



**CAMBRIDGESHIRE AND PETERBOROUGH  
POLICE AND CRIME COMMISSIONER  
MEDIUM TERM FINANCIAL STRATEGY  
2024/25 TO 2027/28**

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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 and Peterborough Police and Crime Commissioner (the “Commissioner”) covering the next four years with annual refreshes. The underlying challenge of single year settlements returns with 2024/25 being the final year of the Comprehensive Spending Review (CSR) 2021. Funding assumptions from 2025/26 are therefore less certain and subject to future government settlements.
- 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 £12.96 per annum for a Band D property is proposed for 2024/25. This equates to total precept funding of £87.3m based on local Council Tax base estimates and the Collection Fund balances (this differs to the Home Office funding settlement figure of £86.8m which uses the latest Office for Budget Responsibility forecast tax base increases). In addition to the precept, revenue grant funding from government totalling £109.9m is confirmed resulting in total funding for 2024/25 of £197.1m, a £15.3m increase in available funds for Cambridgeshire.
- 1.5 The funding settlement covers 2024/25. Grant allocations have not been announced for future years for policing therefore an annual increase to grant funding of 1% is included in the MTFS for 2025/26 onwards.
- 1.6 Against this background the strategy sets out how the Commissioner aims to ensure the Chief Constable has the resources needed to deliver an efficient and effective policing service. The Constabulary will be required to target investment whilst identifying savings and efficiencies during the period to balance the MTFS. Reserves are required to be maintained at sufficient levels to provide for future financial resilience.
- 1.7 The MTFS balances the pace of delivery of the Police and Crime Plan 2021 to 2024 (the “Plan”) against demand for resources (the Plan is due to be refreshed following the PCC elections in May 2024). 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 of population in the country. In recent years the Home Office's policing grant allocation has not taken into account population growth and this remains the case for 2024/25 with Cambridgeshire receiving one of the lowest percentage increases in funding at 6.1% with the majority of other forces in excess of this. This is a significant issue for Cambridgeshire as the population growth since the last census date has been significantly higher at 11.1% compared to the national average of 6.6%. Population is one of the factors that drives crime levels, which the Constabulary receives no extra funding for.
- 2.2 During the summer and autumn of 2023/24 financial year the Constabulary had its latest Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection. This provides an overall assessment of the Force's performance. The findings and report from this current inspection are not yet available and due to be published by HMICFRS in March 2024.
- 2.3 The Home Office has been taking forward a review of the Police Funding Formula the principles of which were due to be consulted on early in 2023 with a subsequent phase of consultation on the impact of the formula. Neither elements of the formula review have been released by the Home Office and given the proximity to the next general election, it seems unlikely that this will be progressed until the new government is elected. As one of the lowest funded forces, and with such high levels of population growth, it is hoped that Cambridgeshire will benefit from the review. The Constabulary's interest in pursuing fairer funding through the consultation and other routes will be pursued by the Commissioner.
- 2.4 The ongoing growth planned for Cambridgeshire and Peterborough, as referenced in the Chancellor's Autumn Statement, and is expected to increase by 19% between 2021 and 2041 to a population of over one million. This growth 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 the policing services.
- 2.5 Table 2.1 uses data from the latest HMICFRS Value for Money profiles (as at 2022) to compare elements of funding with the Constabulary's most similar group of forces. This demonstrates that Cambridgeshire Constabulary:
- a) Is the second lowest total funding per head of population at £197.6 with only Wiltshire being below this level. However, Cambridgeshire has a much higher ratio of Officers per 1,000 population along with a very lean Chief Officer and Senior Officer model.

- b) Is the third lowest funded in terms of government grant per head of population at £109.6 with Wiltshire and Warwickshire only below this level. Indeed, Cambridgeshire is the 7<sup>th</sup> lowest funded force nationally in terms of government grant. If the Constabulary was funded at the average of the comparator group's government grant per head of population (£113.6) the Constabulary would receive approximately £3.6m of additional grant per annum.
- c) Generates 45% of funding from precept with 55% received from government grant. Those forces with much higher levels of government grant, Avon and Somerset, Devon and Cornwall and Staffordshire, have a lower dependency on generating funding from precept at 41%, 42% and 39% respectively.
- d) Has 1.91 police officers per 1,000 population, which is the most in the comparator group along with Gloucestershire. Those with higher levels of grant are some way below this level.

2.6 This analysis is based on 2021 ONS mid-year estimates and therefore does not reflect the actual growth in Cambridgeshire's population, this under estimate of population therefore leads to an over stated funding position.

**Table 2.1 – Comparisons Of Cambridgeshire To Its Most Similar Forces (based on the latest HMICFRS 2022 VfM profiles)**

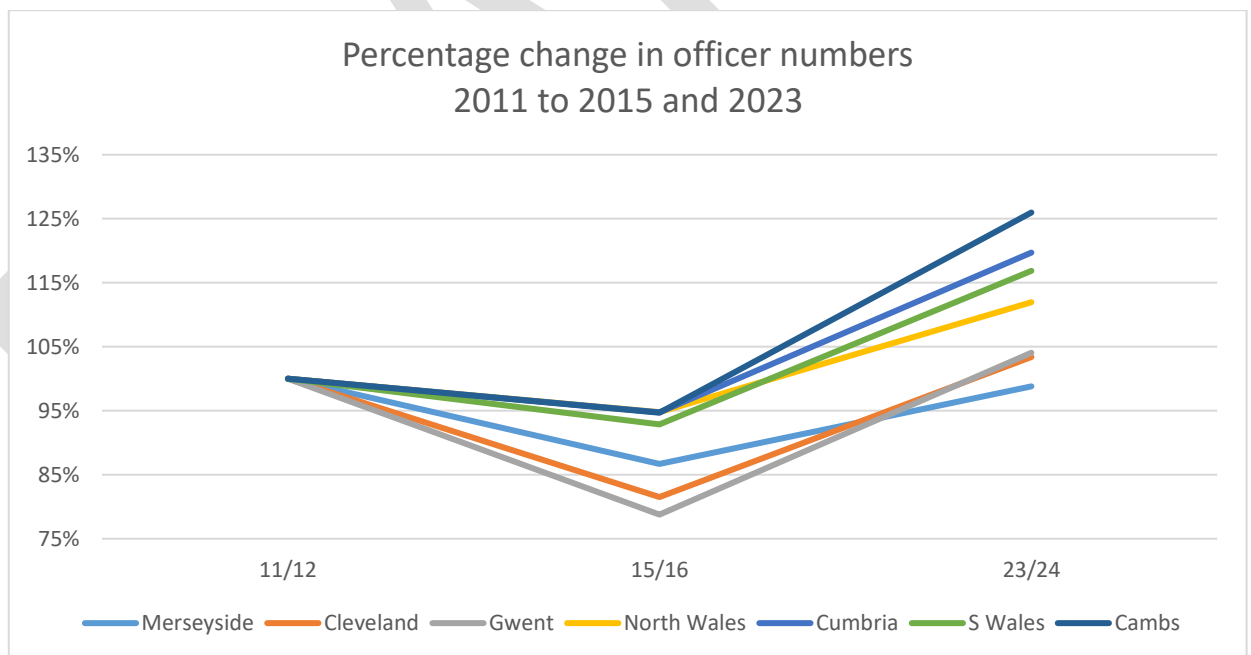
<b>Force</b>	<b>Total funding (grant and precept) per head of population</b>	<b>Of which grant funding per head of population</b>	<b>Percentage of funding from government grant</b>	<b>Number of Police Officers 1,000 population</b>
<b>Cambridgeshire</b>	<b>£197.6</b>	<b>£109.6</b>	<b>55%</b>	<b>1.91</b>
Avon and Somerset	£203.7	£121.0	59%	1.76
Devon and Cornwall	£205.7	£120.4	58%	1.42
Gloucestershire	£212.2	£110.0	52%	1.91
Staffordshire	£200.8	£123.1	61%	1.60
Thames Valley	£205.7	£112.9	55%	1.85
Warwickshire	£204.6	£108.3	53%	1.78
Wiltshire	£191.3	£103.2	54%	1.54

2.7 Without effective partnership working, there is a risk that demand and any increase in demand, rather than being dealt with, is shifted between partners, with changes in one organisation having a detrimental impact on another. The Constabulary continues to see demand arising from mental health related incidents and incidents connected to very vulnerable children in care. Effective

partnership working aims to transform how we work together, preventing future demand as well as dealing with present issues. 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. The Constabulary is currently implementing the national 'Right Care, Right Person' approach to ensure the correct agency support those vulnerable people on need.

2.8 Significant work has been undertaken within the Constabulary through its business planning process to ensure the policing budget is focused on operational policing. Figure 2.1 shows how Cambridgeshire has maintained police officer numbers at a higher level than other forces since 2011/12 shortly after austerity began. What is extraordinary with Figure 2.2 is that the other forces used in the comparison are the 6 highest funded forces (excluding the Metropolitan Police Service) taking into account both precept and government grant. Despite clearly having much lower grant from government, Cambridgeshire has worked hard to ensure had the biggest percentage increase (25%) of police officers to deliver outcomes for the public.

**Figure 2.1 – Cambridgeshire Percentage Increase in Officer Numbers Compared to a selection of other forces**



2.9 Through the Government's Uplift programme, Cambridgeshire has delivered an additional 206 officers taking the force to a budgeted establishment of 1,714 full time equivalent officers and an officer headcount of 1,732. Some of these officers are assigned to the Regional Organised Crime Unit (ROCU) increasing capacity to tackle issues such as Serious and Organised Crime and Counter Terrorism. During 2023/24 the Constabulary was required to maintain the new baseline number of officers (1,732) with £2.8m of grant funding conditional on

maintaining officer numbers. The Constabulary has continued to perform well in its attraction, recruitment and retention activities and is forecast to end the 2023/24 financial year 43 officers above the baseline. The Home Office has confirmed £4.4m of ring-fenced funding for 2024/25 conditional on continuing to maintain the Uplift baseline of 1,732 officers.

