

**THE OFFICE OF THE POLICE AND CRIME COMMISSIONER
FOR DEVON, CORNWALL AND THE ISLES OF SCILLY**

Report and appendices - *FOI Open*

**SAFE, RESILIENT AND CONNECTED
COMMUNITIES**

Police and Crime Panel Meeting
Friday 2nd February 2024
Report of the Police and Crime Commissioner

**Proposed Precept, Budget and Medium Term Financial
Strategy (MTFS)
2024/25 - 2027/28**

1. Summary

- 1.1. This report considers the future four-year financial position for the Police and Crime Commissioner (the Commissioner) and the Chief Constable. It presents the Commissioner's council tax precept recommendation for 2024/25 for consideration by the Police and Crime Panel.
- 1.2. My proposal is for a total precept increase of £12.94 for this year which equates to a council tax Band D of £274.50. This represents an increase of 4.95% in the Band D equivalent for the police element of the council tax for the 2024/25 financial year. Currently Band D households pay £26.16 a month over 10 months (if paid monthly) this will rise to £27.45.
- 1.3. Items for the Police and Crime Panel to note:
 - The Commissioning Intentions Plan attached as Appendix 3.
 - The Reserves Strategy, Treasury Management Strategy and the Capital Strategy are published online to ensure transparency.
 - The Chief Constable's resources summary letter detailing his operational policing requirements for the coming year as Appendix 2.
- 1.4. The ongoing challenging national economic picture is impacting on policing with significant increases in areas such as pay and the inflation rates continuing to be above the government target of 2%. This has been recognised by the government who have given all

Police and Crime Commissioners the flexibility to increase the council tax precept by up to a maximum of £13 for the coming year. The increase in funding that I intend to make available to the Chief Constable through the precept (as outlined in the MTFS) is specifically to protect policing services and the police officer uplift programme and enable it to be sustained for the long term. This increase will also allow for some modest investment in services with a focus on improving public confidence. I know from the public feedback I receive that the visibility of policing and public confidence in policing is vitally important and this budget proposal will focus on this element. The letter from the Chief Constable (attached as Appendix 2) sets his proposals for the coming year.

- 1.5. I have not requested the full amount of the council tax increase every year. Since my first budget in 2017/18, and including my current proposals, I have maximised the increase five out of eight times. As a major preceptor, when approached by billing authorities, I was also happy to agree the changes proposed to the support provided to working families and children in care. The changes mean that, depending on individual circumstances, they will be able to claim up to 100% support for the council tax liability.
- 1.6. The Police and Crime Plan is a requirement of the Police Reform and Social Responsibility Act 2011 (PRSR). The strategy used to produce this MTFS is my Police and Crime Plan for 2021-2025 which provides continuity from my previous approach 'Safe, resilient, and connected communities'. The Plan has four priority areas: anti-social behaviour, drugs, road safety and preventing serious violence and was considered by this Panel in September and November 2021.
- 1.7. This report has been produced in consultation with the Acting Chief Constable.

2. Recommendation

- 2.1. That the Police and Crime Panel accept the council tax precept proposal and do not exercise a veto.

EXECUTIVE OVERVIEW BY THE POLICE AND CRIME COMMISSIONER

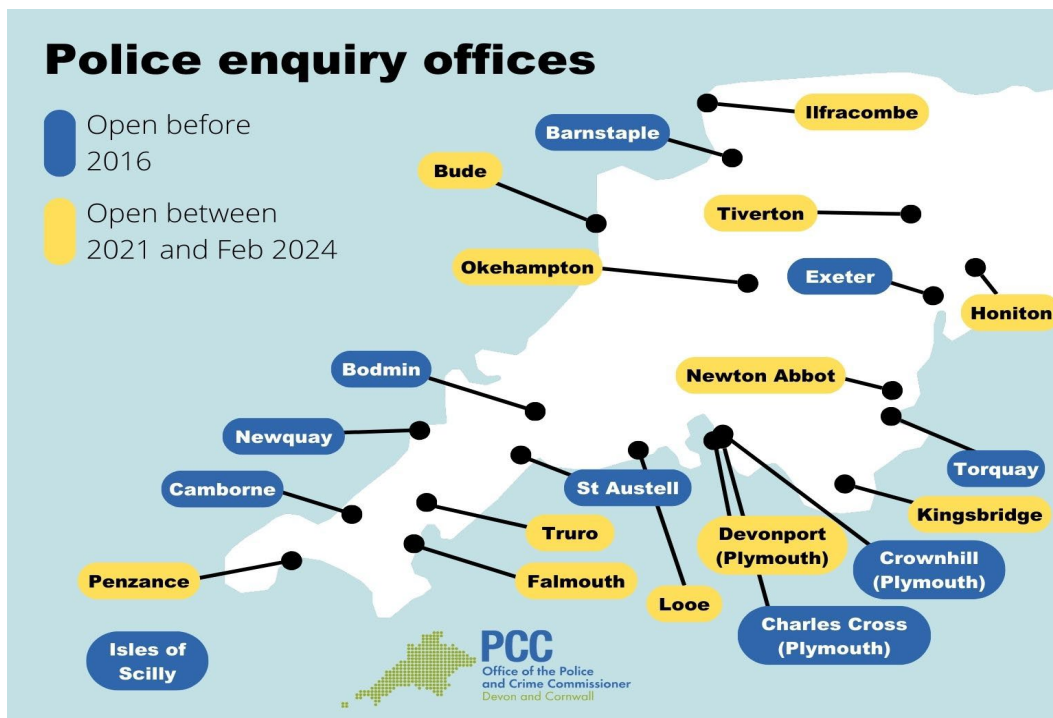
3. Introduction

- 3.1. This is the last budget of my current term of office. It builds on previous successes and real and tangible benefits to the communities of Devon, Cornwall and the Isles of Scilly. It highlights successes over the last three years of which more detail is available in my Annual Reports and other reports at this meeting and include:
- In Autumn 2023 Devon and Cornwall force was categorised as the safest place in the country according to the latest Office of National Statistics (ONS) crime figures. The Force has consistently been in the top three safest areas in recent years, and we are ahead of Wiltshire and North Yorkshire. Crime in Devon and Cornwall rose by 0.4%, below the national average of 2.6%.
 - There are now more police officers than ever before at 3,610 officers which is 686 more than when I took office in 2016.
 - Delivering more than £2.7 billion in funding for policing services to the Chief Constable to protect our communities since I took office in 2016.
 - Opening 12 Public Enquiry Offices. By the end of March 2024 there will be 22 Public Enquiry offices open to the public across the Devon and Cornwall Police area with a further five more to be opened.
 - Investing £4 Million to intervene in and prevent serious violence.
 - Investing £12.2 Million in Community Safety Partnerships (including YOTs) to tackle local community safety priorities.
 - Commissioning £35.7m of services from the community and voluntary sector to improve services for victims and reduce reoffending.
 - Delivering specialist equipment including body worn video to all police officers.
 - Enhancing the Force drone capacity to improve efficiency and effectiveness.
 - Implementing and maintaining the innovative Tri Service Officers approach across Cornwall.
 - Establishing the Vision Zero Partnership in which partners have collectively invested £5.3m to improve road safety.
 - Implementation of a new strategic partnership with Victim Support to provide advocacy and support for all victims, whether they have reported to the police or not.
 - Brought in £17m of grant income into the peninsula including £5.5m of Safer Street funding for North Stonehouse, Exeter City Centre, Falmouth, Plymouth, Truro, Torbay, Barnstaple, Plymouth University, Exeter University, Paignton, Redruth and Camborne.
 - Supported more than 40,000 victims of crime per annum and developed a new online resource for victims of crime [Home - Victim Care Devon & Cornwall \(victimcare-dc.org\)](https://victimcare-dc.org)
 - Delivered substantial improvements and modernisation of the policing estate including the delivery of five new buildings: Exeter Police Station, Liskeard Police Station, centralised records store, Barnstaple Police Station and new training and welfare facilities at Exeter Headquarters.

