

WYPCC and WYCC – Decision

From: Judith Heeley

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Timing:	Pressing
Purpose:	To agree proposals for the distribution and governance of Proceeds of Crime Act Funds
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SUBJECT OF ADVICE Distribution and Governance of POCA Funds

Summary: The Police and Crime Commissioner (PCC) and Chief Constable agreed at the Community Outcomes Meeting of 5th August 2013 to set up a joint working group to review the current arrangements for the governance and utilisation of POCA funds. An interim report was considered informally on 28th October 2013, and this now forms the final report for decision.

Recommendation: That the arrangements set out in the attached appendix be agreed, including clarification of options presented, to enable the detailed arrangements required to implement the new model to be put in place.

Consideration: The Proceeds of Crime Act 2002 includes provisions to tackle organised crime and strip assets from criminals through confiscation and forfeiture. A proportion of the amount recovered is returned to the police by the Home Office to fund community projects and police operations to target criminals.

POCA is currently managed by a Strategic Board chaired by the Deputy Chief Constable with representatives from Crime Division, Local Policing, the North East Regional Asset Recovery Team, the North East Counter Terrorism Unit, each of the territorial divisions and Finance and Business Support. The Board has a dual role, with a strong focus on operational performance as well as considering bids for use of the amounts recovered. This is split three ways, with 40% of the total going to Crime Division, 40% of the amounts which they have recovered being returned to Divisions, and 20% forming a central Force pot against which bids are made.

The Force is required to make an annual return to the Home Office setting out the way funds have been used. For 2012/13, the split was as follows:

Equipment	£541,154	22.19%
Operational Costs	£1,121,323	45.97%
Community - Projects	£455,487	18.67%
Community - Crime Prevention	£50,790	2.08%
Other (inc training, media, vehicles, professional services)	£270,524	11.09%
Total	£2,439,278	100%

The proposed new model retains an element to continue to incentivise performance in this area through reinvestment in operational policing, but increases the amounts returned to communities through the creation of a Safer Communities Fund, to be distributed to voluntary groups and individuals via a grant process. The details of the grant round and the associated media strategy can be developed and presented to the PCC once agreement has been reached on the arrangements set out at Appendix A.

The anticipated benefits of this new approach will be to ensure greater alignment to the priorities set out in the Police and Crime Plan, with community groups and individuals better able to access funding across the whole of the county.

Affordability: The proposal will remove funds currently available to the Force for operational investment and direct more funds to community projects to make communities safer and feel safer.

Handling: There will need to be a media strategy to accompany the launch of the grant rounds. Clarity will be needed on who can bid and for what as part of the guidelines and criteria developed once the proposal is agreed.

Risks/Legal Opinion: There is a risk that reducing the amounts available for reinvestment in operational policing will result in returns from proceeds of crime reducing. It is therefore proposed that this is kept under close review, with a quarterly report to the Community Outcomes meeting on progress and forecast returns, and a formal review of the arrangements every six months.

Districts may perceive that they have less opportunity for direct influence and engagement with the community as a result of the community element of the funds being agreed centrally rather than locally. It is anticipated that views will be sought from the Districts on bids submitted, to ensure that they are supported locally and do not cut across Force activity.

Other risks include the capacity of the OPCC and Income Generation Team to deal with a quarterly bidding round including appropriate monitoring of outcomes to ensure accountability for use of public funds; community expectations may be raised to an extent which is unrealistic and bids may significantly exceed available resources; and the direct involvement of the PCC in decision making is also a risk which may be mitigated by a wider board providing advice on acceptance of grant bids.

Supporting and Dissenting Views:

The POCA working group, involving representatives from the OPCC and the Force, have jointly prepared the report.

APPENDICES:

A Proposed New POCA Arrangements

PROPOSED NEW POCA ARRANGEMENTS

Total POCA returns will be split

- 50% to external community facing projects – the PCC Safer Communities Fund
- 50% to internal Force incentivisation for Districts and Crime Division – the Force Operational Fund

This will however be kept flexible.

