

# Police and Crime Commissioner Budget and Precept Consultation 2016

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OFFICE OF THE POLICE & CRIME  
COMMISSIONER FOR NORFOLK



# PCC Police and Crime Plan – Strategic Objectives

- The PCC's priorities remain unchanged and are set out in the 2015/16 Police and Crime Plan. They are:-
  - Reducing priority crime, anti-social behaviour and reoffending,
  - Reducing vulnerability, promoting equality and supporting victims,
  - Reducing the need for service, through preventative and restorative approaches and more joined up working with partners; protecting the availability of front line resources.



# Financial Savings

- In the period April 2010 to March 2016 Norfolk Police has saved £21m
- £13m in collaboration with Suffolk
- £8m is Norfolk only, and mainly local policing



# Workforce Strength

Total	March 2010	December 2015	Reduction
Police Officers	1,649	1,523	-126
PCSOs	275	169	-106
Staff	1,120	1,005	-115
<b>Total</b>	<b>3,044</b>	<b>2,697</b>	<b>-347</b>



# Workforce Strength

By Rank	March 2010	December 2015	Reduction
Chief Superintendent	7	4	-3
Superintendent	15	13	-2
Chief Inspector / Inspector	119	95	-24
Sergeant	295	270	-25
Constable	1,209	1,136	-73
<b>Total</b>	<b>1,645</b>	<b>1,518</b>	<b>-127</b>



# DELIVERING THE POLICE AND CRIME PLAN AND MEETING THE CHALLENGE



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COMMISSIONER FOR NORFOLK



- Norfolk Constabulary is an exceptionally high performing force
- We are recognised by HMIC as one of the best performing forces in England and Wales
- We have one of the most advanced collaborations in England and Wales
- Norfolk is at the forefront of innovation and evidence based policing



