

**Item No. on Agenda**

**Report to the Police Fire and Crime Panel – 6<sup>th</sup> February 2023**

**Police and Crime Budget Report for 2023/24**

**(Including Medium Term Financial Strategy)**

Report of the Staffordshire Commissioner

## **Introduction**

The purpose of this report is to set out the proposed budget and precept proposal for the police and crime element of the Staffordshire Commissioner's portfolio for 2023/24. This is the Commissioner's second budget in office and delivers one of his key responsibilities under the Police Reform and Social Responsibility Act 2011.

The report sets out the following:

- Net police and crime budget requirement for 2023/24
- Proposed precept for the police and crime element of the council tax 2023/24
- Proposed policing Medium-Term Financial Strategy (MTFS)
- Outline policing capital budget

The report should be read in conjunction with the accompanying:

- Treasury Management Strategy
- Reserves Strategy
- Capital Strategy

## **Recommendations**

The Police, Fire and Crime Panel is asked to:

- Examine the information presented in this report, including:
  - The total 2023/24 net revenue budget requirement of £242.902m (**see Appendix 1**), including
  - A council tax requirement for 2023/24 of £93.883m before the collection fund surplus is considered (**see Appendix 5**)
- Support and note that the budget includes the investment required to deliver a further growth of 60 FTE police officers in 2023/24, taking police officer headcount to 2,000.

- Support the proposal to increase the 2023/24 precept for the policing element of the council tax bill by 4.83% (£12.00 per annum) which is equivalent to £1 per month, increasing the council tax to £260.57 for a band D property (**Appendix 5**).
- Note that the council tax base has increased to 360,299 band D equivalent properties, equivalent to an increase of 1.46% (**see Appendix 4**). The council tax collection fund has also been finalised delivering a surplus of £1.270m (**see Appendix 3**).
- Note the use of £0.361m of revenue reserves to balance the 2023/24 budget (this is in addition to use of other earmarked reserves to support identified purposes).
- Note the MTFS summary financials (**Appendix 6**) and MTFS assumptions (**see paragraph 5.5**)
- Support the delegation to the Director of Finance for the Staffordshire Commissioners Office and the Director of Resources of Staffordshire Police to make any necessary adjustments to the budget as a result of late changes to central government funding (including changes due to the final funding settlement being announced) via an appropriation to or from the budget support reserve
- Support the proposed four-year Capital Investment Programme (**see Section 8**) totalling £48.264m and the Capital Strategy and Capital Programme paper.
- Note the outcome of the Staffordshire Commissioner's budget consultation within the Commissioner's foreword which included a survey regarding the proposed level of precept for 2023/24 (**see Appendix 9**).

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## Commissioner's Foreword



This is my second budget and council tax precept proposal as Commissioner for Staffordshire Police, Fire & Rescue and Crime. Since my election in May 2021, I continue to be hugely impressed by the professionalism and commitment of our police officers and staff.

Since the last budget was set we have seen the invasion of Ukraine by Russian forces leading to a significant increase in energy costs with inflation running at over 10% in recent months placing significant pressure on household as well as policing budgets. Challenges exist within policing locally that require investment to meet the needs of residents across Staffordshire and Stoke on Trent. This 2023/24 budget and Medium-Term Financial Strategy

(MTFS) is set against this backdrop.

I am pleased to be in a relatively unique position compared to other Commissioners in being able to invest in a significant further increase in police officer numbers by 60, moving to 2,000 by March 2024. This is while keeping the increase in precept below inflation, below the increase in average wage growth and pension increases, and below the amount allowed by government.

This delivers on two of my commitments on being elected in May 2020. Firstly, to increase police officer numbers by 250 taking them from 1,749 as the end of March 2020, to 2,000 at the end of March 2024. Secondly, keeping council tax precept increases as low as possible during my term. Precept levels for policing in Staffordshire are the 14<sup>th</sup> lowest in England and Wales.

In addition, police support service costs in Staffordshire are now the fifth lowest in England and Wales on a per head of population basis allowing for greater investment into front line policing.

In December 2021, I published my local Police & Crime Plan which sets out priorities and service expectations on behalf of Staffordshire residents. These included improved contact centre performance, quicker response to emergency and urgent incidents, safer roads, more effective criminal justice and reduced anti-social behaviour.

I am pleased to see the early impact of the change in the force's local policing model to more local arrangements starting to pay dividends both in terms of crucial response times but also in terms of public satisfaction with having a more locally based and more visible service. To augment this more local policing model I am pleased 2023 will see the on-call fire stations in Chase Terrace and Burntwood become combined police and fire facilities for a small number of police officers and PCSOs to use during their working day.

The MTFS will support the Chief Constable to deliver on the local plan and national government priorities as well as moving the force out of its 'Engaged' phase of monitoring from the inspectorate (HMICFRS). With this, and inflation and wage

pressures in mind, I have concluded that the 2023/24 police & crime council tax precept should increase by 4.83%, equivalent to £1 per month for a band D property.

The proposed increase in the police & crime council tax precept over the four-year period of this MTFS is lower than the forecast cumulative rate of inflation and wage growth. I will always aim to keep council tax as low as possible without compromising safety.

To balance this MTFS a further £5.5m of additional savings will be required by 2027, however crucially given the need to have a strong focus on operational improvement in the near term for the next 2 years a balanced position has been set without the need for additional savings beyond those identified to date. Utilising reserves has also allowed me to keep precept increases lower than would have been the case and has been made possible by the strong financial management we have seen over the last 2 years.

I am acutely aware that household budgets are tight, so I expect every pound of taxpayer's money invested in policing to be spent wisely and for Staffordshire Police and indeed my own office to continually seek efficiencies. This will be challenging but given a good record of making savings, smarter use of technology and plans to share more buildings and back-office costs with Staffordshire Fire & Rescue Service, I believe this is achievable.

Staffordshire and Stoke on Trent have some of the lowest crime levels in the country with reducing levels of anti-social behaviour. With your support and the investment set out in this MTFS, it is my expectation that our Chief Constable, Chris Noble, will build on the improvements seen since the delivery in June 2022 of a more local and responsive service and continue to keep us safe.

# 1. Executive Summary

- 1.1 This report, and the council tax precept proposal within it, considers public and stakeholder consultation, demand for policing services as well as key government announcements.
- 1.2 Following the announcement of the council tax referendum levels and police grant settlement by government, the Commissioner has considered; current and future funding requirements, together with the factors included within his Police and Crime Plan, the results of the survey with local residents, as well as actual and expected cost pressures and expected efficiency savings available to the force and to his own office.
- 1.3 The budget considers the current and emerging operational challenges, both nationally, regionally and locally, with particular reference to those areas included within the Force's Strategic Assessment and the most recent inspection from His Majesty's Inspectorate of Constabulary, Fire and Rescue Services (HMICFRS).
- 1.4 Staffordshire Police continues to deliver Value for Money. In the latest HMICFRS Value for Money profiles, Staffordshire Police is the 6<sup>th</sup> lowest funded force in England and Wales on a per head of population basis but continues to be one of the safest places to live, work and visit in the United Kingdom.
- 1.5 This low funding position, relative to other areas, means that the scope for efficiencies is arguably lower than in other areas without impacting on the policing model.
- 1.6 The panel will note the proposed further increase of 60 police officers. Whilst this will further strengthen over the medium term the capability of Staffordshire Police, this is building from a position of having the 4<sup>th</sup> lowest officer headcount in England and Wales, albeit a position that is in line with the relatively low overall funding position.
- 1.7 The investment in additional officers will not have an instantaneous impact given the need to recruit and train as well as for these new officers to gain valuable operational experience. This very much is an investment being made now to deliver medium- and long-term benefits.
- 1.8 Pay and inflationary pressures were higher in 2022/23 than forecast in the MTFs with the average pay award (following a pay freeze the previous year) of 5% being announced. Energy prices remain the largest single driver of inflation, however over the medium term it is anticipated inflation and wage growth will fall back to the Bank of England target inflation rate of 2%.
- 1.9 These inflationary increases, against a backdrop of tighter public and personal finances, have made setting the 2023/24 MTFs more challenging than it has been recent years. The current external environment, seen through inflationary pressures, is more volatile than previous increasing the likelihood of budget assumptions being materially challenged in year.

- 1.10 The impact of the Covid-19 pandemic was strongly evidenced in the 2021/22 budget via a reduction in the tax base (driven by an increase in the means tested benefit Local Council Tax Support schemes) and a deficit on the collection fund. We have seen a return to growth in the council tax base for 2023/24, however the degradation on the base seen due to the pandemic has not been fully recovered, reducing the ongoing base to what was forecast pre-pandemic. In addition to this, the recent significant increases in inflation could well have an impact on the council tax base in future years should the rate of inflation not return to the Bank of England target over the medium term.
- 1.11 The Commissioner has considered the adequacy and level of reserves and the impacting of future financial challenges and opportunities in the MTFS. The MTFS assumes a net drawn on reserves of £3.914m to support the MTFS revenue budget over the four years and an additional net drawn on reserve of £2.786m to support PCC commissioned services, uplift and policing the King's Coronation. This paper is accompanied by a revised Reserves Strategy.
- 1.12 2022/23 represented the final year of central government's uplift programme which will see an additional 20,000 Police officers recruited. This has resulted in 300 additional police officers in Staffordshire, however the impact of this has yet to be fully realised operationally as these officers progress through their training.
- 1.13 The draft policing settlement was published on 14th December 2022. The Home Office has provided a one-year local settlement only, making longer term planning challenging. This pattern is in line with the one-year local settlements received by strategic partners in fire and councils.
- 1.14 The MTFS makes assumptions about the level of Home Office funding for years 2 to based on a share of £150m growth in Home Office funding for policing between 2023/24 and 2024/25. For future years a 2% growth (in line with Bank of England target inflation rates) has been assumed.
- 1.15 Panel should note the budget assumes that the ring-fenced uplift funding of £4.1m is continued throughout the life of the MTFS. This is a risk item, however given the commitment of the government to maintain the uplift numbers it is felt an appropriate risk.
- 1.16 After consideration of all of these aspects, the Commissioner is proposing a precept increase of £1 per month from April 2023. The proposed precept enables the Commissioner to provide an increase in funding raised from the precept of £5.616m in 2023/24 (excluding the collection fund positions).
- 1.17 The Commissioner and Chief Constable will make the following headline investments into Policing and Crime over the course of the MTFS, above and beyond those provided for by central government in:
- Increasing Police officer numbers by 60, taking headcount to 2,000,
  - Renewing and increasing the coverage of Automatic Number Plate Recognition (ANPR) cameras across Staffordshire,
  - Investing in support services targeted at the victims of domestic abuse,
  - The creation of a dedicated Officer Personal Safety Training facility.

