REPORT TO THE NORFOLK POLICE AND CRIME PANEL
2 FEBRUARY 2023

PROPOSED PRECEPT FOR 2023/24

Executive Summary

This report sets out important factors and issues that the Police and Crime Commissioner has had to consider in reaching a proposal on the level of precept for policing in the County of Norfolk.

The increase in government funding for the 2023/24 police settlement, while welcome, is £1.9m (1.8%) and significantly lower than inflation that peaked at 11.1% and at the time of writing remains over 10%. The bulk of this increase (£1.6m) is also ringfenced for funding the requirement to maintain Norfolk's share of the 20,000 Uplift officers. The estimated constabulary requirement for non-pay inflation is £2m and therefore already more than the increase of government grant.

Driven by this inflationary pressure, the 2022/23 nationally set pay settlement of 5% for police officers and staff was higher than budgeted for (ahead of the conflict in Ukraine) and along with an anticipated 3.0% increase in 2023/24 has placed an additional pressure of £11.6m going into 2023/24.

Therefore, in total, there is £13.6m of inflationary pressure on the constabulary as we enter 2023/24.

It is within that context that this report outlines the budget and financial impact of the 2023/24 precept option upon which the Police and Crime Commissioner (PCC) has consulted:

- **To increase council tax by 5.19% per annum at Band D (£14.94).**

The report also sets out the Medium Term Financial Plan (MTFP) 2023/24 to 2026/27 including the Capital Programme, together with various Financial Strategies that must be published by the PCC. A high-level summary of the precept option is set out in the table below. See Appendix B (i) for more detail.

Increase Council Tax by 5.19% per annum (£14.94)

5.19% (£14.94) Council Tax increase - Year 1 Modelling assumptions Y2 onwards: 3.30% (£9.99) / 2% (£6.21) / 2% (£6.30)	Budget 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27
	£000	£000	£000	£000
Total Funding (Grant + Precept)	(199,854)	(205,242)	(208,175)	(211,185)
Net Revenue Budget before changes and savings	200,415	205,706	213,049	218,369
REVENUE DEFICIT BEFORE KNOWN CHANGES	**561**	**464**	**4,874**	**7,184**
Known / Expected Changes	5,371	4,859	6,090	8,929
Planned use of reserves	(2,795)	(497)	(1,375)	(3,856)
REVENUE DEFICIT BEFORE SAVINGS	**3,137**	**12,681**	**19,479**	**24,251**
Planned Savings	(3,137)	(2,738)	(2,738)	(2,738)
Savings to be identified	0	(2,088)	(6,852)	(9,520)
REVENUE DEFICIT/(SURPLUS) AFTER SAVINGS	**0**	**0**	**0**	**0**

The Police, Crime and Community Safety Plan for Norfolk gives strategic direction for policing in the county. The plan was launched after public and stakeholder consultation and is based upon six pillars as being the key areas on which the communities of Norfolk wanted police activity to be focussed. The first pillar is to ‘Sustain Norfolk Constabulary’ and this needs to be achieved through robust strategic, financial and organisational planning over a medium-term period.

The public’s expectations and demands on the police are growing and policing simply cannot compromise.

- Control Room staff must be there at the end of a phone
- Officers must respond to emergencies
- Officers must be able to arrest and bring offenders to justice
- Officers must offer a reassuring voice to victims
- Officers need to engage communities to become aware of issues and concerns
- The public want to see more visible policing

The policing family is bigger than the officers on the front line – it takes a range of different services to support them including police staff, members of the Special Constabulary and other vital volunteers. They need police vehicles, buildings, professionals with specialist knowledge in areas such as forensics. Officers need to continually develop their knowledge and skills and require the right training facilities to do this.

The PCC has discussed with the Chief Constable every possibility to save money across current staffing capability and activity. The constabulary has an excellent record in using constrained funding efficiently. In their most recent inspection, His Majesty’s Inspectorate for Constabularies, Fire and Rescue Services graded Norfolk Constabulary as ‘Outstanding’ for their efficient and effective use of resources.

Resources are limited, demand for policing services is growing, and policing cannot compromise. It is in this light, along with the significant pressure from inflation as outlined, that the Police and Crime Commissioner (PCC), following public consultation, is recommending a 5.2% increase to council tax to help maintain the current services provided by Norfolk Constabulary.

In recommending an increase of the precept, the PCC has considered all the other sources of funds available and the constabulary's ability to make further savings before asking the public for their support.

Recommendation

It is recommended that the Police and Crime Panel:

a) notes the Revenue Budget and Capital Programme for 2023/24, the Medium - Term Financial Plan 2023/24 to 2026/27 and the funding and financial strategies, and

b) endorses the Police and Crime Commissioner's proposed precept increase of 5.19% for 2023/24.

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Introduction from the Police and Crime Commissioner

The Executive Summary sets out in stark terms the challenge I face in setting the Police Precept of Council Tax for Financial Year (FY) 2023-24.

When the then Chancellor, Rishi Sunak, stood at the Despatch Box in the House of Commons on 27 October 2021 to announce the settlement for the Comprehensive Spending Review (CSR) he did so on the basis that inflation was then 3.1% and the Consumer Price Index was forecast to average 4% over FY 2022-23. Unfortunately, his forecast was low: by October 2022 inflation had risen to 11.1%, a 40-year high, and remains above 10%. This translates in Norfolk's case to an inflationary pressure of £13.6M on the policing budget.

The Bank of England is forecasting that inflation should begin to fall in mid-2023.[1] However, while reduced inflation would be welcomed, I must plan on the basis of reasonable certainties rather than speculative opinions. Therefore, it is my view as the Police and Crime Commissioner (PCC), given my responsibility to hold Norfolk Constabulary's budget,[2] that I should assume that inflation would probably remain somewhere between 5 and 10% throughout FY 2023-24.

On 14 December 2022 the government announced a £7.4M (3.8%) increase in Norfolk's policing budget for FY 2023-24. However, as the Executive Summary of this report notes, £1.9M is coming from the Treasury via the Home Office grant, of which £1.6M is ring fenced for the Police Uplift Programme, while the government's announcement assumes that the remaining £5.5M would come from the households of Norfolk via an average increase of the Precept of £15. It should be noted that the Precept forms part of the core policing budget and is not an optional extra. In FY 2023-24 54% of the budget would come from the Home Office grant while 46% would come from the Precept.

Responsibility for setting the rate at which the Precept is charged lies in law with the PCC.[3] Previously, the threshold for an increase at which a local referendum would be necessary stood at 2%. Rishi Sunak, as Chancellor, increased this to £10 per year for each of the three years of the CSR settlement announced on 27 October 2021. However, on 12 December 2022, the Policing Minister announced that the threshold for FY 2023-24, Year 2 of the CSR settlement, would be increased to £15. Furthermore, given the current financial climate, the Home Office has given clear indications that PCCs are expected to take full advantage of this £15 flexibility.

Meanwhile, if my responsibilities under the Police Reform and Social Responsibility Act 2011 are distilled down to a single line it would be to "secure that the police force is efficient and effective."[4] I can give a clear assurance that Norfolk Constabulary is financially efficient given that it was graded 'Outstanding' by His Majesty's Inspectors of Constabularies, Fire and Rescue Services (HMICFRS) in their recent inspection report.[5] That efficiency has not, and will not, reduce during FY 2023-24. However, it is less easy to give an equivalent assurance about effectiveness while police budgets are being squeezed as they are by inflation.

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[1] Bank of England, *Monetary Policy Report*, dated November 2022

[2] *Police and Social Responsibility Act 2011*, Section 1

[3] *Local Government Act 1992*, Section 39

[4] *Police Reform and Social Responsibility Act 2011*, Section 1 (6)

[5] HMICFRS, *Police Efficiency, Effectiveness and Legitimacy Report*, dated 14 October 2022

A budget increase of £7.4M (3.8%) should be just enough to be able to continue to deliver the current level of policing services to Norfolk's residents. There would be penalties, but these would mostly be felt within the Constabulary and, I hope, be largely invisible to the public. However, if I was not able to take full advantage of the £15 threshold then there would be greater penalties, probably leading to reductions of policing services. Norfolk Constabulary is already a lean organisation - I would argue that they are under resourced - and it follows that asking for further police efficiencies, on top of the effects of a decade of Austerity, would lead to more police retrenchment. This in turn would undermine the good work being done to restore visible policing and public confidence in the Constabulary.

Therefore, I propose to increase the police precept by 5.19%, i.e. by an average of £15, in order to maintain current levels of policing services. This represents an increase of: £14.94 per year, or 0.29p per week, for a Band D property; or, £11.62 per year, or 0.22p per week, for a Band B property.

Giles Orpen-Smellie
PCC Norfolk

A view from the Chief Constable

With our aim to provide exceptional policing to the county of Norfolk, over the last year and as we move forward into 2023, we will continue to focus on protecting our communities and rebuilding your trust and confidence in our service.

Policing never stands still and there has been much discussion, both locally and nationally, focussed on what needs to change and what needs to be maintained. In addition, with the ever-changing financial picture, we need to keep our performance and budgets under constant review.

We will again look for direction from central government's Beating Crime Plan and our own Police and Crime Commissioner's Police, Crime and Community Safety Plan, using it to shape our responses and looking to improve our service where we can and ensuring we maintain our delivery to at least the current levels.

Our mission will remain to prevent crime and anti-social behaviour, catch criminals and bring them to justice while at the same time providing prompt, professional and accessible service that identifies and investigates crime well, supporting those who are victims of criminal behaviour.

Our focus on the local issues and concerns of our communities remains with our local policing teams working hard to maintain visibility, despite increasing demand.

Our detectives now investigate more rape and sexual offences than any other crime with our public protection unit teams working tirelessly to manage offenders within the community. Our officers are also working hard to identify serious and organised criminals and victims of modern slavery and child exploitation while also taking down county lines gangs and prevent drugs from coming into the county.

In addition, our new digital investigation officers look to capture and retrieve the growing volumes of digital evidence from numerous investigations and our Witness Care Unit seek to support victims and manage difficult news over court and other delays, decisions we often have little influence around. We are also seeing the impact of people with worsening mental health, meaning officers spending more time with those in crisis and addressing linked demands such as the 7,400 missing people reports we investigated last year.

Policing a large rural landscape also provides extra challenges and really stretches our capacity. Like all other businesses, households and individuals, we face significant inflationary pressures, and we cannot absorb them all without a reduction in service. That reduction could include longer waits on the phone, less visibility and worse outcomes in investigations – that is not the level of service I want the constabulary to provide our communities.

With inflation rising ever further, we have all seen our costs increase and policing is no different. With government funded grants, we have invested in our buildings to not only improve our investigative abilities but also to reduce costs in the future, saving around £14 million over 40 years, but the rising costs of living, particularly around energy, means we need to keep a tight rein on our budgets elsewhere. As a result, we have once again asked the Police and Crime Commissioner to consider raising the precept to the maximum so that we can deliver the service you expect and need.

We need £13.6 million just to fund inflationary pressures, stand still and meet current demands. But with a growing population and demands increasing, further financial support is needed to be able to even match last years' level of service.

To provide a scalable, adaptable policing model which is capable of facing the demands of modern policing and is fit for the future, we need to, as many of our county partners and regional colleagues are doing, ask for that little bit more.

A precept increase, equal to 22 pence per week for a Band B property or 29 pence per week at Band D, will allow us to maintain our current levels of service and continue to tackle whatever may be just around the corner.

We will work hard to maintain our service, and you can trust, that we only seek an increase because we really feel it's necessary. We all face an uncertain financial future, and this will go some way to providing the constabulary with some of the resilience it needs to maintain those levels and keep our communities safe.

CC Paul Sanford

Section 1: Background

1.1 The decision on the level of the precept/council tax, the Revenue Budget and Capital Programme needs to be seen in the context of the funding envelope (the total of the precept and government grants), and the pressures on the policing service, for example the changing nature of crime increasing demand and more complex investigations.

1.2 This year has also seen significant unavoidable cost pressures resulting from the highest rate of inflation for 40 years, and the resulting pressure this has put on pay settlements for both police officers and police staff. This has put police budgets under significant strain and will continue to impact over the period of the medium-term financial plan (MTFP).

1.3 This report sets out the impact of the cost pressures, the grant settlement, the approach to generating savings, and the precept recommendation. All of these are required as a coherent strategy to balance the budget.

1.4 The budget setting process and the MTFP takes the priorities contained within the Police, Crime and Community Safety Plan (PCCSP) 2022-2024 into account. The PCCSP has six pillars and is underpinned by prudent budgeting and financial planning alongside ethics and standards in policing. Sustain Norfolk Constabulary is one of the pillars and this includes gaining best value from Constabulary and OPCCN funding.

1.5 The PCC has been involved with the budget setting process during the course of the year with regular briefings on the financial position and the Outcome Based budgeting process (OBB). These sessions enabled the PCC to explore several options and the impact of potential financial decisions. The precept decision was drawn out of this process.

1.6 The decision on precept must also be seen, not as a one-off decision in relation to next year, but as part of a strategy in relation to the changing demands on policing and police budgets over the medium to long-term. That position is even more relevant this year, with the highest level of inflation for 40 years, and the Autumn Statement from the Chancellor on 17th November. With the economic picture remaining volatile and uncertain, and with significant unavoidable cost pressures foreseeable for the medium-term, a precept strategy that helps Sustain Norfolk Constabulary is required.

1.7 The precept options and budget proposals within this report are made within the context of a rolling four year strategic and financial planning cycle. The figures contained within the strategy are based upon current information and the stated assumptions.

1.8 In accordance with the requirements of the Police and Crime Panel (Precepts and Chief Constable Appointments) Regulations 2012, a precept is proposed for 2023/24.

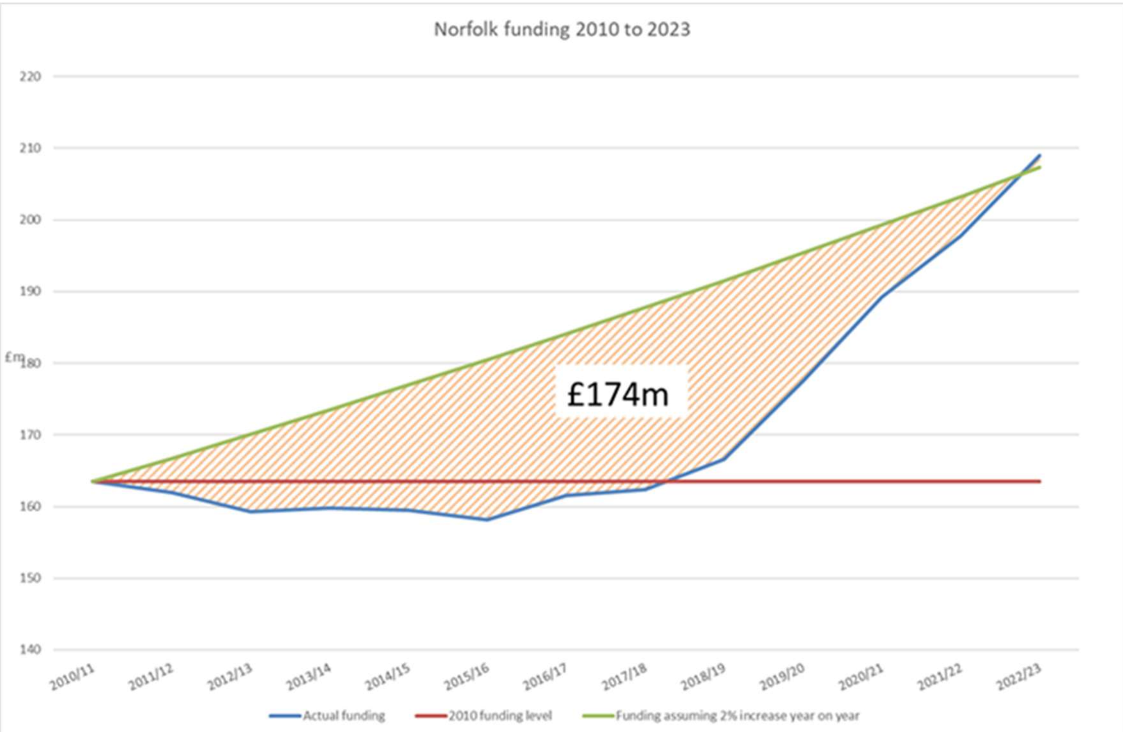
Section 2: The Funding Context

2.1 Public sector funding has been constrained since 2010 and that has been no different for the police service. In the graph below, the blue line shows the amount of cash received by Norfolk Constabulary from the main Home Office grant, precept from households in Norfolk, plus all specific grants. Cash levels only exceeded those of 2010/11 for the first time in 2018/19. The green line represents the amount of money the force would have received if their grants and precept had risen broadly in line with inflation of 2% each year.

2.2 This shows that the force has absorbed c£174m of inflation over that time. When you add the impact of other statutory and legislative changes that have increased costs to the organisation (e.g. increases to National Insurance, Pensions and Insurance tax) that amount to around £10m a year, and further add in the changing nature of crime that requires more expensive investigations and more kit and equipment with an annual refresh of around £4m a year it can be seen the pressure on annual budgets has been even more significant.

2.3 It should be noted, that within this context, Norfolk Constabulary has once again been judged as **Outstanding** for Good Use of Resources by His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS). This assesses how efficiently the force uses the finite funds it receives, and how well the force understands the demands placed upon it both now and in the future.

2.3 Every year, cashable savings and efficiencies have been identified. The savings help to finance the demand pressures, cover inflation costs and balance the budget. By the 31st March 2023 the Constabulary will have made savings of over £42.4m from their annual budgets.



Section 3: Unavoidable cost pressures

Impact of Inflation and the Autumn Statement

3.0 Globally, economies around the world had suffered as a result of the Covid 19 pandemic, and coupled with the exit from the European Union there has been increased disruption to supply chains and increases in costs. This has been compounded since March 2022 with the conflict in Ukraine that has resulted in surging energy prices and unprecedented increases in inflation. As a consequence, in order to get inflation under control, the Bank of England has increased interest rates to their highest levels since 2008, and this has increased the cost of borrowing.

3.1 In the Spending Review 2021 (SR21), inflation was forecast to be 4%, 2.6%, 2.1% and 2% respectively for each year from 2022/23 onwards. In October 2022 the rate of inflation was running at 11.1% significantly higher than the 4% forecast. As a number of the constabulary contracts were at fixed rates, and not subject to inflationary increases from the start of the year, coupled with longer lead in times for some high-cost items (e.g. vehicles and ICT kit and equipment), the constabulary has broadly been able to manage within the inflation allocation set in the last budget report. However, the pressure going into 2023/24 is much higher than in the last MTFP at £2m compared to £1m.

3.2 With inflation running at much higher levels than anticipated ahead of the conflict in Ukraine, there has been increased pressure on pay settlements. The outcome of the police officer and police staff pay awards was a 5% increase overall with a gross cost pressure of £5m in 2022/23. Set against inflation of over 11% it is expected that higher than previously planned for pay settlements will arise in 2023/24 and the report assumes a 3.0% increase, with a cost pressure of £11.6m (being the full-year impact of the 2022/23 award rolling into 2023/24 as well as the forecast 2023/24 award from 1st September 2023). This is set against an increase in government funding of £1.9m (1.75%) and more detail is given on this later in the report.

3.3 As part of the Chancellor's Autumn Budget on 17th November 2022, he confirmed that central government departmental budgets (including that of the Home Office) "will be maintained at least in line with the budgets set at the Spending Review 21." While this is welcome compared to any reduction against the SR21 budgets, as outlined in the previous two paragraphs, the levels of inflation and pay increases are much higher than those anticipated in SR21. The resulting funding impact for Norfolk PCC and Constabulary is set out in the rest of this document.

Rising and Changing Demand for the Constabulary

3.4 Whilst Norfolk remains a very safe county, the Constabulary is dealing with continuing increases in reports of domestic abuse, rape and serious sexual offences, adult and child abuse and allegations of cyber enabled fraud. These are some of the most complex and demanding investigations the service has to undertake, and they require a highly skilled workforce. Norfolk has seen year-on-year increases in serious sexual offences (13.5%) and violence (5.9% increase in GBH and 6.7% increase in ABH). Domestic abuse crimes have stabilised with a slight decrease (2.3%). However, the constabulary still recorded over 13,500 domestic related crimes which make up 20% of crimes recorded by the force[1]. Nearly all of these areas of increasing demand relate to crimes that occur behind closed doors and in family settings. They require sensitive investigation, but the Constabulary has a determination to identify these offences and bring offenders to justice.

3.5 Summer demand in 2022 continued the same trend seen in 2021 where it the seasonal surge started earlier than normal (mid-May) and remained at similar levels through to the end of October (a pre-pandemic summer demand period usually starts in June and finishes early September). The Constabulary had to manage the increase in complex criminality such as domestic abuse and stalking and harassment, alongside the additional expected demand the county experiences over the summer months.

3.6 On average, 330 999 calls are being received a day[2]. This is 13% higher than the 999 demand last year and equates to 13,700 extra calls a year. The number of calls received into the switchboard (101 service) for the last 12 months to November 2022 has stabilised with a slight reduction by 3% compared to the same time period last year. This equates to 7,000 fewer calls a year. Despite the reduction, 239,000 101 calls were still made to the police over the last 12 months. Whilst the pandemic altered demand significantly, the Constabulary has invested in improved website services and switchboard functions. The Local Policing Delivery Unit (internal continuous improvement team) continue to be engaged in the demand management review with a focus on the Contact and Control Room and the management of volume crime.

3.7 The National Uplift Programme continues with police officers being deployed in areas of highest demand. In addition to the County Lines team that was set up last year, a new Community Policing Team went operational in December 2021. The team supports local policing through, high visibility patrols, the management of problem-solving plans and assisting with engagement events and other community initiatives. The team compliments the work being done by neighbourhood teams to manage demand in the community and, working with partners, find long-lasting solutions to the problems identified in local areas. Since April 2022 the team have conducted 230 deployments totalling over 1600 officer hours focussed on engagement and visible policing.

3.8 The completion and opening of Broadland Police Station, the sister station to Swaffham, this year brings to an end the Norfolk 2020 programme. This brand-new police station has been completed in Broadland which brings the detectives back together, providing first class facilities and allowing the innovative new role of Police Digital Investigator to work alongside detectives. The vast majority of investigations have an element of digital investigations, from mobile phones, to home technology, and working with this technical material requires a unique skillset. In addition, the delivery of this major station, with teams from across the county combining, will allow the wider estate to be rationalised, delivering around £14m of savings over a 40 year period.