## HIGHEST PRIORITY **THREATS**

Child Sexual Exploitation and Abuse

Domestic Abuse

Sexual Offending

Terrorism

Trafficking

Violent Crime

## HIGHEST PRIORITY **DEMANDS**

999s

Anti-social Behaviour

Missing Persons

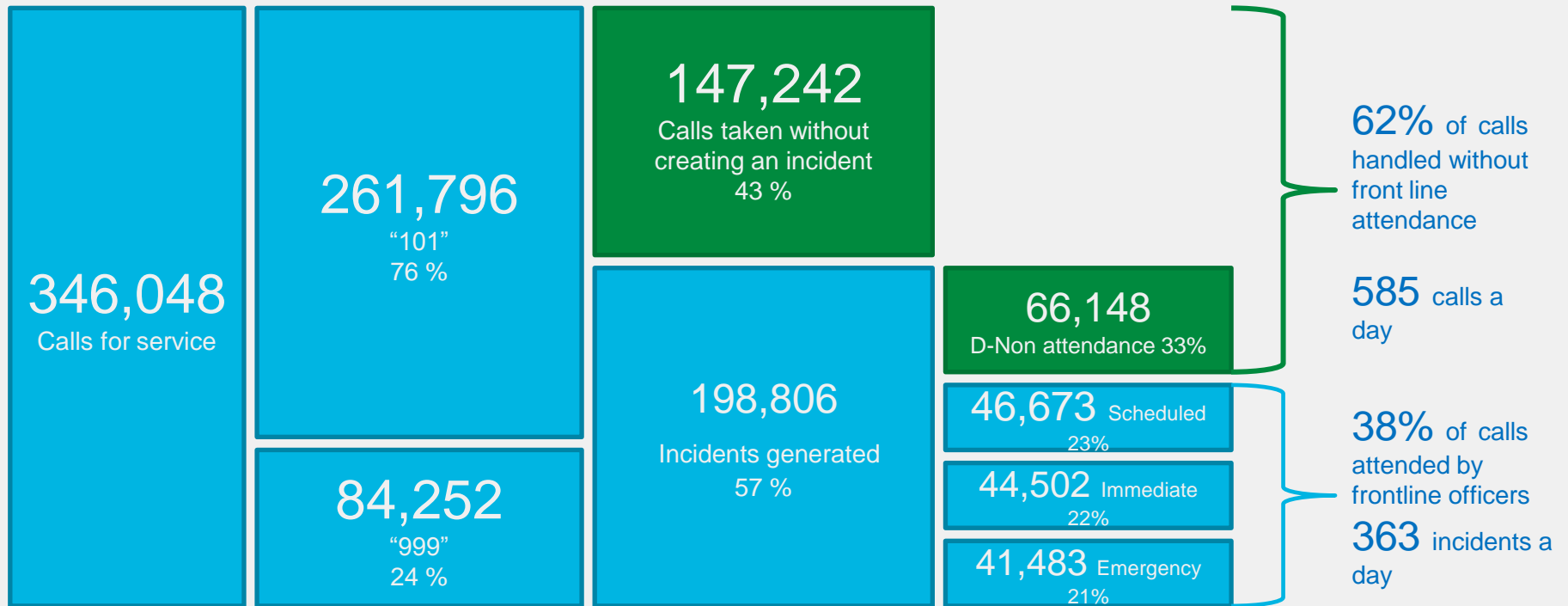
Nighttime Economy

Road Safety

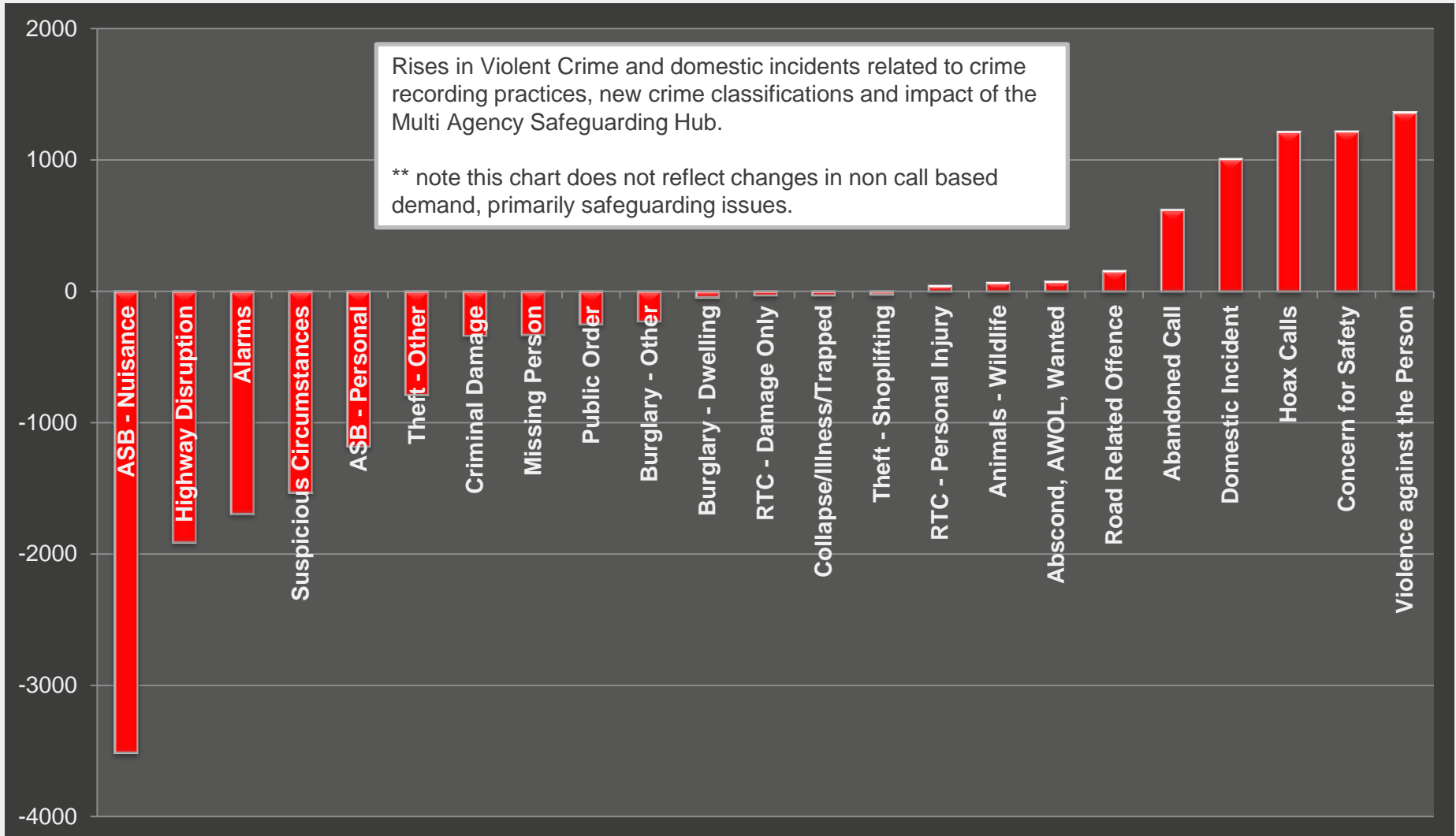




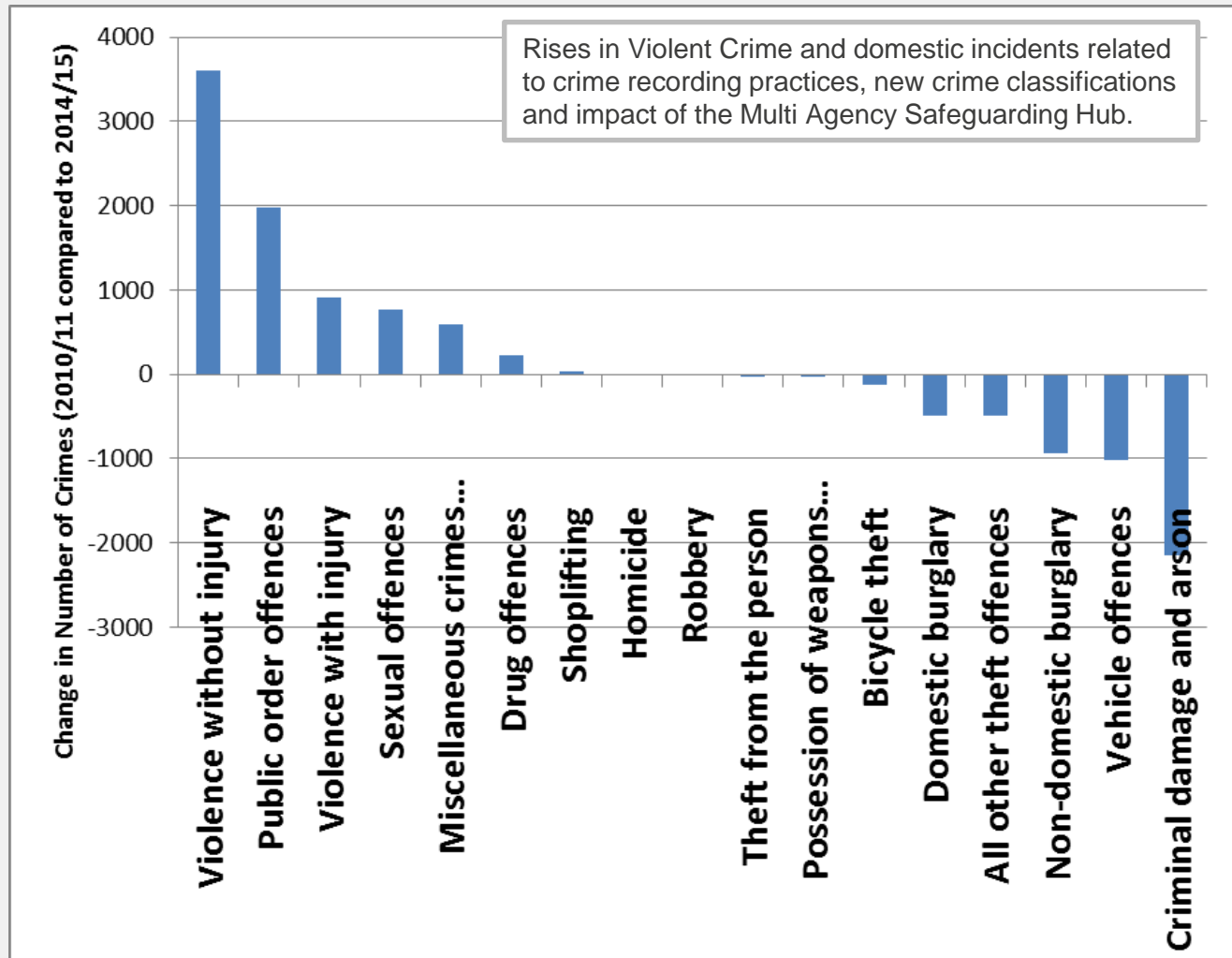
# Understanding Norfolk Demand (01 October 2014 – 30 September 2015)



