

NORTHUMBRIA POLICE AND CRIME PANEL AGENDA

Tuesday, 30 July 2019 at 2.00 pm at the Blaydon Room - Civic Centre

From the Clerk, Sheena Ramsey

Item Business

1. Apologies

2. Minutes (Pages 3 - 8)

The Panel is asked to approve the minutes of the last meeting held on 4 June 2019 (attached).

3. Welcome and Introduction of the new Police and Crime Commissioner for Northumbria

4. Themed Report - Raising Investigative Standards (Pages 9 - 12)

Report of Temporary Assistant Chief Constable David Felton (attached)

5. Feedback from National and Regional Events (Pages 13 - 14)

Members are asked to give feedback on issues relevant to the Panel.

An update from Councillor Welsh is attached on the LGA Annual Police and Crime Panels Workshop and the National Association of Police, Fire and Crime Panels.

6. Complaints Against the Police and Crime Commissioner - Quarterly Report April to June 2019 (Pages 15 - 16)

Report of the Monitoring Officer (attached).

7. Statements of Accounts 2018/19 and the External Auditors Conclusions (Pages 17 - 22)

Report of the Joint Chief Finance Officer (attached).

8. Date and Time of the Next Meeting

Tuesday, 10 September 2019 at 2.00pm in Gateshead Civic Centre

Contact: Mike Aynsley, Tel: (0191 4332128) email: michaelaynsley@gateshead.gov.uk
Date: Monday, 22 July 2019

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NORTHUMBRIA POLICE AND CRIME PANEL

4 June 2019

PRESENT:

Gateshead Council	Councillors A Douglas and P Craig
Newcastle City Council	Councillors C Penny-Evans and K Webster
North Tyneside Council	Councillor J Mole
Northumberland County Council	Councillor J Riddle
South Tyneside Council	Councillors A Strike and J Welsh
Sunderland City Council	Councillors D MacKnight and M Mordey
Independent Co-opted Member	Mr S Isaacson

ALSO IN ATTENDANCE:

Office of the Police and Crime Commissioner for Northumbria

Dame V Baird QC	- Police and Crime Commissioner for Northumbria (PCC)
R Durham	- Chief of Staff
M Tait	- Chief Finance Officer
G Noble	- Chief Superintendent, Northumbria Police
P Godden	- Head of Corporate Development, Northumbria Police
H Murphy	- Business Intelligence Manager, Northumbria Police

Gateshead Council

M Barker	- Strategic Director Corporate Services and Governance
B Wilson	- Democratic Services

APOLOGIES: Councillors S Hawkins (Gateshead Council), T Mulvenna (North Tyneside Council), R Moore (Northumberland County Council) and Mrs J Guy

1. APPOINTMENT OF CHAIR AND VICE CHAIR

RESOLVED - That Councillor Douglas and Councillor Mordey be appointed as the Chair and Vice Chair of the Panel for 2019/20 respectively.

2. DAME VERA BAIRD QC

The Chair reported that Dame Vera had been appointed as the Victims Commissioner and was to resign from her position as Police and Crime Commissioner for Northumbria.

The Chair reported that it had been a pleasure to work with Dame Vera and she thanked her for the good relationship there had been between her and the Panel.

RESOLVED - That the Panel's congratulations and best wishes to Dame Vera in her new role be recorded.

3. MEMBERSHIP OF THE PANEL

The membership of the Panel for 2019/20 is as follows:

Gateshead	Councillors Angela Douglas and Sonya Hawkins
Newcastle	Councillors Clare Penny-Evans and Kyle Webster
North Tyneside	Councillors Janice Mole and Tommy Mulvenna
Northumberland	Councillors Robbie Moore and John Riddle
South Tyneside	Councillors Alison Strike and Joyce Welsh
Sunderland	Councillors Doris MacKnight and Michael Mordey
Independent Members	Janet Guy and Shlomi Isaacson

RESOLVED - That the membership of the Panel for 2019/20 be noted.

