

POLICE & CRIME COMMISSIONER FOR LEICESTERSHIRE POLICE & CRIME PANEL

Report of	POLICE AND CRIME COMMISSIONER
Date	MONDAY 5 DECEMBER 2016
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. This report updates the Panel on the cost and structure of the OPCC office for 2016/17.
4. The Commissioner is reviewing the structure of his office to ensure it has sufficient capacity, skills and resilience to support both him and the Deputy Police and Crime Commissioner in their working arrangements, to support effective working arrangements with partners and to ensure successful delivery of the Police and Crime Plan.

Structural Changes

5. A review is already underway in discussion with Human Resources to enable additional resources to be appointed and an interim structure implemented as soon as possible. This will enable greater resilience, capacity and skills to be in place for the OPCC whilst a permanent structure is designed and implemented which supports the delivery of the Police and Crime Plan.
6. One post in the current structure remains frozen and a number of vacancies have arisen during the year as follows:
 - Head of Policy and Strategy
 - Performance and Evaluation Co-ordinator
 - Partnerships Co-ordinator

7. The election of Lord Bach as PCC has already resulted in a significant increase in correspondence, invitations and meetings being managed or coordinated by the OPCC. The vacancies above have had an impact on the capacity and resilience of the OPCC in facilitating this increasing workload and supporting the PCC in his role. An interim structure will go some way towards supporting this demand.
8. Some changes to the structure have already taken place since the appointment of the Commissioner. These are reflected within the forecast outturn and it is anticipated that these will be reviewed and where appropriate, reflected in a new structure when it is developed.
 - The appointment of a Deputy PCC was confirmed in October 2016
 - Shared arrangements with the Force for Executive Support are now covered by an additional post of Business Support Officer in the OPCC. This role also covers support to the Deputy Police and Crime Commissioner and some of the Executive Support functions.
 - Policy Advisor Support to the PCC is estimated at £2000 per month and is assumed to be required for the remainder of the year. This support covers the development of an underpinning strategy for the plan based on current performance, stakeholder feedback and the stated policy priorities of the elected Police and Crime Commissioner. It also includes liaison with the OPCC's Communications Support and the Force Communications and Public Engagement Directorate as required.
 - Communications arrangements were reviewed by the Chief Executive to best accommodate the working requirements of the new PCC and this is now undertaken as a contracted out service (as opposed to a shared service with the Force), and includes administration of the OPCC website. This equates to £50,400 per annum.
 - The Resources Manager has recently secured a role as Chief Finance Officer for another PCC office in the Region and temporary recruitment for this post has been completed.
9. The current structure of the OPCC (with the changes outlined above) is attached. The permanent structure has increased from 14 to 16 posts (excludes frozen or shared/Police post). The two additional posts are the Business Support Officer and Deputy Police and Crime Commissioner as detailed above.
10. Further points to note are as follows:
 - The sum of £64,000 is currently utilised from the Ministry of Justice Grant for Victims and Witnesses towards administrative and staffing costs. This contributes towards the staffing costs of the Commissioning Manager, Commissioning Officer and Management costs. This contribution is quite low compared to some other PCC's and will be reviewed as part of the 2017/18 budget requirements.

- The contribution to the Force for shared Executive services is part year only for 2016/17 due to a member of staff from that Department being seconded to the OPCC.

OPCC Budget

11. At the time of setting the budget in January 2016, the cost of a Deputy Police and Crime Commissioner and Policy Advisor support was not included. For 2016/17 these costs have been offset by savings from staff vacancies and will be built into the Base Budget for 2017/18.
12. Whilst the OPCC budget for 2013/14 was initially set at £1.077M in January 2013, this was reduced in the year and the table below shows the OPCC net outturn and budget over the last four years. The costs and income also reflect the new and additional responsibilities of Victims and Witnesses transferring to the PCC in April 2015, met in part by the Ministry of Justice Grant.