3.9 With the increase in demand of complex investigations, developing the capability of the workforce is an organisational priority. The constabulary has also made significant investment to get ready for the introduction of the Police Education

[1] Percentages taken from the National Police and Crime Measures dashboard

[2] Data taken from the call trend data presented to the Chief Officers at the Horizon day in November 2021

Qualification Framework (PEQF) and the Police Constable Degree Apprenticeship (PCDA) that will see benefits delivered in terms of equipping students with increased levels of skills before they start their careers. The PEQF programme started in April 2022 and over 100 officers have now embarked on this course.

Other service pressures

3.10 As part of the strategic planning process a key document, the Force Management Statement (FMS) is used to help assess all areas of the constabularies operating model. The FMS has a look at the current and future demand for those business areas and how well current capacity and capabilities are able to meet that demand.

3.11 This process helps the constabulary understand the risk of making savings in any given service area, and also to understand where there are critical risk areas that need further investment.

3.12 Following the pandemic, and the adverse impact this had on court backlogs, the constabulary has needed to put additional resources in place to give support to the growing numbers of victims and witnesses that are waiting to go through the court process. This is an important and sensitive area of work and a service that helps keep as many victims and witnesses engaged in the process as possible.

3.13 The FMS is also showing increased operational demand in respect of dealing with cases of domestic abuse and managing sex offenders and resources need to be focussed into these areas. In the traditional back-office space, mainly as a result of the expanding workforce, there is also increasing pressure on the Professional Standards Department (including vetting) as well as the Human Resources and ICT teams and again these areas need further investment over the medium-term.

3.14 There are also a growing number of additional national regulatory requirements placed on the constabulary that eat into other productivity gains. For example, the requirement from the Forensic Services Regulator that all police forces must achieve a specific level of accreditation and comply with FSR Codes of practice. While the force understands why the requirement has been introduced, this has been a significant task requiring investment in terms of time and money and the cost and time of maintaining accreditation continues to put pressure on force resources.

3.15 Similarly, as the College of Policing update Approved Professional Practice across different policing functions, additional costs can emerge that forces then have to absorb as there is no additional funding for these types of requirements. These pressures mean that efficiency gains cannot be fully realised and have to be directed to these areas.

Maintaining investment in modernising technology

3.16 To remain as efficient as possible, the Constabulary needs to continue to invest in and refresh technology that keeps the policing model fit-for-purpose and able to meet increasing demand and the changing nature of crime and support the PCCs key pillar of Sustain Norfolk Constabulary. It is also important to invest in modern enabling technology that help support the drive for increased productivity and efficiency.

Examples include but are not limited to technology to download content from mobile phones, improved capabilities to communicate with the public, body worn video, mobile devices, automatic number plate recognition (ANPR).

3.17 These assets then need replacing every 3 to 5 years. The capital programme therefore includes the routine refresh of this growing ICT / digital estate as well as the increasing investment in infrastructure e.g. in networks and servers to deal with the growth in requirements for investigating, transferring and storing large volumes of digital data. The investment for 2023/24 is £6.6m, including £3.9m of refreshing equipment, and up to £2.7m of provision for new projects, kit and technologies.

3.18 There are also a number of key developments coming through national police ICT programmes (known as the National Enabling Programme) that the force is required to adopt and do incur costs. These include required investments in Microsoft Office 365; National Law Enforcement Data Service; Home Office Biometrics and others.

3.19 A significant cost within the Capital Programme is the inclusion of the Emergency Services Network (ESN) rollout. This is the replacement for the ageing Airwave system (i.e. the push-to-talk radio communications for officers). The ESN programme is technically complex and nationally the programme has had a number of delays and the programme has been pushed back in our plans compared to last year's assumption. As a result, in the last year of the plan £2.5m of the expected £5m of costs is profiled in the plans. This is a significant cost that as it stands will have to be met by force budgets / reserves.

3.20 The government previously provided for a capital grant of over £1m but has gradually reduced and now finally removed the grant in its entirety. This has resulted in the force needing to replace that £1m of capital funding annually from increased revenue or reserve contributions.

3.21 The investment in kit and equipment (outlined in the capital programme and Appendix E), initially charged to capital account, is significant and has ultimately to be funded from the revenue budget. Norfolk Constabulary is committed to the drive to improve efficiency and productivity of the force.

Pensions related costs and risks

3.22 There are a number of pension related cost pressures and future risks that are outside of constabulary control.

3.23 The Police Officer Pension Schemes are "unfunded". This means they are not backed by assets such as shares or other investments in the way the staff Local Government Pension Scheme is, rather they are 'pay as you go' schemes.

3.24 In simple terms, current officers pay pension contributions, and these are collected and paid to retired officers as benefits. The amount collected from current officers is not enough to meet the requirement for retired officer benefits and this leaves a "gap".

3.25 Until 2015/16 the His Majesty's Treasury (HMT) fully funded this "gap" by funding employer contributions through the main police grant, and by providing an additional top-up grant. Therefore, there was no funding required from precept. Since 2015/16 the Treasury has passed an increasing element of this gap on to PCCs, by increasing employer contributions by 9.7% without providing any additional funding for this increase (equating to about £7m cost pressure for Norfolk).

3.26 To relieve an element of this pressure HMT provide a grant to Norfolk of £1.565m. This grant has been rolled over for the last 4 years and is now expected to be maintained at this level for the life of the plan.

3.27 There are current risks in terms of pensions that may result in additional costs in the future. This includes additional cost pressures resulting from legal cases (McCloud and Sargeant Judgement, and the Aarons, Roderick & Slade cases) against government (and forces) following police pension scheme reforms put in place in by government in 2015. Complex pension remedy arrangements are now being put in place by government and all police forces and will cost the policing sector millions of pounds. The Home Office has settled the injury to feelings claims in the Aarons cases on behalf of the forces and itself. Other similar cases remain open but it is hoped that if settlement is required, the Home Office will again pick these costs up.

3.28 Another area of risk relates to the HMT consultation on the discount rate methodology for Public Service Pensions. The discount rate is a technical pensions issue, but one that has significant potential impact on the required employer contribution rate and could increase the contribution forces are required to fund in line with the paragraphs above. In theory, this could run into millions of pounds for each force. Clearly, such an increase would make the ongoing sustainability of the Uplift programme impossible and would therefore be at odds with government policy and mitigations are expected but not certain.

Rising and Changing Demand for the PCC

3.29 Both the aftermath of the pandemic and a new phase of austerity have created difficult and challenging times for many and additional external funding income for the 2022/23 financial year has yet again reduced strain and impact on core Commissioning, Ministry of Justice, and Community Safety Budgets and offset some costs. The additional income is due to the success in securing external funding through bid processes. The OPCCN has secured an additional £1.020m of funding.

3.30 The result of the first stage of the PCC review by Central Government was released. This included a discussion on the role of a Deputy PCC and a review into the governance of the Fire Service. The second stage has not been fully completed due to the changes in Home Secretary in recent months. However, the current Home Secretary has stated publicly her wish to see the work completed and the relevant legislation in place. This will involve Criminal Justice Board changes and potentially other public services being supported by the PCC.

3.31 The Norfolk devolution deal has been signed by Norfolk County Council. However, there are still necessary governance processes to be completed, at the time of writing this report. The PCC continues to engage with the County Council on progress.

3.32 The OPCCN budget does not take account of any of these potential changes but is looking to assess resource need during 2023/24 as government policy becomes clearer.

Summary of all unavoidable cost pressures

3.33 It is clear that challenging times continue in the medium-term due to the requirement to fund pay and non-pay inflation, tackle increasing demand on policing, and the increasing complexity and cost of investigations, and manage pressures from other local, regional and national programmes and statutory changes. With the government targets on increasing police officer numbers and maintaining them through to at least 2024/25, savings requirements will have to be met from a much smaller proportion of our budget that excludes officer pay. For 2023/24 this was £55m that the constabulary can make savings from compared to the total gross budget of £216m. The challenge to deliver these savings without significantly reducing the service to the communities of Norfolk becomes harder each year.

3.34 It is critical therefore, that the plans set out in this report ensure that the budget is not only balanced for 2023/24, but that there is financial resilience in terms of planned spending and reserve levels over the medium-term.

Section 4: The Strategic Financial Planning Process

4,1 To deal with the funding context, and the cost pressures outlined in the section above, it is important that the constabulary has a robust and disciplined strategic financial planning process. Since 2010, in response to the challenging financial situation, the Constabulary has been running a successful Change Programme and annual planning process which will have delivered £42.4m (to 31 March 2023) since its inception. A significant element of that programme has been delivered through collaboration with Suffolk Constabulary.

4.2 Norfolk and Suffolk use a process that is underpinned using the Force Management Statements (FMS), and then applying Outcome Based Budgeting (OBB) principles. The FMS is a strategic document that examines current and future demand, and potential future asset shortfalls, and the resultant potential risks for the services provided by Norfolk Constabulary.

4.3 OBB is a method for aligning budgets to demand, performance, outcomes and priorities. This approach analyses the spending of the entire Force. This information is then lined up against the priorities and demands of the FMS and Police and Crime Plan. This allows projects to be developed to target areas that can be made more efficient, as well as reviewing areas requiring more investment.

4,4 As a result of this process, His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) rated Norfolk as **Outstanding** in terms of Good Use of Resources (the top rating achievable) in the force's recent Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection.

4.5 The 2023/24 joint (Norfolk and Suffolk) strategic financial planning process for 2023/24 has been on-going over recent months in accordance with an agreed timetable. Chief Officers and their Heads of Department were set a savings target. During the summer they presented savings and investment proposals, and these were modelled against the impact on budgets and outcomes. These outcomes were then reviewed by a Joint Chief Officer Panel against the OBB principles / FMS priorities and decisions were made about limiting growth and increasing savings.

4.6 These outputs were then presented to the Chief Constables, and further refined after these sessions. The outcomes of the constabulary process were presented to the PCC and a series of sessions were held to model several scenarios. Following the outcome of the Autumn Statement, and then the force settlement itself, the process concluded with agreement on Norfolk only budgets, the agreement of joint budgets, costs and savings arising from the process to be included in spending plans.

4.7 The 3-year Spending Review in 2021 (SR21) provided an indicative settlement for that period of time, allowing for an improved planning horizon. The Autumn Statement confirmed SR21 funding levels, but as noted elsewhere in this report inflation and pressure on pay settlements is much higher than anticipated in SR21.

4.8 Alongside the drive for increasing productivity and efficiency, it is clear that the Constabulary Change Programme will need to be sustained over the medium-term so that efficiency gains can be driven out to help contribute to the funding of inflation and other cost pressures. The Programme will need to be delivered in a timely fashion to ensure budgets are balanced and reserves levels are kept within proportionate levels in accordance with the Reserve Strategy.

4.9 As part of the Change Programme, and jointly with Suffolk, thematic and cross cutting initiatives are being developed around process maturity, exploitation of existing technology, and investments in new technologies (e.g., automation) to lever out cashable and non-cashable efficiencies over the life of the plan.

4.10 The OPCCN has continued to undertake a review of its budgets. The budget must cover inflationary pressures, including pay awards, and to ensure that the staffing levels and the non-pay budget for 2023/24 enables the PCC to discharge his duties. This budget will support the PCC and the office in delivering the Police, Crime and Community Safety Plan. The total budget is £2.590m. The OPCCN core budget (excluding commissioning services and the PCC costs) is £1.445m for 2023/24.

4.11 The PCC is still waiting on the outcome of the PCC review that may require new legislation. If this involves transfer of services, it is hoped that funding will accompany any changes. However, a budget had been included for a deputy PCC in future years in the MTFP to ensure this part of new regulation can be implemented once set out in statute. This has been moved into the next PCC period from May 2024 rather than include in this reporting period as legislation is unlikely to be in force by then.

4.12 After several key national issues in the year there is more demand for preventative services, and funding bids submitted by the Commissioning team have for a further year increased the grant funding into the OPCCN as follows: -

Fund	District	2022/23	
MOJ - DA/SV Fund - Victim Support	All	185,727.50	
IDVA/ISVA National Fund	All	79,350.00	
IDVA/ISVA National Fund - EOI	All	172,113.00	
IDVA/ISVA National Fund - EOI	All	12,015.00	
Sexual Violence Fund	All	104,200.00	
Core 1 Year Formula Based Funding Uplift	All	91,832.88	
NIDAS Partnership funding	All	249,500.00	
Public Health - Wonder +	All	45,000.00	
Public Health - Pathway Out	All	30,000.00	
Serious Violence Duty		30,174.66	
Prevent project		20,000.00	*
TOTAL SECURED		**1,019,913.04**	

**Funds held by Home Office*

4.13 The Police, Crime and Community Safety Plan has the new Commissioning Strategy sitting alongside and funding will be utilised from external funding and the reserves to deliver its objectives over the life of the plan.

Capital Programme and Financing 2023/27

4.14 The capital programme is a key element of the strategic and financial planning process. As highlighted over the last few years, due to funding constraints, the impact of capital spending, particularly the investment in "short-life" assets, has a significant impact on the revenue budget and will continue to do so over this medium-term plan. The capital strategy (Appendix D) gives more detail on the approach to setting the capital programme.

4.15 The revenue impact for long-term estates assets is spread over the years through the Minimum Revenue Provision (MRP) mechanism. Norfolk has previously used internal cash to fund estates spending, delaying external borrowing and the consequent interest payments.

4.16 As flagged over recent budget reports, as the estate continues to be modernised in line with the Estates Strategy, additional external borrowing has been required and interest payments have started to be made. This borrowing remains affordable and more details are in Appendix G. It should be noted that the investment in the Estates

Strategy will enable the rationalisation of the estate, including the disposal of some buildings, and the exit from remaining leased properties. This coupled with the Modern Workplace Programme (with some of the workforce formally moving to home and hybrid working) will result in savings of c£14m to the force over 40 years resulting in significant savings over the life of that investment.

4.17 It is not prudent to borrow for short-life assets. These should be funded from capital receipts, reserves allocated to fund capital schemes, or revenue budget contributions.

4.18 Funding constraints, and limitations on the availability of capital receipts over time, have meant there has been an increased reliance on reserves to fund short-life assets over the last few years. To continue to fund the replacement programme over the medium-term and beyond, to protect reserve levels, and to mitigate the pressure to borrow, additional revenue budget has been required to be dedicated to the funding of short-life assets and this has been increased year on year. This issue is expanded further in the review of adequacy of reserves later in this report as well as the Capital and Reserves Strategies (see Appendices D and F).

4.19 The proposed capital programme has been updated to 2026/27 and is set out in detail at Appendix E. The revenue consequences of the proposed capital programme have been fully taken-into-account in preparing the MTFP.

4.20 Key aspects of the programme are outlined below:

- Capital costs for ICT include an improved programme of equipment replacement and updating of the technology infrastructure.
- Projects to help modernise the Force are set out in the capital programme including continuing to invest in efficiency enabling technology, both hardware and software, as the Constabulary embraces the rapid advance of digital solutions including the need to move and store significant amounts of data.
- Building schemes include the one-off costs incurred in relation to the disposal of estate infrastructure that is either too large or not fit for purpose, and replacement with buildings that better meet operational needs and service requirements and cost less to maintain.
- Capital costs for fleet are for replacement vehicles and the equipment used to service them.

Section 5: Impact of the Grant Settlement

5.1 In recent years government has only issued one-year funding settlements for PCCs, and force-by-force provisional detailed grant announcements are normally made in December for funding commencing the following April. This creates a challenging planning environment.

5.2 Last year, the then Chancellor announced a 3-year spending review known as SR21, and the new Chancellor confirmed that central government departmental spending would be at least maintained at SR21 levels.

5.3 The detailed force-by-force announcement was made on 13th December 2022 and at this point only provides the detailed provisional funding for 2023/24. The Policing Minister's Written Ministerial Statement provides detail about Norfolk's increased share of grant funding and this equates to £1.9m (see the table below). This funding needs to cover the cost of the Uplift officers, plus funding for the middle and back office functions that are required to support the growing front line, as well as providing for the kit, equipment and estates provision that the officers need.

5.4 The table below provides a comparison between the 2023/24 grant settlement and 2022/23 figures.

	2022/23	2023/24	Variance	
	£000	£000	£000	%
Police Core Grant	96,298	96,632	334	0.34%
Ringfenced Grant (Uplift)	1,510	3,076	1,566	103.71%
Legacy Council Tax Grants	9,305	9,305	0	0%
Pensions Grant	1,565	1,565	0	0%
Total all Grants	**108,678**	**110,578**	**1,900**	**1.75%**

5.5 The Written Ministerial Statement that set out the provisional settlement for forces also outlined a number of policing priorities. These include improvements of outcomes for victims of rape and serious sexual assault, tackling organised crime, drugs supply, and other high harm offences. The PCC and Chief Constable are committed to supporting these priorities, and the proposals included in this report are consistent with those aims and relevant to local needs.

5.6 In the statement the government is also clear that policing must continue to focus on improving efficiency and productivity, so that it can be shown to local communities that forces are getting the most out of the increases in funding. This report outlines continued investment in improving efficiency, productivity and outcomes. This is achieved through the delivery of the savings programme, the updated capital programme, and the move to spend on efficiency and productivity initiatives.

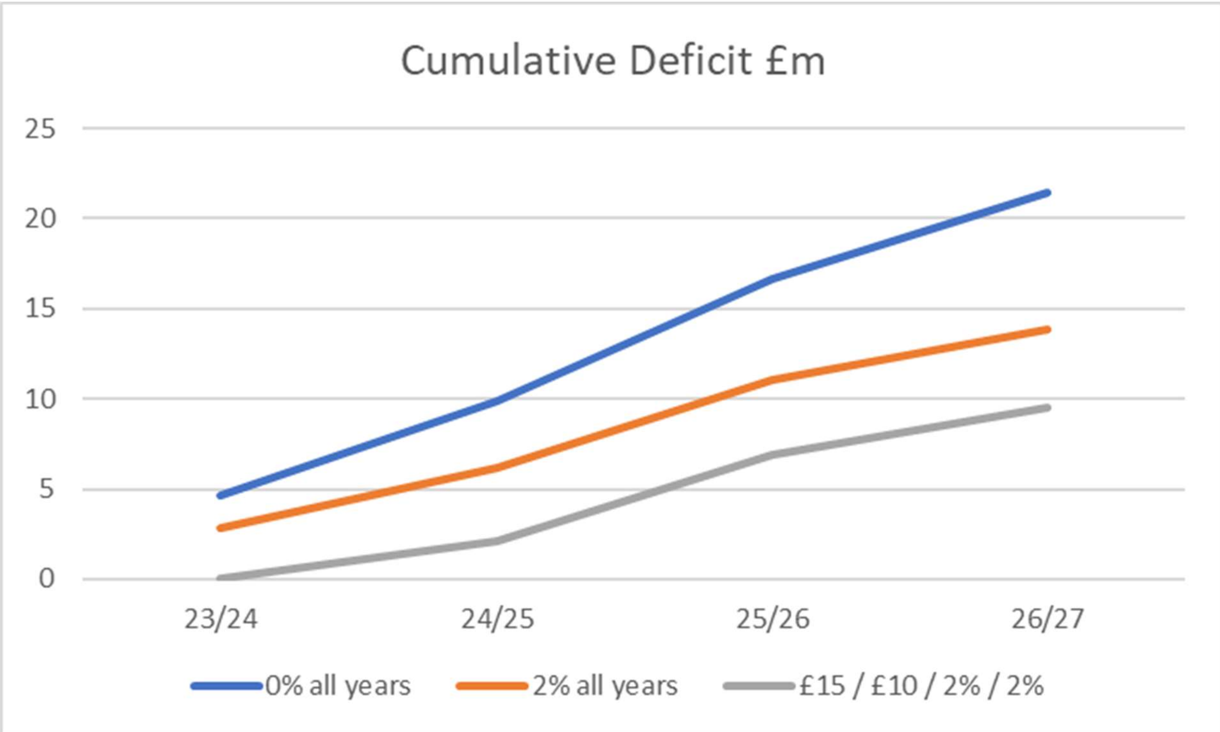
5.7 The Minister of State for Crime, Policing and Fire outlined an updated precept limit for 2023/24: "To ensure that policing are able to balance budgets and deliver on key priorities, we have gone even further by providing an additional £5 on top of the £10 precept limit agreed at SR21".

There has been no change announced for 2024/25 precept limit over and above what was outlined in SR21 and therefore, this report includes, for modelling purposes, £9.99 precept increase for year two of the medium-term plan. As precept limits are not known for 2025/26 and 2026/27 the plan models a 2% increase for those years. Precept for each of the future years of the plan will be subject to public consultation as required by statute.

5.8 As part of the Spending Review 2021, the funding position was outlined for the 3 years that SR21 covered. Since then, a number of factors have changed the economic landscape, but the Chancellor has committed to the figures outlined in SR21 as a minimum for central government departments. This budget report therefore includes informed assumptions about grant levels in 2024/25 but that will not be confirmed until December 2023. From a prudent basis, the last two years of the plan assumes “cash flat” central grant funding.

5.9 Informed and prudent assumptions have therefore been included in future years, and due to the impact of inflation (including an assumption of 3.0% pay rise in 2023/24 and 2% thereafter) and the full year impact of cost pressures, efficiency savings are required in each year of the plan.

5.10 It should be noted that on current assumptions, even with a precept of £14.94 for 23/24 there is still a significant cumulative deficit projected over the medium-term (yellow line) rising to close to £10m by 2026/27. Modelling figures without £14.94 precept (orange and blue lines), the table shows below that not only would the constabulary struggle to balance its budget for 2023/24, the cumulative deficit by the end of the plan rises to anywhere between £14m to £21m depending on the modelled precept levels.



5.11 In terms of addressing any such deficits depending on precept decision levels now and in the future, contingency plans would need to be made to understand how costs could be reduced to meet any deficit, while at the same time working with the Home Office to secure positive settlement outcomes in the future.

Grant damping and the Police Funding Formula

5.12 A review of the Police Funding Formula is underway and is due to make recommendations to the Home Office in 2023 for potential application in a new parliamentary term. As a result, there were no changes to grant damping for 2023/24.

Section 6: The Precept Option 2023/24

6.1 In light of all the information set out in this report, the context, unavoidable cost pressures and grant settlement the table below summarises the budget and forecast for the option on which the PCC consulted. Full details are in Appendix B.