- Delivered a world class response to the hosting of the international G7 summit in Cornwall in 2021.
 - Introduced a new commissioned service for victims of anti-social behaviour.
 - Responded to the tragedies in Keyham and supported the Plymouth community to recover.
 - Provided service continuity throughout the COVID-19 pandemic.
- 3.2. Maintaining services in the public sector with finite resources when there are fixed costs, a high level of staffing costs and legal requirements which must be adhered to is challenging. This is further compounded by policing's 24/7 delivery, 365 days a year to protect the public. There is very little flexibility in how this can be achieved when the majority of the revenue budget is staffing with specific requirements on the number of police officers employed as a condition of the uplift grants we have received. This year the government has given Police and Crime Commissioners the flexibility to raise their council tax precept by a maximum of £13 per year (on a Band D property) to be able to mitigate these challenges, but the choices are still difficult and do not come without consequences. I have listened carefully to public feedback and have ensured that my proposals provide the Chief Constable with sufficient resources and flexibility to maintain a sustainable position in Devon and Cornwall Police.
- 3.3. In addition to the base funding available I have also welcomed the news that the government is continuing to support Safer Streets 5 into 2024/25 and that we have secured £1m of funding specifically to tackle ASB and a further £500,000 later in the year for interventions to support immediate justice. Whilst this additional funding is always welcome it is of a one off nature.
- 3.4. The Acting Chief Constable has set out his proposals in his letter at Appendix 2.

4. Service Transformation

- 4.1. I have been determined to reopen front desks to reconnect policing to the communities they serve and provide an alternative method of contact whilst the issues with the 101 telephone service are resolved. The first phase of re-openings saw front desks in Newton Abbot, Tiverton, Penzance, Truro, Bude and Falmouth opened during the Autumn/Winter 2022. Phase two was Devonport, Looe, Okehampton, Ilfracombe, Kingsbridge and Honiton. Phase three will see a further four police enquiry desks open during 2024/25. In addition to this a further enquiry desk will be opened as part of the new Exmouth Police Station. These are already providing vital additional capacity to the two contact centres we have in Devon and Cornwall.



- 4.2. Working at a regional level has also driven collective change and increased visibility of policing and enhanced the ability to work at scale to have a greater impact on issues which commonly affect communities. Our regional approach to drugs which is also known as Operation Scorpion, continues to evolve and has proven itself to be successful. To date the results from Operation Scorpion are 3,272 disruptions with 627 arrests. 389 people have been safeguarded, 19 firearms have been seized, more than 213kg of drugs seized and in excess of £950,000 cash seized. In addition, Devon and Cornwall Police hosted the Merseyside Police disruption team known as Op Medusa. The successes of this have been widely reported and I am enhancing our ties with Merseyside Police locally through additional analytical support, the first time that a Police and Crime Commissioner has directly done this to enable closer working with operations.
- 4.3. Tackling violence including serious violence and violence against women and girls (VAWG) remains a high priority. During 2023 the Home Secretary updated the Strategic Policing Requirement (SPR) which details what the current national threats are, and the national policing capabilities needed to counter those threats and include violence against women and girls for the first time. I continue to invest in both victim and perpetrator programmes to prevent future crimes and ensure that the needs of victims are understood and met and have supported the Chief Constable to affect meaningful change through programmes such as Operation Soteria Bluestone which is changing the way rape is investigated. As Chair of the Local Criminal Justice Board, I am focused on securing improvements across the criminal justice system to bring more offenders to justice, provide meaningful rehabilitation of offenders and support victims throughout their journey. My Commissioning Intentions Plan provides more specific detail of next year's investments to secure continuity of provision.
- 4.4. Devon and Cornwall and the Isles of Scilly has the highest number of legally held firearms in Great Britain and changes to statutory guidance significantly increased the assessment requirement for both new application and renewals for firearms license, as well as ongoing assessment standards. The investment we made into Firearms Licencing has enabled substantial improvements of the service to the public applying for certificates and licences. Whilst there is still some way to go, there has been a relentless focus on stabilising and modernising the service with public safety and service at its heart and as part of this

improvement journey, the Chief Constable and I have decoupled the service from the strategic alliance with Dorset so that I can have greater oversight and make the Chief Constable accountable for the delivery of service in this area. The level of additional scrutiny by myself on this service remains high along with IOPC, HMICFRS and the Home Office.

- 4.5. Since 2021 the governments Safer Streets Programme was launched and I have been successful in receiving £5.5m of additional funding for our communities. As well as supporting CCTV, Safer Streets monies have been used to fund street marshals, upgrade street lighting, places of safety for people who are out in our city centres, reducing antisocial behaviour and numerous other initiatives to make our towns and cities better places. Plymouth, Exeter, Truro, Torquay and Barnstaple, Paignton, Camborne and Redruth have benefited from this investment.
- 4.6. There has also been invaluable additional investment and support for the community of Keyham, Plymouth, with enhanced community policing and ongoing support for victims and wider community development. The Home Office continued this funding into 2023.
- 4.7. At a regional level we continue to be challenged by the investments needed to support Forensic Services to ensure that victims get good and timely levels of service. New requirements on International Organisation for Standardisation (ISO) accreditation and the complexity of digital footprints in over 80% of all crimes are a few but not the only pressures in this scientific element of policing. Additional investments are planned for 2024/25.

