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MINUTES

NATIONAL POLICE AIR SERVICE (NPAS) NATIONAL STRATEGIC BOARD – BUDGET SETTING MEETING

23 January 2018

PRESENT

NAME	REPRESENTING
PCC Mark Burns-Williamson OBE (MBW) Chair	Police and Crime Commissioner for West Yorkshire police – Lead Local Policing Body
CC Dee Collins QPM (DC)	West Yorkshire Police – Lead Local Chief Constable – Police Air Operations Certificate Holder
Ch.Supt Tyron Joyce (TJ)	NPAS Chief Operating Officer
Ollie Dismore (OD)	NPAS Director of Operations
Janine Nelson (JN)	Legal Services, West Yorkshire Police
Katherine Johnson (KJ)	Treasurer – West Yorkshire Office of Police and Crime Commissioner
Mark Reeves (MRe)	Head of Accountancy - West Yorkshire Police
PCC Barry Coppinger (BC)	Police and Crime Commissioner for Cleveland - North East Region
Cmdr. Matt Twist (MT)	Metropolitan Police Service – London Region
CC Simon Edens (SE) (by phone)	Northamptonshire Police – Central Region
ACC Janette McCormick on behalf of CC Jerry Graham – (by phone)	Cumbria Police – North West Region
Martin Scoble (MS) (representing PCC Stephen Mold)	Chief Executive – Office of the Police and Crime Commissioner for Northamptonshire – Central Region
ACC Steve Barry (SB) (representing CC Giles York) – (by phone)	Sussex Police – South East Region
CC Andy Marsh (AM) (by phone)	Avon and Somerset Police – South West Region
ACC Caroline Peters (CP) (by phone)	Avon and Somerset Police – South West Region
Robin Merrett (RM)	MOPAC – Mayors Office for Police and Crime
CI Mike Hills (MH) on behalf of CC Alec Wood	Staff Officer to CC Wood - NPCC – Cambridgeshire Police – South East Region

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PCC Anthony Stansfeld (AS) (by phone)	Police and Crime Commissioner for Thames Valley - South East Region
PCC Dafydd Llywelyn (DL) (by phone)	Police and Crime Commissioner for Dyfed-Powys – South West Region
Jenny Walker (JW)	NPAS Marketing & Communications Manager
Melanie Jaundziekars (MJ)	NPAS Executive Support Officer

APOLOGIES

NAME	REPRESENTING
Fraser Sampson (FS)	T/Chief Executive – Office of Police and Crime Commissioner for North Yorkshire
CC Alec Wood (AW)	NPCC – Cambridgeshire Police – South East Region
Glenn Shelley (GS)	NPAS Head of Business Services
CC Dave Jones (DJ)	North Yorkshire Police – North East Region
PCC Peter McCall (PM)	Police and Crime Commissioner for Cumbria – North West Region
CC Jerry Graham (JG)	Cumbria Police – North West Region
PCC Stephen Mold (SM)	Police and Crime Commissioner for Northamptonshire – Central Region
CC Giles York (GY)	Sussex Police – South East Region

The Chair, PCC Mark Burns-Williamson (MBW) opened the meeting and invited introductions from those in the room and dialling in on the conference call facility.

1. APOLOGIES

Noted and recorded.

2. DECLARATIONS OF INTEREST

No interests were declared.

3. BUDGET AND PROPOSED CONTRIBUTIONS 2018/19

Mark Reeves (MR) stated the revenue budget for 2018/19 had been calculated at £40.230 million. Board members were obliged to set a balanced budget and consider contributions that PCC's/forces will make to NPAS for the next financial year using the actioned calls to service.

Budget

Overall the budget has increased by 3.89% from 2017/18. MR summarised movements on the budget such as pay costs which had increased by £561k which is mainly attributable to pay inflation, in this financial year the full cost of the London weighting allowance had been included in the budget. Commissioned services had increased by £30k which is attributable to costs for Information Management, Health and Safety and Quality and Assurance being incurred for a full year.

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MR proposed some of the use of the change reserves from the balance of £1.518m which was used to mitigate some of the transitional costs such as redundancy costs as NPAS reduced from 22 bases to 15. Other costs related to late invoices from suppliers, commissioned work to assist with the sale of the MD902 aircraft and the new base at North Weald.

Board members approved the use of the reserves as recommended.

MT asked if the amount of reserves was sufficient.

KJ stated that as NPAS was not a legal entity the strategy is to minimise holding of reserves.

MT asked how the risk of unforeseen expenditure would be mitigated. KJ stated that this should be through the section 22a agreement.

MT said there are other examples where all forces are contacted to request a contribution to funding through the NPCC when issues arise. DL stated that NPAS as an entity should not have substantial reserves and suggested in light of the fluctuations in relation to some of the charges and parts purchased in dollars it would be prudent to have a buffer.

It was agreed that the issue of reserves could be considered as part of the ongoing work undertaken by the NPAS Funding Model Working Group.

Proposed Contributions

MR stated that it had been agreed at the last Board meeting that the charging model should not be changed for 2018/19 although the activity of the NPAS Working Group continues. The measure for the financial year 18/19 will continue to be actioned calls to service.

