292 MINUTES OF THE LAST MEETING HELD ON 16 NOVEMBER 2017

The Chair welcomed all to the meeting and apologies were noted.

All actions from the previous meetings were completed.

**Action:** The Chief Constable confirmed there were ongoing discussions with Berkshire MASH and a separate report would be forwarded to the Police & Crime Commissioner thereafter.

**RESOLVED:** The minutes of the last meeting on 16 November 2017 were confirmed as a true record and endorsed by the Police & Crime Commissioner.

293 MINUTES OF THE COMPLAINTS, INTEGRITY & ETHICS PANEL MEETING ON 13 DECEMBER 2017

The Police & Crime Commissioner received the minutes of the CIE Panel meeting held on 13 December 2017.

The Police & Crime Commissioner **NOTED** the contents of the minutes.

294 CIEP ANNUAL ASSURANCE REPORT 2017
The Committee’s Annual Assurance Report 2017 was presented by Paul Hammond.

The purpose of this Report was to present, to the Police & Crime Commissioner and Chief Constable, an assurance to the adequacy and effectiveness of the Force’s arrangements for handling and dealing with complaints made against them, and to bring to their attention any collective views, concerns or recommendations for improvements based on an assessment.

The Police & Crime Commissioner and Chief Constable noted from the Annual Assurance Report that the Panel’s regular scrutiny of closed complaint cases had revealed no serious handling failures, miscalculations or departure from Thames Valley Police (TVP) complaint handling procedures. The CIE Panel members attend confidential PSD Tasking meetings where live cases are discussed. The Panel’s scrutiny of complaint cases revealed no serious procedural failures and were satisfied overall that the procedures comply with the requirements of the National Police Complaints System and fit for purpose, with the management of complaints handling overall by the Professional Standards Department (PSD). This was considered to be of a high standard. Any matters or concerns raised or noted by members of the Panel were satisfactorily considered and explained either at meetings or as ‘action items’ and noted to address these concerns at future meetings.

Based on the information and knowledge that the Panel gather, they were able to provide an assurance to the Police & Crime Commissioner and Chief Constable that the complaints handling and management arrangements are in place with Thames Valley Police and that these arrangements operated efficiently and effectively.

The Police & Crime Panel invited the Chair of the CIE Panel to present the CIEP Annual Assurance Report on the 2 February 2018. However, it was agreed between the Police & Crime Commissioner and Chief Constable that the Annual Assurance Report would be presented by the Police & Crime Commissioner rather than the Chair of the CIE Panel.


295 TVP FORCE DELIVERY PLAN 2017/18

The Delivery Plan indicated the Force’s activity in respect of the Delivery Plan 2017/18 during the period October to December 2017 (Quarter 3). The Force continues to move on in complex areas and identify new projects and initiatives which contribute to the key drivers, outlined in both the Force Delivery Plan and the Police and Crime Plan.

In the last quarter the HMICFRS PEEL Inspection awarded an ‘Outstanding’ efficiency rating as part of the inspection. Reviewing the impact of the Operating Model has begun and is continually monitored.

Changes to the Mental Health Act has ensured that the Force is operationally equipped to deal with changes and is delivering both locally and force-wide to protect the vulnerable from exploitation.

A ‘Planning Gold Group’ for police officer recruitment and retention is now taking place to make strategic recommendations across the Force and various actions taken by LPA’s. 97 police staff investigators have been recruited and the Force are actively reviewing the routes of entry into the organisation for new police officers to enable the delivery on requirements to ensure that demand for policing services are met to meet the ever changing needs of the public.

The Force are focussing hard on ‘demand management’ with two local pilots presented and assessed in Quarter 2. These have now been rolled out force-wide for a further trial period to measure the potential impact on demand.

The Deputy Chief Constable discussed the complexity of vulnerability referred to in Section 1, giving examples of developing work on domestic abuse and victims’ code compliance. There were ongoing
assessments by the Force of the benefits arising from Multi-Agency Safeguarding Hubs (MASHs), including the current arrangements of the nine MASHs that serve the Thames Valley area.

There would be a further rollout of the file quality pilot to all three counties of the Force, with a primary function to ensure that detectives were building strong evidence and completing case files at the point of first submission. This should improve efficiency and create capacity for the detectives of rape and serious sexual offence lawyers but more importantly, would provide a better service to victims.

The Force are continuing to monitor the impact of adopting the new legislative requirements of the Policing and Crime Act 2017, including improvements to Bail Management. There continues to be no adverse incidents as a result of inappropriate release with or without bail and the percentage of those on bail are still in line with other Forces nationally. The Police & Crime Commissioner asked whether this was working because of significant changes in practices. The Chief Constable confirmed that a paper would be going to the Chief Council meeting this week and he would keep the Police & Crime Commissioner updated.