5. National Context

- 5.1. There is no doubt that public confidence in policing has been a challenge in recent years. High-profile cases of police misconduct have damaged public trust and confidence in policing. Confidence in policing and in our police officers has been badly damaged by local and national incidents of criminality and misconduct in the ranks. UK policing urgently needs to improve police culture and the public's trust that every police officer will keep them safe in their local communities. Devon and Cornwall Police have robust systems in place and strive to ensure that the police are robustly held to account through regular monitoring by my office and HMICFRS.
- 5.2. Chief Constables are being nationally urged to concentrate on crimes that matter most to people, get the basics right in investigations and restore focus on neighbourhood policing with burglary and shoplifting. The national Policing Productivity Review has made clear the value that technology can play in improving police productivity. There are a range of national technology and innovation investments currently being developed and/or rolled out in areas such as digital forensics, digital public contact, facial recognition, automated redaction, data and rape investigations.
- 5.3. The breadth of the work within the auspices of Police and Crime Commissioners continues to grow and evolve. Partnerships and collaborations have become more complex and working together across boundaries is now a vital component of influencing and improving systems. This year I have committed to providing leadership capacity to the regional strategic policing partnership and am hosting a number of posts within my office to facilitate this. Funded by all participating OPCCs in the South West my office is hosting three posts associated with policing collaborations and the prisoners building homes programme. In addition, the Local Criminal Justice Partnership Manager role has transferred into the OPCC from Devon and Cornwall Police in preparation for the statutory role of this partnership in 2024. This is in addition to the new convening powers for Police

and Crime Commissioners under the Combatting Drugs Partnerships and the new prevention of serious violence duties.

- 5.4. There is no doubt that the last financial year has been challenging for me, my team and Devon and Cornwall Police. Due to matters which pre-date the employment of the substantive Chief Constable I had to suspend the Chief Constable with the interim leadership of Devon and Cornwall Police being provided by Deputy Chief Constable Jim Colwell as part of known business continuity arrangements. The investigations into the Chief Constable continue (at time of writing) and are complex due to the jurisdictional matters associated with the police service and governance matters in Northern Ireland and these are not matters over which I have any influence or authority. As Police and Crime Commissioner I have no power of investigation into the allegations made and am entirely in the hands of other regulatory bodies to conclude this matter. The consequences of this process mean that the Deputy Chief Constable has had to make interim arrangements for cover within policing to allow him to become the Acting Chief Constable and temporarily backfill roles behind him. This is a challenging position when it comes to me being able to hold the Chief Constable to account, as the business continuity arrangements are not the stable platform which exist when there is a substantive Chief Constable in the most senior leadership role.

That said, the day to day delivery of policing has continued as planned and I have supported the Acting Chief Constable to successfully navigate a number of significant strategic issues including, the improvement plan associated with the HMICFRS “Engage” process; a number of high profile inquests; and the decoupling of the Firearms Licensing Teams from the Strategic Alliance with Dorset Police.

- 5.5. According to the latest Office of National Statistics (ONS) crime figures released in October 2023, Devon and Cornwall are the safest places to live and visit in England and Wales. However, Devon and Cornwall Police remain within an “engage” phase with HMICFRS. This process has enabled a welcome higher degree of focus on three specific issues, namely, crime data recording, management of sexual offenders in the community and the performance of the 999 and 101 service. Clear improvement plans have been developed and agreed with HMICFRS and tangible improvements are starting to be seen in all service areas affected. The force is no longer under the “engage” process for the management of sexual offenders due to the improvements made. The overall performance of 999 and 101 has been significant, and we are expecting a decision on whether or not the heightened monitoring will remain over the coming weeks.

6. Estate Management

- 6.1. As the owner of the police estate in Devon, Cornwall and the Isles of Scilly my office directly manages this service area. I continue to support a programme of innovation and modernisation of the estate and have supported changes and investment that have helped to deliver on my Police and Crime Plan and supported the welfare of our hard working police officers and staff. I am responsible for 146 buildings accommodating more than 6,000 police officers and staff and have 16 shared arrangements with partners right across Devon, Cornwall and the Isles of Scilly. I pay business rates in excess of £3.5m annually and the annual costs for 2024/25 of maintaining these buildings are £19m (revenue) and £9.7m (capital), for which I do not receive any capital funding from central government.
- 6.2. The estate portfolio is geographically spread, extensive, complex, and ageing (79% of the estate is over 20 years old), which despite improvements remains a significant legacy issue for both organisations. After officer and staff salaries, this is our highest area of

expenditure. Our new Estates Strategy (2022 to 2030) seeks to maximise the visibility of policing in communities but also generate efficiencies and savings for the public purse.

- 6.3. All my commissioning intentions have been delivered this year. This includes the new service for victims of anti-social behaviour and a brand new service for victims of road safety incidents, in partnership with Vision Zero South West.
- 6.4. The 2024/25 Provisional Police Finance Settlement was announced on 14th December 2023. I have run a new online budget engagement process on the totality of the budget from 28th November 2023. The survey was promoted on social media platforms, through Neighbourhood Alert, at public engagement events in many of our towns when my team have met the public face to face, and via community networks. I also invited all Police and Crime Panel members to an informal briefing on the totality of the budget settlement, hosted by my offices' Treasurer and Chief Executive in January 2024.
- 6.5. In summary, there were 2,487 responses to the engagement, which is statistically significant. What is clear from the results is that the public's funding priorities are local policing, a rapid response to incidents, crime prevention and roads policing. The full results of this budget engagement are shown in appendix 5 to this report. ASB has come out top for the issue the community want tackled.
- 6.6. By the end of March 2023, Devon and Cornwall Police had exceeded the additional 470 uplift in officers announced by the Government and have the highest ever complement at 3,610 officers.
- 6.7. The role of the Commissioner is to be the voice of the people and hold the Chief Constable to account. We are responsible for the totality of policing. Commissioners ensure community needs are met as effectively as possible and improving local relationships through building confidence and restoring trust. They work in partnership across a range of agencies at local and national level to ensure there is a unified approach to preventing and reducing crime. We are proud of our partnerships that help keep our communities safe.
- 6.8. The overall funding formula for policing remains a challenge for Devon and Cornwall Police and is still under review by central government. As part of this funding formula work all Commissioners were asked to submit evidence and data on the cost of sparsity and seasonality. A comprehensive response has been made for Devon, Cornwall and the Isles of Scilly which built upon the special grant application I made in 2019 supported by this Police and Crime Panel.

7. Investments

- 7.1. As I have discussed with the Panel previously, crime only accounts for 16% of the incidents reported to police in Devon and Cornwall. Officers deal with more missing people and people suffering mental illness than most other force areas, and it is important that we recognise that. Devon and Cornwall are implementing a new approach called "Right Care Right Time" to help mitigate the impact of this type of work on police resources as part of a national programme. The improved call handling already being delivered through 999 and 101 with rigorous oversight and performance management continues to improve public access to policing.
- 7.2. However, there are specific essential investments required during 2024/25:
 - **Public Enquiry Offices**

As detailed in paragraph 4.1 I have already opened 6 additional public enquiry officers in communities this year. In 2024/25 I plan to open a further 4 public enquiry offices in local communities, with Exmouth following as part of the new build station.

- **Call Handling (999 and 101)**

Ongoing investment at current levels into improvements in call handling (999 and 101) to build on the successes currently being delivered for communities. This includes new police staff leadership to secure continuity for the improvements in place.

