



Leicester
City Council

Minutes of the Meeting of the
LEICESTER, LEICESTERSHIRE AND RUTLAND POLICE AND CRIME PANEL

Held: WEDNESDAY, 1 FEBRUARY 2023 at 1:00 pm

P R E S E N T :

Councillor Taylor (Chair)
Councillor Whelband (Vice-Chair)

Councillor Clarke
Councillor Graham
Councillor Harper-Davies
Councillor Loydall
Councillor March
Councillor Mullaney
Councillor Oxley
Councillor Phillimore
Councillor Woodman
Councillor Dempster – substitute
Councillor Pantling - substitute

In Attendance:

Rupert Matthews – Police and Crime Commissioner
Rani Mahal – Deputy Police and Crime Commissioner
Robert Nixon – Chief Constable
Andy Champness – Acting Monitoring Officer OPCC
Kira Hughes – Acting Chief Finance Officer OPCC

Also Present:

Kamal Adatia – Monitoring Officer
Anita James – Senior Democratic Support Officer

* * * * *

8. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Piara Singh Clair and Councillor Cutkelvin.

It was noted that Councillor Dempster was present as a substitute for Councillor Piara Singh Clair and Councillor Pantling was present as a substitute for Councillor Cutkelvin.

9. DECLARATIONS OF INTEREST

Members of the panel were asked to declare any pecuniary or other interests they may have in the business on the agenda.

There were no such declarations.

10. CHAIRS ANNOUNCEMENTS

The Chair made an announcement which included the following comments:

Over the past few months, the Chair had become increasingly concerned by the multiple interim appointments for the role of Chief Executive Officer to the Office of the Police and Crime Commissioner by the Police and Crime Commissioner.

Since the PCC took office in May 2021, there have been two Interim Chief Executive Officers, then the permanent appointment of Chief Executive Officer David Peet which was brought to a Confirmation Hearing, and then following his resignation, another two Chief Executive Officers which have both been interim.

In a period of 21 months that is five Chief Executive Officers with only one coming before the panel for a Confirmation Hearing.

With this constant change, there is a lack of stability and a lack of scrutiny over these appointments. This has also been voiced to the Chair by some members of the panel.

In addition, the Chair has not been made aware that the role of permanent Chief Executive Officer is being advertised at the current time.

After reviewing the 'Police Reform and Social Responsibility Act 2011 Schedule 1 legislation' and seeking legal advice from the panel's monitoring officer, the Chair's view is that any appointment of a Chief Executive Officer or Chief Finance Officer, whether interim or permanent, under the legislation, is an 'appointment' and therefore should come before the panel for a Confirmation Hearing.

With this in mind and being aware that the latest Interim Chief Executive Officer appointment has attracted wider publicity, as well as understandable interest locally, the Chair contacted Mr Matthews with her concerns via email on 13th December 2022. The Chair sent a follow up email on 6th January 2023 and then a further email on 11th January 2023.

The Chair received a telephone call from Mr Matthews on 11th January 2023

and the Chair asked Mr Matthews to start the process of informing the panel clerk of his Interim Chief Executive Officer appointment so the due process could be followed to hold a Confirmation Hearing for Mr Veale.

On the 24th January 2023 the Chair received an email from the PCC to advise that he would not be bringing his current Interim Chief Executive Officer to a panel hearing despite the Chair's request. In the same email Mr Matthews advised that he intended to move speedily to recruit a Chief Executive Officer and Chief Financial Officer.

As of today, at approximately one hour before the meeting the Chair received a telephone call from Mr Rupert Matthews and was advised that Mr Veale had stepped down.

The Chair does not propose to discuss the candidacy for this role today, as that would not be appropriate, however the Chair was clear that there is not an interim Chief Executive Officer until the due process has been followed.

11. MINUTES OF PREVIOUS MEETINGS HELD: 24TH NOVEMBER AND 14TH DECEMBER 2022

RESOLVED:

That the minutes of the confirmation hearing held on 24th November 2022, the minutes of the panel meeting held on 14th December 2022 and the minutes of the confirmation hearing held on 14th December 2022 be confirmed as an accurate record.