4. MINUTES

RESOLVED - That the minutes of the last meeting held on 5 March 2019 be approved as a correct record.

5. POLICE AND CRIME COMMISSIONER VACANCY

Following Dame Vera Baird QC's appointment as the new Victims' Commissioner, she was leaving her role as PCC for Northumbria.

In accordance with the Police Reform and Social Responsibility Act 2011, following notice of resignation to the designated appropriate officer, an election to fill the vacancy must be held not more than 35 days after the office has been declared vacant.

The Police and Crime Panel must, in accordance with the Act, appoint a person as Acting PCC only if the person is a member of the PCC's staff at the time of the appointment.

RESOLVED -

- (i) That the information be noted.
- (ii) That Ruth Durham, the PCC's Chief of Staff be appointed as Acting PCC until the new PCC is elected.

6. THEMED REPORT – POLICE OPERATIONS

Further to minute 33 – 2018/19, Chief Superintendent Noble provided an overview of Northumbria Police operations.

Northumbria Police undertakes many operations to deliver outcomes in support of the police and crime plan and force priorities. Successful delivery of operations often relies on agencies and communities working together and combining resources and information and using a problem solving approach to provide improved outcomes for victims/communities, value for money and reduced demand.

Details of some forcewide and local operations were provided.

The Panel raised the following issues:

It was asked if Operation Asteroid was to be rolled out into the force following its success. It was replied that this was a tool that could be used and it was being shared with other areas in the force.

It was asked if the Home Office funding provided was specifically in relation to knife crime or could it be used to tackle general violent crime. It was replied that it was for knife crime but this could also include serious violent crime.

Concern was raised about pupils taking knives into schools. It was replied that the schools safeguarding liaison officers were dealing with this and they provided educational input. More funding to increase this prevention work was being sought.

It was commented that Operation Checkpoint, the quarterly regional rural crime operation targeting travelling criminals committing rural and wildlife crime had been well received in the local areas.

- RESOLVED -
- (i) That the information be noted.
 - (ii) That details of the funding for the force knife crime and serious violence strategy be considered as a possible themed report for the Panel's December meeting.

7. FEEDBACK FROM NATIONAL AND REGIONAL EVENTS

An update from the Chair of the National Association of Police Fire and Crime Panels was submitted.

The Panel has previously agreed that the six constituent Councils be asked to contribute £83.33 each towards its annual subscription for the National Association of £500. Some of the Councils have been contacted again as they had not replied,

RESOLVED – That the information be noted.

8. ANNUAL WORK PROGRAMME 2019/20

The Panel's draft work programme for 2019/20 was submitted.

RESOLVED - That the work programme for 2019/20 be approved.

9. POLICE AND CRIME COMMISSIONER REPORT

The PCC paid tribute to the Members of the Panel past and present and their partnership work to deliver their statutory duties. She thanked the Gateshead Council staff who serviced the Panel and also her unique staff who had been with her since she took up her post.

The PCC's final report to the Panel covered the following:

Domestic Violence Support and Assistance Car
Court Observers' 'Seeing is Believing'
Domestic Abuse Health Advocates
Cyber Stalking Project
Sexual Violence Complainant Advocates
Regional Violence Against Women and Girls Strategy
Domestic Abuse Whole System Approach
Workplace Domestic Violence Champions
Victims First Northumbria
Restorative Justice
Operation Encompass: The Next Steps
Trauma Teddies
Victims Advisory Panel
Remote Evidence Suites
Promotional Campaigns
Local Criminal Justice Board
Winning Gold – Independent Custody Visitors
Appropriate Adults
Out of Court Disposals
Specialist Domestic Violence Courts, How Special are they?
Specialist Domestic Abuse Court Adviser
Victims Code of Practice
Police Community Support Officer problem solving training
Anti-Social Behaviour publicity campaign
Anti-Social Behaviour volunteer networks across Northumbria
Commissioner's Community Fund – Anti-Social Behaviour Focus
Collaborative work with Northumberland and Tyne and Wear Fire Services
Women's Diversion Support Worker
Rural and wildlife crime
Safe Haven
Modern Day Slavery Conference
Mental Health Triage
Youth Intervention Fund – YOLO
Advisory Groups
Vulnerability Awareness Training
SafetyWorks
Community Safety Partnerships
Minimum Alcohol Pricing Lobbying
Complaints Triage
Supporting Victims Fund
Commissioner's Community Fund
Home Office and other external funding
The importance of volunteers
The 'most money saving PCC'

The Chair thanked the PCC for all the good work she had done in the last seven years that she could be very proud of.

