

NOT CONFIDENTIAL – for public release

**POLICE AND CRIME COMMISSIONER (PCC) FOR LINCOLNSHIRE
REQUEST FOR DECISION**

REF: 028/2013

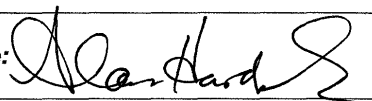
DATE: 11 December 2013

SUBJECT		EMSOU HEADQUARTERS
REPORT BY	CHIEF CONSTABLE AND CHIEF FINANCE OFFICER	
CONTACT OFFICER	JULIE FLINT, CHIEF FINANCE OFFICER TEL 01522 9947192	
EXECUTIVE SUMMARY AND PURPOSE OF REPORT		
<p>EMSOU Headquarters is used as a base for many of the policing services operated regionally on behalf of the five East Midlands forces. It is currently leased but the option of outright purchase has been explored and a purchase price agreed. There are clear benefits to all five forces including Lincolnshire as described in this report.</p> <p>Lincolnshire's share of the purchase price is £969,861 which includes Stamp Duty but excludes VAT (which will be reclaimed).</p> <p>The purchase can be funded within current budgets and is expected to provide a financial saving to the region and to Lincolnshire on a long term basis.</p> <p>The police and crime commissioners for the four other East Midlands areas have indicated their support for the purchase.</p>		
RECOMMENDATIONS	<ol style="list-style-type: none"><i>1. That the purchase of EMSOU Headquarters at a cost to Lincolnshire of £969,861 be agreed.</i><i>2. That authority to execute the contract on behalf of the Police & Crime Commissioner for Lincolnshire be delegated to the Head of East Midlands Police Legal Services.</i>	

POLICE AND CRIME COMMISSIONER FOR LINCOLNSHIRE

I hereby approve the recommendations above, having considered the content of this report.

Signature:



Date: 11/12/13

A. NON-CONFIDENTIAL FACTS AND ADVICE TO THE PCC

A1. INTRODUCTION AND BACKGROUND

1. EMSOU Headquarters is currently leased on behalf of the five East Midlands police and crime commissioners. There is a commitment to the continued use of EMSOU Headquarters since the original 15 year lease has ten years to run and there is no early termination clause in the lease agreement. There has been substantial investment in EMSOU Headquarters mostly through the use of national police funding. There is an option to extend the lease at market rates.
2. A number of options have been considered for the future including entering into a new lease on terms agreed with the landlord. These options may deliver short term savings compared with existing payments although the position depends on future levels of market rates.
3. The option of outright purchase has also been considered. Again, the level of future market rates is relevant. However, there is a strong probability that purchase represents better value over the longer term.
4. The advantages of outright purchase are that:
 - There is an operational need to remain in EMSOU Headquarters for the foreseeable future. Purchase would guarantee the continued availability of EMSOU Headquarters for the longer term.
 - There is a strong probability that costs will be lower than existing costs and lower than the other options available over the longer term taking into account all the relevant financial factors.
5. Lincolnshire's share of the purchase price is 12.8% of the total cost reflecting its share of Police Grant to the East Midlands.

A2. LINKS TO POLICE AND CRIME PLAN AND PCC'S STRATEGIES/PRIORITIES

The recommendation supports the Police and Crime Plan commitment to "work with other police forces regionally and nationally to ensure the serious threats to our communities from serious and organised crime, terrorism, sexual exploitation and e-crime are met with capable and effective policing from well organised and strong specialist teams."

B. FINANCIAL CONSIDERATIONS

The purchase will need to be treated as capital expenditure on the acquisition of an asset. However, it can be funded directly from revenue income in the current year. This will avoid future commitments to annual repayments and interest costs on borrowing. This is affordable within the current budget since there is a significant projected underspending on the budget in the current year.

Current budgets will need to be adjusted to reflect this and the most appropriate approach will be considered in next month's budget monitoring report.

Future annual payments to support policing services organised regionally will be reduced since they will not include the existing annual leasing costs.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

[This should include the legal powers the PCC has for making the decision]

Given the timescales and geography of the East Midlands Region, it is proposed that the authority to execute the contract on behalf of the Police & Crime Commissioner for Lincolnshire be delegated to the Head of East Midlands Legal Services.

D. PERSONNEL AND EQUALITIES ISSUES

There are no issues.

E. REVIEW ARRANGEMENTS

None required.

F. RISK MANAGEMENT

There are some increased financial risks which have been considered in the financial options appraisal.

H. PUBLIC ACCESS TO INFORMATION

Information in this form along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation. Part 1 of this form will be made available on the PCC's website within one working day of approval. However, if release by that date would compromise the implementation of the decision being approved, publication may be deferred. An explanation for any deferment must be provided below, together with a date for publication.

Is the publication of this form to be deferred? No

Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate part 2 form.

Is there a part 2 form? No

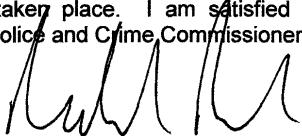
ORIGINATING OFFICER DECLARATION

	Tick to confirm
Originating Officer: The Chief Constable and Chief Finance Officer recommend this proposal for the reasons outlined above.	✓
Financial advice: The PCC's Chief Finance Officer has been consulted on this proposal.	✓
The CC's Chief Finance Officer has been consulted on this proposal.	✓
Monitoring Officer: The PCC's Monitoring Officer has been consulted on this proposal	✓
Chief Constable: The Chief Constable has been consulted on this proposal	✓

OFFICER APPROVAL

Chief Executive

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. Consultation outlined above has also taken place. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner for Lincolnshire.

Signature:  Date: 11/12/13