

For Information / Consideration	
Public/Non Public*	Public
Report to:	Police and Crime Panel
Date of Meeting:	28 April 2014
Report of:	Interim Chief Finance Officer
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Agenda Item:	10

Cost Comparison Office of the Police and Crime Commissioner

1. Purpose of the Report

- 1.1 To consider the budgeted costs for the Office of the Police and Crime Commissioner (OPCC) compared with the cost of the former Police Authority.

2. Recommendations

- 2.1 Members note the report.

3. Reasons for Recommendations

- 3.1 This information has previously been requested by the Panel and is included in the forward plan for the April 2014 meeting.

4. Summary of Key Points (this should include background information and options appraisal if applicable)

- 4.1 The cost of the OPCC includes the cost of the PCC, Deputy PCC, Chief Executive and Support Staff, and all associated running costs.
- 4.2 The Table below sets out the budgeted costs for the financial years 2011/12 to 2013/14.
- 4.3 The Police and Crime Commissioner (PCC) took over responsibility from the Police Authority (PA) on 22 November 2012.

	2011/12 PA	2012/13 PA/ PCC	2013/14 PCC	2014/15 PCC
	£'000's	£'000's	£'000's	£'000's
Total Budget	1,200	1,250	1,100	1,100

- 4.4 Members will note that the comparative cost of the OPCC in the current year (2014/15) has reduced by £150,000 when compared 2012/13. This represents

a reduction of 12% in actual terms which in real terms, i.e allowing for inflation, pay awards etc would be a reduction of around 15%.

4.5 The PCC is committed to improving value for money, recent examples include:

- Relocating to Arnot Hill
- Regionalisation of contracts with external bodies
- Developing more flexible staff roles, including secondments

A further reduction of £100,000 is targeted for future years. A number of areas of expenditure are under review to achieve this target.

4.6 HMIC's value for money profile for 2013 showed the cost of Nottinghamshire OPCC at £1.05 per head of population, this compared with a figure of £1.26 for the national average and £1.13 for the average of similar forces. The impact of the budget savings agreed for 2014/15 will bring the Nottinghamshire figure down to around £1.00.

4.7 In November 2013 The Home Affairs Committee launched an inquiry on police and crime commissioners – progress to date, including:

- The effectiveness of commissioners in reducing crime and delivering an effective police service within their police force area;
- The role of commissioners in holding their chief constables to account;
- The role of police and crime panels in holding their commissioners to account;
- The division of functions and staff between commissioners and chief constables following the Stage 2 transfers under the Police Reform and Social Responsibility Act 2011;
- The role of commissioners in budget and precept setting;
- The effectiveness of commissioners in promoting local policing priorities;
- Progress on establishing collaboration agreements with other commissioners, policing organisations and partners; and
- Transparency of and reporting by commissioners to date.

4.8 As part of this study the Home Office published information on the cost of the OPCC which showed that Nationally OPCC budgets as a percentage of total spend in 2013/14 ranged from 0.33% to 1.24%, Nottinghamshire's figure of 0.56% compares favourable within this range. In addition it showed that of the 36 force areas providing information Nottinghamshire's decrease of 12% was the 8th largest decrease.

5. Financial Implications and Budget Provision

- 5.1 The Police and Crime Commissioner's revenue budget to support the running of his office and discharging his statutory responsibilities is £1.100 million in 2014/15.

6. Human Resources Implications

- 6.1 The Commissioner approved the restructuring of his office in May 2013 to ensure that staffing roles were aligned with the Commissioner's legal responsibilities and the new governance structure for policing.

7. Equality Implications

- 7.1 An equalities impact assessment was carried out as part of the business base for the restructuring of the Commissioner's office. No adverse impacts on specific employee groups were identified.

8. Risk Management

- 8.1 It is anticipated that financial and economic climate will not change significantly over the medium term financial plan for policing. The Commissioner's savings target for his own office and the reduction in governance cost is challenging. Careful planning will need to be made to ensure the reduction in funding does not impact on policing accountability.

9. Policy Implications and links to the Police and Crime Plan Priorities

- 9.1 The Police and Crime Plan set out the Commissioner's pledge to be fair, honest and protect tax payer's money. This commitment included ensuring that the running costs of the Commissioner's office costs no more than the former Police Authority.

10. Changes in Legislation or other Legal Considerations

- 10.1 Police and Crime Commissioners were established under the Police Reform and Social Responsibility Act 2011. Under this Act Commissioners are under a legal obligation to ensure value for money for goods and services purchased.

11. Details of outcome of consultation

- 11.1 Police and Crime Commissioners are under legal duty to consult with the public and victims of crime about local policing concerns. As part of the precept and Police and Crime Plan consultation with the public this year. The Commissioner asked for views on areas of policing business where savings could be made to help achieve the overall reduction in policing funding.

Reducing the costs of the Commissioner's office and back office support functions where identified as the first and second preferences for the public.

12. Appendices

12.1 None.

13. Background Papers (relevant for Police and Crime Panel Only)

- 13.1 Annual Budget papers
- 13.2 Police and Crime Commissioners: Register of Interests - Home Affairs Committee 23 May 2013
- 13.3 Police Reform and Social Responsibility Act 2011 / Policing Protocol Order 2011