- **Professional Standards and Customer Complaints Handling**

The handling of customer complaints remains unsatisfactory. Following a number of years of my scrutiny of the Forces complaints service I remain dissatisfied with the way in which it operates, the level of complaints received and the level of resource which the Force has allocated to it. Despite our decision this year to decouple from the Alliance in this area, this will not address all the identified issues. The budget proposal includes a part year effect for 2024/25 with investment in this area to ensure that there is transformational service in this vital area and that the public receive higher standards of customer service and that policing learns from the feedback it receives to drive further service improvements in the front line.

- **Regional Police Collaborations**

There is in excess of £47 Million of policing funding invested collectively by the five Police and Crime Commissioners in specialist regional policing capabilities covering services such as forensics, regional and organised crime units, regional cyber centre and other similar functionality. This enables greater productivity for specialist services and overall efficiencies. Next year as part of the Regional Forensics development plan, as agreed by regional Chiefs and PCCs in 2023 I will make a further investment.

7.3. However, investments in the police service are only part of the overall picture and there is continued focus on improving efficiency, effectiveness, and productivity across the totality of the budget. The specific details of these are being developed by the Acting Chief Constable and his team over the coming months to ensure that resources are optimised and that we can meet the constraints of the budget envelope that I have set. Whilst I am not proposing to take the full flexibility it will be a challenging few years going forward to sustain the officer numbers and meet the governments grant requirements. The Acting Chief Constable's letter appended to this report highlights some of the areas already under discussion. Prudent financial planning over the past years will enable flexibility in these changes to maintain police office numbers at record levels and focus attention on areas of identified under-performance over the coming year.

8. Funding

8.1. The Government's funding settlement assumed that Police and Crime Commissioners will take advantage of the precept flexibility, which will increase the funding available to policing through central grant and the local council tax. These include ongoing delivery of the Police Uplift Programme, sustained commitment to drive efficiency, productivity and effectiveness, enhanced productivity using technological solutions and achieving best value with police technology. This welcomed additional funding will secure greater visibility for communities.

8.2. We are also anticipating additional funding with regards to ASB and Immediate Justice. This is yet to be confirmed but is expected to be £1m and £500k respectively.

- 8.3. I remain frustrated that the increased demands placed on Devon and Cornwall Police by our summer surge and our sparsity have yet to be formally recognised and funded by the government. This is a matter which the government must address, and I will continue to make representations to them on behalf of our communities.

9. National Officer Uplift

- 9.1. By the end of March 2023 there was 3,610 police officers in Devon and Cornwall, which includes new detectives. This is the highest rate that there has ever been. A proportion of these officers are still in training and are yet to achieve independent patrol status. This year we will maintain these record levels.
- 9.2. The effectiveness of policing cannot be solely judged on the number of police officers employed. Policing has a wide range of specialist staffing roles which are essential to deliver high quality policing services. From contact officers, specialist problem solvers, PCSOs, building surveyors, solicitors and accountants, policing is a business and the success on the front line relies heavily on professional services from across the organisation to tackle crime effectively.

10. Investments to date

- 10.1. This year my commissioning intentions plan (attached as Appendix 3) details the range of commissioning undertaken to support the delivery of the new Police and Crime Plan and associated statutory duties. The five priorities of this commissioning intentions plan are as follows:

- Violence
- Anti-social behaviour
- Drugs
- Road Safety
- Victim Services

- 10.2. For the financial year 2024/25, the total commissioning budget across the Office of the Police and Crime Commissioner is £9,635,907 which works on the assumption that the Ministry of Justice Grant for Victim Services (not released at the time of writing) is the same as assumed. The budget includes: -

- £4,171,500 commissioning grant allocated directly by the Commissioner for the purpose of commissioning services for the benefit of Devon, Cornwall and the Isles of Scilly.
- £3,752,066 from the Ministry of Justice Victim Services Grant, which includes the Childhood Sexual Abuse (CSA) and Childhood Sexual Exploitation (CSE) Grant, additional funding for Independent Sexual Violence Advisors (ISVAs), Critical Support Fund for Victims.
- £1,257,341 for the continuation of the Serious Violence Prevention Programme which includes the funding from the Home Office for the Serious Violence Duty.
- £100,000 funding from Vision Zero South West to deliver a service to support people affected by a bereavement or serious injury on the road.
- £355,000 for Safer Streets 5 covering Paignton, Redruth and Camborne.

A full breakdown of the commissioning intentions is shown in appendix 3.

- 10.3. Our commissioning intentions plan provides a strong framework for how I allocate the funding I receive from the MoJ for victims and the other resources within the OPCC. Our strategic commissioning partnership with Victim Support continues to provide continuity to victim services through a trusted partnership.
- 10.4. Through the support of my office and in partnership with the NHS we have three Sexual Assault Referral Centres – in Exeter, Plymouth and Truro – as well as a service to provide victims of sexual assault, both adults and children with the support that they need through the Independent Sexual Violence Advisors.
- 10.5. An integral part of my scrutiny of Devon and Cornwall Police is the scrutiny provided through my Independent Custody Visitors Scheme. Their support remains an invaluable insight into detainees' welfare, and I wish to formally record my thanks to the volunteers who continue to undertake this valuable work across Devon and Cornwall.
- 10.6. When looking at the budget and MTFS for 2024/25 to 2027/28 it is easy to forget what has already been achieved in previous years and the cumulative impact of a relentless focus on priorities. The detail about all this work is set out in my Annual Report which can be accessed here.

[https://devonandcornwall.s3.amazonaws.com/Documents/Our%20information/Key%20document/14658%20PCC%20\(Annual%20Report%202022\)%20LR_v6.pdf](https://devonandcornwall.s3.amazonaws.com/Documents/Our%20information/Key%20document/14658%20PCC%20(Annual%20Report%202022)%20LR_v6.pdf).
- 10.7. Earmarked reserves have reduced over my time in office from £54.1m to an estimated balance at the end of 2023/24 of £19.1m (excluding the partnership reserve for Vision Zero South West). It was, and remains, my conscious decision to use those reserves to maximise funding to policing. For this MTFS we will be using reserves to smooth the phasing of the savings required to maintain a balanced budget. Full details of the reserves are contained in Appendix 1.
- 10.8. The MTFS has been produced covering a four-year period to provide assurance that my proposals are robust and sustainable. To limit the amount of technical detail within this report, the appendices contain more information on the budget requirement; the proposed savings to be made; the reserves; and detailed council tax changes within bands.
- 10.9. The Acting Chief Constable's letter is clear that these proposals are essential to maintain policing services to our public.

Alison Hernandez
Police and Crime Commissioner
Devon, Cornwall and the Isles of Scilly
January 2024

MEDIUM TERM FINANCIAL STRATEGY (MTFS) AND PRECEPT PROPOSALS

1. Introduction

1.1. This report will cover the revenue and capital budgets for 2024/25 together with the projections for 2025/26 to 2027/28. The specific areas that will be covered are the:

- National context.
- Local and regional context and funding levels.
- Council tax levels and assumptions.
- Revenue expenditure.
- Capital programme.
- Reserves.
- Risks.