RESOLVED – That the information be noted.

10. DELIVERY OF THE POLICE AND CRIME PLAN – ANNUAL PERFORMANCE REPORT 2018/19

The Panel considered the Police and Crime Plan annual performance report for 2018/19.

The Panel raised the following issues:

Some of the thresholds for measures within the plan were specific and some were wide. It was replied that the thresholds have been jointly developed and agreed by the PCC and Northumbria Police as an acceptable level of service the community should expect and to highlight any performance concerns.

The attendance rates for urban and rural incidents and priority 2 incidents had deteriorated. It was suggested that this could be because there were less police officers because of the budget cuts. It was asked if specialist safeguarding vulnerable victims' teams could be introduced to relieve the pressures on the police response officers. It was replied that the force had recently introduced the primary investigation centre to better identify the resources needed to respond to the reported crimes and how this could be improved.

Reference was made to how vulnerability was termed, the level of training and expertise of frontline officers and whether they were supported by medical and psychological health teams. It was replied that there was a standard definition for vulnerability and the officers received regular training. Other agencies were used when they could be to try and get the vulnerable people taken to a safe place so that they were not brought into police custody.

RESOLVED - (i) That the information be noted.

(iii) That the following topics be considered as possible themed reports:

(a) the role of the force's primary investigation centre

(b) the profile of hate crime.

11. COMPLAINTS AGAINST THE POLICE AND CRIME COMMISSIONER – ANNUAL REPORT APRIL 2018 TO MARCH 2019

In accordance with the agreed procedure, an update report about the complaints and purported complaints against the PCC and every conduct matter recorded by the Monitoring Officer between April 2018 and March 2019 was submitted.

RESOLVED - That the information be noted.

12. DATES AND TIMES OF NEXT MEETINGS

Tuesday, 30 July 2019 at 2.00pm
Tuesday, 10 September 2019 at 2.00pm
Tuesday, 10 December 2019 at 2.00pm
Tuesday, 4 February 2020 at 2.00pm
Tuesday, 17 March 2020 at 2.00pm



VERA BAIRD^{QC}
POLICE & CRIME COMMISSIONER

POLICE AND CRIME PANEL

30 July 2019

**REPORT OF TEMPORARY ASSISTANT CHIEF CONSTABLE DAVID FELTON
RAISING INVESTIGATIVE STANDARDS**

1. PURPOSE

- 1.1 The purpose of this report is to provide an update to Panel members about the Raising Investigative Standards (RIS) Programme, including why the RIS work was initiated, an overview of the main activity undertaken within the programme and progress to date.

2. BACKGROUND

- 2.1 As a result of internal reviews and the findings of the 2017 PEEL 'Effectiveness' inspection by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS), which identified the following Area for Improvement (AFI):

'The force should ensure that all investigations are completed to a consistently good standard and that victims' receive regular, meaningful contact.'

- 2.2 There is an ongoing drive to improve Investigative Standards. Below are the issues that have been identified as contributory factors impacting on improving investigative standards under the RIS Programme.

AREAS OF FOCUSED ACTIVITY

THRIVE Training

- 2.3 THRIVE, is a nationally recognised risk assessment process, which considers **T**hreat, **H**arm, **R**isk, **I**ntelligence, **V**ulnerability and **E**ngagement. There was an identified requirement for THRIVE training for Communications staff in order to improve the recognition of vulnerability. The associated training was subsequently delivered to all Communications and Front Office staff during 2018 and information around THRIVE was included within issue 1 of the RIS magazine.
- 2.4 **Outcome:** As a result of the THRIVE activity the identification of vulnerability has increased. Prior to improvements, incidents marked vulnerable were 4%. In March 2019, 30% of all Force incidents are marked as identifying vulnerability.