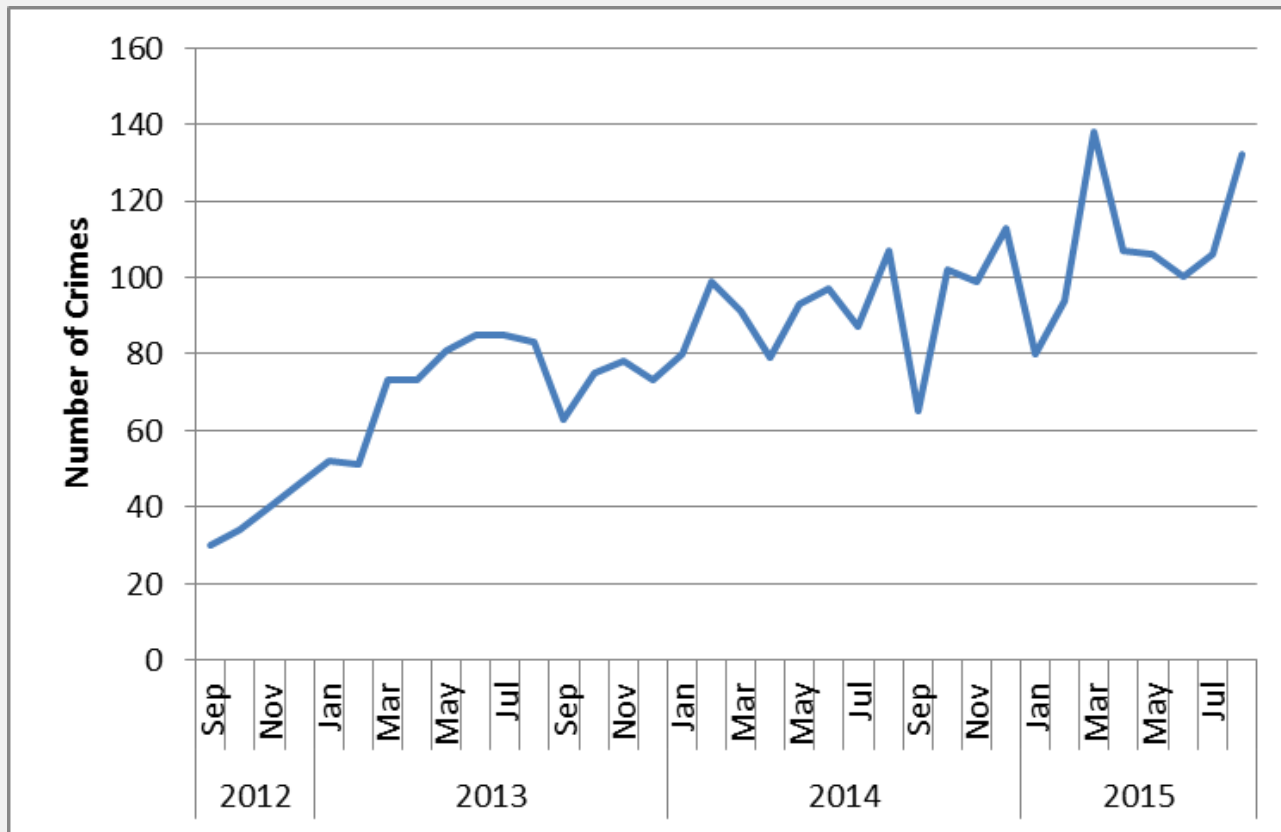
# Change in Demand (01 October 2014 – 30 September 2015)



