

Committee: Resources, Risk & Estates Committee (RREC)	Dated: 20/05/2024
Subject: Chief Finance Officer (CFO) and Chief Operating Officer (COO) update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	CoLP impact the following Corp Plan outcomes: Vibrant Thriving Destination- (Community Safety/ CT) Dynamic Economic Growth- (National Lead Force)
Does this proposal require extra revenue and/or capital spending?	N/A
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Commissioner of Police & Police Authority (PA) Treasurer Pol 54-24	For Information
Report author: Chief Finance Officer & Chief Operating Officer	

Summary

This report provides RREC with a brief update on the main CFO and COO issues and areas of development from the last quarter.

Recommendations

Members are asked to note the report.

Main Report

Corporate services

Recruitment against the new corporate services model continues with 18 of the 49 police staff roles (36%) appointed. HR, duties, finance and other systems have now been updated to reflect the new structure.

The corporate services directorate aim is to **be a modern and professional service that enables delivery of policing plan priorities** and to achieve the following:

1. We **improve policing services and public outcomes by driving efficiency** across our own processes and those of the organisation
2. Our understanding of priorities, demand, capability and cost enables the organisation to **plan effectively for the future**
3. We **attract and retain diverse talent**, creating opportunities for our people to grow professionally

4. We work as a team across departments, and have an **inclusive and supportive culture**
5. Our services are **valued and respected by our colleagues** in operational directorates

A directorate level plan is in development.

HR

CoLP is working closely with the Corporation on the Ambition 25 project that will create a new job family framework and associated suite of role profiles, reform the job evaluation methodology and create and implement a new pay and grading structure.

Following the decision by the Corporation Corporate Services Committee to increase workplace attendance for police staff from 40% to 60% in September 2024, CoLP is working with senior leaders, staff networks and union colleagues on implementation of this policy.

Change Portfolio

The approach to management of change continues to mature. All outstanding projects on the worklist have now been evaluated with a number being prioritised for closure and others removed from the worklist where they have been superseded or were linked to national initiatives that have been discontinued. 50 projects remain on the portfolio as at April 2024. Of these, 17 projects are live, with the remaining added to the pipeline to align enabling functions and identify points of stress in capacity or capability. A further 10 new projects have been identified either from horizon-scanning, regional/national programmes, or internal requirements and are undergoing a prioritisation assessment.

Recruitment to the new corporate services model in this area is progressing with the introduction of additional project managers to increase capacity and achieve faster pace of delivery on priority projects.

Finances

23/24 provisional outturn is covered by a separate item on this agenda. With the trajectory of staff recruitment in the year, and achievement of £8.6m additional savings / mitigations target, there has been sufficient headroom to absorb in-year costs of extending the Action Fraud service as well as to finance capital spend from revenue, both of which reduce financial risk for 24/25. On capital, despite rephasing of the Fraud & Cyber Crime Reporting & Analysis Service (FCCRAS) programme, the Home Office capital grant has been fully utilised, with most of the City funding element being deferred to 24/25. On other capital projects, outturn was very close to the Q3 forecast. £2.6m has been drawn down from the General Reserve to fully repay legacy Action Fraud and ULEZ loans.

24/25 budget has been set for both CoLP's territorial and national roles. The element for territorial policing was balanced by a combination of increased central funding (particularly in respect of the 2023 pay award), additional CoLP savings / mitigation

plans and an increased allocation from business rates premium (BRP). The element for CoLP's National Lead Force work has been boosted through negotiation of a significant increase in Home Office grant funding, which improves cost recovery and (other than for reduced Economic Crime Levy intake) enables resourcing levels to be sustained and increased in line with plans. Home Office has also agreed to share the cost risk of extending the Action Fraud service pending implementation of the Fraud & Cyber Crime Reporting & Analysis Service programme.

Police MTFP – the allocation and phasing from the 0.4p BRP increase in April 2024 (per item on Non-Public agenda) enables the current Police MTFP to be balanced through to 28/29. Key risks in relation to the 2024 (and future year) pay awards for officers and staff - and Spending Review outcomes for Core Policing and National Lead Force outcomes - will be considered as part of the MTFP update for autumn Committee cycle.

Direction of Travel for CoLP Financial Management

The last 2-3 years have majored on building sustainable medium-term finances for CoLP's local and national policing responsibilities, addressing central and local funding requirements, driving out further savings, increasing cost recovery from funded work to reduce subsidisation, improving overall monitoring, forecasting and reporting, and developing a clearer line of sight between workforce and financial planning / management.

While continuing to embed and further progress these developments (particularly in relation to Spending Review 2025 and further commercial development), the next phase needs to advance the line of sight to ensure people and money 'resources' are clearly allocated against 'work' demands and priorities - showing the link between inputs, outputs and outcomes and thereby better evidencing VFM. This will require effective, joined up working between Strategy, HR, Finance and Operational areas, continuing to build on the improvements already made.

The next phase also needs to further develop Force financial 'culture', to (a) ensure financial 'impacting' and prioritisation is at the heart of decision making and (b) better enable budget holders and their teams to self-serve for their reporting, analysis and transaction processing requirements (in part through effective implementation of the new Corporation ERP system into CoLP). In furtherance of this development process, the Force's Finance Board is getting Senior Budget Holders to present their 24/25 budgets, showing the alignment with their workforce plans and delivery priorities / demands, while also identifying key risks and opportunities.

Alistair Cook
CFO

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COO