

# POLICE AND CRIME PANEL MEETING

REPORT TITLE	PROPOSED PRECEPT FOR 2023/24
REPORT OF	POLICE AND CRIME COMMISSIONER FOR DERBYSHIRE
DATE	26 <sup>TH</sup> JANUARY 2022

## 1. PURPOSE OF THE REPORT

- 1.1 To notify the Police and Crime Panel of Derbyshire of the Police and Crime Commissioner's (PCCs) proposed Band D precept for 2023/24 of £266.60, being an increase of £15, in accordance with the duty under the Police Reform and Social Responsibility Act 2011.

## 2. INFORMATION AND ANALYSIS

- 2.1 In December 2022, the Home Secretary published the provisional police grant report in which she sets out her determination for 2023/24 of the aggregate amounts of grants that she proposes to pay under the Act.
- 2.2 On 14<sup>th</sup> December 2022, the Minister of State for Crime and Policing, Mr. Chris Philp MP outlined the detail of the proposed settlement. This included:
- Flexibility for PCCs to raise additional funding through precept flexibility. This will enable PCCs to increase their Band D precept by up to £15 for 2023/24

- A total settlement of £17.2 billion, which sees an increase of £0.3 billion on the funding settlement in 2023/24
- An increase of funding available to PCCs of £523 million, assuming full take-up of precept flexibility
- Full take up of precept funding by PCCs would deliver £349 million of this increase
- Maintained funding for the recruitment of the 20,000 additional police officers nationally
- £1.0 billion for counter-terrorism policing
- £1.0 billion for national policing programmes and priority

2.3 I have examined the proposed budget with my senior team and received a report from the Chief Constable on the required level of funding for 2023/24. In making my decision I have assessed the financial implications, the potential risk to front line policing and delivery of the Police and Crime Plan priorities. Further to this, a letter has been sent from the Chief Constable outlining the Constabulary's business case for additional funding for 2023/24. This is attached at **Appendix A**.

2.4 I plan to approve the Revenue Budget and the indicative proposed precept for 2023/24, on 26<sup>th</sup> January 2023. The Revenue Budget and Precept 2023/24 report is attached at **Appendix B**.

2.5 I am aware of my responsibilities to notify the Police and Crime Panel by 1<sup>st</sup> February of my precept proposals. In addition, as the Panel is a public meeting. I recognise a further need to give timely notice to the public. This report therefore advises the Panel of the actions that I intend to take.

2.6 In accordance with Schedule 5 of the Police Reform and Social Responsibility Act 2011 ('the Act') the Commissioner must notify the Police and Crime Panel ('the Panel') of the precept which the Commissioner is proposing to issue for the forthcoming financial year. Under paragraph 3 of Schedule 5 the panel is asked to review the proposed precept having been notified of it. Details of the Rules of Procedure for the Panel are attached at **Appendix C**.

### 3. **ATTACHEMENTS**

APPENDIX A – Letter from Chief Constable outlining the Constabulary's business case for additional funding for 2023/24

APPENDIX B – Revenue Budget and Precept Report for 2023/24

APPENDIX C – Rules of Procedure for the Panel

### 4. **RECOMMENDATIONS**

1. The Police and Crime Panel of Derbyshire review the proposed precept for 2023/24 and support the decision, of the Commissioner, for a Band D increase of £15.

### **CONTACT FOR ENQUIRIES**

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Our reference: HQ/XEC/CC/cam  
Date: January 2023

## Appendix A

Angelique Foster  
Police and Crime Commissioner for Derbyshire  
Butterley Hall  
Ripley  
Derbyshire  
DE5 3RS

Dear Commissioner

The force is committed to delivering an excellent service to the communities of Derbyshire, one they can trust. Our core aim is to fight crime, proactively bring offenders to justice and protect the most vulnerable from harm. Our officers, staff and volunteers do this 24/7, 365 days a year.

Over the past two years we have delivered significant change and improvement, but there is still much more to be done that will require additional investment and therefore I am asking you for the maximum permissible precept of £15 this year. I know that you are acutely aware of the continued challenges facing the Constabulary. Some are unique to us, but others are a factor of wider influence. I am grateful for the continued support you give to the force to meet these challenges head on.

The Constabulary has modelled a range of financial scenarios over the last few months, determined to ensure resilience at a time of great uncertainty. This includes utilising the opportunity the Government is providing you as Police and Crime Commissioner, to increase the policing element of the Council Tax precept (hereafter the precept) by up to £15 against a Band-D property. With my team I have carefully considered the implications of this range of financial options. Whilst I fully recognise that the communities of Derbyshire are already feeling the financial impact of the cost-of-living crisis, my primary consideration must be how I can best deliver policing within the county, utilising the options provided by a precept increase, in conjunction with the Home Office grant funding and limitations upon this.

The Constabulary has been heavily focused on improving its performance and the service we provide to the public. I have reported to you quarterly, through the Performance Scrutiny Meetings, on the significant progress made by the force in delivering your Police and Crime Plan. The 2022 HMICFRS PEEL inspection found that the force is continuing to move forward and recognised how much work had been required to rebuild key foundations in our service, whilst being very clear on the work and improvements still required. I remain focused and resolute in leading us forward to make these improvements and provide the best possible service to our communities.

We have moved to a new normal, post COVID-19 and in response to global events, faced increasing supply and demand pressures as we strive to maintain and improve upon the good work observed throughout 2022. The current market position poses many challenges to the



modernisation of our estate with increases in excess of 20% for building materials and significant uncertainty surrounding energy prices. Many of the financial pressures, like this, are external to the force. We had prudently planned for these cost increases, but these have been far in excess of what could have been anticipated.

The force estate requires continued significant investment; however, the cost of borrowing has also soared. We have revised our estates approach to concentrate on what must be done to maintain and sustain a strong local policing service to the public, with renewed focus on opportunities and efficiencies we can gain from the estate we have, in conjunction with the planned longer term new builds, to reconsider options when those borrowing costs reduce. Given the continued financial pressures, I have set our approach to change and investment as one focusing on creating efficiencies and savings internally to fund investment and change required without immediate recourse to growth. We have maximised the opportunities the Police Uplift Programme (hereafter Uplift) has presented. In addition, we continue to seek any short-term limited targeted investment and make the most of this to deal with emerging issues.

I will take this opportunity to outline some of the key changes and improvements across the force over the past 12 months, along with continued challenges, and articulate how we might utilise additional funding through the precept to meet the challenges and enhance the services we provide.

## **Demand**

The force continues to face high levels of demand and increasing complexity of the demand itself. Whilst reported incidents (1.9%) and crimes (0.1%) decreased marginally, overall demand is forecasted to increase by 3.1% in 2023/4. Within this, certain types of vulnerability-related crime and incidents continue to increase.

