



Staffordshire Police, Fire and Crime Panel

10:00 Tuesday 7 December 2021
Council Chamber, County Buildings, Stafford

John Tradewell
Secretary to the Panel
Monday 29 November 2021

NB. The meeting will be webcast live which can be viewed here -
<https://staffordshire.public-i.tv/core/portal/home>

A G E N D A

1. **Apologies**
2. **Declarations of interest**
3. **Minutes of the meeting held on 25 October 2021** (Pages 1 - 4)
4. **Questions to the PFCC from Members of the Public**

Questions to the Commissioner are invited from members of the public who live or work in Staffordshire. Notice of questions must be received by no later than three clear working days before the Panel meeting. More information on where and how to submit a question can be found at <https://bit.ly/34arVDw>

5. **Decisions published by the Police, Fire and Crime Commissioner (PFCC)**

Fire and Rescue Service

- Immediate Detriment Framework Adoption by Staffordshire Fire and Rescue

[SCF-D-202122-002.pdf](#) (staffordshire-pfcc.gov.uk)

Police

- Children and Young Peoples Sexual Assault Referral Service

[SCP-D-202122-003.pdf](#) (staffordshire-pfcc.gov.uk)

6. **Medium Term Financial Strategy (MTFS) - Police Service** (Pages 5 - 16)
7. **Medium Term Financial Strategy (MTFS) - Fire and Rescue Service** (Pages 17 - 26)
8. **Police and Crime and Fire and Rescue Plan** (Pages 27 - 38)

consultation outcomes

9. **Annual Conference for PFCP report** (Pages 39 - 40)
10. **Questions to the PFCC by Panel Members**
11. **Dates of Future Meetings and Work Programme** (Pages 41 - 44)

Membership	
Lesley Adams	Stoke-on-Trent City Council
Adrian Bowen	Co-optee
Richard Cox (Vice-Chairman)	Lichfield District Council
Stephen Doyle	Tamworth Borough Council
Ann Edgeller	Stafford Borough Council
Gill Heesom	Newcastle-under-Lyme District Council
Tony Holmes	Staffs Moorlands District Council
Philip Hudson	East Staffordshire Borough Council
Bryan Jones	Cannock Chase District Council
Roger Lees	South Staffordshire District Council
Bernard Peters (Chairman)	Staffordshire County Council
Keith Walker	Co-optee

Note for Members of the Press and Public

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Recording (including by the use of social media) by the Press and Public is permitted from the public seating area provided it does not, in the opinion of the chairman, disrupt the meeting.

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Minutes of the Staffordshire Police, Fire and Crime Panel Meeting held on 25 October 2021

Present: Bernard Peters (Chairman)

Adrian Bowen	Tony Holmes
Richard Cox (Vice-Chairman)	Philip Hudson
Stephen Doyle	Bryan Jones
Ann Edgeller	Roger Lees
Gill Heesom	Keith Walker

Also in attendance: Ben Adams, Helen Fisher, Glynn Dixon, David Greensmith

Apologies: Lesley Adams

PART ONE

29. Declarations of interest

No declarations of interest were made at the meeting.

30. Minutes of the meetings held on 23 September and 12 October 2021

RESOLVED – That the minutes of the Panel meetings held on the 23 September and 12 October 2021 be confirmed as a correct record and signed by the Chairman.

31. Decisions published by the Police, Fire and Crime Commissioner (PFCC)

No decisions had been made since the last meeting.

32. Questions to the PFCC from Members of the Public

The Panel considered the questions ask by a member of the public and presented their written report which contained their considered response.

RESOLVED: That the questions asked, and the Panels written response be noted.

33. Implementation of the reforms to the Police Misconduct & Complaints Regulations 2020

The report updated the Panel on the implementation of Police Misconduct and Complaints Reforms, as set out in the Police (Complaints and Misconduct) Regulations 2020 which came into place on 1 February 2020. The Staffordshire Commissioner became the Appropriate Authority for reviews (formally known as appeals). The Commissioner now receives all reviews unless they are about a senior officer, criminal or misconduct proceedings, or article 2/3 (Human Rights), the review body for these is the Independent Office for Police Conduct (IOPC).

During the period 1 February 2020 and 31 December 2020, the Commissioner's office had received 52 reviews. 50 requests had been completed, 1 was withdrawn and 1 had been identified as the wrong review body and should have been sent to the IOPC. During the period 1 January 2021 and 30 September 2021, the Commissioner's office had received 49 reviews. 48 requests had been accepted for review, 1 was refused as out of time.

The report outlined the lessons learned from the reviews and also the findings of the Ethics and Transparency Audit Panel, who had conducted a thematic review of complaints.

RESOLVED: The Panel noted the contents of the report.

34. Police and Crime Plan

The Commissioner updated the panel on the progress made in developing his Police and Crime Plan. He emphasised that there would be wide consultation with both partners and other bodies and that he was particularly interested in hearing from the public.

The Panel thanked Mr Adams for his presentation and after a number of questions the following information was noted:

- The consultation period was for 4 weeks. The panel were concerned that this was a short period of time for such an important document. It was explained that the consultation would be extensive and therefore hopefully effective.
- Hard to reach groups such as BME groups would be encouraged to comment on the plan, however, there was no intention as yet to translate the plan into other languages.
- All forms of social media would be used to reach as many people as possible. Paper copies would be available if needed.
- Young people were being encouraged to share their opinion. Schools and Colleges were part of the consultation programme.
- All Parish, District, County and City Councillors would be contacted.
- Road safety was in both the Police and Crime and Fire and Rescue plans as it was a significant issue in the County.
- Early intervention and clear expectations were needed with partners in order to reduce people entering the penal system and reduce reoffending.
- Delivery Plans would be developed to ensure that the priorities would be achieved. These would be performance monitored regularly and could be considered by the Panel when looking at the priorities in detail.
- Following a question on how process could be quickened, for example in the Courts system, it was explained that partnerships would need to work together to ensure that backlogs were cleared and more effective ways of working could be introduced for example, ensuring that all appropriate documents were available on time to ensure adjournments weren't required, or plea bargaining done in advance etc. The Commissioner felt that although he may not have control over a particular organisation, he could direct influence and could hopefully bring people together.

- It was acknowledged that some partnerships had not always worked effectively in the past and had not delivered on targets. The Commissioner felt that the right partnerships had to be established and this took time. Service demand also changed over time and being able to forge new relationships/agreements quickly was important.
- The Commissioners Plans would work alongside the Police force priority plans. The Police and Crim Plan would set out clear expectations with clear achievable targets.
- The new Chief Constable and Chief Fire Officer had been engaged in the process of drawing up the draft plans.
- The aim was to reduce the number of crimes and it was acknowledged that this meant overall levels of crime and not simply reducing numbers in some areas by redirecting effort/resources leading to an increase in other types of crime or in other geographical areas.
- Witness and Victim Support Services would be delivered with a number of partners/agencies. New structures may be developed but the relationship with the Community Safety Partnerships would remain.
- The Commissioner agreed to look at a scheme previously introduced in Medway, to reduce the number of young people entering the penal system.
- Volunteers would be encouraged. There were currently a number on scrutiny panels, ETAP, custody suits, appropriate adults etc but this was looking to expand.
- Rural crime and trespass need to be included in the plan.

The Panel were reassured that the consultation would be comprehensive and wide ranging and a rolling conversation which would remain an open discussion supplemented by further surveys and questionnaires. However, they felt that four weeks may not be long enough particularly when consulting with partners who may not meet to consider responses on a frequent basis. Examples were given of a District Council whose meetings were every six weeks or a Parish Council which meets every two months. There was also concern that contacting young people maybe difficult when one week of the four was during half term.

The Panel asked to see the finalised version of the plan along with details of the number of responses received and a breakdown of gender, age, ethnicity, organisations etc. It was agreed to scrutinise the overall performance and each priority at future meetings.

RESOLVED: That the Commissioners Police and Crime Draft plan and consultation report be noted.

35. Fire and Rescue Plan

The Commissioner informed the Panel that the Draft Fire and Rescue Plan had much commonality with the previous plan but included new challenges such as changing legislation/regulations following Grenfell Tower and climate change and environmental threats such as flooding and fire.

The following issues were discussed:

- The Panel were reassured that the Priorities in the plan covered the areas they expected to see and ensured that new challenges such as responding to the Pandemic were still achievable.
- Why retained Fire Officers in the South of the County work out of the West Midland stations. It was explained that this was mainly due to calls being dealt with through the West Midlands control centre and officers were deployed from the closest and most available resource.
- Relationships with neighbouring authorities/bodies was essential and good practice, but a Staffordshire delivery approach and knowledge from local officers was invaluable.
- There may be a need to redesign jobs to meet the new challenges. The relationship with unions was strong and open discussions would take place to discuss terms and conditions if they needed to change.
- Local fire officers could be invited to local community meetings to offer advice and answer concerns particularly concerning prevention.

Following a question on Fire and Police vehicles carrying defibrillators, the panel were informed that the possibility of providing defibrillator equipment on response vehicles would be looked at.

RESOLVED: That the Commissioners Fire and Rescue Draft plan be noted.

36. Questions to the PFCC by Panel Members

No further questions were asked.

37. Dates of Future Meetings and Work Programme

It was reported that an additional meeting had been arranged for 7 December 2021 to consider the MTFS reports.

RESOLVED – That the dates for future meetings be noted.

Chairman



Report to the Police Fire and Crime Panel – 7th December 2021

Medium Term Financial Strategy (MTFS)

Current MTFS Update

Report of the Staffordshire Commissioner

Introduction

The purpose of this report is to update the Police, Fire and Crime Panel on the Current Medium-Term Financial Strategy (MTFS). This supports delivery of one of the Commissioner's key responsibilities under the Police Reform and Social Responsibility Act 2011.