- 2.10 The additional officers for Cambridgeshire clearly further support policing. However, the injection of new recruits does present some challenges with the average length of service within Response Teams now being 3 years (in 2022 this was 4.5 years). In addition, there are 303 student officers within their first 2-3 years of service, with the majority in front line response teams (53.8%). The highest new recruit numbers are those aged 18 to 29 years, which follows the national position. The profile of the workforce has changed as a result and requires infrastructure investment to support the effective delivery of policing. To continue to maintain the existing officer baseline there is a requirement for continue investment in resources to attract, retain and support officers and to reduce overall attrition rates.
- 2.11 A financial consequence of Uplift is that the annual budget requirement to meet police officer pay and oncosts is locked and cannot be reduced. Therefore, a much reduced proportion of the budget is available that can be controlled to make efficiencies and savings to balance the MTFs with 57% of the total budget for 2024/25 required to meet the locked in Police Officer pay and allowances. The locked in percentage will continue to rise year on year as police officers increment up the payscales increasing the retained officer cost base.
- 2.12 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 and incidents that are not necessarily police-led that occur unseen to the public and which is increasing in complexity. Many officers undertake roles working in areas such as cybercrime, protecting vulnerable people from domestic abuse 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, such as analysts and digital media experts, as experts in their fields to support a sustainable approach to policing.
- 2.13 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. In recent months we have seen deployment support particularly to the Metropolitan Police Service in response to national protest activity. Other areas of national demand and pressure have also seen the Constabulary respond to the requirements of the SPR. The Government published the Beating Crime Plan (July 2021), which sets out the Government's ambition to drive down crime and make communities safe, and is

part of the Government's 'levelling up' agenda. Although nearly two years have passed since publication national performance measures are still in existence and attract government oversight. The Plan and related performance measures focus on cutting homicide, serious violence and neighbourhood crime, exposing and ending hidden harms, and building capability and capacity to deal with fraud and online crime. It also includes work to tackle hidden harms including domestic abuse and national cyber security. In addition, we have seen the prioritisation of other crime types that policing have been asked to respond to, such as burglary of people's homes and shoplifting, as well as improving criminal justice outcomes and increasing public trust and confidence.

- 2.14 The Commissioner published the Police and Crime Plan at the end of 2021. The Plan was informed by feedback from residents, business and partner organisations. It was also informed by local needs 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 remain unchanged for 2024/25 and are set out in Appendix A: Putting Communities First; Crime Prevention; Supporting Victims and Witnesses; Ethical Policing; and Robust Enforcement. A new Police and Crime Plan will be produced following the May 2024 PCC election.
- 2.15 The organisational and operational priorities set by Cambridgeshire Constabulary in its Corporate Plan are based upon the Constabulary Strategic Intelligence Assessment and the CAMSTRA, complementing the objectives set by the Commissioner in his Police and Crime Plan.
- 2.16 Finally 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. Initiatives include the following:
- **The National Drugs Campaign** from Harm to Hope is a 10 year drugs plan to cut crime and save lives. To thrive and succeed communities need to feel safe on the streets and secure in their homes. The Constabulary is committed to supporting the Government's strategy to help us tackle the issue.
  - **Violence Against Women and Girls (VAWG)** is a national agenda in response to crimes of violence, harassment and abuse against women and girls on a national scale. The Constabulary is working with the National Police Chiefs Council (NPCC) and locally with partners to respond to VAWG effectively.
  - **Rape Investigation Standards** under a national project were launched in 2023/24 with a set of standards for all forces to comply with by 2025. It aims to standardise how police manage the end-to-end process of investigating rape. The national aim is to put the focus on suspects, improve victims' experiences of the criminal justice system, increase the



number of victims that stay engaged, and build better, stronger cases that will bring perpetrators to justice. The objective being to improve outcomes (criminal justice and procedural) for survivors of rape.

- **Right Care, Right Person** - an approach developed by Humberside Police to ensure people who call the police get the best support from the right agency. This is a programme with evidenced implementation in several other forces and an impending National Toolkit for implementation being published by the NPCC and College of Policing. There will be the need to review the principles and elements of the programme to ensure it fits the environment and context of Cambridgeshire Constabulary.
- **The Police Race Action Plan** is a national programme of work which seeks to create anti-racist culture, values and behaviours within policing. It aims to address the significantly lower level of trust and confidence and race disparities affecting black people and sets out changes across policing to improve outcomes for black people who work within or interact with policing. The Constabulary continues to work closely with the College of Policing (CoP) and National Police Chief's Council (NPCC) programme team to ensure an effective local programme of work is underway to deliver against the action plan.
- The **National Police Air Service (NPAS)** provided through a single air service to police forces across England and Wales. Changes to the operating model and hosting arrangements are under consideration by the NPCC.
- **Transforming the Forensics Landscape** where National Programmes such as the Digital Forensics Programme, the introduction of the Statutory Codes of Practice with regards to Scientific Activities in October 2023, the advancement of digital redactions tools and work across the forensic market place are just some examples where national pressures exists and continue to grow. Alongside the Forensic Capability Network national approaches are being developed to increase quality, improve efficiency and speed to investigations to support criminal justice outcomes.
- **Police Qualification Pathways** – in recent years the national requirement for a Police Education Qualification Framework (PEQF) across the country for education and training of new police officers was implemented. This covered both degree and non-degree entry routes. The landscape of entry routes continues to evolve and 2024/25 will introduce a new fourth entry route, the Police Constable Entry Programme (PCEP), which is a non-degree entry route that will operate alongside the PEQF framework.

- **The National Productivity and Efficiency Review**, commissioned by the Home Secretary to examine potential productivity gains to improve outcomes for the public and improve trust and confidence in policing. The review was published in October 2023 and the key issues identified include the response to mental health calls, national crime recording, criminal justice processes, technology and data and the workforce. The areas the Review has been recommended for further work include missing persons, police custody arrangements, restricted officers and advancements in artificial intelligence.
- **National Operating Models (NOMS)** have been introduced across policing which seek to bring together academia, professional practise to set national operating principles across certain areas of policing activity. These include Operation Soteria in relation to Serious Sexual Offences and Right Care Right Person, in trying to reduce demand and redirect calls for service to the correct organisation for example, those realting to mental health.
- The **National Enabling Programme (NEP)** aimed at modernising and bringing a more common standard of information technology across police forces and the **National Law Enforcement Data Storage (NLEDS)** programme to replace the ageing Police National Computer.
- **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. Commercial discussions by the ESMCP Programme team and it's suppliers are ongoing and the timeframes for the delivery of the Programme are likely to fall towards the end of the current MTFS period.
- **Digital Asset Management System (DAMS) Programme** – an increasing focus on storing master and working copy data on a secure server, instead of physical media. The principal aim is to achieve the benefits of moving away from physical exhibits. The DAMs programme is being delivered for Cambridgeshire and it's collaborated partners Bedfordshire and Hertfordshire.
- **DISC** - an online system to assist in driving down low-level crime and ASB in communities. Disc is used throughout the UK with over 240 Systems in place covering over 550 Towns, Cities and Areas, from small shop and pub watches to whole Countywide schemes.
- **Riven DocDefender Tool - Auto Redaction** – the Eastern Region Innovation Network (ERIN) has been reviewing with forces the appetite to implement a new Artificial Intelligence enabled redaction tool for

police. The DocDefender tool will potentially make redaction processes easier and quicker.

- Increasing **accreditation requirements**, which are costly to achieve and maintain. The Constabulary is working to secure accreditation in our Sexual Assault Referral Centre (SARC), Digital Forensics and Fire Crime Investigation.

2.17 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 five pillars in the Policing Vision 2030: 1) keeping our communities safe; 2) preventing crime and criminality; 3) respond effectively to all appropriate demand; 4) develop and inspire our workforce and evolve our culture; and 5) embed a culture of continuous improvement and innovation. With these commitments and the closer working with Government, there could be future unknown investments that mature with the thinking of the Vision.

2.18 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 Corporate Plan 2023/24 sets the priorities of the Constabulary, both Operational and Organisational, are provided in detail at Appendix B. The headline priorities are:

#### Constabulary **Operational priorities:**

- Safeguarding the vulnerable
- Combatting acquisitive crime
- Reducing harm to communities
- Tackling serious and organised crime
- Increasing public satisfaction

#### Constabulary **Organisational priorities:**

- People
- Partnership
- Resources
- Transformation

3.2 The Corporate Plan also includes 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;
- 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; and

3.3 In addition, the force maintains a force culture statement to set out the behaviour expected of staff and explain what we stand for as an organisation. This is a first for the force and UK policing. The statement is included in the force corporate plan (provided at Appendix B) to ensure it is front and centre of all activity. The statement is underpinned by an extensive programme of culture work to ensure it translates into tangible activity. This includes the delivery of a 5-day bespoke Leadership, Culture and Inclusion evidence based workshop to all first and second line supervisors to help positively influence the culture of the force.

3.4 CAMSTRA is the Constabulary's annual business planning process that identifies and assesses demand (current and future), resources (workforce and other assets), and cost (actual and predicted) to inform operational decision making and service delivery. The process has the benefit of ensuring that resources are understood, prioritised against current and future demand, and are managed efficiently and effectively. CAMSTRA has been recognised as an area of innovative practice and a highly effective planning tool by His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS).

3.5 CAMSTRA helps to ensure greater focus on financial management across the organisation to ensure budgets are managed robustly and opportunities for savings, innovation, and transformation are optimised. The CAMSTRA is one element of the Constabulary's business planning and is shown diagrammatically in Figure 3.1 as to how the process combines demand, resources and cost associated with service delivery.

**Figure 3.1 – The CAMSTRA is central to the Constabulary’s business planning approach**



- 3.6 The Constabulary starts the CAMSTRA 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 by missing opportunities through synergy. Services are therefore categorised across the Force to avoid unnecessary duplication and assess where policing can be delivered differently with value for money and sustainability 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. Appendix C provides an overview of the 2023 CAMSTRA outcomes.
- 3.7 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.
- 3.8 The Constabulary Corporate Plan forms the basis of the CAMSTRA business planning model to determine what services are required for the future of Cambridgeshire communities. The evidence brought to the fore articulates the requirements for investment in 2024/25, which given the challenging financial climate and savings requirements in the 2023/24 MTFS have by necessity had to restrain growth and investment. A recap of the investments from the 2023/24 CAMSTRA 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.

- 3.9 The 2023/24 MTFS included precept and CAMSTRA investments in the following areas, which were exclusively resourced from the final increase in police officers from the Uplift Programme:
- Local Policing Response – 40 officers allocated.
  - Volume Crime Teams (VCT) – 10 officers allocated.
  - Partnerships and Prevention – 10 officers to create the Prevention and Vulnerability Hubs.
  - People and Professionalism – 5 officers to support attraction, retention and PEQF supervision.
  - Protecting Vulnerable People – 7 detectives into the Rape Investigation Team (RIT).

- 3.10 A priority project to create Prevention and Vulnerability Hubs was also agreed through the CAMSTRA. The project changed the structure of the Partnerships and Prevention Department to create two area based Prevention and Vulnerability Hubs – one in the north and one in the south of the county. The teams are made up of officers drawn from a range of backgrounds to work alongside and involve frontline officers in preventing crime, re-offending, harm and demand. The benefits being driven by this model are:

- Greater visibility of, accessibility to and support from these specialist roles.
- Alignment to the Vulnerability Focus Desks.
- Consistency of approach in relation to the Safer Schools provision across the county with line management support from the centre to achieve greater alignment to national policy.

- 3.11 Resource investment beyond the areas outlined above was minimal in 2023/24 due to the economic climate and financial pressure this created.

