



Police and Crime Commissioner
CAMBRIDGESHIRE AND PETERBOROUGH

CAMBRIDGESHIRE AND PETERBOROUGH
POLICE AND CRIME COMMISSIONER
MEDIUM TERM FINANCIAL STRATEGY
2022/23 TO 2025/26

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1 Overview and Purpose of the Strategy

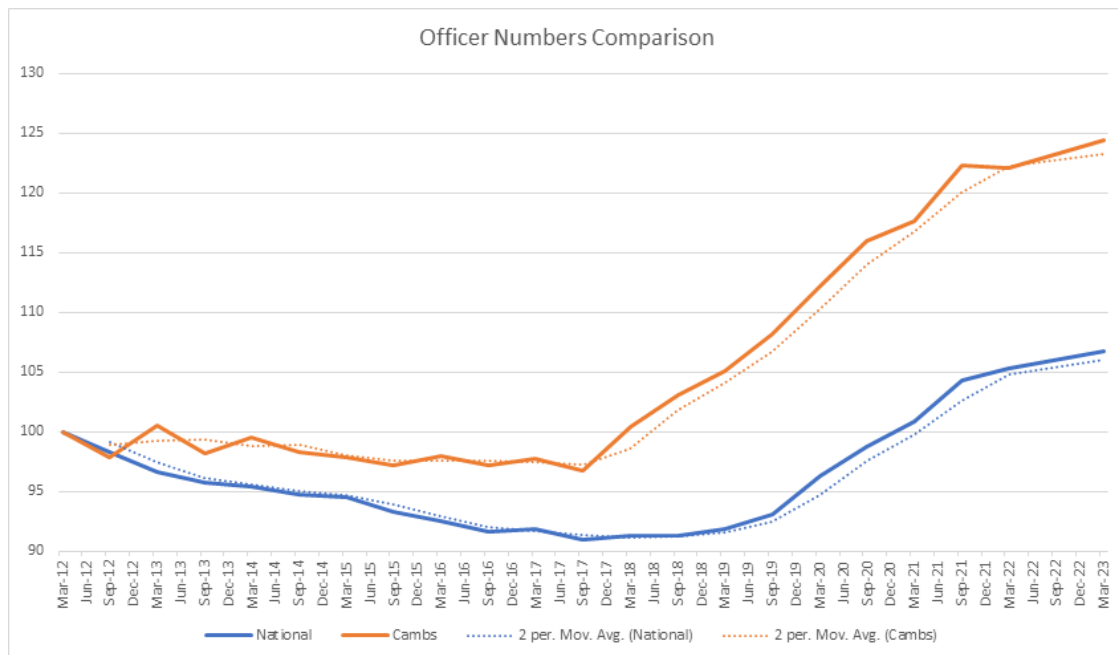
- 1.1 The Medium Term Financial Strategy (MTFS) is the key financial planning document for the Cambridgeshire Police and Crime Commissioner (the “Commissioner”) covering the next four years but which is refreshed annually. The underlying challenge of single year settlements has been removed with the Comprehensive Spending Review 2021 providing a three year settlement for policing. This has been taken into account by the Commissioner in developing the MTFS.
- 1.2 The Commissioner has responsibility for the totality of policing in the area covered by Cambridgeshire Constabulary (the “Constabulary”) and also has a wider responsibility to promote the effectiveness and efficiency of community safety and the criminal justice system.
- 1.3 The MTFS draws together the strategic planning priorities, demand and resource forecasts and likely impact of changes in the wider service delivery environment to produce a costed plan defining the work that needs to be undertaken to achieve long-term financial sustainability whilst delivering policing outcomes.
- 1.4 A precept rise of £9.99 per annum for a Band D property is to be presented to the Cambridgeshire and Peterborough Police and Crime Panel on 2nd February 2022. This equates to total precept funding of £76.2m based on local Council Tax base estimates and the Collection Fund balances (this differs to the Home Office funding settlement figure of £75.8m which uses Office for Budget Responsibility forecast tax base increases). In addition to the precept, revenue grant funding from government totalling £97.9m is confirmed resulting in total funding for 2022/23 of £174.1m, a £9.3m increase in available funds for Cambridgeshire.
- 1.5 The funding settlement for the first time in recent years covered the period 2022/23 to 2024/25 providing increased funding certainty relating to the Police Grant for the Constabulary over the MTFS. Whilst precise grant allocations have not been announced, based on the policing settlement at a national level, grant estimates of £98.9m and £101.1m for 2023/24 and 2024/25 respectively are included in the MTFS.
- 1.6 Against this background the strategy sets out how the Commissioner aims to ensure the Chief Constable has the resources needed and how the Chief Constable aims to achieve the investment, savings and efficiencies required during the period of the plan to balance the MTFS, while ensuring reserves are sufficient to provide for future financial resilience.
- 1.7 The strategy forms a pivotal link to translate the organisation's ambitions and constraints into deliverable options.
- 1.8 The MTFS balances the pace of delivery of the Police and Crime Plan (the “Plan”) against demand for resources. It identifies assumptions, risks,

opportunities and investment requirements both locally, regionally and nationally and the impact these have on the financial plan.

2 Operational Context

- 2.1 Cambridgeshire is one of the lowest funded forces per head in the country. In recent years the Home Office's policing grant allocation has not taken into account population growth. The Home Office are now taking forward a review of the Police Funding Formula. It is hoped this will benefit Cambridgeshire as one of the lowest funded forces but the detail is not yet known to confirm whether this is the case. Therefore the Constabulary and Commissioner through the respective routes available will represent Cambridgeshire's interest as the review progresses.
- 2.2 The significant economic growth planned for Cambridgeshire and Peterborough will not be sustainable unless public services are resourced adequately to support the new communities and households being created and to mitigate the impact on existing communities in absorbing that growth. This includes its policing services.
- 2.3 Demand across public services is increasing. Without effective partnership working, there is a risk that demand, rather than being dealt with, is shifted between partners, with changes in one organisation having a detrimental impact on another. Effective partnership working aims to transform how we work together, preventing future demand as well as dealing with present issues. The Covid-19 impact on partnership demand has also led to increases in complex mental health and vulnerability across communities. The Constabulary has a number of partnership and collaboration arrangements in place that help to share best practice, drive value for money and deliver outcomes.
- 2.4 Significant work has been undertaken within the Constabulary through it's business planning process to ensure the policing budget is focused on the front line with sufficient back office infrastructure to meet the growing demands on the Constabulary. The chart below shows Cambridgeshire at 1,377 officers at March 2012 and the increase to this against this baseline up to March 2023 (with March 2022 to March 2023 being projected numbers), compared to the national picture of decline during austerity.

Cambridgeshire % Increase in Officer Numbers Compared to National Trend



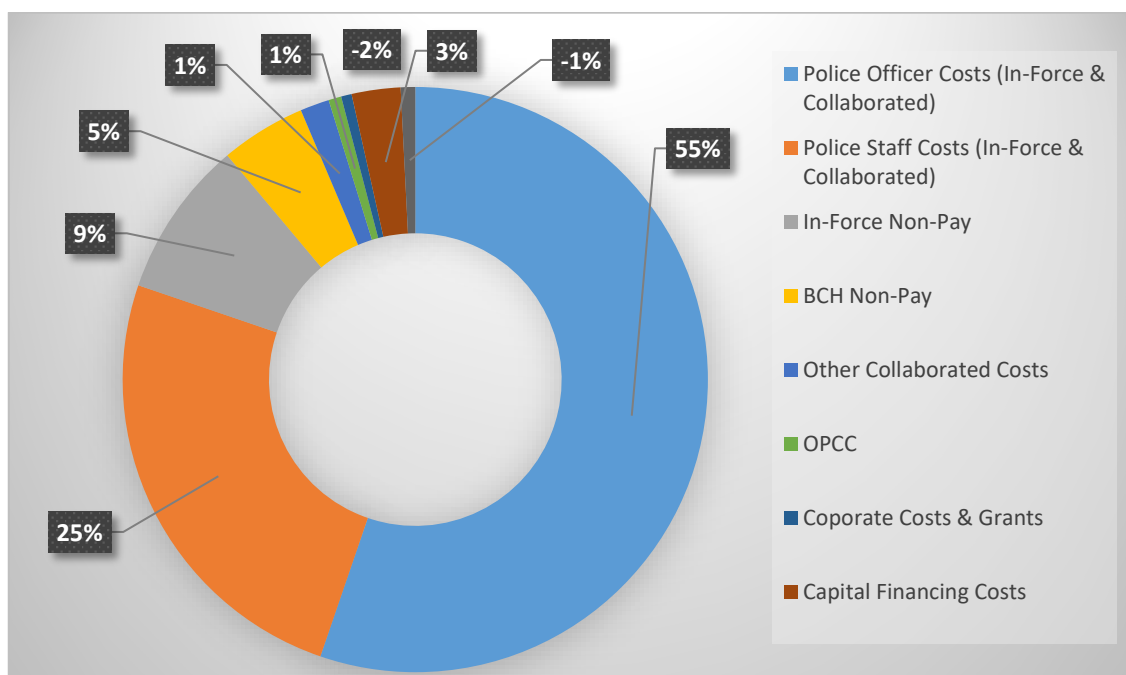
2.5 Through the Government’s Uplift programme, Cambridgeshire was allocated 62 new officers in 2020/21 and a further 62 in 2021/22 – a total increase of 124 officers to the 31 March 2022. This takes the force to an establishment of 1,632 full time equivalent officers with the overall national trend on an upward trajectory. In the final year of the Government’s Uplift Programme 8,000 more officers will be recruited into policing in 2022/23. Cambridgeshire’s share of these officers is a further 82 officers for 2022/23. This will increase the number of Officers (full time equivalent) to 1,714 by the end of the Uplift Programme in March 2023. Some of these officers are assigned to the Regional Organised Crime Unit (ROCU) increasing capacity to tackle such crime. Three officers were assigned in 2021/22 and a further 4 will be assigned in 2022/23.

2.6 The Uplift programme allocated additional officers based upon the outdated funding formula. Cambridgeshire throughout austerity protected the frontline and retained far more officers than the national average by making difficult decisions in other service areas. The unintended consequence of the allocation of Uplift officers is that Cambridgeshire now has many more officers than at the start of austerity. This is welcome, but does place more constraints on how the overall budget can be used compared to other forces. Especially when combined with the supporting infrastructure to support an increase of 206 officers (13.7% compared to the baseline) over a three year period.

2.7 The additional officers for Cambridgeshire are very welcome and will be used to further support policing. It should be noted that the injection of new recruits poses some challenges with the average length of service within Response Teams now being 3.5 years. In addition, there are just under 400 student officers within their first 2 years of service, with the vast majority in front line

response teams. The profile of the workforce has changed as a result and requires infrastructure investment to support the effective delivery of policing.

2.8 The Government funding for the Uplift Programme is conditional on existing officer numbers being maintained therefore resulting in a real increase in officer numbers compared to baseline. With the Uplift Programme one financial consequence is that the annual budget requirement to meet police officer pay and oncosts is locked and cannot be reduced. A much reduced proportion of the budget is therefore available that can be controlled to make efficiencies and savings to balance the MTFP. This is demonstrated in the chart below with 55% of the total budget for 2022 required to meet Police Officer pay and oncosts, which cannot be reduced and will continue to be locked in after the Uplift Programme is complete as the officer numbers are required to be maintained.



2.9 Policing is undertaken in a number of ways. Some policing roles are the traditional uniformed officer seen patrolling the streets – the Neighbourhood Policing Teams and response officers. However, there is much more crime that occurs unseen to the public and which is increasing in complexity. Many officers therefore undertake roles working in areas such as cybercrime, protecting vulnerable people from domestic violence and sexual assaults and in collaborated units providing a service across Bedfordshire, Cambridgeshire and Hertfordshire (BCH) covering major crime, armed policing, dog handlers, scientific services and roads policing. In addition, it should be acknowledged policing services attract the requirement for police staff roles as experts in their fields to support a sustainable approach to policing.

2.10 The Government continue to review the Strategic Policing Requirement (SPR). The SPR highlights national threats where forces need to contribute to support challenges that go beyond county boundaries. The scope of the review is to strengthen the overall purpose and provide more detail about the response

needed from forces along with strengthening accountability and governance in respect of the SPR. Violence Against Women and Girls (VAWG) will potentially feature in the SPR impacting on resource demand.