12. UPDATE ON PROGRESS ON ACTIONS FROM PREVIOUS MEETINGS (NOT ELSEWHERE ON THE AGENDA)

None currently.

13. PUBLIC QUESTIONS

None taken.

14. PROPOSED PRE-CEPT 2023-24 AND MEDIUM TERM FINANCIAL PLAN (MTFP)

Members of the panel received a report setting out the proposed pre-cept for the financial year 2023-24 together with information about the budget for the force and OPCC, the capital programme, the treasury management strategy and the medium term financial plan (MTFP).

The Police and Crime Commissioner (PCC) introduced the report setting out the Leicester, Leicestershire & Rutland context regarding policing the area and the history in relation to previous funding as well as external factors increasing budget pressures and the driving demands impacting on policing.

It was noted that:

- the nationally-set pay agreement for the Police officers and Police Staff had put significant pressure on the Force budget,
- the PCC was maintaining a cautious approach and there were no plans to increase officer numbers beyond the establishment figure of 2242 at this time,
- the budget was focussed on the priorities within the Police and Crime Plan with strong links to the Force Target Operating Model (TOM),
- the PCC had offered residents an opportunity through a survey to give their views on the proposed increase to precept and received 2172 responses with 50.3% of respondents supportive of a £15.00 per annum precept increase on a Band D property,
- the PCC recommended that the precept be increased by £15.00 per annum on a Band D property for 2023-24 in line with Home Office assumptions.

The Chief Constable addressed the panel, confirming that the PCC had sought his views about the budget and the challenges faced.

The Chief Constable referred to the professional advice he'd given as described in the Policing Protocol Order 2011 and his financial report submitted to the OPCC governance board which gave a broader context to the fiscal position of the force and showed the rapid shift in position over the past 12 months. It was noted that demand on policing had increased 20%, the population of the force area had increased by 10% and the changing demographics of the area brought additional complexities in community policing.

Attention was drawn to the headline budget pressures namely: unfunded pay awards, IT contractual inflation; Insurance; Utilities; Vehicle Fuel and other pressures such as an increase in officer overtime which had materialised in-year leading to a £9.9 million unexpected increase in cost and leaving a budget deficit for 2023-2024 of £5.8 million.

The Chief Constable expanded on the issue of the unfunded pay awards, giving detail of how that averaged out and applied across ranks and the deficit arising because the government grant uplift was only for officers not for all staff.

The Chief Constable set out the steps being taken to help close the deficit gap of £5.8million next year which would include reducing police staff through vacancy management and maintaining officer numbers at 2242. It was anticipated that some estimates about fuel and inflation costs may come down too. It was noted that the PCC had allocated a £620,000 contribution to force reserves to ease the budget pressures.

The Chief Constable indicated his support to increase the precept on a Band D property by £15.00 although he put on record that he felt the level of core funding was still significantly short and the pre-cept made up the majority of funding for the force area and that increased inequalities.

The Acting Chief Financial Officer, OPCC addressed the panel, providing a

summary of the planning process, the risks and challenges for this budget and the precept proposals.

Attention was drawn to the following points within the report:

- The provisional settlement confirmed a £0.3m increase in revenue grant funding and the precept referendum threshold was confirmed at £15 for a Band D property.
- The total 2023-24 net budget requirement of £230.186m.
- A council tax (precept) requirement for 2023-24 of £92.972m.
- A transfer from the Budget Equalisation Reserve (BER) to help reduce the budget deficit, with a view to longer term sustainability.
- The use of the BER to fund an additional 1% (£1.1m) pay award costs for Police Officers and Police Staff if the pay award is above the 2% assumption included within the medium term financial plan (MTFP).
- Transfer of £0.6m from the Office of the Police and Crime Commissioner reserve to the Force in order to support them in reducing the budget deficit and managing the financial challenge.
- Investment items totalling £2.239m contained within the budget proposals for 2023-24 and beyond.
- The review of reserve levels and plans to use reserves to support the medium term financial plan during a period of transition to a sustainable position.
- The amount of funding for the OPCC including commissioning equates to 2.7% of the total net budget with the remaining 97.3% allocated to the Chief Constable to use on local policing and regional collaboration.