The PCC will establish a Safer Communities Fund. Of this, a proportion (to be determined for each round) will be retained for allocation against schemes which meet the approved criteria at any time of the year. This will be open to external bids only which request urgent funding in advance of the next quarterly grant round.

NB It will be important to ensure that this is committed in a timely way, and dependent upon take up, any remaining amount may be added to the final scheduled grant round of the year.

The remainder will be allocated through a quarterly grant round.

Decision All community bids will be made against the PCC Safer Communities Fund, and Districts are encouraged to refer bids from community groups to the OPCC.

Decision The PCC and Chief Constable were asked to agree where crime prevention initiatives should sit (e.g. target hardening) and how funds for this will be accessed (e.g. exclusively from community groups or via more direct involvement with NPTs).

By way of background, a lot of the spend on crime prevention is integral to or contained within the Community Projects line in the table above. Districts have historically used a variety of crime prevention options such as cold calling leaflets, light bulbs/segment timers, smartwater, number plate screws, window locks etc.

This work can be in partnership with other projects/agencies and also stand alone and it is very much part of keeping communities safer/feel safer.

To leave the crime prevention element with the Force will decrease the Operational Fund further but this work needs to be led by/supported by Districts/NPT's who know where the issues lie and funds best allocated - it may be something that can be part of the Safer Communities Fund but allows Force bids but without it being an onerous or grant bound process for crime prevention.

It was decided that the Force would continue to lead on crime prevention but that any community led initiatives would be directed through to the Safer Communities Fund.

The grant round will be managed jointly by the income generation team and the PCC's office, in accordance with the 3i policy. Significant publicity will be required to ensure that the fund can be accessed fairly and transparently by groups and individuals from across the whole county.

The grant round will take a similar approach to that currently adopted by the Charitable Trust, suitably adapted to ensure that emphasis is given to the Community Outcomes Framework. Rounds may be themed or generic. Themes may look to address specific priorities in the Police and Crime Plan or reduce demand. Suggestions will be made in a later options paper for agreement by the PCC.

Views on the bids submitted will be sought from Districts through the Community Safety Partnerships (to ensure that bids do not cut across any Force initiatives etc) and will be considered at a small Safer Communities Fund Advisory Board which will make recommendations for decision by the PCC. Membership of this Board to be determined but may involve community safety partners and community advisors.

Clear criteria will need to be put in place to avoid confusion with the Commissioning Framework for the former Community Safety Fund (e.g. ability of local authorities to bid or limited to voluntary groups and individuals). It will also be important to ensure that there is no crossover with commissioning or grants provided by other public sector bodies, where there clearly are alternative sources of funding. Proposals will come to the PCC to consider.

Grant bids will need to include anticipated outcomes/benefits, which will be tracked using the Overview system. This may include the potential to generate further POCA income, information gathering, efficiencies created through diversionary activity to reduce crime which impact on Force workload, increased visibility etc.

Part of the monitoring could usefully identify which aspects of the community outcomes / control strategy the investments support in order to see if the targeting of allocations in aggregate are proportionate to the priorities / threats given that the allocations will be made through different processes.

The Force POCA Board will be disestablished and new arrangements put in place by the Chief Constable for the monitoring of performance and the allocation of the Force Operational Fund.

The first Safer Communities Fund grant round will take place in the first quarter of 2014. The amounts for each grant round will be based upon the latest verified returns (i.e. from two quarters previous to the latest quarter). The forecast figure for q2 of 2013/14 which will form the basis for the first grant round in 2014 is £242,541.03.

Decision The first grant round was agreed at £100k.

Information will be provided by the Force in advance of that on any ongoing funding already committed by Districts for community projects, to ensure that this does not create any issues in terms of anticipated funding being withdrawn.

These arrangements will be subject to regular review on a six monthly basis.

The annual return to the Home Office due in August will be jointly prepared, bringing together the PCC Safer Communities Fund and the Force Operational Fund.