	2013/14	2014/15	2015/16	2016/17	
	Outturn	Outturn	Outturn	Budget	Forecast Outturn
	£000	£000	£000	£000	£000
Staffing, Agency and Comms/PR	876	792	876	822	865
Contribution towards force shared Executive Support and Comms	-	-	58	64	16
Misconduct Tribunal Costs, Audit Fees	79	101	77	82	85
Transport, Independent Custody Visitors ,training etc.	57	32	40	23	25
Policy Advisor , Ethics, JARAP and Office costs	76	85	75	71	120
Cost before funding and reserve	1,088	1,010	1,126	1,062	1,111
V&W Grant funding	-	-	(73)	(64)	(64)
Use of Transitional Reserve	(42)	-	(21)	-	(49)
Net of funding and reserve	1,046	1,010	1,032	998	998

Transitional Reserve

13. In addition to the OPCC and Commissioning Budgets, a transition reserve with a balance of £144K was in place when the PCC was appointed. This reserve was originally created by the Police Authority to facilitate transition arrangements for the first PCC.
14. The balance on the Transition Reserve was set aside to facilitate the set up arrangements for Lord Bach to meet “one off” and unanticipated costs of things such as accommodation changes, Police and Crime Plan Consultation, new one-off initiatives, website updating, branding and structural changes. It is anticipated that the call on the reserve in 2016/17 will equate to £49K, reducing the balance on the reserve to £95K.

Value for Money (VFM) Profiles

15. 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.
16. The 2016 profiles have recently been released and the cost of the OPCC Office in Leicestershire has reduced further per head of population against both most similar groups and the national average.
17. The table below reflects that in 2016, the OPCC in Leicestershire cost 14p less than the most similar group (5p higher in 2015) and 20p less than the national average (12p lower in 2015). Compared to most similar groups.

	2015	2016
Office of the OPCC		
Per head of population (Leicestershire)	£0.91	£0.83
Per head of population (Most Similar Groups)	£0.86	£0.97
Per head of population (national average)	£1.03	£1.03
Commissioning		
Per head of population (Leicestershire)	£4.22	£4.45
Per head of population (Most Similar Groups)	£2.51	£3.00
Per head of population (national average)	£2.82	£2.53

Source: HMIC Value for Money Indicators 2015 and 2016

18. Whilst the PCC is keen to keep the costs of his office as low as possible, he recognises the significant workload and responsibilities placed upon him and the office will require an increase to the OPCC budget in future years.
19. In respect of Commissioning, (which includes investment with Local Authorities, Community Safety Partnerships in addition to other external providers) the PCC continues to invest higher in this area than his peers both in the most similar groups £1.45 higher than most similar groups (£1.71 higher in 2015) and £1.92 higher than the national average (£1.40 in 2015).

Additional Considerations

20. In line with the transparency agenda and publication scheme requirements, the Panel can be assured that the cost and structure of the office is published on the OPCC website annually, following the issue of the policing precept.
21. As previously mentioned, a review of the current structure is being undertaken. The review is considering the knowledge and skills required within the office to support the PCC and Deputy PCC and support the delivery of the Police and Crime Plan. It is already clear that in addition to other workstreams, the Executive functions supporting office holders is under-resourced and Engagement and Partnerships workstreams will also require additional support from dedicated officers.

22. The review of the office structure is being led by the Deputy PCC supported by senior office holders. The Commissioner has made it clear that the review is to be prioritised and that a permanent new structure be in place as soon as is practicable.
23. It is proposed that an update on the review of the OPCC office structure will be provided to the Police and Crime Panel as the work is progressed.

Implications

Financial :	The OPCC budget for 2016/17 is being managed within budget and transition reserve levels. However, the appointment of Deputy Police and Crime Commissioner, Policy Support, and the outcome of the structure review is likely to increase costs of the OPCC office.
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 2016

Background Papers

Police and Crime Panel Report – 2016/17 Precept and Medium Term Financial Strategy

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