In response to the changing demand, the force has implemented changes to best meet this need and provide the most efficient and effective service. These include increases in staffing and changes in practice in the Control Room, permanently establishing the increased levels of PCSOs which had been raised the previous year, increasing numbers in the Rural Crime Team, dealing with crime differently with more emphasis at the earliest point of contact, and working more appropriately with other agencies following calls for service. The force has also responded to meet increases in vulnerability demand. The Safeguarding Coordination Hub (SCH) has been formed, which has seen the force merge two previous functions, namely the Neighbourhood Safeguarding Teams and Risk and Referral Unit. The restructure went live in May 2022. Processes have been streamlined and staff upskilled to provide a consistent approach. Collectively, this has provided capacity and capability to improve the timeliness of safeguarding assessments. Previous backlogs in safeguarding referrals, across both child and adult safeguarding, have been resolved, with changes now enabling the team to operate within service level agreements. As such, risk is identified at an early stage and disseminated to appropriate agencies for intervention without delay.

The force has improved its response to missing persons and exploitation through the introduction of a force-wide Missing Persons Team, co-located with an Exploitation Team. New working practices ensure systems and trigger plans are up to date and accessible to frontline officers, to ensure they have the relevant information to inform their decision-making when responding to incidents. This approach has significantly improved our response to missing persons and the subsequent investigation. The Missing Persons Team focus on repeat episodes of missing, seeking to identify the heart of the issues and work more effectively with other agencies, thereby reducing those repeat episodes and more effectively safeguarding those most vulnerable and at risk. It is worth noting that the force has seen over 6,661 incidents of missing people in the past year: a significant demand.

Violence Against Women and Girls (VAWG) and associated offences remained a priority for the force. A VAWG Coordinator has been recruited to help maintain standards of victim care and investigation and utilise all legislative tools available to tackle this type of offending. A VAWG strategic problem profile has been compiled to understand the nature and scale, key threats, and risks within this area. Derbyshire reported a slight (4%) decrease in VAWG reporting crime in 2022, accounting for 24,771 crimes, with a third of offences relating to stalking and harassment (35%). This follows a significant increase in VAWG reporting in 2021.

Significant improvement continues to be sought to improve our response to stalking, together with legislative changes to the recording of harassment offences during this time, providing an explanation for the increase in trend which has been reflected nationally over the past couple of years. To support this a Serial, Repeat and Civil Orders Team begins in early January 2023. This will focus on the cases of high harm repeat victims and serial offenders of sexual offences, stalking and harassment and domestic abuse. They will maximise the use of protective orders ensuring these are proactively enforced to reduce risk and harm. Increased reporting brings additional pressure in terms of both investigative workloads and victim support. Changes within the force operating model and investigations are intended to support this and provide a better service for victims of crime. It is forecasted that the trends in increased reporting will continue.

As mentioned previously, focus remains on our Public Contact Improvement Programme (PCIP) in the Control Room. Changes in demand are often most felt within the Control Room where they must assess the ever-increasing complexity in incidents and identify vulnerability from first point of contact through to resolution of the incident. PCIP is intended to deliver the necessary change long term in the control room and it remains an organisational priority. The Control Room can often be the first and only point of contact the public have with the police and its vital for their confidence in us that we get the service right. Creating the right environment to deliver a high performing contact management service is essential. This is being achieved by the recent investment in the new Contact Management people structure, to ensure we have the right roles to provide the best possible service. Building on this, we will be investing in the right contact management technology to ensure that blocks to providing a high performing service are removed and modernise public interaction with the Constabulary. Once embedded, these investments are expected to deliver improvements such as reduced waiting times and increased choice of contact channels for service users. This will also create a working environment for contact management colleagues that offers enhanced levels of support and easier access to key information.

This does require continued long-term investment in the technological infrastructure we have. The work to move to identify a new suitable system is well underway and will continue over the next few years. This forms part of our longer-term financial planning.

One notable change in dealing more effectively with demand has been led by the Control Room using best practice from other forces. Most Appropriate Agency (MAA) looks at calls coming into the Control Room and determines which is the most appropriate agency to deal; these calls are often from people in crisis, frequently linked to mental health. The police service is often not the best placed to address or offer the most appropriate care. This has required working with partners to agree different ways of working together. Where life is immediately at risk, police resources will still attend. This change has already saved 3,528 hours of officer time between August and December 2022, allowing police resources to remain on matters more closely related to policing, and callers to access the more appropriate agency and care. Further work is underway to develop a mental health triage function to support this, with specific focus on people experiencing a mental health crisis. This will require investment but will help better manage demand and ensure more frontline police resource remain visible and focused on police-related matters.

Home burglary is a priority I have previously set the force and it remains as such. The force fully supported the move for policing nationally to make home burglary a mandatory attendance crime. Tighter monitoring mechanisms have been implemented to ensure attendance at the earliest opportunity and provide victims a suitable response. Residential burglary rate stood at 247 per 100,000 population (ending September 2022), a reduction from 269 per 100,000 population compared with the previous 12 months. Regardless of this reduction, it remains important to the force based on its importance to the public. On 9th January with the final changes to the new force operating model being implemented, the force plans to start to introduce Neighbourhood Acquisitive Crime Teams for embedding as a new way of working in 2023/2024. These will support local neighbourhood resources and conduct all investigations for burglary, robbery, and some aspects of vehicle crime, such as a crime series. This will provide greater focus on the level of service and in bringing offenders to justice. Later in the year they will be assisted by the introduction of Neighbourhood Enforcement Teams who will operate as local proactive teams, supporting Safer Neighbourhood Teams in tackling persistent local issues and offenders.

Making our roads safer remains a priority. There have been 358 Killed and Seriously Injured (KSI) collisions. There have been 29 fatal collisions resulting in potentially 32 fatalities (there are still some investigations to conclude before this can be confirmed). This is marginally up from the 30 in 2021 but significantly reduced compared to the 50 in 2018. Collisions involving impaired driving are increasing and is reflected in our Fatal Four activity.

There are many crime types that we tackle daily, but the crime examples we have discussed within a Derbyshire context feature with significance within the Government 2021 'Beating Crime Plan'. This includes additional areas of focus such as knife crime and county lines. These are two additional complex thematic areas that have received focus via our force governance structure to ensure they are tackled robustly, and feature within the changes to the force operating model. This has resulted in operations to target criminal behaviour and dedicated resources to tackle the harm caused by county lines type criminality. The plans to expand and improve our approach to these areas are touched upon in the later sections of this letter, and both are areas that would see improved service through further investment.

The force Demand Strategy has been refreshed to better understand demand reported directly to police and via partners, with opportunities to identify hidden demand. This will work to better manage demand, reduce demand where appropriate, and allow the force to release capacity to invest elsewhere.

As previously noted, the force is also changing its operating model, notably how its crime and intelligence functions are carried out. This has been a result of work over several months. The changes will ensure enough suitably trained and supervised Detectives and other resources dealing with the more serious types of criminality, bringing offenders to justice, and protecting the most vulnerable from harm.