# Change in Crime (2010/11 compared to 2014/15)

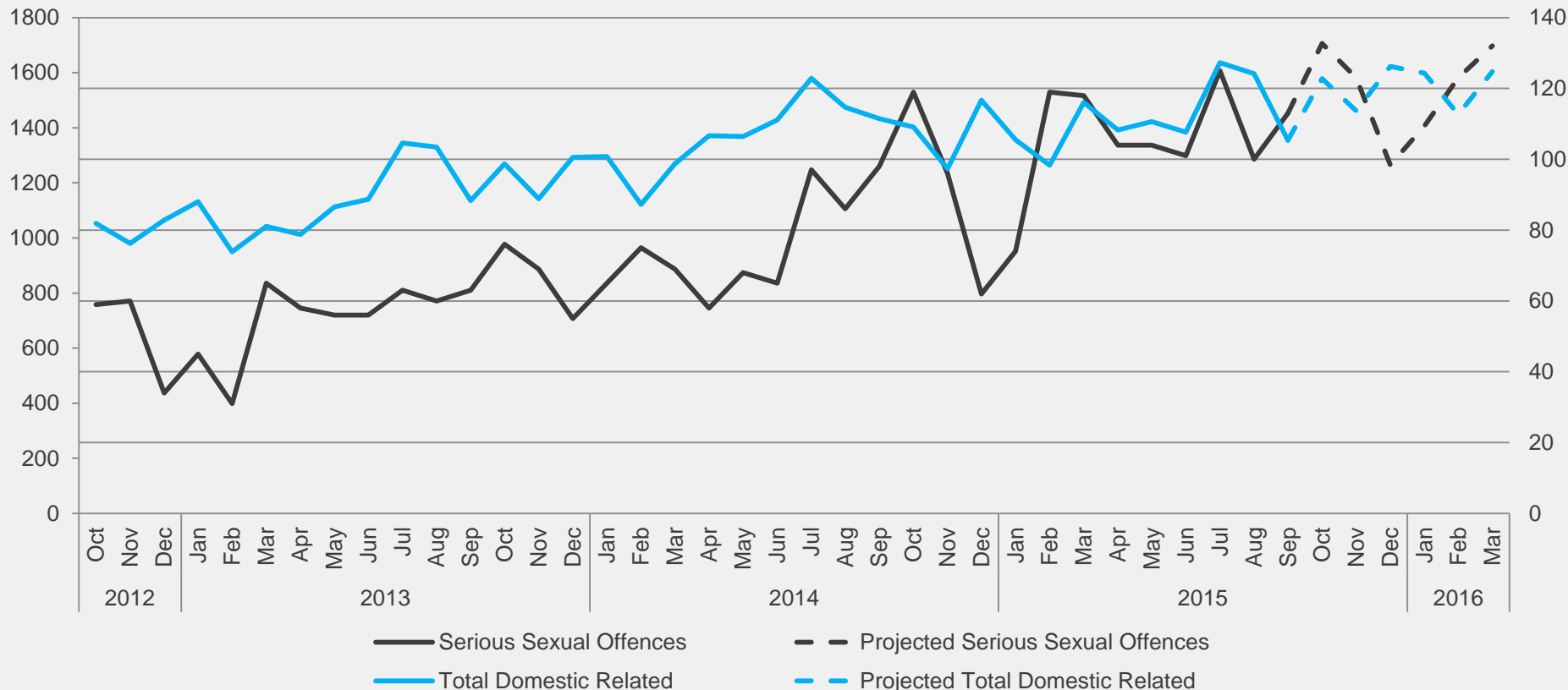


# Change in Crime - Fraud (continued):



# Vulnerability Related Crime

## Serious Sexual Offences and Domestic Abuse (01/10/2012 - 30/09/2015)

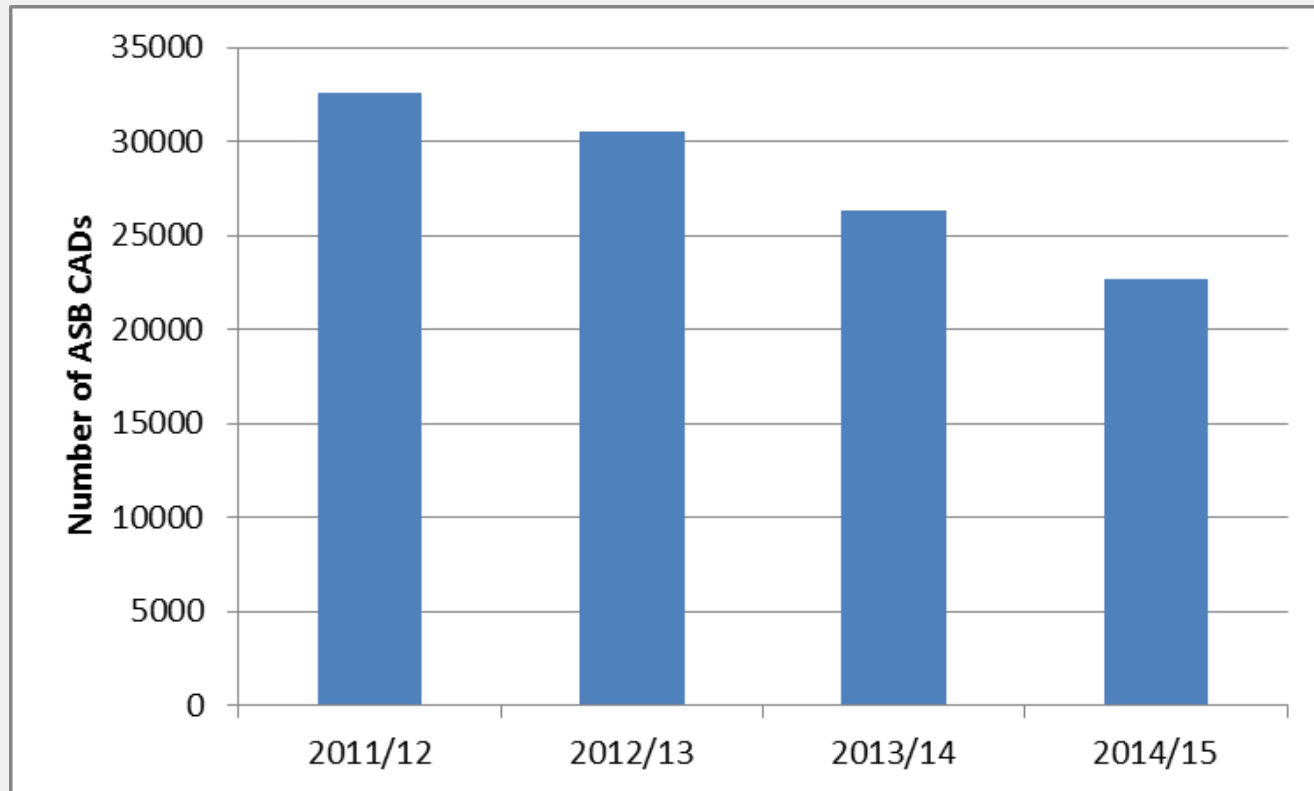


# Mental Health

- 10,000 calls represent 5% of incident demand  
Grade A (7%); Grade B (6%), Grade C (3%)