#### **New Investment for 2024/25**

- 3.12 The budget for 2024/25 is largely a standstill budget due to the inflation remaining higher than the government target of 2%, interest rates remaining at recent highs, the 7% pay award for police officer and staff announced in 2023/24 and continuing into 2024/25 (the grant for which does not cover the full cost) and a tight funding settlement from government. As a result the increase in total grant funding and the proposed precept increase of £12.96 is largely required to meet the current cost of running the Constabulary and the cost of required capital investment.

- 3.13 Some limited investment, however, has been possible as follows:

- Additional investment in the Demand Hub (control room) of £0.41m to enhance call handling and response times;

- £0.21m investment to meet the revenue costs of the new and upgraded force control room telephony system due to be implemented;
- An additional 1 full time equivalent in each of the legal and insurance departments to reflect the increased legal work and claims made against the Constabulary; and
- With a very lean Chief Officer and Senior Leadership Team £0.20m for additional Chief Officer resource to add capacity to ensure resilience to manage changes in legislation relating to discipline panels and vetting appeals and to deliver the response to national operating models as they are developed.

3.14 The 2024/25 budget does include priority projects from the CAMSTRA to:

- Develop the **Prevention and Vulnerability Hubs** further to provide the force with an increase in capability and capacity to support and protect young people by reallocating further resource to the Hubs.
- To provide a more coordinated force response to all child exploitation within Cambridgeshire, a new **Child Exploitation Hub (CE Hub)**, based within the Intelligence and Specialist Crime Department (ISCD) will be created amalgamating the Missing, Exploitation and Trafficked Hub (MET Hub) and Intelligence resources. The CE Hub will collate and analyse all Child Exploitation-related intelligence to identify preventative or enforcement taskings across the force, that can be coordinated and tracked to support and protect young people. The CE Hub will have a dedicated detective inspector leading a team of engagement officers co-located with the ISCD.

The engagement officers will have a cohort of young people linked to exploitation and will act as single points of contact for others in force and partners agencies. Their role will be to coordinate the intervention in respect of their cohort with partners and will utilise a contextual safeguarding (extra-familial) risk assessment framework to provide a summary of the vulnerability factors that impact on the young person. The team's activity will dovetail with that of ISCD and Serious and Organised Crime, and Partnerships and Prevention. This enhances the broader preventative perspective upon investigations and investigative practice and reduces escalation, re-offending, and re-victimisation.

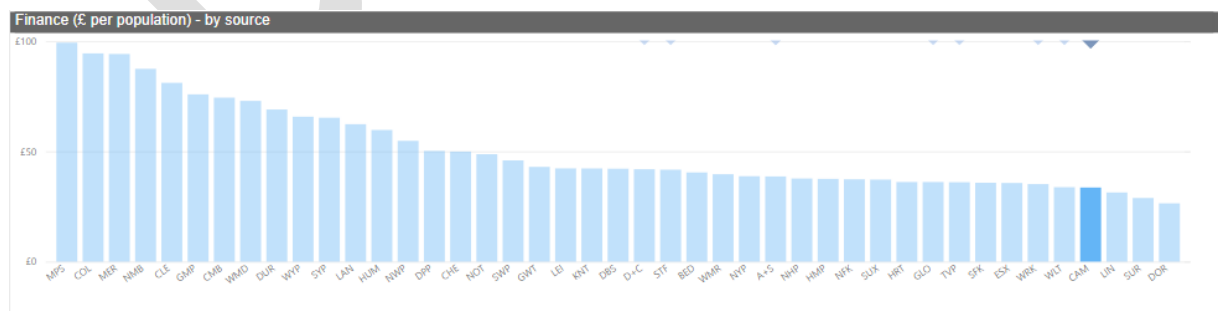
## 4 Medium Term Financial Strategy – Key Principles

4.1 This MTFs seeks to establish principles that both the Commissioner and Chief Constable adopt in delivering a balanced budget and financial plan. The aim being to secure the long-term sustainability of the Constabulary in respect of people, estate, facilities and equipment and systems to enable them to undertake their roles.

## 4.2 Funding Context

- 4.2.1 The 2023/24 MTFS was impacted significantly by the challenging economic climate affecting material supplies and production, phenomenal increases in gas and electricity prices, the cost of living crisis with inflation reaching historic highs and a high interest rate environment. These factors created an unprecedented challenge to the UK economy and public sector bodies in 2023/24. Some of the economic pressure has subsided with gas and electricity prices falling and inflation reducing to 4.6% in October 2023, which is reflected in this current MTFS. Interest rates however remain at recent highs with the bank base rate being 5.25% since August 2023.
- 4.2.2 The Constabulary’s capital programme is directly impacted through high inflation on materials and labour with costs for major capital schemes constantly increasing. Projects are kept under review to identify efficiencies and value engineering opportunities to manage the costs down but project costs remain volatile until the schemes reach a contracted position. The further impact to the capital programme is the interest rates on external borrowing, which is the main source of funding for major projects.
- 4.2.3 Council Tax Collection Funds across Cambridgeshire are in a mixed position with 3 out of 6 billing authorities forecast to be in surplus at 31 March 2024. The remaining 3 authorities are each estimating a Collection Fund deficit with the overall impact being a cumulative deficit of £35k for the Constabulary.
- 4.2.4 As stated at 2.1, Cambridgeshire is one of the lowest funded police forces in the country. His Majesty’s Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) publishes benchmark data as part of its Value for Money Profiles<sup>1</sup>. Using the latest 2022 profiles Figure 4.1 shows Cambridgeshire as 4<sup>th</sup> lowest in terms of formula funding per head of population.

**Figure 4.1 – HMICFRS Value for Money Profile Graph Showing Formula Funding Per Head of Population**



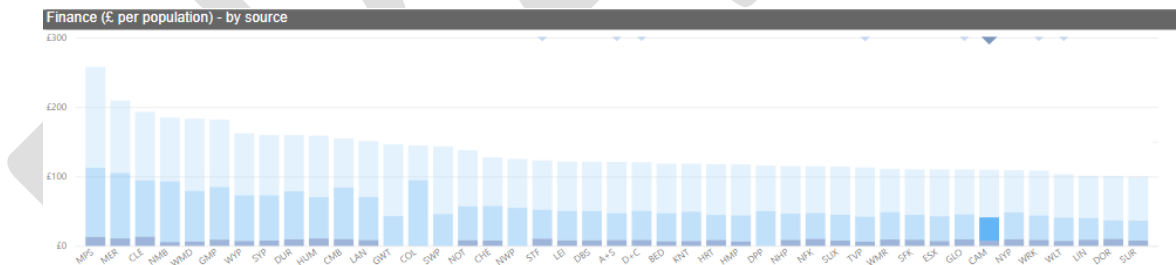
<sup>1</sup> [Value for money dashboards - His Majesty’s Inspectorate of Constabulary and Fire & Rescue Services \(justiceinspectors.gov.uk\)](https://www.justiceinspectors.gov.uk/value-for-money-dashboards)



4.2.5 The area policed by Cambridgeshire Constabulary has had, and is forecast to have, significant population growth in excess of the national average. Since the last census the growth in population has been 11.1% compared to the England average of 6.6%. Government announced in December 2023 their 'Cambridge 2040' vision to develop 150,000 new homes around Cambridge by 2040. The existing funding formula does not recognise changing populations or the changing nature of policing where more work is driven by population volumes such as domestic abuse, child sexual exploitation, cyber crime in terms of volume and complexity. In addition to the resident population Cambridgeshire has further challenges with Cambridge University, Bio medical sites and tourism which are not reflected in the current formula. The inclusion of up to date population metrics must be recognised in any revised funding formula.

4.2.6 Taking into account all Government funding (formula funding, police grant, other grant and council tax legacy grant) Cambridgeshire is the 7th lowest funded force per head of population as per the 2022 HMICFRS profiles as shown in Figure 4.2 (it should be noted that this also excludes VRU funding and special grant funding, which some forces receive). The review of the police funding formula is progressing and Government commitment remains. A two stage consultation is expected with the first stage focussing on the principles of a revised funding formula before moving to a second phase considering the impact on forces. The timing of the consultation however remains uncertain.

**Figure 4.2 – HMICFRS Value for Money Profile Graph Showing All Government Funding Per Head of Population**



4.2.7 The Government's Comprehensive Spending Review (CSR) 2021 provided a more certain outlook for funding levels. The 2024/25 financial year is the final year of the CSR 2021 and the settlement does not provide any indication on funding levels beyond 2024/25. This means a return to a single year settlement with uncertainty in government funding in future years.

4.2.8 The maintenance of police officer numbers continues into 2024/25 with the Constabulary's baseline remaining at 1,732 officers. The settlement includes £4.4m of ringfenced grant funding to ensure this is achieved. Any attrition against the new baseline of 1,732 officers will see some if not all of the £4.4m withheld by Government.

4.2.9 The government has in recent years provided precept flexibility with maximum increases for a band D property typically being £10 or £15. For 2023/24 the flexibility continued with an allowed increase up to £15. For 2024/25 the band D precept can be increased by up to £13. The MTFS assumes the precept increase is £10 per band D property from 2025/26 onwards.

4.2.10 Further details are provided on the settlement for 2024/25 and the funding assumptions for future years in Section 6.

### **4.3 Collaboration**

4.3.1 Collaboration continues to be key in supporting the delivery of an efficient and effective workforce. Collaborative arrangements must deliver and sustain clear benefits. 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 the services delivered through BCH are constantly reviewed and are remain affordable to the Force within the context of the CAMSTRA process and the business and financial planning 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 Office of the Police and Crime Commissioner (OPCC). Progress has been made as part of the 2024/25 BCH business planning through more effective baselining and development of service catalogues as well as deep dive reviews into specific service areas to identify opportunities. Given the financial pressures faced by police forces no budget growth, beyond pay awards, is accommodated in the BCH budget for 2024/25 with savings / efficiencies identified to contribute to the financial challenges faced by the BCH forces.

4.3.4 Cambs share of the BCH savings for 2024/25 total £0.95m. The overall Cambridgeshire share of the BCH budget is £41.6m for 2024/25 including a budgeted 2.5% pay award.

4.3.5 The immediate opportunities for collaboration continue to be with:

- the tri-force collaboration of Bedfordshire, Cambridgeshire and Hertfordshire (BCH) forces;
- the 7 force (7F) Commercial Services (previously 7F Procurement) which includes BCH, Norfolk, Suffolk, Essex and Kent.

- the 7F Eastern Region Innovation Network (ERIN) identifying areas of enterprise and good practice which all forces can draw upon;
- other emergency service (Fire and Ambulance); and
- National policing programmes and initiatives including Blue Light Commercial.

#### **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. No reserves are planned to be used in 2024/25 however the tightening financial position will necessitate the use of the budget assistance reserve in 2025/26 to meet the budget requirement.
- 4.4.2 Maintaining police officer numbers in line with government expectations does place constraints on pay lines relating directly to officers and also many of the police staff that support them have to be maintained. Officer pay and allowance make up around 57% of the budget removing the majority of the budget outside the scope for delivering savings.
- 4.4.3 Organisational reviews, particularly the recurring CAMSTRA 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 and advancements in artificial intelligence to ensure optimisation of processes so that resourcing levels can be fully optimised to achieve policing outcomes.
  - 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. BCH continues to review all BCH units ensure value for money through the delivery of outcomes and performance.