Further detail is contained in section 4.

- 1.18 The Commissioner will continue to support the Chief Constable’s transformation programme and has committed to ensuring that the scope of the capital programme and achievement of capital receipts will support this, through new IT platforms and estate. This paper is accompanied by a Capital Strategy and Treasury Management Strategy which explain how this investment will be afforded. Further detail on the proposed capital investment is contained in section 8.
- 1.19 The Commissioner has reviewed the cost of his office and the cost of the office falls in real terms over the life of the MTFs.
- 1.20 The budget for the Commissioner’s Office includes £12m of Commissioned Services of which £4m is funded from government grants, partnership income and ring-fenced reserves. A net cost of c.£7m for Commissioned Services is included per year within the MTFs. Commissioned Services support, for example, victims of crime, those impacted by domestic, or sexual abuse, those that are vulnerable and others, working alongside police officers, social workers and other professionals to mitigate and manage harm. These services account for around 90% of the total budget for the Staffordshire Commissioner shown below.
- 1.21 If the proposals in this document are supported then the Staffordshire Commissioner will have the following funding available in 2023/24:

Table 1 Net Budget Requirement Comparison 2022/23 to 2023/24

	2022/23	2023/24	Change
<b>Funding</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Home Office Police Grant	129,410	129,860	450
Police Pension Grant	1,825	1,825	0
Uplift Ringfenced Grant	2,035	4,100	2,065
Revenue Support Grant	8,423	8,423	0
Council Tax Freeze Grant	3,541	3,541	0
Precept	88,267	93,883	5,616
Council Tax Fund Surplus/(Deficit)	879	1,270	391
<b>Total Funding</b>	<b>234,380</b>	<b>242,902</b>	<b>8,522</b>

	2022/23	2023/24	Change
<b>Spend</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Staffordshire Commissioner	8,078	7,653	(425)
Staffordshire Police	217,822	227,231	9,409
Capital Financing & Revenue Contribution to Capital*	8,480	8,018	(462)
<b>Total Spend</b>	<b>234,380</b>	<b>242,902</b>	<b>8,522</b>

The detailed budgets are shown in **Appendix 1**.

## 2. The Budget Process

2.1 The 2023/24 budgeting round continues to use a risk-based approach to budget setting which has sought to align the budget process with identified strategic operational priorities and risks, making strategic investments where funding allows in line with the Commissioner's Police and Crime Plan.

2.2 Underpinning the budget and MTFs process are the principles of setting a good and balanced budget. Whilst setting a balanced budget is a legal requirement, significant focus is spent on ensuring it is a 'good budget'.

A **Balanced Budget** means that:

- Income equals expenditure
- Cost reduction targets and investment proposals are credible and achievable, and:
- Key assumptions are 'stress tested'



A **Good Budget** means that:

- It has a medium term focus, supporting the Policing Plan
- Resources are focused on our priority outcomes
- It is not driven by short term fixes
- It demonstrates how we have listened to our communities through consultation
- It is transparent and well scrutinised
- It is integrated with the capital programme; and
- It maintains financial stability

2.3 The Commissioner and Staffordshire Police have considered key corporate risks when setting the budget. Essentially these risks are operational and organisational around managing people, infrastructure assets, information, commissioning etc.

2.4 The force continues to identify its strategic operational risks as part of the Force Management Statement (a requirement of His Majesty's Inspectorate of Constabulary, Fire and Rescue Service). This has been used to inform resourcing strategies at both command and departmental level.

2.5 The latest MTFs and, in particular, the 2023/24 budget contained within this report aligns financial resources to areas of greatest risk and therefore is fundamental to the performance management of Staffordshire Police and the Staffordshire Commissioner's Office.

2.6 Both Section 151 Officers have worked closely with the wider finance team throughout the year during the budget monitoring process and in preparation of the revenue and capital budgets for 2023/24. In respect of the budget, this has included (but was not limited to), the identification and agreement of assumptions and methodology and challenge and scrutiny of the budget workings across both the Staffordshire Commissioners Office (SCO) and Staffordshire Police.

2.7 The Commissioner and his management team have held regular discussions with the Chief Constable and his Chief Officers throughout the year on the MTFs. These discussions have culminated in a number of full and robust discussions of the budget requirement, the right sizing and funding of the capital programme, national and local operational and financial challenges, the precept options available to the Commissioner and a review of the MTFs and associated risks.

2.8 Furthermore, there has been a significant degree of scrutiny and challenge undertaken by the Commissioner and his team, prior to, during and post the January Strategic Governance Board, culminating in final discussions on the policing budget

and decision on precept by the Commissioner. The decision around precept is taken by the Commissioner applying his judgement based upon the above budget process.

2.9 The approach taken to the MTFFS is one where we continually seek to be a well-run organisation, scrutinising areas of spend as well as containing pressures. The overall approach to the MTFFS process, in the order below, is:

**1. Well run**

- Containment of pressures,
- Identifying and achieving savings which involve no change to the operating model or incurring redundancy costs,
- Spending every £ wisely

**2. Commercially astute**

- Income generation
- Asset sales
- Balance sheet management
- Procurement and purchasing efficiencies

**3. Transformation**

- Changing the way we do things
- Leveraging capital investment to support changes to our staffing model
- Right sourcing of services and support

### 3. Precept Strategy and 2023/24 Proposal

3.1 The 2023/24 proposed precept increase is 4.83%. This is below the current rate of inflation of 10.5% and wage growth of 6.4%. The table below benchmarks the precept proposals in the MTFs against the forecasts from HM Treasury and the Office of Budgetary Responsibility.

	2021	2022	2023	Cumulative
CPI Inflation	3.1%	9.1%	7.4%	19.6%
Wage Growth	4.3%	6.4%	5.0%	15.7%
Pensions Growth	2.5%	3.1%	10.1%	15.7%
Precept Estimates	5.99%	4.19%	4.83%	15.01%

3.2 The Council Tax Referendum Principles for 2023/24 state that PCCs can increase the policing element of council tax by £15 per annum before triggering a referendum.

3.3 The Commissioner has engaged with local residents and stakeholders on a wide range of matters. In relation to the precept, the recent consultation showed that 58.5% of all respondents support an increase in the police and crime precept.

3.4 The Commissioner has listened to this feedback and his intention to increase funding in the coming year by £5.6m (excluding the collection fund positions) from the precept, which will provide additional investment to policing as well as ensuring that material cost pressures are met for the budget year 2023/24. Importantly this increase provides additional protection to services in the medium term.

3.5 The impact of the Covid-19 pandemic was strongly evidenced in the 2021/22 budget via a reduction in the tax base (driven by an increase in the means tested benefit Local Council Tax Support schemes) and a deficit on the collection fund. We have seen a return to growth in the council tax base for 2023/24, however the degradation on the base seen due to the pandemic has not been fully recovered, reducing the ongoing base to what was forecast pre-pandemic.

3.6 The table below illustrates the financial impact of the precept changes on the council band D rate and increase in funding for Police and Crime in Staffordshire.

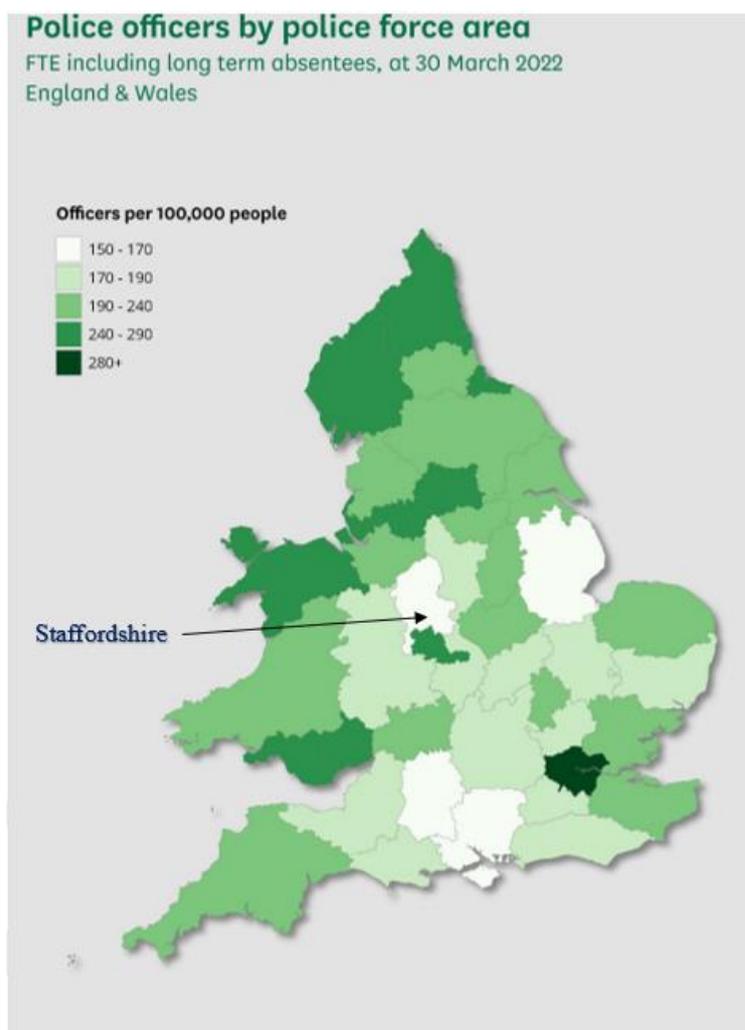
Council Tax (Police & Crime Element)	2022/23	2023/24
Band D Council Tax Proposed	£248.57	£260.57
Increase on Prior Year	£10.00	£12.00
Percentage increase on Prior Year	4.19%	4.83%
Council Tax Increase*	£5,070,049	£5,615,875
Total Precept Levied	£88,267,262	£93,883,136
Weekly Increase	£0.19	£0.23

\*This includes changes in the tax base as well as precept rate changes

3.7 The increase in council tax funding also takes in to account the actual tax base increase for 2023/24 (1.46%) when calculating the financial impact of the precept flexibility. The proposed council tax increase by banding is shown in **Appendix 5**.

## 4. Commissioner Investments in Policing

- 4.1 The Commissioner, in reaching a decision to increase the policing precept, has considered the need to balance increases in local taxation against the investments required in local policing to continue building back in capability and capacity, as well as enabling Staffordshire Police to respond to new and emerging threats.
- 4.2 These investments have been designed to balance and complement the investment in police officer numbers as a result of the government investment in policing. The government's focus has been on increasing officer numbers and the infrastructure directly related to increasing officer numbers. The government's investment does not focus, at a local level, on increasing technological innovation, specialist police staff roles, volunteer roles both in relation to revenue spend through pay costs or capital investment in infrastructure. These areas are becoming increasingly important to policing in terms of meeting future demand.
- 4.3 The schematic below shows Staffordshire relative position on police officer headcount compared to other forces. This is headcount is proportionate to being one of the lowest funded forces in the country.