The report sets out the following:

- Update to current year's budget
- Update to future years' MTFS assumptions
- Sensitivity analysis around key financial items
- Update on capital programme

Ben Adams
Staffordshire Commissioner

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Executive Summary

- 1.1 This report provides an update to the Police, Fire and Crime Panel on the current MTFS covering the years 2021/22 to 2024/25 including an update on the fiscal landscape facing policing since the MTFS was approved.
- 1.2 Since the Police, Fire and Crime Panel considered the 2021/22 MTFS on the 1st February 2021 both Staffordshire and the United Kingdom have seen a gradual return to normality through the lifting of Covid-19 restrictions. Whilst this is welcome, the longer-term impact on the organisation is only now starting to crystallise whether this be through permanent funding changes, through commissioned services or through demand placed on policing. There is also a significant impact on wider public partners including the NHS, Councils and the wider criminal justice system all of which will set the scene for the upcoming 2022/23 refresh.
- 1.3 The recent spending review has provided some indication in relation to funding policing nationally, but there remains some uncertainty at a local level.
- 1.4 The previous commissioner agreed to make permanent the one-off increase in digital forensics posts during the panel on the 1st February 2021 to help manage the significant increase in digital forensics submissions over the last decade. In addition to this a one-off additional revenue contribution was made to capital financing, reducing the underlying need to borrow and reducing ongoing capital charges. The net impact of these changes is shown in the table in 1.5 to reset the baseline from which the 2022/23 MTFS is built.
- 1.5 During the year the Commissioner and Staffordshire Police have been developing proposals to close the identified budget gap in the previous commissioner's report for 2022/23. Working within the assumptions set out in the MTFS report and assumptions from the Chancellor's budget announcement the revised gap position is shown in the table below. At present, this only includes some of the more certain assumptions on costs, income and capital financing:

	2022/23 Plan	2023/24 Plan	2024/25 Plan
Current MTFS Gap	(3.3)	(4.7)	(5.1)
Post PFCP Adjustments	(0.6)	(0.5)	(0.5)
Revised Income Assumptions (Grant)	1.5	1.5	1.5
Capital Financing Costs	0.6	(0.6)	(0.9)
Revised MTFS GAP Estimate	(1.8)	(4.2)	(4.9)
<i>+/- Previous Gap</i>	<i>1.5</i>	<i>0.4</i>	<i>0.2</i>

- 1.6 The overall anticipated impact of these on the MTFS position is positive resulting in a reduced gap in year one 2022/23 with the gap by the end of the MTFS period approximately in line with the original estimate for 2024/25 of around £5m.
- 1.7 The final settlement and subsequent conversations with the Home Office have indicated that the one-off ring-fenced element of the uplift grant (£1.507m for 2021/22) is likely to continue on an ongoing basis as this supports the uplift programme. The MTFS has been updated for this resulting in an additional assumption of £1.5m of income across each year of the MTFS as shown above.

- 1.8 In the above MTFS position it was identified that 71% of the total savings identified over the four-year period is required in 2022/23. This large gap in year one of £3.3m was primarily driven by the slow recovery of the council tax base forecast in 2022/23 which accelerates over the course of the MTFS. A budget support reserve has been established with funding of £1.5m, with the proposed use being to support and smooth the transformation requirement over the MTFS period as required. This will be incorporated into the revised group reserves strategy.
- 1.9 As part of the budget process for 2022/23 the MTFS will be updated as further information becomes available and assumptions become more certain, up until the confirmation of the budget proposal by the Commissioner (and endorsement of the precept for Fire by the Police, Fire and Crime Panel), on 31 January 2022.
- 1.10 Pressure on funding continues into the medium term as uncertainty also remains around assumptions for pay, pensions and increasing prices (RPI). The MTFS assumptions around pay and pensions remain under review but it is likely that with the removal of the public sector pay cap and increasing levels of inflation pay will increase above the current MTFS levels.
- 1.11 The previous commissioner had indicated, for planning purposes, increases in precept of 2.99% for the years 2022/23 onwards. This is assumed in the position shown above; without this, the gap would increase by c.£800k for each 1% not levied. The spending review has awarded the flexibility on the precept of £10 per annum, which is an increase of approximately 4.19% for Staffordshire. The Commissioner will balance the needs of policing for additional funding against the ability of Staffordshire residents to afford the policing precept.
- 1.12 This paper also reviews the Officer Uplift Programme (see pages 7-8) and the progress being made to deliver the additional 300 Officers. The current MTFS includes the plan to recruit 120 of the additional Officers during the current year 2021/22 and plans are on track for delivery. A further 90 Officers are assumed to be delivered within 2022/23.
- 1.13 The Commissioner, as part of setting his first MTFS, will undertake a 'zero based budgeting' exercise to rebuild the budget as opposed to the incremental approach taken in previous years. Whilst the previous methodology has served well it is now an opportune moment to undertake an exercise to fully rebase and rebuild the budget.
- 1.14 A high-level timetable is included in this report, to lay out the necessary steps and key meetings to communicate the 2022/23 budgeting process and updated the MTFS.

National and Local Update

- 1.15 The Group (Commissioner and Staffordshire Police) outturn forecast for the current year at the end of Quarter 2 is £221.573m. This is a positive variance of £0.503m (0.23%) against the annual net revenue budget of £222.075m.
- 1.16 A three-year spending review was set out alongside the Chancellor's Budget announcements on the 27th October and the envelope for the spending review was larger than was anticipated. A multi-year spending review is to be welcomed to aid medium-term planning following several years of single-year settlements.
- 1.17 The amount allocated across public services for day-to-day department spending increases by 3.3% per year in real terms across the spending review period, with the only cuts being to defence (although capital spending will increase). The annual real growth in day-to-day departmental spending for the Home Office is 2.5%. For comparative purposes, during the 2010 spending review, there was an average cut of 3.1% for policing and an increase of 0.9% during the 2015 spending review period. It should be noted that the increases are frontloaded across the majority of government departments which in the case of policing provides a welcome reprofiling of the efficiency challenge.
- 1.18 Whilst the detailed allocations are expected to follow in December, the high-level figures for policing are identified as:
- £550m additional grant in 2022/23
 - £650m in 2023/24 i.e. an extra £100m over the 2022/23 level
 - £800m in 2024/25 i.e. an extra £150m over the 2023/24 level
- 1.19 The £800m assumes £540m for the completion of the Uplift Programme and its sustainability going forward.
- 1.20 Precept flexibility of an increase of £10 per annum has been announced which is approximately a 4.19% increase for Staffordshire. The national picture assumes tax base growth of 1.1% in 2022/23, 1.5% in 2023/24 and 1.4% in 2024/25. Work is ongoing with billing authorities to provide multi year forecasts at a local level, however work to date suggests a 1.6% forecast increase in the base next year set against the current MTFS assumption of 0.5%
- 1.21 The Home Office has committed to reviewing the funding formula for the allocation of core policing grant. A previous review was abandoned in 2017 following consultation with the sector. It is unknown how Staffordshire could be impacted; however, this review will be undertaken against the backdrop of the 'levelling up' agenda as well as some marked performance deviations between Forces over the last decade with Staffordshire's performance being relatively strong over that period.
- 1.22 The government has announced an increase in National Insurance Contributions (NIC's) for both employee and employer. The additional employer contributions will add £1.2m of additional costs on policing nationally, without any additional national funding. This is equivalent to a 1.4% increase in precept just to fund the transfer from policing to HM Treasury. The government has stated that the additional grant outlined above is intended to support the

additional costs (although there remains a risk that panel are asked to note that this funding will not fund the pressure in its entirety).

1.23 Revised priorities will be confirmed within the Police and Crime Plan and will be further shaped by the new Chief Constable in conjunction with the Commissioner and financially will be dependent on the outcome of the comprehensive spending review.

1.24 Both the Commissioner and Staffordshire Police are currently reviewing current planned savings, revenue budget pressures, proposed priority investments as well as information received around income from the 2021/22 final settlement. This work has been undertaken over the months of September and October and has identified the following high-level revenue budget changes:

- Higher inflation than budgeted for. Currently the MTFS assumes a 1.5% inflation rate with the Consumer Prices Index (CPI) running at 3.8% in the 12 months to the end of October. This, combined with a number of contracts tied to the higher Retail Prices Index (RPI) mean inflation is likely to be c.£1m above the amount budgeted for in the existing MTFS. The OBR has stated that they expect inflation to peak at 4.4% in Q2 of 2022, before falling back to 2% during 2023.
- The higher rates of inflation will also necessitate a review of the capital programme given well publicised increases in construction costs. At this stage it is anticipated that offsetting savings will be found within the overall capital programme.
- There remains some uncertainty regarding the level of pay award in the context of a pay freeze for policing this financial year; it has been suggested that anything below 4% would be a real term cut. The NPCC is lobbying for an indication to provide some consistency in assumptions nationally given police pay awards run from September to August and are typically announced in July after the budget has been set for the year in question.
- The ongoing impact of Covid on calls for service has necessitated an investment in resource within the contact centre. To support the public and to meet this increased demand in relation to contacting Staffordshire Police headcount is to be increased in the Force control room by 15. The ongoing impact of this will be built into the MTFS and is c.£600k per annum.
- The Force continues to make significant investment in IT provision both to fix a number of legacy issues but also to technologically enable the Force given the changing nature of crime. This has resulted in a revised IT plan being approved in August 2021. These investments in revenue spend will need to be reflected in the updated MTFS.
- Additional new savings identified to date; primarily around increasing vacancy rates on Police Staff roles, management reviews, balance sheet management, decommissioning legacy IT systems and estates savings.

1.25 In addition to the above, panel should note that whilst the uplift in Police Officer numbers mandated by central government is welcome, in essence this 'ring fences' well over half the

budget from efficiency savings and redesigns. This means that in relation to savings on employment costs these can only come from Police Staff and PCSO roles.

- 1.26 The national insurance increase of 1.25% for Health and Social Care (of which the majority is earmarked for the Health service) will result in a new pressure of £1.2m in 2022/23. This additional employment tax is equivalent to the costs of c.25 Police Officers.
- 1.27 Whilst the government has stated that the increase in grant funding is intended to support additional costs in relation to this, there may still be a requirement to fund some of this increase locally through precept flexibility and/or savings.
- 1.28 The Coronavirus pandemic has affected our short and medium-term financial position with the Government indicating no further support in future years over and above the grant increases stated. Without further support the Staffordshire Commissioner will need to consider how the financial position can be supported through Council Tax increases, the delivery of further savings, and the intelligent use of reserves. Reserves for the group are in line with the Commissioners reserves policy.