## **Strong Local Policing**

### **Police Uplift Programme**

The force Uplift target is an increase of 283 police officers by 31 March 2023. At the end of October 2022 this had been achieved, with 2,110 police officers. The force is on target to maintain and exceed this by the end of March 2023, starting the next financial year over its target. This will allow the force to manage its establishment from a position of strength, rather than continually seeking to recruit to its establishment. This comes with additional cost and, should the maximum precept be agreed, enables a more tapered, than sudden return to

establishment numbers. This is a very positive story for the force, having turned around a position of under delivering against target on 31 March 2022 to have exceeded this within six months. Many departments in force contributed to this achievement. Some of the additional precept increase funding provided last year was utilised to deliver this, for example, a Senior HR Business Partner was employed to focus specifically on officer retention, an increase in tutors available to student officers and targeted variable payments for hard-to-fill roles. There were additional temporary increases in staffing in Learning and Development along with other aspects of Recruiting. Some of these will have to continue into this year to deliver and maintain fully trained and equipped officers on our frontline.

The force has seen the recruitment of over 350 officers in the past year due to numbers required based on retirements and attrition, adding to Uplift. This is a much larger amount than the force has ever needed to deliver. A significant success factor was due to the decision I made early in 2022 to re-open the non-degree entry route into policing. The external recruitment window in 2022 resulted in over 1,000 applicants and many are now working in the force. I know you were very strongly in support of this move, and I am grateful for this. The Home Secretary has now committed to continuing with a non-degree route to complement the degree route entry schemes and the force will continue to make best use of all routes into policing. Another success has been the adoption of direct entry Detectives (DC Degree Holder Entry Programme DHEP) and we currently have cohorts in training.

The increased police officer numbers are very welcome additions to the force, providing more in terms of visible presence in our communities, and additional capacity and capability in the less visible but equally important areas of policing.

The Home Office grant funding means that the force will be required to maintain its Uplift numbers for the next 12 months. Whilst this has many benefits, it does make the opportunity to meet the funding gap more difficult with any savings only being able to be found through staff costs or non-staff costs.

The force continues its commitment to improving the representation of our communities. Encouragingly, the recent Degree Holder Entry Programme (DHEP) campaign attracted 13.7% B.A.M.E. candidates, whilst the Detective Constable (DC) DHEP campaign attracted 15.7%. Investment in the Positive Action Team has been made to help increase representation and with further recruitment planned, we expect to see this increase. Derbyshire Constabulary is one of the best performing forces for gender representation, ranked third of 43 forces in March 2022. As of October 2022, overall female representation was 51.4% with female police officer representation at 39%, compared with 34.4% nationally. A high number of female candidates continue to be attracted through the various recruitment campaigns. The recent DHEP campaign attracted 41.7% female candidates whilst the DC DHEP campaign attracted 69.4%

With this increase in officers there is a need to increase the number of resources in some departments to ensure all are trained, maintain continual professional development, and have certain core key skills such as blue light driving. Continued investment is required to provide temporary increases in instructors in Driver Training and Core Policing to achieve this, driving courses and qualifications being particularly important given the geography of the county. With the increase in officers there will be significant delay in training unless temporary investment is achieved.

### **Special Constabulary and Volunteers (Citizens in Policing CiP)**

The force has a strong Citizens in Policing (CiP) programme and is committed to maintaining this. This includes the Special Constabulary, Volunteers, Cadets, and Mini Policing programmes. We are very proud of our successful first year of the Mini Police Programme, which

benefited hugely from precept investment last year. It continues to grow within Derbyshire, and we have increased this work to 13 schools across the 10 LPU areas. As this work predominately takes place in socially deprived areas, our Safer Neighbourhood Teams (SNTs) are engaging with young people, giving them a positive view of policing and vital life skills.

The force plans to increase its number of Special Constables who provide vital support to the frontline, contributing to our visible presence and local policing. Recruitment is under way, and we have 20 new Special Constables joining us this month. We want to extend our offer to Special Constables, providing them with the opportunity to be taser trained and undertake driving courses.

In addition, the force now has a five-year recruitment strategy. This starts in June 2023 and will have successive courses at two per year during that period. The aim being to deliver the national best practice figure of 10% of regular establishment, approximately 280 specials. We have invested in an Uplift post of a Specials Coordinator, which will be at the rank of Sergeant. Their role will be vital in delivering the five-year recruitment plan, ensuring training and CPD is delivered, working with our divisions to maximise retention.

This all requires continued investment in recruitment, positive action work and additional resourcing in training to ensure the right people, who are properly skilled and equipped, are working to deliver our services to our communities.

### **Contact Management – The Public Contact Improvement Programme (PCIP)**

As covered briefly earlier, PCIP within the Contact Management Department, is in the process of implementing a new operating model as part of its longer-term improvement. The model includes the introduction of Performance Managers to assist with monitoring performance across the Control Room and ensuring the service provided is as required. There has also been an increase in supervisory roles. The introduction of dedicated functions, such as Training and Recruitment and Resource Planning, will prevent the need for abstracting operators, therefore providing more capacity to service demand.

The PCIP has overseen enhancements to Single Online Home such as the Foreign Force Request offering and including more diverse categories for easier public reporting in the Contact Us facility. Under PCIP, there is a communications workstream which includes an 'education' piece aimed at the public, advising what the police will deal with, the channels of contact and the most appropriate channel for the circumstances, as well as what partners deal with. Capital Investment into PCIP is planned to be £4 million and ongoing annual revenue costs for the next ten years estimated at just over £1.1 million per year. This forms part of our longer-term financial planning.

To provide the best possible service to victims of crime and reduce demand to frontline officers by resolving incidents and occurrences, a Crime Resolution Investigation Management team (CRIMt) was created in January 2022. The purpose of the team was to improve the quality of the initial response and investigation, ensuring a focus on vulnerability during that early contact and the improvement of crime recording compliance. In turn, this alleviated pressure from our 101 operators by removing the crime recording requirement. We are seeing consistently good results, with over 40% of crime resolved through the team to date, equating to over 19,000 crimes. January 2023 will see the implementation of an Incident Management Team to build on the work of CRIMt, supporting appropriate resolution at first point of contact, improving the service, and creating time and space for our frontline officers and staff to focus on the crimes they need to.

## Frontline

**Laptops:** The Constabulary continues to drive forward our use of technology and in particular agile working, continually developing the tools available in force to greatest benefit for our officers and staff to undertake their roles effectively and efficiently. A decision has recently been taken to issue all frontline response officers with laptops. Officers will now be able to remain in communities, having immediate access to this mobile office environment, rather than needing to return to the station to process statements and reports. This supports our priority of strong and visible policing. This will continue to require investment, as laptops and associated equipment need reviewing and updating over time.

**MDTs:** Linked to the above roll out of laptops, staff across the force also have access to mobile data terminals (MDTs). The Constabulary is in the process of rolling out new and improved MDTs across the organisation. The new devices offer enhanced features and are an upgrade to the current terminals in use. This benefits all officers and staff, however, in particular, Safer Neighbourhood Teams who utilise these when out on patrol.