Notes: Metropolitan Police Service and City of London forces have been combined.

Sources: Home Office, [Police Workforce: England and Wales](#); ONS, [Census 2021, first results](#), released 28 June 2022.

4.4 Whilst total numbers are important, what is also important is what these officers are doing. Officers should be doing a job that requires warranted powers and not in a role that can be more effectively and efficiently done by others simply to increase the relative headcount without seeing the impact of this on the public's priorities. The number of Staffordshire officers in 'front line' roles is the third highest in the UK based on the same Home Office data set.



Source: Home Office, [Police Workforce, England and Wales: 31 March 2022](#), Table F5

4.5 Combining the two data sets gives me confidence that taxpayers money is being used wisely in Staffordshire and supports the investment funded through the precept increase and savings in increasing police officer numbers.

4.6 These additional officers are planned to be invested in the following areas, albeit as referenced before this is an investment in the long term given the need to train and develop these officers:

- **Prevention** (20 officers) – A police officer based on each Local Policing Team that is specifically trained to a high level in problem solving methodology (with potentially academic accreditation) and acts as tactical adviser to Local Policing Teams leading on the development of bespoke problem-solving plans on a local level. Their focus will be predominately volume crimes, anti-social behaviour and be ‘super users’ for policing preventative powers such as closure orders

In addition to these specialist officers a further officer will be added to each Local Policing Team.

- **Pursue** (21 officers) –to increase our proactivity in going after criminals, enhancing local policing teams when issues emerge in local areas that require swift and robust action by providing a surge capacity.
- **Protect** (19 officers) – investing in protecting our most vulnerable residents including those at risk of Child Criminal Exploitation (CCE), investigating and bringing offenders to justice

- 4.7 The current number of PCSOs in role is currently 196 FTE (as at December 2022). It is proposed to set a budgetary operating baseline of 195 FTE, with recruitments of 8 FTE in January 2023 having taken place and an intake of 9 FTE in September 2023 planned. Based on recent trends as we increase police officer recruitment we see higher turnover in PCSO numbers as they apply for and become police officers in Staffordshire, retaining their skills in Staffordshire.
- 4.8 To augment the above proactive capability under ‘Pursue’ there will be an investment into more ANPR technology to intervene where criminals are using the road network to go about their business.
- 4.9 There has been a significant increase in referrals and individuals seeking support from domestic abuse support services, funded in part by the Commissioner’s Office. To maintain levels of service and provide an appropriate level of service an investment to align £1m over three year into this service is being made.
- 4.10 The investment into IT since this service was brought back in house has paid significant dividends. This includes reducing the number of outages from 53 in the previous reporting period to 1 in 2022. This alongside new technology has resulted in significant productivity gains within policing.
- 4.11 Investment into IT, estate and fleet continue over the life of the MTFS. In light of the current higher interest rate environment the capital programme has been reprioritised with a view to reducing long term borrowing costs and increasing interest receivable to support the revenue budget and keep precept low. This includes the reduction in the forecast budget for the firearms range by c.£4m.

## 5. The Medium-Term Financial Strategy

The Medium-Term Financial Strategy has been updated as follows and is shown in detail in **Appendix 6**.

- 5.1 The MTFs is an important document in the overall financial framework of the group's planning. It builds on the budget for 2022/23 and incorporates plans to meet changes in available financing with the need to meet current and future commitments.
- 5.2 It is a requirement that the Police and Crime Plan must cover the period until the end of the financial year however it is prudent to prepare a medium-term financial strategy over a longer period than this and therefore the report focusses on a four-year timeline.
- 5.3 The MTFs is based on full delivery of a number of savings arising through Resource Allocation Challenge panels as included in **Appendix 8**.
- 5.4 Additional savings from treasury management and capital financing are also included. These are discussed in section 8.
- 5.5 The MTFs includes a number of key assumptions covering likely funding levels, inflationary increases and expenditure items. A summary of the main MTFs assumptions are shown below for consideration:

Table 4: Assumptions

Description	2023/24 Budget	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
<b><u>Police Officers</u></b>				
Pay Award	3.0%	2.0%	2.0%	2.0%
Incremental uplift	1.0%	1.0%	1.0%	1.0%
Pension Contribution	31.0%	31.0%	31.0%	31.0%
<b><u>Police Staff</u></b>				
Pay Award	3.0%	2.0%	2.0%	2.0%
Incremental uplift	1.0%	1.0%	1.0%	1.0%
Pension Contribution	21.5%	21.5%	21.5%	21.5%
<b><u>Non-Pay Inflation</u></b>				
General	4.0%	2.0%	2.0%	2.0%
Utilities & Fuel*	54%	2.0%	2.0%	2.0%
<b><u>Funding &amp; Income</u></b>				
Government Funding	1.91%	1.54%	2.0%	2.0%
Council Tax Base Increase	1.46%	1.5%	1.5%	1.5%
Variable Income Charges	2.0%	2.0%	2.0%	2.0%
Council Tax Precept Increase	4.83%	2.99%	2.99%	2.99%

\* % increase stated is an average across budgets

- 5.6 All assumptions in the MTFs are subject to change however they are useful in establishing the general size of the underlying pressures in the budget.
- 5.7 Assumptions on inflation have been cross-referenced with other policing and local public sector organisations and believe they are consistent. Panel should note however that in relation to inflation this is significantly more difficult to forecast than in future years.
- 5.8 In relation to pay inflations assumptions we have undertaken a survey of other forces. This has shown that relative to the sector our assumption is prudent and is the most commonly used assumption in the sector. The results of this are below:

Pay award assumption percentage	Number of Forces
2.0%	10
2.5%	4
2.75%	1
3.0%	14
4.0%	2

- 5.9 Panel should note that given the increases in pension and benefit rates seen in April 2023 of 10.1% this may set a level of expectation that would prove unaffordable in both the short and long term for policing in the UK.
- 5.10 Based on forecast energy usage and the proposed energy price cap for 2023/24 it is anticipated the pressure included in the MTFs will be sufficient. However, current gas prices have reduced significantly in recent weeks and if sustained at that rate there is the potential of a reduced pressure in 2024/25.
- 5.11 The tax base forecasts are based upon economic growth forecasts from the Office for Budgetary Responsibility (OBR) blended with local insight and knowledge from billing authorities. However, whilst the tax base has seen growth in 2022/23 at a level experienced pre-pandemic the degradation seen due to the pandemic has not been recovered.
- 5.12 Police officer pension costs remain a significant risk over the medium term, in particular in light of the McCloud judgement on pension's age discrimination. To offset this risk the Commissioner has established a pensions reserve, however the impact of this could amount to a significant multi-million-pound annual cost.

## 6. Risks and Sensitivity Analysis

- 6.1 In reflecting on where and whether investments are appropriate in 2023/24, the Commissioner will also reflect on the development of risks within the environment and respond to the monitoring of those risks.
- 6.2 The table below sets out a sensitivity analysis on key assumptions within the 2023/24 budget.

Table 5: Sensitivity Analysis on Assumptions

Cost Area	Change	£'000
Police Pay	1%	1,171
PCSO/Police Staff	1%	748
Utilities	1%	28
Vehicle Costs	1%	41
Supplies & Services	1%	97
Police Pension Contribution	1%	780
Police Core Grant Funding	1%	1,299
Precept	£1	94
Council Tax Base	1%	939

- 6.3 Inflationary pressures remain a significant concern both over the short term and are more likely than not to present a significant challenge around non-pay spend.

## 7. Reserves Position

- 7.1 The Commissioner's Reserve Strategy sets this out the minimum general fund reserve to be 3% of the net revenue budget, with the general fund reserve currently at 3.65% of the 2022/23 net revenue budget.
- 7.2 A number of earmarked reserves are included within the overall reserves position; these reserves exist to cover increased risks in the external environment such as pension changes.
- 7.3 The 2023/24 MTFs includes the unwinding of the budget support reserve of £3.914m; £0.361m in 2023/24, £3.44m in 2024/25 and £0.109m in 2025/26. The use of £0.361m is used to balance the underlying net budget requirement in 2023/24.
- 7.4 In 2023/24, in addition to the unwinding of the budget support reserve, there is also planned use of the Major Events Policing reserve to support the policing of the King's Coronation (£0.200m), Uplift reserve (£0.140m) and PCC ring-fenced reserves to support commissioned schemes (£0.659m).
- 7.5 Should a pay award be higher than budgeted (as was the case in 2022/23), this may necessitate the use of the budget support reserve, which is currently allocated to be used in 2024/25.
- 7.6 If the proposals in this report are adopted then the reserves position will be as shown in **Appendix 2**. These reserves are from the unaudited accounts reserves for the year ending 2021/22.
- 7.7 The panel should note that in the forecast reserves position, the forecast underspend for 2022/23 as at period 9 is included within the general fund. Consideration may be given to transferring this to the budget support reserve at the end of the financial year.

## 8. Capital Programme 2023/24 to 2026/27

- 8.1 The Capital Programme and Capital Strategy for 2023/24 to 2026/27 has been developed and is reviewed within the Capital Strategy. The Capital Programme has been developed by the operational budget holders in discussion with the Chief Accountant and the Director of Resources.
- 8.2 The revenue consequences of the proposed programme have been considered in the development of the revenue budget and the required prudential indicators are set out in the accompanying Treasury Management Strategy.
- 8.3 Over recent years the force has seen significant investment through the capital programme into digital technology. The impact of this has been a significant improvement in the force's digital capacity and capability.

8.4 There has been a comprehensive review of the capital programme for the 2023/24 MTFS which has delivered significant savings across the period:

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
<b>Capital Financing Costs MTFS 2023</b>	6,018	6,991	7,157	7,323
<b>Capital Financing Costs MTFS 2022</b>	6,471	7,764	9,082	9,191
<b>(Reduction)</b>	(453)	(773)	(1,925)	(1,868)

8.5 The above includes the reduction in the proposed cost of the new firearms range. The Commissioner took a gateway decision on this in 2022 to progress work to a 'pre planning application' point. An update on the back of the completion of this next phase of work is due in quarter 1 of the 2023/24 financial year.

8.6 The table below details the Capital Programme projects and spend over the MTFS period with the expected funding of the programme. The detailed programme for 2023/24 is shown within Appendix 7 – Capital Programme.

