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Devon, Cornwall and the Isles of Scilly
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CC/SG/SDB

Dear Commissioner

BUDGET PROPOSAL 2024/5

1. Introduction

I write to outline my operational budget proposal for the following four years. The proposal incorporates the Government funding settlement announcements in December and has regard to the Police and Crime Plan. The budget calculation has been undertaken in discussion with your Chief Financial Officer.

Last year the budget proposal developed around three areas of priority focus – improving access to communities, looking after our people and getting our investigative and behavioural standards right. These basic enablers of good policing were the focus of investment in 2023/4 and will be in 2024/25 and beyond. They are also fundamental to our responses to the HMICFRS Engage process.

Since the last budget I have been personally leading on the improvements required under the HMICFRS “Engage” process and I am pleased to be able to report on the significant improvements made throughout that time.

There are clear performance improvements in the Management of Sexual or Violent Offenders (MOSOVO), with a number of Forces now seeking support from us in terms of developing improvement plans and viewing our innovative MOSOVO performance app. As you are aware this is no longer a cause for concern for HMICFRS. Performance improvement is now also evident within crime data integrity work but I recognise that we have not yet achieved consistency in our performance, impacted by a number of technological and structural changes. I remain committed to ensuring the improving trajectory is sustained.

In relation to Contact, a huge range of activity has, and continues, to take place including strengthened leadership, a focus on performance management, improved

processes and technological change. This activity has translated into clear performance improvements in relation to 999 call handling and 101 call handling performance. Most recently over the festive period call demand was up by 30 % (an additional 3057 calls) compared to the same period last year. Despite that I am proud to say 96.2 % of all 999 calls were answered within 10 seconds. Eighty nine percent of 101 calls were answered within 10 secs with an average call wait time of 11 minutes 9 seconds There was no email queue.

The PEEL report and our own subsequent deep dives, peer reviews and analysis have given the Force a clearer understanding of how to ensure the Force emerges from Engage a stronger, more capable organisation. This has led to the creation of the wider Force improvement plan – developing what the Force sees as the DNA of an effective police Force.

These challenges are in the context of the interim leadership arrangements which have been put in place due to the absence of the substantive Chief Constable; this has meant that this last year has not been easy. As the substantive Deputy Chief Constable, I have taken on the role of Acting Chief Constable and had to make a number of interim arrangements to fill the leadership gaps behind me. I am grateful to colleagues for their support in ensuring that the Force continues to have robust leadership and we have a clear service improvement plan in place to secure sustainable performance and high quality policing for the public we serve. We are building on an already strong base of public support. The Force commissions a significant annual independent survey of the Devon and Cornwall public which continues to show that 78% have confidence in policing in their area. That confidence is even higher amongst younger age groups.

Devon and Cornwall Police's purpose is to deliver community policing with competence, compassion and a common-sense approach. This straightforward approach rests on more complex resourcing and funding arrangements. This paper outlines savings and investments, and estimates for future years' budgets, and considers the robustness of the 2024/5 budget. This year's settlement represents the last of the current comprehensive spending review. Grant funding for future years is therefore especially unclear; this paper offers reasonable proposals for meeting future funding shortfalls.

My 2024/5 budget requirement is balanced at a 2024/5 council tax increase of £12.94 (4.95%). The full details of my budget proposal are included in the medium term financial strategy (MTFS), which is attached.

2. Efficiency and Savings Plans

2.1 Savings Plans 2023/4

Last year's medium term financial strategy built in a significant programme of targeted service reviews to further improve efficiency, effectiveness and productivity. Areas of the force to be reviewed included Crime, Vulnerability, Criminal Justice, Custody, support departments and non-staff savings. These reviews remain in the

2024/5 budget proposal; they also remain challenging. My 2024/5 budget proposal does not however require any further large scale reductions.

The 2023/4 savings plans have been overseen by active boards and processes and progression has been good. Non staff savings of over £1m have been removed from the budget. Staff changes can take more time to deliver, especially when the current strategic approach is to free posts through natural wastage rather than redundancies. Management led reviews of targeted support departments are however on course to deliver £1m of savings as planned, mainly through holding open vacant posts. Ambitious reviews of criminal justice, vulnerability and crime are also on course to deliver part year savings of over £700k in 2024/5, and full year savings of £1.5m the year after. There have been some delays in implementing these plans which are reflected in the new budget calculation.