**Vehicles:** The Constabulary has expanded its fleet, investing in an additional 60 police vehicles to support the extra officers we have recruited through the Uplift. This increase further supports our priority of strong visible policing. The Force has recently commenced a programme of investment in vehicle telematics to deliver both operational and financial benefits across the organisation. It will deliver benefits such as a reduction in fuel usage and maintenance costs, potential fleet reduction through improved utilisation and better planning, reduced carbon emissions, and improved driver behaviour.

**Initial Pursuit Training:** Last year, one of the force commitments against the precept increase provided was to commence initial pursuit training to some officers across the force, based at Local Policing Units. This allows greater capacity and capability to deny criminals the use of our road network, and not simply rely on the Roads Policing Unit (RPU) for this initial response. It has required some changes to vehicles in addition to increasing trainers. This, combined with the planned increased roll out of all additional driver training, will allow the force to increase visibility and our response to incidents, especially in some of our more rural areas.

**Drones:** Derbyshire currently has 26 drone pilots trained, with investment to train a further four. This is a full-time role for two officers with the remainder working within our armed response, uniform task force and rural crime teams, providing the force with full geographical coverage, 24/7. We have increased our drone capability to 11 drones, investing in two smaller all weather drones supporting flight in wet weather conditions. Drones have been deployed 969 times over the past 12 months. Drones are now used for incidents where we would have previously requested helicopter support, allowing us to be more effective in our response and reducing overall cost to the force.

## Neighbourhood Crime and Antisocial Behaviour (ASB)

As Chief Constable I place real value on the role of our Safer Neighbourhood Teams, the visible and accessible policing presence they provide and the partnership working they undertake to solve problems within our communities. I know the impact this work has on feelings of public confidence. We have invested in these over the past few years, for example, this past year mainstreaming the additional 20 PCSOs you funded through the precept. Through Uplift I have been able to add to those numbers with additional safer neighbourhood police officers at some LPUs. In addition are the Neighbourhood Acquisitive Crime Teams and Neighbourhood Enforcement Teams. We want to be seen as an example of best practice in strong neighbourhood policing.

## **Partnership and Prevention Team**

Our Partnership and Prevention Team works centrally to co-ordinate the work of our Safer Neighbourhood Teams, maximise prevention and partnership opportunities and ensuring our officers and staff have the right skills and knowledge to perform their roles. The team have led our force-wide approach to problem-solving, seeing College of Policing recognition for the evaluation processes we have embedded and developed. We have launched a learning portal for Safer Neighbourhood Team officers, ensuring CPD is met, and a programme of training can be progressed.

The Coordinators for hate crime and prevention and problem-solving sit within the team. In the next few months this will extend to ASB Coordinators and an ECINs Coordinator. All roles maximise our opportunities to extend partnership working, support victims and communities and provide our officers and staff with support and advice.

Previous precept investment has enabled us to develop significantly within this area, with accredited prevention training and evidence-based approaches. I thank you for this and want to see this area continue to develop, ensuring prevention is at the heart of what we do.

## **SNT Investment**

In line with its Neighbourhood Policing Charter, the force has implemented a series of measures to tackle local priorities and reassure communities. Minimum standards for engagement have been introduced to our SNTs that clearly define requirements for visibility and engagement.

Work continues to support Derbyshire's Neighbourhood Watch, Farm Watch and Community Speedwatch, identifying opportunities for the development of new schemes and recruiting new members to established groups. Over 1,500 new members have been added to schemes since the start of the year (2022).

The Partnership and Prevention Team, NHW Coordinator and SNT are currently developing a community-based Neighbourhood Watch that supports our seldom-heard communities, so rather than being street or geographically based it is aimed at supporting an ethnicity-based community that previously may have felt distrust towards the police. This work is vitally important in ensuring we maintain trust and legitimacy with all our communities.

Our website provides contact details for local Neighbourhood Teams and a list of the officers who cover each area. Work undertaken to tackle local priorities is fed back to communities through street surgeries, local meetings, social media, and Derbyshire Alert messaging.

The introduction of a new SNT abstraction policy in 2022 has sought to reduce the number of officer abstractions from the neighbourhood role. This year we will be able to monitor engagement and abstraction in our SNTs through the development of an App that allows SNT officers to record activity in these areas. This will enable us to understand the risks and gaps and report through our internal governance processes, and to you as Commissioner.

On South Division, the new Joint Police and Fire Station on Ascot Drive is now fully functional and operational, providing officers in Derby East with an improved base to effectively service their local communities. The Derby City Centre SNT are also now working out of their new office at the Council House; a prime location that allows a faster response to issues in the city centre.

On North Division, a new SNT base was opened in Alfreton in November 2022. We hope to have a new SNT base in Bolsover very soon. We will continue with our capital investment programme, with new SNT buildings planned for Clay Cross and Killamarsh during 2023/24.

## **Neighbourhood Acquisitive Crime**

As outlined previously, the creation of this new team means more officers on neighbourhoods with a clear focus on investigating and preventing robbery and burglary. The team will commence from the beginning of January and comprise four Detective Sergeants, 20 Police Constables, 12 Detective Constables and four Detective Staff Investigators. We are already committed to attending every home burglary, maximising opportunities to gain positive outcomes from investigative opportunities and provide preventative advice to victims and neighbours. Through the development of the Neighbourhood Acquisitive Crime Team we will be able to put equal focus on prevention and investigation, providing a sustainable and evidence-based approach to this crime type. To supplement the work of our Safer Neighbourhood Teams, we are looking to implement Neighbourhood Enforcement Teams in the Spring of 2023. These will provide a proactive arm to our community work, driving warrants, arrests, and reduction of harm in our communities.

## **Anti-Social Behaviour (ASB)**

Anti-Social behaviour remains a force priority, with clear governance structures in place, supported by a tactical lead. Crime and ASB are reviewed daily in force tasking and discussed and tasked in LPU tasking. A problem-solving approach has now been adopted and embedded. Recent independent review of our problem-solving approach shows that if we correctly apply this methodology, we can reduce ASB by over 80%. We need to allow our Safer Neighbourhood Teams the space and time to achieve this, ensuring they have the training and knowledge to work with partners and communities to achieve positive results. We have supported joint training with our partners in this area, and through our problem-solving and prevention Coordinators this work is ongoing

ASB Coordinators will be key in understanding our force-wide approach, identifying repeat victims, locations, and offenders, and working with partners to achieve sustainable results. We are developing our use of ECINs as a partnership tool to share information on ASB. To support data compliance, we are recruiting an ECINs Coordinator who will have oversight of the system and drive partnership working within this area.