The Budget Process and Savings/Pressure Review

- 1.29 Financial and budget planning work is undertaken jointly with the Chief Constable to detail pressures, potential savings as well as identifying areas for potential new investment in the policing model, should funding be available to do so.
- 1.30 The table below outlines the proposed budget timetable for the 2021/22 MTFS:

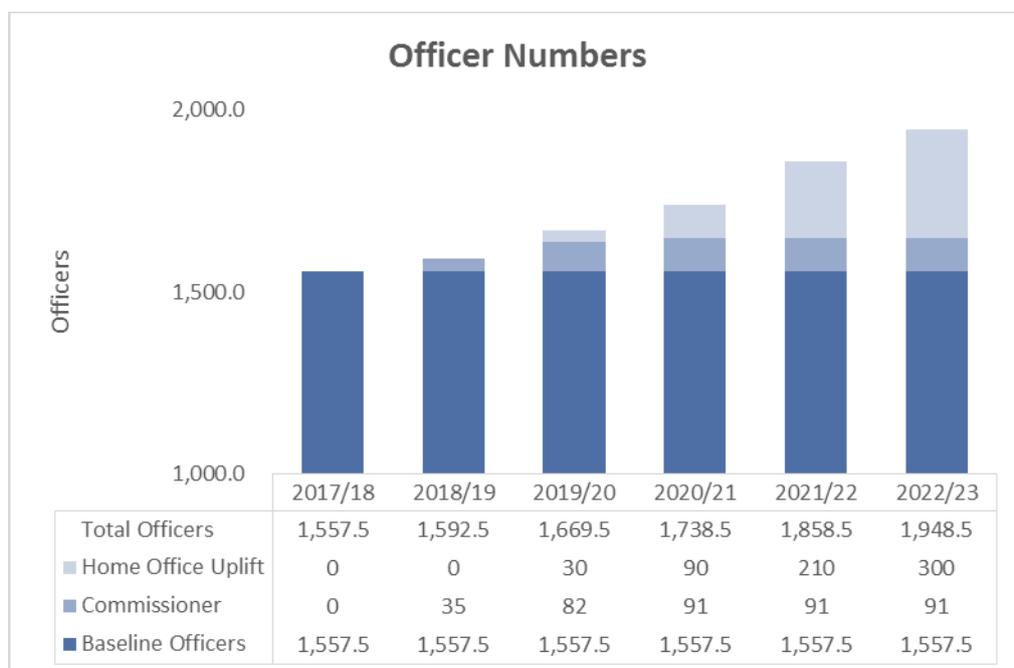
Budget Timetable	Budget Task
August 2021	Budget Preparation commenced
September 2021	Capital Review – Draft 4-year Capital Programme
September 2021 – October 2021	Budget Holder Consultation
November and December	Resource Allocation Challenge Panels
7 December 2021	MTFS update paper to Police, Fire and Crime Panel
December 2021	Provisional Settlement
January 2022	Final Settlement
January 2022	Public Consultation
31 January 2022	MTFS proposals to Police, Fire and Crime Panel
16 February 2022	Precept Notices issued following Commissioner approval

- 1.31 The review of the current MTFS highlighted that 93.8% of current year savings have been delivered or will be delivered by year end. The undelivered saving is anticipated to be delivered totalling £0.130m is anticipated to be delivered in 2022/23.
- 1.32 As part of the above process Staffordshire Police has held budget holder ‘challenge sessions’. These sessions, led by the Chief Constable, have challenged directorate leads around areas for new savings derived from the use of HMICFRS and CIPFA benchmarking where levels of funding and outcomes do not align.

- 1.33 The first round of these sessions has already been held with operational directorates demonstrating a strong grasp of their business area. Following these first sessions areas of focus tasked out to directorate leads to bring back to further panels being held in December.
- 1.34 From here, the incoming Chief Constable will be presented with efficiency options alongside considering areas he wishes to change within the operating model of Staffordshire Police to both drive improved outcomes but also funded necessary changes. Both reviewing the operating model and an emergent multi-year efficiency plan will be fused together under the leadership of the incoming Chief Constable
- 1.35 It is likely, given the review of the operating model and the new Chief Constable starting in mid-December 2021, that the impact of these organisational reviews via challenge sessions will see only minor new savings (beyond those identified in the 2022/23 MTFS process to date) delivered on in 2022/23. Therefore, it is anticipated that the majority of any savings identified will be delivered from 2023/24 onwards. This also means that depending on the detailed financial settlement from the Home Office, the balancing of the budget in 2022/23 will rely on existing planned savings, precept and any short-term funding e.g. reserves.
- 1.36 The front loading of new funding within the spending review may support the above position as well, meaning longer-term gains for Staffordshire are achievable over short-term savings requirements.

Police Officer Numbers

- 1.37 Staffordshire Police has continued to see an increase in officer numbers in 2021/22 as a result of the Government's investment in police numbers. This is in addition to the investments made by the Commissioner in previous years.
- 1.38 The current MTFS sets out plans to recruit 120 of these additional Officers in 2021/22 and this is on track for delivery.
- 1.39 The uplift in officer numbers will continue to see growth the Police Officer numbers through 2022/23; based on the Home Office applying the same distribution formula for Central Government funding at a local level this would result in an additional c.90 in 2022/23.
- 1.40 The graph below shows the cumulative increase of Officer numbers since 2017/18 broken down by Commissioner investment and the Home Office Uplift programme.



- 1.41 There is a potential that the Home Office will change the allocation formula for year three of the programme. This may involve additional numbers into national or regional policing bodies and structures or increased allocations to areas with higher levels of crime than Staffordshire.
- 1.42 In addition to the officer Uplift programme areas of police staff will require investment to ensure that the uplift in officer numbers has maximum impact. The largest investment so far has been in Learning and Development (to train and sustain officer numbers).
- 1.43 An increase in officer numbers has resulted in increased capital spend on items such as vehicles. This has been funded in year from the revenue Uplift grant, however longer term may present a challenge when the renewal cycle starts in the later years of the MTFS as a higher capital need is required to sufficiently support the welcome higher headcount.
- 1.44 To support this known pressure, and the wider uplift programme, there is an earmarked reserve of £2.553m.

Income Assumptions

- 1.45 The Commissioner receives funding from a number of sources with the majority of this being received through core Home Office funding and the Council Tax precept. Income assumptions are currently being reviewed as part of the MTFS process following the spending review and the Police funding settlement is usually received in December.
- 1.46 As outlined in paragraph 1.18 above, the spending review has provided an indication that over the period of the spending review, there will be an additional £800m awarded to policing, with the intention to fund Uplift, and also support the additional costs in relation to national insurance, pay and inflation. At this point in time, it is not clear how much of this will be top-sliced and what this will mean for Staffordshire, therefore the Panel should note that this is not reflected in the current assumptions.

- 1.47 As such inflationary pressures on existing business and investment in service enhancements may need to be funded through increases in precept, savings or additional income being sourced.
- 1.48 The final settlement and subsequent conversations with the Home Office indicate that the one-off ring-fenced element of the uplift grant (£1.507m for 2021/22) is likely to continue on an ongoing basis as this supports the uplift programme. The MTFS has been updated for this resulting in an additional assumption of £1.507m of income across each year of the MTFS.
- 1.49 The previous commissioner had indicated, for planning purposes, increases in precept of 2.99% for the years 2021/22 onwards. The spending review indicated precept flexibility of £10 per annum which is approximately 4.19%, the Commissioner will balance the needs of policing for additional funding against the ability of Staffordshire residents to afford the policing precept.
- 1.50 An unknown is the medium-term impact of the pandemic on our council tax base. In the short term the rebound in the base forecast by billing authorities has been stronger than they indicated in January 2021. Whilst the MTFS set out assumptions based on information received from billing authorities these assumptions resulted in a multi-million pound ongoing impact of the pandemic on local income. This was a main driver of the gap in future years presented to the panel compared to previous years MTFS assumptions.
- 1.51 It is hoped that with the stronger than anticipated economic recovery since the MTFS was set that the council tax base will recover quicker and see less permanent degradation than previously forecast over the entirety of the MTFS. This position will not be finalised until January 2022.
- 1.52 It is also worth noting that these estimates have been provided in a more volatile period than before. Whilst more individuals are in receipt of Local Council Tax Support (LCTS) as a means tested benefit, this is within the environment of furlough schemes and support to the self-employed. Whilst the unwinding of these schemes during this year may be perceived to have a greater impact of LCTS claims other individuals may have deferred council tax payments that are now being paid down.
- 1.53 Core Home Office funding itself is made up of a number of funding streams of which one is the central share of business rates. The fall in business rate collection is not anticipated to impact on Police funding due to offset within the overall core Home Office funding allocation model.
- 1.54 Other grants such as legacy Council Tax support and Pensions Grant are assumed to continue at the current levels and are not increased by inflation representing a real terms cut.

Sensitivity analysis

- 1.55 The MTFS refresh is being undertaken in a more uncertain environment as a result of the Covid-19 pandemic.
- 1.56 Funding assumptions both in relation to local and national funding are likely to cause material changes late on in the planning process. This cannot be avoided but needs to be recognised.

1.57 The current MTFs assumes pay awards at 2.0% per annum. This follows on from the pay freeze in 2021/22. It is worth noting that pay rises in the economy are running much higher levels and issues around recruitment for certain roles are now more likely to appear. This assumption will be reviewed through the MTFs process as indicated above.

1.58 Pay makes up around 75% of the total spend this remains one of our single largest assumptions. The table below shows the impact of differing pay awards in terms of sensitivity.

Pay Award	Cost £000's	Impact vs MTFs £000's
2%	3,334	0
3%	5,001	1,667
4%	6,668	3,334

1.59 Inflation is currently assumed at 1.5% outside of specific inflation items identified by finance business partners. The MTFs assumed 2% (the BoE target rate) minus an assumed efficiency of 0.5%. Over the last few months inflation has significantly exceed the BoE target resulting in a need to refresh the inflation assumptions. It is assumed that after 18 months inflation will return to the BoE target.

1.60 The following information has been received from Blue Light Commercial around medium term inflation rates based on their in-depth analysis of the current market:

Category	2021/22	2022/23 +	Reason
Building Materials	6.7%	5-8%	Supply chain shortages and increased demand. Brexit border issues and increasing labour rates of pay
Construction	4.1%	4.0%	Shortage of skilled labour, supply & demand gap and supply chain issues reducing productivity
Facilities Management	2.1%	3.1%	Labour shortages and reduction in movement of labour from EU to UK
Fuel	12.3%	1.8%	Global increases in crude oil costs
IT Services	1.5%	1.9%	Shortage of skilled labour
IT Equipment	4.3%	4.5%	Semiconductor shortages as well as higher shipping costs and demand
Professional Services	2.2%	3.3%	Shortage of qualified professionals
Uniforms	Unknown	Unknown	Unquantifiable however known as rising labour costs
Utilities	5-9%	2.2%	Strong demand, higher commodity prices and adverse weather conditions

1.61 Whilst inflation is anticipated to be higher than previously forecast in 2022/23 the settlement sees a continuation of the policy seen in the last few years nationally to seek increases in expenditure on policing via above inflation increases in local precept.