- 2.11 The Government has published the Beating Crime Plan (July 2021), which sets out the Government's ambition to drive down crime and make communities safe. It builds on the work already achieved as part of the Uplift Programme and sets out its ambition to go further. The Plan also covers the government's intent to add to the Levelling Up agenda. Additionally, the Government are rightly expecting a return on investment from the Uplift Programme to reduce overall crime. National Performance Measures under the themes of cutting homicide, serious violence and neighbourhood crime, exposing and ending hidden harms, and building capability and capacity to deal with fraud and online crime. The Plan also includes work to tackle hidden harms including domestic abuse and national cyber security.
- 2.12 The Commissioner published the Police and Crime Plan at the end of 2021. The Plan was informed by feedback from residents, business and partnership organisations. It was also informed by local partnership assessments and strategies, as well as national policy. There was ongoing dialogue with the Constabulary to ensure alignment with local operational policing priorities and strategies. The Police and Crime Plan priorities are set out in Appendix A: Putting Communities First; Crime Prevention; Supporting Victims and Witnesses; Ethical Policing; and Robust Enforcement.
- 2.13 The operational priorities set by Cambridgeshire Constabulary in its Corporate Plan are based upon the Constabulary Strategic Intelligence assessment and complement the objectives set by the Commissioner in his Police and Crime Plan.
- 2.14 The final key point to note regarding the operational context of the Constabulary is the extent to which national programmes are undertaken for the whole of policing where appropriate to do so. The Uplift Programme outlined above is one example and other initiatives include the following and budget provision has been made accordingly:
- **Violence Against Women and Girls (VAWG)** following events throughout 2021, in particular the recent Sarah Everard case in March 2021, VAWG has become a national agenda in response to crimes of violence, harassment and abuse against women and girls on a national scale. The Constabulary will work with the NPCC as well as locally to respond to VAWG effectively with resources identified in the budget for this purpose;
 - **Race, Equality and Inclusion** is a societal issue and one that the police service is responding to. The Constabulary recognises the importance of this agenda and has set specific organisational equality objectives as set out in paragraph 3.2;

- The **National Enabling Programme (NEP)** aimed at modernising and bringing a more common standard of information technology across police forces including the roll out of O365;
- The **National Police Air Service (NPAS)** provided through a single air service to police forces across England and Wales;
- The **Emergency Services Mobile Communications Programme (ESMCP)** which is a replacement for the Emergency Services Network covering Police, Fire and Ambulance services is a major undertaking for policing and the Constabulary;
- **Transforming Forensics** which is a national programme to develop the Forensic Capability Network (FCN) across the country with the aim being to deliver a single national approach, increase quality, improve efficiency and speed of investigations, support rapid criminal justice outcomes, improve intelligence across forces and to create a sustainable service into the future; and
- **Police Education Qualification Framework (PEQF)** – a national requirement to put in place a framework across the country for education and training of new police officers covering both degree and non-degree entry routes. The PEQF is delivered with education providers locally and Cambridgeshire is delivering the PEQF with Anglia Ruskin University as the successful contractor across the Eastern Region. The PEQF was implemented in 2021/22 and Cambridgeshire took its first cohort of new recruits through PEQF in October 2021. From quarter 2 of the 2022/23 financial year all new recruits will be through the PEQF.

2.15 Further still the Policing Vision 2030, with the newly built National Policing Board and the drive for Central Government to work closer with police forces across the UK will develop further the inter-relationship between national and local initiatives. There are four commitments within the Policing Vision 2020: 1) keeping our communities safe; 2) cutting crime and criminality; 3) evolving the workforce and culture; and 4) strengthen and develop our partnerships. With these commitments and the closer working with government, there could be future unknown investments that mature with the thinking of the Vision.

2.16 The national programmes that are put in place direct how the Constabulary has to work in these areas. To deliver national programmes local flexibility is further reduced in the budget with the impact being unavoidable cost pressures and investment requirements. The detail for financial planning behind some of these programmes continues to be formed and does have the potential for significant cost implications creating financial pressure in the MTFS, which has to be met. This can be revenue or capital in nature.

3 Future Demand and Resources

3.1 The Constabulary refreshed its Corporate Plan during 2021/22, as part of the Business Planning cycle, taking into account national agendas as outlined above such as Violence Against Women and Girls (VAWG), Serious and Organised Crime, and Race, Equality and Inclusion. These are key national priorities coming to the fore within policing and the Constabulary is well placed with our current operational priorities. In addition, the pressures within the Criminal Justice System cannot be ignored in light of the backlogs which have been further exposed through covid. The priorities of the Constabulary, both Operational and Organisational, are as follows:

Constabulary Operational priorities:

- **Safeguarding the vulnerable** – focussing on domestic abuse (repeat victims and offenders), child sexual abuse and exploitation, modern slavery and human trafficking, fraud (repeat victims and emerging trends) and serious sex offenders.
- **Combatting acquisitive crime** – focussing on burglary and vehicle crime.
- **Reducing harm to communities** – focussing on youth gangs, knife crime, drugs (disrupting county lines and street dealers) and hate crime (repeat offenders).
- **Tackling serious and organised crime** – focussing on disruption of crime gangs as the impact is felt across a wide range of their criminal activity and causes harm to our communities.
- **Increasing public satisfaction** – focussing on improving public confidence, maintaining call handling times, the timeliness of our initial response and improving communication with victims.

Constabulary Organisational priorities:

- **People** – developing our workforce; building trust and confidence in our communities; sustaining and improving public approval.
- **Partnership** – developing and enhancing our existing partnerships; working with partners to explore long term sustainable solutions to future demand; developing supportive partnership approaches to problem solving and identifying opportunities to reduce harm.
- **Resources** – using our resources efficiently and effectively to ensure value for money; managing resources to invest in priority areas and integrate new technologies to improve policing.

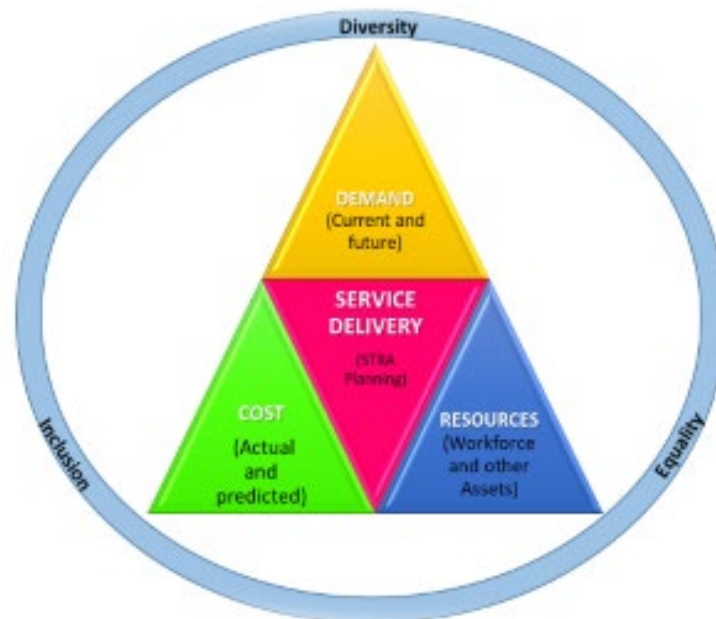
- **Transformation** – encouraging innovative and entrepreneurial approaches to service design; establishing a business planning approach to support identification of innovative solutions; identifying areas where improvements can be made to the efficiency or effectiveness of investigations by working with our workforce and partners.

3.2 The 2021/22 Corporate Plan was also enhanced by setting out the Constabulary's strategic ambitions and intent in respect of equality, diversity and inclusion (EDI) through **Equality objectives**. The statement of intent aims to embed EDI as well as ethics in all aspects of police decision making. The Equality objectives of the Constabulary are:

- To achieve a positive shift in our workplace culture where people, no matter their background and circumstances, feel confident to disclose their protected characteristics;
- Attract, engage, develop and retain a workforce that is representative of the communities of Cambridgeshire;
- Understanding our communities by developing effective engagement strategies that enable interaction with diverse groups, fostering strong relations that build trust and confidence;
- Work with our partners to implement strategies to explain, where necessary reduce, and where possible eliminate disparity and enhance public service; and
- Understand the impact of our policies and practices on people with different protected characteristics by conducting equality analysis and take steps to remove or minimise disadvantages.

3.3 In 2019, the Constabulary introduced the Strategic Threat and Risk Assessment (STRA) process that identifies the current and anticipated operational pressures in meeting the Constabulary's priorities. This model assesses the identified pressures against the current capacity and capability of the force to manage the expected future demand and risk. The STRA is one element of the Constabulary business planning and is shown diagrammatically below as to how the process combines demand, resources and cost associated with service delivery.

The STRA triangle is central to the Constabulary's business planning approach



- 3.4 The Constabulary undertakes the STRA process in February and March each year taking a service led approach to business planning. This approach prevents a silo approach to change that can be a detriment to the police services delivered to the public, as well as potentially being inefficient through missing opportunities through synergy. Services are therefore categorised across the Force to avoid unnecessary duplication and assess where policing can be delivered differently and value for money at the heart of it. This approach is essential given the amount of the budget that is locked making it much harder for strategic leads across the Constabulary to deliver savings and efficiencies in isolation.
- 3.5 The precept increase of 4% (£9.99 per annum) provides an increase in Constabulary resources in line with the Strategic Risk Assessment process, national and local priorities and the future service provision as outlined locally through the STRA and in line with the Future Operating Model 2040 commissioned by the College of Policing to develop a sustainable operating model for the Constabulary. In short, it allows a re-shaping of the Constabulary in line with both operational and financial requirements. Appendix B provides an overview of the 2021 STRA project benefits.
- 3.6 Together the Police and Crime Plan and the Constabulary Corporate Plan provide the direction and ambition for the Force to ensure the confidence and safety of the communities that the Constabulary police. Work continued on the Corporate Plan as part of the iterative process of Business Planning in 2021, and will see the launch of both a new culture statement to be embedded into the Plan. This will interpret the Force's values into the behaviours and activities expected of every member of police staff and officers. Also the launch of a new

Sustainable Operating Model, providing reassurance to the communities of Cambridgeshire of value for money and services being delivered according to new demand. This ensures the resources for the Constabulary are invested in the correct roles, that utilisation is maximised and remains efficient and there is a continuum of a value for money ethos within both Business Planning and Financial Planning.

- 3.7 Within the Constabulary Corporate Plan there are five operational priorities and four organisational priorities enshrined with the organisational values coupled with the equality objectives, the Corporate Plan has led the STRA business planning model in what services are required for the future of Cambridgeshire communities. By doing this, the evidence brought to the fore articulates the requirements for investment in 2022/23 and to achieve a sustainable operating model in the medium term. A recap of the investments from the 2021/22 STRA and the benefits delivered is also provided below. The assurance from our business planning means that both efficiency, effectiveness and value for money, as well as future proofing of the Constabulary has been key in resourcing and investment decisions.
- 3.8 The 2021/22 MTFS included STRA investments in the following areas, which are summarised with associated benefits:

a) Vulnerability Support Team

The Early Intervention Domestic Abuse Desks (EIDADs) went live in July 2021 and are based at Force headquarters, within the Demand Hub. It operates 365 days a year between 6am and midnight and comprises five staff members, supervised by a Detective Sergeant and an Inspector. Their central function is to provide safeguarding advice to frontline officers **at the scene** of domestic incidents by creating a research package for them. This research provides the history between the parties involved and also any previous domestic relationships, any protection concerns for any children or vulnerable adults they have links to. After the incident the staff engage with the attending officers to discuss what happened during the incident assisting the officer to make informed safeguarding decisions. While it is difficult to attribute all Domestic Abuse (DA) improvements and outcomes to the EIDADs interventions directly, it is certainly possible to highlight the following benefits that have been identified through the combined work of the EIDADs and the Vulnerability Focus Desks (VFDs):

- An increase in officer awareness of preventative and protective orders – Domestic Violence Protection Notices (DVPNs) now average around 18 a month as opposed to 5 a month in the 6 months prior to their creation. Equally, we have seen 5 Stalking Protection orders applied for in the past 2 months;
- Overall positive outcome rates have recently improved from around 10% to over 13% for the past two months. While there is clearly more improvement to be made here it is indicative of a raised awareness and improved investigative practice;

- Prior to the Vulnerability Focus Desks starting the average ‘missing’ time was around 25 hours. In September, the MFH average length of time missing was 13.5 hrs - the median time is currently at less than 3.5 hours with c93% of juveniles found within 24 hours;
- A comparison with the 2019 MFH data shows that despite dealing with almost 300 more cases in 2021, over 500 more people were found within 8 hours compared to the same period in 2019. This is assessed as being due to the greater direction, grip and focus provided by the VFD;
- Our (median) DA response times for priority grade calls currently sits at 83 mins (for November) this is the lowest since June;
- Officers are making an average of over 300 DA Alliance referrals a month. 319 victims of domestic abuse were referred to DA Alliance in November: this shows a clear understanding on the part of frontline officers of the available safeguarding tools at their disposal;
- Out of Court Disposals are now regularly twice (60) each month what they were before July. This also indicates officers’ greater awareness of the full array of investigative and disposal options available to them.

b) People and Workforce Development

Dedicated resources, including a Chief Superintendent to focus on people and workforce development has enhanced the effectiveness of the Constabulary approach towards the development of a professional and inclusive organisation that continually improves; operating in line with the public’s needs and expectations, strengthening the approach to the organisational priority of “People”; bringing together stakeholders and transforming the continuous development and support that the workforce receives and ensuring the organisation’s long-term effectiveness is future-proofed by investing significantly in the initial development of new staff during a period of change to the skills and experience mix of the Force and introduction of PEQF.