MR summarised the appendices as follows:-

Appendix B – is a summary of the actioned calls to service for January to December 2017, and by way of comparison the actioned calls for January to December 2016.

Appendix C – are the charges for 2018/19 financial year based solely on the actioned calls from January to December 2017. There are no adjustments to these figures and the charges reflect the contribution from each force using actioned calls as the measure.

Appendix D – are the charges for 2018/19 financial year based on the actioned calls from January to December 2017 with some adjustments for Forces where costs have changed. This option shows that Forces who save in 2018/19 compared to 2017/18 receive 24% of that benefit. It shows that Forces whose costs increase in 2018/19 compared to 2017/18 incur 40% of that increase.

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Appendix E – are the charges for 2018/19 financial year based on the actioned calls from January to December 2017 with some adjustments for Forces where costs have changed. This option shows that Forces who save in 2018/19 compared to 2017/18 receive 5% of that benefit. It shows that Forces whose costs increase in 2018/19 compared to 2017/18 incur 25% of that increase.

Andy Marsh (AM) stated it was a difficult decision to make and had expressed concern regarding the funding formula previously but respected the decision made at the last meeting not to change the formula and supported Appendix C.

Matt Twist (MT) raised concern that the cost for air support for the Metropolitan Police Service (MPS) was extremely high and felt the Met were subsidising other forces in part due to being the largest user and felt this posed a risk to the arrangement. Robin Merrett (RM) from MOPAC echoed the concern.

Simon Edens (SE) was of the opinion that Appendix C should be maintained whilst work remains ongoing regarding the user requirement and the charging model.

KJ advised that the work on the funding model review had been halted due to the user requirement work and fleet review work. A commitment was made to review the funding formula alongside the work that is ongoing by CC Wood with a view to having a finalised position in time for the 2019/20 budget setting.

MR reminded Board members that even a commitment to review the funding model is highly unlikely to show much of a different position for the next financial year.

MH advised that the questionnaires sent to forces by CC Wood have now been returned and have provided useful results. CC Wood has requested four forces who have indicated they have some form of assurance in relation to deployment decisions to provide details of the process, a further update will be provided in due course.

MBW reminded Board members that the decision to be taken on the budget under the terms of the section 22a agreement is made by the Police and Crime Commissioners only. MT accepted that the decision could not be changed today but stated it was his view that *all* Board members should be able to vote on such a critical matter as there are clear operational implications to the budget setting process and requested that this be considered.

PCC Board members all contributed and carefully considered whether next year's contributions from PCC/forces would include a further 12 month period of dampening, reducing the cost to a small number of outlier forces. RM voted for Appendix D, however this was *not* supported by the three other members who voted as they supported Appendix C with the full cost of air support utilised by each force to be charged on the 'Actioned Calls to Service' model.

Resolved:

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- **The 2018/19 revenue budget was approved**
- **The recommendations to utilise reserve funding was approved**
- **Appendix C was agreed as the proposed contributions. This method is based on using the actioned calls to service model with no adjustments**

Action – A letter to be sent to all Police and Crime Commissioners and Chief Constables from MBW advising each force of their 2018/19 contributions.

4. Any Other Business

Letter from PCC Llywelyn

DL raised the issue regarding demand and how this might be perceived as a reduced level of performance into some of the outlying forces. DC advised that one of the HMICFRS recommendations was to develop a new set of performance measures which is being considered as part of the work ongoing by CC Wood and ACC Malik. It is intended that the Independent Assurance Group (IAG) will look at the performance overall of NPAS operational delivery and raise areas of concern to the National Strategic Board.

Meeting with Nick Hurd MP

DC advised that a meeting had taken place with the Policing Minister, PCC Mark Burns-Williamson, CC Alec Wood and a number of Home Office officials. The purpose of the meeting was to provide an update regarding HMICFRS, development of an operational business case, funding and involvement with the College of Policing in respect of Authorised Professional Practice (APP). CT requirement and operational requirement in terms of lift and shift was also raised

DC advised that CC Wood is planning to take a paper to Chiefs Council by July regarding the operational user requirement. In order to ensure all Police and Crime Commissioners and Chief Constables feel consulted, NPAS are proposing to hold a joint event in May/June for all Police and Crime Commissioners, Chief Constables and interested parties to hear how work is progressing in terms of HMICFRS recommendations and updates regarding fixed wing and fleet replacement.

Boreham

TJ advised that NPAS Boreham had been given six months' notice that the area of land the utilities are currently drawn from is due to be excavated. In addition the current service road connecting the base with the main road is to be replaced, NPAS are liable for removal of the utilities and the road. The indicative cost of temporary water and utilities is £10k/£15k, and the indicative cost of the replacement road is £600k. An updated paper will be presented to

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the Local Board with a proposal to relocate services to the new London base (North Weald) which is 19 miles away.

Date and time of next meeting – 1 March 2018 - 1.00pm – 4.00pm
Carr Gate, Bradford Road, Wakefield, WF2 0QD