Supervisors Training Events

- 2.5 Comprehensive guidance in respect of best practice for crime recording and supervisory oversight was delivered during the supervisor launch events. The events were attended by over seven hundred supervisors. The content of the sessions was also covered within the subsequent RIS magazines.
- 2.6 **Outcome:** 92% of attendees confirmed they now know what is expected of them as a result of the Raising Investigative Standards Event.

The RIS Magazines

- 2.7 Training to all constables, sergeants, inspectors and relevant police staff roles, has been delivered via a series of bespoke, innovative and interactive electronic RIS magazines.
- 2.8 **Outcome:** The majority of officers have now completed the RIS magazine, either within a team or alone, supervisors and officers have been positive about the RIS magazine.

Domestic Abuse (DA)

- 2.9 Work continues between the Force and the Crown Prosecution Service (CPS) to improve DA referral rates and to understand the reasons for any case failure post charge. The need to 'build the case for the victim' was covered in the RIS Magazine which included the use of Body Worn Video (BWV).
- 2.10 **Outcome:** As a result of focused activity, the use of **BWV** increased from 43% in the period April to November 2018 to 72% in the month of April 2019, the volume of arrests has increased (although this has not affected the charge rate) and victim satisfaction has improved.

Victims' Codes of Practice (VCOP)

- 2.11 This was again a specific feature of the supervisor launch events and has been strongly featured throughout the RIS magazines issued. VCOP is subject to specific performance management on an individual and team basis across the Force.
- 2.12 **Outcome:** A VCOP performance framework is in development to identify the Force's compliance to all aspects of it; however for follow up, improvements have only been seen in DA investigations.

Body Worn Video (BWV)

- 2.13 Body Worn Video equipment has now been rolled out on a personal issue basis across the Force. The national evidence base for such equipment demonstrates that it builds on the excellent service given to victims of crime (especially in cases of DA) whilst significantly enhancing the ability to bring more offenders to justice.

- 2.14 **Outcome:** An evaluation of the effectiveness of BWV is underway with findings due in 6 months; the timeline for evaluation provides sufficient time for BWV to be used by all officers for a minimum of six months to gain rich data.

Forensics

- 2.15 In order to increase understanding in respect of forensic preservation, recovery and advice to victims; a forensic trainer has been employed. A video has been developed in conjunction with the forensic trainer which contains basic advice for collecting forensic evidence (also covered in Issue 1 of the RIS Magazine). The forensic trainer continues to deliver essential training to all front line staff.
- 2.16 A Forensic Triage Process has been developed to enable officers attending crime scenes to contact a Crime Scene Investigator (CSI) to seek advice in respect of forensic considerations and to identify whether a CSI visit is required. This has seen a reduction in number of scenes attended by CSIs, however an increase in positive forensic recoveries i.e. a more effective and efficient service. The Forensic Triage Process has also featured in the RIS Magazine.
- 2.17 **Outcome:** The forensic triage has shown a reduction in crime scenes attended, but an increase in the numbers of fingerprints and DNA recoveries. In summary the triage system has made our delivery of forensic services more efficient and effective.

OUTCOMES

- 2.18 In summary the below outcomes have been identified following the Force's internal thematic crime investigation reviews as well as the initial feedback from recent external inspections. It is suggested that much of the improvement from the previous year's inspection findings is a result of the RIS programme.
- 2.19 **Good practice:**
- Incidents are generally graded correctly and the appropriate resource is allocated.
 - The initial response and investigation by officers at crime scenes is good.
 - Overall there is evidence of good early safeguarding and problem solving in relation to victims, with appropriate signposting for support.
 - There is good evidence of partnership work using Independent Sexual Violence Advisors (ISVA), Changing Lives and Adult Social Services within the rape and sexual offences we have reviewed and also within the reviews of Domestic Abuse.