Capital

- 2.1 As part of the current MTFs refresh, capital plans across both Staffordshire Police and the Commissioner's Office are being refreshed.
- 2.2 The Commissioner has set a desire to see greater economy and efficiency being obtained from infrastructure investment. This includes the benefits arising from such investment both in terms of productivity gain but also cashable savings. This will be a key theme for the Commissioner in agreeing the 2022/23 capital programme.
- 2.3 The Commissioner will repay £3.6m of loans funded by the Public Works Loans Board (PWLb) in the 2021/22 year. No new loans will be taken out in year with the capital programme funded from a mix of revenue contributions, capital receipts and internal borrowing. By not replacing these loans the Commissioner will continue to make savings on interest payments
- 2.4 Capital receipts are currently in line with the MTFs plan, with an upside risk that receipts will be stronger than forecast as the economy continues to recover.
- 2.5 The external environment in relation to investment income continues to be challenging. In this period the Bank of England base rate has fallen to 0.10% with investment returns now at this benchmark. Whilst investments are still generating a positive return this is outweighed by the cost of treasury management. The reduction in investment income supports the current Treasury Management strategy of using internal borrowing (from internal cash) as opposed to external borrowing, delivering value for the local taxpayer
- 2.6 The Joint Estates Strategy across Staffordshire Police and Staffordshire Fire & Rescue Service offers Staffordshire Police the ability to access high quality accommodation currently used by Staffordshire Fire & Rescue Service without the capital cost of a new build facility. This strategy will form part of the revised Estates capital programme with moves into the joint facility in Tamworth and Hanley now paying dividends both operationally and financially. For Staffordshire Fire & Rescue this offers a valuable income stream from letting surplus space to Staffordshire Police.
- 2.7 The transfer of IT services from Boeing Defence UK (BDUK) back to Staffordshire Police has successfully been undertaken without service failure, and commercially successful for Staffordshire Police and the Commissioner. The IT programme is currently in the delivery phase and the commissioner remains committed to holding the Force to account for timely delivery to budget.
- 2.8 Two significant programmes included in the MTFs are for the Emergency Services Network (ESN) and Staffordshire Police's preferred option on Firearms provision.
 - Within the current MTFs, provision had already been made for the ESN programme based on the ESN model generated by the Home Office last year. Since then a revised model has been received as well as notification of further delays in the programme. This will delay capital spend (resulting in initial savings on budgeted debt charges) as well as see reduced local cost and more national cost. This is however subject to the upcoming CSR.

- The preferred option for Firearms Range provision is currently under development. Revised plans indicate a reduction in the headline cost which will be offset by the higher inflationary costs being experienced within construction costs.
- 2.9 Slippage within the first half of the year around the 2021/22 capital programme is unlikely to be caught up in the second half of the year. This is partially driven by events outside of local control mainly relating to supply chain shortages seen within the wider economy. This slippage will provide a one-off benefit in relation to capital financing costs in 2022/23
- 2.10 Given the improved forecast for capital receipts current indications are that capital financing costs will be lower in 2022/23 than currently provided for, providing a small offsetting saving towards the articulated budget gap.
- 2.11 Inflationary pressures within the wider economy will impact on all areas of the capital programme and will lead to an increase in the cost of the future programme, necessitating additional funding or reductions to the scope of the programme. Work is ongoing to understand this at both a local and national level.

Reserves

- 3.1 The General Fund reserve remains at 3% of the Net Revenue Budget in line with the Commissioners Reserves Strategy, with no forecast draw on this reserve in year anticipated.
- 3.2 Earmarked reserves are held for specific purposes. As part of the MTFS refresh process both Section 151 Officers will review the adequacy and intended use of these reserves with a view to providing support to the MTFS.
- 3.3 A budget support reserve has been established with funding of £1.539m. In the above MTFS refresh reserves this reserve is primarily utilised in year one to smooth the transformation requirement given the MTFS identified that 71% of the total transformation requirement over the four-year period was required in 2022/23. This large gap in year one is primarily driven by the slow recovery of the council tax base forecast in 2022/23 which accelerates over the course of the MTFS.
- 3.4 Reserves overall, when benchmarked against the wider sector, remain low in line with the Commissioners Reserves Strategy.
- 3.5 Reserves, whilst set aside for a particular purpose, currently are utilised in cash terms to support capital spend in lieu of external borrowing. This internal borrowing, if replaced by PWLB through not being available, would result in a cost of £0.500m per annum.

There is a known future pressure on capital spend and replacement as a result of the welcome uplift in Officer numbers. To support this known pressure, and the wider uplift programme, an earmarked reserve of £2.553m exists to support this uplift.



Report to the Police Fire and Crime Panel – 7th December 2021

Medium Term Financial Strategy (MTFS)

Current MTFS Update (Fire)

Report of the Staffordshire Commissioner

Introduction

The purpose of this report is to update the Police, Fire and Crime Panel on the Current Medium Term Financial Strategy (MTFS). This supports delivery of one of the Commissioner's key responsibilities under the Police Reform and Social Responsibility Act 2011.

The report sets out the following:

- Update to current year's budget
- Update to future years' MTFS assumptions
- The impact of Covid on financial performance and position
- Sensitivity analysis around key financial items
- Update on capital programme

Recommendations

The Police, Fire and Crime Panel is asked to note the information contained within this updated MTFS report

Ben Adams
Staffordshire Commissioner

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- 1.1 This report provides an update to the Police, Fire and Crime Panel on the current MTFS covering the years 2021/22 to 2025/26 including an update on the fiscal landscape facing the Fire and Rescue Service, current year financial performance, and the recent budget announcement made by the Chancellor on 27 October 2021.
- 1.2 The MTFS for the five-year period 2021/22 to 2025/26 was approved by the previous Staffordshire Commissioner following presentation to the Police, Fire and Crime Panel on 15 February 2021. The approved MTFS included an estimate gap in funding of £1.7m during the year 2022/23 increasing to around £2.9m by 2025/26.
- 1.3 This MTFS report provides an update on the estimated savings required beyond 2021/22 and reviews a number of the upward pressures incorporated into the approved strategy, alongside the information delivered by the Chancellor in the recent budget statement.
- 1.4 The Staffordshire Commissioner is committed to ensuring that the Service continues to develop its transformation plan in order to meet the new financial and operational challenges with value for money being a key priority. Options for transformation have been presented to the Commissioner at the Strategic Governance Board and are now being progressed. Whilst, this report provides an update of these transformation workstreams further detail will be provided with the MTFS update presented to the Panel in February 2022.
- 1.5 The Panel should note that the Settlement Funding received by the Authority for 2021/22 included an inflationary increase in Revenue Support Grant (RSG) set at 0.5%. RSG has already been cut by around £9.0m during the period 2012/13 to 2019/20 following a number of years of reduced funding and austerity across the public sector.
- 1.6 Whilst overall the funding levels as a result of the ongoing pandemic are lower for 2021/22, in order to support the Government's intention, grants have been provided to support the reduction in Council Tax collection levels, a reducing Council Tax base and also lower Business Rate collection rate. Support for lower funding levels attributable to the pandemic for next year and beyond remain uncertain. In order to support the budget assumptions updated data from the nine billing authorities is currently being collected to understand better the likely impact upon both Council Tax and Business Rates collection levels.
- 1.7 As part of the budget process for 2022/23 the MTFS will be updated as further information becomes available and assumptions become more certain, up until the confirmation of the budget proposal by the Commissioner (and endorsement of the precept for Fire by the Police, Fire and Crime Panel), on 15 February 2022.
- 1.8 Pressure on funding continues into the medium term as uncertainty also remains around assumptions for pay, pensions and increasing prices (RPI). The MTFS assumptions around pay and pensions remain under review but it is likely that with the removal of the public sector pay cap and increasing levels of inflation pay will increase above the current MTFS levels.
- 1.9 A high-level timetable is included in this report, to lay out the necessary steps and key meetings to communicate the 2022/23 budgeting process and updated MTFS.

2.0 The Budget Process

- 2.1 The 2022/23 budget process for Staffordshire Fire and Rescue Service has now commenced. As undertaken in previous years the budget will be built using a zero-base approach with full consultation being undertaken with budget holders and representative bodies.
- 2.2 All budget holders are required to attend a challenge session which reviews budget proposals 2022/23 and also seeks to find efficiencies and savings for the current year. This is known within the Service as the Dragons' Den Budget review with a Principal Officer in attendance for all major budget challenge meetings.
- 2.3 The headline timetable for the 2022/23 budget process is shown below:

<u>Budget Timetable</u>	<u>Task</u>
10 October 2021	Budget Preparation commenced
18 October for 6 weeks	Budget holder consultation
24 November 2021	Capital Review Group
3 December 2021	Draft Budget ready for review process
December 2021 – January 2022	Budget Consultation and budget presentation to the Strategic Governance Board and Service Management Board
31 January 2022	Business Rates Budget Finalised (NNDR1)
14 February 2022	Police, Fire and Crime Panel- Precept setting and Budget 2022/23 / MTFS Report
18 February 2021	All Precept Notices issued following Commissioner approval

3.0 Fund Background and updated Financial Position 2021/22

- 3.1 Settlement Funding for the Authority comprises of three funding streams shown below. The Revenue Support Grant (RSG) and Business Rates top-up are shown below as per the Local Government Finance Settlement issued for 2021/22, with the 1% share of local business rates based upon the Final NNDR1 submissions from the nine local billing authorities.

3.2 The Settlement Funding for 2021/22 was made up of three separate areas:

	2021/22 £m
1% share of Local Business Rates	3.735
Business Rates Top-up	6.059
Revenue Support Grant (RSG)	4.777
Total Settlement Funding	14.571

- 3.3 In addition to the above the above Council Tax is collected by the nine billing authorities in Staffordshire and Stoke on Trent. The current band D Council Tax is set at £78.78 (£1.52 per week) for the Staffordshire Commissioner Fire and Rescue Authority, resulting in collection of **£27.406m** for 2021/22 based upon a collection tax base of 348,733 properties and a collection deficit of £0.067m.
- 3.4 The total revenue budget was approved for 2021/22 at £41.977m.
- 3.5 The Staffordshire Commissioner Fire and Rescue Authority's total revenue spend when compared to the budget as at 31st October (period 7) was £24.3m, £0.4m favourable. Pay costs to date remain in line with budget with savings from support staff vacancies and On-call activity levels compensating for additional wholetime costs being incurred. Wholetime pay is cumulatively slightly over budget with casual contracts and crewing deficiency costs remaining high to support the required crewing levels for response. In addition, Firefighters and operational Grey Book staff received a 1.5% pay award from July 2021 which was not budgeted due to the pay pause instruction by the Chancellor.
- 3.6 Non-pay costs remain slightly favourable to budget as at 31st October and following the budget challenge sessions this position will be reviewed and a revised forecast produced. This forecast will reflect the savings that are being achieved in year through lower business rates costs following an appeal process and lower capital financing costs.
- 3.7 The outlook for the year-end financial position is therefore positive at this time, but of course this is prior to the impact of further winter pressures, the impact of rising prices, and any further consequences of the pandemic during the second half of the year.

4.0 Income Assumptions

- 4.1 The Commissioner receives funding from a number of sources as included above with the majority of this being received through Grant Funding and the Council Tax Precept. Income assumptions are currently being reviewed as part of the MTFs process ahead of the funding settlement usually received in December (estimated 6th December).
- 4.2 In relation to the Core Grant Funding, the current MTFs assumes that settlement funding would reduce by 5% per annum.
- 4.3 The economic impact of COVID remains a concern on council tax and business rates collection in year as well as the impact on the future council tax base and its growth, this position is currently under review with the nine billing authorities.