The department has brought together crucial strands of business to achieve this working closely with BCH partners providing clear ownership and accountability for:

- Ethics, Diversity, Equality & Inclusion (EDEI) incl Positive Action
- Health & Wellbeing
- Development of the force through upskilling staff and influencing policy and decision making through organisational experience and learning
- Talent Management
- Continuous Professional Development across the Constabulary
- Succession Planning
- Learning Needs Assessment
- PEQF & Uplift
- PSD and HR liaison with clear focus on learning and continuous improvement

Some early benefits include;

- Implementation of national leadership and inclusion pilots
- Increased Wellbeing and EDEI support, initiatives and toolkits made available to staff including a rolling annual programme of events and Race at Work Charter
- Introduction of EDEI Dashboard to focus activity and show progress against key deliverables
- Increased diverse workforce representation with current 4.9% representation rate against Home Office aspiration target of 5.2%
- Centralised/Independent management of force promotion processes and Talent Management Schemes e.g. 'Police Futures' and 'Further You'
- Implementation and increased participation in Positive Action National Development Programmes e.g. 'Future Supers 2025'
- Development of Continuous Professional Development Units (CPDUs) including introduction of Detective Training Programme and 'Tradecraft' Officers
- Implementation of PEQF modelling tool
- Development of force culture workshops/statement

c) Inclusion Coordinator

In Quarter 3 of 2021/22 the first Inclusion Coordinator joined us within Cambridgeshire with their main role to support and build trust within our communities both internally and externally. The force is already realising the benefits of this new role. The Constabulary now has someone who coordinates all of our equality, diversity and inclusion (EDI) activity which also includes Positive Action. The coordinator has supported our tactical lead for Equality, Diversity and Inclusion to establish community representatives across all protected characteristics and faiths to ensure all are represented within the organisation and truly being an inclusive employer. Positive Action events are also coordinated, and there are 15 planned in Quarter 4 of 2021/22 across the county. The investment has delivered a dedicated resource fully interreacting with all our communities, ensuring everyone has a voice and is heard.

In addition the role has enabled the extension of the EDI delivery plan and build upon this gathering more ideas and putting these in to action, for example multi-faith rooms and our first Wudhu. A dedicated EDI area on the intranet has also been introduced reinforcing our focus in this area. Lastly, data and information across EDI has been enhanced through the dedicated role on this. For the Constabulary, positive steps have been taken and the more focussed approach 2022/23 will see further improvements.

d) Enhancing the Demand Hub

Additional call handlers providing additional capacity to manage risk and hidden demands in relation to safety, vulnerable people and mental

health concerns as well as managing the impact of a channel shift in contact with the public to web chat and social media.

Recruitment of 10 extra call handlers has markedly improved the service offered to the public. Public contact has become more complex and, as such, each contact now takes much longer to manage than previously. A number of reviews had consistently highlighted the need for additional call handling resource. The additional resource has allowed the contact centre to focus on its core responsibilities of 999 and 101 call handling as well as managing online services.

Despite contact becoming more complex, the Force has been able to maintain high levels of grades of service, meeting SLA's for ensuring 999 calls are answered in less than 10 seconds and 101 calls are answered in less than 30 seconds.

The 24/7 digital desk has been successful in meeting the additional demand created by the shift to online services, with excellent response times making this an extremely efficient use of resources.

e) Digital and Social Media Contact Desk

Investment in a digital contact desk to respond to legislation relating to on-line contact and digital channels becoming more proactive in line with contact and content in the digital space.

Investment in 5 additional contact handlers and a social media management platform (SMMP) has allowed the Demand Hub to create and resource a 24/7 365 day a year digital desk. This desk now integrates webchat, direct messaging from social media as well as providing fast time oversight of comments written on all Force social media posts, looking for reports of crime, intelligence and safeguarding issues.

The Constabulary is now fully compliant with the national standard Target Operating Model, allowing the Force to collaborate its functions across Corporate Communications, Neighbourhood Teams and the Demand Hub, managing contact and improving interactions with the public.

f) HR Consultants within the Continuous Professional Development Units (CPDUs)

In the summer of 2021 as a result of STRA business planning and investment the Constabulary added two People Development Advisors (PDA) to the CPDU's, both HR professionals but working in the force team to complement the support provided by the BCH Human Resources (HR) department and to provide further capacity in the context of the significant workforce changes through Uplift and PEQF. These have been well received and the positive feedback is heavily around providing more timely answers, support and clarity on HR related matters, including processes and procedures to help the managers

manage their people. The relationship between the force and BCH HR has grown positively and is working collaboratively together. Some early benefits are as follows:

- Improvements in local absence management, with more supportive approaches and where necessary, use of supportive informal management action plans, enhanced understanding of recuperative duties, better understanding of processes and sign posting;
- Supporting the student journey, and working with line managers to ensure consistent support and development planning to create best opportunity for student officer success;
- Involvement, clarity and improvement of the local Resource Management processes to ensure accurate workforce baseline;
- Accurate monthly data in a more interactive, readable and an engaging format which flows in to the Operational and Strategic Workforce Planning meetings;
- Refreshed the leavers discussion process and capturing meaningful feedback to aid our retention workstream, retention is 0.8% below target for the year to date;
- Upskilling line managers across the force, ensuring the next generation of managers are equipped with the knowledge, skills and behaviours needed to mentor/coach, engage and lead the next generation of officers and staff; and
- The launch of Student officer forums and Police staff new starters.

The PDA's have been well received as they are based within the two areas of command, their visibility means people proactively approach them and get matters resolved quickly and efficiently before they become more serious and take more time at a later date. Already significant benefits of this role are being delivered.

g) Digital Media Investigators (DMIs)

The alignment of all DMIs under a newly created Digital Cyber Directorate (DCD) with investment in additional DMIs. The Directorate provides support to frontline investigators and has created more efficient processes providing more capacity to support victims and resolve cases in a timely manner.

The STRA investment has separated DMI roles into specialist roles to bring expertise to this area where previously officers with a basic level of training were having to undertake this role alongside a broader portfolio. The DMIs have collectively triaged 1,819 devices and diverted these from the Digital Forensics Unit (DFU), with 540 devices assessed at the scene and another 184 managed at the scene.

Identified Benefits:

- There are now 7 full time DMIs providing 7-day per week coverage. The impact of these DMI posts is still to be fully realised

as only one is currently at independent status. The others are progressing through training and induction, which was slowed down by limited availability of training due to Covid-19 impacts nationally;

- A series of DCD roadshow events and DMI crime scene events have taken place to raise awareness of the DMI function and showcase the support DMIs can provide investigators;
- There is now an easy process to request assistance which is via an online form on the intranet, making the process far more accessible for end-users of our services;
- Funding to support the delivery of a DMI/DMA room which has now been completed. This means the DMIs are next door to the DFU. Which is enhancing working relationships between the respective functions due to the ease with which they can communicate/collaborate;
- Funding has been secured through the national Transforming Forensics Rape and Serious Sexual Offence (RASSO) project which has secured an additional DMI van. This will match fund the DMI van secured through the STRA process and really enhance the DMIs scene triage ability; and
- Prior to the creation of dedicated DMI posts this function sat with the Cyber team DCs. Now the Cyber DCs are focused on cyber investigations and do not perform any DMI role. As a result of the new purely cyber investigations roles the force has secured NPCC funding of £53,000 per annum from the NPCC to cover the 2 Detective Constable positions at 50% each.

h) Cyber and On-Line Prevention Officers

During the course of 2020/21 the organisation removed Community Safety Officers (CSOs) from the established roles existent within it, but, subsequently, using precept monies, introduced a role that was less generic in nature and more targeted to the specific harms and risks associated with on-line activities. In recognition of the operational priority concerned with 'safeguarding the vulnerable', and, more specifically, safeguarding victims and offenders of fraud (repeat victims and emerging trends) four Cyber and On-Line Fraud Prevention Officers were introduced during the course of 2021/22 with their main purpose to work collaboratively in order to reduce the incidence of cybercrime and online fraud through awareness-raising and other initiatives, thereby reducing digitally-enabled victimisation, repeat victimisation and harm.

In terms of impact and benefits of the investment, both locally and nationally, there continues to be significant under-reporting with many victims of on-line criminality – notably, fraud – not considering themselves to be the victim of crime. The opportunities for preventing on-line criminality and victimisation are immense. Clear, consistent awareness-raising about on-line behaviours and how individuals can best keep themselves safe on-line aims to safeguard those vulnerable to on-line crime, and, whilst it is sometimes challenging to exactly quantify

just how many people have been prevented from being the subject of on-line criminality through the endeavours of the new officers, their work to understand those individuals who are vulnerable, their engagement with on-line fraud victims, their knowledge of support networks already in existence has proved invaluable not just in what they personally do in safeguarding others, but also, in the advice that they give and extend to colleagues within the organisation and beyond.

i) Covert Authorities Bureau

The investment in an additional Communications Data Investigator to further support covert tactics across all types of policing. There is hardly any crime which does not now require an element of digital communications investigation. Additionally, the work of this team directly save the lives of high risk and vulnerable individuals who are missing and either at risk of causing harm to themselves or others.

The demand for communications data is ever increasing. The past 5 years have seen an almost linear increase of between 25-30% year on year, with indications that this is heading towards 40% in this current year. The additional investment provided identified through the STRA and funded through the precept ensures that this increasing demand continues to be met, that applications are actioned quickly and, that vulnerable people are quickly located and safeguarded.

As a regional representative for communications data at a national group, the issue of significantly increasing demands is one which forces are struggling with and, there are examples where this is having a detrimental impact on the health and wellbeing of those staff working in this area. The additional resource ensures that demand within Cambridgeshire remains manageable and low absence rates and zero turnover in this unit are indicative of a team that are motivated, engaged and fulfilled in their role.

- 3.9 For 2022/23 the key areas of investment that the increase in total grant funding and the precept increase of £9.99 enables are explained below. It must be noted that not all precept funding raised is able to be put towards additional investment. The cost of sustaining the organisation and workforce through pay inflation, contractual pay increments, national insurance increases, cost pressures, non-pay inflation and capital financing has to be met from the totality of funding available.

National Uplift Programme (recruitment of 20,000 additional officers)

- 3.10 Recruitment and training of an additional 82 officers as part of the Government's Uplift Programme in the coming year which is on top of the anticipated recruitment profile to maintain our workforce numbers— bringing the total number of officers to 1,714 in March 2023. These officers and those that have recently joined, need considerable support, supervision and training for them to be able to add real value to our communities and some of the increased costs faced are in the functions that support them. We have already

met and exceeded our Uplift recruitment profile for Years 1 and 2 of the Programme bringing in an additional 124 officers into the Constabulary ahead of 31 March 2022.

- 3.11 Support for our police officers – as a result of the overall increase in officers, investment is needed to support and sustain the entire workforce. This includes areas such as HR, ICT, Professional Standards, Crime Standards and Assurance and incorporates both an investment in police officer and police staff roles. Specifically, support within Occupational Health, the Recruitment Team, Operational Training, Resource Management, Call Taking and importantly investment to ensure our legitimacy within our communities is improved.

New Investment

- 3.12 **Digital Investigative Support** - to provide expert digital evidence and support to robustly enforce against those who blight our communities through county lines, serious and organised crime drug supply and those who exploit the on line space to cause serious harm.
- 3.13 **Additional cyber investigators** - The growing prevalence of cybercrime causes untold financial and emotional harm to businesses and individuals alike, this investment will enhance our response to the growing threat through specialist investigators.
- 3.14 **Young Person Early Intervention Officers** -supporting the Constabulary’s response to vulnerability, the continuation of this innovative pilot provides early intervention to those young people following their initial missing from home episodes, engaging with those who are most vulnerable to exploitation providing personalised interventions and preventative measures to protect them from further future harm.
- 3.15 **Violence against Women and Girls** – This is a national priority. Increased investment in resources, such as a vulnerability analyst, to identify and support the Constabulary to tackle those who perpetrate violence in our communities – we want to ensure people feel safe on streets.
- 3.16 **Digital Innovation** -The Minister of State for Crime and Policing announced in the statement accompanying the Police Grant Report for 2022/23 that funding is being provided to increase productivity using enhanced technology and investigative tools. The proposed investment provides for Digital Innovation to enable such opportunities to be identified and realised.
- Uncertainty and Risk (Pension Remedy and ESMCP)**
- 3.17 The MTFs provides resources to continue to deliver the Constabulary’s requirements in respect of the remedy for the McCloud pension discrimination as well as the Constabulary’s readiness for ESMCP. Both of these agendas require focussed work during 2022/23 and 2023/24.

4 Medium Term Financial Strategy – Key Principles

4.1 This MTFS seeks to establish principles that both the Commissioner and Chief Constable adopt in delivering a balanced budget and financial plan, whilst providing a sustainable service for the future.

4.2 Funding Context

4.2.1 March 2020 saw the country go into a lockdown due to the Covid-19 Pandemic. Various degrees of lockdown measures have been in place largely since then, and as of early December 2021 further restrictions have been re-introduced by Government in response to the Omicron variant of Covid-19. This has created an unprecedented challenge to the UK economy. Many businesses had to close and production has still not reached pre-pandemic levels adversely affecting supply and driving high levels of inflation in some sectors. The Constabulary has experienced this directly in respect of capital projects, most notably the Cambridge Southern Police Station. The Constabulary is committed to developing a Specialist Training Facility and a new Firing Range with our collaborated partners – Bedfordshire Police and Hertfordshire Constabulary. These projects will be kept under review given the outlook for the economy continues to be uncertain.