MEDIUM TERM FINANCIAL PLAN - 4 YEAR OVERVIEW - NORFOLK - £14.94 (5.19%) precept increase 2023/24						
£9.99 (3.30%) 2024/25 included for modelling purposes			**Budget**	**Forecast**	**Forecast**	**Forecast**
2% assumed for 2025/26 (£6.21) and 2026/27 (£6.30)		**Line**	**2023/24**	**2024/25**	**2025/26**	**2026/27**
			£000	£000	£000	£000
REVENUE FUNDING						
	Home Office Grant	1	(96,632)	(98,327)	(98,327)	(98,327)
	Legacy Council Tax Grants	2	(9,305)	(9,305)	(9,305)	(9,305)
	Precept Income	3	(93,917)	(97,611)	(100,544)	(103,554)
TOTAL FUNDING		4	**(199,854)**	**(205,242)**	**(208,175)**	**(211,185)**
BASE REVENUE BUDGET INCLUDING INFLATION:						
	Total Revenue Expenditure before savings	5	220,225	225,663	230,071	234,557
	Revenue Funding of Capital Expenditure	6	3,745	3,745	3,745	3,745
	Total Revenue Income inc Specific Grants	7	(23,554)	(23,702)	(20,768)	(19,933)
NET REVENUE BUDGET BEFORE KNOWN CHANGES AND SAVINGS		8	**200,415**	**205,706**	**213,049**	**218,369**
DEFICIT / (SURPLUS) BEFORE KNOWN CHANGES		9	**561**	**464**	**4,874**	**7,184**
	Known / Expected Changes	10	5,371	4,859	6,090	8,929
	Planned use of reserves	11	(2,795)	(497)	(1,375)	(3,856)
REVENUE DEFICIT BEFORE SAVINGS		12	**3,137**	**4,827**	**9,590**	**12,258**
	Change Programme Savings	13	(3,137)	(2,738)	(2,738)	(2,738)
	Surplus / (Savings to be identified)	14	(0)	(2,088)	(6,852)	(9,520)
	Total Cumulative Permanent Savings	15	**(3,137)**	**(4,826)**	**(9,590)**	**(12,258)**
REVENUE DEFICIT/(SURPLUS) AFTER SAVINGS		16	**0**	**0**	**0**	**0**

6.2 The Police, Crime and Community Safety Plan for Norfolk gives strategic direction for policing in the county. The plan was launched after public and stakeholder consultation and is based upon six pillars as being the key areas on which the communities of Norfolk wanted police activity to be focussed. The first pillar is to ‘Sustain Norfolk Constabulary’ and this needs to be achieved through robust strategic, financial and organisational planning over a medium-term period.

6.3 The public’s expectations and demands on the police are growing and policing simply cannot compromise.

- Control Room staff must be there at the end of a phone
- Officers must respond to emergencies
- Officers must be able to arrest and bring offenders to justice
- Officers must offer a reassuring voice to victims
- Officers need to engage communities to become aware of issues and concerns
- The public want to see more visible policing

6.4 The policing family is bigger than the officers on the front line – it takes a range of different services to support them including police staff, members of the Special

Constabulary and other vital volunteers. The constabulary needs police vehicles, buildings and professionals with specialist knowledge in areas such as forensics. Officers need to continually develop their knowledge and skills and require the right training facilities to do this.

6.5 The PCC has discussed with the Chief Constable every possibility to save money across current staffing capability and activity. The constabulary has an excellent record in using constrained funding efficiently. In their most recent inspection, His Majesty's Inspectorate for Constabularies, Fire and Rescue Services graded Norfolk Constabulary as **'Outstanding'** for their efficient and effective use of resources.

6.6 Resources are limited, demand for policing services is growing, and policing cannot compromise. It is in this light, along with the significant pressure from inflation as outlined, that the Police and Crime Commissioner (PCC), following public consultation, is recommending a 5.2% increase to council tax to help maintain the current services provided by Norfolk Constabulary.

6.7 In recommending an increase of the precept, the PCC has considered all the other sources of funds available and the constabulary's ability to make further savings before asking the public for their support.

6.8 More financial information is shown in Appendix B (ii).

6.9 Even allowing for the 5.2% precept funding in 2023/24, significant savings requirements are required from 2024/25 onwards.

6.10 Based on the information contained in this report and having taken into account the position and information presented by the Chief Constable, the PCC proposes to raise the policing part of local council tax by 5.2% (22 pence per week at Band B / 29 pence at Band D) in order to help maintain current levels of service and enable your police service to tackle the new challenges they are facing.

6.11 As outlined in section 5, the Minister of State for Crime, Policing and Fire outlined an updated precept limit for 2023/24: "To ensure that policing are able to balance budgets and deliver on key priorities, we have gone even further by providing an additional £5 on top of the £10 precept limit agreed at SR21".

6.12 As no announcement on precept limits for 2024/25 have been made, this report includes, for modelling purposes, £9.99 precept increase for year two of the medium-term plan (as outlined in SR21). As precept limits are not known for 2025/26 or 2026/27 the plan assumes a 2% increase in each of those years. Precept for each of the future years of the plan will be subject to public consultation as required by statute.

Council Tax Income

6.13 District Councils calculate the number of dwellings on which council tax can be levied and estimate the collection rate. Variations between actual and estimated income accrue in the District Council collection funds. A surplus or deficit on the collection fund is allocated between the District Council, the County Council and the PCC in proportion to their share of the Band D council tax. In recent years there has been an overall surplus on the collection fund, with the exception of 2021/22 where the impact of the pandemic on the economy did result in a deficit.

6.14 The taxbase has grown by 1.36%. This is forecast to continue at a similar level for the duration of the plan. 65% of properties in Norfolk are in Bands A to C, i.e. below Band D.

Section 7: Preparing the Medium Term Financial Plan (MTFP)

7.1 The budget and MTFP are constructed as follows: -

- The base 2022/23 budget (funding current activity) is rolled forward and repriced for inflationary pressures. The full year effect of any 2022/23 part year initiatives / change programmes is added. (See the line 'Deficit / Surplus before Known Changes' in the tables in the Executive Summary and in Appendix B).
- Known / Expected Changes are then added. These include the impact of statutory changes (e.g. pension contributions), service developments (other unavoidable base budget pressures), capital financing costs (of the revised capital programme) and finally any growth required as a result of the strategic financial planning process.
- Use of reserves is then considered. Typically, they will be used to finance short-life capital assets (over and above the budget provision), temporary revenue costs and invest to save initiatives.
- This results in a sub total - Revenue Deficit Before Savings
- Finally, the savings identified as part of the planning process are included to balance the budget.

7.2 The MTFP remains consistent. It provides for pay and price increases, growth to meet demand and service pressures, a change programme to make the required efficiencies, and use of reserves to support one off costs, including invest to save measures and the continued investment in modernising technology to help boost productivity, and ensure an efficient and effective police force and OPCC.

7.3 The following financial planning assumptions have been used.

	Budget 2023/24	**Forecast 2024/25**	**Forecast 2025/26**	**Forecast 2026/27**
Police main grant change	0.34%	1.75%	0%	0%
Legacy council tax grants change	0%	0%	0%	0%
Council taxbase change	1.27%	1%	1%	1%
Collection fund surplus	£0.440m	0	0	0
Pay awards - officers	3%	2%	2%	2%
Pay awards - staff	3%	2%	2%	2%
Non-pay inflation (average)	5.2%	3%	2%	2%

7.4 Prudent assumptions have been included for each year of the MTFP as shown above.

7.5 It should be noted that assumptions in the table above could change over the period of the medium-term and the impact of these changes can be seen in the sensitivity analysis below.

	Variation	Variation
		£m
Main Government grants	1.0%	0.963
Legacy council tax grants	1.0%	0.093
Tax base increase	1.0%	0.878
Precept	1.0%	0.878
Pay awards officers (full year impact)	1.0%	1.122
Pay awards staff (full year impact)	1.0%	0.554
Non-pay inflation	1.0%	0.433

Section 8: Statutory Assurances and Strategies

Robustness of the Budget

8.1 The integrated financial planning model provides the high-level financial data that is used to generate the annual revenue and capital budgets, all of which are reconciled to control totals.

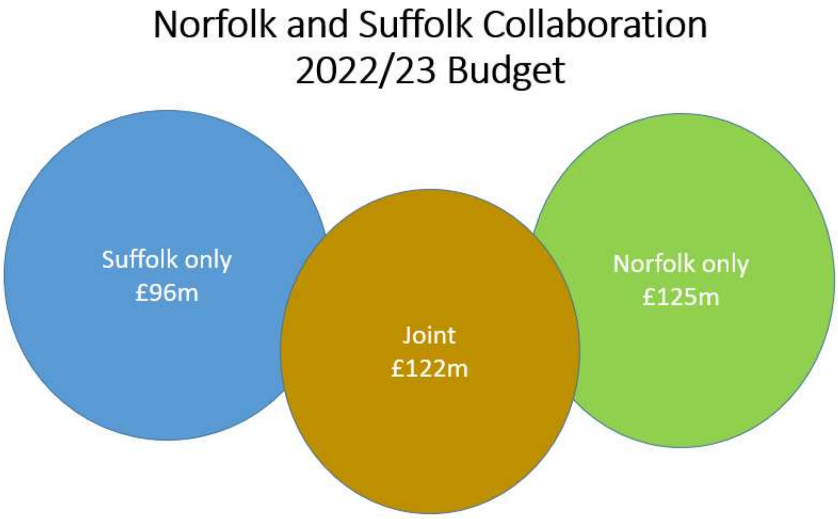
8.2 The comprehensive Service and Financial Planning process has resulted in the development of the various savings proposals and programmes. This has involved Chief Officers, Finance, and the Programme Management Office (PMO) from both Norfolk and Suffolk Constabularies, maintaining financial clarity and consistency in financial plans.

8.3 Whilst there are always risks to delivering savings, controls will be maintained to ensure that the budgeted levels of savings are achieved as a minimum. Identified savings will be removed from budgets prior to allocation at the start of the financial year. The progress of delivering the savings is monitored through the Strategic Planning and Monitoring Board that is chaired by the Deputy Chief Constables from Norfolk and Suffolk and includes the Assistant Chief Officers from both forces (the Chief Constables Chief Finance Officers). Progress is reported monthly through the budget monitoring reports to the PCC and PCC Chief Finance Officer.

Collaboration and the Change Programme

8.4 Norfolk and Suffolk Constabularies have been collaborating for over a decade. In the period to 2022/23, a large number of business cases have been implemented and total savings of £46.6m (£22.6m Suffolk and £24m Norfolk) have been found from collaboration.

8.5 The “joint” services budget is now over 1/3rd of the combined budget of both forces and stands at over £122m.



8.6 As part of the Service and Financial Planning process for 2023/24, savings have been identified from collaborative units and Norfolk only units (Norfolk's share is £3.1m). These have been assessed in terms of risks and impact on outcomes using the OBB model.

8.7 The forecast phasing for realising the savings is set out in Appendix B (iii).

Blue Light Collaboration

8.8 Norfolk Constabulary and Norfolk Fire and Rescue Service continue to strengthen their working relationship and the Fire Control Room has moved in alongside the Police Control Room in addition to the Fire Service HQ also being located at the Wymondham site. In addition, there are shared premises at Downham Market, Holt, Reepham, Sheringham and King's Lynn. Further work is ongoing to share premises for Local Beat Officers at Acle, Loddon and Sprowston during 2023 as the constabulary rationalises its estate.

The constabulary also shares premises with the East of England Ambulance Service at Attleborough, Aylsham, Earlham, Hunstanton, Long Stratton and currently Sprowston. The ambulance base at Sprowston is due to move to the new Broadland Police Station in early 2023.

Regional Collaboration

8.9 The PCCs and Chief Constables (CC) for the 6 police areas in the East of England together with the CC and PCC for Kent have developed a 'Seven Force Strategic Network'. The costs of the work are being shared by the 7 Forces. Many streams of work are being pursued and work is focussing on getting the 7Forces to 'converge' their processes.

8.10 The 7 Force Commercial Team has been in place for two years, and following a post implementation review that took place after 12 months, has continued to develop improvements to the way it works across the region including the ongoing development of the 7 Force commercial contractual "pipeline". The strategy is overseen by the Strategic Procurement Governance Board, chaired by one of the PCCs, while the day-to-day running of the service is overseen by the Commercial Executive Board – both boards include the membership of PCC and CC CFOs.

8.11 Through the programme, regional projects continue to be delivered including those to bring efficiencies to the Vetting process through automation, and the implementation of a 5 force Digital Asset Management System (DAMS). Other opportunities for further convergence and collaboration will be explored and commissioned on an ongoing basis.

8.12 Norfolk is also part of a well-established 10 force consortium for insurance known as the South East and Eastern Regional Police Insurance Consortium (SEERPIC), now in existence for over 20 years. All insurance contracts for the 10 forces are procured through this consortium that is one of the most extensive in policing.

Risk and Efficiency

8.13 Risk management is a key consideration for the PCC and the Chief Constable. There is an overall risk management strategy for each corporation sole. Risk management is embedded and is an integral part of the decision-making process in both organisations. Local operational risk registers are in use throughout the Constabulary and the Office of the PCC (OPCC) and significant risks are reported to the executive levels through the relevant Strategic Risk register.

8.14 The Chief Constable's Strategic Risk register is updated on an ongoing basis and presented regularly for review to the Command Team. A dedicated risk manager is in place to support the process. The OPCC also maintains a Strategic Risk Register and is discussed at its senior leadership team meetings. The whole risk management process is monitored by the Joint Audit Committee.

8.15 The main risks that may impact upon the delivery of the MTFP and Capital Programme are:

- Reductions in funding either through austerity in terms of government funding, or reductions in taxbase and / or collection fund deficits
- The impact of inflationary pressures, including pay, on the revenue budget
- Exceptional demands placed upon the services, particularly in relation to hidden harms, major incidents and support for victims
- Requirements of new legislation or government directives including the PCC review by Government, and pension related matters
- Achieving the required outcomes from collaboration with other Forces
- Ensuring robust accountability and governance
- Delivering the planned level of savings through robust business cases
- Maintaining an acceptable level of performance while increasing productivity, efficiency and effectiveness within current funding envelope
- The impact of the capital programme on the revenue budget.

8.16 To manage these risks it is essential that there is a robust monitoring procedure, and action is taken to offset the risks with continuous review processes. This process is undertaken in the Constabulary through the Strategic Planning and Monitoring Board and the Organisational Board both chaired by the Deputy Chief Constables (and with the Chief Constables Chief Finance Officers in attendance), and then reviewed by the Joint Chief Officer Team including the Chief Constables.

8.17 The Chief Constable is then held to account by the PCC at the Police Accountability Meeting.

Efficiency

8.18 Implicit throughout all financial planning is the need to deliver efficiency and drive out savings. Business cases should, where relevant, identify the Return on Investment. As detailed above, the Constabulary (and policing nationally) will need to continue to evidence its efficiency and effectiveness to improve the prospects of more positive Spending Review outcomes in the future. The external auditor has consistently issued an unqualified value for money (VFM) opinion and the Joint Audit Committee does consider His Majesty's Inspectorate of Constabulary and the Fire Service (HMICFRS) VFM profiles alongside internal audit reports on the control environment.

8.19 The PCC and the Chief Constable continue to be committed to investing in and delivering improvements in efficiency, effectiveness and productivity and Sustain Norfolk Constabulary is a key pillar of the PCCs Police, Crime and Community Safety Plan 2022-24.

8.20 Over recent years this has included capital investment in Body Worn Video (BWV), mobile devices, automated number plate recognition (ANPR) devices, drone technology and telematics and dashcams – and these capabilities will be refreshed over the period covered by the MTFP. In 2022/23 the force is piloting new and innovative platforms to enable better engagement with some victims of crime and if that pilot is successful then a wider roll-out will take place in 2023/24.

8.21 Significant investment has also been made into the Norfolk Estate including the development of two new police stations, one in the west of the county and one in the east, both of which are now fully operational. These new stations not only enable an improved policing model that delivers more efficient and better quality investigations with lower supervision costs, but they also enable c£14m worth of estates savings over a 40 year period through the disposal of sites no longer fit for purpose, and the exit from expensive lease arrangements.

8.22 This MTFP also includes provision for funding for Efficiency Initiatives (see Appendix E) including a Process Maturity Programme, Automation projects and a Data Quality project. All funding within these lines will be subject to business cases that need to outline the potential return on investment.

8.23 The constabularies are also improving their processes and governance arrangements in respect of benefits development within business cases, benefits tracking and benefits realisation – all of which are crucial to create the culture to drive out productivity improvements at each level of the business.

Annual Treasury Management Strategy 2023/24

8.24 Government regulations require the PCC to approve the investment and borrowing strategies and borrowing limits for 2023/24 prior to the start of the financial year. This is incorporated within an over-arching Treasury Management Strategy, which is attached at Appendix G.

Compliance with the Prudential Code

8.25 The level of borrowing for the Capital Programme needs to be based on capital investment plans that are affordable, prudent and sustainable and there is a requirement to publish a Capital Strategy. This is included as Appendix D.

8.26 Treasury management decisions need to be taken in accordance with best professional practice outlined in a Prudential Code published by the Chartered Institute of Public Finance and Accountancy (CIPFA).

8.27 To demonstrate that the objectives of affordability, prudence and sustainability have been achieved, the Prudential Code requires Indicators to be determined by the PCC. These are designed to support and record local decision making and for comparison over time. They are not designed to be comparative performance indicators. Details of the proposed indicators for 2023/24 are provided in Annex 1 to Appendix G. Progress against the indicators will be monitored throughout the year.

Minimum Revenue Provision (MRP)

8.28 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 place a duty on authorities (including PCCs) to make an amount of Minimum Revenue Provision (MRP) each year that is considered to be prudent. The regulations are supported by statutory guidance to which authorities are required to have regard.

8.29 MRP is only used where funding of the asset does not use revenue contributions, capital grants or receipts from asset sales. MRP is charged annually against the Revenue Account reflecting the cost of the asset over its life, with the MTFP including the required provision. The MRP Statement is set out in Annex 2 to Appendix G.

Adequacy of Reserves

8.30 The Home Office introduced regulations which require PCCs to be completely transparent on the reserves they hold and how they will be used over time. Details of contributions from reserves to fund revenue spending are included in Appendix B (ii) and the projected levels of reserves are detailed in Appendix F Annex 1.

8.31 This budget report provides information on all the reserves held and how they will be used. General and earmarked reserves play a vital role in the financial management and financial standing of the PCC. The current policy of the PCC is to maintain the general reserve between 2.5% - 3% of net revenue budget and total reserves at no lower than 6% of net revenue budget as a minimum. Norfolk's total reserves are forecast to reduce from £22.737m (11.74% of budget) as at 31/3/23 to around £14.214m (6.73% of budget) by 31/3/27.

8.32 In the previous MTFP through sound financial management the PCC had set aside earmarked reserves to meet future spending needs. This included the inclusion of an efficiency reserve created with the in-year savings in the OPCCN. This is now renamed the Transformation reserve and will be used to realign the OPCC to be able to take on any new responsibilities.

8.33 The PCC CFO, in consultation with the CC CFO, has considered the proposed level of reserves and believes that they are adequate for the purposes for which they are intended.

Precept Consultation

8.34 The 2023/24 police budget and council tax consultation took the form of a survey - available both online and in hard copy – with people also having the opportunity to submit their views by email, letter or by telephone. There was a comprehensive and countywide supporting programme of public engagement. In total, there were 888 valid responses to the consultation alongside feedback through social media (See Appendix B for Precept consultation communications report) and 1 email into the main OPCCN inbox. There were 25 hard copies of the survey returned during the consultation period.

8.35 The results of the police budget and tax 2023/24 consultation show that of the 888 respondents to the survey, a total of 272 respondents strongly agreed with the proposal to raise the precept by 5.2%. A total of 181 respondents agreed with the proposal. This equates to 51% in overall support of a precept increase in contrast to 48% of the total respondents who did not support a precept increase. 6% of respondents said they neither agree nor disagree with the proposal.

8.36 For more detail on the consultation please refer to Appendix I.

Chief Finance Officer's Section 25 Assurances

8.37 Section 25 of Part 2 of the Local Government Act 2003, as amended by the Police Reform and Social Responsibility Act 2011, places responsibility on the PCC Chief Finance Officer (CFO) to report on the robustness of the budget estimates the adequacy of balances and reserves and issues of risk.

8.38 The estimates have been put together by qualified finance staff in the Constabulary's Finance Department, which support the OPCC Chief Finance Officer, and then reviewed by qualified staff within the Office of the PCC.

8.39 The biggest area of uncertainty as previously reported is around the cost pressures from inflation and pay increases. The pay for 2023/24, at the time of writing this report. level of increase is unknown with estimates included as per para 5.3. If the additional pay costs exceed what has been forecast, then the gap will have to be funded through either council tax increases and/or additional cost savings.

8.40 By themselves, none of the risks and issues outlined in this report are so significant that they could not be managed in isolation. However, collectively they represent a gradual and escalating build-up of financial pressure that will need to be closely monitored during the year and the next iterations of the Reserve Strategy, Capital strategy and MTFP will all be updated accordingly. The Constabulary Chief Officer team and the OPCCN Executive are very experienced at managing the identifiable risks as part of this process and through their respective Strategic Risk Registers.

8.41 As outlined throughout this report, the 2023/24 budget, and MTFP has been prepared in a properly controlled and professionally supported process. It has been subject to due consideration within the Constabulary and by the PCC.

8.42 The provisional police settlement enables each PCC to increase the police element of council tax by up to £15 a year for a band D equivalent property in 2023/24. If utilised in full, alongside the efficiency savings made by the constabulary and proportionate use of reserves, this would enable the constabulary to maintain current service levels and expected demand in 2023/24 in the face of significant levels of unfunded inflation and pressure on pay settlements.

8.43 The PCC is reminded that his responsibility for setting the annual budget and council tax precept for 2023/24 should also take-into-account whether the budget and service plans are relevant, affordable, and sustainable in the longer-term. In doing so, he will need to satisfy himself that services and resource allocation have been appropriately prioritised and that financial risks have been adequately addressed and covered by, for example, reserves, contingencies and risk mitigation plans.

8.44 The PCC CFO confirms that all the required statutory assurances can be made.

Section 9: Conclusion

9.1 Based on the information contained in this report and having taken into account the position and information presented by the Chief Constable, the PCC proposes to raise the policing part of local council tax by 5.19% (22 pence per week at Band B / 29 pence at Band D) in order to help to maintain the constabulary's current service levels and meet expected demand in 2023/24 in the face of significant levels of unfunded inflation and pressure on pay settlements.

Appendix A

Police Grant 2023/24

1. The changes in Government funding for 2023/24 are set out in the table below:

	2022/23	2023/24	Variance	
	£000	£000	£000	%
Police Core Grant	96,298	96,632	334	0.34%
Ringfenced Grant (Uplift)	1,510	3,076	1,566	103.71%
Legacy Council Tax Grants	9,305	9,305	0	0%
Pensions Grant	1,565	1,565	0	0%
Total all Grants	**108,678**	**110,578**	**1,920**	**1.75%**

2. The Legacy Council Tax grants are based on two historic elements. The first element is in respect of a former Council Tax Freeze Grant of £1.4m relating to the decision of the former Police Authority to freeze the Council Tax in 2011/12. The second element relates to the Council Tax Support Grant of £7.9m that has been payable since April 2013 when the Government made significant changes to Council Tax Benefit arrangements.