The Chair thanked the PCC, Chief Constable, and Acting Financial Officer for presenting the budget details noting the rising cost of living was affecting every organisation in the public sector and, commenting that the need to raise the pre-cept in this time was not a pleasant task.

Members considered the report and the precept proposals.

In relation to increasing demands on policing it was noted the volume of 999 versus 101 calls showed a significant increase in calls and members were curious as to the reason for that when there had been successive years of promoting 101. Members were advised that officers were exploring the reasons behind the increased number of 999 calls and also performance of 101 call

handling and there was some suggestion that staffing levels at the call centre may have had some impact on 101 performances as there had been issues recruiting to fill vacancies.

Members noted the deficit forecast and considered the medium term financial plans and there was some caution about using reserves to support future pay awards as it was possible that future pay reviews could be higher than anticipated and once reserves were used then future precept proposals would need to be lifted higher. In relation to the budget forecast, it was suggested that rather than using an assumption of a future £10 precept increase it should be £15 to close the deficit quicker.

The Acting CFO responded that a risk based approach had been taken working with information that was available in this year's Home Office settlement.

There was some support for forecasting forward on a £15 precept increase although recognised there was volatility to that and there was no guarantee that the Home Office settlement would allow for that level.

Members expressed concern about the level of core funding being received and the impact that had on the precept level being raised. Members noted that the report showed a clear shift in funding away from central grants with income now standing at just over 56% from the local precept and it was suggested there was a strong case to say that the Leicester, Leicestershire, and Rutland force area should be getting more funding.

The Panel agreed that the Chair on behalf of the panel should write to the Policing Minister about their core funding concerns and request support for a £15 increase in precept moving forward.

Members noted that the proposal to increase this year's precept by £15 on a Band D property represented an increase as a whole of 5.81%. There was a brief discussion about the allocation of the extra revenue generated together with the plans to achieve efficiency savings and how the impact of £3.9 million savings would be assessed. The Chief Constable indicated that a number of options would be explored as set out in the report and steps were being taken to methodically look at unproductive areas. Assurance was given that the force would continue to deliver a high rate service and to have the resources to tackle important issues such as rural crime and county lines and they would look to minimize the impact.

There was further discussion about the possibility of reducing police staff by up to 8% and clarity was sought as regards the staffing levels at the OPCC and whether there was any expectation to make savings there too.

The PCC informed that the percentage of budget allocated to the OPCC remained static. Money was not being taken away from the police and the proportional split between the OPCC and police remained as it was the past few years. In addition, the OPCC were giving a contribution of £620,000 to address the deficit issue that had arisen.

It was noted that the pressures on the budget brought about by applying the pay increases applied across the board to OPCC staff too but there was no increase in the OPCC budget to meet that. As far as reversal of workforce modernisation was concerned this was about exploring what roles could be changed and re-evaluating unproductive areas to make savings.

The PCC confirmed that any proposals to reduce staff and the impact of that would be handled through the OPCC Corporate Governance Board as too would any other efficiency savings proposals, before being brought to the panel for information too.

The Chair remarked upon the costs of the OPCC, noting it was not apparent from the report that any efficiency savings were happening in the OPCC and asked for information of what was happening there too.

During the course of discussion, it was suggested that in the next fiscal year the OPCC should look to match or improve upon the efficiency savings it was asking of the police. It was also suggested that the budget savings might be further off set if further consideration was given to removing the post of Deputy Police and Crime Commissioner.

The Monitoring Officer provided a point of clarification about the noting of the report, advising it was convention to invite the panel to note the report. The Monitoring Officer also advised that the only decision the panel were invited to make today was to support the precept proposal and there was a distinction between that and the budget. The Monitoring Officer informed the panel of the three options available to them i) support the pre-cept without qualification or comment, ii) support the precept with recommendations, iii) veto which would require 10 out of 15 member votes.