4.2.2 Locally, the pandemic has created additional costs for equipment such as Personal Protective Equipment (PPE), the need for which continues in to 2022/23 to protect our officers, staff and the public. The government is continuing the funding of PPE for a further year but given the longevity and uncertainty of Covid-19 PPE budgets have been increased. Other Covid-19 related income streams for the police have also been adversely affected, for example with sporting events having been shut down and income relating to armed policing at Luton Airport through the BCH collaboration being reduced. Whilst there has been some recovery of income in 2021/22, the amounts being recovered remain short of the pre Covid-19 levels creating further pressure on budgets. Government funding to offset lost income is not expected and is therefore not factored into the MTFS.

4.2.3 Council Tax Collection Funds across Cambridgeshire have also seen an adverse impact from Covid-19 and the outlook remains turbulent with estimates indicating a deficit share of £164k in 2022/23 and £505k in 2024/25 for the Constabulary. The value of the deficits has been more modest and the Government has allowed any deficits to be spread over a three year period enabling the impact to be spread whilst the Collection Funds recover. The position will be kept under review for future years.

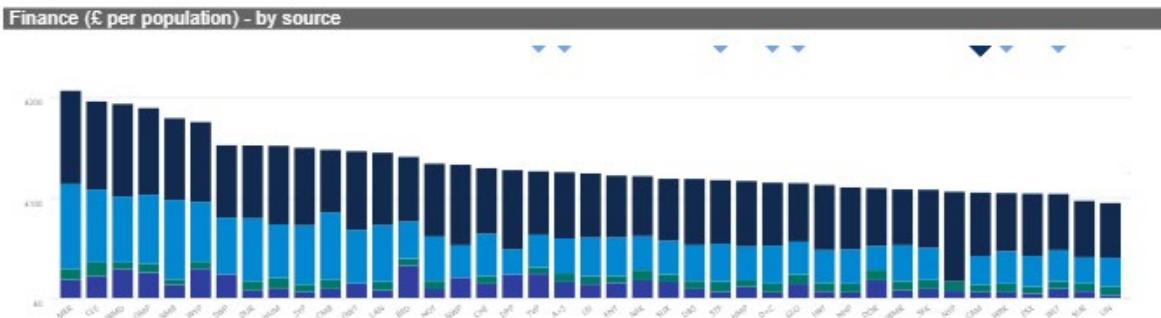
4.2.4 As stated at 2.1, Cambridgeshire is one of the lowest funded police forces in the country. Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) publishes benchmark data as part of its Value for Money Profiles¹, the chart below shows Cambridgeshire as 5th lowest in terms of

¹ [Value for money dashboards - HMICFRS \(justiceinspectorates.gov.uk\)](https://justiceinspectorates.gov.uk)

formula funding per head of population in 2020/21, excluding the Metropolitan Police Service.



Taking into account all government funding (formula funding, police grant, other grant and council tax legacy grant) Cambridgeshire is the 6th lowest funded force per head of population in 2020/21. The review of the police funding formula has been committed to by Government and work started in the autumn of 2021 to progress the review.



- 4.2.5 The Government's Comprehensive Spending Review (CSR) 2021 has provided a three year settlement. This provides a much clearer picture in being able to develop the MTFs although the precise detail in future years is to be worked through by the Home Office a clear direction of travel has now been given.
- 4.2.6 The CSR was announced on 25 November 2021. Of note, being a significant cost driver for the Constabulary, was the lifting of the pay freeze that the Chancellor implemented affecting police officers and staff in September 2021. Pay awards are expected to impact the budget from September 2022.
- 4.2.7 The Chancellor also confirmed the Uplift Programme would continue with an additional 8,000 officers to be recruited by the end of 2023. The grant increase of £550m for 2022/23 includes funding for the recruitment of the final 8,000 officers. £135m of this funding is being ringfenced and allocated based on funding formula shares (equating to £1.4m for Cambridgeshire) and will be paid based on the recruitment progress to achieving the targeted 82 officers for Cambridgeshire.

- 4.2.8 In recent years, the Police Settlement Grant has been a flat cash settlement. Total grant funding announced in the CSR by the Government provides a grant increase of £550m in 2022/23, a further £100m in 2023/24 and a final increase of £150m in 2024/25. Government expectations are that the investment supports the Uplift Programme, accelerates progress on the Government's key policing priorities and increases productivity through enhanced technology and investigative tools.
- 4.2.9 The government has also in recent years allowed police forces to increase the precept above 2%. In 2020/21 an increase of up to £10 was allowed on a band D property, the Commissioner increased the precept by £9.99 (4.49%). For 2021/22 the flexibility was continued but with an allowed increase up to £15. The Acting Commissioner increased the precept by £14.94 (6.42%). The 2021 CSR announced that PCCs could increase the band D precept by up to £10 in each year of the next three years to 2024/25. If all PCCs raised their precept by the full amount across all 3 years, using Government estimates, this would equate to an additional £796m nationally.
- 4.2.10 Further details are provided on the settlement for 2022/23 and the funding assumptions for future years in Section 6 of this MTFS.

4.3 Collaboration

- 4.3.1 Collaboration has been and will continue to be entered into, and in addition reviewed to ensure clear benefits are being gained and /or sustained. Collaboration can be a powerful mechanism for enhancing the quality of service provision and improving resilience. The benefits need to be clearly articulated, agreed, tracked and delivered.
- 4.3.2 It is recognised that the approach to commissioning of services from the Bedfordshire Cambridgeshire and Hertfordshire (BCH) collaboration can still be strengthened. More work is being undertaken to ensure that the services delivered through BCH are constantly reviewed and are affordable to the Force within the context of the STRA process and the business and financial arrangements for BCH.
- 4.3.3 The MTFS aligns the financial planning cycle for BCH with the Constabulary's own cycle. The planning and financial cycle of BCH into individual forces can still be improved and is a focus for both the Constabulary and OPCC for future years as part of the MTFS refresh. A focus on savings from BCH for 2022/23 has been key to mitigate the level of additional investment required in BCH units. For 2022/23 £2.2m of savings and efficiencies have been identified across the BCH collaboration building further on prior year savings. The savings identified are however outstripped by the budget growth required for BCH which totals £6.0m (including pay award, national insurance increases, non-pay costs and investment where required) for 2022/23. The Cambridgeshire share of the BCH budget growth is: £0.95m for 2022/23 for new investment and cost pressures; £0.5m for a budgeted 3.5% pay award; and £0.15m from the 1.25% national insurance contribution increases.

4.3.4 The immediate opportunities for collaboration continue to be with:

- the tri-force collaboration of Bedfordshire, Cambridgeshire and Hertfordshire (BCH) forces;
- at a seven force level (7F), with 7F Commercial (previously 7F Procurement), that includes BCH, Norfolk, Suffolk, Essex and Kent. Also the focus of the 7 Force Eastern Regions collaboration is transitioning to a softer network approach rather than a hard formal collaboration for areas of development;
- with Cambridgeshire Fire and Rescue Service; and
- National policing programmes and initiatives including Blue Light Commercial. For the 2022/23 budget and planning round the consolidation of a National Police Chiefs Council (NPCC) operating budget has been put into effect providing more certainty of national costs. This is positive progress in the context of financial planning.

4.4 Reducing Costs, Driving Efficiency and Decreasing Reliance on Reserves

4.4.1 The OPCC has built up a budget assistance reserve to provide resilience for policing to respond to unforeseen situations and to smooth the impact of funding gaps as needed. The MTFs continues to maintain a position of no planned use of reserves to meet the budget requirement from the budget assistance reserve.

4.4.2 The Uplift Programme, whilst welcomed, does introduce constraints in pay lines relating directly to officers and many of the police staff that support them will have to be maintained. This locking in of officer numbers removes 80% of the budget from being available to make savings.

4.4.3 Organisational reviews, particularly the recurring STRA process, will examine where the potential for efficiencies can be generated, as follows:

- The removal of duplication, or tackling demand caused by inefficient processes elsewhere within the system. This is also linked to the commissioning of BCH services.
- The benefits of efficiencies from investment in technology being monitored to ensure that resourcing levels remain correctly balanced.
- Non-pay elements of the budget scrutinised to establish whether savings can be made from them, for instance areas that have historically been seen as largely ringfenced in terms of ability to control costs.
- Further non-collaborated savings explored in order to ensure that operational funding requirements are met. From 2022/23 BCH is introducing a programme of cyclical reviews for BCH units across all portfolios. The intention being to review value for money through the

delivery of outcomes and performance in the context of costs and finance.

4.5 Minimise Borrowing Levels for Capital Projects

- 4.5.1 The funding strategy for the capital programme currently assumes high levels of borrowing with associated interest and capital repayment costs impacting revenue budgets. Capital funding for police forces from central government has been removed meaning the Constabulary has to fund any capital requirements through borrowing and capital asset disposals where available. In order to mitigate the levels of borrowing, in particular with regard to short life assets such as ICT, additional revenue contributions to capital are included within the budget to offset the lack of capital grant. The fact that the property estate of the Commissioner is ageing compounds these issues further as capital investment and maintenance needs are increasing. Furtherstill the additional requirements that will be placed on both the estate and the Constabulary's fleet to deliver the carbon neutral agenda provides an added challenge. More detail is provided in the Capital Strategy which accompanies this MTFS.
- 4.5.2 The OPCC and Constabulary, through its Treasury Management Strategy, will aim to minimise these costs through internal rather than external borrowing when cash balances enable this. This has the effect of avoiding interest costs which typically exceed the return on investment of funds in the ongoing low interest rate environment. To this end the income receivable budget from surplus cash balances has been reduced to reflect the returns currently being achieved.
- 4.5.3 The major capital project to build the Cambridgeshire Southern Police Station reached a significant milestones during 2021/22 with planning consent being granted and the purchase of the land at Milton being undertaken. However, archaeology work is continuing on the site during 2022/23 before it is possible to progress to construction. The funding model for the project seeks to minimise the long-term borrowing requirement by maximising the value of the current site within Cambridge. The Constabulary maintains the commitment to provide Neighbourhood Policing Services from a city centre location.
- 4.5.4 The requirement for a BCH Operational Support Unit training facility and new Firing Range are included in the Capital Programme. Work began on the outline business cases during 2021/22 and work is progressing to deliver these projects during 2022/23.
- 4.5.5 The proposed capital programme is a significant cost and work has been undertaken to ensure the affordability of the programme in both the MTFS and the CIPFA Prudential Indicators.

4.6 Income Generation

- 4.6.1 The Constabulary will continue the use of its assets with the aim of rationalising where appropriate. The focus will be on generating the greatest level of return which could be in the form of a capital receipt or regular revenue income

stream. Each asset will be evaluated to ensure the return is maximised. The introduction of a general power of competence for PCCs, if introduced, may provide further opportunities for the Commissioner in how the estate can be used or income generated.

- 4.6.2 The OPCC/Constabulary will continue to pursue available external grant funding through strong partnership arrangements. In addition, if capital grants are available for specific capital projects, these will be explored.
- 4.6.3 The Constabulary have developed an Enterprise Strategy linking to the Corporate Plan. The strategy consists of four pillars: Innovation, Income Generation, Savings & Efficiencies and Funding. Each of the pillars has a thematic lead and formal updates are provided to the Constabulary Change Board and Force Executive Board. Work in respect of Police Futures and the delivery of the Business Planning Assessment Tool (BPAT) by the Constabulary, the latter in conjunction with the Home Office, demonstrate some significant developments from the Constabulary's approach to enterprise.

4.7 Prevention

- 4.7.1 A number of factors relate to the expectation of future growth in demand, 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.
- 4.7.2 Investment from the Commissioner, and the securing of external grants, has been used for prevention and to simplify pathways of support for vulnerable people. Successes include the Victim and Witness Hub which provides a seamless pathway of support for victims of crime – it also enables the Commissioner to fulfil his statutory role to support victims and witnesses of crime to cope and recover. Within this same vein the OPCC has secured £784k over three years to fund additional specialist staff to support victims of rape, sexual violence and domestic abuse. A successful bid to the Home Office Domestic Abuse Perpetrator Fund for £311k has contributed to work to prevent future offending. The MTFS maintains £500k of funding for prevention in 2022/23 from 2023/24 a newly created reserve is planned to underpin work to support crime reduction projects, reduce demand on policing and improve outcomes in the future. The reserve is planned to be created from either budget underspend or by a transfer from the budget assistance reserve. This has been bolstered in 2021/22 with two successful bids to the Safer Streets fund bringing in a combined £900k to reduce crime in the county.

5 Monitoring Budget Performance

- 5.1 The review of the effectiveness of the financial strategies for the organisation are managed through various stakeholder boards.

- 5.2 Revenue and Capital monitoring reports are produced for submissions to the Force Executive Board and the Commissioner's Business Co-ordination Board. Commentary is provided to explain variances in the performance against budget for the Constabulary (including Collaboration), OPCC, Grants and Corporate costs and a forecast outturn is also provided for each. Additional information is also provided in respect of the reserves forecasts and key performance indicators for cash flow, prompt payment and aged debt.
- 5.3 The tri-force collaboration budget monitoring reports are presented quarterly to the Joint Chief Officers Board (JCOB). The budget monitoring reports on each of the portfolios: Joint Protective Services (led by Bedfordshire), Operational Support (led by Hertfordshire) and Organisational Support (led by Cambridgeshire).
- 5.4 A Resources Group is in place to enable strategic discussions to take place concerning the resourcing requirements for the delivery of the Police and Crime Plan. Senior personnel from the OPCC and Constabulary including Estates, IT, Human Resources & Learning and Development meet monthly to consider commitments to large projects, strategic issues and the resource implications of the capital programme and revenue budget. The Resources Group will review proposed business cases and track associated benefits. Also under the Value for Money Strategy adopted by the Constabulary integrated finance and performance reporting will be developed to demonstrate efficiency and the effective use of resources.

