

FINANCE COMMITTEE

10 JULY 2002

PRESENT: Mrs Pearson (Chair)
Councillors Laing, Packham and Purdue
Mr Avery and Mr Brown

APOLOGIES: Councillors Darke, Foster, Henry, Napier,
Thompson and Waggott
Mrs Brunton, Mr Gordon, Mrs Guy and Dr Mahmood

1. MINUTES

RESOLVED - That the minutes of the last meeting held on
10 April 2002 be approved as a correct record and
signed by the Chairman.

2. CAPITAL MONITORING REPORT 2002/2003

The Authority's 2002/03 capital budget was originally approved at £10.687m. The reviewed estimate is currently assessed at £10.687m, which although in line with the original estimate does take account of the additional expenditure compensated for by the revised phasings and costings, as follows:

	Original Budget 2002/03 £000	Reviewed Estimate 2002/03 £000
Major Schemes	100	166
Minor Building Works	1,628	1,315
Lease Surrender	0	50
Computers & Communications	6,421	6,568
Vehicles	2,538	2,588
Total	10,687	10,687

Slippage from the previous financial year can be accommodated by carrying forward capital resources from 2001/02. The addition to the programme relates to the capitalisation of the cost of surrendering the lease at the Marine Activities Centre, Sunderland (Minute 34 – 2002/03, of the Interim Business Committee).

The revised phasings and costings are as a result of the outlined schemes not commencing until next year and the planned work at Westgate Road not being committed pending the result of the review of the police estate.

It is anticipated that the programme will be financed from capital grants (£5.281m), credit approvals (£2.698m) and revenue contributions (£2.708m).

Compared to a total estimated capital spend of £151,000, actual payments at the end of June 2002 total £148,000.

RESOLVED - That the information be noted.

3. REVENUE MONITORING REPORT 2002/2003

The Authority's 2002/03 approved revenue budget provides for total police expenditure of £228.585m. Taking into account specific Home Office grant of £113.188m, net revenue expenditure totals £115.397m.

Compared to an estimated expenditure level of £54.26m, actual expenditure at June 2002 totalled £52.999m, giving a £1.261m notional underspend. Main expenditure variations to date are as follows:

- Employees pay – This currently shows an overspend of £156,000. This variance is only 0.6% greater than expected payments.
- Police pensions – At this stage the number of retirements is sixteen less than anticipated resulting in an underspend of £1.1m. However, the uncertainty regarding the number and value of pension commutations means that this budget can be extremely volatile. It is considered prudent that the estimate remains at £9.56m.
- Support staff pensions – This currently shows an overspend of £0.4m. This is mainly as a result of a new requirement imposed by both the Fund Actuary and the Audit Commission, where a single lump sum payment for any employee who retires at a date earlier than the Actuary assumes is now necessary. These sums, known as "Strain on the Fund", would previously have been taken into account when the Actuary calculated the employer's contribution rate at the next valuation and would therefore have been spread over a number of years. "Strain on the Fund" payments are not expected to remain at this level for the rest of the year following the implementation of new pension regulations from 1 July 2002. The additional cost can be accommodated from contingencies.

RESOLVED - That the Authority's 2002/03 revenue expenditure position, indicating a notional underspend of £1.261m, at June 2002, be noted.

4. ORDERS OVER £10,000 AND UP TO £154,477 DEALT WITH UNDER DELEGATED POWERS

Orders have been placed under delegated powers in accordance with Standing Orders by the Strategic Director, Human Resources, Gateshead Council through the Corporate Purchasing Scheme, for the period October 2001 – March 2002.

Budgetary provision exists for all items and orders have been placed with the lowest tenderer.

RESOLVED - That the information be noted.

5. ORDERS DEALT WITH UNDER DELEGATED POWERS IN ACCORDANCE WITH STANDING ORDERS

Orders have been placed under delegated powers in accordance with Standing Orders by the Architect and Technical Adviser. Budgetary provision exists for all items and, unless otherwise stated, orders have been placed with the lowest tenderer in each case.

RESOLVED - That the information be noted.

6. SPECIAL POLICE SERVICES – CHARGES FOR UNIFORMED POLICE OFFICERS AND TRAFFIC WARDENS

It is proposed to revise charges for uniformed Police Officers and Traffic Wardens engaged on special police services with an increase in all charges by 3.5%, to take effect from 1 August 2002.

The additional income from the following revised charging arrangements, will be approximately £30,000 per annum:

	Normal £	Public Holiday £
All Superintendents and		
Chief Superintendents	64.94	64.94
Chief Inspector	52.05	52.05
Inspector	48.12	48.12
Sergeant	38.73	54.95
Constable	34.12	48.30
Traffic Wardens	16.11	24.10

RESOLVED - That the revised charges as outlined be approved.

7. HIMALAYA S7000 COMPUTER REPLACEMENT

The existing computer equipment supporting operational police applications was purchased in September 1997. It was supplied by

Tandem Computers who have since been taken over by the Compaq Computer Corporation.

It was assumed that by the end of the initial five year contract period in September 2002, national applications which comply with the National Strategy for Police Information Systems (NSPIS) would be available.