**Table 6: Capital Programme Spending**

<b>Capital Investment Area</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>
IT	7,911	1,860	2,220	3,420
Estates and Facilities	5,353	7,450	9,050	1,100
Transport	2,000	2,050	2,100	2,100
Operational Equipment	100	610	270	670
<b>Capital Programme</b>	<b>15,364</b>	<b>11,970</b>	<b>13,640</b>	<b>7,290</b>
<b>Funding</b>				
Capital Receipts	(430)	(380)	0	0
Deferred Capital Receipt	(20)	0	0	0
Capital Specific Grants	0	0	0	(331)
Revenue Contribution to Capital	(2,000)	(2,257)	(2,257)	(2,257)
Earmarked Reserves	(1,453)	0	0	(1,784)
Borrowing Requirement	(11,461)	(9,333)	(11,383)	(2,918)
<b>Total Funding</b>	<b>(15,364)</b>	<b>(11,970)</b>	<b>(13,640)</b>	<b>(7,290)</b>

## **9. Statement of the Commissioner CFO on the robustness of the Budget and adequacy of the proposed financial reserves**

- 9.1 The Local Government Act 2003, Part 2, Section 25, as amended by the Police Reform and Social Responsibility Act 2013, requires the Commissioner's CFO to report on the robustness of the estimates used for the budget and the adequacy of the proposed financial reserves. The Commissioner is required to have regard to the report of the CFO and the report must be given to the Police and Crime Panel.
- 9.2 The current year 2022/23 has seen a significant level of uncertainty due to the impact of pay and inflationary pressures and this uncertainty does provide a challenging backdrop when setting the budget for 2023/24 and into the medium term.
- 9.3 Whilst the budget proposals contained within this report provide a solid foundation for the Commissioner and Chief Constable, including some additional investment in police officer numbers, the financial position and future assumptions must remain under robust scrutiny and subject to regular review. Plans to address the funding gap identified in 2025/26 and 2026/27 must also be developed.

I conclude that the budget for 2023/24:

- Has been prepared on a robust basis,
- Is accompanied by a Capital, Treasury Management and Reserves Strategy

**David Greensmith**

**Director of Finance / S151 Officer for the Staffordshire Commissioner's Office**

## Appendix 1

### Revenue Budget 2023/24

	Budget 2022/23 £'000	Budget 2023/24 £'000	Year on Year Change £'000
<b>Pay</b>			
Police Officer Pay Costs	111,984	117,054	5,070
PCSO Pay Costs	8,738	8,662	(75)
Police Staff Pay Costs	59,818	66,137	6,318
Other Employee Costs	5,918	3,849	(2,068)
Police Officer Pensions	5,433	4,733	(700)
<b>Total Pay</b>	<b>191,891</b>	<b>200,435</b>	<b>8,544</b>
<b>Non Pay</b>			
Repairs & Maintenance	30	31	1
Other Premises Costs	4,831	6,736	1,905
Vehicle Costs	3,716	4,057	341
Other Travel Costs	461	557	96
Operational Supplies & Service	6,343	6,556	214
Communications & Computers	13,786	14,461	676
Administration	2,227	2,263	36
Other Supplies & Services	853	849	(4)
<b>Total Non Pay</b>	<b>32,247</b>	<b>35,511</b>	<b>3,264</b>
<b>Contracted</b>			
Third Party Payments	13,396	16,165	2,769
<b>Total Contracted</b>	<b>13,396</b>	<b>16,165</b>	<b>2,769</b>
<b>Capital Financing Cost</b>			
Capital Financing Costs	6,223	6,018	(205)
Revenue Contribution to Capital	2,257	2,000	(257)
<b>Total Capital Financing Cost</b>	<b>8,480</b>	<b>8,018</b>	<b>(462)</b>
<b>Income</b>			
Grants & Contributions	(6,683)	(8,355)	(1,671)
Reimbursements	(4,882)	(5,447)	(565)
Sales, Fees & Charges	(926)	(842)	84
Other Income	(64)	(1,048)	(985)
<b>Total Other Income</b>	<b>(12,555)</b>	<b>(15,691)</b>	<b>(3,136)</b>
<b>Unallocated Savings</b>			
Unallocated Savings	0	(176)	(176)
<b>Total Unallocated Savings</b>	<b>0</b>	<b>(176)</b>	<b>(176)</b>
<b>Total Revenue Budget before Reserves</b>	<b>233,459</b>	<b>244,262</b>	<b>10,804</b>
Transfers to/(from) Reserves	922	(1,360)	(2,280)
<b>Total Revenue Budget</b>	<b>234,380</b>	<b>242,902</b>	<b>8,523</b>
<b>Financed By:</b>			
Home Office Funding	145,233	147,749	2,516
Council Tax Funding	89,146	95,153	6,007
<b>Total Financing</b>	<b>234,380</b>	<b>242,902</b>	<b>8,523</b>

## Appendix 2

### Useable Reserves Statement

	Balance at 31 March 2021 £'000	Balance at 31 March 2022 £'000
<b>General Fund</b>	7,214	8,509
<b>Capital receipt reserve</b>	0	1,449
<b>Capital grants unapplied</b>	331	514
Reshaping the Future	2,264	2,332
IT Transformation Reserve	2,618	2,580
Insurance Reserve	1,201	981
Pension Reserve	2,562	4,499
Collaboration Reserve	705	292
Capital Reserve	1,574	2,216
ESN Reserve	780	1,784
Covid-19	2,197	923
Operational Reserves	6,712	12,076
<b>Total Earmarked Reserves</b>	20,613	27,683
<b>Total Usable Reserves</b>	<b>28,158</b>	<b>38,155</b>

### Useable Reserves Forecast

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
<b>General Fund</b>	<b>9,703</b>	<b>9,703</b>	<b>9,703</b>	<b>9,703</b>
<b>Capital Receipts Reserve</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital Grants Unapplied</b>	<b>331</b>	<b>331</b>	<b>331</b>	<b>0</b>
Budget Support Reserve	3,553	109	0	0
Capital Reserve	420	420	420	420
Collaboration Reserve	70	70	70	70
ESN Reserve	1,784	1,784	1,784	0
Insurance Reserve	1,285	1,285	1,285	1,285
IT Transformation Reserve	2,412	2,412	2,412	2,412
Major Events Policing Reserve	418	418	418	418
Operational Reserves	4,828	3,992	3,041	3,041
Pension Reserve	5,207	5,207	5,207	5,207
Reshaping the Future Reserve	1,623	1,623	1,623	1,623
Uplift Reserve	5,315	5,315	5,315	5,315
<b>Total Earmarked Reserves</b>	<b>26,915</b>	<b>22,635</b>	<b>21,575</b>	<b>19,791</b>
<b>Total Usable Reserves</b>	<b>36,949</b>	<b>32,669</b>	<b>31,609</b>	<b>29,494</b>

## Appendix 3

### Council Tax Report 2023/24

#### Council Tax Surplus / (Deficit) by Billing Authority

	2022/23 £000	2023/24 £000	Change £000
Cannock Chase	341	(144)	(485)
East Staffordshire	147	231	84
Lichfield	(43)	65	108
Newcastle	36	70	34
South Staffordshire	161	219	58
Stafford	68	342	274
Staffordshire Moorlands	69	117	48
Tamworth	96	79	(17)
Stoke City Council	4	291	287
<b>Total</b>	<b>879</b>	<b>1,270</b>	<b>391</b>

\*Note these figures are after the application of the 75% Treasury contribution towards Covid-19 deficits and after the 3-year spreading of the locally funded 25% deficit.

## Appendix 4

### Council Tax base by Billing Authority

	2022/23 (Band D Equivalent)	2023/24 (Band D Equivalent)	Change (Band D Equivalent)
Cannock Chase	29,458	29,851	393
East Staffordshire	39,059	40,060	1,001
Lichfield	39,695	40,534	839
Newcastle	37,668	38,099	431
South Staffordshire	39,066	39,609	543
Stafford	48,490	48,864	373
Staffordshire Moorlands	33,510	33,374	(136)
Tamworth	22,968	23,376	408
Stoke City Council	65,185	66,532	1,347
<b>Total</b>	<b>355,100</b>	<b>360,299</b>	<b>5,199</b>

\*n.b. figures are rounded to the nearest whole Band D equivalent

## Appendix 5

### Council Tax Report 2023/24

#### Council Bands for Each Band and Billing Authority Precepts

Based upon a Band D increase of 4.83%

Band	2022/23 £	2023/24 £	Annual Increase £	Increase per week £
A	165.71	173.71	8.00	0.15
B	193.33	202.66	9.33	0.18
C	220.95	231.62	10.67	0.21
<b>D</b>	<b>248.57</b>	<b>260.57</b>	<b>12.00</b>	<b>0.23</b>
E	303.81	318.48	14.67	0.28
F	359.05	376.38	17.33	0.33
G	414.28	434.28	20.00	0.38
H	497.14	521.14	24.00	0.46

	2022/23 £	2023/24 £	Change £
Cannock Chase	7,322,412	7,778,288	455,876
East Staffordshire	9,708,945	10,438,434	729,489
Lichfield	9,867,011	10,562,049	695,038
Newcastle	9,363,135	9,927,456	564,322
South Staffordshire	9,710,680	10,320,917	610,237
Stafford	12,053,256	12,732,375	679,119
Staffordshire Moorlands	8,329,581	8,696,263	366,682
Tamworth	5,709,156	6,091,084	381,929
Stoke City Council	16,203,085	17,336,269	1,133,184
<b>Total</b>	<b>88,267,262</b>	<b>93,883,136</b>	<b>5,615,875</b>