## 4.5 Minimise Borrowing Levels for Capital Projects

- 4.5.1 The funding strategy for the capital programme includes high levels of borrowing with associated interest and capital repayment costs impacting revenue budgets. No capital funding from Central Government is provided to police forces meaning the Constabulary has to fund any capital requirements through the revenue budget, external borrowing and capital asset disposals where available. To mitigate the levels of borrowing with regard to short life assets such as ICT, revenue contributions to fund capital are budgeted in the MTFS.
- 4.5.2 The Constabulary's ageing property estate compounds these issues further as capital condition and maintenance requirements are estimated at £24m over the next 10 years. 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 with an estimated cost of £14m. Work is underway to look at the accommodation and estates strategy to ensure optimal utilisation with a view to reducing these costs in the long term.
- 4.5.3 The OPCC and Constabulary, through its Treasury Management Strategy, will minimise these costs through internal rather than external borrowing when cash balances enable this. Any borrowing required will be considered on a short term basis whilst interest rates remain high so that refinancing to lower rates is possible in future years. Both of these measures will have the effect of avoiding or minimising interest costs. Positive cash balances will provide enhanced income to the Constabulary due to the higher interest rate environment.
- 4.5.4 The major capital project to build the Cambridge Southern Police Station continues to progress to appoint the contractor and will have started on site by the last quarter of 2023/24. The funding model for the project will seek 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. The requirement for a BCH Operational Support Unit training facility and new Firing Range is included in the Capital Programme. Work on both projects continues with our collaborated partners.
- 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 Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Indicators. However, either self-generated capital receipts or external borrowing are the only available mechanisms to the Commissioner to fund capital expenditure. This does therefore have an increasing revenue consequence through the cost of borrowing.

## **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.
- 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 such as Salix funding to support projects reducing carbon emissions.
- 4.6.3 The Constabulary has 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. The Constabulary is one of only a few forces to have a Memorandum of Agreement (MoA) with the UK Home Office to provide global policing support and advice in order to help secure and maintain safety and stability, support positive cultural change including gender parity, through programmes of activity which seek to provide upstream policing support, helping to reduce downstream harm for the United Kingdom and complement the aspirations of overseas change programmes. The Constabulary has undertaken a number of deployments during 2023/24 generating income of up to £250k per annum to the force.
- 4.6.4 Through the Change Board all officers and staff are proactively encouraged to identify innovations and ideas to support efficiency and income generation. This open and positive approach endorses the values underpinning the Culture Statement.

## **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 evidence-based prevention, and therefore crime reduction, is also required.
- 4.7.2 The Constabulary is committed to Creating a Safer Cambridgeshire through the reduction of harm and prevention of crime in our communities, with the ethos of each and every one 'Taking One More Step'. Preventing crime and disorder will always be preferable to dealing with incidents after they have occurred to protect the public, increase confidence and reduce harm in our communities. The One More Step prevention strategy will:

- Work concurrently with and complement other organisational strategies with prevention-focused endeavours;
- Be intelligence led and evidence based focusing on drivers of harm, crime and demand;
- Deliver problem-solving;
- Build community resilience; and
- Work with partners to develop place-based prevention tactics supported horizon scanning, social research and intelligence and analytical development.

4.7.1 Investment from the Commissioner and the securing of external grants has enhanced preventative work and the support available for victims of crime in the county. The OPCC led several successful multi-year bids for funding in 2022/23 and 2023/24 which will continue into the coming year including: £295k for community-based services and £571k for additional specialist staff to support victims of rape, sexual violence and domestic abuse. The Constabulary will also continue to lead the delivery of £820k worth of interventions as part of the Safer Streets 5 bid. A successful bid to the Home Office for Domestic Abuse Perpetrator Fund to continue work to prevent future offending will bring in £411k in 2024/25 and work will continue on the delivery of programmes to reduce serious violence. The OPCC has been awarded £599k to drive partnership work on this serious violence agenda in 2024/25.

## **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 review proposed business cases and track associated benefits.

## **6 MTFS Assumptions**

### **2024/25 Assumptions**

#### **6.1 Expenditure**

- 6.1.1 Pay impacts alone are driving an additional budget requirement in 2024/25 of £12.2m made up of the full year impact of the 2023/24 pay award of 7%, an estimated pay award of 2.5% for 2024/25 and a 0.5% corporate contingency to mitigate any pay award above the 2.5% in 2024/25. A £1.1m increase is also included in this total for salary increments as officers and staff move up the pay scales. The overall impact is therefore an additional budget requirement of £8.2m for police officers and £3.7m for police staff in 2024/25.
- 6.1.2 The equivalent increase for collaborated units for pay inflation is budgeted at 2.5% (as agreed with our collaborated partners), also with a 0.5% corporate contingency budgeted locally to maintain a consistent assumption within the Constabulary's budget across all officers and staff.
- 6.1.3 A valuation of the police pension scheme has been undertaken nationally. This has resulted in an increase to the employer's pension contribution rate of 4.4% to 35.3% effective from 1 April 2024. The financial impact of the valuation is an increase of £4.6m to the base budget. Government has provided additional grant of £3.3m to the Constabulary through the settlement leaving a shortfall of £1.3m that must be funded locally.
- 6.1.4 Non-pay inflation and contract indexation is included on a specific basis where unavoidable. General non-pay inflation budgeted for 2024/25 is much reduced compared to 2023/24 and totals £0.5m made up of:
- £0.16m for national ICT infrastructure that hosted by the Home Office for policing;
  - Inflation required for various aspects related to managing the estate (rates, waste, portable appliance testing and reactive maintenance) of £0.11m;
  - An increase to the general inflation budget of £0.09m to manage the impacts of in year contract renewals. This takes the total general inflation budget to £0.59m;

- £0.08m inflation for maintenance and fuel costs in running the vehicle fleet; and
- An increase in budget of £0.05m for smaller increases in insurance premiums and inflation relating to the National Air Police Service (NPAS).

6.1.5 Policing nationally has worked hard to ensure the cost to forces of national programmes to meet the strategic threats and risks set out in Section 3 have been kept to a minimum. Therefore marginal increases to national budgets are included in the 2024/25 budget, which reflects the position agreed by the National Police Chief's Council. The only area that has seen a significant cost increase of 19% is the hosting of national ICT infrastructure referred to at 6.1.4.

6.1.6 A number of technical adjustments have been made to the 2024/25 budget, which reduce the budget requirement by a total of £7.77m. These adjustments include:

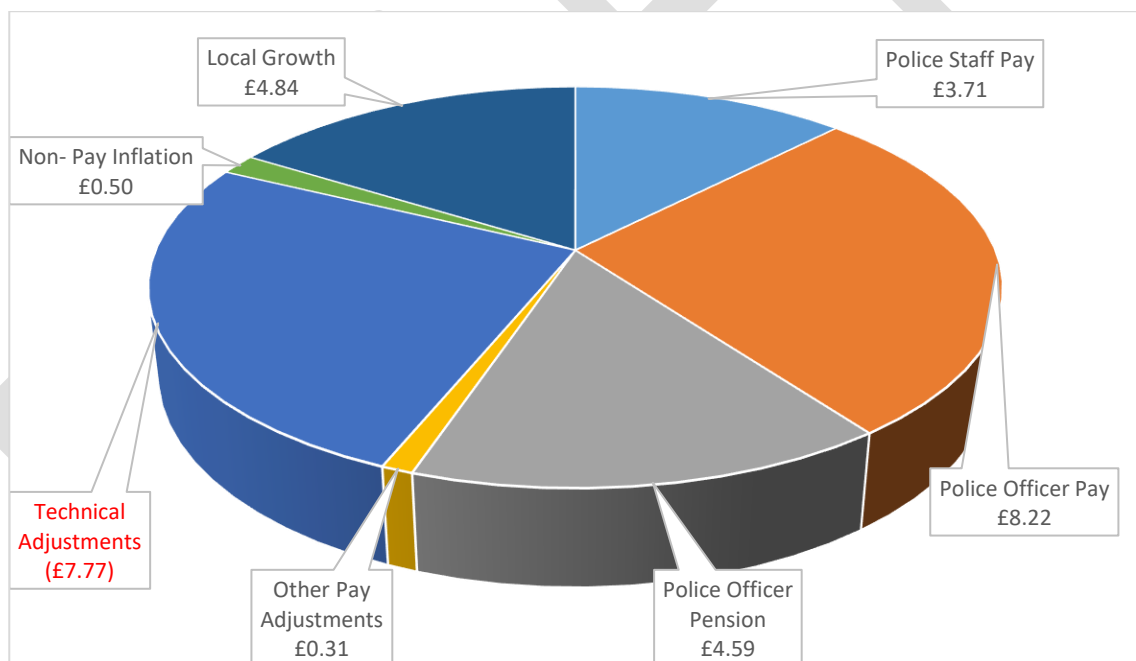
- The inclusion of an additional £3.33m specific grant to partly meet the increased pension increase to employer contribution rates as explained in 6.1.3.
- An increase of £1.59m to the ringfenced uplift maintenance grant taking the grant from £2.80m in 2023/24 to £4.39m in 2024/25.
- A specific grant of £1m for Anti-Social Behaviour hotspot funding, which is expected to offset £1m of targeted resource into these activities. This is assumed to be a one off grant for 2024/25 only.
- An adjustment to the inflation built in to the 2023/24 MTFS for gas and electricity. This was increased by £1.81m in 2023/24 and a further planned increase of £0.90m in 2024/25 reflecting the high prices and ongoing uncertainty when setting the budget due to the economic conditions and the war in Ukraine. As 2023/24 has progressed utility costs have fallen, which has enabled the anticipated budget growth for 2024/25 to be removed and the existing budget for gas and electricity to be reduced by £0.60m for 2024/25 to reflect current forecasts.
- A reduction to the pay award contingency budget of £0.39m to adjust the 1% contingency budgeted in 2023/24 to 0.5% of officer and staff pay in the 2024/25 budget.
- The removal of £0.27m estimated for the forensic contract inflation which has not materialised.



- A reduction to the Chiltern Transport Consortium of £0.2m reflecting the actual costs being incurred which have fallen during the 2023/24 year against budget as inflation has subsided.
- A reduction in the LGPS employer contribution rate of 0.5% for police staff equating to £0.17m.
- Other numerous adjustments totalling £0.22m.

6.1.7 The overall impact of expenditure assumptions for 2024/25 (including technical adjustments) results in total budget growth, before savings, of £14.40m with the breakdown provided in Figure 6.1. The costs in high level terms are driven by pay costs including pay inflation, pay increments, non-pay inflation, unavoidable spending pressures, constrained investment for 2024/25 and capital financing costs including revenue contributions to capital.

