

**OFFICE OF THE POLICE AND CRIME COMMISSIONER
FOR HUMBERSIDE
DECISION RECORD**

Decision Record Number: **24/2014**

Title: **Commissioner's Crime Reduction Fund**

Executive Summary:

This report sets out for consideration proposals for a medium term strategy to enable you to establish the Commissioner's Crime Reduction Fund. It will enable you to invite applications from voluntary and community groups and other organisations in respect of community safety initiatives to support the delivery of the outcomes identified in your Police and Crime Plan or for you to commission work with the same aim. The proposals are in addition to, but need to be consistent with and complementary to the provision of £2.3m included in the base budget for 2014/15 and later years in the Medium Term Financial Strategy (MTFS) and the allocation of monies from your Partnership Reserve. The proposals can also support the actions that are seeking to introduce next year in relation to partnership working.

Decision:

That the creation of his Crime Reduction Fund, totalling £1.5m over 4 years, be approved and the scheme be officially launched.

Background Report: Open

Police and Crime Commissioner for Humberside

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with my code of conduct.

Any such interests are recorded below.

The above decision has my approval.

Signature

Matthew Crow

Date 11.06.14

**POLICE AND CRIME COMMISSIONER
FOR HUMBERSIDE**

SUBMISSION FOR:

DECISION

Title: Commissioner's Crime Reduction Fund (CCRF)

Date: 11 June 2014

1. EXECUTIVE SUMMARY

- 1.1. This report sets out for consideration proposals for a medium term strategy to enable you to establish the Commissioner's Crime Reduction Fund. It will enable you to invite applications from voluntary and community groups and other organisations in respect of community safety initiatives to support the delivery of the outcomes identified in your Police and Crime Plan or for you to commission work with the same aim. The proposals are in addition to, but need to be consistent with and complementary to the provision of £2.3m included in the base budget for 2014/15 and later years in the Medium Term Financial Strategy (MTFS) and the allocation of monies from your Partnership Reserve. The proposals can also support the actions that are seeking to introduce next year in relation to partnership working.

2. RECOMMENDATION

- 2.1. It is recommended that you consider the proposed strategy and formally launch the CCRF.

3. BACKGROUND

- 3.1. In your manifesto you gave notice of your intention to dispose of Pacific Exchange and to use the proceeds from the sale to create a community safety fund that would provide funding for projects that are designed to tackle crime reduction and community safety issues to support the delivery of the key outcomes in your Police and Crime Plan. The property was put up for sale in late 2012 and an offer from Kingston upon Hull City Council has now been accepted and the disposal of the property is progressing.
- 3.2. Pending the sale, in December 2013 you were briefed on funding issues and on the possibility of developing a strategy for the establishment of a multi-year Community Safety/Crime Reduction Fund using savings against the OPCC budget for 2012/13 and unallocated budget provision within your base budget. It was agreed at that time that the fund would be designated as the Commissioner's Crime Reduction Fund. (CCRF).

- 3.3. In 2012/13 the budget that you inherited from the Police Authority was underspent by £224k in 2012/13 and it was agreed that this amount would be carried forward to provide funding for the CCRF. In addition, £187k was identified in 2013/14 as a saving against the original budget for the year for the OPCC, following a budget review. This funding was also identified as a possible permanent contribution towards the CCRF which meant that rather than relying on the receipts from the sale of the property which under local government spending rules would limit you to supporting only capital projects, you would be able to have more flexibility to provide assistance with running costs.
- 3.4. It was also noted that there may be other resources available to assist you in making funding available to external organisations to enable you to encourage the engagement of local people helping you to deliver the outcomes that you want to see as set out in the Police and Crime Plan such as Police Property Act and Proceeds of Crime Act monies and these are discussed below.
- 3.5. In the period to March 2014, arrangements for the Stage 2 transfer of staff were concluded and a report detailing the implications for the OPCC budget for 2014/15 in included elsewhere on this agenda. That report identified the underspending in 2013/14 based on the provisional outturn expenditure for the year. It also provides information on the balance and identifies a balance of funding within the base budget that could be committed to the CCRF.

4. Funding Sources

- 4.1. Further details and commentary on each of the potential funding sources are set out below:-

Underspenders from 2012/13 and 2013/14

- The budget approved by the Police Authority in 2012/13 was underspent by £224k and the OPCC budget, including the £187k referred to above at 3.3 was underspent in total by £198k
- The 2012/13 monies were carried forward via reserves and the same arrangement will be applied this year
- They can be used for revenue or capital projects
- It is one off funding
- It could be transferred to the Partnership Reserve to support future partnership working
- It could be transferred to the Performance Improvement Reserve to support general revenue spending or for spend to save investment

Unallocated provision within the OPCC Budget

- A permanent budget provision of £194k has been identified within the base budget
- It is available every year
- Some or all of the provision could be given up as a contribution towards achieving savings
- It can be used for both revenue or capital projects