6 Assumptions used within the MTFS

2022/23 Assumptions

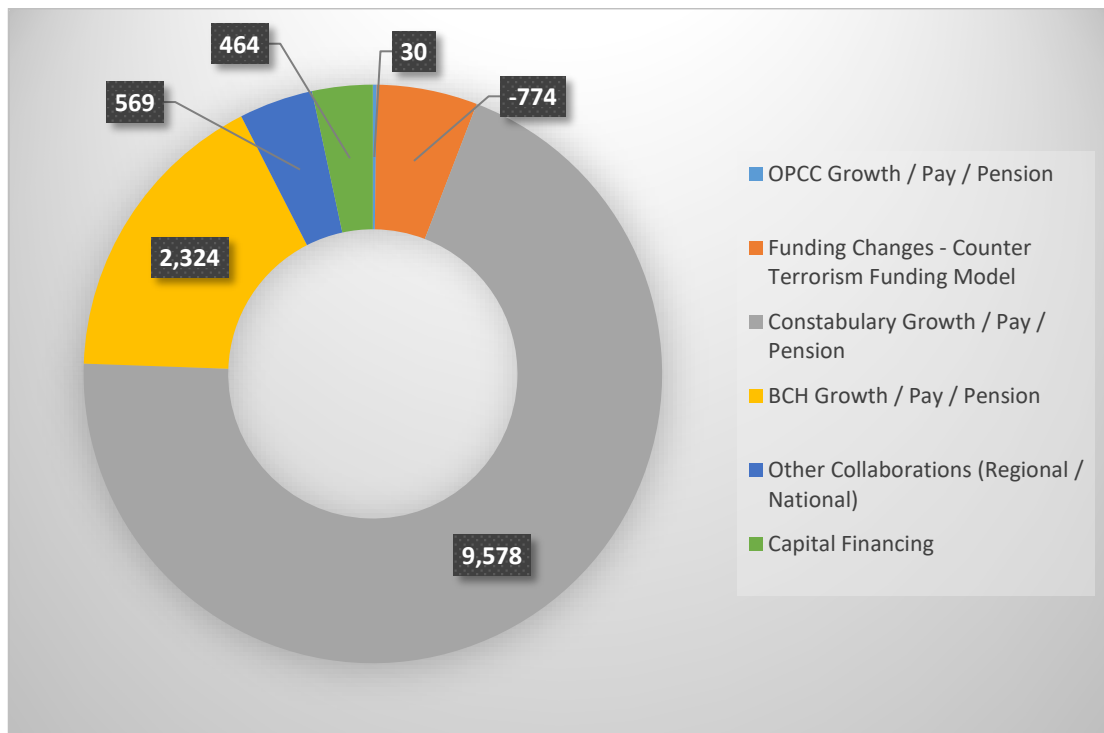
6.1 Expenditure

- 6.1.1 As part of the 2021 CSR, pay restraint from 2021/22 has been lifted from 2022/23. For the Constabulary:
- A 1% increase on pay (for all Officers and Staff) equates to around £1.3m compared to £2.1m for a 1% increase on the precept.
 - When further contractual pay increments of around £1.3m per annum are also added (due to a higher number of young in service officers), along with increased national insurance costs of £0.9m, it can be seen that a 1% precept increase falls short of the Constabulary's pay costs just to standstill.

The 2022/23 pay award will take effect from September 2022 and thereafter annually. For 2022/23 the pay freeze continues until August 2022 and a potential 3.5% pay award is factored into officer and police staff costs from September 2022.

- 6.1.2 Bank holiday overtime costs for 2022/23 have been increased to reflect 11 bank holidays for police officers (one extra for the Queen’s Jubilee and two police bank holidays).
- 6.1.3 The equivalent budget increase for collaborated units for pay inflation at 3.5% is budgeted.
- 6.1.4 Non-pay inflation and contract indexation is included on a line by line basis where unavoidable for Cambridgeshire and BCH functions on a targeted basis. Most notably utility and fuel budgets have been increased by 10% given recent price increases in these markets.
- 6.1.5 Unavoidable national, regional and local spending pressures to meet the strategic threats and risks set out in Section 3 are factored into the 2022/23 budget.
- 6.1.6 The overall impact of expenditure assumptions for 2022/23 results in total budget growth, before savings, of £12.2m with the breakdown by budget area provided in the chart below. The costs in high level terms are driven by pay costs including pay increments, pension costs, non-pay inflation, unavoidable spending pressures, new investment in resource and capital financing costs including revenue contributions to capital.

Total budget growth of £12.2m (before savings) for 2022/23 compared to 2021/22 by budget area (£k)



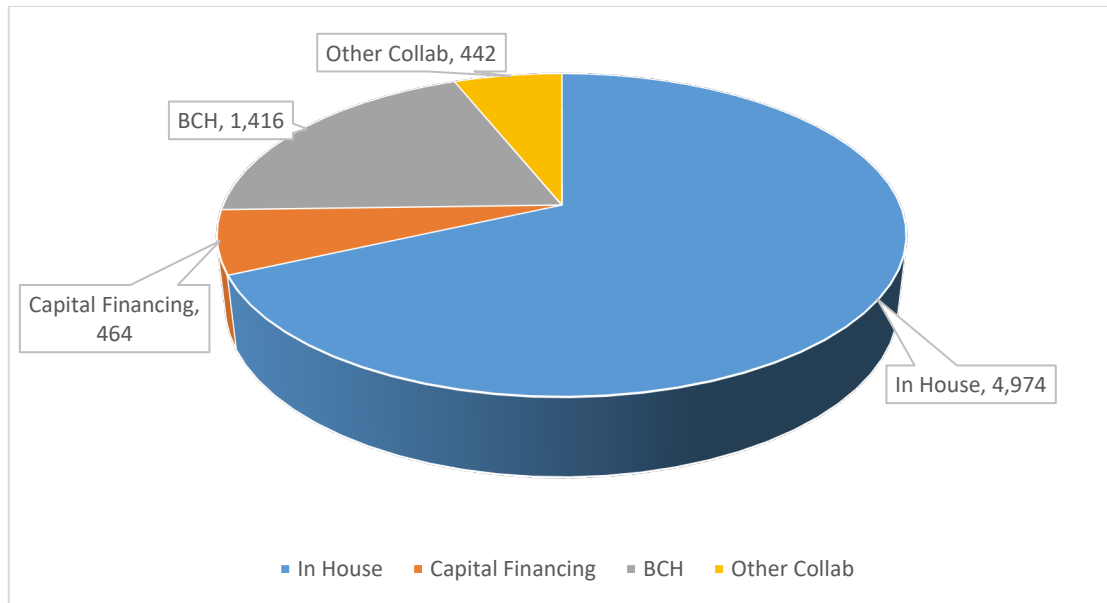
- 6.1.7 The investment decisions (i.e. those excluding pay awards, other pay costs and unavoidable cost pressures such as inflation) included in the 2022/23 budget

are categorised by budget area in the following chart and total £7.3m. The most notable budget investments are summarised as:

- £1,825k for Year 3 of the Police Uplift Programme to recruit a further 82 police officers into the Constabulary by 31 March 2023. The investment matches the planned recruitment intakes as part of the workforce plan meaning that the full year effect is planned in the 2023/24 budget;
- £540k into police staff roles critical to support Operational priorities for the Force as outline in paragraph 3.12 to 3.15;
- £420k in the Anti-Corruption Investigation Unit to fight serious and organised crime across the region;
- BCH investment of approximately £1,416k mainly into Human Resources, Professional Standards and ICT reflecting the need to enhance the organisational infrastructure of BCH in response to the increasing number of police officers through the Uplift Programme;
- Support for key areas of BCH totalling £280k locally to ensure risks to the Constabulary are managed. These include Cambs funded posts in Professional Standards, case audit roles in force, HR posts to support PEQF locally and legal fees related to misconduct hearings being met in force;
- £113k to further the Constabulary's work on Equality, Diversity and Inclusion through inclusion workshops, Positive Action work, wellbeing and community engagement. This investment also provides additional 0.4 of a Superintendent role to link in with key People and Professional themes across the Eastern region;
- Police staff roles totalling £147k in the Demand Hub (£79k) and Resource Management Unit (£68k) to ensure these critical functions are properly resourced to manage demand;
- A budget of £80k for the provision of personal protective equipment (PPE) to protect officers and staff. This budget will supplement the PPE provided by central government for 2022/23;
- The ageing estate of the Constabulary is costly to manage to ensure the estate remains functional to meet the operational needs of the Constabulary to deliver the services needed by the communities of Cambridgeshire. Investment of £484k is budgeted to meet planned cyclical maintenance, reactive maintenance and reactive mechanical engineering works;
- A £400k increase in the budget for revenue contributions to support capital programme expenditure. This budget has increased in recent years in response to capital requirements and the withdrawal of capital

grant funding. It is used to support the financing of the capital programme of the Constabulary under the MTFs principle to minimise borrowing.

Budget growth of £7.3m (excluding pay awards, pay increments, national insurance and non-pay inflation) for 2022/23 (£k)



6.1.8 The total budget growth is reduced by savings and efficiencies identified for 2022/23. Savings and efficiencies have been identified within the Constabulary, within collaborated areas and within the Corporate functions of the OPCC in respect of minimum revenue provision and interest cost savings. In total savings and efficiencies of £2.6m have been factored into the 2022/23 budget. This is on top of the £5.1m savings delivered as part of the 2021/22 budget.

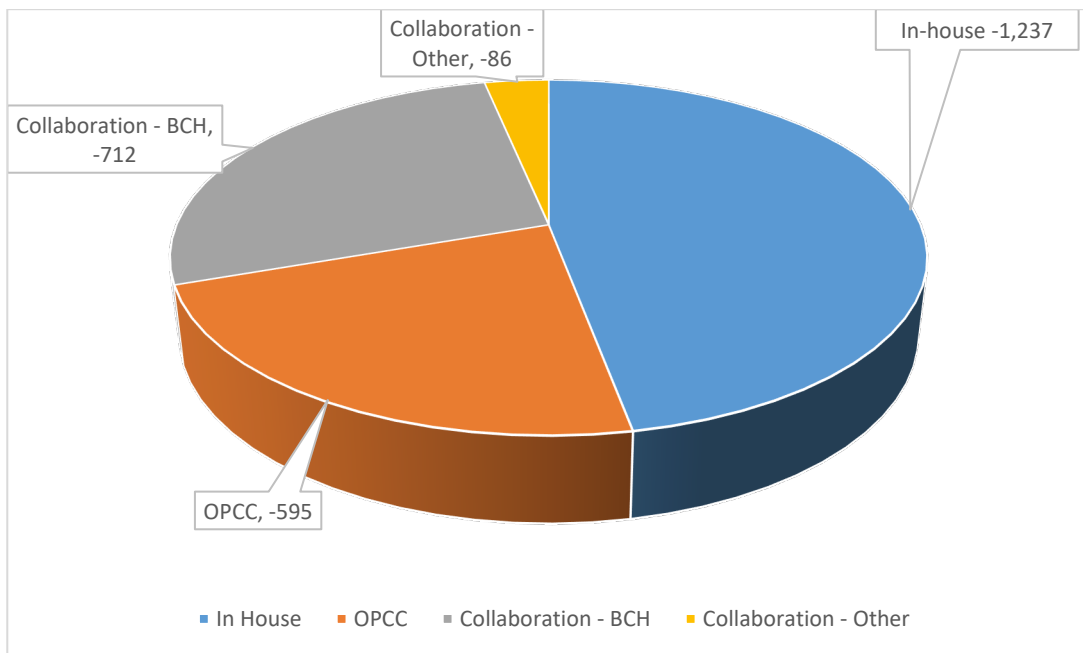
6.1.9 The main savings and efficiency included within the 2022/23 budget include:

- a) BCH savings and efficiencies totalling £1,859k with the majority (£1,274k) in ICT and £220k in HR and Learning and Development. The Constabulary's share of the savings is £712k;
- b) Rationalisation and efficiencies from the Estates budget totalling £524k offsetting the growth requirement for planned and reactive maintenance outlined earlier. These efficiencies are from revised contracts, procured in collaboration with 7 Force Commercial Services, reductions in the cost of rates bills and cost reductions on catering and office equipment as well as legal fees;
- c) MRP and interest cost savings totalling £195k from the revised timing of capital expenditure;

- d) Additional ringfenced Uplift grant of £400k to support the recruitment of the 82 officers required in 2022/23;
- e) The final amounts of budget reductions from the Neighbourhood Policing Review completed in 2021/22 are removed from the budget totalling £227k;
- f) The removal of staff posts no longer required, with no redundancy impact, in the region of £182k across Finance, Estates and the Demand Hub;
- g) A review of all budgets by Superintendents delivering £161k of efficiencies; and
- h) Force wide travel reductions resulting from agile working, largely imposed by the Covid-19 pandemic are built into the budget at £82k.