2.20 **Common areas for improvement:**

- Supervisory oversight and scrutiny of the investigation beyond the initial response.
- Enhancing the standard of victim contracts and victim updates including defining what 'a significant event' is for the victim.
- Improving the quality of documentation evidencing what was captured from the victim at the initial disclosure (the initial call, BWV); and if the victim did not support a prosecution, what has been done to influence that decision.

2.21 The Raising Standards of Investigation programme continues to focus upon the challenges within the investigation process that adversely impacts on the quality of the investigation. Of particular note is the work ongoing in the following areas.

- The development of a sensitive disclosure unit.
- The delivery of disclosure training across the organisation with focus on volume crime.
- The design and delivery of a Sgts training course with particular focus upon raising the ability of supervisors to manage their officer's ongoing investigations.
- An internal review of the standard of investigations undertaken by the Primary Investigation Centre (PIC), the findings of this review are likely to shape a number of the RIS programmes priorities.

2.22 The Raising Standards of Investigation programme works closely with the team designing and delivering the new force operating model, ensuring that the standards of investigation are considered at every stage.

**POLICE AND CRIME WORKSHOP
HELD ON THURSDAY 11 JULY 2019
18 SMITH SQUARE, LONDON**

POLICE AND CRIME UPDATED GUIDANCE

Reports were received from
Ed Hammond Director of Research, Centre for Public Scrutiny
Dave Burn Associate, Frontline Consulting Services

They spoke about being involved in putting together Guidance and a focus on 3 Issues:

1. Panel's proactive work- Core duties- knowledge of PCC duties
 2. Good working relationship between PCC and Panel – Role of the Panel and having a dialogue with PCC
 3. Access of Information – What is produced by Partners as well as PCC. Use it to determine what's on Agenda.
- Resourcing - Home Office Grant - Dedicated Policy Officer

NATIONAL ASSOCIATION OF POLICE FIRE & CRIME PANELS REPORT

The Chair spoke about the formation of the Group and Executive, its duties and the setting up of the Constitution.

Another function of NASSPFCP is to inform the public of the work of the PCC and Panels and Chief Constables.

He mentioned the loss of members of Panel due to loss of Councillors in elections and the need 5 new members.

A meeting of Executive to be held after the workshop to replace 2 Vice Chairs until AGM in November.

Neil Round, Serious Violence Unit – Home Office

He spoke about the Serious Violence Strategy and about drugs and the violence around it.

He also spoke about £200m Youth Fund over next 10 years. Public Health approach to Violence – work with local schools – not to exclude but use a whole system approach.
18 Police Forces – Local Partnerships need to get to a joint approach, sustaining the funding is the problem

Susannah Hancock – CEO Association of PCCs

She spoke about having 1/3 new PCCs and needed more sustainable funding. Do we have a local protocol and how well is it working?

Meeting ended 3.30pm

EXECUTIVE MEETING OF NASSPFCP

Discussed the loss of 5 of its Members including 2 Vice Chairs.

The following Vice Chairs selected until AGM in November:

1. Joyce Welsh - Northumbria PCP
2. Stuart Sansome – South Yorkshire PCP

It will be recruiting to fill vacancies left by loss of members during the elections.

Need skills in Word Press.

Supporting officers outside of Executive.

Co-opting of a non voting member.

Put into November AGM Agenda.

Website is virtually done.

Financial position to be discussed.

An Executive meeting to be held before the dinner at the AGM in November.

Meeting ended 5pm



NORTHUMBRIA
**POLICE AND CRIME
COMMISSIONER**

REPORT TO THE POLICE AND CRIME PANEL **30 JULY 2019**
REPORT OF THE CHIEF OF STAFF AND MONITORING OFFICER
COMPLAINTS AGAINST THE POLICE AND CRIME COMMISSIONER
QUARTERLY REPORT – APRIL 2019 – JUNE 2019

1. Purpose of the Report

- 1.1 To provide the Police and Crime Panel with the quarterly report about the complaints and purported complaints received and every conduct matter recorded by the Monitoring Officer between April 2019 and June 2019.