Partnership Reserve Balance

- It can be used for revenue or capital projects
- It is one off funding

Proceeds from the sale of Pacific Exchange

- The proceeds from the sale are capital receipts and can only be used for capital projects
- It is one off funding

Police Property Act proceeds

- It can be used for revenue or capital projects
- It is recurrent funding but amounts are uncertain
- There are conditions in relation to the organisations that can receive monies from this source

Proceeds of Crime Act monies

- This is revenue income and could be used for revenue or capital projects
- It is recurrent funding but the amounts are uncertain with the Force receiving a proportion of the monies raised from seizures etc being shared with other criminal justice partners
- **This income stream within Humberside is already being used to offset the costs of the Economic Crime Unit**

5. PROPOSALS

- 5.1. It is proposed that rather than have a single scheme that you develop a strategy which incorporates a number of the above funding streams to allow you to make wide ranging awards in terms of scale, geography, nature of project and timescale. Details of the funding available are set out in the attached Appendix 1. The allocations across years and between revenue and capital are indicative only at this stage and there is some flexibility to agree different profiles. It is suggested in Appendix 1 that a small balance is retained as a contingency.

6. GRANT ARRANGEMENTS AND CONDITIONS

- 6.1. All grant awards and any payments for commissioned services will have to be supported by grant agreements setting out the conditions that the grant recipients will have to adhere to. Clearly, the level of bureaucracy needs to be commensurate with the amounts involved but need to be sufficient to discharge our obligations in connection with the disbursement of public funds.

7. ADMINISTRATION

- 7.1. All of the proposed grant/commissioning proposals will require robust and efficient administrative procedures to ensure that all appropriate documentation is completed, that payments are made in a timely fashion and that appropriate monitoring and follow up procedures are in place.

- 7.2. An application form has been designed and tested and it is proposed that only applications in this format will be considered. This is set out at Appendix 2.

- 7.3. A paper setting out additional information in the form of frequently asked questions has also been developed and a draft is attached at Appendix 3. This will need to be amended when the profile referred to in 5.1 has been agreed.

7.4. It will be important to establish sound and consistent assessment criteria and a proposed draft is provided at Appendix 4.

8. OPTIONS

8.1. The options for utilising each of the available funding sources in terms of capital and revenue projects are set out above.

8.2. There are options to retain the underspends in reserves and to use the savings identified within the base budget a contribution to the budget reduction targets required to balance the overall Force and OPCC budget.

8.3. Alternatively, the temporary monies and permanent uncommitted budget could be used to make an annual contribution to either the Performance Improvement Reserve or to the Partnership Reserve.

8.4. Details of the options for developing the strategy and schemes are exemplified at Appendix 1 and reflect your declared intention of creating a Community Safety/Crime Reduction Fund, to be known as the Commissioner's Crime Reduction Fund which community and voluntary groups and other organisation can apply to to enable them to become engaged in preventing and getting upstream of crime by proposing projects that support the delivery of the outcomes within the Police and Crime Plan.

9. TIMING

9.1. The timing of the launch of any scheme needs to be carefully planned and coordinated with the roll out of main policy in relation to partnership working.

9.2. In discussions, you have indicated that you want organisations to be able to make applications at any time during the financial year.

9.3. It will be important to manage the decision making process by using the proposed assessment criteria to determine which projects should be supported.

10. RISKS

10.1. There are a number of risks associated with developing a scheme of this nature, not least because it is likely to be inevitable that the amount of funding available will be insufficient to satisfy the level of bids that will be received. This has been the case with other PCCs who have been "overwhelmed by" and "inundated with" bids following schemes being announced.

10.2. There is a risk that you will be criticised with regard to decision making. This will be mitigated by establishing pre-determined assessment criteria to ensure that the process can be demonstrated to be fair and transparent. It could be further mitigated by bringing in external partners/agencies and/or the Force into the decision making process however the final decision must rest with you.

10.3. From a financial perspective providing support for projects that have ongoing revenue consequences have risks regarding long term sustainability and specific issues on time expiry, particularly where funding underpins staffing costs. This is mitigated by seeking information on these issues within the proposal.

10.4. In addition, implementing the scheme at a time of substantial budget reductions may bring the risk of adverse public reaction and a reaction from the Force given the action being taken to achieve savings targets. However, given the desire in the Police and Crime Plan to engage local communities in the process of getting upstream of crime then this form of investment would support that agenda and crime reductions would take some of the pressure off the Force.

11. LEGAL IMPLICATIONS

11.1. The Police Reform and Social Responsibility Act provides for PCCs to make crime reduction grants.

11.2. There are specific restrictions in connection with the allocation of proceeds from the disposals under the Police Property Act with regard to the charitable status of recipients.

12. FINANCIAL IMPLICATIONS

12.1. The financial implications are detailed in the report.

13. EQUALITY IMPLICATIONS

13.1. There are no specific equality issues in the context of this report but the criteria for the award of grants and the grant conditions must have regard to equalities legislation.

14. MEDIA

14.1. The proposals will need to be supported by a media strategy.

John Bates

Deputy Chief Executive and Treasurer