In respect of s106 monies the Chief Constable acknowledged the work done by the panel and the recommendations that followed that piece of work. He advised that it was still too soon to factor in those sums of money to a capital programme, but work was ongoing to repurpose existing bids and a full update would come to the panel in due course.

Regarding HR services, it was noted there was still a shared service centre with Derbyshire as well as a small HR recruitment team in force, consideration was being given to move the HR service in force as part of the workforce wellbeing agenda, this would help address some of the challenges, enhance reactive therapeutic support to officers and enable moves towards preventative work too. Members welcomed the force prioritising investment in staffing therapeutic support, health, and wellbeing.

In terms of officer numbers being maintained at 2242, it was advised that forecast projections included some safeguarding for retirement age, and the force were able to project forward for the next few years with recruitment forecast next year at 147 officers for example. There was also the challenge of recruitment/churn and bringing in wider representation whilst ensuring that

recruitment was aligned to skills and demographic.

It was proposed and seconded and upon being put to the vote unanimously supported that the pre-cept be increased to £15 for a Band D property.

The Chair thanked everyone for their contribution to discussion.

RESOLVED:

1. That the information presented in the report be noted;
2. That the proposal to increase the 2023-24 precept by £15.00 per annum (5.81%) for police purposes to £273.23 for a Band D property be **supported**;
3. That the Chair on behalf of the panel shall write to the Policing Minister about the core funding concerns and request support for a £15 increase in precept moving forward;
4. That the PCC shall provide a full report detailing the Efficiency Savings identified for the financial year 2023-34 and the impact of those efficiency savings to a future panel meeting;
5. That the future risks, challenges, uncertainties, and opportunities included in the precept proposal together with the financial and operational considerations identified be noted;
6. That the Home Office grant allocations notified through the provisional settlement and the Band D council tax base and estimated collection fund deficit received from the billing authorities be noted;
7. The current Medium Term Financial Plan (MTFP) contained in Appendix 1, the Review of the MTFP Budget Setting 2023-24 at Appendix 2; Capital Strategy at Appendix 3 and the Treasury Management Strategy at Appendix 4 be noted.

15. OPCC OFFICE STRUCTURE UPDATE REPORT

Members of the panel received a report providing an update on the organisational structure of the Office of the Police and Crime Commissioner.

The Police and Crime Commissioner introduced the report and highlighted the following points:

- The OPCC structure had been reviewed with focus on a number of key areas including roles and responsibilities, post profiles/job descriptions, organisational and governance structures as well as comparison with other OPCC's in the region.
- The revised structure now had fewer senior positions and more frontline workers than previously with less hierarchy.
- Current costs of staffing were £1.3million, achieving a saving of approx. £52k on the previous staff structure whilst creating more frontline officers and improvement to service.

- Office restructuring had enabled a review of commissioning.
- In terms of dealing with force complaints, prior to the changes correspondence from the public had a response time of around 28 days whereas now it was 4 days.
- Projects that were waning had been given fresh support e.g. People Zones, ensuring they were staffed and had a budget they can work to.
- A leadership programme had been introduced.
- The Custody Visitor Volunteer scheme was now recognised as one of the best in the country.

The Chair invited questions from members which included the following points:

Members thanked the PCC for the report however it was noted there had been considerable flux and more so since this report was written in terms of the Chief Executive Officer post.

The PCC advised his intention to recruit a permanent Chief Executive Officer in the coming months and agreed he would move to seek a confirmation hearing for an interim Chief Executive Officer and would liaise with the panel clerk outside this meeting.

The Chair asked for the relevant paperwork to be submitted to the panel clerk as soon as possible.

There was a brief discussion about confirmation hearings not taking place previously for both the Chief Executive Officer and Chief Finance Officer roles. The Monitoring Officer clarified that the onus was on the Police and Crime Commissioner to bring those matters to the panel for a Confirmation Hearing.

The Chair thanked the PCC for the report.

