

<b>CAMBRIDGESHIRE POLICE AND CRIME PANEL</b>	<b>Agenda Item No. 6</b>
<b>6 FEBRUARY 2020</b>	<b>Public Report</b>

## **Report of Acting Cambridgeshire Police and Crime Commissioner**

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### **PRECEPT REPORT 2020/21**

#### **1. PURPOSE**

- 1.1 To notify the Cambridgeshire Police and Crime Panel (the “Panel”) of the Acting Cambridgeshire Police and Crime Commissioner’s (the “Acting Commissioner”) proposed net budget requirement and precept for 2020/21 and to enable the Panel to review the proposed precept.

#### **2. RECOMMENDATION**

- 2.1 The Panel is recommended to review and make a report to the Acting Commissioner on the proposed policing precept element of the Council Tax precept for 2020/21. The proposed Council Tax is an increase of 83p per month bringing the policing element of Council Tax (Band D equivalent) to £232.65 (£9.99\* per year).

*\*a figure of £9.99 is used to avoid any rounding issues when local councils calculate Council Tax bills.*

#### **3. TERMS OF REFERENCE**

- 3.1 Item 5 - to review and make a report and recommendation (as necessary) on the proposed precept.

#### **4. BACKGROUND**

- 4.1 Under the Police Reform and Social Responsibility Act 2011 and the Police and Crime Panels (Precepts and Chief Constable Appointments) Regulations 2012, the Acting Commissioner must notify the Panel of the precept which the Acting Commissioner is proposing to issue for the financial year by 1 February. The Panel must review the proposed precept notified to it by 8 February.

#### **5. APPROACH TO PRECEPT SETTING**

- 5.1 The setting of the precept this year takes place amid unprecedented circumstances, in that the Government announcement of central funding and precept scope was not announced in the usual time frame of mid to late December.
- 5.2 The Acting Commissioner took office in November 2019 and has had a series of meetings with the Chief Constable to discuss the budget requirement of the Cambridgeshire Constabulary (the “Constabulary”) in this funding context.
- 5.3 In order to assist the Panel in understanding the budget material and to inform the Panel’s consideration of the precept proposal, a Budget Presentation was given to Panel members on 17<sup>th</sup> January 2020 detailing the considerations of the Acting Commissioner and Chief Constable to date. The presentation was given in advance of the announcement of police funding which was subsequently released on 22<sup>nd</sup> January 2020.