6.1.10 The share of the £2.6m of savings by area of Constabulary expenditure is provided in the chart below.

Savings and efficiencies for 2022/23 of £2.6m by budget area (£k)



6.2 Funding

6.2.1 The total grant funding for 2022/23 from the settlement is set out below.

2021/22 and 2022/23 Government Grant Funding (£ millions)

Funding Stream	2021/22	2022/23	Change	Notes
Total Formula Grant	90.3	95.1	4.8	Includes legacy Council Tax Freeze grants See also note on total funding row
Pension Grant	1.4	1.4	-	
Uplift Ringfenced grant	1.0	1.4	0.4	Dependent on delivery of the year 3 uplift target of 82 officers
Capital Grant	0.1	-	(0.1)	
Total Settlement Grant Funding	92.8	97.9	5.1	Increase across HO, MHCLG and Uplift ringfence grant represents Cambs formula percentage i.e. 1.02% of £135m

- 6.2.2 Through the 2021 CSR the funding for police grant has been confirmed over the period 2022/23 to 2024/25. Whilst the actual allocations for the Constabulary are provided above, the allocations for 2023/24 and 2024/25 have not been set out at force level at this stage. The total grant increases confirmed for those two years are £100m and £150m respectively and using the Constabulary's share of the £550m in 2022/23 provides Constabulary grant estimates of £98.9m in 2023/24 and £101.1m in 2024/25. These estimates are included in this MTFS with a 1% increase in grant in 2025/26.
- 6.2.3 The remaining income for the Commissioner is raised locally through Council Tax precept. As a result of Covid-19 a deficit position exists on the Collection Funds for some councils. The Government implemented a scheme where any deficits could be phased over a three-year period to reduce the immediate impact on budgets. The current position on Collection Fund forecasts is a total deficit for the Constabulary of £0.16m in 2022/23 and £0.51m in 2023/24.
- 6.2.4 The 2021 CSR confirms the flexibility for PCCs (without the need for a local referendum) to increase the band D precept by £10 per annum for each year in the period 2022/23 to 2024/25. The MTFS is based on the assumption of the full use of this, given that the government has set its grant allocation in the context of the ability to raise the precept by this amount. Whilst that is the assumption used to model the future position, it is the intention of the Commissioner to work with the Chief Constable to identify savings and efficiencies that would enable lower precepts in 2023/2024 and 2024/2025. If sufficient savings and efficiencies are identified a lower precept will be possible in those years.
- 6.2.5 Within the allowable increase set in the 2021 CSR, the precept rise of £9.99 per annum for a Band D property generates total precept funding for 2022/23 of £76.4m based on local Council Tax base estimates (this differs to the Home

Office funding settlement figure of £75.8m which uses Office for Budget Responsibility forecast tax base increases). The change in the precept funding is set out in the table below.

- 6.2.6 The total of Precept and the Collection Funds, including the Collection Fund net deficit of £0.16m is £76.2m. Council Tax base growth is included based on estimates provided by the billing authorities of increased band D properties subject to council tax and equates to growth of 1.9%. Forecasts are also included for band D properties in future years.

2022/23 Precept Funding Compared to 2021/22

	2021/22	2022/23	Notes
Band D Precept per annum	£247.59	£257.58	
Band D Increase versus prior year	£14.94	£9.99	Equates to £0.83 per month
Percentage Increase versus prior year	6.42%	4.04%	
Council Tax Base (band D properties)	291,046	296,524	2022/23 based on estimates from billing authorities – 1.9% increase
Total Precept Funding	£72.1m	£76.4m	
Collection Fund Net Deficit (-) or Surplus (+)	£0.0m	(£0.2m)	
Total Precept Funding and Collection Fund Balance	£72.1m	£76.2m	
Increase in Precept Funding versus prior year		£4.1m	

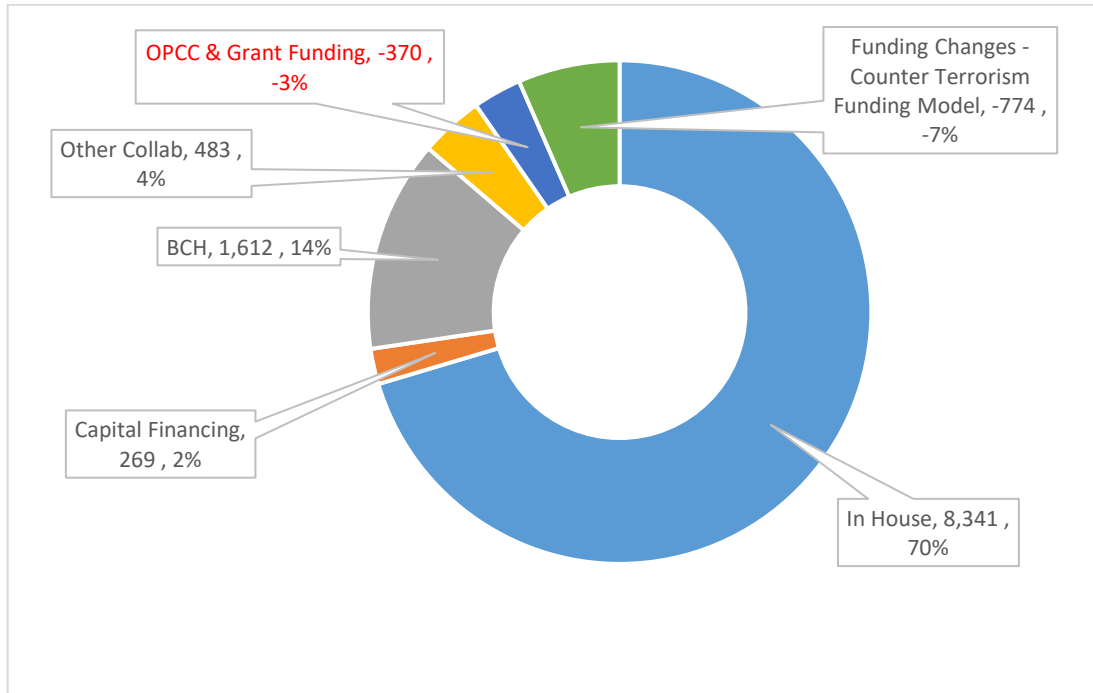
- 6.2.7 It is important to note that the Constabulary, even with a maximum precept rise for 2022/23 through to 2024/25, still has a financial deficit predicted in 2025/26 largely due to further pay inflation forecasts, pay increments for an increased number of young in service officers and employer pension contribution increases. However, the precept flexibility if used across the MTFs does help to mitigate a significant proportion of the financial pressures facing the Constabulary, many of which are uncontrollable.
- 6.2.8 The total funding available for the Commissioner for revenue and capital purposes in 2022/23 from the settlement, precept increase and the Collection Fund net deficit is confirmed below and compared to 2021/22 funding levels.

2022/23 Total Settlement Funding Available

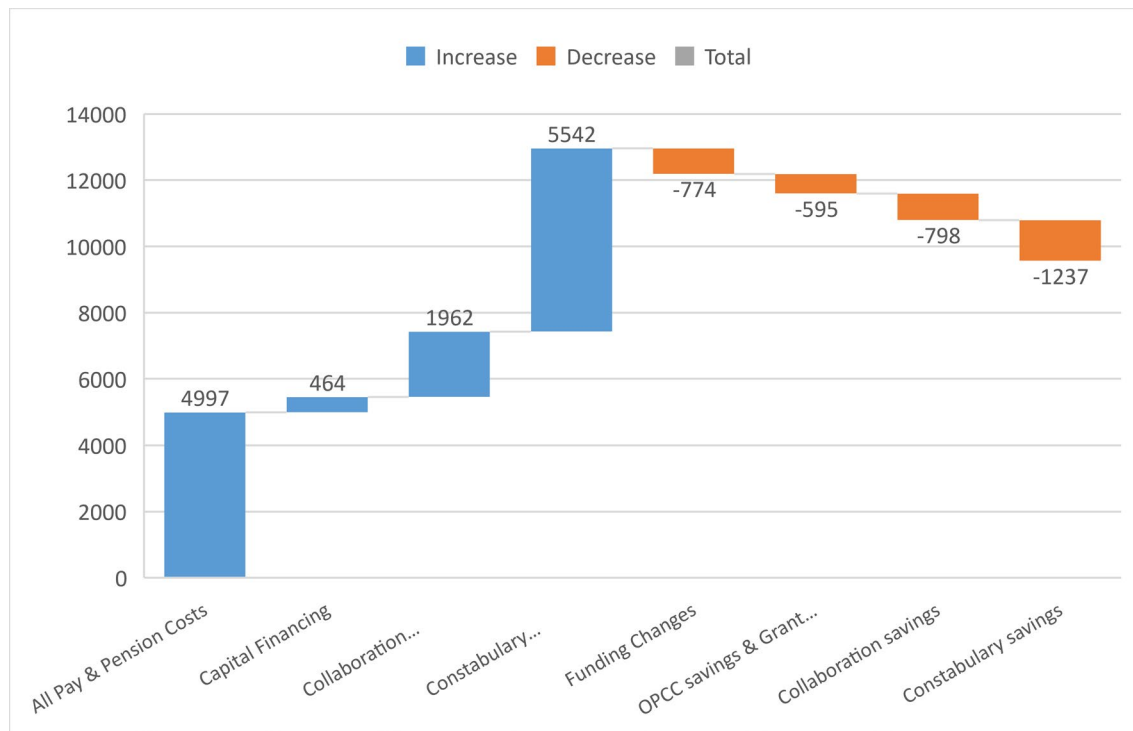
Funding Stream (£ million)	2021/22	2021/22	Change
Total Precept Funding and Collection Fund Balance	72.1	76.2	4.1
Total Revenue Grant Funding	92.7	97.9	5.2
Total Revenue Funding	164.8	174.1	9.3
Total Capital Grant Funding	0.1	-	(0.1)

- 6.2.9 In 2021/22 the Acting Commissioner was allocated a one off unconditional grant from the Ministry of Housing, Communities and Local Government (MHCLG) of £1.0m for a Local Council Tax Support grant. The Acting Commissioner in 2021/22 transferred £0.95m of this grant to an earmarked reserve to meet the cost of the Council Tax Collection Fund deficits that are estimated in 2022/23 and 2023/24. The MTFs assumes that £0.44m is released from this reserve in 2022/23, £0.51m in 2023/24.
- 6.2.10 Based on the information in this section 6.2 the net budget requirement (gross budget required less savings, efficiencies and specific government grant) of the Constabulary for 2022/23 is £171.2m. This represents growth in the Constabulary's budget of £9.6m for 2022/23 compared to 2021/22 where the equivalent growth was £9.1m. An overview of the medium term financial plan is provided in Appendix C.

Increase of £9.6m in the Net Budget Requirement for 2022/23 by budget area (£k).



Waterfall chart showing areas of budget growth and savings resulting in the net £9.6m budget growth (£ millions)



- 6.2.11 The Net Budget Requirement is funded by the core grant funding, the precept funding and the collection fund balance. It should be noted that a contribution to set the General Fund Reserve closer to the 5% target of the Net Budget Requirement by end of the MTF period is also funded within the overall resource (this is explained further in the Section 10 Usable Reserves).

Assumptions for 2023/24 and Beyond

6.3 Expenditure

- 6.3.1 Pay inflation has been included at 2% for Cambridgeshire functions and for the BCH collaborated units from September 2023. As in 2022/23 there is a part year impact for 2023/24 with the higher pay award of 3.5% assumed following the lifting of the Government's pay restraint. Thereafter pay inflation is modelled at 2% per annum for officers and staff. There is a risk in future years that the pay award is higher than the budgeted assumption.
- 6.3.2 Non-pay inflation is included on a line by line basis, as appropriate, for Cambridgeshire and BCH tri-force collaboration functions.
- 6.3.3 Pressures, growth and savings have been factored in where they have been identified, notably:
- The forecast increase in police pension employer contributions due to take effect in 2024/25. The employer contribution rate is not yet known and there are numerous factors that may impact on this, not least the impact of the McCloud pension remedy. An increase of 5% is currently modelled with a corresponding increase to the Pension grant to offset 4% of the additional cost. A risk therefore exists that the rates could increase by more than the 5% and / or no funding from Government is forthcoming to offset the additional costs. This would create a significant affordability issue for the Constabulary; and
 - A £250k net increase in BCH costs each year from 2023/24 through to 2025/26, a medium term financial plan is absent for BCH and so this represents a provisional budget increase that will be kept under review. The OPCC and Constabulary are working with our BCH partners to improve the financial planning for BCH over the medium term.
- 6.3.4 Savings and efficiencies identified in future years to date are: 2023/24 £0.4m; 2024/25 £1.0m; and 2025/26 £1.0m. The savings identified for 2025/26 are undergoing detailed planning and due diligence
- 6.3.5 In addition to setting a balanced budget for 2022/23, based on the planning assumptions the forecast budget for all years is currently balanced although work is required to absorb any unanticipated budget growth and pressures, as well as the full development of the budget savings identified for the 2025/26 financial year. Work on the latter is underway in the event that these may have to be brought forward if necessary due to budget pressures.

