

CAMBRIDGESHIRE POLICE AND CRIME PANEL	Agenda Item No. 9
2nd December 2020	Public Report

Report of Acting Police and Crime Commissioner

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BUDGET UPDATE REPORT

1. PURPOSE

- 1.1 The purpose of this report is to provide the Cambridgeshire Police and Crime Panel (the “Panel”) with an update on the budget setting process for 2021/22.

2. RECOMMENDATIONS

- 2.1 The Panel is recommended to note the report.

3. TERMS OF REFERENCE

- 3.1 Item 6 – to review or scrutinise decisions made, or other action taken, by the Police and Crime Commissioner in connection with the discharge of the Commissioner’s functions.

Item 8 - To support the effective exercise of the functions of the Police and Crime Commissioner.

4. BUDGET BUILD PROCESS

- 4.1 The budget build process is an iterative process throughout the year. Cambridgeshire Constabulary (the “Constabulary”) have held their Strategic Threat and Risk Assessment (STRA) process to identify savings and pressures for the 2021/22 financial year and beyond.
- 4.2 The Bedfordshire, Cambridgeshire and Hertfordshire (BCH) Collaboration financial planning cycle has been better aligned to individual forces’ budget build this year, however, there are cost pressures emerging in some of the collaborated functions.
- 4.3 In considering the budget setting process there is a significant historical context that needs to be understood, particularly around the implications of the national Uplift programme for police officer recruitment.
- 4.4 The response to a number of years of austerity across policing varied. Some forces significantly reduced officer numbers, others reduced costs in other ways including losing police staff. Cambridgeshire protected the number of officers they had and found savings in other ways.
- 4.5 When the national Uplift programme and funding to deliver it was announced, this had the effect of ringfencing costs associated with officer salaries, pension etc. This was to ensure that funding for 20,000 officers actually delivers 20,000 additional officers.
- 4.6 The effect of this is that the percentage of the Cambridgeshire budget dedicated to paying for police officers was already high before, and higher after Uplift, with more limited flexibility in where savings can be found to meet budget gaps than other comparable forces.

- 4.7 We are also anticipating that the Council Tax Precept that we collect from the District and Local Authorities will be in a deficit position due to Covid-19, which will be spread over the next three years. This position will not become clearer until Councils' have set their budgets.
- 4.8 The Comprehensive Spending Review is due to conclude on 25 November 2020 and this will be a one-year settlement due to Covid-19, not a three-year settlement as originally anticipated. However, we don't expect to hear the Police Grant settlement until mid-December. The Government's Review of the Funding Formula has been delayed and as previously reported, Cambridgeshire is one of the lowest funded police forces and the delay to the Funding Formula compounds this.
- 4.9 The Acting Police and Crime Commissioner will seek the public views on police funding in determining a proposed precept for 2021/22
- 4.10 A budget briefing session has been arranged for Panel members in January 2021. As in previous years the purpose of which is to better enable members to understand the rationale for the proposed budget and precept.
- 4.11 A further budget report and the proposed precept will be provided to the Panel in February 2021.

5. BACKGROUND DOCUMENTS

'Police and Crime Plan 2017-20 – Community Safety and Criminal Justice', Police and Crime Commissioner

<http://www.cambridgeshire-pcc.gov.uk/police-crime-plan/>