**Action:** The Chief Constable to update the Police & Crime Commissioner as to the ‘use of bail’ having attended the Chief Council meeting.

The Deputy Chief Constable discussed the ways in which the Force communicate with the public in raising awareness of key issues such as hidden harm, cyber, cyber-enabled crime and road safety to positively influence behaviour. The third programme in the True Vision series of ‘Catching a Killer’ (‘Bullet through the Window’) was aired on 7 December 2017 on Channel 4. The series managed to highlight the work carried out by TVP Major Crime Unit and the complexities of detailed investigations. ‘Operation Holly’ was delivered to reduce the opportunity for motorists to drive whilst under the influence of either alcohol or drugs and therefore preventing casualties. Thames Valley Police have recently launched a campaign testing for drink and drugs in the area.

Bracknell and Wokingham Cadet Scheme has successfully recruited additional Volunteer Cadet Leaders which has enabled the Force to take on a second in-take of new Cadets.

There are 15,201 members of Thames Valley Alerts in Bracknell and Wokingham area and they are increasing their drive to gain new sign-ups. This has been focusing on areas where there has been an increase in burglaries in order to support engagement with vulnerable communities. There was a recent rise in burglaries but this had gone up nationwide, with Thames Valley still at the bottom for household burglaries. Detective Supt. Richard List leads on burglary across the Force and is focusing on the Thames Valley detection rates. The Police & Crime Commissioner in particular, was concerned with burglaries in the South East area and got the impression that organised gangs were coming into the country from abroad to carry out these crimes.

Cross border criminality was an issue for Thames Valley but it was also an issue for other Forces. The Chief Constable confirmed to the Police & Crime Commissioner that there were analysts in Hertfordshire, the Met and Thames Valley and they were delivering good results. There is a point of contact that now links in with communications and the sharing of this intelligence. The Police & Crime Commissioner asked when reporting issues of violence, was the increase due to a change in Home Office rules? The Deputy Chief Constable confirmed that Thames Valley Police receive their information from various recordings from different areas, they have the knowledge of the correct processes and these are in place. The communities are asked about community safety, with night-time economy also being monitored. The more serious violent cases were dealt with immediately. The Chief Constable confirmed there were not many places in the Thames Valley with hot spots in relation to violence but tends to be pockets relating to drug incidents.

The Police & Crime Commissioner commented that ‘it seems the worse your area is, the more money you receive from the Government’. The Deputy Police & Crime Commissioner felt there were problems with the comparison of figures and was particularly interested in the level of historic cases e.g. violence crimes/sexual offences. The Deputy Police & Crime Commissioner asked whether it would be possible to compare the date of the offence to the actual findings in the report in order to give more accurate figures. The Deputy Chief Constable confirmed that the date on the level of offences could be broken down, but that ‘violence’ itself was a large category from pushing and shoving to very violent attacks.
Action: Deputy Chief Constable to see whether it is would be possible to compare the date of violence
offences that have occurred to the actual findings to reflect accurate figures and update the Deputy Police &
Crime Commissioner.

Figures from the Modern Slavery Helpline shows a significant upward trend in reporting. In October 2017,
21 people contacted the helpline. 10 cases of modern slavery were identified and 25 potential victims were
identified during this time.

The Force work collaboratively to deliver the Digital Transformation Portfolio, to include Digital Contact, Digital
First and Digital Investigation Intelligence capabilities. The Digital Transformation Portfolio discovery stage
was completed in September. A total of 37 project charters were assessed for investment costs and
resources taken through force change and financial planning processes, before the final project approval is
given. All digital transformation opportunities are now prioritised against agreed criteria and linked to Force
objectives. ICT are working on delivering a central cloud-based storage solution for Body Work Video (BWV)
footage to enable the uploading and viewing of footage from any TVP workstation and to share this with the
CPS and Courts.

In relation to investigating, developing and implementing opportunities to deliver services collaboratively with
other Forces and local partners, Force Procurement are leading on joint work with the Fire and Rescue
Services in Thames Valley to streamline procurement and supply chain operations, with a new warehousing
model currently being discussed to improve efficiencies.

Work has commenced across LPA’s to measure the wellbeing of officers and staff against the National Blue
Light Wellbeing Framework. Officers and staff have to deal with some horrendous situations and the support
that can be provided is of paramount importance.