The most challenging review remains that of custody provision. You will be aware of the major work undertaken and the complex and interconnected dependencies that work has identified. As a result, the outcome of the review is now later and the savings less than anticipated; my budgeted savings have been reprofiled on that basis. We are currently holding detention officer posts vacant and using police officer resources to fill the gap. We anticipate the review will not report until summer 2024.

2.2 Savings Plans 2024/5

We have achieved significant improvements in contact in recent months. To maintain this position and drive further efficiencies a review of call handling and control was budgeted for in the 2025/6 MTFs year – these anticipated savings (reprofiled) remain part of this year's budget proposal too. Where it prudent to do so I will be seeking further efficiency savings in this area, and work will commence on that review in 2024/5.

As part of the budget preparation process for 2024/5, further savings of around £4m have been identified which have more than mitigated the budgeted changes in the 2023/4 savings plans. These include:

- Significant reductions in utility costs, following price changes
- Vision Zero SW investing in police speed enforcement capabilities
- A review of numbers and training procedures for protective equipment

2.3 Police Officer Transferees

The medium term strategy also assumes that the number of police officer transferee recruits we will accept (currently 55 per year) drops to 35 in 2024/5 and 5 thereafter. We have been very successful in recruiting transferees and this has enabled us to more than achieve our uplift targets, and also brought welcome experience and service skills. Nevertheless, transferees can be a comparatively expensive resource compared to student officers. With uplift now complete, I am content that we reduce new transferee appointments; we will keep this policy under review.

Again, as a result of the uplift programme ending the police pay budget had been reprofiled to reflect changed known recruitment patterns. This has reduced costs in the later years of the MTFS.

3. Robustness of the calculation

As is usual I want to take this opportunity to assure you of the robustness of the budget calculation and to highlight any inherent risks.

3.1 Pay Award, Pensions and Inflation

In 2023/4 the Force, in line with many others, budgeted 3% for the pay award which is set nationally. Given that people costs make up around 85% of my budget, pay awards remain the biggest unknown variable to the budget and therefore biggest financial risk we face in predicting expenditure. In 2023/4, the pay award was 7% but the government substantially funded unbudgeted costs and this has now been included in base funding. We have budgeted for 3% pay awards in 2024/5 and 2% thereafter; these numbers are in line with the Office of Budget Responsibility forecasts (published as part of the Autumn Statement).

As highlighted last year, the national pensions scheme has been revalued and employers' contributions have increased by 4.3% to 35.3% of pay, an increase in cost to Devon and Cornwall of around £7m. Additional funding for this was included in the 2024/5 police settlement. As a result, two significant financial risks identified last year (unaffordable pay and pensions costs increases) have significantly reduced.

Price increases built into the 2023/4 plan have not continued to rise (and indeed there have even been some reductions). The risk of volatile inflation has therefore also diminished.

3.2 Police Officer Uplift Grants and Police Officer Numbers

The national programme for the uplift of police officer numbers has now finished. Due to your previous precept support for 90 extra officers, and the successful recruitment strategies put in place by the Force, Devon and Cornwall have significantly exceeded their uplift target. Not all policing areas have been as successful in achieving their target, however. As part of the 2024/5 settlement the Government has redistributed funding between Forces to take this into account. In practice this has benefited Devon and Cornwall Police by £3.4m; proportionately the biggest allocation of any police force area. This has enabled us to meet the unfunded part of the pay awards, meet other unexpected costs pressures such as changes in leavers and secondment profiles, and reflect the changed expectations of the savings programmes.

This grant does however provide some risks going forward, especially as Devon and Cornwall has received such a significant financial amount.

- It increases the number of officers we need to have to maintain our Uplift Grant by 71
- The grant may reduce in future years if other Forces go on to achieve their targets.
- The grant funding is not explicitly identified in the police settlement as permanent base funding

However, modelling indicates we are likely to be able to meet our headcount target, and the settlement does indicate that the change is a permanent one. As such we have budgeted for the £3.4m to continue in future years. To mitigate the financial risk we have assumed it remains as a flat cash amount in the future. Our pay award assumption of 3% is also useful mitigation.