## **Problem-Solving**

Extensive training has taken place across the force to equip our officers and staff with problem-solving training. The force currently has 83 open problem-solving plans in place. An ASB partnership event was held in July 2022 and the force is currently organising a round table event in January 2023 for frequent callers that will involve police and partners, in order to adopt a root cause problem-solving approach in this business area, thereby reducing wider demand on policing.

Through the last precept, we funded crime prevention training to several of our PCSOs and are planning to train further staff in hot spot policing principles. This enables us to broaden our response and increases our opportunities to manage the problems effectively through an evidence-based approach. We know the impact some residual issues and problems can have and are committed to equipping our officers and staff with the rights skills. Through our problem-solving and prevention team, we have developed a Safer Neighbourhood Team Learning Hub, which provides online training and CPD to our staff.

Our problem management plans and force processes within this area are independently evaluated so that we can share good practice via the Knowledge Hub and look to continually improve through recommendations that are made. This has seen us embed enhanced supervisor training and a Problem-Solving Board. Due to its well-recognised evidence-based

approach, the force is committed to ensuring this methodology is continually developed and used throughout the organisation.

### **Neighbourhood Watch (NHW) and Neighbourhood Alert**

NHW schemes support our organisation in reducing crime by deterring offenders and thereby preventing crime. NHW has a well-established evidence base, and schemes are supported within Derbyshire, with engagement forming part of our SNT minimum standards, detailing the expectation that local policing engages consistently with members. PCSOs are attending the NHW AGM in January 2023 so that we can promote shared learning and joint working. The Partnership and Prevention Teamwork with the NHW administrator to ensure this is an area that is continually promoted and supported. Through the Neighbourhood Watch Innovation Fund, commissioned crime prevention initiatives can be applied for via the PCC, supporting a community- focused approach.

We continue to see a steady increase in our NHW schemes and members with an increase of 22 schemes since September 2022, taking us to 879 schemes and an additional 220 members attached to those schemes, taking us to 2,934. This is a positive picture and one we will consistently promote.

As a force we recognise the importance of tailoring our communication methods to meet the needs of our communities. SNTs complete face-to-face engagement, school visits and youth-led engagement, newsletters, and social media posts. We continue to promote the use of Derbyshire Alert as a two-way method of communication that allows our teams to update communities with what is happening within their area, survey the public to understand what is impacting them most and provide updates in relation to positive outcomes and work that has taken place.

We continue to use the mapping facility on Derbyshire Alert to understand where our gaps are, placing emphasis on bridging those gaps through a targeted engagement approach. We monitor SNT use of Derbyshire Alert, with training offered to upskill staff and a PCSO Supervisor working group set up to drive engagement activity and compliance. In December 2022, we saw 500 new members added to Derbyshire Alert. Much of this was supported by the great engagement the anti-violence bee brought to Derbyshire, demonstrating the proactive approach that our force takes to engagement and prevention opportunities.

### **Road Safety**

Following investment last year from you Commissioner, the RPU has increased capacity and capability aimed at making our roads safer and tackling criminality operating on them. We now have off-road bikes and officers trained in their use. These bikes allow us to tackle ASB in a more proactive manner and provide further capability and capacity towards tackling criminality. For example, it allows us to deal with the ASB-related reports of nuisance off-road motorcycles. Similarly, following investment last year, the Constabulary has an unmarked motorcycle as part of the RPU. This will enhance the unit's ability to tackle criminality and poor road behaviour.

The RPU has an Abnormal Load Car expected to be in service early in the new year. There are a substantial number of abnormal loads using our roads and revenue generated from supporting this work allows the RPU to reinvest further in road safety. You provided additional funding to support several other road safety initiatives outlined below.

The Bikesafe events held by RPU have been a real success, receiving much praise from attendees. The formal end of year report is being drafted, but it has been hugely successful and won a National Outstanding Service Award. Our scheme has attracted national interest and

recognition as one of the leading in the country, which is a phenomenal achievement as it was only introduced this past year. The force is seeking to secure funding to continue with this work next year. It is undertaken in the West and Northwest of the county, which attracts large numbers of bikers to Derbyshire and is sadly a hot spot for biker KSIs. 26,000 miles of high visibility patrols were carried out. Female-only rider sessions have also taken place, to capture the whole biker community. There were 240 Attendees over 48 workshops and 26,000 miles covered (all in the West/Northwest of county). Operation Cruiser is an operation to ensure that dedicated RPU work is operating in the Northwest of the county. This is an example of one of many targeted operations led by the RPU.

Funded new roadside breath test devices were delivered to the force in September 2022, and they have been sent out across the county to response vehicles and across the Operations Support Department to replace the old devices which were unserviceable and failing due to age.

Following on from the successful funding bid and initiatives from last year, the RPU have submitted a number of additional bids for the upcoming year. These include continuation of Bike Safe, investment in an Abnormal Loads officer, fatal four work, increases in the marked motorcycle fleet, and drug drive work. This evidences the continued commitment to make our roads safer.

Community Speedwatch provides the opportunity for the public to influence and contribute to the education of drivers whilst making their neighbourhoods safer. They add value and support to the work of Derbyshire Constabulary staff, whilst also helping to forge closer links with communities. It is preventative work that is promoted within our force, seeing an increase in groups over 2022 from 83 to 92, with 750 volunteers. We currently have a further 12 groups pending training (30 volunteers).

With more groups wanting to start, Community Speedwatch Coordinators are working with our SNTs to ensure we maintain community involvement, maximise preventative opportunities and ensure that all our watches are enforcing on a consistent basis. Your support as Commissioner has been appreciated and thought of further investment in this area is one for consideration in 2023.

## **Rural Crime**

The force understands the impact that rural crime has on many of our communities and operates a dedicated team of officers, staff, and volunteers to tackle the bespoke issues presented by this type of incident and criminality. Over the past 12 months the force has increased the Rural Crime Team establishment through an additional PCSO and plan to utilise an Uplift post to provide an increase of one police constable.

The Rural Crime Team (RCT) work proactively, offering preventative support and advice, whilst managing investigations in response to intelligence and reported rural crime. Preventative advice has been delivered to the rural community, utilising a range of methods and problem management plans, to focus activity on issues such as acquisitive agricultural crime.

In the 12-month period ending October 2022, there were 294 crimes reported as the four main crime types covered by the Rural Crime Team (RCT). These consisted of 144 Operation Logrey (relating to Agriculture), 121 records made under Operation Whistler (relating to Wildlife), 16 records made under Operation Chronos (relating to Heritage) and 13 records made under Operation Tilly (relating to Equine). The close work with the rural communities, volunteer schemes such as Farm Watch, Horse Watch and Badger Watch, and formal partnerships has improved confidence in reporting and demonstrated the importance of this capability. This is

further supported by training to the RCT staff in areas, such as rural domestic abuse and improved reporting routes for the public, such as online contact.

The RCT support other agencies and charities, such as the 'Willow Project' who specialise in providing support to victims of domestic abuse within rural communities, and the Peak District National Park Authority to tackle crime, disorder, and antisocial behaviour across the Peak National Park.