#### **6. KEY ISSUES**

- 6.1 The Government has announced the largest funding package for the policing system in a decade, assuming Commissioners raise the precept by £10. In announcing this settlement the Government stated that: *“the amount of funding available to the policing system for 2020 to 2021 will increase by more than £1.1 billion, totalling £15.2 billion, if Police and Crime Commissioners take full advantage of flexibility to set the police precept. This represents an almost 10% increase on the core (resource) grant provided to forces last year, enabling the police to cut crime and deliver on the people’s priorities. The police must now make full use of this significant investment to deliver for the public.”*
- 6.2 The funding settlement can make a significant contribution to policing in Cambridgeshire. Thanks to the precept last year (50 officers) and the national uplift funded by the Government (62 officers by March 2021), Cambridgeshire will have its highest number of officers – 1,559 at the end of March 2021. This allows increased visibility of policing and delivery of priorities, detailed below.
- 6.3 During the summer and early autumn of 2019, the Chief Constable undertook an innovative Strategic Threat and Risk Assessment (STRA) process to determine the future operational requirements of the Constabulary. The STRA process identified 999 calls, domestic abuse cases, mental health incidents, concerns for safety of the vulnerable and sexual offence reporting are all likely to increase. It identified the priorities for 20/21 as:
- Safeguarding the vulnerable
  - Continuing to combat acquisitive crime, such as burglary
  - Reducing harm to communities
  - Improving investigation standards
  - Enhancing data quality
- 6.4 Trends in the changing demand profile and technological innovations informed by prioritisation through the STRA process has informed the Chief Constable in remodelling service delivery by the Constabulary and through collaboration. Through these processes the Chief Constable has identified £2.3m potential savings to ensure that the Constabulary remains both efficient as well as effective.
- 6.5 Cost pressures and investment requirements have been identified which total £10.6m. Details of the areas where savings have been identified, cost pressures and investment requirements can be found in the attached presentation as given at Appendix 1. The identified savings, cost pressures and funding investment requirements mean that although the additional net budget requirement for 2020/21 is £8.3m (£10.6m less savings of £2.3m), factoring in the removal of use of reserves of £1.8m and the reduction in funding due to Council deficits of £0.8m, the total increase in the funding requirement is £10.9m. The cost of the additional “uplift” officers have also been included in this figure. The total Net Budget Requirement (NBR) of the Constabulary for 2020/21 is therefore £156.5m.
- 6.6 In proposing a precept, the Acting Commissioner is required to consider the immediate funding required for 2020/21 and the context of longer term financial sustainability and risks. To assist with this a Medium Term Financial Strategy (MTFS) has been in development detailing how this will be managed and a Medium Term Financial Plan (MTFP) developed that contains the detailed forecasts.
- 6.7 The s151 Officer has provided assurance to the Acting Commissioner under section 25 of the Local Government Act 2003 in his review of the draft budget under consideration, and believes that the budget proposals set out by the Acting Commissioner are robust and sustainable. The level of reserves is sufficient to meet the known risks within the budget taking account of the Acting Commissioner’s robust financial management framework.
- 6.8 The MTFS including the section 25 statement and the MTFP will be brought to the Panel meeting on 25<sup>th</sup> March 2020 once the precept funding is agreed.
- 6.9 A key local consideration in respect of the future funding requirements relates to police estates.

There are significant borrowing requirements for planned, operationally essential developments, including the necessary replacement of Parkside police station in Cambridge with a new policing hub and a police facility in Cambridge City Centre as well as replacement training facilities for public order units. The costs of the borrowing that is required will have to be borne by the revenue budget. This increased cost of borrowing will increase future budget requirements, and a risk in this relates to future interest rate changes.

- 6.10 A further consideration is the expectation of future growth in demand. A number of factors relate to this including significant population growth in Cambridgeshire, the impact of service pressures in other key public services leading to increased police demand (80% of police demand is not crime related), and the changing nature of demand. Current demand must be met, but investment in prevention, and therefore crime reduction, is also required.
- 6.11 There are many other factors and risks to be considered concerning medium term financial sustainability, in the context that Cambridgeshire remains one of the lowest funded forces in the country per head of population. Additional details relating to these can be found in the attached presentation.

## **7. PRECEPT PROPOSAL**

- 7.1 The Office of the Police and Crime Commissioner (OPCC) launched a survey on Wednesday 8<sup>th</sup> January 2020 seeking the views of members of the public with regards to funding the Constabulary's police service. The survey ran until Monday 27<sup>th</sup> January 2020 and was promoted via the OPCC's social media accounts and through a media release. The survey was made available both online and in hard copy. The Acting Commissioner also carried out extensive personal engagement across the county to increase uptake with the survey.
- 7.2 The survey was launched to provide the narrative to communities about cost pressures facing the force and explore the public expectations with respect to policing. The Acting Commissioner indicated in the survey that once the settlement figures were known, he would follow central government guidance.
- 7.3 The survey asked the following three questions:
1. To what extent do you agree the police office visibility in your community is important?
  2. How important is it that police officers are adequately supported to carry out their duties in terms of equipment and training?
  3. With an increase in population, how important is it that police staff levels are maintained in order to support policing in Cambridgeshire, for example call handlers, training officers?
- 7.4 The Commissioner's Business Co-ordination Board (the "Board") at its meeting on the 23<sup>rd</sup> January 2020 considered the on-going survey results to date, which at that time were indicating a positive response, and the Government funding announcement (see paragraphs below).
- 7.5 In laying the settlement before Parliament the Ministerial Statement set out that the Government was "*determined to strengthen our police service and tackle the unacceptable levels of crime, particularly violent crime, across our country. This Government will deliver on its commitment to recruit 20,000 additional officers over the next three years to protect the public and keep our families, communities and our country safe. .... The 2020/21 funding settlement gives the police the investment they need to deliver on that promise. Taking all funding from the Government and PCCs' precept raising power into account, up to an extra £1.1 billion will be available for investment in the policing system in 2020/21*".
- 7.6 The notification received from the Government was that there was a £10.9m increase in funding for Cambridgeshire. This included both the central grant funding element of £6.8m and assumed that the Acting Commissioner would increase the precept by £10 on Band D properties, which combined with the expected growth in housing subject to council tax, would raise the remaining £4.1m.