- 4.4 The current MTFS assumes an increase in the council tax base of 1% over the MTFS period, which had been significantly revised down due to the economic impact of COVID resulting in a reduced level of new domestic dwellings being built in addition to the increase in council tax support being offered to residents.
- 4.5 As part of the government's response to COVID-19 the 2020/21 deficit on the collection fund has been spread over the next three years as opposed to being recognised and accounted for in one year (e.g. over the period 2021/22 to 2023/24 as opposed to in 2021/22 only).
- 4.6 The Authority also received the grant compensation following the 1.2% reduction in the Council Tax base reported for 2021/22.
- 4.7 It is unknown if the Government will address any shortfalls in 2022/23 resulting from lower council tax and business rates receipts.
- 4.8 The current MTFS incorporates the following assumptions:

	2021/22 Budget	2022/23 Plan	2023/24 Plan	2024/25 Plan	2025/26 Plan
<u>PAY COSTS</u>					
Pay Award Operational Staff	0.0%	3.0%	2.0%	2.0%	2.0%
Pay Award Non Operational Staff	0.0%	2.0%	2.0%	2.0%	2.0%
Other Pay Costs	0.0%	1.0%	1.0%	1.0%	1.0%
Pension Costs - Fire Fighters Pension Schemes	£1.8m	£1.8m	£1.8m	£1.8m	£1.8m
Pension Costs - Fire Fighters Pension Grant	(£1.7m)	(£1.7m)	(£1.7m)	(£1.7m)	(£1.7m)
<u>NON PAY COSTS</u>					
Electricity	2.0%	2.0%	2.0%	2.0%	2.0%
Gas	2.0%	2.0%	2.0%	2.0%	2.0%
Business Rates	0.0%	1.0%	1.0%	1.0%	1.0%
Water and Sewerage	2.0%	2.0%	2.0%	2.0%	2.0%
General Supplies and Services	2.0%	2.0%	2.0%	2.0%	2.0%
<u>INTEREST RATES</u>					
Interest on Investments	0.3%	0.8%	1.0%	1.0%	1.0%
Interest on Debt	4.3%	4.3%	4.2%	4.2%	4.2%
<u>GENERAL FUNDING</u>					
Council Tax Increases	1.99%	1.99%	1.99%	1.99%	1.99%
Council Tax Base Growth	-1.15%	0.50%	0.75%	0.91%	1.00%
Revenue Support Grant Reduction	0.1%	-5.0%	-5.0%	-5.0%	-5.0%
Local Business Rates % incl top-up	0.0%	2.0%	2.0%	2.0%	2.0%

4.9 On 27 October 2021 the Chancellor of the Exchequer, Rishi Sunak MP, announced the outcome of the 2021 comprehensive spending review (SR2021) alongside his Autumn Budget 2021. Sometimes referred to as the 'Spending Round' or the 'SR', the SR21 sets out public spending totals for the financial years 2022-23 to 2024-25. This was the Chancellor's second SR and his third Budget.

The headlines and anticipated impact on the MTFs for the Staffordshire Commissioner Fire and Rescue Authority is listed below:

- The Home Office settlement will provide an additional £4.2bn over the Parliament, increasing from £12.3bn in 2019-20, (14.6bn in 2021-22) to £16.5bn in 2024-25. Further reductions to Settlement Funding for Fire are not anticipated, however the improved efficiency and productivity will be required as part of the settlement.

The approved MTFs assumed that as part of a three-year CRS the amount of Revenue Support Grant would continue to reduce into the medium term. This update assumes a cash flat settlement for 2022/23 which provides some benefit to the Authority in year and £0.7m of mitigation against the impact of increasing pressure on pay, pensions and utility costs.

- Core spending power is estimated to increase for the Authorities by an average of 3% in real terms each year over the SR21 period.
- Council tax referendum limits expected to be 2% throughout the SR21 period. This referendum limit of 2% is in line with the MFTS assumption of 1.99% increase per annum. The Commissioner has indicated that early consultation will be undertaken regarding the proposed level of precept increase. A 1.99% increase in precept is equivalent to a council tax increase of £1.57 or 3p per week.
- Public Sector Pay Freeze to end in 2022. Pay pressure is therefore expected into the medium term, and a 3% assumption has been included for 2022/23.
- Business rates reliefs total £7bn. It is expected that this will be compensated through s31 grants. Further information is required in this area.
- SR21 confirms £5bn funding (£3bn of which is over the SR period) for remediation of the highest risk buildings with unsafe cladding to ensure everyone can feel safe and secure in their home.
- The SR will provide £125m resource funding in 2022-23 and a saving of £17m by 2024-25 as well as £121m capital funding for the ESMCP for the SR21 period.
- The government aims for a Provisional Settlement date of 6 December, though settlements are tended to occur closer to Christmas in recent years.

There is also the additional pressure around the announcement of a national insurance increase in employers contribution of 1.25% for Health and Social Care (of which the majority is earmarked for the Health service). This will result in a new pressure of £0.2m in 2022/23. This additional employment tax is equivalent to the costs of c.5 Firefighter posts. However, albeit not specifically drawn out, this appears to have been covered off with the spending review settlement and is not included as a pressure.

4.10 The table below shows the estimated impact of major assumptions based upon the current reporting position and the budget statement made by the Chancellor.

	2022/23 Plan	2023/24 Plan	2024/25 Plan	2025/26 Plan
Current MTFS Gap	(1.7)	(2.4)	(3.0)	(3.0)
<i>Major movements in assumptions</i>				
No Reduction in Settlement Funding assumed	0.7	1.4	2.2	2.2
Pension Costs impact 2024/25 (assumed 2022/23)	0.7	0.7		
Impact of Pay Award 2021/22 @ 1.5%	(0.2)	(0.3)	(0.3)	(0.3)
Additional Award 2022/23 (above 2%) @1%		(0.1)	(0.2)	(0.2)
RPI Impact - Non Pay and Utilities		(0.5)	(0.5)	(0.5)
Revised Estimate	(0.5)	(1.3)	(2.0)	(2.0)
<i>+/- Previous Gap</i>	<u>1.2</u>	<u>1.1</u>	<u>1.0</u>	<u>1.0</u>

5.0 Sensitivity Analysis

- 5.1 The MTFS refresh is being undertaken in a continuing uncertain environment and this should be noted by the Panel. This is highlighted by the ongoing concerns and speculation that the settlement issued to Authorities in December may only be for a single year.
- 5.2 Funding assumptions both in relation to local and national funding are likely to cause material changes late on in the planning process, something that cannot be avoided but needs to be recognised.
- 5.3 The Grey Book pay award has been agreed for 2021/22 at 1.5%. This was not budgeted in year due to the public sector pay pause announced by the Chancellor.
- 5.4 The following sensitivity analysis is based upon the approved MTFS paper from February 2021:

Cost Area	Change	£000
Pay Costs	1%	220
Utilities	1%	27
Vehicle Costs	1%	8
Supplies and Services	1%	70
Fire Pension Contributions (FPS)	1%	116
Business Rates	1%	38
Revenue Support Grant	1%	48
Precept	£1	260
Council Tax Base	1%	280

6.0 Service Transformation

- 6.1 The Service has already undertaken a number of scenario planning sessions and options have been discussed with the Staffordshire Commissioner in order to provide a pathway for delivery of the expected financial challenges post 2021.
- 6.2 As discussed within this paper the budget gap included within the approved medium term is estimated to be around £1.7m by March 2023 increasing over the life of the MTFs to around £2.9m by 2025.
- 6.3 Following the information released within the budget statement and when considering the impact of upward pressure from pay and pensions this gap is now estimated to reduce to £2.0m by 2025.
- 6.4 The Scenario Planning has become more developed and detailed options presented to the Strategic Governance Board Meeting held on 19 October 2021 for consideration.
- 6.5 Further information and detail will be provided to the Panel on 14 February as part of the budget setting for 2022/23. This detail will provide some assurance to the Panel that options for transformation are well developed and will be ready for consultation with Representative Bodies and the Public in the new year.

7.0 COVID-19

- 7.1 The fire and rescue service were allocated grant funding of just over £1 million from the Ministry for Housing, Communities and Local Government (MHCLG) in order for the Service to deal with the additional costs incurred as a result of the pandemic. This funding was part of the overall £3.2 billion allocated to support local authorities by MHCLG.
- 7.2 During the last year monthly reporting against this grant has been provided to the Home Office. This money has been made available through a S31 Grant, with a majority of the funding now allocated and spent.
- 7.3 The impact of COVID on business rates collection and the impact upon Council Tax Collections and Council Tax base is currently under review. It is likely that there is more bounce back in the Staffordshire economy that was anticipated earlier in the year.

8.0 Capital

- 8.1 As part of the current MTFs refresh and budget build for 2022/23 capital plans across Staffordshire Fire are being refreshed. This work is undertaken through the Capital Review Group that is chaired by the Director of Finance.
- 8.2 The budget for 2021/22 was approved at £6.0m with £0.4m of carry-over from 2020/21, resulting in a total programme of £6.4m.
- 8.3 The proposals for Stafford Fire Station are developing well which will see a smaller response base being developed on the existing Fire Station Site. This will result in lower

operating costs and result in a significant capital receipt for part of the site. This work should commence in February / March 2022.

- 8.4 The work scheduled for Abbots Bromley (minor refurbishment) is ongoing and should be completed by spring of next year.
- 8.5 Minor delays to both the Stafford and Abbots Bromley projects have been taken into account with a revised capital programme forecast of £4.8m.
- 8.6 A full capital programme update and Capital Strategy will be presented to the Panel in February as part of the budget and MTFS papers.

9.0 Reserves

- 9.1 The Authority holds two reserves, an Earmarked Reserve which is build up through any surplus within the Income and Expenditure account. The utilisation of this fund has been established with the approved Reserves Strategy; and a General Reserve which is held to protect against any emergency conditions that may arise.
- 9.2 The Commissioner currently holds £1.9m in General Reserves and a risk assessment for this reserve was undertaken as part of the budget setting process for 2021/22 and the overall provision of £1.9m has remained unchanged for a number of years and represents 4.5% of the proposed revenue budget for the year.
- 9.3 At 1 April 2021 the Authority held £7.5m in Specific/Earmarked Reserves. This reserve is supported by the approved Reserves Strategy which will be updated for the new budget year.
- 9.4 Reserves, whilst set aside for a particular purpose, currently are utilised in cash terms to support capital spend in lieu of external borrowing. This internal borrowing, if replaced by PWLB through not being available, would result in a cost of £0.2m per annum.

Staffordshire Police, Fire & Crime Panel – 7 December 2021

Police & Crime Plan and Fire & Rescue Plan 2021-2024 – Consultation outcomes

1. Purpose of Report

- 1.1 This report is a summary of the results obtained from the analysis of the public and stakeholder consultation undertaken to seek the views on the Commissioner's draft three-year draft Police & Crime, and Fire & Rescue plans.

2. Recommendation

- 2.1 That the Panel consider the outcomes of the consultation process on both plans, note the Commissioner's amendments as a result prior to publication and make comment as appropriate.