**Figure 6.1 – Total budget growth of £14.40m (before savings) for 2024/25 by budget area (£m)**



6.1.8 The investment decisions (i.e. those excluding pay awards, other pay costs and unavoidable cost pressures such as inflation) included in the 2024/25 budget are categorised by budget area in the following chart and total £4.84m. The most notable investments are:

- £1m of expenditure in relation to the specific grant for Anti-Social Behaviour hotspots. This is assumed to be required in 2024/25 only to match the government grant funding for this targeted activity.

- £0.36m for increases to the minimum revenue provision and £0.53m for the interest costs resulting from the need to fund capital investment requirements through external borrowing;
- £0.80m increase to the revenue contribution to capital to help meet the cost of short life assets to reduce the impact of borrowing costs.
- £0.47m for non-pay budget increases including subscriber fees, drug wipes, surgeon, doctor and medical fees, costs for handling dangerous dogs, travel expenses and partnership contributions.
- £0.41m additional investment in the Demand Hub (control room) to enhance call handling and response times.
- £0.37m relating to increased costs in managing the estate including planned mechanical and building works, reduced rental income and cleaning costs.
- £0.21m additional budget for the revenue costs associated with the new Force Control Room (FCR) telephony system taking the total revenue increase to £0.33m over the last two years in readiness for the new system.
- £0.20m for additional Chief Officer resource as the Chief Officer and Senior Leadership Team is very lean. This will add capacity to ensure resilience to manage changes in legislation relating to discipline panels and vetting appeals and to deliver the response to national operating models as they are developed.
- £0.17m to add a third force solicitor to manage increasing demand on the legal department and to meet the legal fees associated with Professional Standards Department (PSD) hearings.
- £0.11m to meet the contractual cost increase from the Constabulary's pension administrator required to implement pension remedy.
- £0.20m to cover other minor budget increases for an additional full time equivalent in the Insurance teams, post regrades to some finance roles and the need to fund posts following the removal of Local Partnership Forum funding.

6.1.9 The total budget growth is reduced by savings and efficiencies identified for 2024/25. Savings and efficiencies have been identified within the Constabulary, and collaborated areas as shown in Figure 6.2. In total, £3.89m of savings and efficiencies have been identified made up of £2.25m from local Cambridgeshire policing, £1.06m from the BCH collaboration and £0.08m from other

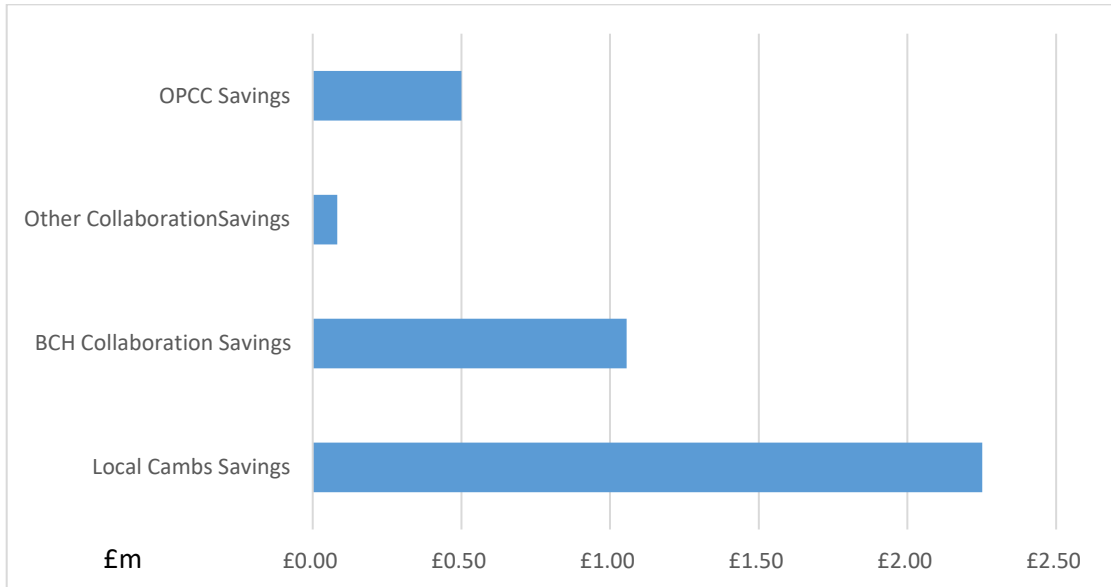
collaboration arrangements. The OPCC has also identified £0.50m of efficiencies. This is on top of the £12.25m savings delivered in the previous three years. With the 2024/25 savings this means the Constabulary will have delivered £16.14m of savings in the four years to the end of 31 March 2025.

6.1.10 The savings and efficiency included within the 2024/25 budget are:

- a) BCH savings and efficiencies totalling £3.0m with the savings being applied across all collaborated units on a cash limit basis with the exception of ICT, Professional Standards, Firearms Licensing and Armed Policing. The Constabulary's share of the savings is £0.95m plus a further saving relating to Cambs costs for Athena through the ICT budget. Other savings managed in BCH units but specifically for Cambridgeshire have been identified totalling £0.11m relating to contract price reductions.
- b) The Constabulary operates a holding branch where all vacancies are retained and managed centrally rather than having vacancy factors dispersed across all teams and services. This enables effective workforce planning and served the Constabulary well. In recent years the holding branch has generated an underspend which has offset higher officer costs from over recruiting to achieve the Uplift targets. The consistency in underspend provides the Constabulary with the assurance that a saving of £1.2m can be budgeted for 2024/25 to be achieved from police staff vacancies.
- c) Due to the high interest rates that prevail, investment income from the Commissioner's cash balances are forecast to deliver an additional £0.5m in 2024/25.
- d) Savings from rationalising non-pay budgets of £0.25m.
- e) A £0.16m saving from the removal of a supernumerary Superintendent post from the establishment.
- f) £0.15m to be generated from estates savings by optimising the Constabulary's utilisation of the estate with the longer term view of transforming to a smaller, better, greener estate.
- g) £0.24m of budget holder savings typically from non-pay budget areas.
- h) Additional income from initiatives under the Enterprise Strategy totalling £0.10m.
- i) A number of smaller savings totalling £0.23m including savings from the re-tender of the Sexual Assault Referral Centre contract, a scaling down of regional resources for the Emergency Services Mobile Communications Programme (ESMCP), national insurance savings

resulting from the Police Constable Degree Apprenticeship (PCDA) and a range of other Estates non-pay savings.

**Figure 6.2 – Savings and efficiencies for 2024/25 of £3.89m by budget area (£k)**



## 6.2 Funding 2024/25

6.2.1 The total grant funding for 2024/25 from the settlement is set out in Table 6.1.

6.2.2 Through the 2021 CSR the funding for police grant was confirmed over the period 2022/23 to 2024/25. The actual 2024/25 allocations for the Constabulary are provided in Table 6.1. The total grant increase expected nationally for 2024/25 is £624m covering the planned CSR 2021 increase, amount to support the cost of the 2023/24 pay award of £515m and additional police pension grant.

6.2.3 Using the Constabulary's funding share the core grant for 2024/25 is £100.7m. A total pension grant of £4.7m is provided which has increased by £3.3m (of which £0.27m is one off for 2024/25) to meet the increased pension costs following the Police Pension Fund valuation. Also the Uplift Maintenance Grant has increased for 2024/25 to £4.4m. Total grant from government for 2024/25 is therefore £109.8m. This estimate is included in this MTFS with a 1% increase in grant in 2025/26 and 2026/27. In addition a specific grant for Anti-Social Behaviour Hotspots of £1.0m has been awarded which is currently assumed to be one off for 2024/25.

**Table 6.1 – 2023/24 and 2024/25 Government Grant Funding (£ millions)**

<b>Funding Stream</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Change</b>	<b>Notes</b>
Formula Grant (*note 1)	95.4	100.7	5.3	Includes legacy Council Tax Freeze grants 2024/25 includes the previously announced grant increase from the 2021 CSR plus the pay award grant
<b>Specific Grant</b>				
Pension Grant	1.4	4.7	3.3	£0.27m is one off and will fall away in 2025/26
Uplift Maintenance Ringfenced Grant	2.8	4.4	1.6	Dependent on maintaining officer numbers at 1,732
Capital Grant	-	-	-	
<b>Total Grant</b>	<b>99.6</b>	<b>109.8</b>	<b>10.2</b>	Difference due to rounding

\*note 1 – formula grant for 2023/24 is as per the December 2023 funding settlement which excludes £3.4m of in year grant for the 2023/24 pay award

- 6.2.4 The remaining income for the Commissioner is raised locally through Council Tax precept. Following the COVID-19 pandemic and the cost of living crisis a deficit position exists on the Collection Funds for some councils. The Government implemented a scheme where any deficits resulting from the pandemic could be phased to reduce the immediate impact on budgets. The current position on Collection Fund forecasts is a total deficit for the Constabulary of £0.10m in 2023/24 and a deficit of £0.11m in 2024/25.
- 6.2.5 The 2021 CSR confirmed 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. As part of the 2024/25 settlement further precept flexibility has been given to PCCs allowing the precept to be increased by up to £13 for a Band D property without triggering a referendum. The MTFs is based on the assumption that the full use of the 2024/25 precept flexibility will be applied.
- 6.2.6 The precept rise of £12.96 (4.76%) per annum for a Band D property generates total precept funding for 2024/25 of £87.6m based on local Council Tax base estimates (this differs to the Home Office funding settlement figure of £86.8m

which uses the latest Office for Budget Responsibility forecasts for the tax base increases). The change in the precept funding is set out in Table 6.2.

- 6.2.7 The total of Precept and the Collection Funds, including the Collection Fund net deficit of £0.11m is £87.5m. 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 1.6% for 2024/25. Forecasts are also included for band D properties in future years.
- 6.2.8 It is important to note that the Constabulary, even with a maximum precept rise for 2024/25, still has financial deficits in future years largely due to the impact of pay inflation, pay increments for an increased number of young in service officers, general inflation and interest cost pressures. The need to maintain the Constabulary's people, estate and systems plus future investment means the precept funding is critical to the financial sustainability of the Constabulary.

**Table 6.2 – 2024/25 Precept Funding Compared to 2023/24**

	2023/24	2024/25	Notes
Band D Precept per annum	£272.52	£285.48	
Band D Increase versus prior year	£14.94	£12.96	Equates to £1.08 per month
Percentage Increase versus prior year	5.80%	4.76%	
Council Tax Base (band D properties)	302,011	306,864	2024/25 based on estimates from billing authorities – a 1.3% increase
<b>Total Precept Funding</b>	<b>£82.3m</b>	<b>£87.6m</b>	
Collection Fund Net Deficit (-) or Surplus (+)	(£0.1)m	(£0.1m)	Note there is a net deficit of £35k. Collection Fund balances at 3 out of 6 authorities
<b>Total Precept Funding and Collection Fund Balance</b>	<b>£82.2m</b>	<b>£87.5m</b>	
<b>Increase in Precept Funding versus prior year</b>		<b>£5.3m</b>	

- 6.2.9 The total funding available for the Commissioner for revenue and capital purposes in 2024/25 from the settlement, precept increase and the Collection

Fund position is confirmed in Table 6.3 and compared to 2023/24 funding levels.