6.3.6 Whilst further savings have been identified for later years of the MTFs further work is ongoing to ensure the deliverability of these savings. Therefore, the Commissioner continues to hold a budget assistance reserve throughout the MTFs period to support future year budgets and savings requirements if necessary. However, as the MTFs is balanced there is a transition of the Budget Assistance Reserve into the General Fund reserve to deliver the Reserves Strategy of maintaining the General Fund reserve at 5% of the overall net budget. The net budget is estimated to increase by £26m over the MTFs period, to maintain a General Fund reserve at 5% will require a £1.9m increase (note the General Fund reserve is currently at 4.6% of the budget requirement).

6.4 Funding

6.4.1 Constabulary grant estimates of £98.9m in 2023/24 and £101.1m in 2024/25 are included in the MTFs based on the information from the 2021 CSR and Police Settlement in 2022/23. The detail of the police grant at force level for 2023/24 and 2024/25 is not known and therefore a risk exists that a lower level of grant may be received in those years. In addition, a 1% increase in grant is factored in for 2025/26 to reflect inflationary pressures and based on trends in recent years this is considered prudent.

6.4.2 The Council Tax base forecasts include estimates from the billing authorities where provided otherwise 1.0% increases are included giving total tax base increases of 1.5% in 2023/24, 1.4% in 2024/25 and 1.4% in 2025/26. These estimates will be refreshed annually as more up to date collection information becomes available.

6.4.3 All other grants are assumed to remain at current levels with the ring-fenced Uplift grant being baselined into the police core grant.

6.4.4 Council Tax precept increases are assumed at the full flexibility allowed by Government of £10 per annum up to 2024/25 and thereafter a £5.55 increase equating to 2% per annum. The assumptions around the Council Tax precept are explained more fully in paragraph 6.2.4.

7 Capital Strategy and Capital Programme

7.1 The Commissioner has developed the Capital Strategy which is included at Appendix D. The Capital Strategy provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of policing services in Cambridgeshire along with an overview of how associated risk is managed and the implications for future financial sustainability for the period 2022/23 to 2025/26. It has been produced in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) requirements.

- 7.2 The Commissioner has developed the capital strategy in consultation with the Chief Constable and Constabulary, who are the primary users of the capital assets.
- 7.3 The Capital Strategy supports planning and corporate working across the two Corporations Sole (Commissioner and Chief Constable) helping to ensure that assets are used and managed well. The Capital Strategy shows how the capital programme is prioritised, monitored, delivered and evaluated. It provides an overview of how capital expenditure; capital financing and treasury management activity contribute to the delivery of strategic outcomes. It also provides an overview of how associated risk is managed and the implications for future financial sustainability.
- 7.4 The Capital Programme of investment is contained at Appendix 2 within the Capital Strategy. The Capital Programme consists of the major infrastructure works that are due to be carried out over the next four years. It also contains forecast spend for vehicles and ICT programmes along with the Capital Financing for the Programme.
- 7.5 The risk that the Commissioner faces for future years is how to sustain the funding of the capital programme. The Constabulary currently occupies an older estate with only 7% of the assets constructed post 2000. Many of the properties provide poor working conditions with significant refurbishment required. The portfolio is substantially freehold which has led to a culture of remaining on the same site, and making the best of accommodation, even when the location is less than ideal.
- 7.6 Although a rolling maintenance programme exists, there are a number of capital refurbishment projects that are needed to provide operational resilience. With many of the buildings being obsolete in terms of design, they are difficult to refurbish due to their method of construction and use of materials, which include asbestos. Where feasible grant funding is sought to offset these costs to the programme.
- 7.7 The financing of the proposed capital programme will see a necessary shift to higher levels of external borrowing (with £47.1m planned across the 4 year MTFS period representing 58% of the total programme of £80.6m to 2025/26). These are for planned, operationally essential developments, including the relocation of Parkside police station from Cambridge city whilst still maintaining a city centre presence as well as further investment in ICT. The costs of borrowing will impact on the revenue budget and there is a risk of future interest rate rises which will affect the future cost of borrowing.
- 7.8 Other significant schemes under consideration include investment in training facilities for the Joint Protective Services, for public order support units. Also in respect of BCH capital provision has been included for the Constabulary's contribution towards a new Firing Range facility. Both projects are progressing towards final business case stage.

- 7.9 The police station at Thorpe Wood is at capacity and with the uplift programme, is likely to be under strain to accommodate future recruits. The use of Copse Court is therefore being considered as part of the accommodation requirements and estates strategy, optimising the agile working strategy that the Constabulary is developing.
- 7.10 The Government is increasing the focus on achieving carbon zero. The Constabulary and Commissioner are developing the approaches and plans to achieve this for the Constabulary with a particular focus on the use of ultra low emission vehicles (ULEV) and carbon reduction from the estate and properties. Budget has been added to the capital programme from 2022/23, which will be kept under review as plans are developed in this area.
- 7.11 Funding options for the capital programme include the benefit of disposal proceeds from a range of assets held by the Commissioner. These are continually under review to ensure best value consideration can be achieved.

8 Treasury management

- 8.1 The Commissioner operates a balanced budget, which broadly means cash raised during the year will meet cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with temporarily surplus monies being invested in secure low risk counterparties, providing adequate liquidity initially before considering optimising investment return.
- 8.2 The second main function of the treasury management service is the funding of the Commissioner's capital plans. These capital plans provide a guide to the borrowing need of the Commissioner, essentially the longer term cash flow planning to ensure the Commissioner can meet the capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet the Commissioner's risk or cost objectives.
- 8.3 The Commissioner typically uses external borrowing from Public Works Loan Board (PWLB). Changes in regulations and the ability to access PWLB loans includes the requirement to demonstrate that there are no commercial investments in an authority's (or police forces) capital plans.

9 MTFS Risks

- 9.1 The OPCC and Constabulary have a schedule of Internal Audit and External Audit. The Internal Audit focusses on compliance with corporate objectives, risk profile and risk registers. The programme for internal audit will continue to take a risk based approach to review areas across the business. All reports for 2021/22 issued at the time of drafting provided a positive assurance opinion, with the exception of one partial assurance opinion.

- 9.2 External Audit focusses on the financial records and issues an opinion at the end of the financial year along with the Statement of Accounts. For the 2019/20 accounts the audit opinion was unqualified and at the time of writing the 2020/21 accounts are similarly expected to receive an unqualified opinion, although the audit has not yet concluded. This means the External Auditor judged, or will judge, that the financial statements are fairly and appropriately presented, without any identified exceptions and in compliance with generally accepted accounting principles. The external auditors also provide an opinion on the arrangements in place to secure value for money which similarly was unqualified for the Constabulary in 2019/20 with the value for money report for 2020/21 due to follow the conclusion of the audit of the accounts.
- 9.3 There are inherent risks in the preparation of this MTFS reflecting the level of various unknown factors, particularly in quantifying cost and uncertainty in respect of future cost pressures such as inflation, pay awards and regularity or statutory requirements that the Constabulary must respond to. The 2021 CSR set out future funding levels for the 3 years to 2024/25 and maximum precept flexibility, which has clarified potential future levels of funding. However, these are not confirmed at police force level beyond 2022/23. As such a risk remains that the funding assumptions in the MTFS for future years may be overstated.
- 9.4 Borrowing and interest costs relating to the capital programme may increase due to delays in the start of major capital projects resulting in increased indexation costs. In addition, there is the potential for increased borrowing rates and the inability to dispose of surplus assets as the economy continues to recover from the Covid 19 pandemic.
- 9.5 Additional future liabilities may arise with the cost of police pensions, based on the outcome of the McCloud and Sargeant cases. By way of background, two claims were brought, one against the judges' pension scheme (the McCloud case), the other against the firefighters' pension scheme (the Sargeant case) claiming that transitional arrangements were discriminatory on the basis of age, sex and race. The claims were heard together. The impact of the judgements on these cases, if upheld, will be to give the potential for more officers to retire early, resulting in an increase in the cost of pensions to the force. There is uncertainty as to whether the additional liability, once determined, will be funded by government although this is the expectation built into this MTFS. The remedy for police pension schemes continues but is complex with legislation currently progressing through Parliament.
- 9.6 There are a significant number of national and government initiatives where costs are borne by individual forces. A number of the following programmes are included within the Net Budget Requirement, but there are others at an early stage which will become a cost pressure. These areas do present a challenge to the MTFS as the implications of these are out of the Constabulary's control.
- National Police Air Service (NPAS). The costs to Cambridgeshire Constabulary have reduced due to more robust triage of calls for service

and based on the direct charging model by region and the agreed cost apportionment for the use of NPAS across the forces in the Eastern region. However, there remain ongoing discussions around aspects of the arrangements, in particular fleet replacement, which could lead to additional costs not currently budgeted.

- Single Online Home is an initiative to get all 43 forces to have a single shared platform to offer the public a consistent way of engaging with their local force and accessing police services online.
- Emergency Services Mobile Communications Programme (ESMCP) is the government's chosen option to replace the Airwave system used for communications between control rooms and the police, fire and ambulance services. It is intended to save money by sharing an existing commercial 4G network, unlike Airwave, which is fully dedicated to its users. This is a technically complex programme with numerous dependencies on various stakeholders and third party entities.
- The National Law Enforcement Data Storage (NLEDS) programme is replacing the ageing Police National Computer.
- The National Enabling Programme (NEP) which is designed to strategically align policing nationally under the Policing Vision 2025 and will underpin a national digital secure workplace and generate efficiencies.
- The Transforming Forensics programme, is an agenda to modernise forensics services and to become more efficient and effective, taking advantage of leading edge technology and innovation to respond to present and future demands.

10 Usable Reserves

- 10.1 Under Section 25 of the Local Government Act 2003, the Commissioner's Chief Financial Officer (s151) is required to report on the adequacy of the proposed financial reserves as part of budget setting considerations. The Commissioner is required to clearly set out how he intends to use all allocated reserves over the MTFS period.
- 10.2 Where budget underspends exist, the reserves strategy will be to ensure, as far as possible, that the general reserve is held at a level that is considered prudent. Once achieved, the creation of reserves to manage known risks to the Constabulary and to support capital investment given the low level of capital grant the constabulary now receives from government will be considered.
- 10.3 The General Fund Reserve is a statutory reserve to fund unplanned and emergency expenditure, with a forecast balance at 31 March 2021 of £8.6m. This will be 5.3% of the Net Budget Requirement for 2021/22, compared to the 5% target generally considered a prudent level. The forecast General Fund balance also means that the reserve is already at 5% of the Net Budget

Requirement for 2022/23. As the Net Budget Requirement continues to increase year on year a contribution to the General Reserve of £0.3m is planned in 2023/24, £0.3m in 2024/25 and £0.2m in 2025/26, which will position the General Fund Reserve at £9.4m and equates to 5% of the 2025/26 MTFS forecast Net Budget Requirement of £187.7m.






- 10.4 The forecast balance on all earmarked reserves at the 31 March 2021 is provided at Appendix E along with the reserves forecast for the period of the MTFS based on estimated use and the financial planning assumptions. It should be noted that there is no reliance on the budget assistance reserve in the MTFS period to 2025/26, although savings remain to be identified in 2025/26. Appendix E also provides a description on the purpose of each reserve.

11 Robustness of estimates

- 11.1 Under Section 25 of the Local Government Act 2003, the Commissioner's Chief Financial Officer (s151) is required to report on the robustness of the estimates made for the purposes of the budget calculations.
- 11.2 The Commissioner's Chief Finance Officer has provided assurance to the 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 Commissioner are prudent and sustainable. The level of reserves is sufficient to meet the known risks within the budget taking account of the Commissioner's financial management framework.

Appendix A – POLICE AND CRIME PLAN PRIORITIES

TACKLING CRIME & KEEPING COMMUNITIES SAFE

PUTTING COMMUNITIES FIRST	CRIME PREVENTION	SUPPORTING VICTIMS AND WITNESSES	ETHICAL POLICING	ROBUST ENFORCEMENT
 <p>We will ensure the police and other partners are listening to the public and working with them to act on their concerns and supporting them to assist themselves.</p> <p>From initial contact, to rural and business crime, anti-social behaviour, hate crime and speeding.</p>	 <p>We will work in partnership to understand and tackle the root causes of crime and serious violence through early intervention and rehabilitating people who have offended, while reducing opportunities for people to commit crime.</p>	 <p>We will protect vulnerable people and ensure victims and witnesses are placed at the heart of the criminal justice system, commissioning services to support them.</p> <p>We will recognise every victim's experience is different and will provide a quality service which maintains their trust and confidence in the criminal justice system.</p>	 <p>We will ensure the police act with integrity and social responsibility, promoting a culture that is inclusive, diverse and takes equality seriously.</p> <p>From how they interact with the public they serve, to environmental sustainability.</p>	 <p>We will ensure the police and other partners such as courts, prosecutors, probation and local authorities are using criminal justice and other enforcement processes effectively to keep Cambridgeshire and Peterborough safe.</p>

Appendix B – Overview of 2021 STRA Priorities

1) Detective Resilience

The force has a deficit of 55 PIP2 detectives (July 2021). There is a nationwide shortage of qualified detectives, impacting on the robust and timely investigation of complex crimes, and bringing offenders to justice. Whilst the initial Accelerated Detective Constable Programme, is in place, the 20 officers will not be fully qualified for 2 years (2022). This topic has been designated a priority piece of work from the STRA2021 Challenge Panels to ensure the force attracts, recruits and retains qualified detectives.