3. Background

- 3.1 A programme of public and stakeholder consultation took place between 26 October and 23 November, seeking views on the Staffordshire Commissioner's proposed Police & Crime Plan and Fire & Rescue Plan 2021-2024. A range of methods were used to encourage participation, resulting in responses from 1,260 people from Staffordshire and Stoke-on-Trent.

4. Conclusions

- 4.1 A detailed breakdown of the results is included in the consultation outcome report, which is attached. The report also details how the feedback will be incorporated into the final draft.

Consultation Outcome Report

Police and Crime Plan / Fire & Rescue Plan 2021 - 2024

Introduction

Both the Police & Crime Plan and the Fire & Rescue Plan are high-level plans which sit as overarching strategies that set out the Commissioner's vision for community safety in Staffordshire and Stoke-on-Trent over the next three years.

A suite of more detailed co-ordinated delivery plans will sit under these plans. These include but are not limited to operational delivery plans from Staffordshire Police and Staffordshire Fire & Rescue, locality plans from local councils and the Commissioner's commissioning strategy. These will be responsive to the Police & Crime and Fire & Rescue plans and will be developed following the consultation process and finalisation of the plans.

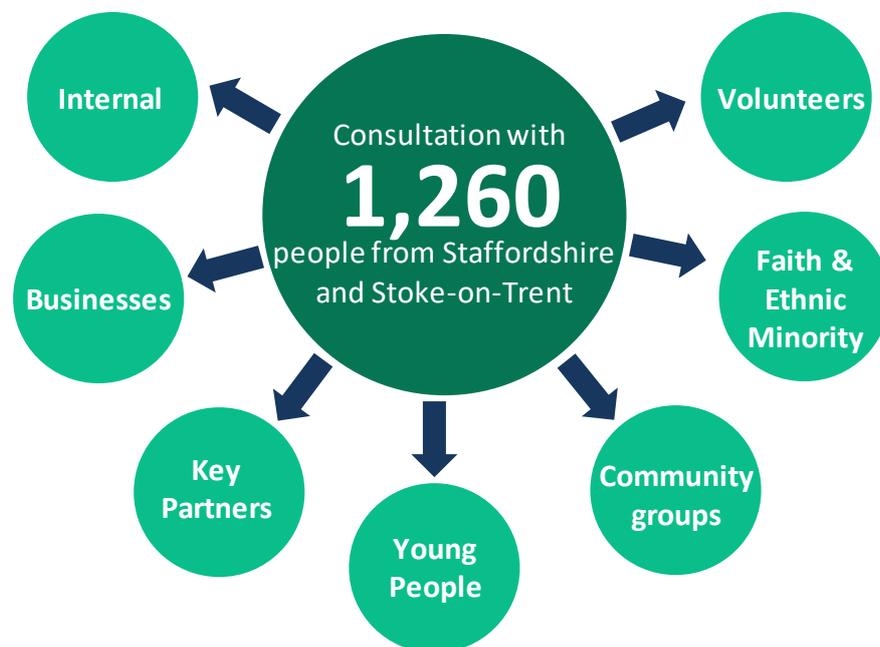
How we did the consultation

We used a range of methods to promote both consultations including:

- **Social media** – Multiple social media posts were issued from the Staffordshire Commissioner's Office (SCO), Staffordshire Police, Staffordshire Fire & Rescue and partners
- **Media** – Press releases to inform local media of the importance of the consultations
- **Stakeholders** – Emails from the Commissioner requesting key partners' involvement
- **Smart Alert** – Multiple messages issued to 13,962 people via Staffordshire Smart Alert
- **Internal** – Multiple internal messages sent to police and fire staff to encourage participation
- **SCO Newsletter Subscribers** – Multiple messages issued via the SCO newsletter subscriber list of 795 people
- **Facebook community groups** – Direct engagement with local communities via relevant local Facebook groups. As the SCO business page, we joined multiple local community groups to encourage participation in the consultations. These groups had a combined total of 58,434 people.
- **Facebook adverts** – Adverts on Facebook to target both those living in Staffordshire and Stoke-on-Trent, and more specifically, those who have an interest in topics related to policing and fire & rescue. These adverts resulted in 805 link clicks and was displayed on 53,488 timelines.
- **Nextdoor app** – The Nextdoor app is a hyperlocal social networking service for neighbourhoods. Unlike other social media platforms, when joining the site, you are automatically connected to your entire network. The Staffordshire network currently has over 118,000 people registered. We utilised this platform to share messages promoting the consultations to everyone in the Staffordshire network.

- **E-school bag** – A message was sent out via the County Council ‘e-school bag’ to encourage involvement from young people. This is sent to all students and parents in Staffordshire.

Who we targeted



Consultation invites were adapted for different groups focusing on principles, priorities and/or selected commitments within the draft plans. Both multiple choice and free text questions were used to help quantify and explain opinion.

The above methods were used to contact community groups and stakeholders including:

- Officers and staff within Staffordshire Police and Staffordshire Fire & Rescue
- The Police, Fire and Crime Panel
- Partner agencies such as NHS, Magistrates, Prisons, Ministry of Defence, Environment Agency, community safety partnerships and the voluntary sector
- Young people via schools, universities, the Staffordshire Youth Commission, Staffordshire Police Cadets, the Staffordshire Space programme and Prince’s Trust
- MPs, District and Borough Councillors, Parish Councillors, Council Leaders and Chief Executives
- Business networks including Chambers of Commerce, the Staffordshire LEP, PABCIS and direct communication with local businesses including Amazon and Water Plus
- Volunteers from the SCO including the Ethics, Transparency and Audit Panel, Force and Fire volunteers, Community Speed Watch, Support Staffordshire and SCVYS
- Those funded by the Proceeds of Crime Act in the last two years and those commissioned by the SCO
- Local community groups including the Women’s Institute, Staffordshire Young Farmers, local scout and girl guiding groups, Air Cadets and Soroptimists

- Faith and ethnic minority community groups including the Burton Caribbean Association, Stafford Muslim Centre, the Social Inclusion for Asylum Seekers and Refugees charity and the Staffordshire Police Equality and Diversity unit
- Staff Associations / Trade Unions
- Local media

Consultation Results



The consultations generated responses from 1,260 people from Staffordshire and Stoke-on-Trent. Of these, 160 responses were from police and fire staff.

Despite extensive efforts to promote the consultations, the total is less than previous draft strategy consultations. This is due to a number of factors including General Data Protection Regulation (GDPR) restrictions being more stringent in recent years. GDPR regulations also had a negative impact on the SCO newsletter subscriber list, which saw a list of 8,000+ reduce to 795. A further obstacle was that the Citizen Panel is no longer in existence. The

Citizen Panel and responses from victims of crime in previous years accounted for a significant proportion of the total number of responses received.

Research shows this total number of responses was in line with other consultations across the country, with the average number being around 1,230, and individual totals ranging from 500 to around 2,000.

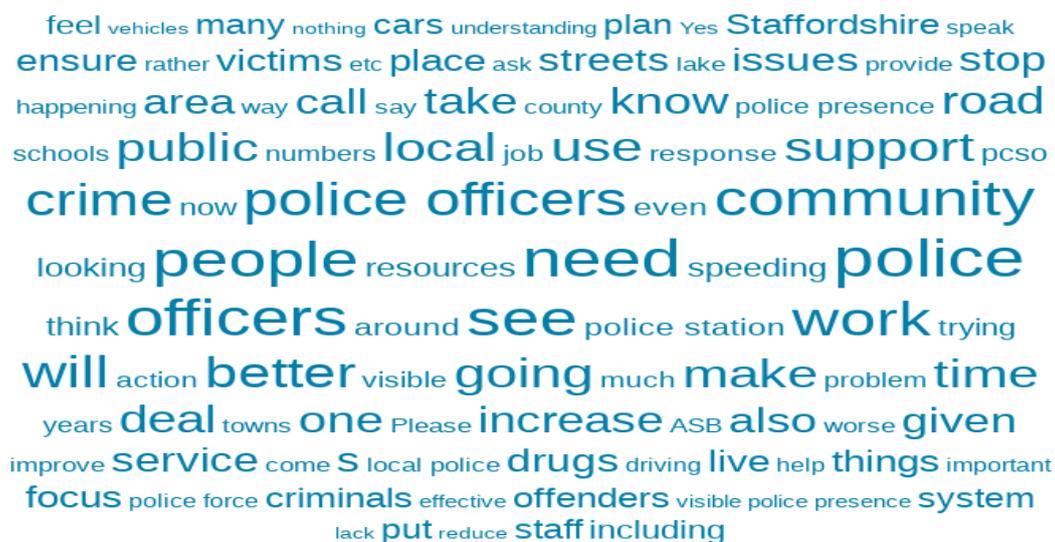
Responses to consultations cannot be combined to give a single representative sample of opinion. However, consistent responses provide a strong indication of likely opinion and can usefully inform development of the plans.

This should be seen as a first step in public consultation and engagement throughout the lifetime of the plans to ensure they continue to genuinely represent the needs and expectations of the communities they are designed to serve.

The following is a summary of results obtained from the free text question which asked for any further comments.

Detailed Themes – Police & Crime Plan

Over 594 respondents provide comments in the free text box which asked “is there anything else you would like to see included in the Police and Crime Plan?”. Despite the phrasing of the question, many of the issues raised are already included in the plan. Some of the terms used indicate that a significant number are from members of the force, but those responses are consistent with the other responses received.



General feedback

- Many respondents felt that the questionnaire led them to agree with everything and not prioritise.

- Some felt that to deliver against all priorities would not be possible with the resources available.
- Replace 'police speak' with plain language, e.g. acquisitive crime.

Priority: A local and responsive service

The vast majority (324 of the 594) of free text comments refer to local policing, visibility, call handling and response. The common themes are:

- More visibility, street patrols.
- More presence in local communities, consistent officers, local knowledge, proactive and reactive.
- Accessible stations people can visit, police posts in villages.
- Take action on ASB and low-level crime, clamp down early, stronger approach on offenders.
- Improve response times.
- More attention to road safety, more traffic patrols.
- Focus on town centres & the night time economy/Focus on rural areas.
- Cut 101 waiting times, enable direct contact with local police teams.
- Provide public with more information.

Priority: Prevent harm and protect people

Over 30 responses are linked to this priority. There are fewer common themes here due to the low number of comments, but they are:

- Support for work in schools to divert young people from offending.
- More support for domestic abuse victims.
- Roads policing to cut casualties.

Priority: Support victims and witnesses

Only 10 comments are directly related to this priority, although there is naturally some overlap with the 'effective and efficient CJS' priority. Those that have responded clearly feel this is an area for improvement. One response details an individual's negative experience as a victim and an invitation to contact them to follow up in more detail.

Priority: Reduce offending and reoffending

There were around 30 responses that directly related to this priority. There is a clear divide between those who support work to tackle the underlying causes of offending and reoffending and those who advocate a more enforcement-based approach.