3. The Home Office has “re-allocated” (top sliced) £1,114m in total from the national grant pot. This funding is used to centrally fund Police Technology Programmes, enhance national policing capabilities, fund crime reduction programmes, and help tackle issues such as tackling exploitation and abuse, serious violence and drugs and county lines as well as fund other arms-length bodies.

Appendix B (i)

Budget and Medium Term Financial Plan 2023/27

Increase Council Tax by 5.19% per annum (£14.94)

MEDIUM TERM FINANCIAL PLAN - 4 YEAR OVERVIEW - NORFOLK - £14.94 (5.19%) precept increase 2023/24					
£9.99 (3.30%) 2024/25 included for modelling purposes		**Budget**	**Forecast**	**Forecast**	**Forecast**
2% assumed for 2025/26 (£6.21) and 2026/27 (£6.30)	**Line**	**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£000	£000	£000	£000
REVENUE FUNDING					
Home Office Grant	1	(96,632)	(98,327)	(98,327)	(98,327)
Legacy Council Tax Grants	2	(9,305)	(9,305)	(9,305)	(9,305)
Precept Income	3	(93,917)	(97,611)	(100,544)	(103,554)
TOTAL FUNDING	4	**(199,854)**	**(205,242)**	**(208,175)**	**(211,185)**
BASE REVENUE BUDGET INCLUDING INFLATION:					
Total Revenue Expenditure before savings	5	220,225	225,663	230,071	234,557
Revenue Funding of Capital Expenditure	6	3,745	3,745	3,745	3,745
Total Revenue Income inc Specific Grants	7	(23,554)	(23,702)	(20,768)	(19,933)
NET REVENUE BUDGET BEFORE KNOWN CHANGES AND SAVINGS	8	**200,415**	**205,706**	**213,049**	**218,369**
DEFICIT / (SURPLUS) BEFORE KNOWN CHANGES	9	**561**	**464**	**4,874**	**7,184**
Known / Expected Changes	10	5,371	4,859	6,090	8,929
Planned use of reserves	11	(2,795)	(497)	(1,375)	(3,856)
REVENUE DEFICIT BEFORE SAVINGS	12	**3,137**	**4,827**	**9,590**	**12,258**
Change Programme Savings	13	(3,137)	(2,738)	(2,738)	(2,738)
Surplus / (Savings to be identified)	14	(0)	(2,088)	(6,852)	(9,520)
Total Cumulative Permanent Savings	15	**(3,137)**	**(4,826)**	**(9,590)**	**(12,258)**
REVENUE DEFICIT/(SURPLUS) AFTER SAVINGS	16	**0**	**0**	**0**	**0**

Analysis of Known/Expected Changes — Appendix B(ii)

PLANNED REVENUE CHANGES 2023/27 - NORFOLK	Line	Budget 2023/24 £000	Forecast 2024/25 £000	Forecast 2025/26 £000	Forecast 2026/27 £000
STATUTORY CHANGES					
Rent and Housing Allowance Reductions	1	(50)	(100)	(100)	(100)
Variation in Bank Holiday Numbers (9 in 2022/23 then 10, 7, 8, 11)	2	175	(350)	(175)	350
Pension Based Pressures	3		240	240	240
Local Government Pension Scheme	4	(105)	(150)	(150)	(150)
Firearms Licensing Income	5	96	72	(11)	(11)
TOTAL STATUTORY CHANGES	6	**116**	**(288)**	**(196)**	**329**
SERVICE DEVELOPMENTS					
National:					
Non Pay Impact of Uplift Programme	7	256	256	256	256
Home Office System Charges inc National Monitoring Centre	8	50	50	50	50
External Audit Fees	9	166	166	166	166
National Police Air Service (NPAS)	10	106	106	106	106
Microsoft Enterprise Agreement	11	271	271	271	271
Total National	12	**849**	**849**	**849**	**849**
Regional:					
7 Force Collaboration Contribution	13	45			
ERSOU	14	35	35	35	35
Insurance Pressures	15		200	200	200
Digital Asset Management System	16		15	15	15
Total Regional	17	**80**	**250**	**250**	**250**
Local:					
PEQF - DHEP training costs	18	155	190	190	190
PEQF - Co-investment	19		65	65	65
Challenge Panel Process Review - Cost Pressures - Pay	20	331	445	445	445
Challenge Panel Process Review - Cost Pressures - Non Pay	21	607	607	607	607
Corporate Cost Pressures - People Directorate & SBOS	22	579	792	792	792
Corporate Cost Pressures - JJS	23	188	188	188	188
Corporate Cost Pressures - CSS	24	43	43	43	43
Temporary Cost Pressures	25	523			
Targeted Variable Payments	26	350			
Total Local	27	**2,776**	**2,330**	**2,330**	**2,330**
TOTAL SERVICE DEVELOPMENTS	28	**3,705**	**3,429**	**3,429**	**3,429**
CAPITAL FINANCING					
Capital Programme Funding - Revenue Contribution	29	438	485	605	755
Capital Programme Funding - Capital Financing	30		521	1,550	1,192
Capital Programme Funding - Invest to Save	31	987	536	395	254
Capital Programme Funding - ESN	32				2,480
Minimum Revenue Provision	33	120	115	150	194
Interest	34	4	61	157	296
TOTAL CAPITAL FINANCING	35	**1,549**	**1,718**	**2,857**	**5,171**
Total Changes Before Reserve Movement Adjustments	36	**5,370**	**4,859**	**6,090**	**8,929**
CONTRIBUTION TO RESERVES					
Capital Financing and Efficiency Improvement Reserve	37		500	500	
General Reserve	38	150	60	70	70
CONTRIBUTION FROM RESERVES					
7 Force Collaboration Contribution	39	(45)			
Capital Programme Funding - Invest to Save Reserve	40	(987)	(536)	(395)	(254)
Capital Programme Funding - Capital Financing Reserve	41		(521)	(1,550)	(1,192)
ESN Funding	42				(2,480)
Use of Budget Support Reserve	43	(1,913)			
NET RESERVE MOVEMENTS	44	**(2,795)**	**(497)**	**(1,375)**	**(3,856)**
Total Known / Expected Changes (net of reserve movements)	45	**2,575**	**4,362**	**4,715**	**5,073**

Analysis of Savings

SAVINGS PLAN 2023/2027 - NORFOLK	Line	Forecast 2023/24 £000	Forecast 2024/25 £000	Forecast 2025/26 £000	Forecast 2026/27 £000
Change and Efficiency Savings:					
As per challenge panels:					
Pay	1	1,744	1,069	1,069	1,069
Non-Pay	2	1,393	1,669	1,669	1,669
Total Change and Efficiency Savings	3	**3,137**	**2,738**	**2,738**	**2,738**
TOTAL PERMANENT SAVINGS AGAINST 2022/23 BASE	4	**3,137**	**2,738**	**2,738**	**2,738**

Appendix C

High Level Analysis of the Net Budget

Increase Council Tax by 5.19% per annum (£14.94)

5.19% £14.94 increase								
Year	**PCC**	**OPCCN**	**PCC's Commissioning ***	**Chief Constable**	**Capital Financing**	**Specific Home Office Grants**	**Use of Reserves**	**Net Budget**
		£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
2022/23	99	1,384	1,044	201,228	3,902	(14,766)	827	**193,718**
2023/24	101	1,445	1,044	209,959	5,295	(15,195)	(2,795)	**199,854**
2024/25	101	1,445	1,044	212,976	5,463	(15,290)	(497)	**205,242**
				above includes savings to be found:		*£2,088*		
2025/26	101	1,445	1,044	212,668	6,602	(12,310)	(1,375)	**208,175**
				above includes savings to be found:		*£6,852*		
2026/27	101	1,445	1,044	215,945	8,916	(12,410)	(3,856)	**211,185**
				above includes savings to be found:		*£9,520*		
			* includes draw down from commissioning reserve					

Appendix D

Police and Crime Commissioner for Norfolk
Capital Strategy

1. Introduction

1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires the production of a capital strategy to demonstrate that capital expenditure and investment decisions are taken in line with desired outcomes and take account of good stewardship, value for money, prudence, sustainability and affordability.

1.2 The Capital Strategy is a key document for the Police and Crime Commissioner (PCC) for Norfolk and the Chief Constable of Norfolk and throughout this document the term Norfolk is used to refer to the activities of both the PCC and the Constabulary.

1.3 The capital strategy sets out the long-term context in which capital expenditure and investment decisions are made in Norfolk and gives due consideration to both risk and reward and the impact on the achievement of priority outcomes.

2. Objectives

2.1 The key objectives of the Capital Strategy are to:

- Provide a framework that requires new capital expenditure to be robustly evaluated, ensuring that capital investment delivers value for money and is made in accordance with the Norfolk corporate, financial and asset management strategies, matching their visions, values and priorities.
- Set out how Norfolk identifies, prioritises, delivers and manages capital programmes and projects. This includes outlining the governance framework from initiation to post project review.
- Ensure that the full life cost of capital expenditure is evaluated, including borrowing, maintenance and disposal costs.
- Ensure that all capital expenditure and related borrowing cash flows are affordable, prudent and sustainable.
- Identify the resources available for capital investment over the planning period and any restrictions on borrowing or funding.

3. Governance

3.1 There is a robust joint governance model that sits over the Norfolk only, Suffolk only and collaborated departments. Please refer to Annex 1.

3.2 Project boards are initiated for all appropriate corporate projects and are run on Prince 2 project models. These individual projects report into Portfolio Boards each with a Senior Responsible Officer (SRO). Highlight reports and exception reporting from these boards are then taken to the joint Organisational Board chaired by the Deputy Chief Constables of Norfolk and Suffolk (DCCs) and attended by each Head of Department. The Organisational Board is also used to consult on future or ongoing joint space project work, aiding consultation and communication across all departments.

3.3 Sitting above this is the Strategic Planning and Monitoring meeting, again chaired by the DCCs but with a smaller membership (DCCs, Assistant Chief Officers (ACOs – Chief Constable Section 151 officers) of Norfolk and Suffolk, Head of Finance, Head of Strategic, Business & Operational Services, Director of ICT, and the Director of People). This group acts as a commissioning board for the Change Programme including approval of all corporate projects and their assigned priority and corresponding resource commitment. The group review interdependencies of projects and the capability and capacity of enabling departments such as ICT, HR, RMU and payroll to ensure the correct prioritisation is given to new work and that it is sequenced in a way that optimises delivery. The group also act as governance for any significant in-year spend outside of budget or where funding had been ringfenced (known as Table B items) subject to an agreed business case.

3.4 The Joint Chief Officer Team (JCOT) meeting consists of all Chief Officers from Norfolk and Suffolk, as well as the Director of ICT, Director of People, Head of the Norfolk Delivery Unit and Head of Strategic, Business & Operational Services. JCOT assign SROs and are the final arbiter for any project, programme or policy decision if needed. Where a project turns into a programme, has a significant pan-organisational impact or a materially significant financial risk/impact it will be brought to JCOT.

4. Strategies and Plans

4.1 The PCC formally launched his Police, Crime and Community Safety Plan (PCCSP) 2022-2024, on the 1st April 2022 and the MTFP considers the Police and Crime Priorities within that plan. The new Plan has six pillars and is underpinned by prudent budgeting and financial planning alongside ethics and standards in policing. Sustain Norfolk Constabulary is one of the six pillars and this includes gaining best value from Constabulary and OPCCN funding. The tenure of the new PCC will be three years again due to the impact of the Covid 19 pandemic.

4.2 To support the new plan, a number of interrelated strategies and plans are in place, such as the Medium-Term Financial Plan (MTFP), which includes the medium-term Capital Programme, Capital Strategy, Reserve Strategy and the Treasury Management Strategy.

4.3 The operation of all these strategies and plans is underpinned by the Scheme of Governance which includes the Financial Regulations & Contract Standing Orders.

4.4 In addition there are four key plans / strategies that support the capital strategy.

- A new Estates plan has been developed alongside the development of the Police, Crime and Community Safety Plan, and sets out the PCC vision for the Norfolk Estate 2022-25. The plan is designed to ensure delivery of a fit-for-purpose estates portfolio that is responsive to current and future needs, effectively supports meeting strategic objectives and service delivery and which is focussed on improving public confidence and reducing costs. The strategy will support the aim of maximising resources for front line policing and delivery of effectiveness, efficiency and value for money.

- There is a Joint Transport Strategy for Norfolk and Suffolk that covers the period 2021/25. Vehicle replacement and procurement forms part of the current and future strategies and contributes to force performance by ensuring fleet acquisition and replacement with an optimum use of all resources. The strategy promotes continuous modernisation and service improvements ensuring local and national strategies are considered to drive forward a cost effective and efficient service.

- The Joint ICT Strategy runs from 2022-2025. The strategy focuses on implementing an operating and resource model designed to integrate ICT into all areas of policing. It enables the consolidation and rationalising of software and systems, removing duplication, providing single points of contact, enabling first time call resolution, allowing staff to be more innovative, providing a more flexible and agile model and providing a consistent level of ICT service throughout the constabularies and OPCCs. The Strategy is aligned to the National Strategy published by the NPCC.

5. Capital Budget Setting including evaluation and prioritisation

5.1 The capital programme is developed through the Strategic and Financial Challenge governance process that uses Outcome Based Budgeting principles. The Challenge Panels are informed by the Force Management Statement (FMS) that forecast demand changes for the Constabulary and any gaps that exist regarding capacity or capability and the steps being taken to improve this.

5.2 As part of this process there is a Capital Challenge Panel meeting with the Director of ICT, Head of Estates and Head of Transport to review the most significant elements of the programme and ensure these are consistent with the current strategies and policies previously mentioned. The panel consists of the Assistant Chief Officers (ACOs – Chief Constable Section 151 officers) from Norfolk and Suffolk, Head of Joint Finance and the Head of Joint Strategic Business Operational Services.

5.3 Heads of all other departments put forward smaller capital bids in their submission documents and these are also assessed by a Challenge Panel with the same membership as above.

5.4 Following the panel processes as described above there is a further review and prioritisation meeting of the DCCs and ACOs before a draft capital programme, along with the relevant agreed funding, is presented to the Chief Constables. Following this the Police and Crime Commissioners review, amend if necessary, and finally approve the programmes.

Identification and Prioritisation

5.5 The identification process is initiated through the Challenge Panel as described above and that runs from August to October each calendar year, as a result of which bids are made by department heads and a draft capital programme is produced.

5.6 The capital project proposals are prioritised with reference to a business case and considered against the following factors;

- Mandation / statutory requirements – unavoidable projects i.e. mandated, statutory or contractually obliged,

- Strategic alignment – alignment to the Police and Crime Plan, the Force Management Statement and the constabulary Strategic Assessment,

- Interdependencies – with other projects and or strategies and plans,

- Risk – of not doing the project and whether this is within tolerable levels,

- Cashable savings – the return on investment (ROI) measured against the initial outlay, where this is appropriate to consider

- Deferability / complexity –The level of resource commitment, internally and externally and time critical deadlines,

- Non-cashable benefits – other benefits such as service improvements and efficiency / productivity benefits

- Mitigation – future cost avoidance

5.7 This draft programme is then challenged and prioritised by the Board before a final programme is put before Chief Officers and Police and Crime Commissioners for final sign off.

Evaluation

5.8 To evaluate the successful outcomes of the capital projects a post project review is carried out. The depth of this review is proportionate to the project and benefits set out in the initial Business Case and Project Initiation Documentation.

5.9 The review is in effect a check on performance against the original proposal. It focusses on outcomes achieved, the extent to which benefits are being realised and actual costs against forecasts. This enables lessons learned information to inform improvements in the overall process.

Collaboration and cost sharing

5.10 The Estates capital programme for Norfolk is a sovereign programme and is line with the current Norfolk Estates Plan. Spend on vehicles is also funded on a non-collaborated basis, although the strategy for investment is in line with the Joint Transport Strategy. ICT related spend on refreshing desktops and monitors in Norfolk premises is also Norfolk only spend.

5.11 Most other spend including the replacement of ICT infrastructure, the purchase of short-life assets such as Body Worn video, mobile devices, and high tech crime kit is funded collaboratively with Suffolk on the ratio of Net Revenue Budget (currently 56.4% Norfolk : 43.6% Suffolk).

Implementation and Monitoring

5.12 Monitoring of the capital programme in year is undertaken monthly, using commitment information to understand the projected outturn of the programme. This view is then incorporated into the monthly revenue and capital monitoring reports that are presented to the Chief Constables and the Police and Crime Commissioners. These reports give information about under or over-spends against the revenue and capital budgets and take-into-account the revenue implications of capital spending.

5.13 Progress on capital schemes is reported on a monthly basis through the Chief Finance Officer meetings (chaired by the ACOs (Chief Constable CFOs) or the PCC CFOs, with attendance of the Head of Finance).

5.14 In addition, following approval of the capital programme a Project Manager is identified for each key project. The Project Manager is responsible for managing implementation and delivering against the project objectives. The Project Manager will produce the project plan for approval. Progress against the plan is reported to the quarterly meeting and monitored through monthly highlight reporting. Overall monitoring of specific programme risks is also undertaken.

5.15 Detailed implementation work is assigned to key individuals and overseen by the specific Project Boards as per the governance model set out in Appendix A.

6. Capital Funding

6.1 All capital expenditure has to be funded through the Police Fund, either through income received in the year or through the use of reserves. For the purposes of this Strategy, the term “funding” relates to the use of current income or reserves to fund capital expenditure. The term “Financing” relates to how the asset is to be paid for, e.g. internal borrowing (cash balances) or external borrowing.

6.2 The capital programme needs to be fully funded over the life of the MTFP and more information on this is set out below. As part of the MTFP process it is ensured that a balance of the funding sources is used to ensure an adequate and sustainable level of reserves remain at the end of the planning period. More information on this is set out in the Reserves Strategy. This is a strong financial indicator of the affordability and sustainability of the capital programme.

6.3 Capital can be funded from a number of different sources, including:

6.4 Capital receipts - Capital receipts are generated from the sale of existing capital assets. Proceeds from the sale of assets are either used to fund capital expenditure in the year of receipt or set aside in a Useable Capital Receipts Reserve to fund capital expenditure arising in future years. This method of funding has been utilised significantly in previous years, as the PCC has disposed of non-operational or surplus property, such as police houses or traditional police stations.

6.5 Capital grant - Direct funding from government capital grants has been a principal source of funding in previous years. Non-specific government capital grants have been made available through a formula-driven allocation. However, these have now ceased as the government has looked to reduce direct capital funding. Where relevant and appropriate the PCC will aim to secure specific grant opportunities, either from Central Government or through collaboration with public sector or other partnership bodies.

6.6 Reserves - Income surpluses that has been set aside from previous years and transferred to reserves can be used to fund capital expenditure. The Capital

Financing and Efficiency Improvement Reserve is specifically used to ring fence funding for future capital expenditure.

6.7 As reserves have been consumed in recent years to pump prime efficiency initiatives and the funding of investment in short-life assets, the level of reserves now available to fund future capital expenditure has reduced, and other sources of funding are required going forward to sustain the short-life capital programme.

6.8 As capital expenditure has been internally financed in previous years from internal cash balances, not all PCC reserves are cash-backed. Therefore, even though reserves are used to fund capital expenditure, there may still be a need to finance the expenditure using external borrowing.

6.9 Direct revenue funding - In the budget delegated to the Chief Constable there is an element of the current revenue budget that funds capital expenditure, any amount funded in this way will be charged directly to the Police Fund.

6.10 In order to maintain the level of investment required in short-life assets to ensure the most efficient service possible, this source of funding has been significantly increased over recent years, due to the reduction of availability of the other funding sources described above.

6.11 Minimum Revenue Provision (MRP) - Accumulated capital expenditure not funded using the above methods is called the Capital Financing Requirement (CFR). This balance is funded using MRP, there are a number of MRP options available to fund this balance, the method adopted by the PCC is the Asset Life Method, where the associated asset is funded using either equal instalments or an annuity basis.

6.12 MRP is charged against the Police Fund annually and effectively reduces the CFR. The PCC has adopted a position where only long-life assets are funded using MRP. As other funding sources potentially run out, it is possible that other short-life assets may be funded using this method. However, in the longer-term funding short life assets in this way is not sustainable and there will be a greater need to fund from direct revenue as outlined above.

6.13 MRP is also the funding method for assets financed via Private Finance Initiatives (PFI) or Finance Leases. MRP is calculated as equivalent to the principal repayment of the PFI or lease liability in the year.

7. Capital Financing and Borrowing

Capital expenditure can be financed in the following ways:

7.1 Capital grants received or capital receipts from asset sales generate cash balances and these are directly used to finance capital expenditure. Where in-year revenue funding of capital takes place, financing is made from in-year income sources.

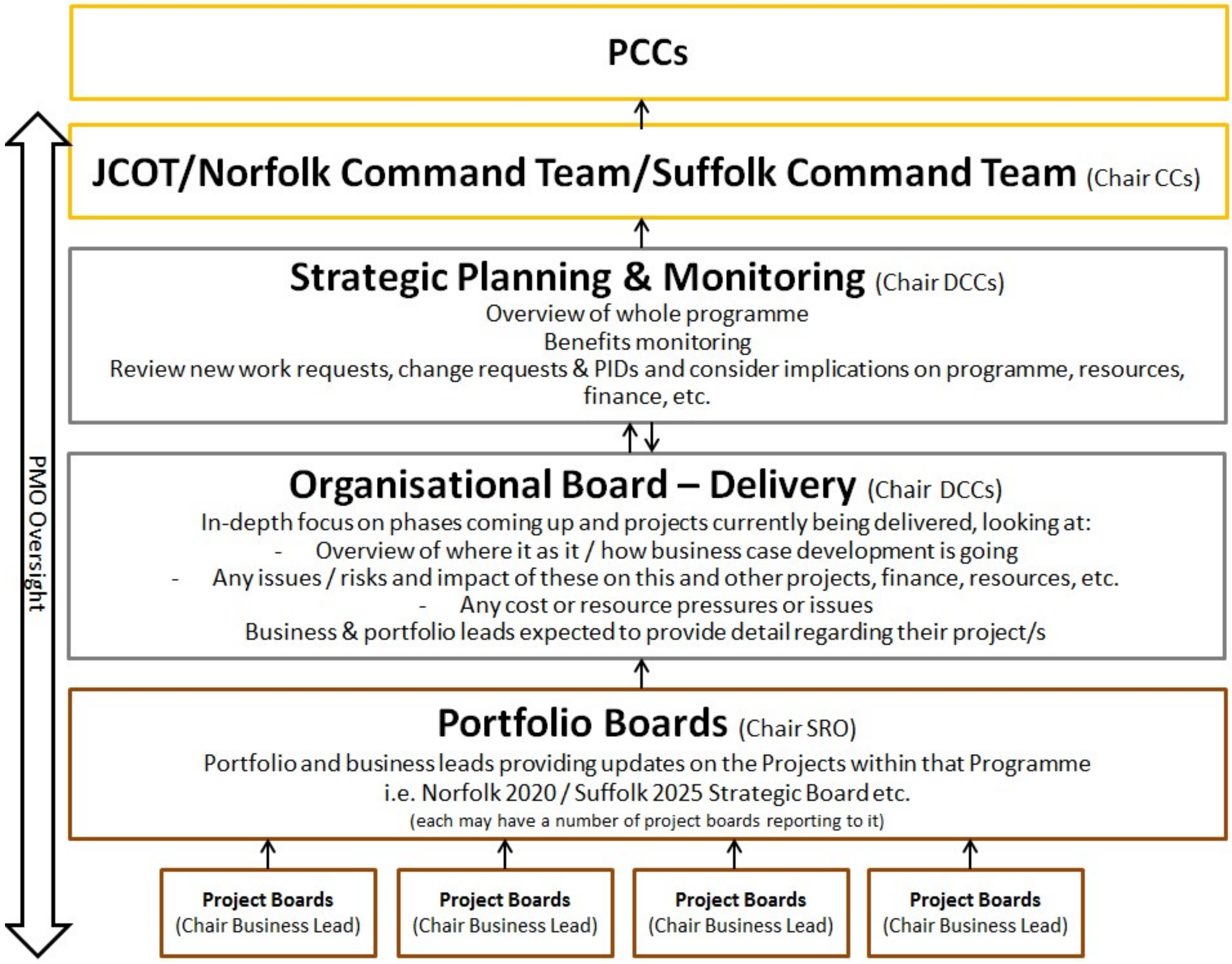
7.2 Internal borrowing. Where cash or investment balances have increased over a period of time as reserves have accumulated, these balances can be used to finance the acquisition of assets. This decision is often made as the investment returns received are normally lower than the interest that would be payable if the capital expenditure is financed using external borrowing.