2) Young In-service Workforce / Generational Diversity:

25% of response officers have less than 2 years' service. This is having an impact of the availability of officers suitable for promotion to the rank of sergeant, and the level of experience to hold supervisory roles. This has been designated a priority piece of work from the STRA 2021 Challenge Panels, to explore whether the culture of the organisation is keeping pace with a young workforce.

3) Force Culture Statement

The requirement for a force Culture Statement was identified following discussions at the STRA Challenge Panels. It was identified that the force needs to assess whether the culture of the force is cognisant of the needs of the new wave of officers and their onward career progression; to include attraction, recruitment and retention, ethnicity, disability and gender, preparedness for being a response officer and disciplinary challenges.

The Culture Statement will be developed during January 2022, and the final narrative will be included in the revised Corporate Plan.

Appendix C - MTFP 2022/23 to 2025/26

	Final Budget	Planned Budget	Forecast Budget	Forecast Budget	Forecast Budget
	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000
In-House Force Expenditure					
Police Officer Pay & Allowances	55,165	60,829	66,497	68,564	70,621
Police Officer 20,000 uplift	2,555	1,825			
Police Officer Overtime	2,538	2,570	2,390	2,390	2,390
STRA Bids	0	0	0	0	0
PCSO Pay & Allowances	1,744	1,797	1,863	1,919	1,976
Police Staff	23,828	25,493	26,267	27,419	28,231
Police Staff Overtime	204	205	205	205	205
Other Employee Expenses	324	139	139	139	139
Premises Costs	4,554	4,724	4,812	4,902	4,996
Transport Costs	2,853	3,024	3,119	3,216	3,316
Supplies & Services	6,481	7,517	7,598	7,295	7,145
Total In-House Expenditure	100,246	108,123	112,890	116,049	119,019
Net Cost of Police Pensions	17,077	17,572	18,115	19,380	19,883
Total BCH Collaboration	34,484	36,074	37,151	37,997	38,860
Other Collaborations & Partnership					
Helicopter	430	452	474	498	523
Regional Change team	980	894	721	669	657
Nation and 7F ICT Projects	0	0	0	0	0
Athena - AMO	77	77	77	77	77
CT and DE	754	2	2	2	2
ERSOU	2,576,600	3,074,811	3,165	3,238	3,313
SARC	491	540	557	573	591
Kings Lynn PIC	833	833	833	833	833
Total Other Collaborations & Partnership	6,143	5,874	5,829	5,891	5,996
Constabulary Expenditure	157,950	167,643	173,986	179,317	183,759
Total Income	-1,376	-1,407	-1,407	-1,407	-1,407
Total Constabulary Budget	156,574	166,237	172,579	177,910	182,352
Total OPCC Office Expenditure	1,215	1,245	1,282	1,313	1,344
Corporate Costs and Grants					
Non-Operational Estate Held for Investment	-9	-9	-9	-9	-9
Police National ICT Company Subscription	60	60	60	60	60
Community Safety / Crime Reduction Grants	1,776	1,776	1,276	1,276	1,276
MoJ Victims Grant - Exp	1,278	1,278	1,278	1,278	1,278
Uplift Grant Year 1	0	0	0	0	0
Uplift Ringfenced Grant (baselined in police grant from 2023/24)	-1,000	-1,400	0	0	0
MoJ Victims Grant - Income	-1,278	-1,278	-1,278	-1,278	-1,278
Pension Grant	-1,398	-1,398	-1,398	-2,028	-2,028
Investment Interest	-114	-50	-50	-50	-50
Crime Reduction Projects	0	0	0	0	0
Total Corporate Costs and Grants	-685	-1,021	-121	-751	-751
Total Capital Financing Costs	4,549	4,754	4,326	5,340	5,741
Savings Plan	0	0	0	0	-972
NET BUDGET REQUIREMENT (NBR)	161,654	171,216	178,065	183,812	187,714
Budget -Decrease / +Increase Year on Year	9,186	9,562	6,850	5,747	3,902
Financed by:					
Formula Grant	90,387	95,100	96,140	97,700	98,677
Uplift Grant (baseline of ringfenced grant)	-	-	1,400	1,400	1,414
Precept	72,060	76,379	80,564	84,725	87,623
Local Council Tax Grant	1,000	-	-	-	-
Local Council Tax Earmarked Reserve	-955	440	515	-	-
Contribution (to)/from Reserves	-812	-549	-59	-13	-
Collection Fund - (Deficit) / +Surplus	25	-154	-495	-	-
TOTAL FINANCING	161,704	171,216	178,066	183,812	187,714
Funding - (decrease) / + increase	9,237	9,511	6,850	5,746	3,902
BUDGET GAP	51	0	0	0	0
	51	0	0	0	0
Band D Council Tax £	247.59	£257.58	£267.57	£277.56	£283.11
Increase	15	£9.99	£9.99	£9.99	£5.55

Appendix D - Capital Strategy and Capital Programme

The Capital Strategy for the OPCC is provided below, which includes the Capital Programme at Appendix 2 within the document.



Microsoft Word 97 -
2003 Document

Appendix E – Forecast Reserves Position as at 30 November 2021

	31-Mar-22	Contributions to (+) or from (-) reserves	31-Mar-23	Contributions to (+) or from (-) reserves	31-Mar-24	Contributions to (+) or from (-) reserves	31-Mar-25	Contributions to (+) or from (-) reserves	31-Mar-26	Notes
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Budget Assistance Reserve	1,888		1,888	-718	1,170	-275	895	-194	701	£500k in 2023/24 planned to replenish the Crime Reduction and Prevention revolving reserve in support of the revenue budget saving planned, the balance on the reserve is held in the event that the revenue budget cannot be balanced
Capital Carry Forward Reserve	0		0		0		0		0	To be determined at year end
Carry Forward Project Reserve	0		0		0		0		0	To be determined at year end
Insurance Reserve	1,676		1,676		1,676		1,676		1,676	
Ill-Health Retirement Reserve	398		398		398		398		398	
Drug Forfeiture (Operational) Reserve	450		450		450		450		450	
Asset Incentivisation Reserve (created 2019/20)	258		258		258		258		258	
Road Casualty Reduction & Support Reserve	768		768		768		768		768	
Collaboration & Commissioning Reserve	419		419		419		419		419	
Major Incident Victim Support (created 2020/21)	25		25		25		25		25	
Crime Reduction and Prevention Reserve	330	-330	0	500	500		500		500	Conversion of Crime Reductions Budget to Revolving Crime Reductions & Prevention Reserve
Uplift Reserve	30	-30	0		0		0		0	No planned use currently; if not used by the end of 2022/23 the reserve will be released
Collaborated Property Maintenance Fund	110		110		110		110		110	
ESMCP Reserve	100	200	300		300	-150	150	-150	0	Creation of reserve to meet any early ESMCP costs necessary for the mobilisation of the programme within Cambs
Pension Reserve (McCloud & Revaluation Smoothing)	75	379	454		454		454		454	Risk mitigation for Pension Remedy costs
Local Council Tax Support Reserve	955	-440	515	-515	0		0		0	Allocation of national £670m to be used to meet deficits spread over 3 years to 2023/24 .
General Reserve	8,626		8,626	277	8,903	288	9,191	194	9,385	General Fund reserve maintained at 5%
Capital Receipts Reserve	0		0		0		0		0	Capital receipts from disposals
Unapplied Capital Receipts Reserve (created 2019/20)	187	-187	0		0		0		0	Reserve expected to be used to meet costs in 2022/23
Total Usable Reserves	16,295	-408	15,887	-456	15,431	-137	15,294	-150	15,144	

Description of Reserve Purpose

Estates Development Reserve is used for estate issues that were unknown when setting the Capital Programme. It is anticipated this reserve will be fully used by 31 March 2021 and therefore not presented in the forecast above.

Budget Assistance Reserve is available to fund the shortfall between funding and budget requirement in forthcoming budget planning on a one off basis. Current plans are for this reserve to be used during the MTFS period to mitigate the impact of Council Tax Collection Fund deficits due to Covid-19.

Capital Carry Forward Reserve is a reserve to transfer underspends in the capital programme from one year to another.

Carry Forward Project Reserve this reflects the timing differences in committed revenue expenditure from one year to another for specific projects.

Insurance Reserve is a contingency reserve based on the actuary report.

III-Health Retirement Reserve is a contingency reserve set at five retirees averaged at £79.6k per pensioner.

Drug Forfeiture Reserve renamed the Prevention and Early Intervention Reserve contains funds received from HM Courts and is earmarked for operational activity to fund initiatives to reduce and prevent crime. Funds are applied from this fund as operational need requires.

Asset Incentivisation Reserve contains funding received following successful investigations by ERSOU. The Assistant Chief Constable manages bids to this fund.

Road Casualty Reduction and Support Fund contains funds to be used on road casualty reduction activities. The Road Safety Partnership have a newly developed strategy and action plan which will inform the spending.

Collaboration & Commissioning Reserve is for the Commissioner to fund activities under the Transformation theme of their Police and Crime Plan.

Major Crime Incident Victim Support is a new reserve set up following changes to the Commissioner's grant agreement with the Ministry of Justice which covers the statutory duty to provide support for victims of crime. This agreement now devolves a responsibility to Police and Crime Commissioners to provide all victims of major crime incidents (such as terrorism or large scale enquiries) in the county access to victim support services.

Crime Reduction and Prevention Reserve is a new reserve established from the budget underspend in the 2021/22 financial year. The reserve provides a revolving earmarked reserve to undertake one off type projects and pilots funded in respect of crime reduction and prevention.

Uplift Programme Reserve is a reserve to support the full 3 year Police Officer Uplift Programme and any future costs to the programme not yet known, such as additional infrastructure requirements. In addition the reserve will provide some resilience in the event that officer numbers in future years are not achieved and therefore any shortfall in the ringfenced grant funding.

Emergency Services Mobile Communications Programme – a reserve to meet any unknown early mobilisation costs relating to the national programme not budgeted for.

Pension Reserve has been created to mitigate the risks associated with pension claims (McCloud) and to support the smoothing of triennial pension valuation impacts.

Transformation Reserve has been created for short term costs in relation to transformation projects and mid term Emergency Services Mobile Communication Programme (ESMCP) costs which are to be confirmed.

Local Council Tax Support Reserve is a new reserve being created from a one off grant from the Ministry of Housing, Communities and Local Government in recognition of the increased cost of providing local council tax support. The reserve is planned to meet the Council Tax Collection Fund deficits forecast in 2022/23 and 2023/24 as a result of the Covid pandemic with an amount planned to be used in 2021/22 to help economically vulnerable households.

General Fund Reserve is a statutory reserve to fund unplanned and emergency expenditure, the MTFS aims to maintain this balance at 5% of the net budget requirement over the life of the MTFS. This equates to £8.6m based on the forecast net budget requirement in 2024/25.

Capital Receipts Reserve is made up from receipts from buildings the Commissioner has disposed of as they are no longer required for operational policing. This reserve will be used to help fund the building of new assets and can only be applied to capital expenditure.

Unapplied Capital Receipts Reserve is a reserve to transfer unspent capital receipts from one year to another.

Appendix F – Acronymns listing

7F	The seven forces of Bedfordshire, Cambridgeshire, Hertfordshire, Essex, Kent, Norfolk and Suffolk
BCH	The Triforce of Bedfordshire, Cambridgeshire and Hertfordshire
CFO	Chief Finance Officer
The Commissioner	Cambridgeshire Police and Crime Commissioner
The Constabulary	Cambridgeshire Constabulary
CPDU	Continuous Professional Development Unit
CSR	Comprehensive Spending Review
DMI	Digital Media Investigator
ERSOU	Eastern Region Special Operations Unit
ESMCP	Emergency Services Mobile Communications Programme
FBC	Full Business Case
FCN	Forensic Capability Network
GDP	Gross Domestic Product
HMICFRS	Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services
HR	Human Resources
ICT	Information and Communications Technology
JCOB	Joint Chief Officer Board
JPS	Joint Protective Services (BCH)
MHCLG	Ministry of Housing, Communities and Local Government
MRP	Minimum Revenue Provision
MTFP	Medium Term Financial Plan
MTFS	Medium Term Financial Strategy
NEP	National Enabling Programme
NLEDS	National Law Enforcement Data Storage
NPAS	National Police Air Service
NPCC	National Police Chiefs Council
O365	Office 365
OBR	Office for Budgetary Responsibility
OPCC	Office of the Police and Crime Commissioner
PCC	Police and Crime Commissioner
PEQF	Police Education Qualification Framework
PPE	Personal Protective Equipment
PWLB	Public Works Loan Board
The Plan	Commissioner's Police and Crime Plan
RCCO	Revenue Contributions to Capital Outlay
ROCA	Regional Organised Crime Unit
SPR	Strategic Policing Requirement
STRA	Strategic Threat and Risk Assessment
VAWG	Violence Against Women and Girls

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