A report submitted to the Computer and New Technology Committee on 7 March 2002 (Minute No 7 2001/02) outlined the reasons to change the equipment and the options for the future.

In light of the slow delivery of national systems, it was agreed that the existing operational systems should be protected for a further five year period and the equipment replaced accordingly. Negotiations have, therefore, been undertaken with the sole nominated reseller for Compaq equipment, Sionet International.

The estimated capital cost of replacing the system is £760,000 for hardware and £250,000 for software. Provision of £260,000 has been made in 2002/03 and a further £750,000 has been included in the capital programme for 2003/04.

RESOLVED - That the Compaq Himalaya S7000 series equipment be procured from Sionet International in accordance with Standing Order E.3(a)(iii).

8. REPAIRS AND MAINTENANCE – TENDERS: AREA CONTRACTS AND SPECIALIST CONTRACTS FOR POLICE BUILDINGS

The Authority has previously approved the tenders for repairs and maintenance and the use of specialist contractors to police properties throughout the force area (Minute 291 – 2001/02). Further information relating to the automatic doors and barriers tender and measured terms contracts was also requested.

The increase to the cost of the automatic doors and barriers tender relates to price fluctuations in labour and material cost allowable within the form of contract, a significant change in servicing requirements identified in the updated specification, and the addition of new equipment to the schedule.

The general building contracts for Area Commands located within Metropolitan Authority Districts are awarded to the contractors who have been appointed by each of the local authorities to carry out their repairs and maintenance works. These contracts comply with the procurement and financial regulations of each authority.

RESOLVED - That the information be noted.

9. POLICE PENSIONS REGULATIONS 1987 – APPEAL AGAINST DEGREE OF DISABILITY AWARD REF: 17/2000

Following the Force Medical Officer's decision to award an injury pension with a degree of disablement of less than 25%, an Independent Medical Referee has now examined the appellant and confirmed that the officer's disablement is in the band 26-50%. The officer has therefore won the appeal.

RESOLVED - That the information be noted.

10. POLICE PENSIONS REGULATIONS 1987 – APPEAL AGAINST DEGREE OF DISABILITY AWARD REF: 01/01

Following the Force Medical Officer's decision to award an injury pension with a degree of disablement of less than 25%, an Independent Medical Referee has now examined the appellant and confirmed that the officer's disablement is in the band 26-50%. The officer has therefore won the appeal.

RESOLVED - That the information be noted.

11. POLICE PENSIONS REGULATIONS 1987 – APPEAL AGAINST DEGREE OF DISABILITY AWARD REF: 01/02

Following the Force Medical Officer's decision to award an injury pension with a degree of disablement of less than 25%, an Independent Medical Referee has now examined the appellant and confirmed that the officer's disablement is in the band 26-50%. The officer has therefore won the appeal.

RESOLVED - That the information be noted.

12. POLICE PENSIONS REGULATIONS 1987 – APPEAL AGAINST DEGREE OF DISABILITY AWARD REF: 3/2000

Following the Force Medical Officer's decision to award an injury pension with a degree of disablement of less than 25%, an Independent Medical Referee has now examined the appellant and confirmed that the officer's disablement is in the band 26-50%. The officer has therefore won the appeal.

RESOLVED - That the information be noted.

13. POLICE PENSIONS REGULATIONS 1987 – APPEAL AGAINST DEGREE OF DISABILITY AWARD REF: 09/01

Following the Force Medical Officer's decision to award an injury pension with a degree of disablement of less than 25%, an Independent Medical Referee has now examined the appellant and confirmed that the officer's disablement is in the band 51-75%. The officer has therefore won the appeal.

RESOLVED - That the information be noted.

14. POLICE PENSIONS REGULATIONS 1987 – APPEAL AGAINST DEGREE OF DISABILITY AWARD REF: 32/01

Following the Force Medical Officer's decision to award an injury pension with a degree of disablement of less than 25%, an Independent Medical Referee has now examined the officer and has confirmed that the officer's disablement is in the less than 25% band. The officer has therefore lost the appeal.

In accordance with Minute 18 - 1995/96, the Authority will seek reimbursement from the officer of the fees payable to the Independent Medical Referee and any other expenditure incurred in the examination of the officer totalling £893.

RESOLVED - That the information be noted.

15. POLICE PENSION REGULATIONS 1987 – APPEAL AGAINST NON-AWARD OF INJURY PENSION REF: 28/2000

Following the Force Medical Officer's decision not to award an injury pension to this officer, an Independent Medical Referee has now examined the appellant and indicated that the officer's retirement condition was not the result of an injury on duty. The officer has therefore lost the appeal.

In accordance with Minute 18 1995/96, the Authority will seek reimbursement from the officer of the fees payable to the Independent Medical Referee and any other expenditure occurred in the examination of the officer, totalling £740.25.

RESOLVED - That the information be noted.

16. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED - That the press and public be excluded from the meeting during consideration of the remaining business in accordance with the indicated paragraphs of Schedule 12A to the Local Government Act 1972.