Priority: A more effective criminal justice system

There were more than 20 responses that relate to this priority, Common themes are:

- Need for tougher sentences, increased fines.
- Need to improve cooperation between police and CPS.
- Insufficient penalties imposed by courts for low level offending.

Additional themes

- Around 30 responses concerned enablers such as technology and training:
 - New systems are complex and time consuming
 - Bureaucracy needs to be tackled
 - Wellbeing, particularly mental health, is a priority
 - Practical skills and experience are more valued in new officers than a degree
- 20 responses are linked to partnership working and the role of the police:
 - We're the 24/7 service of last resort
 - The police can't solve everything; other agencies need to be held to account
 - Within this, mental health-related incidents are a concern
- Many of the responses seem to be internal and show that we have some work to do in improving understanding of the 'and crime' part of the Commissioner's role.
- Around 20 comments relate to the 'open and transparent' aspect of our approach:
 - Tackle racial discrimination and sexual harassment
 - Take hate crime seriously
 - Need for effective vetting
 - We need clear plans setting out the detail of what we will do, and report progress

Detailed Themes – Fire & Rescue Plan

Over 112 respondents provided comments in the free text box which asked "is there anything else you would like to see included in the Fire & Rescue Plan?". Some of the terms used and knowledge demonstrated indicate that a significant number are from members of the Fire & Rescue Service.



General feedback

- The plan is comprehensive and covers what the service should be doing already.

- Some respondents felt that the questionnaire led them to agree with everything and not prioritise. This is something we need to bear in mind as changes to the operating model develop.

Priority: A flexible and responsive service

35 of the 112 responses focus on response. The common themes are:

- More firefighters.
- Improve response times.
- Concern over new stations unstaffed at night.
- Concern over cover levels for major incidents.
- Improve the on-call duty system to improve staff retention.
- Can FRS support the police and ambulance service in managing their demand?

Priority: Protect people and places

Given the number of replies which seem to be internal, it is perhaps surprising that only seven reference this topical and growing area of the service's work.

Priority: Help people most at risk stay safe

25 of the 112 free text comments relate to prevention work. Common themes are:

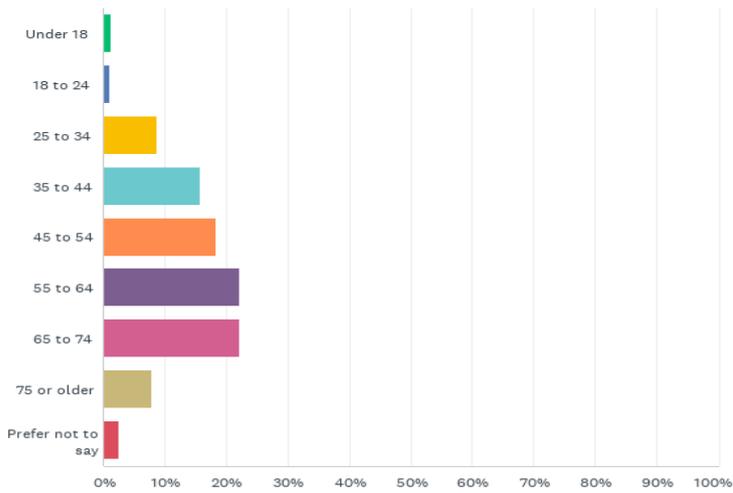
- The prevention work the service does is highly valued but there's a perception that it has reduced.
- The service needs to engage more with communities to ensure successful initiatives.
- It can do more to tackle underlying issues such as health inequalities.
- More work with schools.
- Being closer to the police is perceived by some as moving away from other partnerships.

Priority: A fire and rescue service for tomorrow

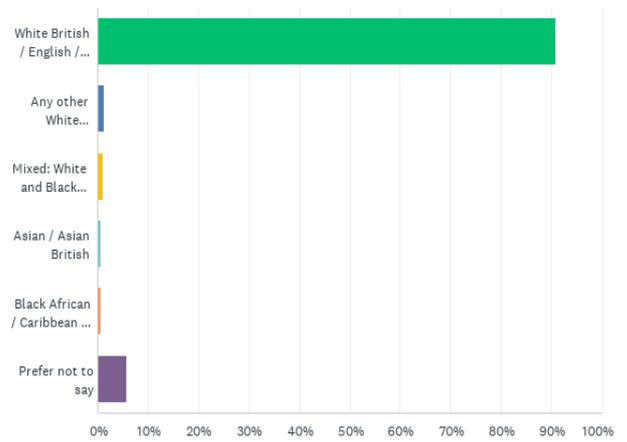
One aspect of this priority has stimulated 14 negative free text comments, mainly on police-fire collaboration. It is assumed that the vast majority of these are internal and the main focus is on accommodation sharing and the perceived impact on community rooms. Two comments were received which relate to our intention to improve organisational diversity.

Survey Demographics – Police and Crime Plan

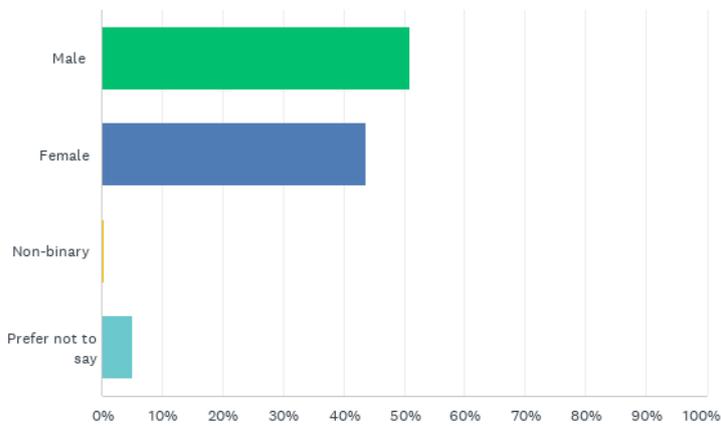
Q8 What is your age?



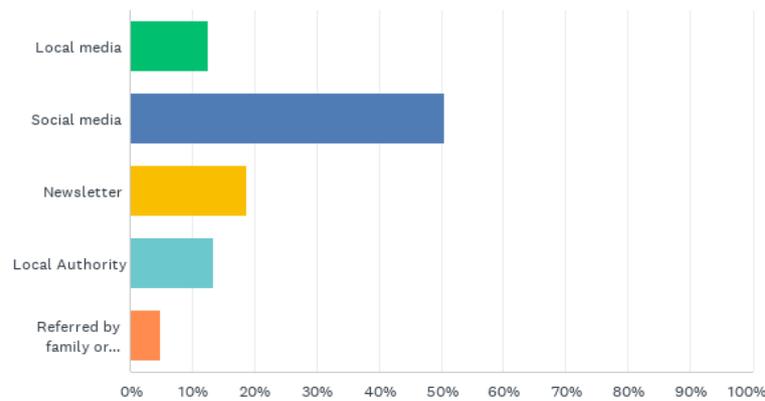
Q9 What is your ethnic origin?



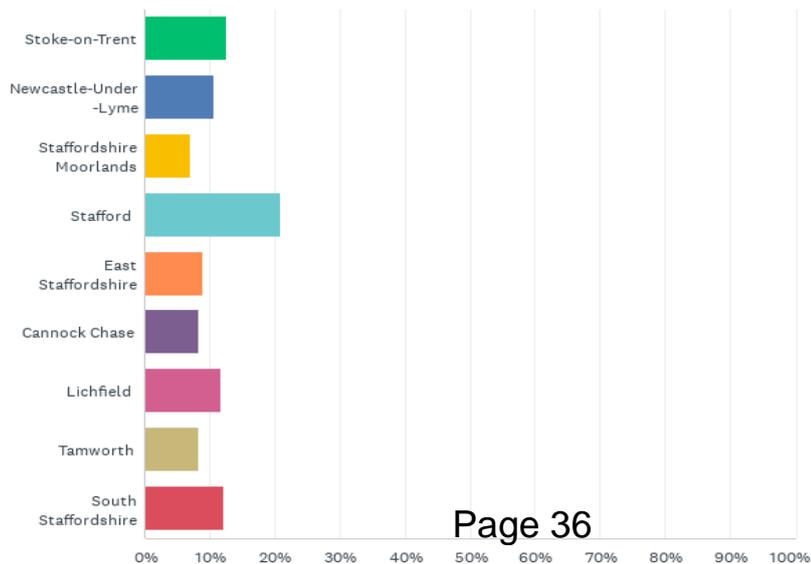
Q10 Which gender identity do you identify as?



Q11 Where did you hear about this consultation?

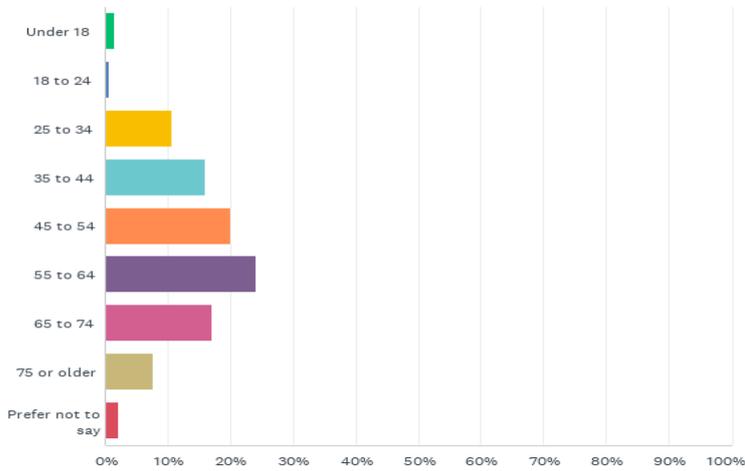


Q12 Which area of Staffordshire or Stoke-on-Trent do you live in?

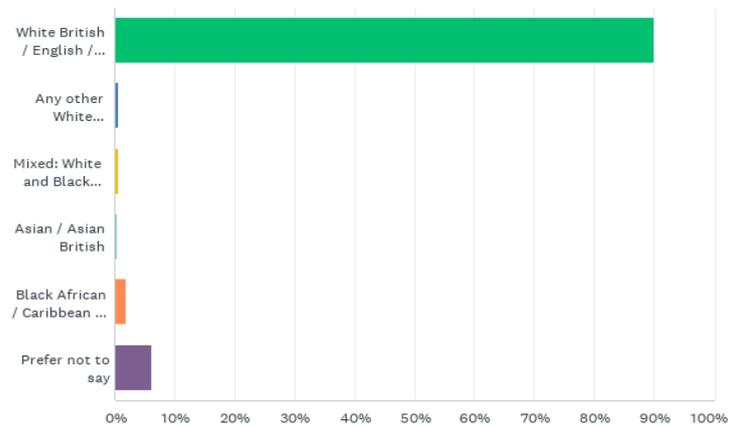


Survey Demographics – Fire & Rescue Plan

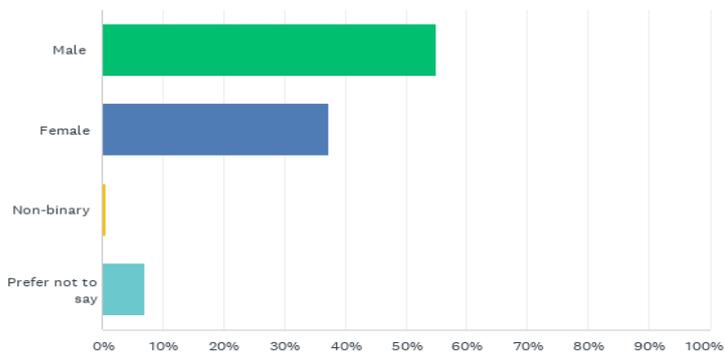
Q7 What is your age?



