

**POLICE AND CRIME
COMMISSIONER FOR
THE WEST MIDLANDS**

NON-CONFIDENTIAL

NOTICE OF DECISION

[020/2021]

Contact Officer: Davinder Jagpal (Assistant Director - Finance)

Telephone Number: 07867 166121

Email: d.jagpal@west-midlands.police.pnn.uk

Title: Commonwealth Games Security budget funding for Birmingham 2022 Organising Committee

EXECUTIVE SUMMARY

This report outlines the process by which funding for the Security element of the Commonwealth Games 2022 is provided from the Department for Culture, Media and Sport (DCMS) to the West Midlands Police and Crime Commissioner and then to the Chief Constable for West Midlands Police and the Birmingham 2022 Organising Committee, to deliver the elements of security for the games. The report is focused on the transfer of funding from the PCC to the OC on a quarterly basis in order for the OC to have funding in place to deliver their security requirements for the games.

DECISION

To agree to provide funding to the Birmingham 2022 Organising Committee quarterly, in advance of need, in line with the Security Budget Funding Framework to enable them to deliver the requirements of the games security operation.

Police and Crime Commissioner for the West Midlands

I confirm that I do not have any disclosable pecuniary interests in this decision and take the decision in compliance with the Code of Conduct for the Police and Crime Commissioner of the West Midlands. Any interests are indicated below.

Signature.....

Date 06.05.2021

1. INTRODUCTION AND BACKGROUND

1.1. The Commonwealth Games security budget is split between West Midlands Police and the Birmingham 2022 Organising Committee (OC). In summary, the funding is provided to WMP from the DCMS to deliver a safe and secure games. A formal Security Funding Framework has been agreed between stakeholders to allow security funding to transfer from the DCMS to the West Midlands PCC via a Home Office Grant paid in advance of need.

1.2. This paper asks the Police and Crime Commissioner to release funding to the Birmingham 2022 Organising Committee for their security costs in 2021-22. These costs are under headings of contracted security, security equipment and other security costs. This release of funds should take place in advance of need so that payment are made at the start of each quarter. The table in paragraph 2.6 provides details of the profile of the security budget for this year and how much should be released to the Organising Committee to allow them to deliver expected outcomes.

2. SECURITY BUDGET AND SECURITY FUNDING FRAMEWORK

The overall security budget is profiled per the table below:

Budget Area	<i>Games lifetime budget breakdown by year</i>					Total
	2018-19	2019-20	2020-21	2021-22	2022-23	
	£'000	£'000	£'000	£'000	£'000	£'000
<i>WMP</i>	378	2,054	5,444	14,000	49,073	70,949
<i>Organising Committee</i>	0	337	937	14,246	58,842	74,362
<i>Efficiency Target</i>	0	0	0	0	-11,707	-11,707
<i>Additional sports</i>	0	0	0	359	3,231	3,590
<i>Security contingency</i>	0	0	0	6,168	34,953	41,121
Total	378	2,391	6,381	34,773	134,392	178,315

2.1. The maximum budget requirement for WMP in 2021-22 is £14.00m. The maximum budget requirement from the OC in 2021-22 is £14.25m. The amounts for additional sports and security contingency may not be required in full in 2021-22 but plans are in place to utilise £1.84m of contingency to support costs for West Midlands Fire Service that were not included in the Original games budget.

2.2. A Security Funding Framework has been drawn up and agreed by all stakeholders to describe the funding flows between games partners. This is provided as an appendix at the end of this report. In summary the steps for funding the security elements of the games are:

- (i). DCMS will draw down the allocated Government funding, including the contingency, from Her Majesties Treasury (HMT) on the Main Estimate in each financial year. DCMS will administer the transfer of funds to the OC as Grant-In-Aid (GIA) on a monthly basis.
- (ii). DCMS will allocate revenue funding to the WMPCC through a budget transfer via the Home Office for the financial years 2019/20 to 2021/22 with any capital requirements being met from Birmingham City Council. For the financial year 2022/23, WMP will receive funding from both

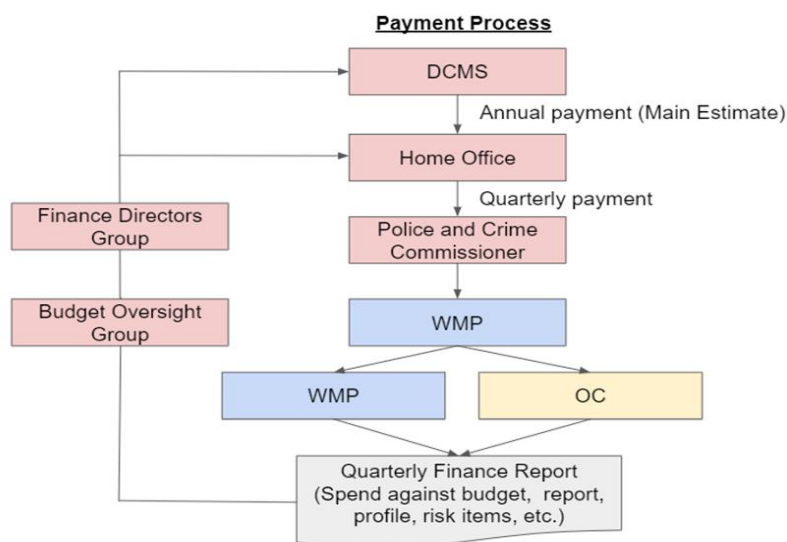
Central Government and Birmingham City Council, based on the totals contained in the WMP financial reporting and forecasting.