My budget proposal assumes a continuation of 3,610 full time equivalent officers, our highest ever number.

3.3 New One Off Grants and Other One off Funds

As Police and Crime Commissioner you are able to access grant funding as additional income. The police budget settlement included the announcement of three additional funding lines (Hotspot funding of £1m, Immediate Justice part year funding of £500k, and Safer Streets funding of around £350k). My budget proposal assumes that these grants will all require matching additional spending. In practice this means an opportunity for new work with partners for community based activity. We look forwards to seeing more detail on these grant conditions in due course.

The funding settlement also hinted at further opportunities to claim one off uplift grant. When combined with the above grants it's likely that opportunities will arise in 2024/5 to bring forwards investments (see paragraph 4), revisit difficult savings timescales (e.g. Contact savings), and trial new service approaches.

3.4 Funding requirements in future years

As this is the last year of the current Comprehensive Spending Review (CSR) we have no detail of funding levels beyond 2024/25. We have made prudent assumptions around council tax increases and grant increases for the last three years of the plan, as detailed in the attached MTFS. Budget requirement figures, especially for police pay, have been calculated forwards in detail. Naturally, the further into the future a projection is made, especially in the absence of funding information beyond 2024/5, the less it can be relied on.

4. Investments

As highlighted in my introduction, the 2024/5 budget is a continuation of the strategy outlined in last years' budget.

4.1 Public Enquiry Officers

Together we have opened 6 additional public enquiry offices in communities this year. The response in terms of public support has been significant and the impact on our communities has been positive. Your budget survey illustrates the importance people put on an open police station as part of their community. In addition, following investment in systems, Enquiry Officers are now contributing significantly to answering e mails sent to the 101 service. As you are aware email queues have almost disappeared.

Owing to this success and to further support your Police and Crime Plan, my budget proposal now includes 4, not the original 2, additional front desk openings in 2024/5. I have asked the project team to develop some other enhancement options to discuss with you.

4.2 Call Handling (999 and 101)

Our improvement plans in call handling have concentrated on process, technology, and organisation rather than increasing numbers of staff. We have introduced a new call handling system, which is now in and running. This has then allowed further enhancement through better automated work allocation between call handlers ('ring fencing'), public enquiry officers replying to 101 emails, and the introduction of call backs This success has been enhanced by better training, more focussed supervision, and by seeking learning from other organisations. We have also invested in a new permanent police staff role to enhance leadership continuity in this area

We are no longer a poor performer for call handling: indeed, on occasions our performance is the best in the country. Call backs have been especially well received by the public. I have every reason to believe, given the statistics I am seeing, that we will soon be an outlier for high performance in this area.

4.3 Professional Standards and Public Complaints Handling

Despite investment in numbers in previous years, our customer complaints handling service has remained unsatisfactory. The decision was taken this year to decouple from the Alliance in this area, but I am not confident that will solve the issues. I fully accept the need to change how we deal with public complaints – they take too long and are not always consistent, which undoubtedly impacts public confidence. We are also not effectively identifying and embedding the organisational learning from public complaints that we should. The budget proposal includes a part year effect of an assumed ongoing £500k investment in this area. I very much look forward to working with you to improve this service to the public.

4.4 Firearms Licencing

Additional police staff investment was made last year to clear backlogs, address recommendations and legislative changes, and improve the service to certificate holders and applicants. As you know service in this area – and particularly with regards to temporary certificates – is improving but I acknowledge there is more work to be done. Following advice from the national lead for firearms certificates I have not included any assumption of increased charges for certificates at this stage.

4.5 Regional Police Collaborations

The Force budget includes additional investments in regional police collaborations to provide greater access to specialist skills. This includes the second year of the Regional Forensics development plan, as agreed by regional Chiefs and PCCs in 2023. I am eager to focus, through the Regional Operational Board, on the performance increases we should expect for the public given our significant financial support to this invaluable area of police work.

4.6 Capital Investment

I am pleased that the capital budget for 2024/5 shows the completion of Camborne Police Station, the on going reprovision in Exmouth and much needed remedial work at Bodmin, Ilfracombe and HQ . The long term capital programme also considers the cost of electric vehicle infrastructure and the need for significant infrastructure replacement including the new server provision, a project to provide fit for purpose digital storage including for body worn video, and replacement of our taser stock .