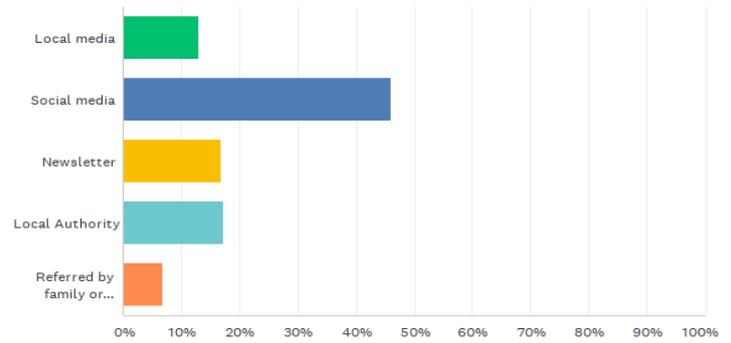
Q8 What is your ethnic origin?



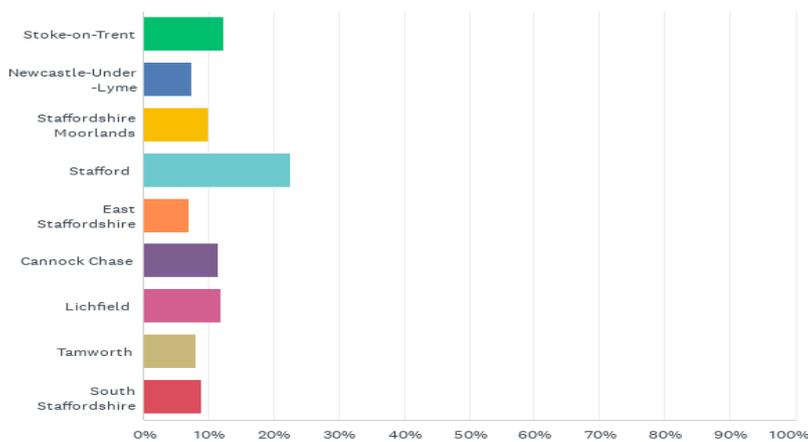
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Q10 Where did you hear about this consultation?



Q11 Which area of Staffordshire or Stoke-on-Trent do you live in?



STAFFORDSHIRE POLICE AND CRIME PANEL – 7 DECEMBER 2021

NATIONAL CONFERENCE FOR POLICE, FIRE AND CRIME PANELS - 2 NOVEMBER 2021 and NATIONAL ASSOCIATION OF POLICE FIRE AND CRIME PANELS ANNUAL GENERAL MEETING - 17 NOVEMBER 2021

1. Report of the Secretary

Your Chairman, Councillor Peters and Vice-Chairman, Councillor Cox attended the National Conference for Police, Fire and Crime Panels at hosted by Warwick University on 2 November 2021. This was the 10th National Conference organised by Frontline Consulting. Representatives of most Panels in England and Wales attend this event as it is recognised as a valuable opportunity to update on the national picture for Panels.

The presence of representatives of the majority of Panels provided the opportunity to also stage the AGM of the National Association of Police, Fire and Crime Panels (NAPFCPs).

2. NAPFCPs Annual General Meeting – 17 November 2021.

The Association was established in 2018 as a Special Interest Group under the auspices of the Local Government Association. This meeting was held on line.

3. National Conference – 2 November 2021.

The event followed its normal format of having a keynote speaker and Q/A session during the morning and a selection of themed workshops during the afternoon.

3.1 Keynote Speech's from:

- a) Welcome by the Chair, **Christine Goldstraw** OBE JP DL
- b) Strategic Review of Policing **Dr Rick Muir**, Director of Police Foundation. Sharing the results of the Strategic Review of Policing, Dr Rick Muir provided an indication of the recommendations for a modern police service capable of meeting the challenges of the 21st century, ahead of the formal launch of the recommendations later in November 2022.
- c) Code of Conduct, **Mark Hynes**, Director of Law and Governance at Waltham Forest Council. This session highlighted key code of conduct principles.

Break out group Chairs:

- d) Councillors and Police and Crime Panels, **Colin Copus**, Emeritus Professor of Local Politics at De Montfort University.

- e) Domestic Violence and Abuse, **Haniya Robbins, Lianne Fox, and Sophie Hadlum**. Representatives from Coventry Haven Women's Aid.
- f) Crimestoppers, **Mick Duthie**, Director of Operations at Crimestoppers Trust.

3.2 Workshops attended

- Scrutinising the Commissioner Performance Frameworks.
- Funding and Future Direction. Paul Grady, Director and Head of Police at Grant Thornton and Iain Murray, Deputy Head of Police for Grant Thornton Public Sector.
- The View from The Other Side, Jonathan Evison, Humberside PCC
- Complaints' Handling

B Peters and R Cox

STAFFORDSHIRE POLICE, FIRE AND CRIME PANEL

7 December 2021

WORK PROGRAMME PLANNING 2021-22

Report of the Secretary

Recommendation

That the Panel note the dates of future meetings and considers the contents of its future Work Programme.

Background

By Regulation this Panel is required to meet on a *minimum* of 4 occasions each year with the facility to convene additional meetings as and when required.

There are a number of reports/matters which the Panel is required to consider:

Police and Crime Matters: the proposed Policing and Crime Precept each year, the Police and Crime Plan, The Commissioners Annual Report on the delivery of the Plan, Confirmation Hearings for a number of key posts and Reports on the Handling of Complaints.

Fire and Rescue Service Matters: The proposed Fire and Rescue Service Precept each year, the draft Fire and Rescue Plan/Corporate Safety Plan (incorporating the Integrated Risk Management Plan), the Annual Statement of Assurance and Confirmation Hearings for key posts in the Service.

	Agenda Items
Monday 21 June 2021(pm) (Summer 2021 meeting date brought forward to meet the newly elected Commissioner)	<ul style="list-style-type: none"> • Appointment of Chairman • Appointment of Vice-Chairman • Meet the new Commissioner • Appointment of Independent Co-Opted Member • Questions from the public • Annual Report on the Management of Complaints and Conduct Matters against the Police, Fire and Crime Commissioner and Deputy Police, Fire and Crime Commissioner • Home Officer Grant 2020/21 • Confirmation Hearing – Deputy PFCC • Confirmation Hearing – Interim Chief Constable

Member only training 14 September - Informal virtual meeting	<ul style="list-style-type: none"> • Complaints handling
23 September (10am)	<ul style="list-style-type: none"> • Police and Crime Plan / Fire and Rescue Plan Update • Police Performance Update (to include recruitment and retention numbers) • Fire and Rescue Performance Update • Progress report on appointment of Chief Fire Officer and Chief Constable (Verbal update)
12 October (10am) – confirmation Hearing	<ul style="list-style-type: none"> • Confirmation Hearing - Chief Fire Officer • Confirmation Hearing – Chief Constable
Monday 25 October 2021(2 pm)	<ul style="list-style-type: none"> • Results of inquiry into Usman Khan – Force performance – (Invite Chair of Safeguarding Scrutiny Committee to avoid duplication). • Police Misconduct and Complaint Regulations 2020 – annual report • Police and Crime Plan (Draft) • Fire and Rescue Plan (Draft) • Questions from the public
Tuesday 7 December 2021 10am	<ul style="list-style-type: none"> • MTFS/Budget Update – Policing Service • MTFS/Budget Update - Fire and Rescue Service • Police and Crime and Fire and Rescue Plan consultation update • Annual Conference for PFCP report
Monday 31 January 2022 (2 pm)	<ul style="list-style-type: none"> • PFCC's proposed Police Budget and Precept 2022/23. <ul style="list-style-type: none"> a. Budget Report 2021/22 including MTFS b. Treasury Management Strategy 2021/22 c. Reserves Strategy Update d. Capital Strategy and Capital Programme • Possible Confirmation hearing – OPFCC Chief Executive

Monday 14 February 2022 (2. pm)	<ul style="list-style-type: none"> • Consideration of the PFCCs proposed Fire and Rescue Budget and Precept 2022/23 <ul style="list-style-type: none"> a. Budget Report 2021/22 including MTFS b. Treasury Management Strategy 2021/22 c. Reserves Strategy Update d. Capital Strategy and Capital Programme • Fire and Rescue Service Safety Plan 2020-2024 Update Report
Tuesday 22 February 2022 (2.pm) <i>(Reserved date if needed)</i>	<ul style="list-style-type: none"> • If required, Further consideration of proposed Police and/or Fire and Rescue Budget and Precept 2022/23.
Monday 25 April 2022 (2.pm)	<ul style="list-style-type: none"> • TBA
Monday 27 June 2022 (2.pm)	<ul style="list-style-type: none"> • Appointment of Chairman • Appointment of Vice-Chairman • Annual Report on the Management of Complaints and Conduct Matters against the Police, Fire and Crime Commissioner and Deputy Police, Fire and Crime Commissioner • Home Officer Grant 2020/21
Monday 26 September 2022 (10 am)	<ul style="list-style-type: none"> • TBA
Monday 24 October 2022 (2.pm)	<ul style="list-style-type: none"> • MTFS/Budget Update – Policing Service • MTFS/Budget Update - Fire and Rescue Service
6 February 2023 (2.pm)	<ul style="list-style-type: none"> • PFCC’s proposed Police Budget and Precept 2023/24
13 February 2023 (2.pm)	<ul style="list-style-type: none"> • Consideration of the PFCCs proposed Fire and Rescue Budget and Precept 2023/24
21 February 2023 (10am) <i>(Reserved date if needed)</i>	<ul style="list-style-type: none"> • If required, Further consideration of proposed Police and/or Fire and Rescue Budget and Precept 2023/24
Monday 24 April 2023 (2.pm)	<ul style="list-style-type: none"> • TBA
Items to be scheduled when appropriate	
Proposed Operation Hub / Firearms Range	Raised at 1 February 2021 meeting
Annual Report	

Neighbourhood policing - review	Raised at 23 September meeting
Police and Crime and Fire and Rescue Plans	Requested at 25 October meeting

J Tradewell (Secretary to the Panel)

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