## Appendix 6

### MTFS Summary Financials to 2026/27

	Budget 2023/24 £'000	Budget 2024/25 £'000	Budget 2025/26 £'000	Budget 2026/27 £'000
<b>Pay</b>				
Police Officer Pay Costs	117,054	121,390	125,231	129,112
PCSO Pay Costs	8,662	9,154	9,452	9,749
Police Staff Pay Costs	66,137	67,739	69,668	71,729
Other Employee Costs	3,849	3,844	3,889	3,935
Police Officer Pensions	4,733	4,733	4,733	4,733
<b>Total Pay</b>	<b>200,435</b>	<b>206,860</b>	<b>212,973</b>	<b>219,259</b>
<b>Non Pay</b>				
Repairs & Maintenance	31	32	33	33
Other Premises Costs	6,736	6,746	7,209	7,725
Vehicle Costs	4,057	4,114	4,172	4,232
Other Travel Costs	557	568	580	592
Operational Supplies & Service	6,556	6,613	6,724	6,837
Communications & Computers	14,461	14,891	15,199	15,524
Administration	2,263	2,430	2,582	2,759
Other Supplies & Services	849	855	860	866
<b>Total Non Pay</b>	<b>35,511</b>	<b>36,249</b>	<b>37,358</b>	<b>38,567</b>
<b>Contracted</b>				
Third Party Payments	16,165	15,971	15,431	15,761
<b>Total Contracted</b>	<b>16,165</b>	<b>15,971</b>	<b>15,431</b>	<b>15,761</b>
<b>Capital Financing Cost</b>				
Capital Financing Costs	6,018	6,991	7,157	7,323
Revenue Contribution to Capital	2,000	2,257	2,257	2,257
<b>Total Capital Financing Cost</b>	<b>8,018</b>	<b>9,248</b>	<b>9,414</b>	<b>9,580</b>
<b>Income</b>				
Grants & Contributions	(8,355)	(7,902)	(6,917)	(6,917)
Reimbursements	(5,447)	(5,451)	(5,456)	(5,456)
Sales, Fees & Charges	(842)	(888)	(950)	(1,013)
Other Income	(1,048)	(794)	(309)	(144)
<b>Total Other Income</b>	<b>(15,691)</b>	<b>(15,035)</b>	<b>(13,633)</b>	<b>(13,531)</b>
<b>Unallocated Savings</b>				
Unallocated Savings	(176)	(206)	(206)	(206)
<b>Total Unallocated Savings</b>	<b>(176)</b>	<b>(206)</b>	<b>(206)</b>	<b>(206)</b>
<b>Total Revenue before Reserves</b>	<b>244,262</b>	<b>253,089</b>	<b>261,338</b>	<b>269,431</b>
Net use of Reserves	(1,360)	(4,280)	(1,061)	0
Transformation Requirement			(4,377)	(5,511)
<b>Total Revenue Budget</b>	<b>242,902</b>	<b>248,809</b>	<b>255,900</b>	<b>263,920</b>

<b>Financed By:</b>				
<b>Settlement Funding</b>				
Home Office Police Grant (inc. Uplift Ringfenced Grant)	133,960	136,229	138,871	142,241
Police Pension Grant	1,825	1,825	1,825	1,825
Revenue Support Grant	8,423	8,423	8,423	8,423
Council Tax Freeze Grant	3,541	3,541	3,541	3,541
<b>Total Settlement Funding</b>	<b>147,749</b>	<b>150,018</b>	<b>152,661</b>	<b>156,030</b>
Council Tax	95,153	98,790	103,239	107,890
<b>Total Financing</b>	<b>242,902</b>	<b>248,809</b>	<b>255,900</b>	<b>263,920</b>

# Appendix 7 – Capital Programme

## Estates Capital Programme

Investment Area	Business Benefit & Narrative	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
7 Hearn Court	Internal and Externals Fabrication improvements	46	0	0	0
Baden Hall	Internal and Externals Fabrication improvements	172	0	0	0
Burton Police Station	Investment to ensure environments continue to meet operational needs - as a workplace. Also, external security upgrades and Internal and Externals Fabrication improvements.	599	0	0	0
Cannock Police Station	Externals Fabrication improvements. Also new interview room.	157	0	0	0
Weston Road HQ	Improvements to perimeter security, lighting security systems and upgrades to security gates and barrier systems to improve site access and alternative access arrangements. Degradation of internal finishes and to re-desk/improve work environments to support additional technology and business culture investment.	171	0	0	0
Learning and Development & Agile work environment	Provision of new and permanently located Learning and development team and agile working environment.	595	0	0	0
Armed Training Facility	New indoor 50m range facility to replaced existing leased outdoor range	350	6,350	7,950	0
Watling Police Custody	Investment (on a rolling programme) to ensure custody environments continue to meet operational needs - both detention and as a workplace. Also, external security upgrades.	328	0	0	0
Longton Police Station	Major investment to address backlog issues over environment, degradation of internal finishes and to re-desk/improve work environments to support additional technology and business culture investment.	1,500	0	0	0
Northern Area Custody Facility	Investment to ensure custody environments continue to meet operational needs - both detention and as a workplace. Also, external security upgrades.	700	700	700	700
Sustainability initiatives	Provision to support self-generation of electricity. This links into the savings option around self-generation of electricity	140	0	0	0
<b>Business as usual</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Refreshments and rest area replacements programme	Rolling programme force wide to ensure all refs/rest areas meet required standards	80	80	80	80
Heating and Ventilation replacement programme	Boiler upgrades/AC improvements based upon PPM regimes	80	80	80	80
Security Upgrades	Door access control systems and physical security and general improvements	80	80	80	80

Fixed Plant - mechanical equipment, M&E services	Modernisation and plant and equipment replacements across the estate.	40	40	40	40
Internal and External Building Fabric Improvements	Includes new roofs, window replacements, works to redecorate and replace building finishes and to raise standard of condition	80	80	80	80
Fire Detection and Fire Safety	Essential upgrades to FD and FS systems based upon rolling PPM outcomes and inspections	90	40	40	40
UPS Batteries replacement	Plant and equipment replacements across the estate.	145	0	0	0
<b>Total Estates Programme</b>		<b>5,353</b>	<b>7,450</b>	<b>9,050</b>	<b>1,100</b>

## IT and Digital Capital Programme

Investment Area	Business Benefit & Narrative	2023/24	2024/25	2025/26	2026/27
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Network Infrastructure		£000	£000	£000	£000
Core network upgrade	Replace core network switches, to prevent recurring failures by removing end of life equipment	85	0	0	0
WiFi Implementation	Deployment of new WP080 hardware across estate, offering improved connectivity	118	0	0	0
<b>Total Network Infrastructure</b>		<b>203</b>	<b>0</b>	<b>0</b>	<b>0</b>

Storage & Hosting		£000	£000	£000	£000
Application Streaming (AVD solution)	Implement a replacement for Citrix Apps to allow migration away from end of life HyperV, and ensure ongoing availability of streamed applications (such as Niche)	150	0	0	0
<b>Total Storage &amp; Hosting</b>		<b>150</b>	<b>0</b>	<b>0</b>	<b>0</b>

Business Systems		£'000	£'000	£'000	£'000
ERP replacement	Essential software upgrade, needed to maintain support contract for a critical business system	1,200	0	0	0
<b>Total Business Systems</b>		<b>1,200</b>	<b>0</b>	<b>0</b>	<b>0</b>

Operational Systems		£000	£000	£000	£000
Netcall	Part of approved Control Room upgrade, to provide functionality for multimedia queues (channel shift)	34	0	0	0
Compass	To assess an either upgrade or alternative mapping solution	80	0	0	0
Gazetteer & XC mapping	Part of approved Control Room upgrade, to support underlying mapping solution in data accuracy	120	0	0	0

Smartstorm	Part of approved Control Room upgrade, needed for ESN and a move to latest technologies for a critical force system	90	0	0	0
Digital Asset Management	To meet the demand to effectively track our digital resources	250	0	0	0
Digital Forensics (Infrastructure)	Overall solution needed for digital forensics, but needs vision and scope developing in more detail first	1,200	0	0	0
Digital Forensics Case Management	Overall solution needed for digital forensics, to manage cases more effectively	55	0	0	0
Vehicle Telematics	The ability to trace vehicle movements in real-time and report on performance data	90	0	0	0
Dashcams	The ability to record and upload video content from response vehicles, alongside BWV	589	0	0	0
NEP	Full integration of NEP involves three elements - National Management Centre, Identity Access Management and Productivity Services. Office 365 under the Productivity Services element is a key enabler of Trust Driven Policing and the cultural aspects of People First.	500	0	0	0
<b>Total Operational Systems</b>		<b>3,008</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Device Replacement</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Mobile device refresh	Essential investment into end of life user devices capable of supporting current OS and applications	800	500	500	500
End user device replacement	Essential investment into end of life user devices capable of supporting current OS and applications	250	500	500	500
IT Infrastructure	Essential investment into end of life IT infrastructure	120	120	120	120
Extension mobility	To allow port mobility across telephones, allowing hot desk culture and reduction in estate	68	0	0	0
Body Worn Video	Replacement of body worn video on a personal issue basis to officers	800	50	50	50
Training Rooms (L&D)	Investment into L&D screen and IT devices to support and deliver a new and permanently located Learning and development team.	250	0	0	0
Airwave Device Replacement	Replacement of Airwave Vehicle devices due to delays of ESN delivery	82	0	0	0
<b>Total Device Replacement</b>		<b>2,370</b>	<b>1,170</b>	<b>1,170</b>	<b>1,170</b>

<b>Data Driven Policing</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>'000</b>
Tasking & Briefing	Improved decision making and access to data	400	0	0	0
Business Intelligence (Power BI)	A rich data-driven user experience, with accessible data across numerous devices	180	40	0	0
<b>Total Data Driven Policing</b>		<b>580</b>	<b>40</b>	<b>0</b>	<b>0</b>

<b>National Systems &amp; Projects</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
ESN Programme	Current national airwave system is due to be decommissioned, and this is a mandatory change to adopt the new Emergency Services Network	150	400	800	2,000
Operational Contingency	Budget allowance to capture all national programmes not yet approved or national funding to be allocated	250	250	250	250
<b>Total National Systems &amp; Projects</b>		<b>400</b>	<b>650</b>	<b>1,050</b>	<b>2,250</b>

<b>Total IT and Digital Programme</b>		<b>7,911</b>	<b>1,860</b>	<b>2,220</b>	<b>3,420</b>
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### Fleet Capital Programme

<b>Investment Area</b>	<b>Business Benefit &amp; Narrative</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>
Replacement Programme	The replacement of vehicles selected through a process of evaluation, considering the age, mileage and condition of every vehicle. These have been identified as critical for replacement due to either excessive mileage, age or being no longer operationally fit.	2,000	2,050	2,100	2,100
<b>Total Fleet Programme</b>		<b>2,000</b>	<b>2,050</b>	<b>2,100</b>	<b>2,100</b>

### Operational Equipment Capital Programme

<b>Investment Area</b>	<b>Business Benefit &amp; Narrative</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>
Replacement Programme	Ensuring that Staffordshire Police has a modern and fit for purpose equipment provision. This provision includes tactical body armour, ANPR replacement as well as specialist forensics and investigative equipment	100	100	100	100
Tasers	Investment and replacement of devices	0	320	0	570
ANPR Vehicle Programme	Ensuring that Staffordshire Police has a modern and fit for purpose Vehicle ANPR replacement programme.	0	190	0	0
ANPR Static Programme	Ensuring that Staffordshire Police has a modern and fit for purpose ANPR static replacement programme.	0	0	170	0
<b>Total Operational Equipment Programme</b>		<b>100</b>	<b>610</b>	<b>270</b>	<b>670</b>
<b>Total Capital Programme</b>		<b>15,364</b>	<b>11,970</b>	<b>13,640</b>	<b>7,290</b>