4.7 Other Key Service Areas

I have continued investment – in line with workload increases – in MOSOVO where service risks are, as outlined above, falling. I have also transferred additional officers to the Paedophile Online Investigation Team (POLIT) to further develop our response to child sexual offences. Following a detailed review of long term, but temporarily funded, agency staff groups, I have invested £250k in making a small Crime Standards Unit permanent. With your support I have also extended temporary funding for additional investigation capabilities

There are other business as usual improvements which do not currently require additional funding. One example is Operation Synergy, which will hub together CID resources to improve investigative outcome. It is yet to make recommendations, and nothing is currently included in the budget proposal for its implementation.

Small investments have been made in temporary roles to enable the Performance department to support reporting from our crime system NICHE and the provision of a team to support the value of the day-to-day use of NICHE within Force. A small additional investment in coroners' officers agency support has also been made following a review of the position.

The Vision Zero South West partnership, which you chair, has invested significantly in police enforcement capabilities during 2023/4 This innovative partnership

continues its work to reduce road deaths and is investing revenue generated from offenders into prevention approaches to improve road safety.

5. A Balanced Budget

No matter the difficulties in predicting future years grant, it is imperative that we can show a medium-term balanced budget and demonstrate sound finance and value for money to HMICFRS and other external stakeholders. It is important for police officers and staff because it provides reassurance on their employer's financial position. Most importantly, the public can be assured their police service is sustainable in the medium term.

The 2024/25 budget requirement (including the investments and savings plans as outlined above) is fully balanced by a combination of government funding as announced in December and a council tax of £12.94. The following years – which include prudent grant estimates and council tax increases - still show areas where detailed savings strategies need to be worked through.

As we have discussed there are several options or mix of options that could close these future gaps. We could still reduce officer numbers by up to 50 and maintain our uplift total. We could replace police staff with police officers within reasonable and achievable limits without the need to move to compulsory redundancies. Future council tax increases of less than 5% could in themselves close the gap.

My Chief Finance Officer informs me that she considers that the four year MTF5 is robust because:

- It is fully balanced in 2024/5
- The assumptions in spend, grant and council tax for future years are prudent
- There are a range of feasible plans in place that will balance the budgets in 2025/6 onward
- The unspecified gaps that remain are proportionately small - less than ½% of budget each year

I therefore wish in the coming 12 months to take this opportunity to consider an optimal workforce mix that closes the gap and potentially improves the service. Some police staff posts would be more productively filled by police officers because of the resilience for front line policing that might provide. Conversely some police officer posts would be more productively filled by police staff, because of the stability and experience that could bring. I am in support of your proposal to seek research into the correct workforce mix. That work, if undertaken in 2024/5, will inform our budget discussions this time next year. We will also at that stage have sight of the new comprehensive spending review due to be launched during 2024.

6. Conclusion

The 2024/5 budget will balance at a council tax increase of £12.94 (4.95%), just below the maximum council tax increase of £13 announced by the Home Office as part of the overall settlement. Obviously, the decision on council tax levels remains entirely one for you and I know you are acutely aware of the impact of tax increases on the public.

Nevertheless, I recommend that you support my budget request as outlined in this report. The proposal ensures:

- Officer numbers will be maintained at 3,610 - Devon and Cornwall's highest ever number
- Police Officers will not be placed into inappropriate vacant police staff posts
- Investment in HMICFRS priority areas continues
- Investment in front desks is brought forward
- Opportunities can be taken for community policing enhancement through new grants
- Improvements in dealing with public complaints
- We have time to develop our workforce mix
- Improved performance in priority areas is sustained
- There is a sound financial basis for the next three years

I look forward to developing these opportunities with you. It is my belief that Devon and Cornwall Police are in a strong position with regards to both our financial planning and our improving performance. We are, at some pace now, becoming a force with a much greater sense of purpose and pride in the service we deliver. We are also becoming much less tolerant of some of the poor performance in our recent past. I believe with this budget proposal we will have the resources we need to continue that improvement. In closing, and with your continued support, I am confident that this force is in a very good place to deliver competent, compassionate and common-sense policing to the communities of Devon, Cornwall and the Isles of Scilly over the coming years.

Acting Chief Constable