**Table 6.3 – 2024/25 Total Settlement Funding Available**

<b>Funding Stream (£ million)</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Change</b>
Total Precept Funding and Collection Fund Balance	82.2	87.5	5.3
Total Revenue Grant Funding	99.6	109.8	10.2
<b>Total Revenue Funding</b>	<b>181.8</b>	<b>197.1</b>	<b>15.5</b>
<b>Total Capital Grant Funding</b>	<b>-</b>	<b>-</b>	<b>-</b>

- 6.2.10 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 future years. The MTFS assumes the final £0.40m is released from this reserve in 2024/25.
- 6.2.11 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 2024/25 is £188.7m. This represents growth in the Constabulary's budget of £10.5m for 2024/25, as per Figure 6.3, compared to 2023/24 where the equivalent growth was £6.7m. An overview of the medium term financial plan is provided in Appendix D. The Net Budget Requirement is funded by the core grant funding, the precept funding and the collection fund balance.

**Figure 6.3 – Waterfall chart showing budget growth and savings resulting in the net £10.51m budget growth (£m)**



## Assumptions for 2025/26 and Beyond

### 6.3 Expenditure

- 6.3.1 Pay inflation has been included for officers and staff at 2.5% in 2025/26 and 2% in subsequent years. There is a risk to these future years that the pay award is higher than the budgeted assumption. Pay increments are also forecast forward totalling £1.23m in 2025/26, £1.27m in 2026/27 and £1.31m in 2027/28.
- 6.3.2 Non-pay inflation is included on a line by line basis, as appropriate, for Cambridgeshire and collaborated BCH functions totalling c£0.35m per annum from 2025/26.
- 6.3.3 Pressures and growth have been factored in where they have been identified, notably:
- Further minimum revenue provision costs of £1.06m in 2025/26 and £0.73m in both the subsequent two years reflecting the major capital schemes that are due to be capitalised through the capital programme and the change in the MRP policy to an annuity method for new land and



property assets. Interest costs due to external borrowing are also forecast to increase at £2.02m in 2025/26 and 0.85m in 2026/27.

- An increase in the establishment of 10 Detention Officers required to operate the new larger custody facility that is planned for the Cambridge Southern Police Station.
- A reduction in the investment income budget to reflect a return to a lower interest rate environment. The impact is forecast to be £200k in 2026/27 and £150k in 2027/28.

#### 6.3.4 Savings and efficiencies in later years are currently planned as follows:

- A reduction in the budget for Revenue Contributions to Capital of £1.30m. This has the impact of requiring more external borrowing therefore incurring additional interest and minimum revenue provision costs.
- A review of the workforce mix due to the need to maintain police officer numbers with a planned saving in 2025/26 of £1.55m and a further £0.60m in 2026/27.
- Savings of £0.85m in 2025/26 from the estate with further rationalisation delivering £0.2m and a significant reduction of £0.65m, subject to a full business case, in electricity costs from the development of a solar farm on surplus land at the Force Headquarters.
- A planned saving from annual custody costs for provision at the Kings Lynn PIC of £0.5m.
- A further reduction to the Local Government Pension Scheme (LGPS) in 2025/26 following the latest valuation of the fund. The employer contributions will reduce by 0.5% resulting in a budget reduction of £0.18m in 2025/26.

6.3.5 The MTFS presents a balance budget across all years albeit 2026/27 and 2027/28 utilise £0.69m and £1.16m from the Budget Assistance Reserve respectively pushing an equivalent amount of savings into later years. This use of the BAR still leaves a balance at the end of the MTFS of £1.2m. Savings in 2026/27 and 2027/28 will be pursued to remove the use of the BAR.

## 6.4 Funding

6.4.1 Constabulary grant estimates of £101.7m for 2025/26 are included in the MTFS based on a 1% increase in government grant. The detail of the police grant at force level beyond 2024/25 is not known and therefore a risk exists that a lower

level of grant may be received in later years. A 1% increase in grant is also factored in for 2026/27 and 2027/28, which 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 0.9% in 2025/26, 1.2% in both 2026/27 and 2027/28. 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 £4.4m ring-fenced Uplift grant being baselined into the police core grant and the higher pension grant continuing into future years.
- 6.4.4 Council Tax precept increases are assumed at an ongoing flexibility allowed by Government of £10 per annum for all years from 2025/26 onwards.
- 6.4.5 As previously mentioned the government are planning to consult on a new police funding formula, however no assumptions have been made in respect of this in the MTFs. The timing remains uncertain and it is uncertain whether the growth in population for Cambridgeshire will be recognised. Therefore any new formula is not likely to significantly benefit Cambridgeshire and even if it did the transition and protection arrangements would take years for the benefit to come through to the Cambridgeshire. The financial strategy and prudence support increasing the base funding through precept whilst the government allow the precept flexibility.

## **7 Capital Strategy and Capital Programme**

- 7.1 The Commissioner has developed the Capital Strategy which is included at Appendix E. 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 2024/25 to 2027/28. It has been produced in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) requirements.
- 7.2 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.

- 7.3 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 forecast Capital Financing for the Programme.
- 7.4 The risk that the Commissioner faces for future years is how to sustain the funding of the capital programme. The Constabulary currently occupies an ageing 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.
- 7.5 Although a rolling maintenance programme exists, there are a number of capital condition and 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. The major works capital budget has been increased in all years across the capital programme to support the volume of works required and the impact of higher material and labour costs in future years.
- 7.6 The financing of the proposed capital programme continues to be mainly through external borrowing (with £72.0m planned across the 4 year MTFS period representing 77% of the total programme of £93.1m to 2027/28). These are for planned, operationally essential developments, including the relocation of Parkside police station, including custody, from Cambridge city whilst still maintaining a city centre presence as well as the ongoing investment in ICT and vehicle fleet replacement. The costs of borrowing (loan interest and minimum revenue provision) impacts on the revenue budget. The timing of any new external borrowing will be critical to minimise costs in future years as interest rates continue to fluctuate.
- 7.7 Other significant schemes under consideration include investment in training facilities for the Joint Protective Services, for public order support units. The project has been through a period of due diligence and is due to be tendered with an expected start on site in 2024/25. Capital provision has also been included for the Constabulary's contribution towards a new BCH Firing Range facility, work to revisit options is underway to minimise cost.
- 7.8 The Government is increasing the focus on achieving net carbon zero. The Constabulary and Commissioner have progressed this agenda during 2023/24. This includes implementing an ultra low emission vehicles (ULEV) pilot at Copse Court bringing 12 electric vehicles on to the fleet and associated charging facilities. The Constabulary is supporting a review of the Chiltern Transport Consortium with the aim of identifying what options exist to reduce

fleet emissions further. Survey work on the estate has also been undertaken to identify opportunities and major schemes have sustainability as a focus.

7.9 Optimum utilisation of the estate is a key part of the strategy aiming to achieve a smaller, better, greener estate. The capital programme includes budget for net zero carbon initiatives which continue to be kept under review as plans are developed. Achieving net zero carbon will have to be considered in the context of affordability to the Constabulary. The specific capital schemes linked to the Sustainability Strategy are:

- £2.9m for building infrastructure across the estate to modernise lighting, heating and building management systems.
- £1.5m for vehicle infrastructure such as electric charging and designated parking for electric vehicles on fleet.
- £1.4m to meet the higher cost of replacing petrol and diesel vehicles with electric vehicles.
- £2.5m for the development of a solar farm on surplus headquarter land to generate green electricity to the site.
- Delivering sustainability requirements as part of design and planning associated with major schemes.

7.10 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. Moving to a smaller, better, greener estate may provide opportunities for capital receipts.

## **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.

- 8.4 The Treasury Management Strategy Statement is included within the Capital Strategy at Appendix E.

## **9 MTFS Risks & Scenario Analysis**

- 9.1 The OPCC and Constabulary have a schedule of Internal Audit and External Audit. The Internal Audit focusses on compliance with corporate objectives, internal controls, 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 2023/24 issued up to January 2024 provided a positive assurance opinion, with the exception of one opinion of minimal assurance for a BCH audit related to ICT Cyber Security, management actions are now well progressed to address the audit recommendations.
- 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 2020/21 accounts the audit opinion was unqualified. This means the External Auditor judged 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 produce an Annual Report covering financial sustainability, governance and value for money which was similarly positive for the Constabulary in 2020/21.
- 9.3 At the time of writing the 2021/22 and 2022/23 audit of the accounts has not yet been started by the auditor, BDO. This is part of the well publicised public sector audit backlog which continues to be with auditors to complete. The Constabulary has produced draft unaudited accounts as normal which are published on the internet. In addition, professional and standard setting bodies such as CIPFA and the Financial Reporting Council are working on ways that the audit backlog can be recovered to secure a return to timely external audit of financial statements. For the 2023/24 financial year the Constabulary's external auditors will be KPMG under the most recent PSAA appointments.
- 9.4 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 non-pay inflation, pay awards and regulatory or statutory requirements that the Constabulary must respond to. Whilst inflation has been falling and is on the way to more 'normal' levels, the risks around higher than budgeted pay awards remains significant. As a result the MTFS in 2024/25 includes a contingency budget to mitigate these risks, which will be released in future years if the risks do not materialise.

9.5 The 2024/25 budget includes assumptions and estimates as outlined in Section 6. These assumptions could turn out better than expected, especially if inflation in the economy reduces and the impact of energy costs subside. However, there is a risk that the estimates are understated and additional costs are incurred during 2024/25. Three of the key assumptions in the budget are the pay award, energy inflation and general inflation costs. Figure 9.1 provides some sensitivity analysis against these areas and what the impact could be in higher pay award scenarios combined with further escalating inflationary costs. The analysis indicates that a budget gap of between £1.12m and £3.22m would exist based on the scenarios in Figure 9.1.