2. Background

- 1.2 The Police and Crime Panel has the statutory role of overseeing all complaints against the PCC and informally resolving non-criminal complaints, as well as criminal complaints or conduct matters that are referred back to the Panel by the Independent Office for Police Complaints (IOPC).
- 2.2 The Elected Local Policing Bodies (Complaints and Misconduct) Regulations 2012 (the Regulations) make provision regarding the Panel's powers and duties in regard to complaints made about the conduct of the PCC. The aim of the complaints system is to deliver resolution as quickly and effectively as possible for the majority of complainants through local resolution.
- 2.3 In accordance with the Regulations, the Panel is required to maintain suitable arrangements for handling complaints, recording conduct matters where there is an indication that the PCC may have committed a criminal offence and prescribing the manner in which any complaints alleging conduct which constitutes or involves, or appears to constitute or involve, the commission of a criminal offence and conduct matters are handled. A procedure for dealing with complaints against the PCC was approved by panel members in November 2012 appointing the Chief Executive of the Office of the Police and Crime Commissioner as the Monitoring Officer
- 2.5 In respect of record keeping the panel agreed in this procedure that the Monitoring Officer will keep records of: every complaint and purported complaint received and every conduct matter recorded by the Monitoring Officer. In addition, the Monitoring Officer is to report, on a regular basis, the summary details (such as can be reported in public), on the exercise of any and all of these functions to the Police and Crime Panel for monitoring purposes.

There were no complaints received between April 2019 and June 2019.

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**NORTHUMBRIA
POLICE AND CRIME
COMMISSIONER**

**REPORT TO THE POLICE AND CRIME PANEL
REPORT OF JOINT CHIEF FINANCE OFFICER
STATEMENTS OF ACCOUNTS 2018/19 AND THE EXTERNAL AUDITORS
CONCLUSIONS**

30 JULY 2018

1. PURPOSE

1.1 The Statements of Account (SOA) are one of the key governance documents published each year. This report provides an update to the Panel on the preparation, audit, authorisation and publication of the Statements.

1.2 The Local Audit and Accountability Act 2014 requires:

- Draft SOA and Annual Governance Statement (AGS) to be signed and published by 31 May each year; and
- Final SOA, AGS and the audit opinion to be signed and published by 31 July each year.

1.3 The following report provides assurance to the Panel that robust governance arrangements were in place for the preparation, publication and audit of the Statements for 2018/19. The report sets out:

- The compilation and publication process for the SOA and AGS statements in-line with relevant regulations.
- An overview of budget performance and how the final outturn compared with the budget plans for the Police and Crime Commissioner (PCC) and the Chief Constable (CC).
- Confirmation that the external auditor, Mazars, have issued an unqualified opinion on the SOA for both the PCC and CC for Northumbria. The unqualified Value for Money conclusion also confirms that both organisations have made proper arrangements to secure economy, efficiency and effectiveness in their use of resources

2. RECOMENDATION

2.1 The Police and Crime Panel are recommended to note:

- The preparation of the SOA and AGS for 2018/19;
- The Financial Outturn position for 2018/19;

- The arrangements for the scrutiny and certification, leading to the publication of the final Statements by 31 July 2019; and
- The issuing of an unqualified opinion, without modification, on the SOA and Value for Money assessment for both the PCC and CC for Northumbria.