On 24 November 2022, a national platform was launched on Derbyshire Constabulary's website to support the reporting of rural and wildlife crime. The platform will help direct more relevant information to our Rural Crime Team and encourage residents to report crimes in this area. The launch will be promoted through our social media channels, Derbyshire Alert and at events attended by the Rural Crime Team

### **Victim Support and Safeguarding**

The force priorities were refreshed in 2021, with a supporting and aligned governance structure. As we move into 2023, we have refreshed the 'Service to the Public' priority and supporting strategic board, to provide increased focus in improving the victim journey.

This will increase executive oversight to improve victim satisfaction and drive improvement across the following key areas:

- Victim needs assessments
- Victim Code of Practice (VCOP) compliance
- Victim Personal Statement (VPS) quality and compliance
- Victim aspect of the Race Action Plan.

The strategic board will also pull together Data Quality and Crime Data Integrity (CDI) workstreams to manage and improve performance, building upon the significant improvement the force has already made within CDI. The wider governance structure maintains a focus on fighting crime, vulnerability, responsive and visible policing, prevention and partnerships, and legitimacy.

Several changes have been made across the force to ensure that our victims are provided with the highest level of service and remain at the heart of what we do. Victim referrals for non-specialist crime are now automatically made and a victim App is currently under development.

The Government has set out clear ambitions and requirements for police forces when it comes to the following three areas:

- Violence against Women and Girls (VAWG)
- Serious Violence
- Substance Misuse

**Tackling Violence Against Women and Girls Strategy:** The Violence Against Women and Girls (VAWG) Strategy was published in November 2021. The Strategy sets out the actions the Government will take to increase support for survivors, bring perpetrators to justice, and ultimately reduce the prevalence of violence against women and girls. The strategy seeks to ensure that victims and survivors can be confident they will get the support they deserve, that perpetrators face justice, frontline professionals are supported to work effectively together, and, most importantly, that there is a relentless focus on preventing these crimes from happening in the first place.

**Serious Violence:** Following the publication of the Serious Violence Strategy in April 2018. The Serious Violence Bill 2019-20 was announced in the Queen's Speech in December 2019. The Bill proposes to amend the Crime and Disorder Act 1998 to ensure that serious violence is an explicit priority for Community Safety Partnerships, requiring a local needs assessment and strategy to set out a multi-agency approach to tackle the root causes of violent crime by placing an emphasis on intervention with young people and acknowledging that law enforcement alone cannot tackle violence.

**Substance Misuse:** From Harm to Hope - A 10-year drugs plan to cut crime and save lives: This Strategy commits the whole of government, police, and public services to work together and share responsibility for creating a safer, healthier, and more productive society. It seeks to utilise existing partnership arrangements, including CSPs to develop a local response.

Recognising the impact that these key thematic areas have on victims and public confidence, uplift has been agreed for Constable posts in each of the areas. We are committed to making a positive difference, acknowledging that our response to strategies and delivery plans are cross cutting on many crime types. Specific responsibilities for these Coordinators will include performance monitoring and reporting, delivery plan updates, crime prevention and safeguarding activity, liaison with partners, the third sector and charities to build positive working practices, targeted communication, and engagement, and gathering best practice to utilise in force.

### **Violence Against Women and Girls (VAWG)**

The force has its own VAWG plan as well as forming part of the Derbyshire Partnership VAWG Plan. VAWG is a key priority for the force and resource is required to coordinate work and support the senior leadership in this area. There are several initiatives already in place to create safer spaces for women and girls and to proactively target offenders. The force has continued to invest in this area and seeks to continue to provide additional night time economy patrols, working with other partners, as it did this year. This is a mixture of high profile and plain clothes patrols conducting checks on men seen loitering, following or harassing women and girls and using the full range of powers to address inappropriate behaviour, including dispersal powers, proactive Criminal Behaviour Orders or arrests for harassment, public order, or public nuisance.

Some of the previous investments include the creation of a Serial, Repeat and Civil Orders Team, which starts in early January 2023, and will focus on the cases of high-harm repeat victims and serial offenders of sexual offences, stalking and harassment and domestic abuse. This will maximise the use of protective orders ensuring these are proactively enforced to reduce risk and harm. Increased reporting brings additional pressure in terms of investigative workloads and victim support. Changes within the force operating model, and in particular investigations, are intended to support this and provide a better service for victims of crime through ensuring the most appropriate investigative resource is assigned.

### **Stalking Coordinator**

A police staff Stalking Coordinator is in post, based within the Safeguarding Coordination Hub. This post was created through investment this past year. The purpose of the role is to risk assess non-domestic abuse (DA) stalking cases (DA cases update is covered by DART), assist in the application for Stalking Protection Orders, upskill others in the organisation in terms of recognising and responding to stalking, and assist with quality assurance of stalking investigations.

## **Stalking Advocate**

A specific Stalking Advocate (known as an Independent Stalking Advocacy Caseworker – ISAC) is now in place in the north of the County, embedded within Crossroads (one of the DA providers commissioned by the OPCC in the County). Initially, this post will be supporting victims only in the North West of the county, but with a plan to expand to the whole of the County area. In addition to this, you have agreed to fund an equivalent post for the City. The purpose of the role is to provide specialist, practical and emotional support to victims of stalking, to assist them to recover from the impact of the offending, and to support them through a prosecution where appropriate.

## **Vulnerability**

Providing the best policing service to vulnerable people is an incredibly important part of the service we deliver and remains a Chief Constable's priority. Vulnerability spans across all areas of policing, particularly areas of domestic abuse, stalking and harassment, serious sexual violence, missing people, exploitation, child abuse and online child protection. A central part of the force vulnerability strategy is also our strong commitment to tackling VAWG. Some of the developments and continued investments have been outlined above. Further details of changes and challenges are covered below.

The force identifies vulnerability through a variety of means. First and foremost is the ability of staff and officers to accurately recognise vulnerability. Vulnerability training is being delivered to all officers and relevant police staff over an 18-month programme encompassing seven separate modules. This will ensure everyone understands and recognises vulnerability to provide the best support for those most vulnerable to harm within Derbyshire.

We have also developed our analytical capability, through Power BI. This provides immediate access to information which is available across the force. This includes performance reporting and insight into various areas of vulnerability, including individuals who pose the greatest risk, for instance repeat offenders. The force is now utilising this information to inform strategic profiles, such as a Child Sexual Exploitation (CSE) profile. A new Serious Organised Crime and Exploitation (SOCEX) tasking is in development, which will seek to be the forum for utilising such profiles to focus and coordinate activity.

There has continued to be an increase in demand across various strands of vulnerability. During the past year, the force has reviewed its operating model, with a focus on how we can effectively meet this demand, ensuring we deliver a consistent service that is fit for the future.