- 1,443 known offenders with a local warning for mental health issue
- 743 known offenders with a learning disability
- 38% of detainees indicated they have a mental health issue



# Change in ASB (continued):



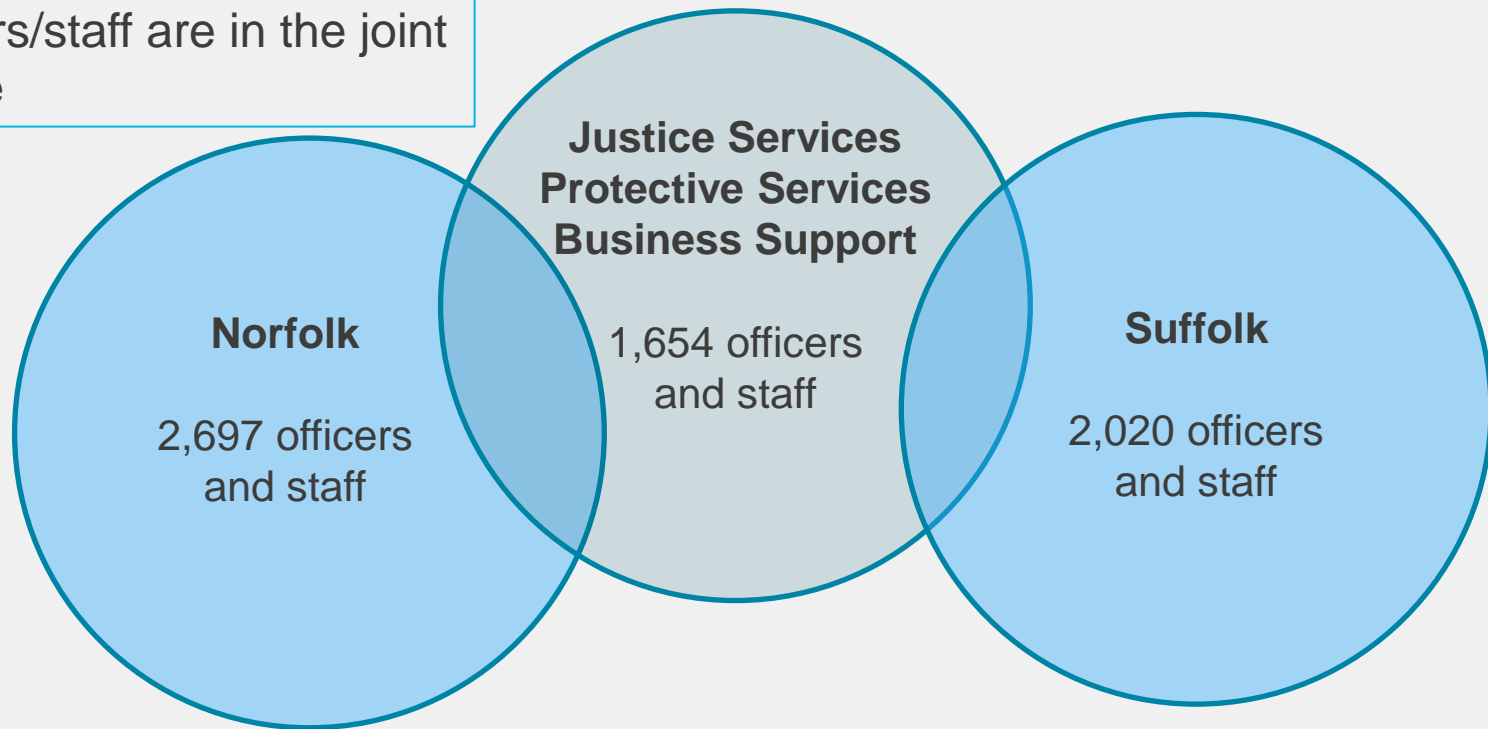
- There has been a reduction of 30% (almost 10,000) in the number of ASB CADs since 2011/12