7.3 External borrowing. This method is used to finance capital expenditure where the above options are unavailable. External borrowing can be obtained from a number of sources:

- PFI – Historically major infrastructure projects have been financed using PFI arrangements. Private finance is secured to finance the schemes which form part of a Public/Private Partnership. Norfolk PCC have used this method to finance the Operational Command Centre (OCC – HQ) at Wymondham and several Police Investigation Centres (PICs) across Norfolk and Suffolk.
- Nationally, new PFI arrangements have significantly reduced in number and the Government have now withdrawn support for future schemes.
- Leases – Some assets have been secured using leasing arrangements. With the advent of Prudential borrowing, leases are less popular as they are generally an expensive financing route. However, with the introduction of a new leasing Standard (IFRS 16), property lease liabilities will be brought onto the balance sheet and form part of the CFR and thus attract MRP.
- Prudential borrowing – with the introduction of the Prudential Code, local government bodies have been able to secure external borrowing on favourable terms, providing their borrowing is prudent, affordable and sustainable. Unfunded long-term assets are therefore primarily financed using this route. External borrowing is principally sourced from the Public Works Loans Board (PWLB), where finance is available on fixed or variable rates over varying terms and repayable on a maturity or an annuity basis. The PCC is expected to source significant new PWLB finance throughout the medium-term.

Annex 1

Governance model



Appendix E

Capital Programme 2023/27

CAPITAL - NORFOLK - 2023/24 - 2026/27						
PROJECT	2023-24 Total Requirement		2024-25	2025-26	2026-27	4 Year Total
	Table A	Table B				
Estates Strategy		5,400,000	2,000,000	4,846,000		12,246,000
Carbon Management	100,000		105,000	110,000	115,000	430,000
Norfolk OCC Review		100,000	100,000	100,000	100,000	400,000
Lease Dilapidations		300,000	140,000			440,000
Total Estates - Norfolk Only	100,000	5,800,000	2,345,000	5,056,000	215,000	13,516,000
ICT Replacements - Desktop and Laptops	737,189		432,769	790,929	393,046	2,353,933
ICT Replacements - Communications	82,000		82,000	82,000	82,000	328,000
ANPR Vehicle Kit Refresh	50,000		50,000	50,000	50,000	200,000
ESN (Emergency Services Network)					2,480,000	2,480,000
Total ICT - Norfolk Only	**869,189**	**0**	**564,769**	**922,929**	**3,005,046**	**5,361,933**
Vehicle Replacement Programme	1,645,000		1,299,000	1,577,000	1,855,000	6,376,000
Athena	47,807					47,807
Total Equipment and Vehicle Replacements - Norfolk Only	**1,692,807**	**0**	**1,299,000**	**1,577,000**	**1,855,000**	**6,423,807**
Total Norfolk Only	**2,661,996**	**5,800,000**	**4,208,769**	**7,555,929**	**5,075,046**	**25,301,740**
Norfolk Share of Replacement Schemes	1,312,706	-	1,715,717	2,780,298	2,319,799	8,128,520
Norfolk Capital Programme	3,974,702	5,800,000	5,924,486	10,336,227	7,394,845	33,430,260
Norfolk Share of Joint Projects	331,624	2,398,979	1,519,102	1,352,129	1,120,104	6,721,939
Total Norfolk Capital Programme	**4,306,326**	**8,198,979**	**7,443,588**	**11,688,357**	**8,514,949**	**40,152,199**
		12,505,305				

Appendix E

Capital Programme 2023/27 (Contd.)

PROJECT	2023-24 Total Requirement		2024-25	2025-26	2026-27	4 Year total
Joint ICT Replacement Schemes:	**Table A**	**Table B**				
Joint ICT Replacements - Servers	1,450,000	0	803,000	1,197,000	1,276,000	4,726,000
ICT Replacements - Network	125,398	0	1,646,956	1,924,286	1,011,798	4,708,438
Microwave Refresh	31,000	0	31,000	28,500	15,500	106,000
ANPR Cameras	255,000	0	210,000	112,500	142,500	720,000
Mobile Device Replacement Programme	300,000	0	185,000	730,545	730,545	1,946,090
BWV Replacement	166,095	0	166,095	936,776	936,776	2,205,742
ICT Replacement Schemes	**2,327,493**	**0**	**3,042,051**	**4,929,607**	**4,113,119**	**14,412,270**
Norfolk	**1,312,706**	**0**	**1,715,717**	**2,780,298**	**2,319,799**	**8,128,520**
Suffolk	**1,014,787**	**0**	**1,326,334**	**2,149,309**	**1,793,320**	**6,283,750**
Digital Forensics						
Joint Digital Forensics - data centre	0	1,161,000	1,161,000	1,161,000	1,161,000	4,644,000
Total HTCU	**0**	**1,161,000**	**1,161,000**	**1,161,000**	**1,161,000**	**4,644,000**
Digital Portfolio						
Digital Recording/Streaming	100,777	0	0	0	0	100,777
Mobile Workflow (OPTIK)	234,250	0	200,000	200,000	200,000	834,250
Single Online Home (SOH)	0	234,561	0	0	0	234,561
CDG Phase 2 - Data Warehousing	0	75,000	0	0	0	75,000
Fingerprint Scanner Replacement	0	120,000	0	0	0	120,000
DAMS Back Record Conversion	0	64,847	77,051	0	0	141,898
Total Digital Portfolio	**335,027**	**494,408**	**277,051**	**200,000**	**200,000**	**1,506,486**
Efficiency Initiatives (Revenue Projects)						
Process Maturity	0	700,000	500,000	250,000	0	1,450,000
Automation	0	800,000	400,000	400,000	400,000	2,000,000
O365 Exploitation	0	50,000	50,000	50,000	50,000	200,000
DQ Project	0	200,000	0	0	0	200,000
Efficiency Initiatives	**0**	**1,750,000**	**950,000**	**700,000**	**450,000**	**3,850,000**

Protective Services:						
Ear Defenders and Comms Rigs	0	72,000	0	0	0	72,000
Shields - replacement programme for existing ARV shields	0	25,000	25,000	25,000	25,000	100,000
Body Armour - replacement programme	0	130,000	120,000	120,000	0	370,000
Camera equipment refresh for CSI & FCIU	0	90,000	0	0	0	90,000
Total Protective Services:	**0**	**317,000**	**145,000**	**145,000**	**25,000**	**632,000**
REGIONAL PROJECTS:						
DAMS (Digital Asset Management)	0	155,900	0	0	0	155,900
ESN	0	50,000	100,000	150,000	150,000	450,000
Total Regional Projects	**0**	**205,900**	**100,000**	**150,000**	**150,000**	**605,900**
ERP RELATED PROJECTS:						
ERP Upgrade	120,825	0	0	0	0	120,825
DMS Upgrade	24,742	0	0	0	0	24,742
E-PDR	19,000	0	19,000	0	0	38,000
Sailpoint ERP	41,393	0	41,393	41,393	0	124,178
Total ERP Related Projects:	**205,960**	**0**	**60,393**	**41,393**	**0**	**307,745**
Other Projects:						
CCR Telephony	47,000	0	0	0	0	47,000
Genie Clearcore - Phase 3	0	100,000	0	0	0	100,000
Project Server	0	80,000	0	0	0	80,000
Modern Workplace	0	145,200	0	0	0	145,200
Total Other Projects	**47,000**	**325,200**	**0**	**0**	**0**	**372,200**
Total Joint Capital Programme	**2,915,480**	**4,253,508**	**5,735,495**	**7,327,000**	**6,099,119**	**26,330,601**
Joint Capital Projects - Norfolk	1,644,331	2,398,979	3,234,819	4,132,428	3,439,903	14,850,459
Joint Capital Projects - Suffolk	1,271,149	1,854,529	2,500,676	3,194,572	2,659,216	11,480,142
	2,915,480	**4,253,508**	**5,735,495**	**7,327,000**	**6,099,119**	**26,330,601**

Appendix F

Police and Crime Commissioner for Norfolk
Reserves Strategy (Budget and Medium-Term Financial Plan 2023/27)

1. It is important to consider the PCC's reserves at the same time as the budget to ensure that resources are available to fund spending at a level commensurate with the needs of the PCC and Constabulary. Forecasting cash flows and balances over the budget period ensures efficient and effective financial management and avoids unnecessary finance charges. Reserves are held for either general purposes (such as working capital or fall-back to cover exceptional unforeseen circumstances) or earmarked for specific purposes. The PCC complies with the definition of reserves contained within the Chartered Institute of Public Finance and Accountancy (CIPFA) Accounting Code of Practice.

2. The Strategy requires an annual review of reserves to be undertaken and reported to the PCC. This reflects guidance on reserves issued by CIPFA. The most recent guidance requires an annual review of reserves to be considered by the PCC as part of good practice in the management of financial reserves and balances.

3. The minimum prudent level of reserves is a matter of judgement rather than prescription. Neither CIPFA nor statute sets a minimum level of reserves. In determining the level and type of reserves, the PCC has to take into account relevant local circumstances and the advice of their CFO, and that of the Chief Constable and the Chief Constable's CFO in making a reasoned judgement on the appropriate level of reserves.

4. In order to assess the adequacy of reserves when setting the budget, the PCC, in line with advice as outlined above, should take account of the strategic, operational and financial risks facing the organisation. This assessment of risk should include external risks, as well as internal risks, for example the ability to deliver planned efficiency savings.

5. The ultimate use of reserves will be dependent upon both the timing and level of costs and savings over the period of the Medium Term Financial Plan (MTFP).

General Reserve

Assessment of adequacy

6. The **General Reserve** is held to enable the PCC to manage unplanned or unforeseen events. In forming a view on the level of General Reserve, account is taken of the level of financial control within the organisation and comparisons with similar bodies. Also taken into account is the risk of unforeseen expenditure occurring, particularly major operations, risk of failure to deliver the savings programme and sensitivity analysis of changes in assumptions included in the MTFP.

7. Within the MTFP appropriate estimates are made of a number of key items including provision for pay and price rises, as well as a forecast of interest movements. In addition, prudent assumptions are made for the forecast capital programme and for future capital receipts. These estimates and assumptions also take into account the general financial climate.

8. Norfolk Constabulary and the OPCCN has generally managed its demand led pressures within its budget envelope year on year, and where appropriate has used earmarked reserves to meet additional significant demand pressures and unbudgeted costs.

9. Since 2010 the constabulary has a proven track record of delivering efficiency savings year on year that will total £42.4m by the end of 2022/23.

10. In the MTFP savings plans are outlined across the period of the plan. These are outlined in the main budget report. The Chief Constable and PCC are committed to continuing to deliver efficiency and productivity gains in each year of the MTFP.

11. The General Reserve is currently at £4.575m (2.5% of net revenue budget). The strategy is to maintain this at 2.5% of net revenue budget for the duration of the MTFP. This requires the reserve to be increased by £0.695m between 2022/23 and 2026/27 to £5.270m. This is a prudent and adequate amount to hold as a General Reserve. This is shown in Annex 1.

12. A call on the general reserve, particularly for major operations, would be likely to result in an application to the Home Office for additional support.

Earmarked Reserves

13. These are reserves that are held for a specific purpose, whereby funds are set aside for future use when the need arises.

14. The level of reserves and predicted movement for these reserves is set out in the attached Annex 1. All reserve levels are reviewed annually.

15. The purpose and strategy for each reserve is set out below.

16. The **Budget Support Reserve** was re-established as a response to the Covid-19 pandemic and increasing economic uncertainty. Given recent events following the conflict in Ukraine, this economic uncertainty has intensified, and the Government has been revising its fiscal policies. In last-year's MTFP a significant amount of the reserve was earmarked for use and the intention is still for the majority of the reserve to be used over the period of the Spending Review.

17. The **Invest to Save Reserve** provides funding for initiatives that will generate future savings and also provides funds to support the cost of change. The balance in this reserve is expected to be fully used up by the end of the period of the MTFP.

18. The **Capital Financing Reserve and Efficiency Improvement Reserve** is used to help fund the short-life asset requirement of the Capital Programme. The reserve is used when the amount required for investment exceeds the budget available for this purpose. This is an important part of the funding strategy to

ensure the constabulary is as efficient and productive as possible through continued investment in enabling technologies. This is a key reserve and forecast levels are reviewed each year against the capital programme to make sure there is sufficient funding available for future years.

19. The **Insurance Reserve** is being held as a contingency against future increases in premiums and/or increases in the value of assessed insurance liabilities. The reserve and also the provision within the accounts are actuarially assessed by external advisors, and as a result of this advice the reserve is being maintained to £850k.

20. The Police Reform and Social Responsibility Act 2011 sets out a number of ways that PCC's and Community Safety Partnerships should work together, including a mutual duty to co-operate with regards to each other's priorities. The **Community Safety Reserve** enables the PCC to work with the Community Safety Partnership (CCSP). The CCSP now sits under the leadership of the OPCCN. The OPCCN and its respective partners use the reserve to support evidence-based projects at a county wide and local neighbourhood level. The way the reserve is used has proved that joint delivery leads to shared outcomes and a reduction of pressure on policing.

21. The **PCC Reserve** is made up from previous underspends against the budgets of the Office of the Police and Crime Commissioner and the commissioning budget. The PCC reserve shown in the papers consists of several elements.

22. The **PCC general element** is for any urgent spend that has not been previously budgeted for in year.

23. The **commissioning element** is used to smooth commissioning spending over the MTFP period and to commission additional services in the community or delivered by the Constabulary, for instance in supporting victims. This is a planned approach over a rolling four-year period.

24. The **Efficiency Reserve** was created from savings in 2020/2021 for the PCC to draw on this reserve for engaging with the public on the progress of the Police, Crime and Community Safety Plan. This work is now budgeted for in the main revenue account therefore the reserve will be used as a **Transformation Reserve**. The PCC review may change responsibilities for the PCC and the OPCCN and budget constraints mean that the team will be looking at how to transform the organisation to make it even more efficient and effective using the funds in this reserve.

25. The **Safety Camera Reserve** is held on behalf of the Safety Camera Partnership (comprising the PCC, Chief Constable and Norfolk County Council). Income is dependent upon the number of Speed Awareness courses delivered. The use is reviewed and agreed at the Safety Camera Oversight Board. **N.B.** This reserve is not included in Annex 1 as it is a partnership reserve not solely available to the PCC. It is included in Annex 2.

Compliance with Home Office guidance on reserves

26. On 31st March 2018 the Minister for Policing and the Fire Service published guidance on the information that each PCC must publish in terms of reserves. One of the key requirements is that the information on each reserve should make clear how much of the funding falls into each of the following three categories:

- Funding for planned expenditure on projects and programmes over the period of the current medium term financial plan
- Funding for specific projects and programmes beyond the current planning period
- As a general contingency to meet other expenditure needs held in accordance with sound principles of good financial management

This information is provided in Annex 2 which analyses the forecast balance on 31st March 2023 over the above headings.

Conclusion

27. The current policy, as demonstrated in the MTFP, is to maintain revenue general balances at 2.5% of the net annual revenue budget.

28. The earmarked reserves have been described and the strategy is to keep these for specific purposes (excluding the Safety Camera Reserve), to ensure taxpayers' money is being used as efficiently as possible. The Strategy for the total level of reserves is that they should not drop below 6% of the net annual revenue budget - and this is achieved in this MTFP.

29. Having considered the levels of reserves included in the MTFP and acknowledging the Chief Constable's commitment to work with the PCC to balance the budget over the period of the MTFP and taking account of the approach to managing financial risk described in the report, the CFOs' advice is that there will be adequate general and earmarked reserves to continue the smooth running of the PCC and Constabulary's finances over the medium-term financial planning period.

FORECAST MOVEMENTS IN GENERAL AND EARMARKED RESERVES 2020/21 to 2025/26 — ANNEX 1

PROJECTION OF RESERVES LEVELS:	Total General Reserve	Budget Support Reserve	Invest to Save Reserve	Capital Financing and Efficiency Improvement Reserve	Insurance Reserve	Regional Partnership Reserve	Community Safety Reserve	Transformation Reserve	PCC Reserve	Total Earmarked Reserve	Total General and Earmarked Reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
31/03/2022 Actual	**4,575**	**3,496**	**1,950**	**7,952**	**856**	**105**	**500**	**125**	**1,796**	**16,780**	**21,355**
Proposed Changes 2022/23:											
Transfer to Revenue from Reserves							(91)	(1)	(87)	**(179)**	
Transfer to Revenue from Reserves - 7F team			(157)							**(157)**	
Reallocation between reserves	115	(115)						198	(198)	**(115)**	
Contribution to Reserves	150			1,417					151	**1,568**	
31/03/2023 Forecast	**4,840**	**3,381**	**1,793**	**9,369**	**856**	**105**	**409**	**322**	**1,662**	**17,897**	**22,737**
Proposed Changes 2023/24:											
Transfer to Revenue from Reserves		(1,913)	(1,032)	0						**(2,945)**	
Transfer to Revenue from Reserves - ESN										**0**	
Reallocation between reserves		(479)	479							**0**	
Contribution to Reserves	150									**0**	
31/03/2024 Forecast	**4,990**	**989**	**1,240**	**9,369**	**856**	**105**	**409**	**322**	**1,662**	**14,952**	**19,942**
Proposed Changes 2024/25:											
Transfer to Revenue from Reserves			(536)	(521)						**(1,057)**	
Transfer to Revenue from Reserves - ESN				0						**0**	
Reallocation between reserves	80	(80)								**(80)**	
Contribution to Reserves	60			500						**500**	
31/03/2025 Forecast	**5,130**	**909**	**704**	**9,348**	**856**	**105**	**409**	**322**	**1,662**	**14,315**	**19,445**
Proposed Changes 2025/26:											
Transfer to Revenue from Reserves			(395)	(1,550)						**(1,945)**	
Contribution to Reserves	70			500						**500**	
31/03/2026 Forecast	**5,200**	**909**	**309**	**8,298**	**856**	**105**	**409**	**322**	**1,662**	**12,870**	**18,070**
Proposed Changes 2026/27:											
Transfer to Revenue from Reserves			(254)	(1,192)						**(1,446)**	
Transfer to Revenue from Reserves - ESN				(2,480)						**(2,480)**	
Contribution to Reserves	70									**0**	
31/03/2027 Forecast	**5,270**	**909**	**55**	**4,626**	**856**	**105**	**409**	**322**	**1,662**	**8,944**	**14,214**

Excludes Safety Camera Partnership Reserve

FORECAST RESERVES AT 31/03/2023 ANALYSED BY HOME OFFICE CATEGORIES

ANNEX 2

Analysis of forecast reserves as at 31.03.2023 - NORFOLK					
	Forecast Balance as at 31.3.23	**Funding for projects & programmes over the period of the current MTFP**	**New contributions during the life of the MTFP**	**Existing Funding for projects & programmes beyond 2026/27**	**General Contingency**
	£m	**£m**		**£m**	**£m**
General Reserve	4.840	0.000	(0.430)	0.000	5.270
Earmarked Reserves:					
Budget Support Reserve	3.381	2.472		0.909	
Invest to Save Reserve	1.793	2.217	(0.479)	0.055	
Capital Financing Reserve	9.369	5.743	(1.000)	4.626	
Insurance Reserve	0.856	0.000			0.856
Partnership Reserve	0.105	0.000		0.105	
Community Safety Reserve	0.409	0.000		0.409	
Transformation Reserve	0.322	0.000		0.322	
PCC Reserve	1.662	0.000			1.662
Total Earmarked Reserves	17.897	10.432	(1.479)	6.426	2.518
Safety Camera Reserve	1.103	0.000	0.000	1.103	
Total Reserves	23.840	10.432	(1.909)	7.529	7.788

The Office of the Police and Crime Commissioner for Norfolk
Annual Investment and Treasury Management Strategy Statement 2023/24

1. Background

1.1 The PCC is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the PCC's low risk appetite, providing adequate liquidity initially before considering investment return.

1.2 The second main function of the treasury management service is the funding of the PCC's capital plans. These capital plans provide a guide to the borrowing need of the PCC, essentially the longer-term cash flow planning, to ensure that the PCC can meet his capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet PCC risk or cost objectives.

1.3 The contribution the treasury management function makes to the PCC is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

1.4 CIPFA defines treasury management as:

"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

1.5 The CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code) underpins the system of capital finance. The new edition of the Prudential Code, published in December 2021, makes important changes that reflect developments since the Prudential Code was last updated in 2017.

The 2021 publication of the Prudential Code applied with immediate effect, except that authorities may defer introducing the revised reporting requirements until the 2023/24 financial year if they wish. The revised reporting requirements included changes to the capital strategy, prudential indicators and investment reporting. The general ongoing principles of the revised Prudential Code, including the requirement in paragraph 51 that an authority must not borrow to invest primarily for financial return, apply with immediate effect.