RESOLVED:

1. That the contents of the report be noted,
2. That the Police and Crime Commissioner should provide the necessary formal notifications seeking confirmation hearings for the roles of Interim Chief Executive Officer, and Interim Chief Finance Officer and in due course for those permanent appointments.

16. ETHICS AND TRANSPARENCY PANEL UPDATE

Members of the panel received a report providing an update on the establishment of the new Ethics and Transparency Panel (ETP) which included details of membership, terms of reference and a summary of the ETP's first meeting.

The Police and Crime Commissioner introduced the report with a brief summary of the background and the ETP role. It was noted that the initial first meeting of the ETP was due to take place in September 2022 but was postponed due to the death of Her Majesty the Queen.

The Police and Crime Commissioner indicated his support for scrutiny of police officer and staff conduct and that there would be emphasis on policies and procedures to reduce corrupt behaviour, malpractice, and misuse of powers etc. The ETP would be an advisory board with power to examine and make formal recommendations to the PCC.

Members of the panel discussed the report which included the following comments:

Members welcomed the concept of the new panel but were concerned that the replacement and removal of the previous Ethics Committee was carried out without redress to this panel and that a situation had arisen whereby the PCC had to make a £56k pay out which could perhaps have been avoided if communication was better and legal advice had been taken before making the decision and so avoiding cost to public purse.

The PCC responded that he was underwhelmed by the way the previous Ethics Committee carried out its terms of reference (ToR) and didn't think it was adequate, relationships between long standing members of that committee and officers was very amicable and whilst that's generally good he was not sure it was appropriate. The PCC reviewed minutes of the committees previous meetings and gave attention to the function of that committee and his initial feelings were reinforced. It was not possible to reach agreement with the Chair of that committee who thought it was an independent body. The PCC felt it was important to look at the ethics of the police force and OPCC and thought it best to start with clean sheet, new ToR and to recruit to that committee in an open way. The paper today sets out the revised and more robust ToR.

The PCC referred to the £56k pay out, noting legal process and legal advice received which led to an agreed settlement and therefore avoided more costs being incurred.

In relation to the process of selecting the members of the new ETP, the PCC advised that the role was advertised, and a proper recruitment exercise undertaken. The PCC agreed to provide information about the number of applicants and criteria used to select outside the meeting although the information was available online at the OPCC website.

It was queried how crime sampling and complaints were chosen to come before the ETP. The Chief Constable replied that the ETP were given free rein to look at anything and historically they were signposted to any matters with allegations of racism, violence against women and girls, misogyny etc. The only matters they did not have access to were related to ongoing anti-corruption investigations.

It was suggested that the PCC decision to remove the previous Ethics Committee related to his comments on the Black Lives Matter movement. The PCC responded that was not the case, his comments had been inflated and there was no relevance to his decision to disband that committee.

In terms of the ethnic/diverse make-up of the new panel membership, the PCC did not have that information to hand but agreed it could be made available to members after this meeting.

The Chair thanked the PCC for the report.

RESOLVED:

1. That the contents of the report be noted,
2. That the PCC provide information about the number of applicants, the criteria used to select and the ethnic/diverse make-up of the new Ethics and Transparency panel membership,
3. That the PCC provide a regular update report on the Ethics and Transparency Panel's progress and outcomes to this meeting.

17. WORK PROGRAMME

The contents of the ongoing work programme were noted.

Items for inclusion on the work programme were agreed as follows:

- Women's trust and confidence in the police force and how that was being taken forward by OPCC
- An update on whether extra checks were being introduced for existing officers in light of recent national police events in media.

18. ANY OTHER URGENT BUSINESS

None notified.

19. DATE OF NEXT MEETING

To note that the provisional meeting date on Thursday 16th February 2023 is no-longer required as a veto was not exercised on the proposed pre-cept, and that meeting is hereby cancelled.

The next ordinary meeting of the panel is scheduled to take place on Monday 6th March 2023 at 1pm at **City Hall**. All to note change of venue.

There being no further business the meeting closed at 2.54pm.