3. PREPARATION, PUBLICATION, AUDIT AND AUTHORISATION OF THE STATEMENTS

- 3.1 The 2018/19 SOA have been prepared in-line with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (The Code), issued by CIPFA, and are prepared in accordance with International Financial Reporting Standards (IFRS).
- 3.2 The statements also include the AGS for each organisation; an annual assessment of the governance arrangements and their effectiveness. Further details can be found at section 6 of this report.
- 3.3 The timetable for the publication of the 2018/19 draft accounts, the external audit and final approval are shown in the table below:

Date	Task
31 May 2019	Draft SOA signed off by Chief Financial Officer of the PCC and CC Director of Finance. Draft AGS prepared, signed as appropriate for PCC/CC. Statements published on PCC/CC websites.
03 June – 12 July 2019	Accounts open for public inspection in accordance with Accounts and Audit Regulations. Notice published on both websites 31 May 2019.
03 July – 31 July 2019	External Audit on site, complete audit.
22 July 2019	Joint Independent Audit Committee: <ul style="list-style-type: none"> • Audited SOA reviewed and recommended for approval by the PCC/CC. • Revised AGS recommended for signature by PCC/CC.
25 July 2019	CC statements authorised and signed.
30 July 2019	PCC statements authorised and signed. Report the completion of the audit and intended publication of the statements to the Police and Crime Panel.
31 July 2019	Publication of SOA, AGS, Narrative Statement and External Audit opinion to 31 March 2019 on websites. Publish notice that the audit has been concluded and the statements published.

- 3.4 The draft SOA's and AGS's are available on the PCC's website. The final signed statements, along with the External Auditors Audit Completion report and opinion, will be published on 31 July 2019, available at:

<http://www.northumbria-pcc.gov.uk/transparency/finance/accounts/>

4. FINANCIAL PERFORMANCE 2018/19

- 4.1 The statements of account for the PCC, CC and Group each include a narrative statement that sets out the key financial and other performance for the 2018/19 financial year. A summary of the statements is provided over the page.
- 4.2 Budget Background – 2018/19 revenue budget was approved at £266.245m and based upon:
- Increases in pay and prices of £7.500m; budget pressures of £2.900m and an increase in capital financing costs of £0.100m;
 - Budget savings of £6.700m in 2018/19;
 - A balanced budget with no planned use of reserves; and
 - An increase of £12 on the Council Tax precept in 2018/19.
- 4.3 The revenue outturn for 2018/19, subject to any final changes as a result of the statutory audit, is shown in the table below:

Revenue Budget 2018/19	Approved		
	Budget 2018/19	Outturn 2018/19	Variance 2018/19
	£m	£m	£m
Group Position			
Chief Constable	256.801	254.022	(2.779)
Police & Crime Commissioner	2.061	1.764	(0.297)
Capital Financing	7.383	7.022	(0.361)
Group Position Total	266.245	262.808	(3.437)
Central Government Grant	(222.624)	(222.624)	-
Council Tax Precept	(43.621)	(43.621)	-
Central Grant & Precept Total	(266.245)	(266.245)	-
Appropriations (To)/From Reserves	-	(3.437)	(3.437)

- 4.4 Further information on the outturn is provided below.

Chief Constable

- 4.5 The PCC delegated a budget of £256.801m to the CC for 2018/19 to enable the discharge of the activities under his control. The outturn position against the CC's revenue budget is £254.022m, reflecting an underspend of £2.779m.

- 4.6 The position used as the baseline for the preparation of the Medium Term Financial Strategy (MTFS) and Precept recommendations, as reported to the Panel in February, was a planned underspend of £1.695m, due to re-profiling expenditure into 2019/20. The additional movement in the final outturn position was mainly attributable to the late notification of a one-off Home Office Special Grant which was awarded to cover budgeted expenditure incurred earlier in the financial year.

Police and Crime Commissioner

- 4.7 The 2018/19 approved budget for the Office of the Police and Crime Commissioner was £2.061m, which included £0.750m for the Commissioner's Community Fund. The overall outturn position is £1.764m, an underspend of £0.297m.
- 4.8 Of the underspend, £0.145m relates to the Community Fund and has been set aside in the OPCC Partnership Working Reserve as at 31 March 2019. This reserve will be used in future years to support projects with partners in the public and voluntary sector to deliver against priorities in the Police and Crime Plan.
- 4.9 Capital Financing is also under the direction of the PCC. The Capital Financing budget for 2018/19 was £7.383m, comprising interest on borrowing and investments and the minimum revenue provision for repayment of borrowing. The outturn position is £7.022m reflecting an underspend of £0.361m, primarily due to a reduction in planned capital spend, securing improved interest rates on new long term borrowing, and additional investment income received due to the base rate increase in August 2018