**Figure 9.1 – Sensitivity Analysis on the 2024/25 Budget of Changes to Pay Award, Energy and General Inflation.**

2024/25 Staff pay rise scenario summary (impact on 2024/25 only)							
Totals represent total pay, NIC and pension contributions							
£m	Base Assumption 2.5% plus 0.5% contingency	4% 3% to 4% variance	5% 3% to 5% variance	6% 3% to 6% variance			
Police Staff Total	50.50	50.90	0.40	51.10	0.60	51.50	1.00
Police Officer Total	114.00	114.60	0.60	115.20	1.20	115.80	1.80
Officer & Staff Total	164.50	165.50	1.00	166.30	1.80	167.30	2.80
		+1%	Added cost	+3%	Added cost	+5%	Added cost
Energy Budget	2.30	2.32	0.02	2.37	0.07	2.42	0.12
		+£100k	Added cost	+£200k	Added cost	+£300k	Added cost
General Inflation	0.50	0.60	0.10	0.70	0.20	0.80	0.30
<b>Scenario Total</b>	<b>167.30</b>	<b>168.42</b>	<b>1.12</b>	<b>169.37</b>	<b>2.07</b>	<b>170.52</b>	<b>3.22</b>
<b>Mitigation</b>							
Changes to Workforce Mix			0.70		1.10		1.55
Slow down Officer recruitment			0.10		0.20		0.25
Freezing of non-statutory spend			0.10		0.10		0.10
Recruitment freeze - Police Staff			0.22		0.35		0.50
Budget Assistance Reserve			-		0.32		0.82
<b>Total</b>			<b>1.12</b>		<b>2.07</b>		<b>3.22</b>

9.6 The varying levels of budget gap indicated in the sensitivity analysis would require mitigating action ranging from the changing the workforce mix reducing police staff roles, slowing police officer recruitment, freezing non-statutory expenditure and implementing spend approval panels and freezing all police staff vacancies. All of these actions would come with significant risk as there are existing savings proposals built into the budget from the holding branch, deliverability in year would be a challenge and there would be fundamental changes to the operating model of the Constabulary and the ability to manage crime demand. The final mitigation would be the use of the Budget Assistance Reserve (BAR) to fund any remaining expenditure gap in 2024/25.

- 9.7 Importantly any spend met from in year management action would need to be met in future years through permanent budget savings. The mitigating actions would also increase the risk to future years as budget gaps would widen. Clearly a key mitigating action that cannot be relied upon is to lobby the Home Office with other police forces through the NPCC and APCC to ensure pay awards above 2.5% are funded.
- 9.8 A significant risk exists to the funding assumptions in the MTFs for future years which are uncertain. The 2021 Comprehensive Spending Review gave indicative figures for policing nationally for a 3 year period. The final year of the CSR is 2024/25 and no indicative funding for future years has been provided by government. The general election due in the next 12 months adds further complexity to this risk, especially if there are changes in government or policy.
- 9.9 Borrowing and interest costs relating to the capital programme have increased and will take time to fall back to pre cost of living crisis levels – interest rates are currently at 5.25%. The time it is taking to get major capital projects to contract award continues to result in increased indexation and labour costs. The ongoing capital demands linked to the age of the estate will exacerbate the financing pressure at a time when the MTFs is under pressure.
- 9.10 There are a significant number of national and government initiatives where costs are often borne by individual forces as set out in paragraph 2.16. A number of these programmes are included within the Net Budget Requirement where they are sufficiently progressed. There are others at an early stage which may create cost pressures in the future which it is not possible to quantify at this time. Such national arrangements do present an ongoing challenge to the MTFs as the implications of these are often out of the Constabulary's immediate control.

## **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 2024 of £9.5m.

This will be 5.3% of the Net Budget Requirement at the 31 March 2024, compared to the 5% target generally considered a prudent level. As the Net Budget Requirement continues to increase year on year a transfer to the General Reserve from the Budget Assistance Reserve (BAR) will be required. The current deficit position on the MTFS in future years means additional contributions to reach 5% from the revenue account are less affordable and therefore these transfers from the Budget Assistance Reserve to the General Fund to maintain the 5% target are necessary.






- 10.4 The forecast balance on all earmarked reserves at the 31 March 2024 is provided at Appendix F 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 given the pressure on the revenue budget as outlined in the MTFS and the low funding position in terms of government grant the use of the BAR is required in 2026/27 and 2027/28. Importantly no draw down from the BAR is planned in 2024/25 or 2025/26 which provides some time to minimise and ideally eliminate the use of the BAR in later years of the MTFS. Appendix F 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.



## 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 – Constabulary Corporate Plan 2023/24 Operational and Organisational Priorities

The link to the full Corporate Plan can be found at: [Corporate Plan 2023-2024 | Cambridgeshire Constabulary \(cambs.police.uk\)](https://www.cambs.police.uk/corporate-plan-2023-2024)

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




# Operational priorities

Our priorities are:	Our focus is:	Our aim is to:
We will safeguard the vulnerable	<ul style="list-style-type: none"> <li>Domestic abuse</li> <li>Child sexual abuse and exploitation</li> <li>Modern slavery and human trafficking</li> <li>Fraud (repeat victims and emerging trends)</li> <li>Serious sex offences</li> </ul>	<ul style="list-style-type: none"> <li>We will reduce the risk to victims by working in partnership to intervene early to prevent it from occurring, continuing or escalating</li> <li>Prevent people becoming offenders and reduce victimisation by challenging the attitudes and behaviours which foster it</li> <li>Have an effective assessment mechanism and threshold to identify manage and mitigate the risk to vulnerable victims across the county</li> <li>Ensure perpetrators are appropriately pursued and challenged</li> </ul>
We will combat acquisitive crime	<ul style="list-style-type: none"> <li>Organised acquisitive crime</li> <li>Burglary</li> </ul>	<ul style="list-style-type: none"> <li>Pursue prolific offenders engaged in acquisitive crime</li> <li>Prevent offending by working with local partnerships</li> <li>Bring offenders to justice by conducting professional, efficient and effective investigations</li> <li>We will work in partnership to protect communities and build resilience to acquisitive crime</li> </ul>
We will reduce harm to communities	<ul style="list-style-type: none"> <li>High harm offenders</li> <li>Street-based knife crime</li> <li>County lines (or groups demonstrating county line methodology)</li> </ul>	<ul style="list-style-type: none"> <li>Fully engage our diverse communities to understand need, assess threats and use evidence-based means to identify high harm offenders, victims and locations</li> <li>Take a structured problem-orientated approach to crime and ASB, focusing on prevention and early intervention; notably with vulnerable children and young people</li> <li>Identify and address the causes of crime and ASB, working with partners and the community to seek to build and sustain community resilience</li> </ul>
We will tackle serious and organised crime	<ul style="list-style-type: none"> <li>Serious and organised crime with particular focus on groups involved in:</li> <li>Firearms</li> <li>Drugs</li> <li>Exploitation</li> </ul>	<ul style="list-style-type: none"> <li>Work in partnership to target and disrupt the highest harm serious and organised criminals and networks</li> <li>Identify and prevent those at risk, from engaging in serious and organised crime</li> <li>Protect vulnerable people, communities and business against serious and organised crime</li> <li>We will seek to recover illegally held firearms, drugs and criminal assets</li> </ul>
We will increase public satisfaction, responding appropriately and improving communication with victims and witnesses as a priority	<ul style="list-style-type: none"> <li>Improving public confidence</li> <li>Maintaining call handling times</li> <li>The timeliness of our initial response</li> <li>Improving communication with victims and witnesses</li> <li>Improving visibility and accessibility of policing services</li> </ul>	<ul style="list-style-type: none"> <li>Provide a professional, appropriate and timely response to calls for service, with appropriate risk based use of resource to effectively meet demand</li> <li>Provide appropriate contact channels to engage with the public and do so in a professional and timely manner</li> <li>Provide a high standard of professional and compassionate care, in particular to victims and witnesses, and those who are vulnerable</li> </ul>

# Organisational priorities

Our priorities are:	Our focus is:	We will:
<b>People</b>	<ul style="list-style-type: none"> <li>Attracting, retaining and rewarding our staff</li> <li>Identifying and developing leadership</li> <li>Developing and supporting our people</li> <li>Ensuring our efforts to improve equality, diversity, ethics and inclusion are central to our values</li> <li>Supporting staff wellbeing</li> </ul>	<ul style="list-style-type: none"> <li>Retain talent within our organisation</li> <li>Attract talent to join our organisation</li> <li>Represent the communities we serve across Cambridgeshire</li> <li>Ensure our employees are engaged</li> <li>Reward excellent performance</li> </ul>
<b>Partnerships</b>	<ul style="list-style-type: none"> <li>Criminal Justice partners</li> <li>Local Resilience Forum partners</li> <li>Community Safety Partnerships</li> <li>Police alliances</li> <li>Academic partners and the College of Policing</li> </ul>	<ul style="list-style-type: none"> <li>Develop and strengthen our existing partnerships</li> <li>Work with partners to explore long term sustainable solutions to future demand</li> <li>Develop supportive partnership approaches to problem solving and identify opportunities to reduce harm</li> </ul>
<b>Resources</b>	<ul style="list-style-type: none"> <li>Corporate services, including corporate development</li> <li>The development of an environmental strategy</li> <li>Finance and value for money</li> <li>Estates and fleet</li> <li>ICT services and digital policing</li> </ul>	<ul style="list-style-type: none"> <li>Use our resources efficiently and effectively to ensure value for money</li> <li>Manage resources to invest in priority areas and integrate new technologies to improve policing</li> <li>Develop our understanding of how policing activities impact the environment and take steps to embed environmental considerations into decision making</li> </ul>
<b>Transformation</b>	<ul style="list-style-type: none"> <li>Improving investigation standards</li> <li>Improving data quality</li> <li>Identifying and exploiting opportunities to improve operational and non-operational police functions</li> <li>Recovery from the impacts of the pandemic, by identifying opportunities to work differently</li> </ul>	<ul style="list-style-type: none"> <li>Encourage innovative and entrepreneurial approaches to service design</li> <li>Establish a business planning approach to support identification of innovative solutions</li> <li>Identify areas where improvements can be made to the efficiency or effectiveness of investigations by working with our workforce and partners</li> </ul>

## Appendix C – Overview of 2023 CAMSTRA Outcomes

CAMSTRA 2023 top threats / risks	
	Equality, diversity, ethics, and inclusion
	Financial and Economic Conditions
	Investigation standards and supervision
	Neighbourhood policing
	Prevention
	Responding to the public
	Retention
	Serious and organised crime
	Workforce skills and experience

### Mitigation

The following actions are currently being taken to mitigate against the cross-cutting threats and risks.

**Equality, diversity, ethics, and inclusion** – Initiatives to improve equality, diversity, ethics, and inclusion (EDEI) are overseen via the EDEI Strategic Meeting and Race Action Plan. The Constabulary's Positive Action Team are directly focused on the attraction, recruitment, progression, and retention of individuals who are female or Black, Asian, and Minority Ethnic. The role of Ethics and Legitimacy Coordinator will be combined with that of the Inclusion Coordinator to support wider work to improve diversity and understanding across the organisation.

**Financial and Economic Conditions** – The continued cost of living crisis is creating pressure on the Constabulary's budget. The effects of cost of living and recommendations to support officers and staff are being reviewed via Strategic Workforce Planning. The Constabulary will also assess the impact on the management of the force, future demand

and crime, and the workforce as part of the forthcoming Force Management Statement.