2. National Context

- 2.1. On 22nd November 2023 the Chancellor of the Exchequer announced the Autumn Statement 2023. This Statement referred to the published Police Productivity Review commissioned by the Home Office to the National Police Chiefs Council to review police productivity and provide recommendations to improve efficiency and effectiveness in policing. At the time of the Statement inflation was running at 4.7%. Since that date inflation has dropped to 3.9% (November 2023). The Autumn Statement indicated that inflation is expected to fall to 2% by 2025.
- 2.2. The Bank of England base rate is currently 5.25% a rise of 1.75% since this time last year when rates were 3.5%. The base rate of 5.25% has remained constant since August 2023.
- 2.3. A Local Government Finance Policy Statement 2024 to 2025 was issued on 5th December 2023 which outlined the council tax referendum principles. For Police and Crime Commissioners the referendum principle is £13. This effectively means that a band D council tax charge can be increased by £13 before a referendum would be required.
- 2.4. The provisional Police Settlement was published on 14th December 2023. The deadline for submissions to the provisional settlement was 10th January 2024. The final Police Settlement has not yet been announced. Although there are no changes anticipated, any changes to the funding levels will be dealt with via reserves. Any significant implications will be reported back to the Panel.
- 2.5. The letter to the Commissioners from the Minister outlined the national priorities to be supported by the provisional settlement.
- Ensuring overall police officer numbers are maintained at the agreed Police Uplift baseline plus force level allocations of the 20,000 additional officers.

- A commitment to the continuation and additional funding for crime programmes including the County Lines Programme, violence and ASB.
 - Delivering improvements in productivity and driving forward efficiencies, maximising the value of the Government's investment.
- 2.6. The overall funding package provides additional national grant funding of £624m in 2024/25. This is coupled with additional funding available to Commissioners of £298m from using the council tax flexibility. This level of investment assumes that all Commissioners will maximise their council tax flexibility. The provisional settlement headline data includes the following:
- A £154m increase in grant funding to Commissioners. This additional funding will support the police uplift programme announced at the Spending Review 2021.
 - £184m to support forces with the cost of the police officer pay award agreed for September 2023 at 7%. This is on top of an additional £330m provided in 2023/24.
 - £259m to cover the increased costs of the police pensions contributions.
 - £26.8m as one-off top-up funding to recognise the software development and administrator costs associated with the delays to the implementation of the McCloud remedy.
 - Up to £298m additional funding from council tax precept if all Commissioners maximise their precept flexibility. Commissioners have been given the flexibility to increase the precept by up to £13 for a Band D equivalent property.
- 2.7. The settlement also includes the following:
- Within the national grant funding £425m will be ringfenced and allocated according to funding formula shares. In line with previous years £357.8m will be paid according to progress on the police uplift programme targets. The remaining £67.2m will be paid to forces who volunteered to recruit above their uplift targets.
 - A decrease and realignment of the funding of national priorities (see table below on the top-slice).
- 2.8. The settlement represents an average cash increase in total funding for England and Wales of 6% between 2023/24 and 2024/25. However, this increase includes funding to maintain the increased growth expected as part of the uplift programme and the 7% pay award agreed for September 2023.
- 2.9. The Government expects the police to continue to build on the progress that has been made in terms of efficiency and productivity. The publication of the Policing Productivity Review will be used to identify areas to alleviate burdens, improve productivity and reduce inefficiencies. A formal response by the Home Office to this review is expected in early 2024.
- 2.10. Continued investment of £200m in crime programmes has been confirmed. This includes programmes to combat anti-social behaviour and serious violence, further funding for the safer streets programme, the county lines programme and Project Adder and continue support for the violence reduction units.
- 2.11. As in previous years the overall funding available to the police has been top sliced for central initiatives. The funding level of the top slice has decreased by £76m (7%) from

2023/24. The Police Productivity and Innovation fund is a new addition to the top slice. It is anticipated that this fund will be used to support any recommendations coming from the recently published Police Productivity Review. As part of our response to the consultation of the provisional settlement we have asked for clarity on what this means for policing and local areas. The breakdown of the top slicing at a national level are shown in the following table:

National Top Slice	2023/24 £m	2024/25 £m	Increase/ (Decrease) £m	% Variation
PFI	71.6	71.2	- 0.4	-1%
Police Technology Programme	526.4	500.9	- 25.5	-5%
Arm's Length bodies	74.7	65.7	- 9.0	-12%
Regional Organised Crime Units	39.5	31.6	- 7.9	-20%
National Policing Capabilities (NPCC)	69.3	49.8	- 19.5	-28%
NPCC Programmes	9.5	7.7	- 1.8	-19%
Special Grant	50.0	34.0	- 16.0	-32%
Forensics	20.6	13.0	- 7.6	-37%
Serious Violence	45.6	45.6	-	0%
Crime Reduction Capabilities	18.4		- 18.4	-100%
Fraud	18.1	18.1	-	0%
Drugs/County Lines	30.0	30.0	-	0%
Capital Reallocations	104.9	128.7	23.8	23%
Cyber Crime	14.1	13.1	- 1.0	New
Tackling Exploitation and Abuse	21.3	17.6	- 3.7	New
Police Productivity and Innovation	-	11.0	11.0	n/a
Total	1,114.0	1,038.0	- 76.0	-7%

2.12. Planning for beyond 2024/25 is challenging. There is significant activity which will impact on this planning:

- The economic impact of the increase in inflation and energy costs.
- The anticipated review of the funding formula. Work continues as part of a senior sector group with the first phase of consultation due in 2024.
- The long-term funding plans for the uplift in police officers as they progress through incremental scale.
- Centrally driven ICT programmes such as the replacement of Airwave and the Police National Computer.

2.13. The funding for 2024/25 was the last year of the three year Comprehensive Spending Review announced in Autumn 2021. This places additional uncertainty on funding levels for 2025/26 onwards. During 2024 we are due to have elections for Police and Crime Commissioners across England and Wales as well as local election and a general election. Depending on the timing of the general election this could impact on whether a multi-year funding settlement would be achievable for the funding announcements in autumn 2024.

2.14. There are a number of areas, outside the level of central government grant, that are sensitive to changes in the wider economy. These are:

- The impact of the continued high inflation rates currently being experienced especially with regard to pay related costs.
- The impact of supply chain problems and delays.
- The interest earned on the reserves which is linked to the bank base rate. These budgeted income levels have been increased for 2024/25 for Devon and Cornwall to reflect the increased investment interest to be earned on the balances and reserves.
- The change in the value of sterling against the Euro and the Dollar can lead to some additional inflationary costs. As nearly 85% of the MTFS budget costs are employment related these costs are relatively protected from this variable. The most significant impact is likely to be on fuel and computer products.