## **Domestic Abuse**

Domestic abuse now accounts for over 12.9% of all force recorded incidents and 19.7% of all recorded crime (crimes and non-crimes). Whilst DA has reduced in the past 12 months by 6%, the last quarter saw an increase in DA crime and last month the force saw an increase of 2.2 DA crimes a day compared to the daily average over the last 12 months. It forms a significant part of force demand and one that needs to be tackled effectively and victims given the support they need.

The introduction of the Domestic Abuse Review Team (DART) in November 2021 now sees a dedicated function undertake secondary risk assessments of all domestic incidents. The team, who are enhanced risk assessment trained, provide consistency and objectivity when undertaking such reviews and take cognisance of cumulative risk through research, as opposed to assessing incidents in isolation. Since its inception, DART has reviewed 26,397 risk assessments, resulting in 1,319 cases being escalated from their original risk assessment

grading. This ensures investigations are appropriately assigned based upon risk, as well as creating capacity for frontline Sergeants, who previously undertook this function.

In 2022, Derbyshire received 22,428 DASH PPNs, of which 1,308 were initially risk assessed as High Risk. Our high-risk cases are supported by the Multi Agency Risk Assessment Conference (MARAC), which focuses on supporting victims of abuse and their children. As we continue to improve the quality of risk assessments, together with a landscape of increasing demand, this will continue to impact MARAC requirements as more high-risk cases are identified. Additionally, the Domestic Abuse Act now formally recognises children who are adversely impacted by living with domestic abuse, as victims in their own right. The Constabulary has been working in partnership to introduce relevant provision to meet the requirements of the Act, including appropriateness of safeguarding referrals, signposting children to victim support services, as well as exploring early intervention opportunities to ensure we provide the best possible outcomes for children. An uplift in a MARAC Coordinator is necessary to meet these demands, however, the full impact of this Act remains uncertain, and will need to be kept under close review with potential investment required.

From an investigative perspective, all high-risk cases are undertaken by public protection teams. Recognising the increasing demand, the force's new operating structure shall see bespoke high-risk domestic abuse teams form, separating these from current wider adult public protection hubs. This provides a dedicated focus and continues to build a depth of specialism within this area of offending. The new serial and repeat team shall prioritise cases involving serial or repeat offenders of medium and standard risk domestic abuse, which have historically fallen short of specialist resource. This is a positive step forward and the team, supported by a civil order function, shall provide wider opportunities to improve the safety of victims of abuse through proactive application and policing of ancillary orders. I anticipate this will be an area of growth over this next year.

### **Rape and Serious Sexual Offences (RASSO)**

The force is working through the response to the Government-led, end-to-end rape review. Rape is a terrible crime with a huge impact on its victims. Like all forces, Derbyshire wants to ensure it provides the best victim care and experience it can for victims of this crime and maximise its opportunities to bring offenders to justice. Operation Soteria has been launched in response to this, to support the Home Office pledge to increase rape cases that make it to court. Work is ongoing, including a programme of research led centrally, to provide and share best practice and develop a national operating model. Derbyshire is keeping pace with these developments, assessing this against current working practices to ensure our response to rape and serious sexual assault continues to be at the forefront of new and emerging good practice. A key aspect of this includes the formation of dedicated RASSO teams which commence in January 2023. These functions shall undertake rape and serious sexual offence investigations, excluding child rape and high-risk domestic abuse cases, which are progressed within wider specialist functions. In doing so, this will see recent and non-recent RASSO investigations undertaken by a core group of specialists, who have received additional training to understand and meet the challenges that exist within these serious and complex crimes. The force is also investing in Victim Liaison Officers (VLOs) as part of the uplift for rape and serious sexual offences. Embedded within the newly formed RASSO teams, VLOs will provide a clear and dedicated focus for victims throughout an investigation, improving our approach and focusing on reducing disengagement.

### **Management of Sexual and Violence Offenders (MOSOVO)**

During 2022, the force has reviewed and refreshed its approach to the management of sexual and violent offenders (MOSOVO), particularly following the impact of covid on working practices.

This has seen streamlined processes, a reduction in unmet demand and an improved performance framework to effectively manage risk within the unit. However, it is recognised that this area of policing continues to grow, especially in response to the proliferation of indecent images of children and our commitment to protecting children online. This itself, results in an average of 50 additional offenders each year who require proactive management. The force is seeking to evolve the scope of the team to improve its management of violent offenders and high-risk individuals. The service forecasts an increase following recent changes to national guidance, together with our investment in the serial and repeat function. In preparation, the force has assigned an additional uplift to meet its requirements.

### **Missing and Child Protection**

In 2022, the force made significant changes around Child Protection. Child Sexual Abuse has seen a 3% increase over the last 12 months whilst Child Sexual Exploitation has seen a decrease of 2% in the same time period. Specifically in relation to child rape, there has been a 6% increase year on year, which equates to 508 reported cases; an additional 29 cases when compared to the previous 12 months. The force has restructured its approach to child abuse investigations, introducing specialist child investigation teams containing trained officers, to provide an effective response to such investigations. These numbers have been added to in the past year in recognition of the high impact the staff were managing.

Online Child Protection continues to be a significant area of growth in terms of demand, with 2022 seeing a 24.6% increase compared to 2021. As a service, referrals continue to originate from external agencies such as the National Crime Agency, which had traditionally been the case, but we now see increasing reports from members of the public. In 2021 the force professionalised its response, developing a Protecting Children Online team, with safeguarding at the centre of its purpose. Investment saw the unit double in size, however, as we continue to improve in this area further investment is necessary and planned, to ensure a consistently good service and avoid unmet demand. The success of this unit also creates demand elsewhere in the force, most notably for digital examinations and the management of offenders' post-conviction, as mentioned. Both have received investment, and the Digital Forensic Unit has produced a strong improvement in performance with a 29.2% reduction in unmet demand. Continued investment is needed this year to keep pace with demand and ensure all timescales for examination of devices is at a suitable minimum.

The force continues to tackle the real and credible threat around exploitation and the close link to missing children. Derbyshire's trend around missing people has identified that approximately 5% of all children who go missing are assessed to be at risk of exploitation. This is in comparison to 15% of all children who were missing in 2021. The reduction has been made possible by realigning resources into a force missing and exploitation department. This whole system approach has enabled officers to work as part of a multiagency partnership to identify individuals who are at risk of exploitation and utilise early intervention focusing on tackling the root cause and reducing repeat missing occurrences. Following the implementation of a dedicated missing person investigation team, Derbyshire Constabulary has reduced the amount of time individuals remain missing. During 2022, just over 91% of people were located within a period of 24 hours. This response has enabled the force to reduce the risk of harm an individual may face whilst missing, maximise opportunities to support families, carers and loved ones of people who go missing and reduce the amount of police resources required to locate a missing person.