## Appendix 8

Savings Theme - Income Generation	Description	Command	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Income Generation	<b>Enabling Services</b> - the additional cost recovery from third parties for services provided by Enabling Services	Enabling Services	(309)	0	0	0	<b>(309)</b>
Income Generation	<b>Legal fees recovered</b> - anticipated increase in legal fees recovered	DCC	(100)	0	0	0	<b>(100)</b>
Income Generation	<b>Mutual aid</b> - the additional cost recovery from other bodies for policing mutual aid requests	Force Contact & Operations	(100)	0	0	0	<b>(100)</b>
Income Generation	<b>Income on events</b> -the additional cost recovery from providing Specialist Police Services at events	Local Policing	(10)	0	0	0	<b>(10)</b>
Income Generation	<b>Self-generation of energy</b> - the capital programme investment in sites identified for self-generation of electricity. This is the reduction in grid bought electricity rather than feed in tariff payments	Enabling Services	(25)	(25)	(25)	(25)	<b>(100)</b>
Income Generation	<b>Funded posts</b> - review of income receivable for funded posts	Various	(143)	0	0	0	<b>(143)</b>
Income Generation	<b>Sub-contracting Income</b> - the additional income generation from the current PEQF arrangements with Staffordshire University	Enabling Services	(28)	0	0	0	<b>(28)</b>
Income Generation	<b>National Fees &amp; Charges Inflation</b> - anticipated increases in income caused by inflation on nationally prescribed fees and charges	Various	(22)	(22)	(22)	(22)	<b>(88)</b>
<b>Total Savings - Income Generation</b>			<b>(737)</b>	<b>(47)</b>	<b>(47)</b>	<b>(47)</b>	<b>(878)</b>

Savings Theme - General Efficiency, Funding & Procurement	Description	Command	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
General Efficiency, Funding & Procurement	<b>Damages &amp; Compensation Insurance Claims</b> - a reduction in budget based on recent and forecast claims experience	Enabling Services	(8)	0	0	0	(8)
General Efficiency, Funding & Procurement	<b>Corporate Communications</b> - review of various non-pay budgets and savings from contracts	DCC	(57)	0	0	0	(57)
General Efficiency, Funding & Procurement	<b>Dog Kennelling</b> - reduction in usage of external dog kennelling in relation to seized animals	Force Contact & Operations	(20)	0	0	0	(20)
General Efficiency, Funding & Procurement	<b>Archive</b> - reduction in budget held for external off-premise archiving	Force Contact & Operations	(18)	0	0	0	(18)

General Efficiency, Funding & Procurement	<b>Vehicle Recovery</b> - reduction in identified budgetary requirement	Force Contact & Operations	(25)	0	0	0	(25)
General Efficiency, Funding & Procurement	<b>Administration</b> - savings from review of various miscellaneous admin budgets	Force Contact & Operations	(3)	0	0	0	(3)
General Efficiency, Funding & Procurement	<b>Rates Review</b> - reflects savings from rateable value reviews	Enabling Services	(495)	0	0	0	(495)
General Efficiency, Funding & Procurement	<b>Estates Rationalisation</b> - savings from rationalisation of the estate	Enabling Services	(216)	(100)	(50)	0	(366)
General Efficiency, Funding & Procurement	<b>Administration</b> - savings from review of various miscellaneous admin budgets	Enabling Services	(11)	0	0	0	(11)
General Efficiency, Funding & Procurement	<b>Administration</b> - savings from review of various miscellaneous admin budgets	DCC	(41)	0	0	0	(41)
General Efficiency, Funding & Procurement	<b>Insurance</b> - review of budget requirement (pressure for 2022/23 not as high as originally estimated)	Enabling Services	(162)	0	0	0	(162)
General Efficiency, Funding & Procurement	<b>Historic Pensions Costs</b> - a reduction in charges from historic 'Added Years' pension charges as the number of individuals receiving payment decreases	Enabling Services	(8)	0	0	0	(8)
General Efficiency, Funding & Procurement	<b>Collaboration</b> - Savings made on budgets held within Finance and Commercial services to fund collaboration projects	Enabling Services	(20)	0	0	0	(20)
General Efficiency, Funding & Procurement	<b>IT</b> - review of IT contracts; includes contract review savings and decommissioning of services no longer required	Enabling Services	(452)	(300)	0	0	(752)
General Efficiency, Funding & Procurement	<b>IT</b> - savings on peripherals budget due to replacement of kit	Enabling Services	(110)	0	0	0	(110)
General Efficiency, Funding & Procurement	<b>Operational support</b> - savings from review of various miscellaneous budgets	Specialist Crime Command	(50)	0	0	0	(50)
General Efficiency, Funding & Procurement	<b>Pensions Costs</b> - Savings on centrally held historic service pension costs	Central & Associated	(700)	0	0	0	(700)
General Efficiency, Funding & Procurement	<b>Agency</b> - review of the central agency budget	Central & Associated	(200)	0	0	0	(200)
General Efficiency, Funding & Procurement	<b>Efficiency Review</b> - projected savings from the SCO's Productivity and Efficiency Plan	Staffordshire Commissioner's Office	(130)	(30)	0	0	(160)
<b>Total - General Efficiency, Funding &amp; Procurement Savings</b>			<b>(2,726)</b>	<b>(430)</b>	<b>(50)</b>	<b>0</b>	<b>(3,206)</b>

Savings Theme - Staffing	Description	Command	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Staffing	<b>Vacancy Management</b> – currently a vacancy factor of 3% is set on all non-protected police staff roles (e.g. excludes contact services). In the current employment environment, it is increasingly difficult to recruit and a revised vacancy factor has been set of 4% with some areas having a specific factor based on turnover and recruitment plans. A number of these specific factors are forecast to unwind in 2024/25, however a target of a 5% generic vacancy factor is then set in 2024/25	Various	(1,720)	586			(1,134)
Staffing	<b>PCSOs</b> – Establishment of the PCSO baseline at 195 fte. There is an investment of 20fte officers into the same neighbourhood policing teams	Local Policing	0	(762)	0	0	(762)
Staffing	<b>Senior Management Review</b> - the removal of a vacant senior management post was undertaken in 2022/23	Force Contact & Operations	(81)	0	0	0	(81)
Staffing	<b>Corporate Communications Structure</b> - saving arising from review of structure	DCC	(7)	0	0	0	(7)
Staffing	<b>Forensics Structure</b> - saving arising from review of structure	Specialist Crime Command	(8)	0	0	0	(8)
Staffing	<b>Staffing Review</b> - reviews of workloads and vacant posts resulting in savings	Enabling Services	(30)	(21)	0	0	(51)
Staffing	<b>Business Support Review</b> - delayed delivery of previously identified saving	DCC	(46)	0	0	0	(46)
Staffing	<b>Special Expenses</b> - a budget review has been undertaken to align the budget amount with current turnover and recruitment rates. There is no impact on service delivery or recruitment plans	Local Policing	(16)	0	0	0	(16)
Staffing	<b>Overtime Review</b> - resulting saving of an operational review of overtime across the force	Various	(200)	0	0	0	(200)
<b>Total Savings - Staffing</b>			<b>(2,108)</b>	<b>(197)</b>	<b>0</b>	<b>0</b>	<b>(2,305)</b>

Savings Theme - Capital Financing & Treasury	Description	Command	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Capital Financing & Treasury Management	<b>Investment income</b> - additional interest receivable due to higher interest rates	Capital Financing	(977)	254	485	165	(73)
Capital Financing & Treasury Management	<b>Capital Financing</b> - reduction in capital financing costs following a review of the capital programme <b>*compared to 2022/23 MTFs*</b>	Capital Financing	(453)	(320)	(1,152)	57	(1,868)
<b>Capital Financing &amp; Treasury Total</b>			<b>(1,430)</b>	<b>(66)</b>	<b>(667)</b>	<b>222</b>	<b>(1,941)</b>

Total Savings			(7,001)	(741)	(764)	175	(8,330)
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## Appendix 9



### Precept consultation outcomes

#### Purpose of report

This report is a summary of the results obtained from the public and stakeholder consultation undertaken to seek views on the amount of council tax the people of Staffordshire are willing to pay towards their Police and Fire & Rescue services.

#### Background

Funding for police and fire & rescue services is made up of a mix of central government grants, combined with the 'precept' – the contribution residents make as part of their annual council tax.

The Staffordshire Commissioner is responsible for setting the budget for Staffordshire Police, and Staffordshire Fire & Rescue Service, including the amount of council tax used for both services.

It is the Commissioner's responsibility to ensure policing, fire & rescue and community safety is properly funded in 2023/24 to provide the services expected by those who live, work and visit Staffordshire.

A formal consultation took place between 15 December and 16 January. A range of methods were used to encourage participation, resulting in responses from **1948** people from Staffordshire and Stoke-on-Trent.

The views from this consultation will help the Commissioner arrive at his proposals for the setting of the 2023/24 budgets.

#### How we did it

We used a range of methods to promote the consultation including:

- **Social media** – Multiple social media posts were issued from the Staffordshire Commissioner's Office (SCO), Staffordshire Police, Staffordshire Fire & Rescue and partners. Paid adverts also ran on facebook targeting residents of Staffordshire and Stoke-on-Trent.

- **Media** – A press release issued to inform local media of the importance of the consultation
- **Stakeholders** – Emails sent from the Commissioner requesting key partners' involvement including local Councillors, volunteers, business owners the voluntary sector.
- **Smart Alert** – Multiple messages issued to over 16,000 people via Staffordshire Smart Alert
- **Internal** – Internal message sent to police and fire staff to encourage participation
- **SCO Newsletter Subscribers** – Multiple messages issued via the SCO newsletter subscriber list of 1,336 people

### **Consultation foreword**

As your [Police, Fire & Crime Commissioner](#), I am elected to oversee the work of the Police and Fire & Rescue services for Staffordshire and Stoke-on-Trent, and to commission services to support victims and prevent crime and anti-social behaviour (ASB).

I do this by setting out a strategic direction in Local Plans for [Staffordshire Police](#) and [Staffordshire Fire & Rescue](#). I am responsible for setting the budgets for both services and the contribution you make as part of your annual council tax precept.

We are making significant progress towards delivering the ambitions within the Local Plans – including recruiting more Police officers, improving 999 and 101 contact, supporting victims and witnesses, reducing crime and ASB and making our region's roads, homes and business premises safer.

Funding for your Police and Fire & Rescue services is made up of a mix of central government grants combined with the contribution that residents make as part of their annual council tax. I will always try to keep your council tax precept low, and will only ask for more if I believe it is necessary to maintain or improve your Police and Fire & Rescue Service.

Both services have faced significant uncertainties over recent years relating to the pandemic, inflation and additional unexpected costs linked to pay and pensions. Good progress has been made on making efficiencies, however, this year has exposed the volatility of global economies and our emergency services are not protected from that.

