

POLICE AND CRIME COMMISSIONER FOR NORTHUMBRIA

Key Decisions

Title and Reference – PCC.307.2017

Purchase of building for NERSOU

Report of Elaine Snaith, Chief Executive and Monitoring Officer

Summary

The PCCs have identified capital funding totalling £1.6m within their budgets to enable a building to be purchased for the purpose of housing NERSOU and co-locating with the NCA. This can be supported by a £1.5m grant from the Home Office, along with an additional £700,000 from the National Crime Agency for refurbishment costs.

The proposed purchase price of the preferred building is £2.7m. There will be costs in addition to this including stamp duty, fees and charges, plus costs of refurbishment which we can at this stage only estimate. However a total cost of c.£3.8m is likely.

Recommendation/ Findings:

Recommendation to the PCC for Northumbria to purchase a building jointly with the PCCs for Cleveland and Durham to act as new premises for the North East Regional Special Operations Unit (NERSOU) and the National Crime Agency, with the potential to co-locate other related officers in the future.

Northumbria Police and Crime Commissioner

I hereby approve the recommendation above.

Signature



Date 24.11.17

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RECORD OF DECISION

MADE BY THE POLICE AND CRIME COMMISSIONERS FOR CLEVELAND, DURHAM AND NORTHUMBRIA

Decision References		
PCC for Cleveland	PCC for Durham	PCC for Northumbria
55161/2017	033 /2017	/2017
Executive Summary		
<p>Recommendation to the PCCs for Cleveland, Durham and Northumbria to purchase a building to act as new premises for the North East Regional Special Operations Unit (NERSOU) and the National Crime Agency, with the potential to co-locate other related officers in the future.</p> <p>Background</p> <p>On 23rd October 2013, the three PCCs signed a collaboration agreement under section 22 of the Police Reform and Social Responsibility Act 2011 to provide for a North East Regional Special Operations Unit ("NERSOU"), the objective of which is to provide additional capacity and capability across the region to tackle serious and organised crime.</p> <p>NERSOU currently occupies two leasehold buildings in the North East of England. Her Majesty's Inspectorate of Constabulary have made recommendations for a Regional Organised Crime Unit (ROCU) network to develop and ensure consistent delivery and effective action against organised crime, as well as reducing duplication with local forces and streamlining collaborative working. This can be achieved by co-location of certain capabilities and with partner organisations, including the National Crime Agency (NCA).</p> <p>The main premises which NERSOU occupies is no longer large enough to:</p> <ul style="list-style-type: none"> ○ accommodate the NERSOU function; ○ allow co-location with the NCA; ○ enable growth into additional collaborative activity. 		

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Several ROCUs have already adopted the HMIC recommendations and have co-located with their NCA counterparts, who similarly have strategic intent to co-locate with ROCUs where possible.

Proposition

The PCCs have identified capital funding totalling £1.6m within their budgets to enable a building to be purchased for the purpose of housing NERSOU and co-locating with the NCA. This can be supported by a £1.5m grant from the Home Office, along with an additional £700,000 from the National Crime Agency for refurbishment costs.

The proposed purchase price of the preferred building is £2.7m. There will be costs in addition to this including stamp duty, fees and charges, plus costs of refurbishment which we can at this stage only estimate. However a total cost of c.£3.8m is likely.

In deciding the level of detail to publish in this Decision Record, the Commissioners have in consultation with their respective Chief Constables given consideration to both the desire to be transparent and allow for proper scrutiny, and the need to protect information about operational capability and tactics.

In particular, the specific building which is recommended for purchase is not referenced.

It is further proposed that a full public announcement with appropriate media releases be made at the point when the building is formally launched and made operationally effective. The public announcements will include involvement by HM Government in line with the stipulations of the grant agreement.

Considerations

In making the decision whether to purchase a building for the above purpose, the following considerations have been made:

- The PCCs have received substantial advice from their Chief Constables supporting the case for improved operational capability arising from both new premises for NERSOU and co-location with other agencies, and how this will help them to protect the communities of the North East;
- A comprehensive property search has been undertaken by Durham Constabulary and options presented to the Commissioners. In selecting suitable properties, officers have taken account of size, location, cost, layout, and other pertinent issues;