The Force have launched a Force Academic Journal which captures evidence based practices from staff and
academic research to inform the links made with universities and other partners of the development of policy
and practice, which are relevant to policing. The Deputy Chief Constable noted that a development day for
black and minority ethnic staff hosted by the Support Association for Minority Ethnic (SAME) offices and staff
was held in November 2017 and supported 60 officers and staff with a focus on development and progression
within the Force. In October 2017 a new Direct Entry Scheme Superintendent and Inspector were appointed
who are building up their police knowledge before being deployed.

Bracknell and Wokingham shared their positive feedback of the outcome from the Independent Advisory
Group regarding their disproportionate Stop and Search rate for BME. The Police & Crime Commissioner
felt that nationally Stop and Search went badly wrong resulting in higher deaths and in particular not searching
for knives although, the Deputy Chief Constable confirmed there were very few complaints around Stop and
Search in Thames Valley and officers make sure their powers are used correctly.

The Deputy Chief Constable summarised the increasing capacity through investigator recruitment and the
review of the process to meet the demands of existing, new and emerging crime types as well as the
measures set out in the Delivery Plan aims. In April to December 2017, the number of telephone calls to
Thames Valley increased by 439 (an increase of 0.1%). In the same period, the number of calls for service
which required police attendance, as measured by Command and Control, fell by 15,820 (a reduction of
7.4%) The number of incidents identified for immediate response had increased by 2.3% whilst the number
shown as requiring an urgent response decreased by 8.7%. The level of Female Genital Mutilation incidents
went down from 22 to 10. The Deputy Chief Constable clarified with the Police & Crime Commissioner that
this was a ‘health person’ recording the incident with the police and that the crime had not in fact taken place.
The figures had decreased across the board and some types of crime were linked with different backgrounds
of ethnic origin. Officers were also required to gain knowledge and understanding of victim crimes.

The Police & Crime Commissioner NOTED the progress made with the Forces Delivery Plan for 2017/18.

296 OPCC STRATEGIC DELIVERY PLAN 2017/18

The PCC’s Police and Crime Plan 2017-2018 reflected a combination of policing and non-policing priorities,
objectives and planned activities which was presented by Paul Hammond. The delivery of the four year
Police and Crime Plan would reflect additional changes throughout this period. The Chief Constable would be held to account for delivering the long-term policing objectives and actions within the plan and year-on-year progress to be measured against the Force’s own ‘Annual Delivery Plan’.

The Chief Executive, Chief Finance Officer and other members of the Office of the Police & Crime Commissioner’s Strategic Management Team were responsible for ensuring that all objectives within the non-policing objectives and actions within the Police and Crime Plan are monitored and delivered on a timely basis, as well as other ‘business as usual’ tasks and activities within the OPCC. These activities are captured within the OPCC’s annual ‘Strategic Delivery Plan’ and the monitoring and progress of reports are presented to the Police & Crime Commissioner regularly throughout the year.

A copy of the OPCC Strategic Delivery Plan for 2017/18 showing progress was discussed. This Strategic Delivery Plan is a ‘live’ document which is reviewed and updated regularly throughout the year. The Plan uses a ‘Red/Amber/Green’ (RAG) status to highlight any progress on delivery of actions. There were 62 live actions in the Delivery Plan, 20 of which had now been fully completed and shown as ‘(c)’ coloured green. There were a further 32 actions which were also on track. 1 action in section 2.1 coloured red was to ensure Thames Valley Police (TVP) develop and implement the new automated TVP victim referral pathways into PCC-funded victims’ services, to replace Automatic Data Transfer (ADT) by the end of March 2018 when it goes live. A new software has been identified but is subject to the Apricot Software information assurance from TVP, with the OPCC to purchase audit tool to address the security concern. Paul Hammond noted that a new system/investment opportunity had been development which would make the system more efficient.

The Police & Crime Commissioner NOTED the progress made and confirmed he has sight of the Strategic Delivery Plan on a regular basis.

297 REVENUE MONITORING REPORT 2017/18

The Police & Crime Commissioner received the Revenue Monitoring Report for the 2017/18 presenting the financial position to the end of December 2017.

The overall 2017/18 revenue budget was £1.223m underspend against profile with a forecast full year underspend of £0.455m or 0.1% of the overall budget, a reduction from the October report which indicated a £0.897m year-end underspend.

The significant underspend arose due to the shortfall of police officer numbers caused by high attrition rates and low recruitment numbers. Significant work continues within the organisation to mitigate the impact of low police officer numbers on service delivery.

The Force are facing delays in the delivery of a number of productivity savings due to slippages in the originating programmes, increased costs due to heightened security risks as well as demand across the organisation. These new demands and potential overspends will be covered by the police pay underspend. The Force propose to invest a further £0.717m in capital projects from the pay budgets.