3. Local and Regional Context and Funding Levels

- 3.1. The local impact of the provisional settlement will provide increased funding for Devon and Cornwall. The effect of the total grant funding is shown in the table below. This shows that overall, the level of funding has increased by 8.0%. However, most of the increase falls within the specific grant element relating to the pensions grant and the ringfenced grant targeted at the maintenance of the uplift in officers. The increase from £9.8m to £24.3m increases the overall risk profile for future years as specific grants are awarded on a year by year basis.

Summary	2023/24 £m	2024/25 £m	Variation £m	Variation %
Core Grant	134.3	137.1	2.8	
DCLG Formula	76.0	77.5	1.5	
Legacy C/Tax Grants	15.5	15.5	-	
Core Grant	225.8	230.1	4.3	1.9%
Pensions Grant	3.3	10.9	7.6	230.3%
Additional Recruitment Top-up		3.4	3.4	n/a
Uplift Grant Ringfenced	6.5	10.0	3.5	53.8%
Specific Grants	9.8	24.3	14.5	148.0%
Gross Funding Available	235.6	254.4	18.8	8.0%

- 3.2. The level of funding to support the net revenue budget is shown in the table below. This covers the core grant and amount generated by council tax which forms the net revenue budget shown in the MTFS.

Table 3: Net Revenue Expenditure Funding				
Summary	2023/24 £m	2024/25 £m	Variation £m	Variation %
Core Grant	134.3	137.1	2.8	
DCLG Formula	76.0	77.5	1.5	
Legacy C/Tax Grants	15.5	15.5	-	
Grant	225.8	230.1	4.3	1.9%
Council Tax	164.7	175.0	10.3	
Council Tax Surplus/ -Deficit	1.6	1.4	- 0.2	
Total Council Tax	166.3	176.4	10.1	6.1%
Net Funding Available	392.1	406.5	14.4	3.7%

- 3.3. As stated above the Home Office agreed additional grant funding to support the 7% pay award agreed for 1st Sept 2023. During 2023/24 additional grant of £7.7m was provided for Devon and Cornwall. This was adjusted in the 2023/24 core grant which was increased from £126.6m to £134.3m. In addition, a further £4.3m was provided in 2024/25 which brought the total support to £12m. This substantially covered the gap in funding.
- 3.4. There are various aspects of the council tax funding that impact on the revenue available to the Commissioner.
- The Council Tax Base – this covers the number of chargeable Band D equivalent properties. The increase in the council tax base is 1.2%, raising an additional £2.1m which is £483k lower anticipated. The change in the council tax base is a combination of increased properties and a change in the number of council tax payers requiring support with their bills. Various collecting authorities consulted all major preceptors regarding a change to the council tax support being provided to working families and children in care. The changes mean that those cohorts in some authorities will be able to claim an increased level of support for the council tax liability. The level of support will depend on the individual circumstances. The Commissioner confirmed support for the changes.
 - The payments received for the 2023/24 council tax bills have been lower than anticipated. It was estimated there would be a net surplus of £1.8m to be returned to the Commissioner. However, it is anticipated that this will now be a surplus of £1.4m, a reduction of £400k. The surplus or deficit for each council area is calculated and set by the individual collecting authorities.
 - The proposed increase to the Band D precept by £12.94 equates to an increase of 4.95% on the council tax. This increase generates funding of £8.1m and when combined with the changes to the council tax base and overall surplus/deficit it is anticipated to increase council tax funding for policing by £10.1m.
- 3.5. At the time of writing this report the allocations to individual Commissioners for the funding for counter-terrorism policing have not been announced. However, based on previous years we are not anticipating there will be any increased funding for Devon and Cornwall.
- 3.6. The pay award is the most significant inflationary pressure on the budget with the overall pay budgets being 85% of gross expenditure for 2024/25. The pay award is nationally agreed and for 2023/24 saw an increase of 7%, this was significantly higher than the estimate of 2%. Additional funding was provided from the Home Office to partially cover

the gap between local estimates and the nationally agreed pay award. An assumption of 3% has been included for 2024/25 which is comparable across the policing sector.

- 3.7. Any changes to the revenue generated from the final declared council tax surpluses or council tax base changes will be dealt with by way of a transfer either to or from reserves.
- 3.8. The overall level of funding, including increases to specific grants, is set to increase by 4.3%. Table 4 below shows a summary of the main increases in expenditure for 2023/24.

Summary	2024/25	
	£m	£m
Additional Funding		
Core Grant and Council Tax	14.4	
Specific Grant	14.5	28.9
Increases		
Additional Investments	1.4	
Regional Growth	1.0	2.4
Unavoidable Changes		
Pay Inflation	12.8	
Other Pay Changes	10.7	
Inflation	1.2	
Non Pay Costs	3.2	
Capital Funding	1.6	29.5
Investment		
Change in the use of Reserves		2.9
Investment Interest		- 0.1
Increased Income		- 0.4
Savings		- 5.4
		0.0

- 3.9. The key financial information relating to the four-year budget requirement and the precept increase is shown in Appendix 1. The level of council tax funding equates to 40.9% of the net revenue budget for 2024/25 which is a 1.3% decrease compared with 2023/24 figure of 42.2%.

4. Setting the Council Tax

- 4.1. Government guidelines have set the maximum amount that the council tax can be increased, without triggering a referendum, at £13 (4.97%) for a band D equivalent property. This is an additional £3 above the level previously announced in the Spending Review 21. The proposed increase from the Commissioner will not utilise the full flexibility and is proposing to increase the Band D charge by £12.94 (4.95%). The budget forecasts contained in this report are based on this assumption. The impact on the Band D council tax is shown in the table below.

Valuation Band	2023/24 £	2024/25 £	Increase £	Increase %	Increase per day £	Increase per week £	Increase per month £	Increase per month (10 months) £
A	174.37	183.00	8.63	4.95%	0.02	0.17	0.72	0.86
B	203.44	213.50	10.06	4.95%	0.03	0.19	0.84	1.01
C	232.50	244.00	11.50	4.95%	0.03	0.22	0.96	1.15
D	261.56	274.50	12.94	4.95%	0.04	0.25	1.08	1.29
E	319.68	335.50	15.82	4.95%	0.04	0.30	1.32	1.58
F	377.81	396.50	18.69	4.95%	0.05	0.36	1.56	1.87
G	435.93	457.50	21.57	4.95%	0.06	0.41	1.80	2.16
H	523.12	549.00	25.88	4.95%	0.07	0.50	2.16	2.59

5. Detailed Total Budget Requirement

- 5.1. The overall revenue position for 2023/24 indicates a small overspend position of approximately £1.4m. A review of 2023/24 expenditure has been undertaken in preparing the budget to ensure that any underlying pressures or savings have been appropriately reflected in future years' budget assumptions.