The main objective of the 2021 Codes was to respond to the major expansion of local authority investment activity over the past few years into the purchase of non-financial investments, particularly property. The Codes require an authority to ensure that: -

- it defines its risk appetite and its governance processes for managing risk.
- it sets out, at a high level, its investment policy in relation to environmental, social and governance aspects.
- it adopts a new liability benchmark treasury indicator to support the financing risk management of the capital financing requirement; this is to be shown in chart form for a minimum of ten years, with material differences between the liability benchmark and actual loans to be explained.
- it does not borrow to finance capital expenditure to invest primarily for commercial return.
- increases in the CFR and borrowing are undertaken solely for purposes directly and primarily related to the functions of the authority. Where any financial returns are related to the financial viability of the project in question, they should be incidental to its primary purpose.
- an annual review is conducted to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt.
- its capital plans and investment plans are affordable and proportionate.
- all borrowing/other long-term liabilities are within prudent and sustainable levels.
- risks associated with commercial investments are proportionate to overall financial capacity to sustain losses.
- treasury management decisions are in accordance with good professional practice.
- reporting to members is done quarterly, including updates of prudential indicators.
- it should assess the risks and rewards of significant investments over the long-term, as opposed to the usual three to five years that most local authority financial planning has been conducted over, to ensure the long-term financial sustainability of the authority. (CIPFA has not defined what longer-term means, but it is likely to infer 20-30 years in line with the financing time horizon and the expected life of the assets, while medium-term financial planning, at a higher level of detail, is probably aimed at around a 10-year timeframe and focuses on affordability in particular).
- it has access to the appropriate level of expertise to be able to operate safely in all areas of investment and capital expenditure, and to involve the PCC adequately in making properly informed decisions on such investments.

1.6 This PCC has not engaged in any commercial investments and has no non-treasury investments.

1.7 The IFRS16 Leasing Standard has been deferred yet again and is now to be implemented in the Accounting Code of Practice from 1 April 2024, therefore the Prudential and Treasury Management Indicators reported include an estimation of Lease liabilities falling under IFRS16, which impact on external debt and the Capital Financing Requirement.

2. Reporting requirements

Capital Strategy

2.1 The CIPFA 2021 Prudential and Treasury Management Codes require, for 2023/24, all local authorities to prepare a capital strategy report, which will provide the following:

- a high-level long-term overview of how capital expenditure, capital financing, investments and treasury management activity contribute to the delivery of plans and the provision of services
- an overview of how the associated risk is managed
- the implications for future financial and environmental sustainability

2.2 The aim of this capital strategy is to ensure that the PCC fully understands the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

2.3 The Capital Strategy is included within the PCC's Budget and MTFP report as Appendix D.

Treasury Management reporting

2.4 The PCC is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

a. Prudential and treasury indicators and treasury strategy (this report) - The first, and most important report is forward looking and covers:

- the capital plans, (including prudential indicators); (Annex 1)
- a minimum revenue provision (MRP) policy, (how unfunded capital expenditure is charged to revenue over time); (Annex 2)
- the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
- an investment strategy, (the parameters on how investments are to be managed).

b. A mid-year treasury management report – This is primarily a progress report and will update the PCC on the capital position, amending prudential indicators as necessary, and whether any policies require revision.

c. An annual treasury report – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

3. Treasury Management Strategy for 2023/24

3.1 The strategy for 2023/24 covers two main areas:

Capital issues

- the capital expenditure plans and the associated prudential indicators; see Annex 1.
- the minimum revenue provision (MRP) policy. See Annex 2.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the PCC;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- the policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, DLUHC (The Department for Levelling Up, Housing and Communities) MRP Guidance, the CIPFA Treasury Management Code and DLUHC Investment Guidance.

Training

3.2 The CIPFA Code requires the responsible officer to ensure that officers with responsibility for treasury management receive adequate training in treasury management. This also applies to Audit Committee members responsible for scrutiny. Training on the Prudential Code and the Capital Strategy was last provided to Audit Committee members in October 2018. CIPFA do offer training events specifically for Audit Committees.

Treasury management consultants

3.3 The PCC uses Link Asset Services as its external treasury management advisors. The current contract with Link expires on 31 August 2025.

3.4 The PCC recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regard to all available information, including, but not solely, our treasury advisers.

3.5 It is also recognised that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The PCC will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

The Treasury Management Function

3.6 The CIPFA Code defines treasury management activities as “the management of the PCC’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

3.7 The PCC regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the PCC, and any financial instruments entered into to manage these risks.

3.8 The PCC acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

3.9 The PCC is required to operate a balanced budget, which broadly means that cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensures this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties, providing adequate liquidity before considering investment return.

3.10 A further function of the treasury management service is to provide for the borrowing requirement of the PCC, essentially the longer term cash flow planning, typically 30 years plus, to ensure the PCC can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using internal cash balances on a temporary basis. Debt previously borrowed may be restructured to meet PCC risk or cost objectives.

3.11 The PCC has delegated responsibility for treasury management decisions taken within the approved strategy to the PCC CFO. Day to day execution and administration of investment and borrowing decisions is undertaken by Specialist Accountants based in the Joint Finance Department for Suffolk and Norfolk Constabularies.

3.12 External treasury management services continue to be provided by Link Asset Services in a joint contract with the PCC for Suffolk. Link Asset Services provides a range of services which include:

- Technical support on treasury matters and capital finance issues.
- Economic and interest rate analysis.
- Debt services which includes advice on the timing of long term borrowing.
- Debt rescheduling advice surrounding the existing portfolio.

- Generic investment advice on interest rates, timing and investment instruments.

- Credit ratings/market information service for the three main credit rating agencies (Fitch, Moody's and Standard & Poors).

3.13 Whilst Link Asset Services provide support to the treasury function, under market rules and in accordance with the CIPFA Code of Practice, the final decision on treasury matters remains with the PCC.

3.14 Performance will continue to be monitored and reported to the PCC as part of the budget monitoring report.

3.15 Link Asset Service's Economic Forecast is set out in Annex 3.

4. Investment Strategy 2023/24

4.1 The Bank Rate at the time of drafting this Strategy stands at 3.0 %. It is currently predicted that the Bank Rate will increase over the planning period as follows:

- Q1 2023 - 4.25%
- Q1 2024 - 3.75%
- Q1 2025 - 3.00%

However, these forecasts are likely to be revised within a relatively short timeframe due to a number of social, economic and political reasons.

4.2 The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

Financial Year	Budgeted Interest Earnings
2023/24	4.40%
2024/25	3.30%
2025/26	2.60%
2026/27	2.50%
Later Years	2.80%

The overall balance of risks to economic growth in the UK is now to the downside, including residual risks from Covid, Brexit and the conflict in Ukraine - both domestically and their potential effects worldwide.

4.3 There are 3 key considerations to the treasury management investment process. DLUHC's Investment Guidance ranks these in the following order of importance:

- security of principal invested,
- liquidity for cash flow, and
- investment return (yield).

Each deposit is considered in the context of these 3 factors, in that order.

4.4 DLUHC's Investment Guidance requires local authorities and PCCs to invest prudently and give priority to security and liquidity before yield, as described above. In order to facilitate this objective, the Guidance requires the PCC to have regard to CIPFA's Code of Practice for Treasury Management in the Public Sector.

4.5 The key requirements of both the Code and the Investment Guidance are to produce an Annual Investment and Treasury Strategy covering the following:

- Guidelines for choosing and placing investments – Counterparty Criteria and identification of the maximum period for which funds can be committed – Counterparty Monetary and Time Limits.
- Details of Specified and Non-Specified investment types.

5. Investment Strategy 2023/24 - Counterparty Criteria

5.1 The PCC works closely with its external treasury advisors to determine the criteria for high quality institutions.

5.2 The criteria for providing a pool of high-quality investment counterparties for inclusion on the PCC's 'Approved Authorised Counterparty List' is provided below

- **UK Banks** which have the following minimum ratings from at least one of the three credit rating agencies:

UK Banks	**Fitch**	**Standard & Poors**	**Moody's**
Short Term Ratings	F1	A-1	P-1
Long Term Ratings	A-	A-	A3

- **Non-UK Banks** domiciled in a country which has a minimum sovereign rating of AA+ and have the following minimum ratings from at least one of the credit rating agencies:

Non-UK Banks	**Fitch**	**Standard & Poors**	**Moody's**
Short Term Ratings	F1+	A-1+	P-1

Long Term Ratings	AA-	AA-	Aa3

- **Part Nationalised UK Banks –** Royal Bank of Scotland Group (including Nat West). These banks are included while they continue to be part nationalised or they meet the minimum rating criteria for UK Banks above.

- **The PCC's Corporate Banker –** If the credit ratings of the PCC's corporate banker (currently Barclays Bank plc) fall below the minimum criteria for UK Banks above, then cash balances held with that bank will be for account operation purposes only and balances will be minimised in terms of monetary size and time.

- **Building Societies –** The PCC will use Building Societies which meet the ratings for UK Banks outlined above.

- **Money Market Funds (MMFs) –** which are rated AAA by at least one of the three major rating agencies. MMF's are 'pooled funds' investing in high-quality, high-liquidity, short-term securities such as treasury bills, repurchase agreements and certificate of deposit. Funds offer a high degree of counterparty diversification that include both UK and Overseas Banks.

- **UK Government –** including the Debt Management Account Deposit Facility & Sterling Treasury Bills. Sterling Treasury Bills are short-term (up to six months) 'paper' issued by the UK Government. In the same way that the Government issues Gilts to meet long term funding requirements, Treasury Bills are used by Government to meet short term revenue obligations. They have the security of being issued by the UK Government.

- **Local Authorities, PCCs etc. –** Includes those in England and Wales (as defined in Section 23 of the Local Government Act 2003) or a similar body in Scotland or Northern Ireland.

5.3 All cash invested by the PCC in 2023/24 will be either Sterling deposits (including certificates of deposit) or Sterling Treasury Bills invested with banks and other institutions in accordance with the Approved Authorised Counterparty List.

5.4 The Code of Practice requires local authorities and PCCs to supplement credit rating information. Whilst the above criteria rely primarily on the application of credit ratings to provide a pool of appropriate counterparties for use, additional market information will be used to inform investment decisions. This additional market information includes, for example, Credit Default Swap rates and equity prices in order to compare the relative security of counterparties.

5.5 The current maximum lending limit of £10m for any counterparty will be maintained in 2023/24 to reflect the level of cash balances and to avoid large deposits with the DMO. Where there is a surplus of cash due to unplanned cashflows, in order to keep within the counterparty limit with the PCC's bankers, the PCC will place investments using other secure liquid financial instruments, e.g. Money Market Funds.

5.6 In addition to individual institutional lending limits, "Group Limits" will be used whereby the collective investment exposure of individual banks within the same banking group is restricted to a group lending limit of £10m.

5.7 The Strategy permits deposits beyond 365 days (up to a maximum of 2 years) but only with UK banks which meet the credit ratings at paragraph 5.2. Deposits may also be placed with UK Part Nationalised Banks and Local Authorities for periods of up to 2 years.

5.8 A reasonable amount will be held on an instant access basis in order for the PCC to meet any unexpected needs. Instant access accounts are also preferable during periods of credit risk uncertainty in the markets, allowing the PCC to immediately withdraw funds should any concern arise over a particular institution.

6. Investment Strategy 2023/24 – Specified and Non-Specified Investments

6.1 As determined by DLUHC's Investment Guidance, Specified Investments offer "high security and high liquidity". They are Sterling denominated and have a maturity of less than one year or for a longer period but where the PCC has the right to be repaid within one year if he wishes. Institutions of "high" credit quality are deemed to be Specified Investments where the possibility of loss of principal or investment income is small. From the pool of high quality investment counterparties identified in Section 5, the following are deemed to be Specified Investments :

- Banks: UK and Non-UK;
- Part Nationalised UK Banks;
- The PCC's Corporate Banker (Barclays Bank plc)
- Building Societies (which meet the minimum ratings criteria for Banks);
- Money Market Funds;
- UK Government;
- Local Authorities, PCCs etc.

6.2 Non-Specified Investments are those investments that do not meet the criteria of Specified Investments. From the pool of counterparties identified in Section 5, they include:

- Any investment that cannot be recalled within 365 days of initiation.

6.3 The categorisation of 'Non-Specified' does not in any way detract from the credit quality of these institutions, but is merely a requirement of the Government's guidance.

6.4 The PCC's proposed Strategy for 2023/24 therefore includes both Specified and Non-Specified Investment institutions.

7. Borrowing Strategy 2023/24

7.1 Capital expenditure can be funded immediately by applying capital receipts, capital grants or revenue contributions. Capital expenditure in excess of available capital resources or revenue contributions will increase the PCC's borrowing requirement. The PCC's need to borrow is measured by the Capital Financial Requirement (CFR), which simply represents the total outstanding capital expenditure, which has not yet been funded from either capital or revenue resources.

7.2 For the PCC, borrowing principally relates to long term loans (i.e. loans in excess of 365 days). The borrowing strategy includes decisions on the timing of when further monies should be borrowed.

7.3 Historically, the main source of long term loans has been the Public Works Loan Board (PWLB), which is part of the UK Debt Management Office (DMO). The maximum period for which loans can be advanced by the PWLB is 50 years. Lending by the PWLB is now on the proviso that CFOs confirm that the authority does not intend to buy investment assets primarily for yield at any point in the next three years. The 2021 revision to the Prudential Code now includes the requirement in paragraph 51 that an authority must not borrow to invest primarily for financial return. Paragraph 51 states:

"The Prudential Code determines that certain acts or practices are not prudent activity for a local authority and incur risk to the affordability of local authority investment:

• *In order to comply with the Prudential Code, an authority must not borrow to invest primarily for financial return.*

• *It is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the authority and where any financial returns are either related to the financial viability of the project in question or otherwise incidental to the primary purpose."*

7.4 External borrowing currently stands at £31.8m (excluding PFI and ROU Leases). At 31 March 2022 and excluding PFI and ROU Leases, there was a £40.9m Capital Financing Requirement (CFR), £7.5m relating to unfunded capital expenditure which had been financed from internal resources. The CFR is estimated to be £46.7m at 31 March 2023, £50.5m at 31 March 2024 and £51.6m at 31 March 2025. Additional long term borrowing is estimated at £3.5m for 2023/24, £3.5m for 2024/25 and £6.3m for 2025/26. The borrowing requirement does not include the funding requirement in respect of assets financed through PFI and Leasing.

7.5 The challenging and uncertain economic outlook, together with managing the cost of "carrying debt" requires a flexible approach to borrowing. The PCC, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time and any risks identified.

7.6 The level of outstanding debt and composition of debt, in terms of individual loans, is kept under review. The PWLB provides a facility to allow the restructure of debt, including premature repayment of loans, and encourages local authorities and

PCCs to do so when circumstances permit. This can result in net savings in overall interest charges. The PCC CFO and Link Asset Services will monitor prevailing rates for any opportunities during the year. As short term borrowing rates tend to be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred). Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt

7.7 The PCC has flexibility to borrow funds in the current year for use in future years, but will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the PCC can ensure the security of such funds

7.8 The PCC will continue to use the most appropriate source of borrowing at the time of making application, including; the PWLB, commercial market loans, Local Authorities and the Municipal Bond Agency.

8. Treasury Management Indicators

8.1 In addition to the key Indicators included in the Prudential Code and reported separately, there are three treasury management indicators. The purpose of the indicators is to restrict the activity of the treasury function to within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. However, if these indicators are too restrictive, they will impair the opportunities to reduce costs/improve performance. The Indicators are:

- **Maturity Structures of Borrowing** – These gross limits are set to reduce the PCC's exposure to large fixed rate sums falling due for refinancing and require upper and lower limits. It is recommended that the PCC sets the following limits for the maturity structures of its borrowing at 31.3.23:

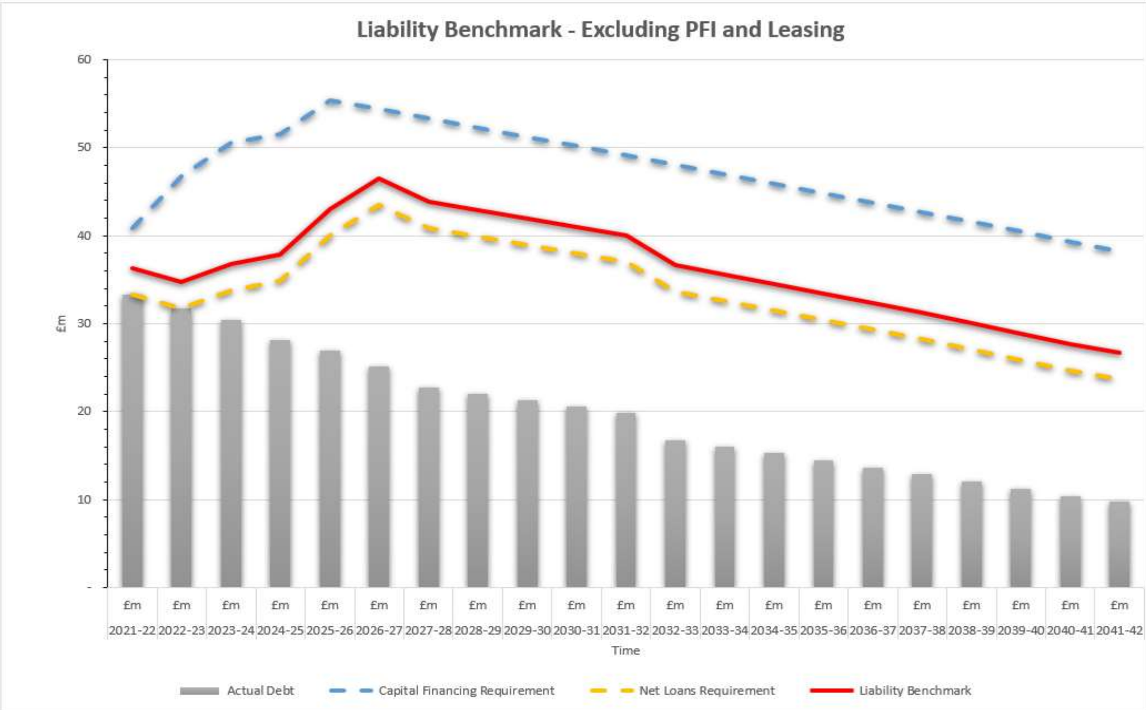
	Actual*	Lower Limit	Upper Limit
Under 12 months	4.0%	0%	15%
12 months and within 24 months	7.3%	0%	15%
24 months and within 5 years	17.2%	0%	45%
5 years and within 10 years	18.6%	0%	75%
10 years and above	52.9%	0%	100%

* Actual is based on existing balances at 31 March 2023

- **Upper Limits to the Total of Principal Funds Invested for Greater than 365 Days –** This limit is set with regard to the PCC's liquidity requirements. It is estimated that in 2023/24, the maximum level of PCC funds invested for periods greater than 365 days will be no more than £4.840m.

- **Liability Benchmark**

  This is a new indicator arising from the 2021 Revised Treasury Management Code of Practice. The liability benchmark is an essential risk management tool. The optimum position is for total borrowing to be on the liability benchmark line. Borrowing above that level will be reflected in increased investment balances and introduce the cost of carry and additional credit risk implications, although this may be needed to anticipate interest rate movements and secure affordable borrowing.



Annex 1

Prudential Code Indicators 2023/24, 2024/25, 2025/26

1. Background

1.1 The Prudential Code for capital investment came into effect on 1st April 2004. It replaced the complex regulatory framework, which only allowed borrowing if specific government authorisation had been received. The Prudential system is one based on self-regulation. All borrowing undertaken is self-determined under the prudential code. A revised Prudential Code was published in December 2021 and applied with immediate effect, albeit with a soft landing for 2022/23.

1.2 Under Prudential arrangements the PCC can determine the borrowing limit for capital expenditure. The Government does retain reserve powers to restrict borrowing if that is required for national economic reasons.

1.3 The key objectives of the Code are to ensure, within a clear framework, that capital investment plans are affordable, prudent and sustainable. The Code specifies indicators that must be used and factors that must be taken into account. The Code requires the PCC to set and monitor performance on:

- capital expenditure
- affordability
- external debt
- treasury management (now included within Treasury Management strategy)

1.4 The required Prudential and Treasury Management indicators are:

- Capital Expenditure Forecast
- Capital Financing Requirement
- Actual External Debt
- Authorised Limit for External Debt
- Operational Boundary Limit for External Debt
- Net income from commercial and service investments to net revenue stream ratio.

However authorities are now advised to use local indicators, where this would be beneficial, especially if carry out commercial activities.

1.5 Once determined, the indicators can be changed so long as this is reported to the PCC.

1.6 Actual performance against indicators will be monitored throughout the year. All the indicators will be reviewed and updated annually.

2. The Indicators

2.1 The **Capital Expenditure Payment Forecast** is detailed in Appendix E (of the PCC's Budget and MTFP report 2023/27). The total estimated payments are:

	2023/24	2024/25	2025/26
	£m	£m	£m
Capital Expenditure Forecast	12.505	7.444	11.688
Transition of ROU Leases		0.309	

The PCC is being asked for approval to an overall Capital Programme based on the level of capital financing costs contained within the draft revenue budget.

2.2 The **ratio of capital financing costs to net revenue budget** shows the estimated annual revenue costs of borrowing (net interest payable on debt and the minimum revenue provision for repaying the debt), as a proportion of annual income from local taxation and non-specific government grants. The estimates include PFI MRP and interest costs. Estimates of the ratio of capital financing costs to net revenue budget for future years are:

Ratio of Capital Financing Costs to Net Revenue Budget		
2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
4.58%	4.45%	4.21%

2.3 The **capital financing requirement** represents capital expenditure not yet financed by capital receipts, revenue contributions or capital grants. It measures the underlying need to borrow for capital purposes, although this borrowing may not necessarily take place externally. Estimates of the end of year capital financing requirement for future years are:

Capital Financing Requirement			
31/03/23 Estimate	31/03/24 Estimate	31/03/25 Estimate	31/03/26 Estimate
£m	£m	£m	£m
96.108	100.133	102.081	101.395

2.4 The guidance on **net borrowing for capital purposes** advises that:

"In order to ensure that over the medium term gross debt will only be for a capital purpose, the local authority should ensure that gross external debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years."

2.5 The Code defines the **authorised limit for external debt** as the sum of external borrowing and any other financing long-term liabilities e.g. finance leases. It is recommended that the PCC approve the 2023/24 and future years limits. For 2023/24 this will be the statutory limit determined under section 3(1) of the Local Government Act 2003.

As required by the Code, the PCC is asked to delegate authority to the Chief Finance Officer (OPCCN), within the total limit for any individual year, to effect movement between the separate limits for borrowing and other long-term liabilities. Any such changes made will be reported to the PCC.