7.7 The Board heard that the Strategic Threat and Risk Assessment (STRA) process identified 999 calls, domestic abuse cases, mental health incidents, concerns for safety of the vulnerable and sexual offence reporting are all likely to increase. It also noted that funding reductions in other public services may impact on policing and the Constabulary's capital infrastructure also needs investment. This is all against a background where Cambridgeshire, in line with other areas are seeing a shifting demand profile with more private/hidden crime, online crimes, complex crime and an increasing role in policing dealing with vulnerability.

7.8 The Board noted the work as set out in paragraphs 6.3 to 6.5 above:

- Savings to drive efficiencies;
- Existing Cost pressures; and
- Where investment will have most impact.

The Board also noted the risks and uncertainty faced by the Constabulary over the coming years set out in paragraphs 6.6 to 6.8 above. The Board also noted that the early results of the survey reinforced that policing is important to our local communities and their expectation is that officers are adequately supported to carry out their duties

7.9 The final precept survey results are as follows:

**1,197** people completed the survey with the following selecting 'strongly agree' to the three questions:

1. To what extent do you agree the police office visibility in your community is important?  
**72.96% strongly agreed.**
2. How important is it that police officers are adequately supported to carry out their duties in terms of equipment and training? **83.54% strongly agreed.**
3. With an increase in population, how important is it that police staff levels are maintained in order to support policing in Cambridgeshire, for example call handlers, training officers?  
**76.21% strongly agreed.**

A total of 259 additional comments (included in the attached Appendix 2) have been received to date with police visibility being one of the most prevalent. The survey reinforces that policing is important to our local communities and their expectation is that officers are adequately supported to carry out their duties.

7.10 The Panel is recommended to review the proposed precept in the context of ensuring continued and sustainable effectiveness and efficiency in policing in Cambridgeshire.

## **8. IMPLICATIONS**

8.1 The precept proposed will ensure a £156.5m budget for policing in Cambridgeshire for 2020/21 and a balanced budget. This would see the policing element of a 2020/21 Band D council tax increasing from £222.66 per annum to £232.65 per annum, an increase of 83p a month.

## **9. NEXT STEPS**

9.1 The Panel must make a report to the Commissioner on the proposed precept.

## **10. BACKGROUND DOCUMENTS**

Police Reform and Social Responsibility Act 2011

<http://www.legislation.gov.uk/ukpga/2011/13/contents>

Police and Crime Panels (Precepts and Chief Constable Appointments) Regulations 2012

<http://www.legislation.gov.uk/uksi/2012/2271/made>

Police Grant Report (England and Wales) 2020/21, Home Office, January 2020

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/860046/CCS0120839654-001\\_The\\_Police\\_Grant\\_Report\\_England\\_and\\_Wales-2020-21\\_Web\\_Accessible.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/860046/CCS0120839654-001_The_Police_Grant_Report_England_and_Wales-2020-21_Web_Accessible.pdf)

Ministerial statement on settlement

<https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2020-01-22/HCWS51/>

Minutes of the Business Co-ordination Board meeting on 8<sup>th</sup> January 2020

<https://www.cambridgeshire-pcc.gov.uk/accessing-information/decision-making/business-coordination-board/bcb-23rd-january-2020/>

## 11. APPENDICES

**Appendix 1** – Settlement and Medium Term Financial Plan Update

**Appendix 2** – Precept Survey Report

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