Financial Planning Assumptions

- 5.2. A list of budget assumptions is attached in Appendix 1. Key assumptions are covered below.
- 5.3. General Inflation – Actual CPI for November 2023 was 3.9%, compared to 10.7% in November 2022. Inflation has only been applied to budgets that are subject to inflationary pressures. Electricity and Gas contracts are based on market energy prices and are expected to decrease in 2024/25. Future years increases have been assumed in line with treasury predictions.
- 5.4. Pay Awards – The MTFs assumes that a 3% pay award will be applied on 1st September 2024, 2% 1st September 2025 and 2% from 1st September each year thereafter for police officers and police staff.
- 5.5. Council Tax Base - The council tax base which consists of the total value of properties by band D has increase by 1.2% for 2024/25. From 2025/26 an increase of 1.5% has been assumed.
- 5.6. Staff Pension Contributions – The Police Office pension contribution rates are set by central government and have increased by 4.3% to 35.3%% in 2024/25. The police staff pension contributions rates are set by the pension provider (Peninsula Pensions hosted by Devon County Council) and have not been subject to a revaluation. The employer contribution rate remains at 18.9%.

6. The Overall Budget Preparation

- 6.1. The budget process for 2024/25 has been undertaken on a similar basis to that of the previous year. This is shown in Appendix 1 and includes consideration of the following areas:
- Unavoidable changes in costs arising from the budget assumptions and other factors for example changes to external income and specific grants.

- Priority spending areas that are essential to delivery of the Police and Crime Plan and to improving the long-term efficiency of policing.
- Savings and efficiencies required.
- Effective management of risk.

Savings Plans

- 6.2. A combination of a grant increase below the level of increases being experienced coupled with increases due to inflation means that ongoing efficiency savings will be essential to balancing the budget over the next four years.
- 6.3. To continue to further drive productivity and value for money, the Chief Constable will continue to challenge costs of operational business areas across the force, to seek financial and time savings not only for this coming year but also the future. Further detail is included in the letter from the Chief Constable attached to this report.

Management of Risk

- 6.4. These proposals are not without risk. A risk register is attached as Appendix 4. Due to the changing economic climate, there is increased risk compared to previous years due to:
- The changes in the landscape due to the Police and Crime Commissioner elections in May 2024. Changes may also occur due to the general election with the timing, as yet, unannounced.
 - The increase in the underlying core grant funding being significantly less than inflation.
 - The increase in the level of ringfenced grant from £9.7m in 2023/24 to £24.3m in 2024/25. This increase is specific to the ringfenced grant relating to the maintenance of the national uplift in police officer numbers along with the increased funding for the police officer pensions contributions. The payment of the grant relating to the uplift is subject to the maintenance of this increase. Specific grants are subject to approval each year and are not guaranteed.
 - The pay award assumptions which are nationally agreed. The proportion of the total budget which is attributable to pay is 85%. This makes the budget particularly volatile to changes in the assumed pay award.
 - Inflation still being above the national recommended rate of 2%.
 - The implementation of the amended funding formula remains a significant future risk. Work has already started nationally to take forward this review.
- 6.5. Financial resilience is extremely important during periods of economic volatility. The last year has continued to see local government bodies in financial difficulty with some of those bodies issuing section 114 notices. A section 114 notice is issued by the Chief Financial Officer when it is considered that expenditure of the authority incurred in a financial year is likely to exceed the resources available.

The Main Budget Components

- 6.6. The total budget requirement is built up of three main areas:

- The Chief Constable's Budget.
- The OPCC Office Budget and Commissioning Budget.
- The Capital Budget.

The Chief Constable's Budget

- 6.7. The Commissioner owns the overall police budget and is responsible for all income and sets the overall expenditure envelope. During the financial year the Commissioner delegates financial control of the Chief Constable's Budget to the Chief Constable who monitors and manages its day-to-day spending. The overall level of the 2024/25 Chief Constable's budget is £406.5m. The detailed allocations are shown in Appendix 1. A letter from the Chief Constable is attached as Appendix 2 to this report which covers, in more detail, the operational impact, risks and opportunities within this MTFS.
- 6.8. The Chief Constable is operationally independent under law and is responsible for the deployment of police officers and staff to keep the public safe and deliver policing in Devon and Cornwall.
- 6.9. Delivering the Police and Crime Plan and the force mission relies on longer term planning than a single year. As in previous years the Chief Constable's Budget is presented in the context of the future four-year MTFS to ensure that any potential funding risks can be mitigated by operational savings within the timescale required. This ensures that proposals are sustainable longer term. The respective Chief Finance Officers have worked together and agree on the inflation and other assumptions built into the budget proposals.
- 6.10. The Government's commitment to maintaining the increased police officers by 20,000 for England and Wales continues to be an area of focus. Devon and Cornwall have significantly exceeded their uplift target, due to a combination of planned additional recruitment of 90 extra officers, and the successful recruitment, training and retention strategies put in place by the Force. Not all areas have been successful in achieving their targets so as part of the 2024/25 settlement the Government reallocated base funding between areas to take this into account. This has meant additional base funding of £3.4m for Devon and Cornwall to fund an additional agreed 71 officers. These additional officers are included within the overall budgeted number of 3,610.
- 6.11. This 'Batch 1 additional recruitment allocation' does provide some risks going forwards, especially as Devon and Cornwall has received such a significant financial amount. It has not been confirmed explicitly if this funding is permanent and will be subject to annual agreement. These additional officers do increase the headcount that need to be achieved to 3,655 to receive the uplift grant. Modelling of future officer numbers and analysis of the settlement indicates we are highly likely to be able to maintain sufficient numbers, and that the change is a permanent one. As such we have budgeted for the £3.4m to continue in future years.
- 6.12. The uplift grant which has been ringfenced and is dependent on the maintenance of the uplift numbers has increased to £10m. This increases risk in the budget should the overall numbers dip below the agreed target. The estimate of officer numbers takes into account the anticipated leavers and the recruitment needed to maintain numbers. Although, the recruitment of officers can be flexed any increase in leavers above planning assumptions could prove challenging.
- 6.13. The budget also includes an increase in the specific grant for pensions. This has increased from £3.3m to £10.9m which again increases the risk to the budget as this is

dependent on an annual agreement. This increase in funding is there to offset the increase in the employer pension contribution from 31% to 35.3% along with a small one-off element to support admin costs of the changes required relating to the McCloud judgement.

6.14. The budget includes investment as part of the Police and Crime Plan priorities. The focus of the increase in expenditure relates to the pressures arising from the following items:

- Pay awards.
- Inflationary pressures.
- Additional PEO front desks.
- Complaint handling.

OPCC Office Budget and Commissioning Budget

6.15. The Office of the Police and Crime Commissioner (OPCC) budget is split into two parts. The cost of delivering the duties of the OPCC and funds that are used for commissioning services for the public.

6.16. The OPCC office costs budget is proposed to be set at £2.54m for 2024/25 along with a commissioning budget of £4.77m which includes the serious violence programme budget of £600k. Producing a total net budget of £7.31m.