Authorised Limit for External Debt			
	2023/24	2024/25	2025/26
	£m	£m	£m
PWLB borrowing	33.892	34.997	39.950
Other long term liabilities (PFI and ROU Lease Liabilities)	51.540	49.822	48.176
Headroom	21.753	21.645	20.645
Total	107.185	106.465	108.771

These proposed limits are consistent with the Capital Programme. They provide headroom to allow for operational management, for example unusual cash movements.

2.6 The Code also requires the PCC to approve an **operational boundary limit for external debt** for the same time period. The proposed operational boundary for external debt is the same calculation as the authorised limit without the additional headroom. The operational boundary represents a key management tool for in year monitoring.

Within the operational boundary, figures for borrowing and other long-term liabilities are separately identified again. The PCC is asked to delegate authority to the Chief Finance Officer (OPCCN), within the total operational boundary for any individual year, to make any required changes between the separately agreed figures for borrowing and other long-term liabilities. Any changes will be reported to the PCC.

Operational Boundary Limit for External Debt			
	2023/24	2024/25	2025/26
	£m	£m	£m
PWLB borrowing	33.892	34.997	39.950
Other long term liabilities (PFI and ROU Lease Liabilities)	51.540	49.822	48.176
Total	85.432	84.820	88.126

2.7 The Code now requires a new indicator identifying the ratio between net income from commercial and service investments to net revenue stream. This indicator provides a contextual assessment of the proportionality of income from commercial and service investments. However, as the PCC does not currently engage in any commercial arrangements, there is no need to provide further information on this indicator.

Annex 2

Minimum Revenue Provision (MRP)
MRP Policy and Statement for 2023/24.

1. Introduction

1.1 The PCC is required to make a charge against the revenue budget each year in respect of capital expenditure financed by borrowing or credit arrangement. The annual charge is set aside for the eventual repayment of the loan and is known as the Minimum Revenue Provision (MRP). This is separate from any annual interest charges that are incurred on borrowing.

1.2 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 amend the way in which MRP can be calculated so that each authority must consider what is "prudent". The regulations are backed up by statutory guidance which gives advice on what might be considered prudent.

2. Options for Making Prudent Provision

2.1 Four options are included in the guidance, which are those likely to be most relevant for the majority of local government bodies. Although other approaches are not ruled out, local government bodies must demonstrate that they are fully consistent with the statutory duty to make prudent revenue provision.

Option 1 - Regulatory Method
Authorities may continue to use the formulae put in place by the previous regulations.

Option 2 - Capital Financing Requirement (CFR) Method

Under this option, MRP is equal to 4% of the non-housing CFR at the end of the preceding financial year.

Option 3 – Asset Life Method
This is to make provision over the estimated life of the asset for which the borrowing is undertaken. This could be done by:
(a) Charging MRP in equal instalments over the life of the asset
(b) Charge MRP on an annuity basis, where MRP is the principal element for the year of the annuity required to repay over the asset's useful life the amount of capital expenditure financed by borrowing or credit arrangements. The authority should use an appropriate interest rate to calculate the amount. Adjustments to the calculation to take account of repayment by other methods during repayment period (e.g. by the application of capital receipts) should be made as necessary.

Option 4 - Depreciation
MRP is deemed to be equal to the provision required in accordance with deprecation accounting in respect of the asset on which expenditure has been financed by borrowing or credit arrangements. This should include any amount for impairment charged to the income and expenditure accounts.

2.2 The regulations make a distinction between capital expenditure incurred before 1 April 2008 and capital expenditure incurred from 1 April 2008 in terms of the options available.

2.3 Options 1 and 2 are to be used for capital expenditure incurred pre April 2008. Options 3 and 4 are to be used for Capital expenditure incurred post April 2008.

3. MRP Policy

3.1 Before 1 April 2019 the option adopted for expenditure incurred after 1 April 2008 was Option 3a (Equal Instalment method). This method was deemed prudent whilst assets were primarily being internally financed.

3.2 As reserves, cash and investment balances have been consumed following the decrease in direct government funding, it is now necessary to externally finance capital expenditure on long life assets. The current preferred financing method is via the Public Works Loans Board (PWLB) borrowed on an annuity basis.

3.3 Option 3b (Annuity Method) is adopted for capital expenditure chargeable as MRP for the first time after 1 April 2019. The principal reason for this change was for the charge to revenue to reflect the capital repayment basis on the associated finance. This method will therefore adopt a similar MRP basis as those assets financed through lease or PFI arrangements.

3.4 The revised Statutory Guidance released on 2 February 2018 stipulates that this change in policy cannot be applied retrospectively to assets placed in service prior to the date the revised policy was introduced. Therefore Option 3a still applies to capital expenditure chargeable as MRP for the first time prior to 1 April 2019.

4. Recommendations

4.1 It is proposed that the following MRP policy is adopted as follows for 2023/24:

- Capital expenditure incurred before April 2008 is treated in accordance with Option 1 of the regulatory guidance;
- Capital expenditure chargeable as MRP for the first time from 1 April 2008 to 31 March 2019 is treated in accordance with Option 3(a) of the regulatory guidance.
- Capital expenditure chargeable as MRP for the first time after 1 April 2019 is treated in accordance with Option 3(b) of the regulatory guidance.

Norfolk PCC Precept 2023/24 – £14.94 (5.19%) increase in Council Tax

COUNCIL TAX PRECEPT

£14.94 (5.19%) increase in council tax in 2023/24

	£
Budget Requirement	199,853,993
Less Government Funding	105,936,324
To be met from council tax (incl. surplus)	93,917,669

Billing Authority	Taxbase	Precept Amount	Surplus on Collection Fund	Total Payments Due
		£	£	£
BRECKLAND	45,926	13,912,671	191,713	14,104,384
BROADLAND	48,127	14,579,593	55,341	14,634,934
GT. YARMOUTH	29,851	9,043,062	50,861	9,093,923
K.LYNN & W. NORFOLK	52,984	16,051,094	(15,689)	16,035,405
NORTH NORFOLK	41,086	12,446,547	21,386	12,467,933
CITY OF NORWICH	38,260	11,590,484	29,410	11,619,894
SOUTH NORFOLK	52,335	15,854,365	106,830	15,961,195
	308,569	93,477,817	439,852	93,917,669

Valuation Band	Council Tax 2023/24	Council Tax 2024/25	Increase	
			Year	Week
	£	£		
A	192.00	201.96	9.96	0.19
B	224.00	235.62	11.62	0.22
C	256.00	269.28	13.28	0.26
D	288.00	302.94	14.94	0.29
E	352.00	370.26	18.26	0.35
F	416.00	437.58	21.58	0.41
G	480.00	504.90	24.90	0.48
H	576.00	605.88	29.88	0.57

(i) As in previous years instalment payments will be made to the PCC by the district councils on the day that they receive their government grant instalments. This will minimise the cash flow effect on the collection authorities.

(ii) Where a surplus on collection of 2022/23 council tax has been estimated, the District Council concerned will pay to the PCC its proportion of the sum by ten equal instalments, as an addition to the May 2023 to February 2024 precept payments.

(iii) Where a deficit on collection of 2022/23 council tax has been estimated, the District Council concerned will receive from the PCC its proportion of the sum by ten equal instalments, as a reduction to the May 2023 to February 2024 precept payments.

Office of the Police & Crime Commissioner
Precept Consultation 2023/24 Results

Summary

1. The Police and Crime Commissioner (PCC) has a statutory duty to consult Norfolk people on his proposals ahead of setting the policing budget, and with it, how much they will contribute through council tax.
2. The Panel has received a report detailing the method, timescales and key dates for the 2022/23 police budget consultation.
3. The information below provides members of the Police and Crime Panel with an overview of the consultation results.

1. Results of the public consultation

1.1 The 2023/24 police budget and council tax consultation took the form of a survey - available both online and in hard copy – with people also having the opportunity to submit their views by email, letter or by telephone. There was a comprehensive and countywide supporting programme of public engagement.

1.2 In total, there were 888 valid responses to the consultation alongside feedback through social media (See Appendix B for Precept consultation communications report) and 1 email into the main OPCCN inbox. There were 25 hard copies of the survey returned during the consultation period.

1.3 All comments received to the consultation by whatever means of communication were provided to the PCC to help inform his 2023/24 policing budget decisions.

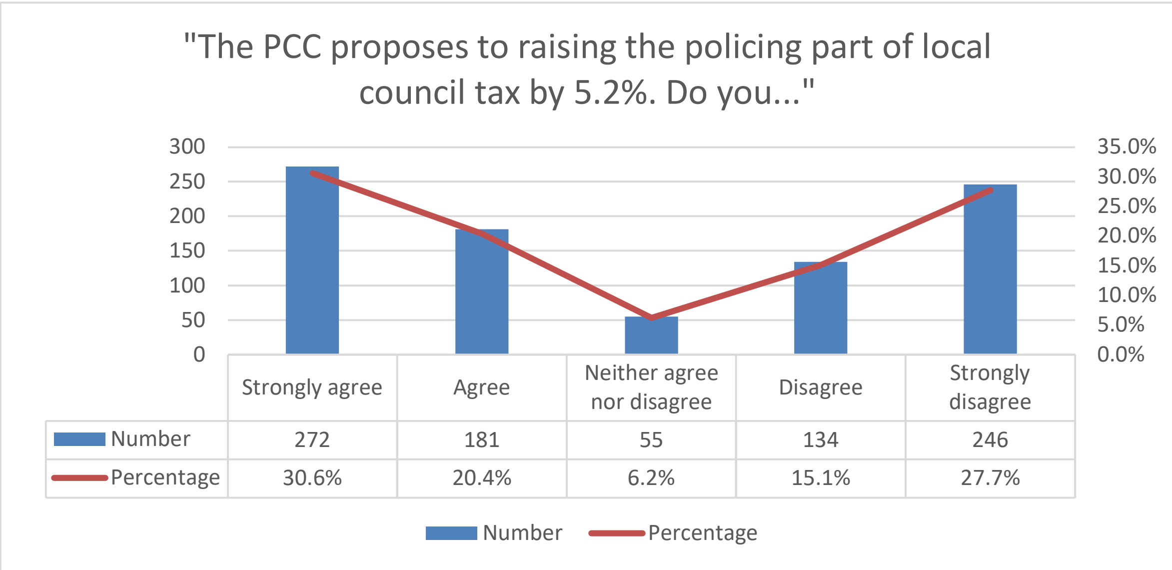
1.4 Recurring themes/messages within the comments included: (See Appendix A for thematic breakdown of reposes)
- Wanting more visible policing
- Support for the police & the OPCCN
- Concern of the cost-of-living crisis

1.5 Recurring themes in comments for those responders who agreed with the proposal includes:
- More money is needed to support the service
- Maintaining the policing service is needed to make people feel safe
- The amount proposed seems reasonable and is below inflation

1.6 Recurring themes in comments for those responders who disagreed with the proposal include:

- Household bills are rising so people cannot afford the extra money on top of other rising bills
- Central government should fund the police
- There has been a year and year increase and there is nothing to show for this
- Mistrust of the police due to media reports so do not agree with rising the precept to support poor policing

1.7 Breakdown of responses:



1.8 Via the online survey 435 comments were made in response to the consultation question.

2. Conclusions

2.1 The results of the police budget and tax 2023/24 consultation show that of the 888 respondents to the survey, a total of 272 respondents strongly agreed with the proposal to raise the precept by 5.2%. A total of 181 respondents agreed with the proposal.

2.2 This equates to 51% in overall support of a precept increase in contrast to 48% of the total respondents who did not support a precept increase. 6% of respondents said they neither agree nor disagree with the proposal.

2.3 If the responses of nether agree or nor disagree were removed from the total responses, then 54% of those who responded agree with the proposal, in contrast to 46% respondents who disagreed with the proposal.

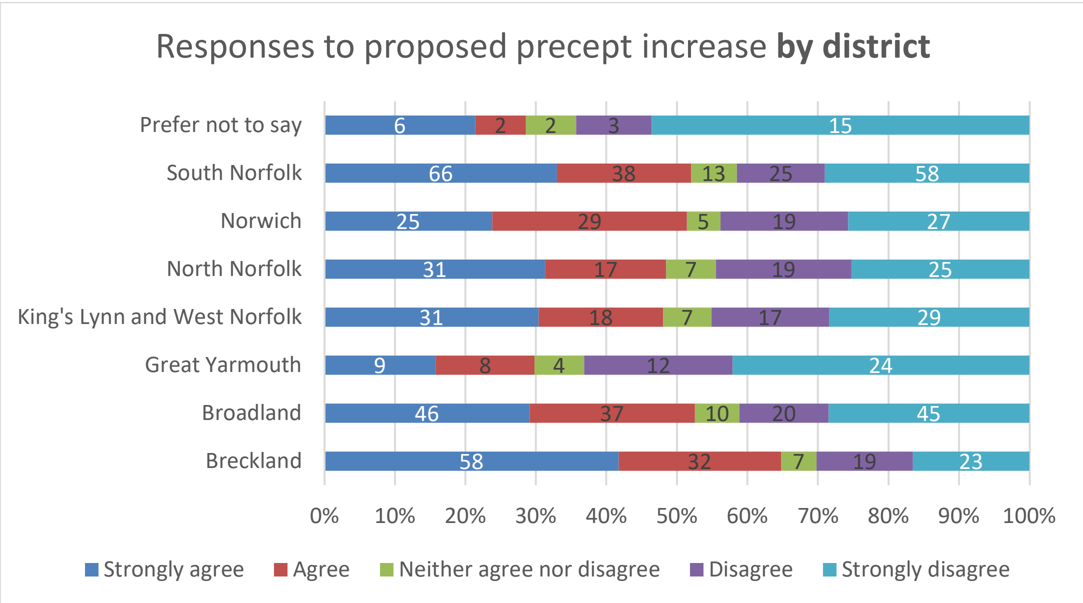
2.4 The PCC held a series of question-and-answer events in several parts of the county, using the local libraries or community centres. This allowed for residents to attend a natural familiar venue that provides a less informal environment to promote conversation. Holding events in these public place's benefits from high footfall, proving the opportunity to speak to residents to promote the precept survey.

2.5 The PCC and the Chief Constable appeared on BBC Radio Norfolk in a question-and-answer session focusing on the precept consultation.

2.6 The PCC consulted with the Norfolk Independent Advisory Group and various organisations and partners.

2.7 As standard practice when conducting a public consultation, an Equality Impact Assessment (EIA) was completed before the launch. It was noted in the EIA, that there may be some protected characteristic groups who could be excluded as they are unfamiliar with engaging via digital platforms, such as the elderly. The engagement strategy was adapted to ensure that the elderly community was able to attend bespoke question and answer sessions alongside being provided the opportunity to complete paper copies of the survey. The responses to the survey were monitored throughout the consultation period and reviewed in comparison to the EIA, with the results showing older age groups were well represented.

2.8 The table below shows response rates to the survey by district.



3. Please note that rounding may cause totals to not add up to 100%, however all responses are included in the tables.

3.1 Panel members are asked to note the results of the consultation.

4. Appendices

Appendix A --- Analysis of survey results
Appendix B--- Precept Consultation Communications Report

Appendix A

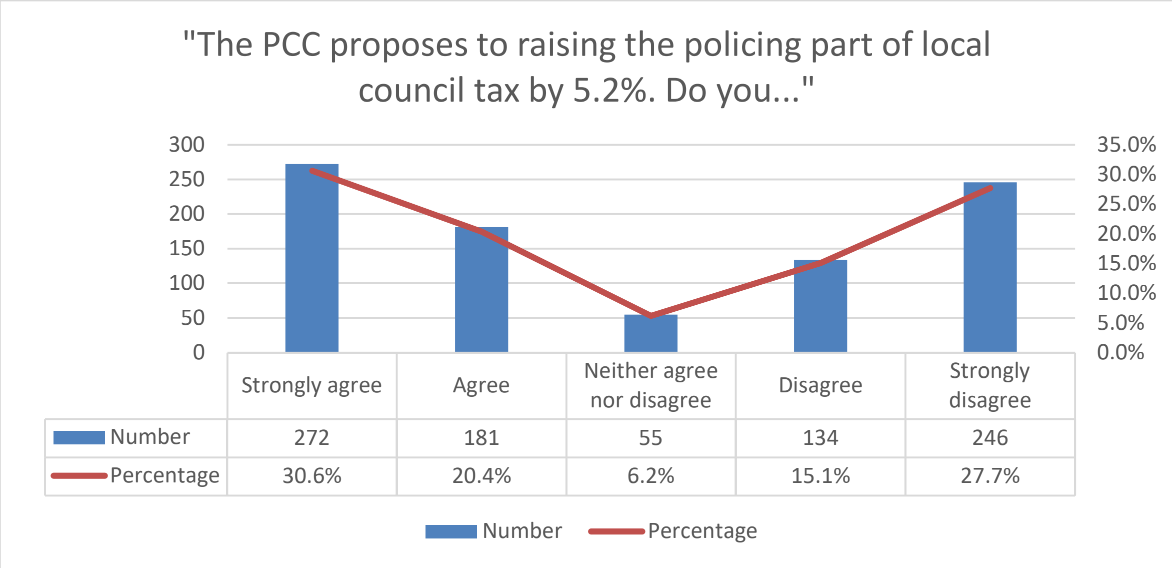
2023-24 Precept Survey Analysis

The PCC proposes raising the policing precept of council tax by 5.2% and has completed a public consultation to seek Norfolk residents' views.
A total of 888 responses were received between 3rd – 16th January 2023. A further 204 partial responses were recorded.[6]

Opinions and comments on the proposed precept increase

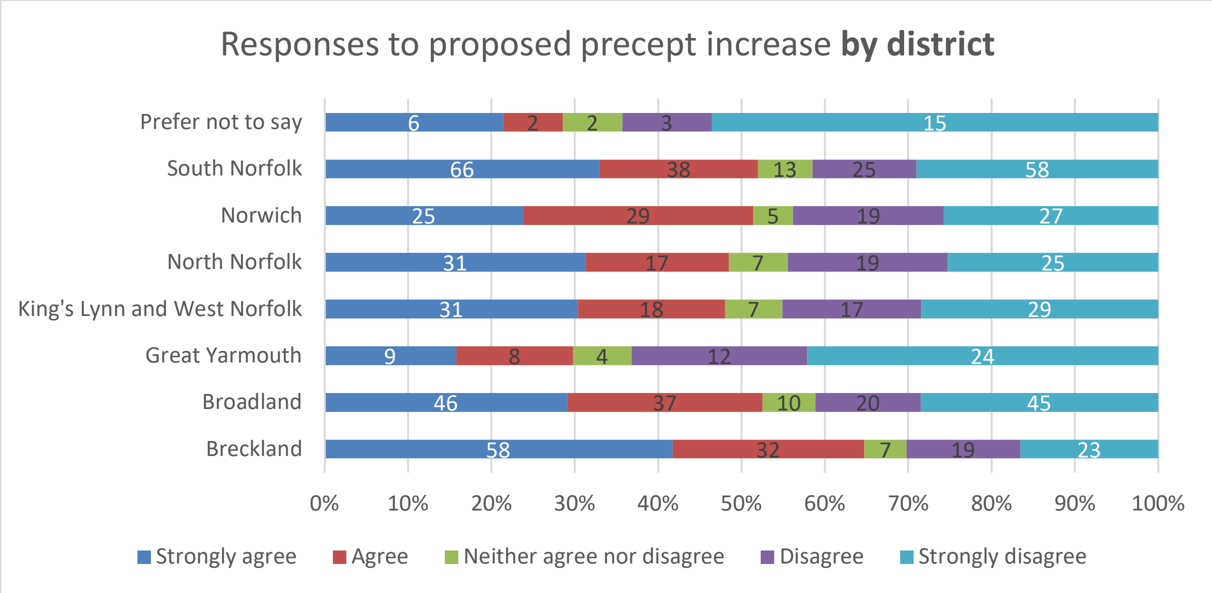
Quantitative analysis

Responses to the main question on whether or not residents agreed with the proposed precept increase were split but more people were in favour than not. In total 51% of respondents agreed or strongly agreed, and 43% disagreed or strongly disagreed, with 6% undecided.

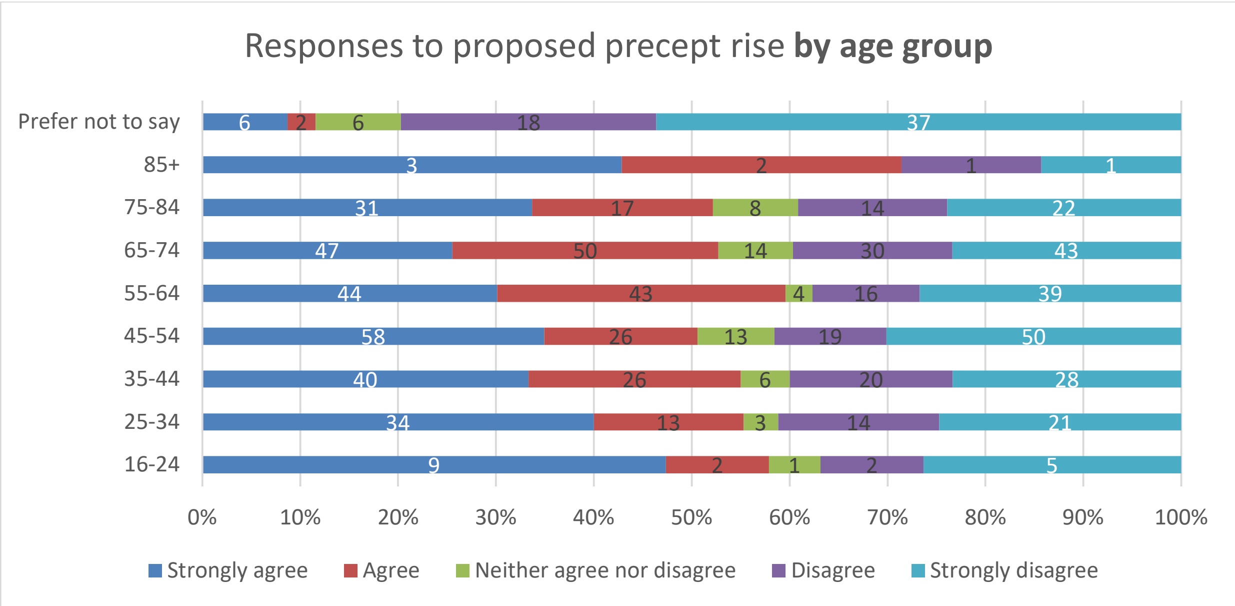


These responses have been further broken down into district and age group categories below.

[6] Partial responses are those where the final 'submit' button has not been clicked, and they include responses which have timed out or where people have accidentally loaded the survey twice. They are not part of the final analysis and the majority of partial responses are left blank.