Linda Waters confirmed that Dr Steven Chase chairs a Gold Group meeting on a monthly basis looking at actions of officers not in posts and long term measures for recruitment. It will be sometime before the results of these measures are seen. The Police & Crime Commissioner wanted to discuss the wastage of officers, indicating that the Force were below strength with officers departing for various reasons. The Chief Constable confirmed that this was down to three factors. Firstly, the main factor was retirement of officers and only one month’s notice was required but that it took 6 months training for a new officer. Secondly, the Force were seeing some officers/staff leave before the pension age to go on to further their careers elsewhere. It did not seem nowadays that a career in the Police Force is for life anymore. There were 90 officers transferring out of the organisation last year, some going to the Met but mainly to other forces across the country, generally because of the quality of life and cost of living and there was nothing that the Force could do about this. The loss per annum of officers was approximately 250 and Thames Valley Police were losing more transfers out than they were getting transferred in.
There was a discussion between the Police & Crime Commissioner and the Chief Constable as to whether a bonus fee should be offered to transferees. This was challenging but was currently being discussed and considered to explore all avenues. However, the Force have to remain in line with the Police Regulations. It takes 2 years to train an officer at a cost of £70k - £80k (this includes direct training costs and salary). The Deputy Police & Crime Commissioner wanted a feel for the bigger picture asking whether it was recruiting into a Force as a whole or whether it was just Thames Valley. When other Forces open up for recruitment they seem to have a large number of officers applying. The Chief Constable confirmed that this was different across the county. Some Forces in the north use voluntary severance. The Chief Constable had received feedback from other Forces of how to reward police officers from moving on but felt that it was not healthy in "stealing" police officers from elsewhere.

Linda Waters continued summarising the police pay budget; allowing for allocations and the recently announced 1% non-consolidated pay award of (£0.9m) the police pay budget is currently forecast to underspend by circa £2.4m. However it was noted that the recruitment of case investigators had been very successful, hence the approval to transfer £1m to the police staff pay budget had now been sorted which was a short-term measure to help out the Force.

The Police & Crime Commissioner confirmed he was delighted with the £2m received from the Government for ‘Op Hornet’ even though in total it cost Thames Valley Police £7m. This was only part of the issue and he felt it should have been a grant from the Treasury and not the Home Office. The Police & Crime Commissioner felt that the banks should also play a part in the reimbursement of funds. It was noted that the £2m received would go into Reserves and be used on further cases and ongoing issues.

The Police & Crime Commissioner NOTED and APPROVED the contents of the report.

298 CAPITAL MONITORING REPORT 2017/18

This was the third monitoring report for the financial year 2017/18 which included spend and known commitments up to the end of December 2017. The budget in this report had been adjusted to reflect changes discussed in the 3 years 2018/19 to 2020/21 Medium Term Capital Plan report, for example budget re-phasing. Linda Waters noted there had been no significant changes in this period.

The budget has also been adjusted to reflect £15.124m of initial estimates of budget re-phasing across various projects, £0.453m of budget savings on the Milton Keynes Infrastructure work and a further £0.585m of budget reductions identified during the MTCP budget review.

The revised 2017/18 capital budget was now £30.144m, of which £25.088m was active. Project spend to date is £12.558m with an additional £9.605m of orders placed and committed. Total spend and committed funding was therefore £22.164m. A small underspend of £0.292m was currently forecast reflecting a number of over and underspends across the programme.

A number of projects are either in the early stages of preparation, or remain at pre-preparation stage with no commitments identified to date. The majority of these project budgets were re-phased from last year, some may require further re-phasing if they cannot be progressed before the year end.

The work to convert the custody suite into usable space has now been completed at St Aldates with the final account still to be settled. There is an early indication that savings of £0.200m would be achieved.

The contractors have now started on the infrastructure work to be carried out in Milton Keynes. This project will run for approximately 20 months. At this early stage, there is thought to be potential savings of £0.453m from within the project which has been reflected in the MTCP budget, with the Police & Crime Commissioner fully aware of a few of the significant bills.

As to vehicles and equipment, it was noted that most of the fleet vehicles were kept for 3-4 years, however some vehicles were being replaced after two years, so the turnover was still quite high.
Linda Waters gave a brief summary of Two Way Interface (TWIF) in section 3.27, CSI Computer Triaging in section 3.28 and ANPR – NAS in section 3.35.

The Police & Crime Commissioner had concerns as to the ‘Airwave’ costs which could be considerable for Thames Valley Police in three years’ time. The Chief Constable was currently liaising with the Home Office for Airwave to be extended. Work was currently being undertaken to draft a plan for the timeline which may be available in two months’ time. Currently there were technical issues with Airwave which needed to be resolved and the providers were waiting for an update as to how long Airwave would be used for.

