reconciliation

Overtime in 2005-06	1,279,164
Cumulative overtime reduction	225,735
Baseline Overtime at 2005-06 prices	<u>1,504,899</u>