Locally, both the Police and Fire & Rescue Service face further challenges including rising pay and potential industrial action within the Fire & Rescue Service, which will increase the level of savings required.

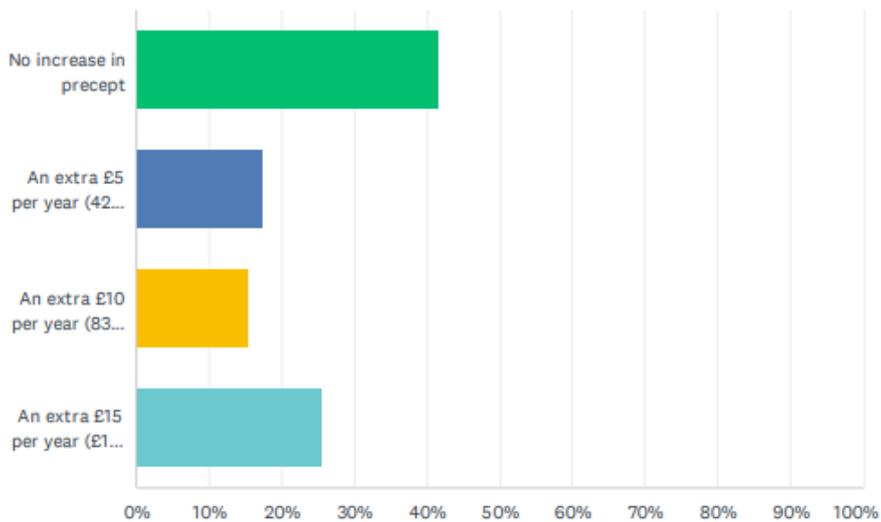
In the current uncertain financial climate, the options are all below headline inflation rates but in all cases your council tax contribution will assist in protecting and improving your services. I made the decision to keep precept below the trigger for a local referendum as this would prove expensive and delay budget setting decisions.

I would therefore welcome your thoughts on what you think is a fair contribution.

The results

Q2 The following options are based on a Band D property currently paying £248.57 each year for Police services. How much more would you be prepared to pay per year for your Police services?

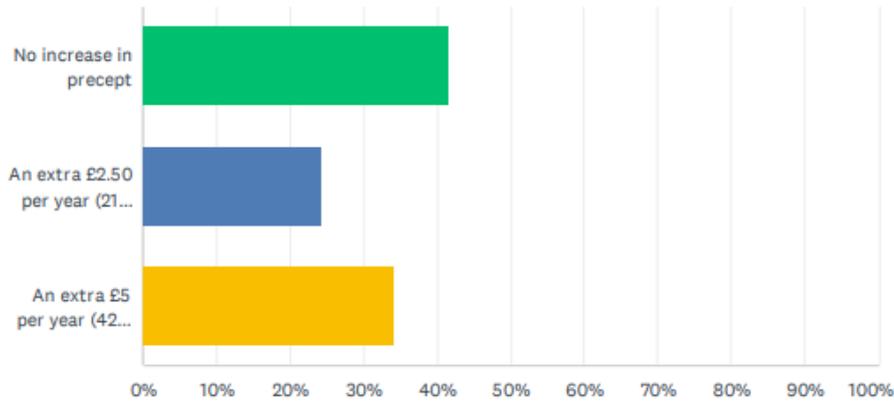
Answered: 1,925 Skipped: 20



ANSWER CHOICES	RESPONSES	
No increase in precept	41.51%	799
An extra £5 per year (42p extra a month) This is a 2.1% increase	17.56%	338
An extra £10 per year (83p extra a month) This is a 4.02% increase	15.43%	297
An extra £15 per year (£1.25 extra a month) This is a 6.03% increase	25.51%	491
<b>TOTAL</b>		<b>1,925</b>

**Q3 The following options are based on a Band D property currently paying £80.35 each year for Fire services. How much more would you be prepared to pay per year for your Fire & Rescue services?**

Answered: 1,922 Skipped: 23



ANSWER CHOICES	RESPONSES	
No increase in precept	41.68%	801
An extra £2.50 per year (21p extra a month) This is a 3.11% increase	24.30%	467
An extra £5 per year (42p extra a month) This is a 6.22% increase	34.03%	654
<b>TOTAL</b>		<b>1,922</b>

**Common themes from the precept consultation**

924 respondents provided comments in the question 4 free text box which asked ‘If you have any additional comments, please include these in the box below’. The following sections include key themes from the responses.

**Police and Crime**

A number of comments were focused on the lack of visible policing with ‘no bobbies on the beat’. The specific areas mentioned included Loggerheads, Perton, Newcastle, Lichfield, Stoke-on-Trent, Kidsgrove, Stafford, Burton. Respondents also criticised the number of high-paid officers/executive when their salary could be spent on officers.

*‘It goes up year after year but the service gets worse probably due to funds going elsewhere. It's time we got real police back on the streets. Enough is enough.’*

*'why should we pay more for an appalling service which stems from poor communication from first point of contact, even though you have made large investments in to communication and changes within your central control areas according to your press releases'*

*'Staffs Police are woefully inadequate. They have wasted public money yet fallen into special measures.'*

*'The police service is poor as recognised by watchdog. Impossible to contact; officers in cars mainly 2 at a time when Chief complains about insufficient staff; only PCSOs visible on foot. Time to rethink and SERVE the community not expect more and more income'*

*'Why should I pay more for a service that I don't receive, your communication via 101 is diabolical, if you had staff that's actually new the county they worked in would be a step in the right direction.'*

*'Staffordshire police are inadequate as judged by the hm inspector of constabulary. Until such time improvements are made no increase should be charged. Local policing is poor we never see the police on the beat.'*

*'Don't mind paying extra for police services, if the police cut back on the current woke culture and got back to old fashioned policing values.'*

*'Don't trust the police and I don't think they do a good job. My recent experience with them was not good. There seems to be a poor attitude and sense of urgency. You don't see a local policeman walking our street.'*

*'We have had a succession of precept and council tax increases over the last 2-3 yrs. I have not seen an increase in police presence. Communities were promised more police on our streets and on our roads, but I have not seen them.'*

*'The police do an underrated and excellent job. We need to pay them to do what they need to do'*

## **Fire and Rescue**

**Minimal feedback was received about the Staffordshire Fire & Rescue service but included questions around reduced demand and staffing levels.**

*'I cannot understand why funding for Fire and Rescue increases every year when their demand decreases every year'*

*'We never see the fire brigade checking fire hydrants which are potentially crucial in rural areas'*

*'The fire brigade represents excellent value for money in my opinion.'*

*'In the current climate the fire service should make savings like all other public sector groups'*

*'Why should we pay more for the Fire Service when they have even less operational staff then ever before. Crews are turning out / riding with4! This is massively dangerous to both FF and Public safety. The fire service throws money down the drain proping up a failing on call system and their new crewing*

*policy for on call staff is set to cost over 1 million more. This is a complete waste of taxpayers money on a failing money pit system'*

*'Consideration for Fire to start supporting police workload, such as forcing doors on behalf of ambulance, help at minor road collisions etc As per "cops like us", local fireman just want to whinge about police not doing the dishes instead of earning their pay'*

### **Supporting an increase**

**A number of comments explained the reasons why they would support an increase in council tax as long as the money went to frontline services.**

*'I don't mind paying a little more as long as the service improves.'*

*'We would encourage you to do all you can to safeguard the service provided by our police staff and colleagues. In doing so we believe you will ensure there are sufficient numbers of skilled people in Staffordshire Police to keep the public and communities safe.'*

*'As long as this increase goes directly to the Police and Fire and is not diverted I don't mind paying the increase'*

*'These key public services' need investment and support by the communities who benefit from them.'*

*'Unfortunately, to give the excellent service we wish to, we need to increase our precept, year on year by whatever is necessary'*

*'We need these services and they should be properly funded. The Police especially as they cannot do all they asked to do at present.'*

*'I am happy to pay as long as service levels improve.'*

*'Police and fire services are high on my list of must haves from our council tax and should not suffer any cutbacks'*

*'We cannot manage without emergency services. All costs are increasing and by paying a little more I would hope to see more coverage and better support for all.'*

*'If we want a decent service, we need to pay for it. The fuel bills and heating bills on their own would warrant increases in funding, let alone increase in calls for service and higher expectations'*

### **Not supporting an increase**

**The majority of additional comments were against an increase in council tax with rising energy and other bills being a factor.**

*'Difficult to justify any increase when Staffordshire Police is in special measures.'*

'If we were getting a proper service now I would be willing to pay more but given the service is so poor in our area I do not have the confidence that more money at present would help'

'Can't afford to live as it is.'

'People cannot afford any rises with mortgages, energy bills, food prices and lack of pay rises.'

'We are pensioners and CANNOT AFFORD these rises ..insult to us struggling 😞'

'When I see that previous precept increases have resulted in an improved service I will be happy to reconsider my "no increase" option. As I see it now, we are just throwing money in the pot for no return on the investment.'

'Times are tough and money is short. I'm a pensioner and find it difficult to manage financially. Paying more is not an option especially as I've lost confidence in the police.'

'I am a pensioner and can't even afford to heat my house properly. I cannot sustain any further increases.'  
'Our Police/Fire service has not been what it should be for many years now. You cannot keep expecting people to lose money on their households to services. Its completely unfair and unjust.'

'In a cost of living crisis where people are having to use food banks and get to warm hubs to simply keep warm, it is immoral to ask for increase in tax to subsidize such services. Savings should be made elsewhere.'