It was noted that in the recommendations for the PCC in the Executive Summary, the final bullet point was incorrect and should have read:

- A forecast overall plan underspend of £0.292m.

The Police & Crime Commissioner NOTED and APPROVED the Capital Monitoring Report subject to the correction of the forecast overall plan underspend as follows:

- The updated capital monitoring report, including the revised budget of £30.144m, which includes additional budget of £0.717m, re-phasing into future years of £15.124m, £0.453m of budget savings and £0.585m of budget reductions based on MTCP budget reviews.
- The total annual budget released to date of £25.088m.
- A forecast overall plan underspend of £0.292m.

### 299 TREASURY MANAGEMENT QUARTERLY PERFORMANCE UPDATE REPORT 2017/18

The Police & Crime Commissioner congratulated both finance teams on getting a low percentage on borrowing which made all the difference.

The Police & Crime Commissioner approved the Treasury Management Strategy Statement for 2017/18 at the Level 1 meeting held on 24 January 2017. This report sets out how the OPCC is complying with the agreed strategy and provided performance information for the period 1 April 2017 to 31 December 2017.

The Monetary Policing Committee (MPC) held a meeting on 14 September 2017 where they indicated that the Bank Rate would need to rise due to an emerging view that with unemployment falling to only 4.3%, the lowest level since 1975, and improvements in productivity being weak, that the amount of spare capacity in the economy was significantly diminishing towards a point where they needed to take action. It therefore came as no surprise that the MPC increased the Bank Rate by 0.25% to 0.5% in November and gave forward guidance of two further increases of 0.25% by 2020.

Ian Thompson confirmed that, as at 31 December 2017, there was under-borrowing of £17,327m. New external borrowing of £7.635m was undertaken in December 2017 from the Public Works Loan Board (PWLB) to help fund the previous purchase of Fountain Court. The OPCC exceeded the overdraft facility once during the first nine months of the year due to the funds from the sale of Iver Police Station not being received on the day notified to the OPCC. The cost of the overdraft was £34.68 although this was partly offset by receiving an additional £7.22 of interest on the additional investment amount. During this nine month period (April to December 2017), the minimum amount of liquid short-term deposits within seven days was £2.870m on 31 May.

In December, the Chartered Institute of Public Finance and Accountancy, (CIPFA) issued a revised Treasury Management Code and Cross Sectoral Guidance Notes and a revised Prudential Code. Ian Thompson to update the Police & Crime Commissioner once the formal guidance is available.

**Action:** Ian Thompson to update the Police & Crime commissioner once the Guidance Notes and revised Prudential Code is made available from CIPFA.

300 ASSET MANAGEMENT PLAN DELIVERY PROGRESS REPORT

The Asset Management Plan (AMP) is an important strategic document which establishes the overall strategic direction for management of the estate, and provides the context for key decisions to be made on the future of individual properties and investment priorities. Peter Smith confirmed that since the AMP Report was produced the sales of Iver, Langley and Crowthorne properties had completed with a combined gross capital receipt of £5.28m. The Wantage library property had slipped but Property Services had three more additional properties hoping to complete by the end of March 2018.

Two properties were placed on the market in early November 2017 but no offers were received by mid-December. Peter Smith confirmed that there had been an offer on one of these properties and was likely to progress.

2016/17 was an exceptional year with combined gross capital receipts from sales (operational and housing) totalling £20.4m with associated running costs (savings) of £483,000 per annum.

The current AMP was approved in 2016 and updated every two years, with annual updating of key annexes covering the future strategy of each operational building, and the ongoing disposal programme. The AMP and associated work-streams is monitored regularly by the internal Strategic Estates Group (SEG), any implications in respect of the annual budget cycle are highlighted for appropriate consideration.

This report and contents had been reviewed by the SEG in December 2017 and provided an update on progress to date on key work streams during the 2017/18 financial year. Appended to it were the refreshed retention indicator and AMP disposal programme Annexes. Work will commence on the 2018 refresh of the AMP in the spring.

A key aspect of Thames Valley’s requests for recognition of future policing requirements have been accepted in the new planning policy documents published by Reading Borough Council, Cherwell District Council and West Berkshire Council.

The Police & Crime Commissioner queried the selling of Bicester Police Station. Peter Smith added that the building was an old 1950’s property and fairly outdated. Bicester Police Station may be merged with the Blue Light and Roads Policing as Bicester still requires a substantial policing presence. The Fire Service were establishing their footprint so Thames Valley Police had flagged the Bicester Police Station as a disposal. The Chief Constable indicated that preserving our own assets and being in control was essential.