6.17. Income in the form of grant funding of £3.75m is anticipated from the Ministry of Justice (MoJ) to support services for victims and witnesses. With additional funding for the serious violence duty, safer streets and road safety this brings the overall commissioning budget to £9.6m. The table below outlines the total spend.

	2023/24 £000's	2024/25 £000's	Variation	
			£000's	%
Police and Crime Commissioner Allocation	4,263	4,171	- 92	-2%
MoJ - Victims and Witness Grant	3,636	3,752	116	3%
Servious Violence Programme	800	600	- 200	-25%
Home Office Serious Violence Duty Funding	359	657	298	83%
Safer Street	465	355	- 110	-24%
Vision Zero South West Funding	100	100	-	0%
	9,623	9,635	12	0%

6.18. The OPCC budget is £2.54m which represents 0.62% of the net revenue budget for Devon and Cornwall Police. This is an increase of £336k and includes assumptions for pay award and increases to the external audit services fee (which affects the whole Force). This also includes increased funding for additional statutory pressures. The OPCC costs also cover the following items: -

- The Independent Audit Committee
- Legally Qualified Chairs for Police misconduct panels
- Local Criminal Justice Board
- Combatting Drugs Partnership

- Prevention of Serious Violence Duty
 - The Complaint Review process
 - External and Internal Audit Fees
 - Independent Custody Visiting scheme.
- 6.19. The Commissioning Intentions Plan for 2024/25 is attached as Appendix 3 to this report. The plan includes support for the following areas:
- Violence
 - Anti-social behaviour
 - Drugs
 - Road Safety
 - Victim Services
- 6.20. As part of the Commissioning Spend there are two areas which the Commissioner identifies a theme for the spend.
- Community Grants Scheme (£200k). These grants are available to the communities across Devon, Cornwall and the Isles of Scilly. The theme for 2024/25 will be Rural Crime.
 - Property Act Funding. This funding envelope varies and is generated from the sale of goods seized or not claimed as part of police investigations. The theme for 2024/25 will be the prevention of violence against women and girls (VAWG).

The Capital Budget

- 6.21. The Commissioner is also required to publish a capital strategy via her website.
- 6.22. The Capital Programme indicates a total spend of £94.2m over the four years. The detail of the capital programme is attached in Appendix 1. The most significant new projects within the capital programme are:
- A new police station for Exmouth.
 - An allocation to provide efficiency changes with the buildings.
 - An allocation to find a permanent solution to the North Devon Custody provision.
 - An allocation to start the process of upgrading the infrastructure to support an electric fleet.
 - A comprehensive programme of ICT work across the organisation.
- 6.23. The annual revenue costs associated with this programme are contained within the budget. The level of capital financing cost equates to £4m and as a percentage of net revenue expenditure is 0.98%. Based on actual expenditure for 2022/23 this level compares favourably with the average of 1.12% for all forces. The funding policy of the Commissioner is to ensure that short life assets are funded by capital grant/receipts or revenue contributions. The revenue contribution to capital outlay (RCCO) is £5.5m to

support the programme of technology enhancements. The RCCO will increase across the life of the MTFS to ensure the capital programme is robust and sustainable in the longer term. The financing plan aims to make the maximum use of temporary internal borrowing from revenue reserves until they are used in the budget plan.

6.24. The main sources of funding for the capital programme are:

- Reserves – which are planned to reduce over this MTFS.
- Capital Receipts – which have a finite level and are only used once realised.
- Capital Grant – there is no longer a capital allocation from the Home Office so this is now only available via bidding processes for specific projects.
- Revenue Contributions to Capital – which are being increased.
- Borrowing – which needs to be affordable in the longer term.

6.25. In addition, funding via s106 planning obligations and Community Infrastructure Level (CIL) is now actively being pursued with local planning authorities.

7. Reserves

7.1. The Reserves Strategy is published annually and can be found on the OPCC website. The Strategy is reviewed annually and includes a risk assessment of the general balance. The Strategy is taken to the Independent Audit Committee for review and comment prior to approval by the Commissioner.

7.2. The Commissioner's Reserve Strategy has the following key principles:

- The reserves policy will be seeking to maintain general balances at no more than 5% and no less than 3% of overall funding levels each year.
- The requirement for the reserves will be reviewed at least annually. Those reserves no longer required for their intended purpose will be identified and made available for other defined priorities.
- Reserves will be assessed annually to ensure adequacy.
- Risk assumptions used when assessing reserves will be reviewed annually.
- A long-term view will be used when assessing the use of reserves to ensure all assets that support policing are maintained.
- General balances cover the general financial risks. This will include unexpected or unavoidable additional costs, such as a major operations, uninsured liabilities, or treasury management risks.

7.3. The current level of general balances predicted at the end of 2023/24 indicate that they will stand at 3.91% of the net revenue budget. This is compliant with the Reserves Strategy which is in line with best practice.

7.4. As of 31st March 2023, the total amount of reserves held were £57.7m (earmarked reserves of £41.8m and general reserves of £15.9m). This is forecast to reduce to £25.1m by the end of 2027/28. The Commissioner considers the level of reserves and their planned reduction when considering the proposals for the level of council tax increases

each year. The reserves include £3.8m relating to Vision Zero South West which is a partnership fund with Cornwall Council, Devon County Council, Plymouth City Council and Torbay Council. The Vision Zero South West reserve will fund road safety initiatives and is due to reduce to £1.2m by the end of 2027/28

- 7.5. The planned use of the reserves is in line with the Home Office drive to reduce the level of reserves being held by Commissioners.

8. Conclusion for the Police and Crime Panel

- 8.1. In considering the increase of £12.94 (per Band D equivalent) in council tax funding, the Commissioner has considered this year's funding settlement and seeks to ensure that funding for the force keeps pace with inflation. The budget is looking to strengthen, stabilise and sustain the investments made in previous years to ensure a robust and sustainable MTFs.
- 8.2. There are always new and different demands being placed upon policing and resources need to reflect these. With 2024/25 being the final year of the current comprehensive spending review this increases the risk to the future funding assumptions across the MTFs. Many new areas of policing require investment in new technology before any operational savings can be generated or operational benefits fully realised. The autumn statement and the settlement highlighted the importance and links with the recently published police productivity review and the benefits that could be achieved.
- 8.3. The Commissioner has consulted the Chief Constable about the proposal to increase the council tax and the Chief Constable has confirmed that these proposals will ensure a robust and sustainable budget to deliver operational policing and have due regard to the Police and Crime Plan.

Alison Hernandez
Police and Crime Commissioner

Nicola Allen
Treasurer

Attached:-

- Appendix 1 – Medium Term Financial Strategy 2024/25 to 2027//28
- Appendix 2 – Letter from the Acting Chief Constable
- Appendix 3 – Commissioning Intentions Plan 2024/25
- Appendix 4 – Risk Assessment
- Appendix 5 – “Your Safety, Your Say” survey results summary
- Appendix 6 – Glossary of Terms