### **Commissioner's Office**

**A number of responses specifically mentioned the cost of the Commissioner and his office, feeling the money of salaries was better spent on frontline officers.**

*'Get rid of police commissioner and save money no more fat cat payments .need more front line police to have a successful service'*

*'More money for policing and fire and less spent on the commissioners office'*

*'Close your department to pay for increase'*

*'I'm happy that you and your colleagues are doing their level best to make the most of scarce resources to look after us and efficiently use all funding available'*

*'Instead of increasing the precept , remove the totally unnecessary commissioner and his dept and save money'*

*'Save over £3m by doing away with Commissioners Office. How much do you think a state pensioner can afford???'*

*'Disband The Office of Police-Fire Commissioner and spend the £million or more saved on frontline services.'*

*'Save money by reducing the number of top management why have a police chief and a fire chief if the PCC exists.'*

**Additional comments**

*'You need to show results before you ask to increase for poor performance?'*

*'I'd like to know what savings have been made in the last year and particularly the savings made by doing things differently.'*

*'Are these services improving after being placed in special measures?'*

*'Just as important as an increase is an assurance that all money is spent wisely'*

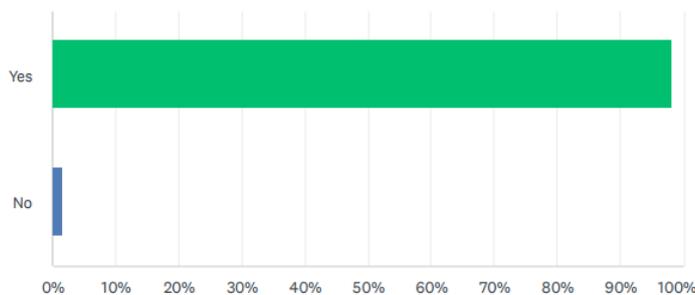
*'If we increase the council tax, will this extra funding, help get Staffordshire Police out of special measures?'*

*'I would ask that any WOKE policies be reversed and no budget spent on them just focus on law and order'*

**Demographic – Precept consultation**

**Q1 Are you responsible for paying council tax?**

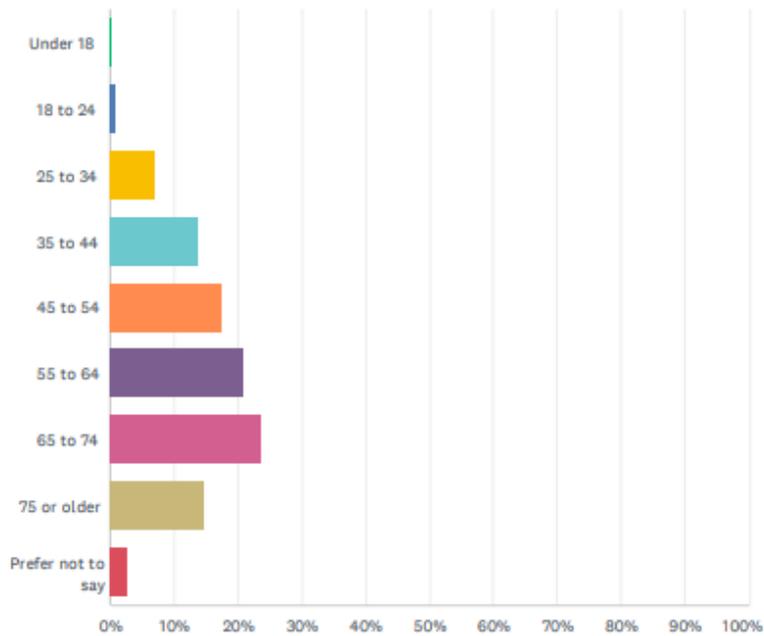
Answered: 1,900 Skipped: 45



ANSWER CHOICES	RESPONSES	
Yes	98.32%	1,868
No	1.68%	32
TOTAL		1,900

## Q5 What is your age?

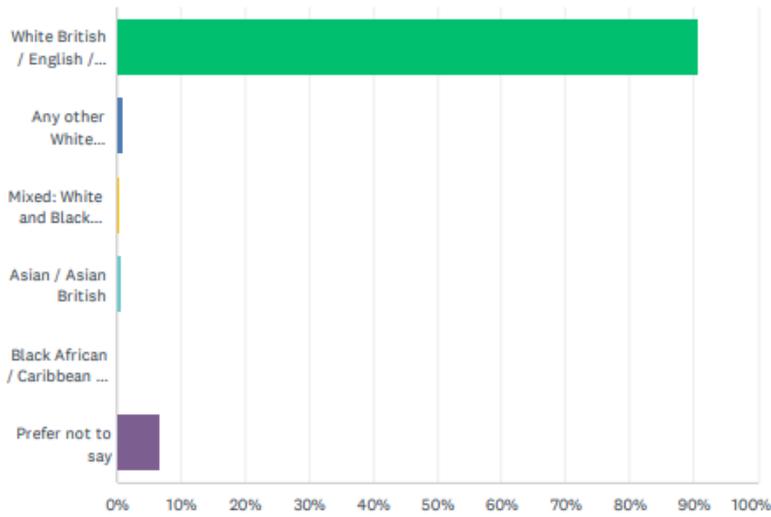
Answered: 1,768 Skipped: 177



ANSWER CHOICES	RESPONSES
Under 18	0.17% 3
18 to 24	0.68% 12
25 to 34	6.73% 119
35 to 44	13.63% 241
45 to 54	17.53% 310
55 to 64	20.70% 366
65 to 74	23.42% 414
75 or older	14.48% 256
Prefer not to say	2.66% 47
<b>TOTAL</b>	<b>1,768</b>

## Q6 What is your ethnic origin?

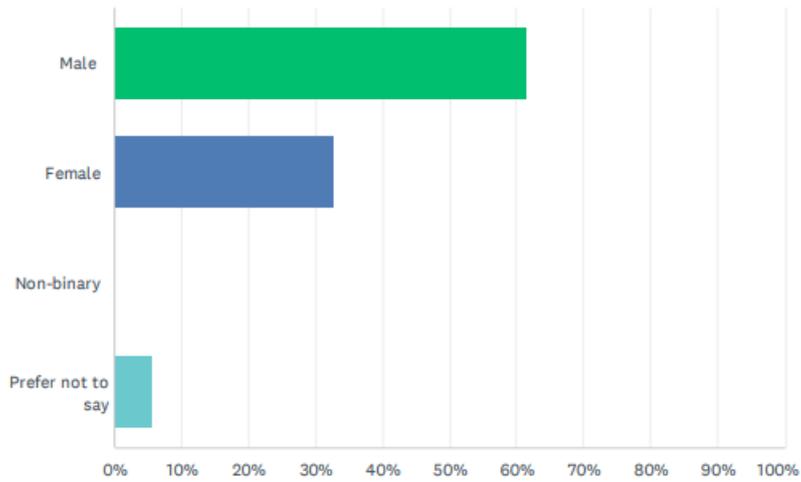
Answered: 1,747 Skipped: 198



ANSWER CHOICES	RESPONSES	
White British / English / Welsh / Scottish / Northern Irish / Irish	90.90%	1,588
Any other White background	1.09%	19
Mixed: White and Black Caribbean / African / Asian	0.46%	8
Asian / Asian British	0.74%	13
Black African / Caribbean / Black British	0.29%	5
Prefer not to say	6.53%	114
<b>TOTAL</b>		<b>1,747</b>

## Q7 Are you?

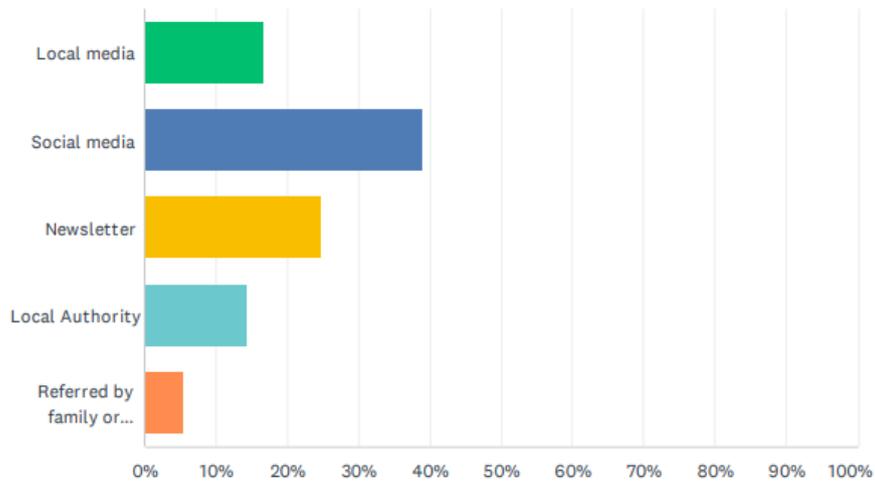
Answered: 1,758 Skipped: 187



ANSWER CHOICES	RESPONSES	
Male	61.43%	1,080
Female	32.82%	577
Non-binary	0.28%	5
Prefer not to say	5.46%	96
TOTAL		1,758

## Q8 Where did you hear about this consultation?

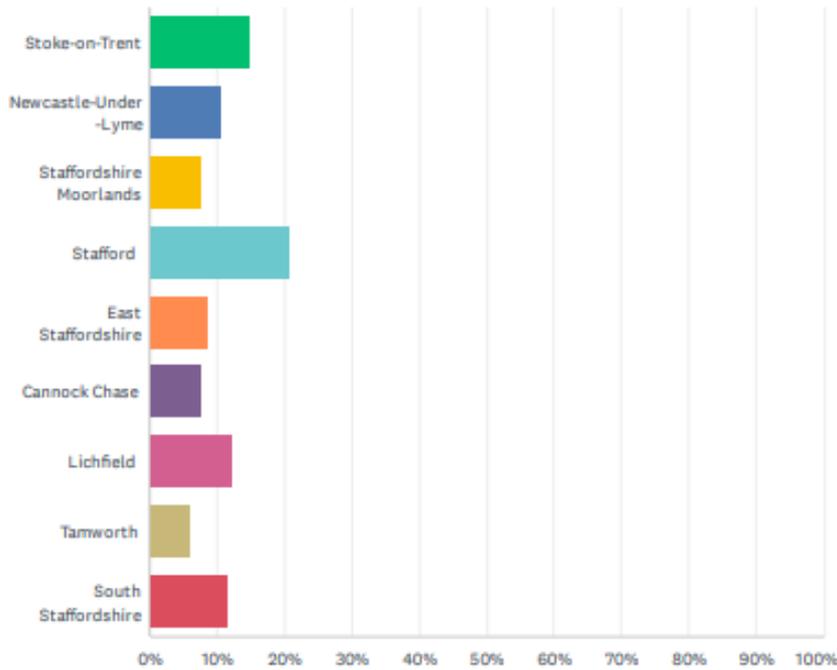
Answered: 1,494 Skipped: 451



ANSWER CHOICES	RESPONSES	
Local media	16.67%	249
Social media	38.96%	582
Newsletter	24.83%	371
Local Authority	14.26%	213
Referred by family or friend	5.29%	79
<b>TOTAL</b>		<b>1,494</b>

### Q9 Which area of Staffordshire or Stoke-on-Trent do you live in?

Answered: 1,767 Skipped: 178



ANSWER CHOICES	RESPONSES	
Stoke-on-Trent	14.94%	264
Newcastle-Under-Lyme	10.64%	188
Staffordshire Moorlands	7.64%	135
Stafford	20.71%	366
East Staffordshire	8.49%	150
Cannock Chase	7.70%	136
Lichfield	12.28%	217
Tamworth	5.94%	105
South Staffordshire	11.66%	206
<b>TOTAL</b>		<b>1,767</b>

### Q10 If you would like to receive updates about the work of the Commissioner, please enter your name and email address below:

Answered: 490 Skipped: 1,455

ANSWER CHOICES	RESPONSES	
Name	99.39%	487
Email address	98.16%	481