Strong progress had been made with collaborative estate projects with the Fire Services in Berkshire and Buckinghamshire, although the Oxfordshire projects had been at a much slower pace. Three projects had been approved in Bicester and the Witney Civic Area but nothing yet has come through for Milton Keynes.

The Police & Crime Commissioner NOTED the update and attached versions of the retention indicator and disposal programme Annexes.

The Police & Crime Commissioner requested a five minute break at 11:40am to enable discussions with the media to take place.

301 HMICFRS REPORT

The Deputy Chief Constable led on the Response to Publication by HMICFRS Report dated 12 December 2017 reporting on the Summary of Findings and Gradings for Thames Valley:

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How efficient is the Force at keeping people safe and reducing crime? | OUTSTANDING

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<td>How well does the Force understand demand?</td>
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<td>How well does the Force use its resources?</td>
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<td>How well is the Force planning for the future?</td>
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<td>To what extent does the Force treat all of the people it serves with fairness and respect?</td>
<td>Good</td>
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<td>How well does the Force ensure that its workforce behaves ethically and lawfully?</td>
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<td>To what extent does the Force treat its workforce with fairness and respect?</td>
<td>Good</td>
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The Police & Crime Commissioner congratulated the Force on the outcomes for both Efficiency and Legitimacy.

The Deputy Chief Constable confirmed that HMICFRS, Ofsted, Care Quality Commission and HMI Probation undertook a Joint Multi-Agency Inspection to the abuse and neglect in the Wokingham area in May, to include an evaluation of the ‘front door’ of child protection, when children who are at risk becomes known to local services.

It was noted in the HMICFRS Report that the Police and CPS frequently struggled to separate stalking and harassment. The College of Policing completed draft guidance on stalking and harassment but the considerable delays have led Forces to develop their own practice and procedures to fill the gap between the introduction of legislation and the publication of CoP guidance.

The National Crime Agency (NCA) has a central and critical role in developing the response to modern slavery and human trafficking; to enhance and underpin this role, the co-ordination and sharing of information and intelligence between the National Crime Agency and Forces also needed to be more consistent.

The National Police Air Support (NPAS) service is available to all Forces in England and Wales through a collaborative agreement. Each force contributes to the funding of the service based on the number of times the helicopter is used. The majority of air support is provided in connection with crimes in action and approximately ¼ of deployments are to assist searches for missing people. Overall, the judgment of the report is that the level of service provided for many forces is lower than expected, and many incidents have concluded before an aircraft can reach the scene. Consequently, there is some evidence to suggest that Forces are making less use of air support because of the time it takes to arrive. The Police & Crime Commissioner confirmed that he is in fact the Chair on the NPAS Board and this was a complicated subject. He believed some of the contents of the report that was presented were incorrect. The Police & Crime Commissioner confirmed there was a fixed cost for pilots/fuel etc. and would not double in cost, according to the report.

The Police & Crime Commissioner NOTED the HMICFRS report and as appropriate provide a response to HMIC.

302 REVENUE ESTIMATE 2018/19
This Revenue Estimates Report provides information on the provisional police finance settlement for 2018/19 and recommends a revenue budget and Council Tax for the Police & Crime Commissioner (PCC) to approve. The provisional police grant settlement for 2018/19 provided a flat cash grant settlement and enabled PCCs to increase Council Tax by £12 per year for a band D property in both 2018/19 and 2019/20.

The PCC created a short survey which was sent out to the public on the proposed increase in Council Tax and 84.3% of the 5,600 that voted supported the increase. The revenue budget is fully balanced in all 3 years 2018/19 to 2020/21, with a £12 increase in Band D Council Tax in 2018/19 and 2019/20. Around 30 Police Forces and Treasurers had completed the PACCTS budget survey and all assumed a £12.00 increase this year and next (2019/20) and a lower figure in the third year. The Police & Crime Commissioner made an observation that there was strong support in raising the Council Tax for a Band D property and the recent consultation that went out just before Christmas showed this. The Police & Crime Commissioner felt that the Home Office should have provided additional grant and it was a pity that it was left to PCCs to raise the much needed additional income through council tax. In summary, this would be the proposal for the budget and would be put forward to the Police and Crime Panel.

The Medium Term Financial Plan (MTFP) provides for inflationary increases, limited growth to mitigate increasing demand and complexity in priority areas, as well as essential investment in technology to support transforming service delivery to meet future expectations. This supports the delivery of the Police and Crime Plan and the Force Commitment.

The MTFP required revenue savings of at least £14.3m over the next three years. This was over and above the £99m of cash savings already removed from the base budget in the last seven years (i.e. 2011/12 to 2017/18) meaning that, over the ten year period 2011/12 to 2020/21, in excess of £113m would have been taken out of the base revenue budget.