(iii). Payment will then be made quarterly in advance by the Home Office to WMP via the Police and Crime Commissioner (PCC), based on a Quarterly Report, via Special Grant. The full Games budget will be transferred by the Home Office to WMP every year based on committed spend accruals.

The funding for each following quarter will be released upon completion of a quarterly report to the Budget Oversight and Finance Directors groups detailing actual spend in quarter and planned spend in the following quarter. Once these groups are satisfied that the request for funding for the following quarter is acceptable they will recommend to the Home Office that funding is released for each new quarter.

(iv). WMP will be responsible for making quarterly payments to the OC, for their portion of the security games budget in advance, based on the forecast spend on an accruals basis, as projected in the Quarterly Report. WMP will be responsible for reporting on the entire security budget, including both WMP and OC elements to DCMS and HO, in the Quarterly report and through existing governance reporting routes (such as the Silver Group monthly dashboards, and monthly Finance Directors Group reporting). The OC will provide any data and information to WMP that it requires to prepare submissions and reports, and WMP may invite them to attend any meetings of the relevant finance groups.

This process is described pictorially in the diagram below:



2.3. Prior to the start of each Financial Year from 2021/22, WMP will make a full forecast of the budget for the year ahead (as outlined in the schedule below), having first collated forecasts from all relevant partner organisations and undertaken a reasonable level of due diligence on them. This will consist of the forecast breakdown and quarterly profiling of spend, and narrative explaining any changes from the previous year, points of interest, or risk items.

2.4. The HO will review the full forecast to ensure that estimated police costs are in-line with best practice and conform to national guidelines on police funding. This will be managed by HO, but timed to avoid disruption of payments and undue burden on the WMP finance team. The full forecast will be taken to the Multi Agency Gold Group and Security Assurance Board and the Finance Directors Group

2.5. The Security Funding Framework asks that payment is made to WMP from HO on a quarterly basis, in advance against committed WMP and OC spend a, via the PCC, as the legal entity to receive income for policing in the West Midlands. The PCC will then forward this income to the Chief Constable of West Midlands Police to deliver the security programme. This commenced from Q4 in FY 2019/20, with the entire annual payment for 19/20 made in a single payment. Payments will be made quarterly thereafter.

2.6. The schedule of budgets required for CWG security in 2021-22 is shown in the tables below; firstly for the OC and secondly for West Midlands Police:

Organisation	Expenditure Category	Q1 (April-June) £	Q2 (July - September) £	Q3 (October - December) £	Q4 (January - March) £	Total for 2021/22
OC	Security Consultants	94,200	241,600	207,500	74,800	618,100
OC	Security training	73,100	73,100	73,100	73,100	292,400
	PCS (management and operations)	239,100	399,700	835,900	7,308,000	8,782,700
OC	Vendor certification	0	0	43,800	131,300	175,100
OC	Security technology	213,200	213,200	213,200	213,200	852,800
OC	Physical security	21,000	28,800	506,900	2,969,000	3,525,700
Total		640,600	956,400	1,880,400	2,549,400	14,246,800

Organisation	Expenditure Category	Q1 (April- June) £	Q2 (July - September) £	Q3 (October - December) £	Q4 (January - March) £	Total for 2021/22
WMP	Planning team costs	1,345,000	1,345,000	1,345,000	1,347,100	5,382,100
WMP	Salary recharges for partner costs	162,000	162,000	162,000	162,500	648,500
WMP	Security equipment and IT costs	200,000	200,000	500,000	1,611,100	2,511,100
WMP	Vetting accreditation service	0	0	250,000	1,000,000	1,250,000
WMP	Logistics costs	300,000	500,000	800,000	2,343,600	3,943,600
WMP	Other security costs	65,000	65,000	65,000	69,900	264,900
Total		2,072,000	2,272,000	3,122,000	6,534,200	14,000,200

Note: if the profiling of activities change, there may be a corresponding change to the payments required.

For contracts let either by the Force or contracts let on the Force's behalf that the Force will access, the standard requirements of the Living Wage Foundation's rates of pay and wider social value considerations will be obligated.

This report asks the PCC to agree to make the quarterly payments to the OC as shown in the totals on the above table and in-line with the methodology described by the Security Funding Framework.

3. FINANCIAL IMPLICATIONS

The Commonwealth Games security budget for the OC and West Midlands Police is fully funded from external funding from the DCMS and from Birmingham City Council. This report contains no direct financial implications for the PCCWM.

4. LEGAL IMPLICATIONS

In accordance with Financial Regulations the transfer of funding to another organisation in excess of £1 million requires the approval of the PCCWM.

5. EQUALITY IMPLICATIONS

Diversity and Inclusion will be monitored during the life of this agreement in relation to all stakeholder groups.

SCHEDULE OF BACKGROUND PAPERS

1. B2022 Security Budget Memorandum of Responsibilities



20210113 OFFICIAL
B2022 Security Fund