**NORTHUMBRIA PCC MINUTES**

**Title**

Business Meeting

**Date Location Duration**

21 July 2022 Teams/MEL 3.55pm-4.20pm

**Present:**

Kim McGuinness – Police and Crime Commissioner

Winton Keenen – Chief Constable (CC)

Ruth Durham – Chief of Staff of the OPCC

Adrian Pearson – Director of Planning and Delivery (OPCC)

Tanya Reade – Corporate Governance Manager (NP)

Kevin Laing – Chief Finance Officer (CFO)

Laura Repton – Public Affairs and Governance Officer (OPCC)

Vicki Wilson – Minute Taker - OPCC

**Apologies:**

Debbie Ford – Deputy Chief Constable (DCC)

**OPEN SESSION**

1. **Minutes of the open session of Business Meeting held on 31 May 2022**

The minutes were agreed as a true record.

1. **Matters Arising**

The Action Log referenced a meeting with ACC Hutchison regarding Serious Violence Duty. The PCC explained this had taken place and had proven to be very beneficial.

The PCC had also agreed to chair the new Local Combatting Drugs Partnership with the first meeting taking place on 4 October.

1. **National Issues Impacting on Policing**

There were concerns raised regarding the lack of national focus on policing and resources. Concern was expressed in respect of confidence within the workforce. It was felt this had been exacerbated by the pay awards. There would be specific plans put in place to build up the confidence of the police workforce.

There also remained no clarity on the government future contribution toward the Police Uplift Programme.

1. **Revenue Outturn Position and Movement in Reserves 2021/22**

The CFO outlined the main points from the report:

The purpose of the report was to present the final revenue outturn position of an underspend of £4.846m for 2021/22 and the transfers to/from the Commissioners revenue reserves, subject to audit.

The Capital Financing outturn position had been amended to reflect the final capital charges for interest on borrowing and the principal repayment of capital (MRP charge) for the year.

The Key Decision recommendation was as follows:

* The PCC note the revenue outturn position as at 31 March 2022, and approve the final transfers to/from the reserves for the 2021/22 financial year.

The PCC approved the Key Decision.

1. **Capital Outturn 2021/22**

The CFO highlighted the main points from the circulated report.

The purpose of the report was to present the capital outturn position for 2021/22, subject to audit and confirm the proposed slippage to be carried forward to 2022/23.

The report identified the final outturn of £8.822m expenditure (subject to audit), £8.368m of identified slippage and £4.191m as a variance to budget. A further table had also been referenced to which displayed the slippage as a more high level summary of the key budget areas.

The PCC queried whether there would be extra costs due to the rising price of resources, however the CFO advised this would not be the case as all costs had been agreed for the timeframe of the contracts.

The Key Decision recommendations were as follows:

* The PCC note the Capital Outturn position as at 31 March 2022, and approve the required Capital Programme Slippage into 2022/23.

The PCC approved the Key Decision.

1. **Group Revenue Monitoring Q1 2022/23**

The CFO highlighted the main points from the circulated report.

The purpose of the report was to provide an update on the Group revenue monitoring position for the period ending 30 June 2022, Quarter 1.

The Group forecast outturn of £339,146m which was based on payments processed to date and current projections, against a 2022/23 budget of £339.332m which reflected an in-year underspend position of £0.186m.

Within the approved 2022/23 budget the following was provided for:

* £322.788m to fund the cost of Policing in the Force area by the Chief Constable.
* £1.829m to meet the costs of the Office of the Police and Crime Commissioner.
* £1.121m to meet the costs of OPPC Supporting Services.
* £13.594m to cover the costs of capital financing.

Workforce budgets continue to be a focus around forecasting and profiling and they are currently projected to be £2.6m under the budgeted positions. Police recruitment continues to be monitored and police staff recruitment is affected by the challenging recruitment market and higher than projected levels of exit. Police Staff recruitment and exit projections had been reviewed to ensure they were robust and reflected the difficult market conditions and challenges currently being faced in this area of business

Within the current forecast was £2.262m of inflationary pressures. These included pressures on utilities, fuel, and vehicle recovery contracts. These could currently be managed within the overarching budget position.

The projected year-end budget position inclusive of core OPCC revenue and Supporting Services were currently breaking even and there were no issues to report at this time.

Capital Financing, additional interest on revenue balance of £0.321m was forecast following a succession of bank interest rates rises in recent months, which exceeded the budgeted rate. The PCC queried whether this would affect the borrowing rate, however the CFO advised there had not been much change with this and therefore no impact had been identified.

The Key Decision recommended the following:

* The PCC note the Group forecast outturn of £339.146m which was based on payments processed to date and current projections, against a 2022/23 budget of £339.332m which reflected an in-year underspend position of £0.186m.

The PCC approved the Key Decision.

1. **Capital Monitoring Q1 2022/23**

The CFO highlighted the main points from the circulated report.

The purpose of the report was to set out the capital forecast for 2022/23 at 30 June 2022.

The capital programme of £31.092m was approved on 29 April 2022 as part of the MTFS. The Capital Outturn report 2021/22 noted slippage/adjustment of £8.168m and a change in funded scheme of £0.127m, bringing the capital programme 2022/23 to a total of £39.387m.

The Key Decision recommended the following:

* The PCC note the Capital Monitoring for Qtr. 1 as at 30 June 2022

The PCC approved the Key Decision.

1. **Draft Annual Governance Statement (CC and PCC)**

The CFO advised the Draft Annual Governance Statement and the Draft Accounts would be completed by the end of July 2022. There would be an annual governance review alongside the framework which had been approved by the Joint Independent Audit Committee (JIAC). The draft versions had been presented to JIAC earlier in the week and there had been no issues to note. The Governance Statement would be amended in line with the HMIC Review should any changes need to be made including internal audit reviews, grants, etc.

The PCC and CC approved the Draft Annual Governance statement and agreed to sign the document.

1. **Forward Plan – Open Session**

The Forward Plan had been noted.

The PCC requested that the following items also be added:

* Victims Service Capacity
* Sustainability Strategy

1. **Any Other Business**

There was no other business to discuss.

1. **Date and Time of Next Meeting**

The next meeting would take place on Monday 5 September at 2pm – Middle Engine Lane/Teams.