2018/19 Capital Programme

- 4.10 In addition to the day-to-day revenue activities, the Commissioner incurs expenditure on capital related items. This includes: acquisition of fixed assets; building alterations; Information and Communications Technology; vehicles; and other major items of plant and equipment.
- 4.11 The total capital investment for 2018/19 was £7.351m. Further details of the capital investment programme can be found within the narrative statement to the Commissioners Group accounts.

5. GENERAL RESERVES

- 5.1 The General Reserves are a key strategic resource to assist with the management of the MTFS and meet unexpected costs. At 31 March 2019, the General Reserves are £9.728m, subject to any final changes as a result of the statutory audit, and outlined below:

General Reserves 2018/19	Approved		
	Budget	Actual	Variance
	2018/19	2018/19	2018/19
	£m	£m	£m
Group Position			
Opening Position as at 01 April 2018	9.436	9.436	-
Planned Transfer To/(From) General Reserve	-	3.437	3.437
Transfers To/(From) Earmarked Reserves			
Workforce Management Reserve	(1.000)	(1.000)	-
Police Pension Scheme Funding Reserve	-	(2.000)	(2.000)
OPCC Partnership Workforce Reserve	-	(0.145)	(0.145)
Closing General Reserve as at 31 March 2019	8.436	9.728	1.292

- 5.2 The additional variance in the final reserves outturn position is mainly attributable to the late notification of the one-off Home Office Special Grant which was awarded to cover budgeted expenditure incurred earlier in the financial year.
- 5.3 Based on the outturn, the PCC will be able to maintain the General Reserves at a level above the 2% minimum (£5.000m) threshold, in accordance with the reserves policy. Thus, enabling them to continue to support the MTFs as intended.

6. ANNUAL GOVERNANCE STATEMENTS

- 6.1 Regulations require public bodies to produce an Annual Governance Statement (AGS) that provides an assessment of the adequacy of the governance arrangements and their effectiveness. This separate statement accompanies the Statement of Account for each body.
- 6.2 The PCC and CC Joint Governance Monitoring Group have undertaken a review of the governance and internal control arrangements and have prepared an AGS for each body. These were reported to, and scrutinised by, the Joint Independent Audit Committee on 22 July 2019 and subsequently authorised by the PCC and CC.
- 6.3 The process did not identify any weaknesses in the governance arrangements.

7. EXTERNAL AUDITOR CONCLUSIONS

- 7.1 The Audit of the SOA and AGS for both the PCC and CC is now complete. Only minor changes were made to the draft SOA, primarily disclosure and narrative in nature, with no numeric changes.
- 7.2 However, in addition to the above minor changes, in-line with national guidance the draft statements contained a contingent liability for the potential impact of 'Transitional Provisions in the Police Pension Regulations 2015'. During the course of the audit, this national guidance was changed as a result of the Government being denied the right to appeal by the Supreme Court. This had the impact of changing the nature of the original national guidance and requires

the potential value of the additional liability to be included within the final SOA's. Revised figures were requested from the respective actuaries, for both officers and staff, and the final SOA's, in agreement with the external auditors, now contain the additional pensions liabilities.

- 7.3 The external auditor (Mazars) has issued an unqualified opinion, without modification, on the SOA for both the PCC and CC for Northumbria. The unqualified Value for Money conclusion also confirms that both organisations have made proper arrangements to secure economy, efficiency and effectiveness in their use of resources.
- 7.4 The Audit Completion Reports (ACR) were presented at the meetings with the PCC and CC as part of the final sign off of the SOA's and AGS's. They will be published on the Police and Crime Commissioner's and Chief Constable's websites on 31 July 2019 along with the statements and Notice of Conclusion of the Audit.