The Force continues to prioritise its work on the Productivity Strategy to ensure resources are directed to priority areas and that services are delivered in the most effective and efficient manner. This work focuses the drive for continuous improvement, improved efficiency and alignment of resources with demand. It will continue to release savings in future years in order to address future unquantified demands and provide additional resource to reinvest in priority policing areas. The impact on police officers and staff numbers over the next three years is a net increase of 47 police officers, but a reduction of 46 police staff and 14 PCSO posts.

In respect of Police Officer pay, Nick Hurd’s letter to PCCs and Chief Constables included a reference to the police officer pay settlement. The additional funding together with procurement efficiencies and those identified in the HMICFRS Efficiency Report were highlighted to enable PCCs to make appropriate provision for likely cost increases next year within the financial plans. This included both the remaining costs of the additional 1% non-consolidated element of the 2017 pay award as well as the likely costs of the 2018 pay award. Mr Hurd indicated that it is for police leaders to make proposals in relation to the 2018 pay award to reflect what is fair and affordable to officers and taxpayers.

The Police Formula review was unlikely to be revisited until the next spending review in 2021. Ian Thompson understood that the formula would be looked at again later year to identify areas and to start collecting relevant data. More robust data for the formula would be required.

The Chief Constable indicated this was the most challenging budget process he had dealt with but that Thames Valley had a good reputation for dealing with setting budgets. However, in order to respond to the increasing demands and changes, the Force must invest in the new technologies that will develop the digital police service of the future as envisaged in the Policing Vision for 2025. It should also be noted that the current year's productivity savings estimated that an additional 50 FTE officers to be released through the new Operating Model. The reality of this against demand has meant that those officers could not be released and therefore the reduction in establishment has been reinstated to the target establishment.

With the growing demands on the service by way of legislative changes and adherence to codes of practice to comply with regulations, the Chief Constable indicated that as the reserves reduce, the organisation would
need to fund technology from revenue rather than capital as this was the changing nature of all organisations and appropriate revenue provisions would need to be made.

There were no significant changes with the Forecast Establishment Levels and the Force were adjusting the figures through the year on any wastage. The Force were in a routine of whenever an opportunity for savings arose this would be taken straight away.

Following the Priority Based Budgeting (PBB) review and the formation of the Governance and Service Improvement department the future delivery of the productivity strategy revisited and re-energised into the Efficiency and Effectiveness Programmes led by the Chief Superintendent, Governance and Service Improvement. In addition to this work a review of the Joint Operations Unit (JOU) is in progress which identifies where savings and efficiencies can be achieved through changing the service delivery method.

The Chief Constable confirmed that the Force were looking at the Mounted and Dog Sections as to operational requirements. No firm decisions have yet been made by Thames Valley Police who were reviewing numbers. When vacancies arise, the Force will continue to scrutinise and review options but noted that Hampshire Constabulary were above the comparable number of dog handlers required for a Force. There are vacancies in roads policing, but do not have the Police Officers to fill these positions.

The ongoing implementation of a tri-force ERP system to replace the existing HR, Finance and Duties platforms, has now slipped and it is not expected that the savings identified will materialise in 2018/19, with the Police & Crime Commissioner well aware of the situation.

The Police & Crime Commissioner was asked to notify the Police and Crime Panel:

- That, subject to final tax-base notifications, the Council Tax requirement for 2018/19 be set at £162,164.471 although Ian Thompson noted that this figure would need to be adjusted.
- That any variation in the final amount of Council Tax income be appropriated to General Balances
- The revenue estimates for 2018/19 as set out in Appendix 2
- That the police element of the Council Tax for 2018/19 be set at £182.28 for properties in Band D, with the charge for other bands.

The Police & Crime Commissioner noted that the organisation was in a good place of understanding implications of programmes and costs of replacing devices and was grateful for all the hard work carried out in the respective teams.

**Action:** Ian Thompson to adjust and set the correct figure for the Council Tax requirement for 2018/19 before notifying the Police & Crime Panel

The Police & Crime Commissioner **NOTED** the update and recommendation.
The purpose of this report is to present the Medium Term Capital Plan (MTCP) for the 3 years from 2018/19 to 2020/21 to the PCC for formal approval of both the capital plan for the coming 2018/19 financial year and for the following 2 financial years for planning purposes. The Programme has continued to be extensively reviewed, challenged and prioritised since it was initially presented in November, with both existing and new projects assessed for achievability and overall financial impact within planned implementation timescales.