# Collaboration with Suffolk Constabulary

Strength at 31 December 2015

34% of all Norfolk officers/staff are in the joint space





# THE FINANCIAL CONTEXT



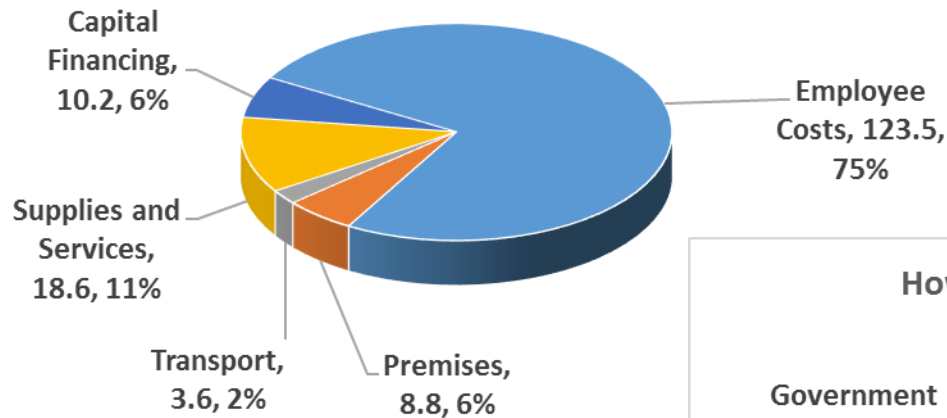
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COMMISSIONER FOR NORFOLK



**NORFOLK**  
CONSTABULARY  
*Our Priority is You*

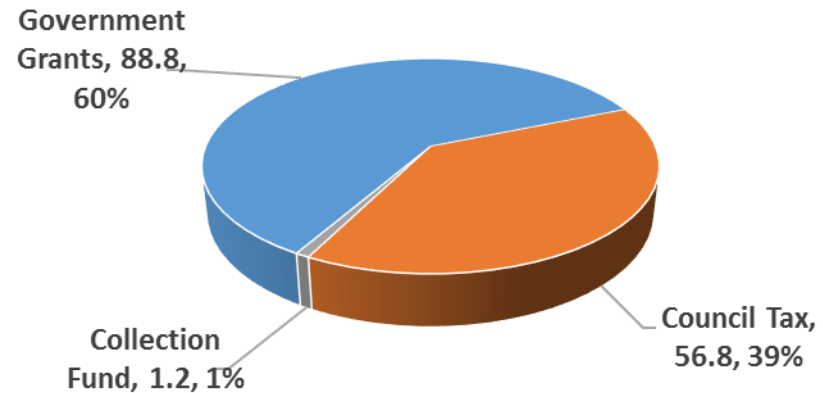
# Budget and Financing (2015/16 Budget)

What we spend £m  
(2015/16 Budget)



1,500	Police Officers
190	PCSOs
1,000	Staff

How Net Expenditure is Financed £m  
(2015/16 Budget)



## The Medium Term

- The Chancellor (Spending Review Nov 2015) surprised us all by 'protecting' police funding.
- We expected the Home Secretary to 'top slice' the local policing grant pot by much more than usual to deal with counter terrorism and other national policing issues.
- This did not happen and the 2016/17 Police Main Grant has (only) been reduced by 0.6% (£0.5m) compared to the current year.
- Top-slices (nationally) increased from £176m (2015/16) to £218m.
- The Government's line in the provisional grant settlement was that if PCC's increase their council tax, then funding would be slightly better than cash neutral.
- A new funding formula is expected for 2017/18. Norfolk is neither a winner or loser under the current formula.



# The Medium Term

- Home Secretary – 8 December 2015

*“So this settlement is not a reprieve from reform. It does not let you off the hook or mean you can slow the pace of change. Nor does it insulate you from the need to make further efficiencies. Quite the opposite. Now – more than ever before – there is no excuse not to deliver.”*



# Financial Planning Assumptions

	2016/17 (MTFP 2015/20)	2016/17 Budget	2017/18 Forecast	2018/19 Forecast	2019/20 Forecast
Government grant	-4.5%	-0.6%	-1.5%	-1%	-1%
Council tax base change	1.5%	1.67%	1.5%	1.5%	1.5%
Collection fund surplus	£0.5m	£1.4m	nil	nil	nil
Pay awards - officers	1%	1%	1%	1%	1%
Pay awards - staff	1%	1%	1%	1%	1%
Non-pay inflation (average)	2%	1.5%	1.5%	1.5%	2%



# Sensitivity Analysis

	Variation	
	%	£m
Government grant	1	0.8
Tax base increase	1	0.6
Precept	1	0.6
Pay awards officers (full year impact)	1	0.6
Pay awards staff (full year impact)	1	0.4
Non-pay inflation	1	0.3



# Budget Pressures/Savings

	2016/17 £m	2017/18 £m
Pay and Price Increases	1.3	1.3
LG Pension Scheme – Employer Contributions	0.3	0.3
Apprenticeships Levy	-	0.5
Single Tier Pension (additional NI)	1.7	1.7
Job Evaluation	1.0	1.0
Safeguarding and Investigations posts	0.4	0.4
Control Room posts	0.4	0.4

In the period April 2010 to March 2016 Norfolk Police has saved £21m.