**Investigation standards and supervision** – Initiatives to improve investigations and supervision are overseen by the Crime Standards Delivery Group. An intervention plan and audit regime are in place to improve and monitor the quality of investigations. Supervisory capacity within the Volume Crime Teams were increased with an uplift in 10 Detective Sergeants in 2022. Capacity to improve the investigation of serious sexual offences were be increased through an uplift of 2 Detective Sergeants and 5 Detective Constables in the Rape Investigation Team.

A review of the Detective Inspector (DI) and Senior Investigating Officer (SIO) roster has also been commissioned to assess the impact on leadership and supervision, and the benefits to any changes. Suggestion from 'alternative ways of working': Introduce a 4-week rota (currently 5-week rota) to boost resilience within the RIT and CAISU, and to create a better work/life balance. Increase establishment 1 x DS to negate risk in PVP (4-week shift pattern RIT and CAISU)

**Neighbourhood Policing** – Initiatives to improve Neighbourhood Policing are overseen via the Neighbourhood Policing Steering Group.

**Prevention** – The Constabulary has introduced the 'One More Step' prevention strategy to improve the reduction of harm and prevention of crime. A restructure of Partnerships & Prevention and the introduction of Prevention and Vulnerability Hubs will support the delivery of the strategy and improve the force's approach to prevention activity.

**Responding to the public** – Initiatives to improve the response to the public are overseen by the Force Performance Board. A joint delivery plan between the Demand Hub and Local Policing is in place to improve call handling, the timeliness of the initial response, and communication with victims. An uplift of 40 Constables in Response teams in 2022 increased capacity on the frontline and support improvements in this area.

**Retention** – Issues relating to retention are being reviewed via Strategic Workforce Planning. The Constabulary's Positive Action Team are directly focused on the attraction, recruitment, progression, and retention of individuals from underrepresented groups. An uplift of 2 Constables and 2 Sergeants in People & Professionalism support wider attraction and recruitment / retention activity and provide supervisory support for officers on PEQF pathways.

**Serious and organised crime** – The Constabulary's approach to serious and organised crime has been subject to an HMICFRS inspection, the final report was published in November 2022.

**Workforce skills and experience** – A BCH skills strategy, managed via the BCH People Board, is in place to improve the understanding of skills and capabilities required to meet current and future demand. Work is underway to understand operationally deployable skills, leadership skills, organisational /workforce skills, and personal skills. Locally, the Continuous Professional Development Unit (CPDU) provide support to officers support the development of officers on detective pathways.

## Appendix D - MTFP 2024/25 to 2027/28

	Budget	Draft Budget	Forecast Budget	Forecast Budget	Forecast Budget
	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000
<b>In-House Force Expenditure</b>					
Police Officer Pay & Allowances	66,164	71,480	73,982	76,356	78,647
Police Officer Overtime	2,480	2,390	2,390	2,390	2,390
Police Staff & PCSO Pay & Allowances	28,091	30,485	29,705	30,068	30,977
Police Staff Overtime	209	165	165	165	165
Other Employee Expenses	766	484	484	484	484
Premises Costs	6,489	6,252	5,456	5,486	5,517
Transport Costs	3,257	3,186	3,216	3,249	3,335
Supplies & Services	7,402	8,671	8,955	9,145	9,182
<b>Total In-House Expenditure</b>	<b>114,858</b>	<b>123,113</b>	<b>124,354</b>	<b>127,342</b>	<b>130,696</b>
<b>Net Cost of Police Pensions</b>	<b>18,924</b>	<b>22,940</b>	<b>23,743</b>	<b>24,505</b>	<b>25,240</b>
<b>Total BCH Collaboration</b>	<b>38,647</b>	<b>41,560</b>	<b>42,535</b>	<b>43,463</b>	<b>44,340</b>
<b>Other Collaborations &amp; Partnership</b>					
Helicopter	542	572	596	619	643
Regional Change team	245	194	173	173	173
ERSOU	3,406	4,004	4,119	4,227	4,328
Procurement	269	269	269	269	269
SARC	557	0	0	0	0
Kings Lynn PIC	924	924	424	424	424
<b>Total Other Collaborations &amp; Partnership</b>	<b>5,943</b>	<b>5,962</b>	<b>5,582</b>	<b>5,713</b>	<b>5,838</b>
<b>Constabulary Expenditure</b>	<b>178,373</b>	<b>193,575</b>	<b>196,214</b>	<b>201,022</b>	<b>206,114</b>
<b>Total Income</b>	<b>-1,672</b>	<b>-2,743</b>	<b>-2,744</b>	<b>-2,845</b>	<b>-2,846</b>
<b>Total Constabulary Budget</b>	<b>176,702</b>	<b>190,832</b>	<b>193,470</b>	<b>198,177</b>	<b>203,268</b>
<b>Total OPCC Office Expenditure</b>	<b>1,327</b>	<b>1,431</b>	<b>1,466</b>	<b>1,498</b>	<b>1,527</b>
<b>Corporate Costs and Grants</b>					
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	1,276	1,276	1,276	1,276	1,276
MoJ Victims Grant - Exp	2,015	2,015	2,015	2,015	2,015
ASB Hotspot Grant - Exp	0	1,000	0	0	0
Uplift Ringfenced Grant (baselined in police grant from 2023/24)	-2,800	-4,388	0	0	0
MoJ Victims Grant - Income	-2,015	-2,015	-2,015	-2,015	-2,015
ASB Hotspot Grant - Income	0	-1,000	0	0	0
Pension Grant	-1,398	-4,729	-4,459	-4,459	-4,459
Investment Interest	-250	-750	-750	-550	-400
<b>Total Corporate Costs and Grants</b>	<b>-3,121</b>	<b>-8,540</b>	<b>-3,882</b>	<b>-3,682</b>	<b>-3,532</b>
<b>Capital Financing Costs</b>					
Revenue Contribution to Capital	1,500	2,300	1,000	1,000	1,000
BCH License Fee Income	0	0	-219	-792	-787
Interest	526	1,055	3,084	3,933	3,782
MRP	1,225	1,589	2,652	3,384	4,118
<b>Total Capital Financing Costs</b>	<b>3,251</b>	<b>4,944</b>	<b>6,517</b>	<b>7,525</b>	<b>8,113</b>
<b>NET BUDGET REQUIREMENT (NBR)</b>	<b>178,160</b>	<b>188,667</b>	<b>197,571</b>	<b>203,518</b>	<b>209,376</b>
Budget -Decrease / +Increase Year on Year	6,647	10,508	8,903	5,948	5,858
<b>Financed by:</b>					
Formula Grant	95,400	100,700	101,707	102,724	103,751
Uplift Grant (baseline of ringfenced grant)			4,388	4,388	4,388
Precept	82,304	87,604	91,454	95,721	100,081
Local Council Tax Earmarked Reserve	558	397	-	-	-
Contribution (to)/from Reserves	-	79	22	685	1,156
Collection Fund - (Deficit) / +Surplus	-102	-113	-	-	-
<b>TOTAL FINANCING</b>	<b>178,160</b>	<b>188,667</b>	<b>197,571</b>	<b>203,518</b>	<b>209,376</b>
Funding - (decrease) / + increase	6,647	10,507	8,904	5,947	5,858

## Appendix E - Capital Strategy and Capital Programme

The Capital Strategy for the OPCC is provided below, which includes the Treasury Management Strategy Statement at paragraph 3.10, and the Capital Programme at Appendix 2 within the document.



Capital Strategy  
2024-25 Draft 0.4 (P&A)

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## Appendix F – Forecast Reserves Position as at January 2024

	31 March 2024	Contribution to (+) or from (-) reserve	Balance 31 March 2025	Contribution to (+) or from (-) reserve	Balance 31 March 2026	Contribution to (+) or from (-) reserve	Balance 31 March 2027	Contribution to (+) or from (-) reserve	Balance 31 March 2028
	£000		£000		£000		£000		£000
Budget Assistance Reserve	3,831		3,831	-363	3,468	-885	2,583	-1,416	1,167
Carry Forward Projects Reserve	0		0		0		0		0
Capital Carry Forward Reserve	0		0		0		0		0
Insurance Reserve	1,410		1,410		1,410		1,410		1,410
Ill-Health Retirement Reserve	398		398		398		398		398
Drug Forfeiture (Operational) Reserve	343		343		343		343		343
Asset Incentivisation Reserve	557		557		557		557		557
Road Casualty Reduction & Support Fund	547		547		547		547		547
Collaboration & Commissioning Reserve	531		531		531		531		531
Major Incident Victim Support	25		25		25		25		25
Collaborated Property Maintenance Fund	132		132		132		132		132
ESMCP Reserve	342		342		342		342		342
Pension Reserve (McCloud & Revaluation Smoothing)	250	-110	140		140		140		140
Crime Reduction & Prevention Reserve	501		501		501		501		501
Council Tax Fraud Initiative Reserve	109		109	-109	0		0		0
Council Tax Support Fund	397	-397	0		0		0		0
Sustainability Reserve	283	-100	183	-100	83		83		83
Fleet Reserve	571		571		571		571		571
Taser T10 Reserve	1,300	-260	1,040	-260	780	-260	520	-260	260
<b>Total Earmarked Reserves</b>	<b>11,527</b>	<b>-867</b>	<b>10,660</b>	<b>-832</b>	<b>9,828</b>	<b>-1,145</b>	<b>8,683</b>	<b>-1,676</b>	<b>7,007</b>
General Reserve	9,459	31	9,490	450	9,940	200	10,140	260	10,400
Memo - General Reserve Percentage of Revenue Budget	5.31%		5.03%		5.00%		5.00%		5.00%
<b>Total General and Earmarked Reserves</b>	<b>20,986</b>	<b>-836</b>	<b>20,150</b>	<b>-382</b>	<b>19,768</b>	<b>-945</b>	<b>18,823</b>	<b>-1,416</b>	<b>17,407</b>
Capital Receipts Reserve	0		0		0		0		0
<b>Total Usable Reserves</b>	<b>20,986</b>	<b>-836</b>	<b>20,150</b>	<b>-382</b>	<b>19,768</b>	<b>-945</b>	<b>18,823</b>	<b>-1,416</b>	<b>17,407</b>

## **Description of Reserve Purpose**

**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 smooth budget gaps.

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

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

**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 to progress the Vision Zero Strategy which was signed up to by all partners on the Road Safety Partnership.

**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 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 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.

**Collaborated Property Management Fund** is a reserve to meet property maintenance commitments in our collaborated properties.

**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.

**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.

**Council Tax Fraud Initiative** is a joint project with the other local authorities in Cambridgeshire to ensure the collection of council tax is maximised.

**Council Tax Support Fund 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 the MTFS.

**Sustainability Reserve** is a reserve to support one off revenue costs linked to the Sustainability Strategy and progressing the carbon zero agenda.

**Fleet Reserve** is a reserve relating to the Chiltern Transport Consortium to support unforeseen costs.

**Taser T10 Reserve** is a dedicated reserve created in 2023/24 in order to provide for the cost of upgrading taser devices to the latest model with costs being spread over 5 years which will be met from this reserve.

**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.

**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.

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## Appendix G – 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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