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- A value for money exercise has been carried out, which indicates that the proposition delivers efficiencies:
 - Likely reduced running costs overall, particularly due to the removal of the need to pay rent;
 - Lower cost per square metre, therefore delivering better value for money;
- The ability to further increase the capability co-located with NERSOU, which is likely to be necessary given the changing nature of crime and threat;
- The National Crime Agency are fully supportive of, and committed to, co-location;
- The ability of each force to identify capital funding, and how ownership of the building will be shared. The following has been identified:
 - Cleveland - £400,000
 - Durham - £600,000
 - Northumbria - £600,000
- How the building will be repaired and maintained, and funding arrangements for the same;
- Arrangements for enabling other agencies to co-locate in the future, taking into account:
 - The desire to work in a collaborative and cooperative manner with other organisations which support delivery of broader public protection and community safety within the North East;
 - The ambition to obtain value for money for the public purse, keeping in mind that a large proportion of the costs (e.g. business rates) associated with the building are fixed, and therefore all income reduces the costs to NERSOU / the three North East forces;
 - The spirit in which we are entering into partnership is one of collaboration, rather than a commercial opportunity leading to landlord-tenant relationships.

Decision Requested**NOT PROTECTIVELY MARKED**

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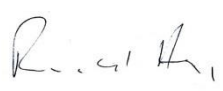

This Decision Record codifies decisions taken within the NERSOU Joint Committee on occasions prior to the date of this document. The Police & Crime Commissioners for Durham, Cleveland and Northumbria are therefore invited to:

1. Formally agree to the purchase, with effect from 31 March 2017, of the building to house NERSOU and enable the co-location of the National Crime Agency.
2. Formally agree to the execution of such Trust Agreement(s) as may be required in order to hold the property in shares aligned with their capital contributions – Cleveland 25%, Durham 37.5%, Northumbria 37.5%.
3. Agree to running costs being met from the NERSOU budget, the forces' contributions for which are calculated using relative Net Revenue Expenditure.
4. Agree in principle to host personnel from other agencies whose work aligns with or complements that of NERSOU and to do so on the basis of a non-exclusive licence to occupy; and to charge such co-located agencies a licence fee based on a share of running costs; and to keep such arrangements under review.
5. Agree to remit all actions to give effect decisions 1 to 4 above, to their Chief Executives and/or Chief Finance Officers as the case may be, save where such actions are reserved to the Commissioners themselves under one or more of their Schemes of Delegation.

Police and Crime Commissioner for Cleveland
The above decision request HAS my approval.

Police and Crime Commissioner for Durham
The above decision request HAS my approval.

Police and Crime Commissioner for Northumbria
The above decision request HAS my approval.

PCC for Cleveland	PCC for Durham	PCC for Northumbria
Signed: 	Signed: 	Signed: 
Date: 17 Nov 2017	Date: 17/11/2017	Date: 17 Nov 2017

Before making this decision the Commissioners received appropriate support and professional advice in relation to material implications and risks. Points of exception are captured below:

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Legal / Monitoring Officer Remarks
<p>Having read this report and having considered such information as has been provided at the time of being asked to express this view, the Chief Executive and Monitoring Officer to the PCC for Cleveland is satisfied that this report does not ask the PCC for Cleveland to make a decision which would (or would be likely to) give rise to a contravention of the law.</p> <p>Having read this report and having considered such information as has been provided at the time of being asked to express this view, the Chief Executive and Monitoring Officer to the PCC for Durham is satisfied that this report does not ask the PCC for Durham to make a decision which would (or would be likely to) give rise to a contravention of the law.</p> <p>Having read this report and having considered such information as has been provided at the time of being asked to express this view, the Chief Executive and Monitoring Officer to the PCC for Northumbria is satisfied that this report does not ask the PCC for Northumbria to make a decision which would (or would be likely to) give rise to a contravention of the law.</p>
Chief Finance Officer Remarks
<p>Having read this report and having considered such information as has been provided at the time of being asked to express this view, the CFO for the PCC for Cleveland is satisfied that the business case has adequately addressed relevant financial considerations.</p> <p>Having read this report and having considered such information as has been provided at the time of being asked to express this view, the CFO for the PCC for Durham is satisfied that the business case has adequately addressed relevant financial considerations.</p> <p>Having read this report and having considered such information as has been provided at the time of being asked to express this view, the CFO for the PCC for Northumbria is satisfied that the business case has adequately addressed relevant financial considerations.</p>
Human Resource Advisor Remarks
Other exceptional risk or compliance matters
None

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The Commissioners are satisfied that prior to being invited to make this decision that the supporting documentation deals with specific compliance matters. Where appropriate these will continue to receive due consideration.

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