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- £8m is Norfolk only, and mainly local policing



# Medium-Term Financial Plan 2015/20

## Option 1

<b>Option 1. 1.98% Council Tax increase each year)</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>
Deficit before savings	5.0	7.0	7.1	7.6
Savings–Norfolk Policing Model (incl. PCSOs)	-1.8	-1.9	-1.9	-1.9
Other Change Programme savings	-2.1	-2.4	-2.4	-2.4
Other savings (Scrutiny)	-1.1	-1.5	-1.5	-1.5
<b>Deficit after savings</b>	<b>-</b>	<b>1.3</b>	<b>1.3</b>	<b>1.7</b>
Financed by:-				
Budget Support Reserve				
Savings to be identified		1.3	1.3	1.7





# Medium-Term Financial Plan 2015/20

## Option 2

<b>Option 2. Council Tax freeze (each year)</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>
Deficit before savings	6.0	9.4	10.7	12.5
Savings–Norfolk Policing Model (incl. PCSOs)	-1.8	-1.9	-1.9	-1.9
Other Change Programme savings	-2.1	-2.4	-2.4	-2.4
Other savings (Scrutiny)	-1.1	-1.5	-1.5	-1.5
<b>Deficit after savings</b>	<b>1.0</b>	<b>3.6</b>	<b>4.9</b>	<b>6.6</b>
Financed by:-				
Budget Support Reserve	1.0	?	?	?
Savings to be identified		3.6	4.9	6.6



# Capital Programme 2016/20

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
<b>Norfolk only:-</b>				
Estates	11.0	6.2	0.4	-
ICT	0.4	1.5	0.5	0.5
Vehicles and Equipment	1.3	1.0	1.0	1.0
<b>Joint Schemes (Norfolk share):-</b>				
ICT	3.0	0.5	0.8	0.8
<b>TOTAL</b>	<b>15.7*</b>	<b>9.2</b>	<b>2.7</b>	<b>2.3</b>
<b>Financed by:-</b>				
Grant	0.6	0.6	0.6	0.6
Capital Receipts	0.8	0.9	1.1	-
Revenue	0.8	0.8	0.9	0.8
Use of Reserves	8.5	0.8	-	0.9
Internal Borrowing	5.0	6.1	0.1	-
<b>Total</b>	<b>15.7</b>	<b>9.2</b>	<b>2.7</b>	<b>2.3</b>

\* Includes estimated slippage from 2015/16 of £3.9m



# Budget Support Reserve

- This Reserve was key to delivering the austerity cuts
- Planned to use ~£21m over the period to 2019/20 to support (part finance) the budget, prior to savings coming on stream
- Given the improved financial settlement £15m of this Reserve will be used to finance capital expenditure previously funded from internal borrowing.
- In turn, this will generate revenue budget savings rising to £1.5m per annum by 2018/19 (repayments of 'principal' are not required).
- Around £6m of the Reserve will remain for use over the medium term. Particularly important if the budget gaps increase.



# Council Tax

Band	2015/16	2016/17	Increase
		+1.98%	£
A	139.20	141.96	2.76
B	162.40	165.62	3.22
C	185.60	189.28	3.68
D	208.80	212.94	4.14
E	255.20	260.26	5.06
F	301.60	307.58	5.98
G	348.00	354.90	6.90
H	417.60	425.88	8.28

If the 'freeze' option was agreed, there would be no change in the Band D tax.

In Norfolk **75%** of properties are **below** council tax Band D.



# The New Change Programme

- In both budget options savings are required
- The forecasts (2017/18 onwards) do not include additional resources for demand increases arising from the changing nature of crime.
- The New Change Programme will have 3 strands:-
  - Norfolk 2020
  - Regional Collaboration (back office, criminal justice, Athena)
  - Strategic Budgeting Review (outcome based budgeting)



# Future Planning Uncertainties

- Further top-slicing of the main grant
- Revisions to the funding formula for 2017/18
- Pay awards
- Demand increases



# The Challenge for the Police and Crime Commissioner

- Resourcing the Chief Constable to cope with increasing and changing demands on the service
- Protecting the front line
- Balancing the budget

## The final question..

Should I freeze or increase the police element of the council tax?

