

POLICE & CRIME COMMISSIONER FOR LEICESTERSHIRE POLICE & CRIME PANEL

PAPER MARKED

Report of	POLICE AND CRIME COMMISSIONER
Date	16th DECEMBER 2015
Subject	OPCC STRUCTURE AND BUDGET
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Purpose of Report

1. This report is intended to update the Police and Crime Panel on the structure and budget of Office of the Police and Crime Commissioner.

Recommendation

2. That the Panel consider and note the report.

Background

3. In December 2014 a detailed report was tabled at the Police and Crime Panel which included an update on the structure of the OPCC. This report included a revised structure from that implemented in January 2013 and recognised that *“different skills are required to deliver and embed the work of the Office of the Police and Crime Commissioner than were required to create and set up the office.”*
4. The report and budget reflected the greater emphasis on sharing resources with the Force, specifically in relation to Communications and Engagement Directorate and Executive Support arrangements.
5. Furthermore, the report advised that the equivalent of one post was funded in full by the additional grant resourcing provided to deliver on the new Victims and Witnesses agenda.
6. The structure of the OPCC was fully recruited to in the spring of 2015 and the current structure is consistent with that reported to the Police and Crime Panel in both December 2014 and January 2015. The permanent establishment of the OPCC comprises 14 posts (a copy of the structure is attached to the report as an Appendix).
7. As the Panel were advised in December 2014, additional temporary resources have been utilised to build capacity and mobilise the new arrangements for Victims and Witnesses and this work will be fully mainstreamed by the 31 March 2016.

Structural Developments

8. Since the last report, three key structural developments have recently taken place in the OPCC which will be available for discussion with the new PCC when they are appointed in May 2016. These developments are as follows:
- A vacancy for the Head of Partnerships and Commissioning role has recently arisen and whilst this post remains in the establishment, the Chief Executive has temporarily frozen the role. Meanwhile, the important work of the Partnerships and Commissioning Manager has been temporarily allocated amongst the team to enable the priorities for this important area to be delivered.
 - The insight provided from the Policing Advisor role has been hugely beneficial to the OPCC and, now that the work undertaken by this role has been mainstreamed, the Chief Inspector has returned to the Force
 - Whilst critical area of policy support to the PCC undertaken one day per week by Steph Morgan has been greatly beneficial to the PCC over the last year, this engagement will conclude at the end of December 2015.

OPCC Budget

9. The table below shows how the OPCC net budget has consistently reduced year on year from £1.077M in January 2013 to £0.998M for 2016/17. A reduction of £48K (over 4.5%) over the four years.

	2013/14		2014/15		2015/16	2016/17
	Budget £000	Outturn £000	Budget £000	Outturn £000	Budget £000	Draft Budget £000
Staffing, Agency and Comms/PR	834	876	807	792	841	822
Contribution towards force shared Executive Support and Comms	-	-	-	-	64	64
Misconduct Tribunal Costs, Audit Fees	105	79	101	101	97	82
Transport, Independent Custody Visitors ,training etc.	21	57	31	32	23	23
Ethics Committee	-	-	-	-	15	20
Policy Advisor , JARAP and Office costs	86	76	92	85	64	51
Cost before funding and reserve	1,046	1,088	1,031	1,010	1,104	1,062
V&W Grant funding	-	-	-	-	(64)	(64)
Use of Transitional Reserve	-	(42)	-	-	(15)	-
Net of funding and reserve	1,046	1,046	1,031	1,010	1,025	998

10. The following changes have been incorporated into the 2016/17 draft budget to ensure savings on 2015/16 budget of £27K as follows:
 - a. Staffing costs have been updated to include the changes in paragraph 7 above.
 - b. The additional costs of pay awards, inflation and employer's additional national insurance costs totalling £10k have been absorbed in the OPCC budget.
 - c. A contingency of £15K has been set aside.
 - d. Savings in respect of contracts for internal and external audit fees of £15K have been realised in the budget.
 - e. The sum of £7.5K (50% of the Joint Audit Risk and Assurance Panel) costs has been transferred to the force to reflect the Joint panel arrangements.
 - f. The cost of the Ethics Committee of £20K has been mainstreamed within the budget (in 2015/16 the cost of setting up the Committee was funded from the transitional reserve).
 - g. The grant contribution towards Victims and Witness Administration and Management costs has been maintained at £64K to maximise the resources available for Victim First and Commissioning Services.

Value for Money (VFM) Profiles

11. HMIC issues Value for Money Profiles as a tool to enable comparisons between forces and between most similar groups designed for use by force management and PCCs to prompt questions and enable discussions. It is issued each autumn to help inform budget decisions for future years.
12. In respect of the 2015 profiles, the cost of the office of the Leicestershire PCC (excluding Commissioning), compares favourably at £0.91 per head of population compared to the national average of £1.03.
13. In respect of the HMIC Commissioning profiles, Leicestershire PCC invests the 4th highest in Commissioning nationally, investing £4.22 per head of population in Leicester, Leicestershire and Rutland, compared to £2.82 nationally.

Additional Considerations

14. In addition to the OPCC and Commissioning budgets, there is an OPCC Transition Reserve which has been used to fund set up and transitional arrangements (as highlighted in the report to the Panel in June 2013). The balance on this reserve is contained within the Budget Equalisation Reserve (BER) and was provided to use towards set up costs and new initiatives and the costs of recruitment and significant structural changes.
15. It is envisaged that there will be a balance of over £115K on the reserve at the end of March 2015 to support the new PCC in the role and in developing their office moving forwards from May 2016.

16. In line with the transparency agenda and publication scheme requirements, the Panel can be assured that the cost of the office is disclosed on the OPCC website annually, following the issue of the policing precept.
17. On an ongoing basis, close collaboration with the OCC enables further areas where joint working (such as a shared in-house Internal Audit approach) or the sharing of resources may benefit both organisations and keep the cost of the support functions as low as possible.

Implications

Financial :	No new financial implications.
Legal :	None.
Equality Impact Assessment :	Discussed within report.
Risks and Impact :	This report covers a programme of work which carries a large risk for the organisation and the delivery of the Police and Crime Plan. This is recognised within the Change Programme and reflected through the governance arrangements.
Link to Police and Crime Plan :	Discussed within report.

List of Appendices

Structure of the OPCC as at November 2015

Background Papers

Police and Crime Panel Report - Strategic Update December 2015

Police and Crime Panel Report – 2015/16 Precept and Medium Term Financial Strategy

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