- Over 50% of respondents in South Norfolk, Norwich, Broadland and Breckland agreed or strongly agreed.
- Slightly fewer than 50% agreeing or strongly agreeing in North Norfolk and King's Lynn and West Norfolk.
- In Great Yarmouth only 30% of respondents agreed or strongly agreed.



- Very few people aged 85+ responded to the survey so percentages for this age group should be treated with caution and may not be representative.
- People aged 16-24 and 55-64 were the mostly likely to agree or strongly agree to the proposed increased.

Qualitative analysis (additional comments)

435 respondents left additional comments on a total of 39 different themes. Within these comments, 215 points were made which the PCC does have control and/or influence over, e.g. more visible policing; and 148 points were made which the PCC does not have control of, such as "get rid of the PCC". They are ordered in the table below according to the number of people who mentioned them, and the percentage of people who mentioned that theme as a total of all respondents (888) is alongside.

Theme	Number	Percentage of total
Too many police stations are closing/ want more visible policing and foot patrols	93	10.5%
Cost of living/ cannot afford increase	78	8.8%
Supportive of police/ OPCCN	72	8.1%
Norfolk Police service is poor	43	4.8%
Norfolk Police need to make efficiencies	41	4.6%
Get rid of the PCC/ OPCC to save money	35	3.9%
"Why should I pay for a service I don't use/get?"	30	3.4%
"Why does the precept go up every year?"	30	3.4%
The vote doesn't matter - it will increase anyway/it goes up every year	24	2.7%
Wants more specific information about the increase/ what it will be spent on	19	2.1%
Central government should pay	14	1.6%
Anti-equality and diversity comments	13	1.5%
Abusive/ threatening comments	12	1.4%
Wants more community policing/ dedicated 'local bobby'	12	1.4%
Struggling to trust police due to recent media reports or historical inequalities	12	1.4%
Road policing not good/ speeding an issue	10	1.1%
Would be happy to pay a higher precept increase	10	1.1%
Rural/ farming policing issues should be prioritised	10	1.1%
"The police spent too much time catching people speeding."	9	1.0%
There are too many senior officers/ the senior officers are not good at their jobs	8	0.9%
The Police need to not do other agencies' jobs	8	0.9%
Police pensions are too generous	7	0.8%
Everyone should pay the same amount of council tax	5	0.6%
Council tax bands need reassessing	4	0.5%
Concerned about misogyny and racism in policing/ more training needed	4	0.5%
Would support a smaller precept increase	4	0.5%
Increase police officer pay	3	0.3%
What about the other Council Tax bands? (only B and D are mentioned)	3	0.3%
New police buildings are too expensive	3	0.3%
Fraud resource needs increasing	3	0.3%
People in 'high crime' areas should pay more	2	0.2%
Bring back PCSOs	2	0.2%
101 response time are not good in Norfolk	2	0.2%
Abusive - Extreme language used	1	0.1%
Police should stop providing public protection, sports, events work	1	0.1%

Wants more evening engagement from the PCC	1	0.1%
Officers have too much paperwork	1	0.1%
Use police reserves instead	1	0.1%
Defund the police	1	0.1%

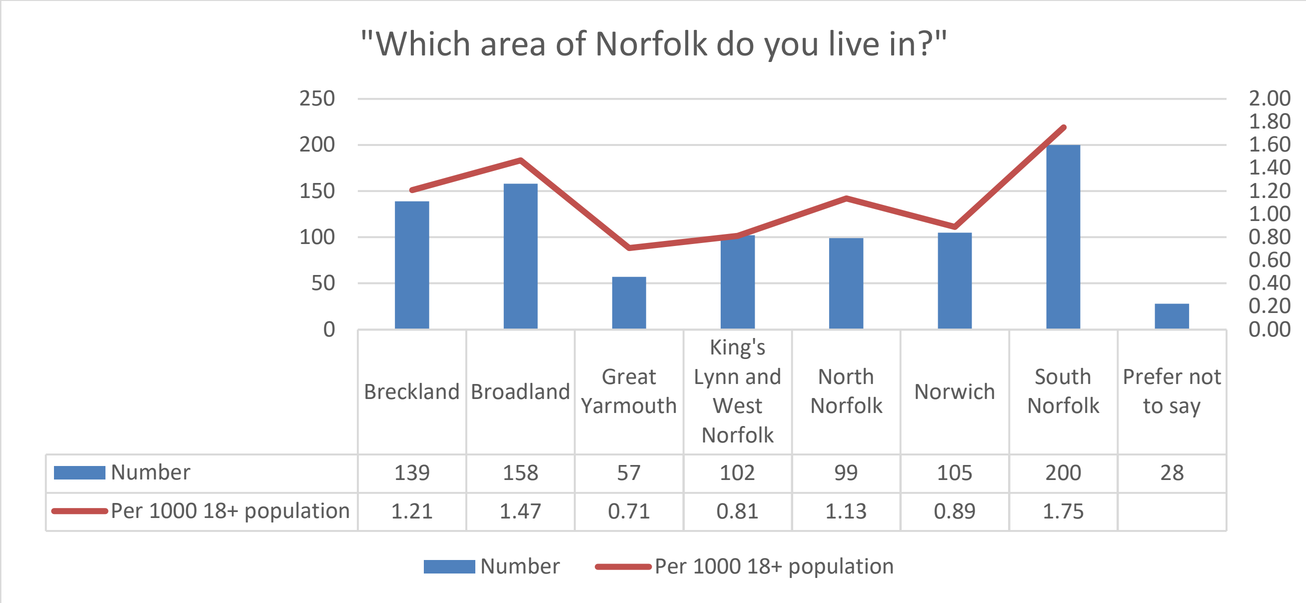
The following quotes have been selected as representative of the top several themes:

1. "I have for many years agreed with the budget for policing being increased at a higher rate than the corresponding council tax. I must however raise the point that visible policing (the reason I have always supported an increase) does not appear to have happened."
2. "Every bill is increasing. The cost of living is now having a real effect on my personal finances."
3. "Extra resources are vital, although increase in taxation is not pleasant it is urgently required for policing."
4. "Policing in Norfolk is not working for most of the people in Norfolk. The police have forgotten about what really affects people's everyday lives. Anti-social behaviour goes untackled, 'low level' crimes that blight everybody's lives go uninvestigated/ unattended."
5. "Before seeking additional funding from the public you need to demonstrate that the resources they already have are being deployed in the most effective way with zero waste. That clearly is not the case."

Demographics of respondents

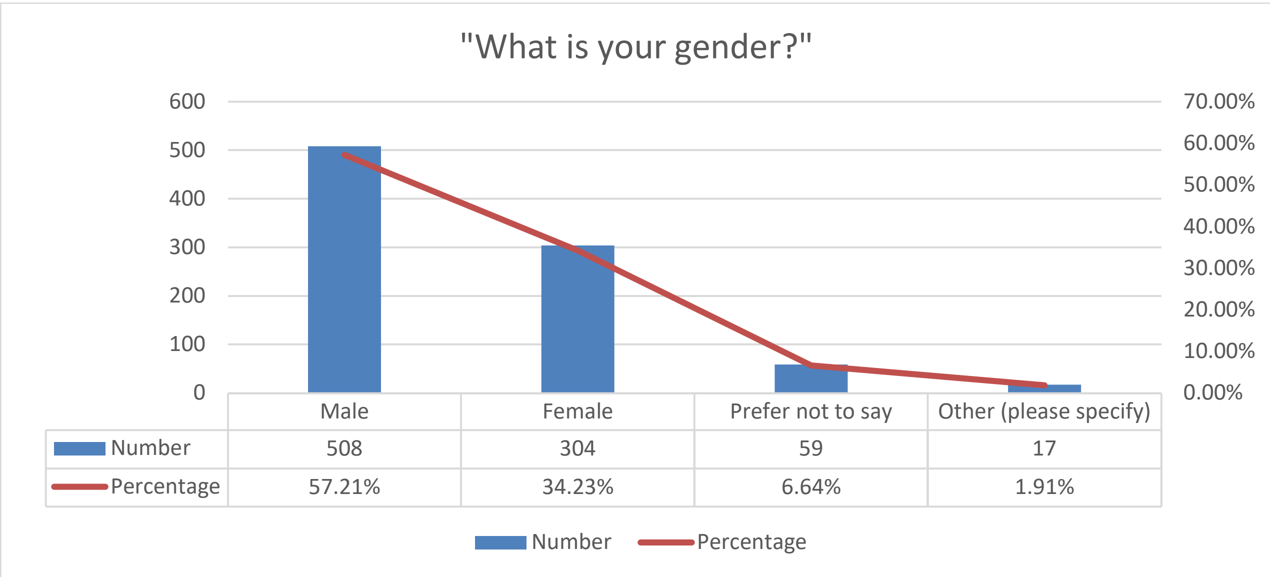
Respondents were asked seven optional questions about where they live and their protected characteristics (gender, age, ethnicity, disability status, sexuality, and religion). These questions are asked because the budget consultation is one of the largest engagement exercises the OPCCN undertakes, and it is a valuable opportunity to understand how well we are reaching different communities and individuals in Norfolk. This information can then be used to inform equalities and outreach work undertaken by the PCC and OPCCN.

The responses to these optional questions are displayed in the charts and tables below. Data from the 2021 census has been used in the analysis. Data is presented as the total number of responses, and either the number of responses per 1000 population or as a percentage of total responses.



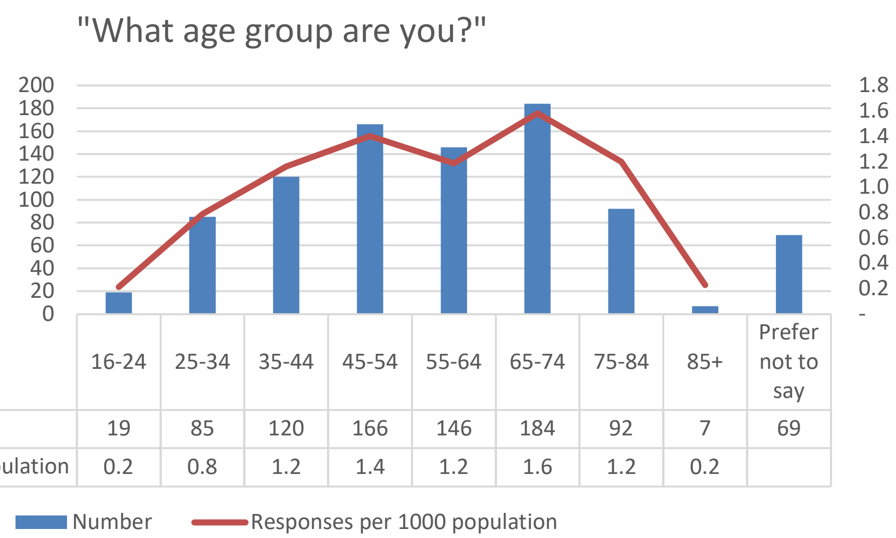
	Breckland	Broadland	Great Yarmouth	King's Lynn and West Norfolk	North Norfolk	Norwich	South Norfolk	Prefer not to say
Number	139	158	57	102	99	105	200	28
Per 1000 18+ population	1.21	1.47	0.71	0.81	1.13	0.89	1.75	

- After adjusting for district population, respondents were most likely to live in either Broadland or South Norfolk, and least likely to live in Great Yarmouth or King's Lynn and West Norfolk.



	Male	Female	Prefer not to say	Other (please specify)
Number	508	304	59	17
Percentage	57.21%	34.23%	6.64%	1.91%

- A disproportionate number of respondents were male. The reason for this is unclear, however it may be that men are more likely than women to respond on behalf of their household.
- Of the 17 'other (please specify)' responses:
  - 3 people identified as non-binary
  - Other comments were abusive, anti-trans, or from people who did not understand why the OPCCN does equalities monitoring.



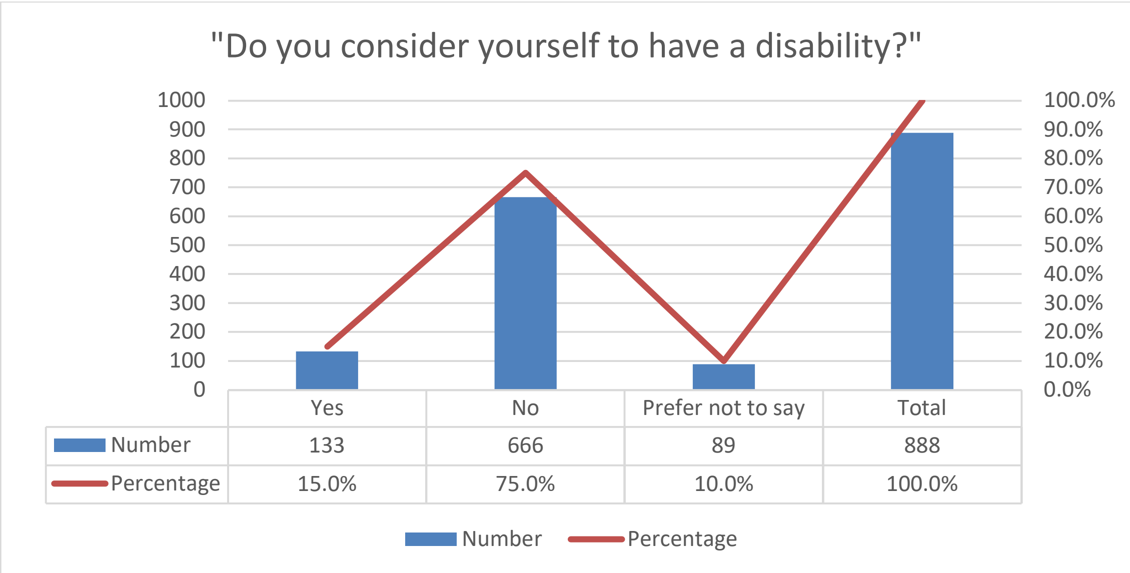
	16-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	Prefer not to say
Number	19	85	120	166	146	184	92	7	69
Responses per 1000 population	0.2	0.8	1.2	1.4	1.2	1.6	1.2	0.2	

- Adjusting for the number of Norfolk adults in each age group, those in the 45-54 and 65-74 age groups were most likely to respond to the survey.
- The low response among younger adults may be because they are less likely to be living independently or they are students and therefore exempt from council tax.
- Those over 85 years old may be less likely to respond due to having less access to online spaces than younger age groups. Paper copies of the survey were sent to libraries but not all older people use libraries.

What is your ethnic group?	Number	Per 1000 population
Asian or Asian British - Bangladeshi	0	0.0
Asian or Asian British - Chinese	3	0.8
Asian or Asian British - Indian	3	0.5
Asian or Asian British - Pakistani	0	0.0
Asian or Asian British - Any other Asian background	1	0.2
Black or Black British - African	1	0.2
Black or Black British - Caribbean	1	0.4
Black or Black British - Any other Black background	2	4.6
Mixed - White and Asian	3	0.7
Mixed - White and Black African	4	1.2
Mixed - White and Black Caribbean	4	1.3
Mixed - Any other Mixed background	2	0.5
White - English/ Welsh/ Scottish/ Northern Irish/ British	788	1.0
White - Irish	3	0.7
White - Gypsy or Irish Traveller	0	0.0
White - Other	11	0.2
Other - Arab	0	0.0
Other - Any other ethnic group	2	0.4
I do not wish to disclose my ethnic origin	60	

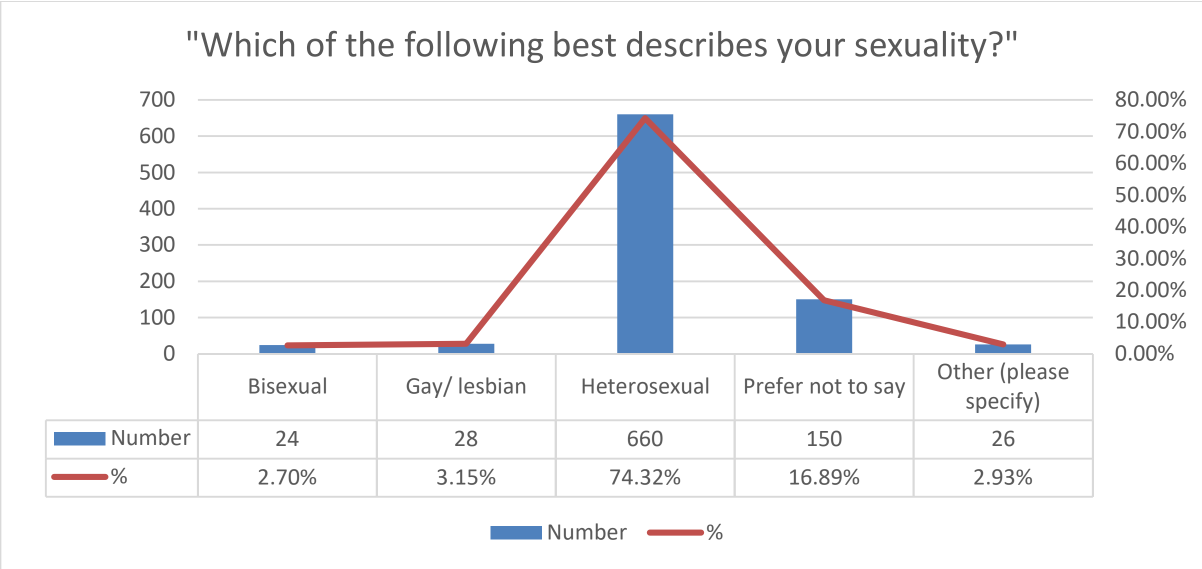
- Meaningful analysis of this data set is challenging for several reasons:
    - The small numbers of respondents in many categories
    - The relatively high number of respondents who did not want to disclose their ethnic origin
- The aggregated numbers in the table below suggest that individuals identifying as having Mixed, Black, and Asian ethnicity or heritage may be underrepresented in the responses. This assumes many of those who chose not to disclose their ethnicity were White.

Aggregated responses per main ethnic group	2021 census	2023 survey
Asian/Asian British	2.10%	0.80%
Black/ Black British	0.90%	0.50%
Mixed or Multiple	1.60%	1.50%
White	94.70%	89.00%

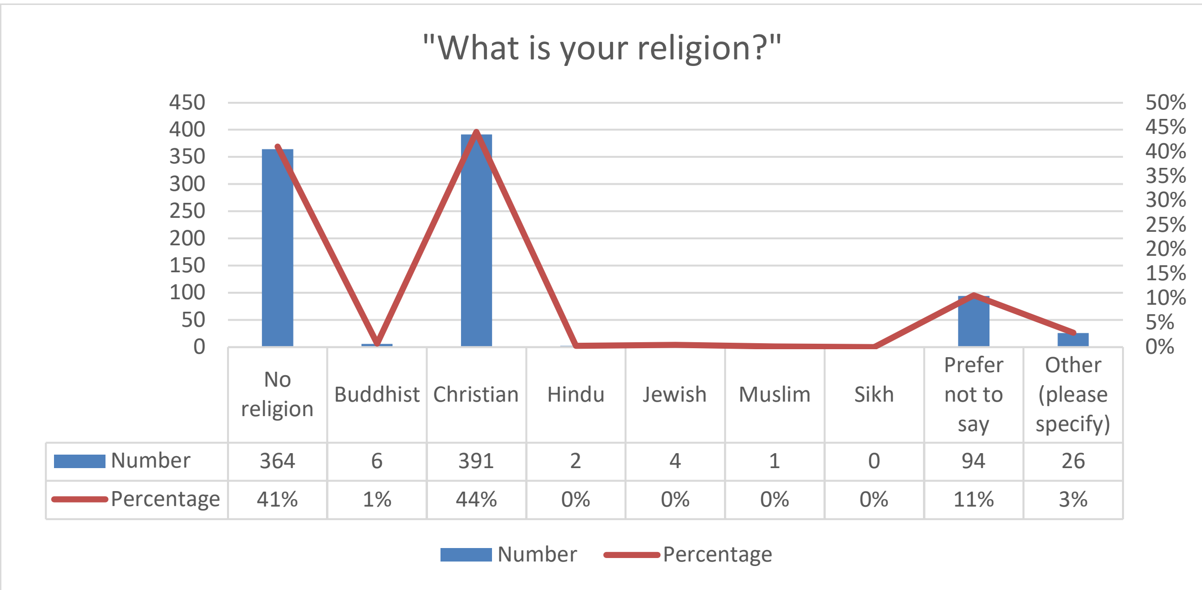


- According to Scope, 19% of working age adults and 46% of people of state pension age have some form of disability. This suggests disabled people may be underrepresented in the survey results.[7]

[7] Disability facts and figures | Disability charity Scope UK



- As far as it is possible to tell, the survey responses include a representative sample of diverse sexualities in Norfolk. The relatively high % of 'prefer not to say' responses make accurate analysis challenging.
- Of the 26 'other (please specify)' responses:
  - Three people defined themselves as pansexual, asexual, and queer.
  - Other comments were abusive or did not understand why the OPCCN does equalities monitoring.



- 44% of respondents said they were Christian, and 41% identified with no religion, with 11% preferring not to say.
- Full analysis is made difficult by the high number of people who preferred not to say, however it is possible people with non-Christian faith are underrepresented in the survey responses.
- Of the 26 'other (please specify)' responses:
  - 2 people said they were Spiritualist
  - 1 person said they were Pagan
  - 1 person said they were Jedi
  - The remaining comments were abusive or did not understand why the OPCCN does equalities monitoring.

COMMUNICATIONS REPORT: January 3 - January 16, 2023

Media coverage:

BBC Radio Norfolk

- Live Q&A on Breakfast Show with PCC and Chief Constable on Friday 6 January
- Clips shared on news bulletins throughout the day from launch day

Eastern Daily Press

- PCC face-to-face interview with reporter Simon Parkin on launch day, resulting in full page article (page 6) on Wednesday 4 January
- Front page article (plus page 4) on Thursday 12 January
- News coverage in print and online

Norwich Evening News

- Full page article (page 6) on Wednesday 4 January
- News coverage in print and online

Potential audience reach:

Radio: 137,000 (per week)
Print: 33,032

Also, online coverage in:

- Fakenham & Wells Times
- North Norfolk News
- Watton & Swaffham Times
- Diss Mercury
- Dereham Times
- Thetford and Brandon Times

Social media:

Posts: 16
Reach: 19.532
Engagement*: 68

Posts: 16
Impressions: 11,357
Engagement*: 167

OPCCN website:

Main consultation page:
Total page views: 260
Unique visitors: 221

Message from your PCC:
Total page views: 29
Unique visitors: 28

Message from your Chief Constable:
Total page views: 20
Unique visitors: 20

County-wide posts: 2
Impressions: 39,916
Engagement:** 68

* Link click, profile view, retweet, like, share, comment
** Comment, reaction

Consultation news article:
Total page views: 25
Unique visitors: 21