The MTCP presented today had a small remaining capital funding balance of £0.504m at the close of the MTCP period. The funding is principally through the use of reinvested capital receipts, substantial direct revenue financing, grant funding and the use of both existing PCC reserves and safer roads income. However, there was an expectation that the Force would need to borrow approximately £5m towards the end of the MTCP to support the redevelopment of Reading police station.

The proposed 3 year MTCP presented for approval today (£64.860m) was in addition to the currently approved 2017/18 capital programme, adjusted for re-phasing to £30.145m, bringing total capital investment over 4 years between 2017/18 and 2020/21 to £95.004m.

The HM Treasury guidance on capital projects recognises that there is potential for project costs to exceed the initial assessment. This is called Optimism Bias – (OB) and relates to any project type, although it can be particularly impacting when relating to the development of Information and Communication Technology. The Force recommends that, based on the size of the MTCP, an Optimism Bias Reserve of £12m is retained to support this level of investment. This reserve would be created by transferring monies from the Improvement and Performance reserve.

Linda Waters reported that there had been no new schemes since November 2017 but that the Force continue to scrutinise all bids and look at how these can be funded as well as any revenue implications. As the Force go through the next few years and programmes move forward with a position of clarity of projects, if there was cause to take funds from the Optimism Bias reserve, these funds could be put back into the Improvement Performance reserve.

It should be noted that the MTCP is a prioritised programme of works for the Force to continue to develop over the coming years. As policing continues to evolve other investment opportunities and legislative changes to improve performance levels and efficiency of the service and to continue to align with other Criminal Justice Partners will no doubt present themselves and will need to be assessed against available resources.

It was therefore requested that the Police & Crime Commissioner formally approves:

- External borrowing of up to £5m in 2020/21 to help fund long-term property projects.
- The establishment of a £12m Optimism Bias Reserve in reference to HM Treasury guidance on project costing.

The Police & Crime Commissioner APPROVED the recommendation for the following:

- Approve the draft capital programme for 2018/19 in the sum of £26.485m as set out in Table 1, which includes £15.124m of re-phased budget from 2017/18.
- Approve the financing of the capital expenditure as set out in Table 2.
- Approve external borrowing of £5m in 2020/21 to help fund long-term property projects.
- Approve the 3 year Medium Term Capital Plan (2018/19 to 2020/21) for planning purposes at £64.860m (including re-phasing) as set out in Table 1.
- Approve the creation of an Optimism Bias Reserve to support the overall MTCP by transferring £12m from the Improvement and Performance Reserve.
304 RESERVES AND BALANCES

The report was summarised by Ian Thompson who commented on the level of reserves, balances and provisions that were currently held, giving explanations of how some of these would be applied over the next three years to help support the revenue budget and capital programme.

A revenue provision exists for meeting ongoing claims under a self-insurance scheme. The insurance provision has recently been valued by an Actuary (Marsh). Their provisional assessment of total liabilities as at 31 March 2018 was £8.08m which is £1.074m higher than the existing provision as at 1 April 2017. Ian Thompson confirmed that this was an increase of 20% in the last two years and he would be attending a meeting later this week to try and understand why the costs increase, noting this was a worrying situation if the costs kept increasing.

The Police & Crime Commissioner APPROVED the following recommendations:

1. NOTE the levels of reserves and balances currently held.
2. APPROVE the creation of the Optimisation Bias reserve
3. APPROVE the transfer of £12.001m from the Improvement & Performance reserve to the Optimisation Bias reserve
4. APPROVE, in principle, the planned application of reserves over the next three years to help support the revenue budget and capital programme, in particular:
   a) the proposed drawdown from the Improvement & Performance Reserve as shown in Table 4 in Annex 1.

305 TREASURY MANAGEMENT STRATEGY 2018/19

This report presents the 2018/19 Treasury Management Strategy Statement for consideration and approval. The Strategy Statement includes the proposed borrowing and investment strategies, and also sets out the prudential indicators and treasury management activity limits for the period 2018/19 to 2020/21 that provide the OPCC treasury service with an operational performance and control framework within which the relevant functions are undertaken.

The overall strategy is very similar to that adopted by the PCC in the current 2017/18 financial year. The draft report was considered and endorsed by the Joint Independent Audit Committee at its recent meeting on 13 December 2017.


306 DECISIONS TAKEN UNDER DELEGATED POWERS

The report was summarised by Linda Waters who gave details of the decisions that had been taken in accordance with the Scheme of Governance in the period 1 October 2017 to 31 December 2017.

The Police & Crime Commissioner NOTED and APPROVED the recommendations taken by Chief Officers during the period 1 October 2017 to 31 December 2017.

307 DATE OF NEXT MEETING

Level 1 Meeting 29 March 2018 at 10.00am at Thames Valley Headquarters South, Conference Hall.