Our response to missing people is also supported by the creation of a Criminal Exploitation Team, identifying vulnerable young people and adults at risk of being exploited for criminal purposes, and working with partners to safeguard them and deal with perpetrators. Precept funding was utilised to support the development of these units last year. The team are already having an impact. Between May and December 2022, the teams have identified 24 County Lines

operating within the county, disrupting 12 of these and significantly thwarting the activity on a further six, resulting in over 50 arrests, 24 vulnerable children safeguarded, 20 offenders remanded to Court pending trials and seizing over £250,000 of Class A Controlled drugs.

### **Fraud and Vulnerability**

The force recognises the adverse impact fraud can have on individuals, particularly those who are exploited due to their vulnerability. Derbyshire has a dedicated Economic Crime Unit that consists of various disciplines, including financial fraud, complex fraud, and vulnerability fraud. However, it is recognised that fraud demand is often underreported. A review of the force operating model is ongoing to ensure a consistent approach to fraud investigations, ensuring that those with the greatest risk of harm are escalated for a specialist investigation. In addition, we have plans to increase by three financial investigators in 23/24 who will assist in removing finance and other assets that have criminally gained.

### **Driving Efficiencies and Finance**

The force continues to seek opportunities to find its own resource and funding for investment, prior to seeking any support for growth. A good example of this were the posts found internally to increase numbers in the Control Room. It has also sought to maximise the use of the Uplift posts against areas of most need.

Having an efficient and effective force is important in delivering the best service to the public within the funding available. In this next financial year, a small team of dedicated resources will be formed to focus on meeting next year's funding gap and continuing to drive out efficiencies.

### **Force Planning Mechanisms**

A Force Planning Day was held in November 2022 with the Senior Leadership Team to consider areas of policing that required investment and identify where opportunities for savings may be made. The process used the strategic Management of Risk in Law Enforcement (MoRiLE) model as part of the Organisational Risk Assessment (ORA). The model is used to assess demand and the ability to meet demand for individual areas of business. It focuses on one core unit or business area at a time to build force-wide oversight of which areas are struggling to meet demand and, where that is the case, the level of harm and risk this presents. The model identified gaps in service delivery from which departmental managers were asked to consider options for change. Bids for additional resources were considered and graded against Capacity and Risk. £0.519m of new investment was supported with a further £0.423m of one-off expenditure and £0.123m of capital expenditure approved.

### **Value for Money**

The Constabulary continues to demonstrate good value for money and performs well in national comparators. The most recent procurement data reported to Blue Light Commercial shows cashable savings of £0.290m to date for 2022/23 on top of £0.622m achieved in 2021/22.

A review of 'good financial management' arrangements across our services resulted in budget savings of £2.9m from the 2022/23 Budget and a further £0.884m has been removed from the budget requirement for 2023/24.

Further efficiencies and cashable savings are planned through the Mobile Workplace project, which will improve the way we work remotely and optimise the business benefits working with Office 365 productivity tools. This will promote a culture across the organisation which embraces

modern agile working, whilst creating a working environment that energises the staff using it, increasing productivity, and reducing our carbon footprint.

### **Income**

Income provides the force with opportunities to deliver services and quality to the force's strategic and policing plans, above that which would be available with statutory funding. In October 2021, the force approached CIPFA to undertake an assessment of where Derbyshire stood in comparison with others and to identify any significant opportunities in respect of income generation. Based upon Police Objective Analysis returns for the three-year period 2018/19 to 2020/21, the review found that Derbyshire Constabulary performed better than the average of all forces and significantly outperformed other forces for income generated per officer. The review concluded that, overall, the force gains more total income than the average force. The force also ensures that it operates effective cost recovery models and has reviewed its recharging models for supporting collaboration and national projects. This will result in additional income of £1.059m during 2023/24.

### **Impact of Inflation**

Under the Spending Review plans published in October 2021, departmental spending limits were due to grow by 3.3% year on year to 2024/25. This was based upon inflation that was due to average 2.3% over the three-year SR period. Inflation is now 10.7% and is not expected to fall below 5% until 2024. Police funding is, therefore, considerably less effective than originally planned over this spending review period.

Our budget is expected to increase by £9.7m to cover the costs of inflation and pay awards. With Government Grant funding not increasing in real terms, a greater burden is placed upon the force to reduce its overall budget requirement, whilst protecting key services and improving public confidence. However, with forces required to maintain uplift numbers and with over 79% of our budget spent on officers and staff, it is increasingly difficult to reduce costs without impacting on service delivery and public confidence. With lower-than-average net spend per head of population and our reserves around 4% lower than the average for forces, it is inevitable that some of the financial burden will be addressed through an increase in Council Tax Precept.

The Policing settlement did not deliver funding to cover the increased costs of pay and inflation or provide financial certainty that would allow for proper investment in policing that would reduce crime and keep our communities safe. After considering all other cost pressures, the ability to increase the precept by £15 would provide the Constabulary with the necessary funding to strengthen policing in Derbyshire, deliver the priorities the public ask for in your Police and Crime Plan, whilst providing for additional investment in critical policing services above those provided for by Central Government.

The Medium-Term Financial Plan (MTFP) forecasts future years' budget requirements based upon our funding and spending assumptions. The following table shows our forecast budget position through to 2026/27 and demonstrates how decisions taken now will affect the level of future funding resources.

### Medium Term Financial Plan

	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m
<b>Base Budget Requirement</b>	<b>219.471</b>	<b>231.077</b>	<b>236.271</b>	<b>242.142</b>
Projected Funding	218.934	225.858	233.156	240.628
<b>Funding Gap</b>	<b>0.537</b>	<b>5.219</b>	<b>3.115</b>	<b>1.514</b>
<b>Budget Assumptions:</b>				
Pay Award	2.0%	2.0%	2.0%	2.0%
Vacancy Factor	6%	4%	4%	4%
Inflation	Various	2%	2%	2%
Precept Increase	£15	£10	£10	£10
Home Office Grant	0.3%	1.8%	2%	2%
Increase in Tax Base	1.5%	1.5%	1.5%	1.5%
Police Pension Revaluatio	-	£4m	-	-
Police Officers	Maintained at Uplift (2,110)			
PCSO's	200	200	200	200

Whilst a £15 precept increase now will soften the impact on future budget positions, there will remain financial challenges to address our budget gaps beyond 2023/24, even with the assumption of continued precept increases up to the maximum permitted levels to 2026/27.

A revised five-year Capital Programme is being produced to prioritise the investment across the Estate and to consider the latest costs in light of increases in construction costs, and to review the funding options and borrowing requirements. Whilst interest rates remain high, internal borrowing will be used in the short-term, where appropriate and subject to cashflow.

We are committed to continuing with capital investment across our Estate, Fleet, and IS. We have planned capital investment of £120m over the next five years that prioritises investment in operational buildings to maintain and enhance capabilities across the County.

We know that buying and building new police stations helps reassure our communities that we are committed to retaining local policing as a key part of our service, and provides a significant, visible statement of our presence. There has been a lack of investment in previous years, with a plan now in place to develop the estate in a proportionate and efficient way to meet the needs of the people we serve. The increase in precept last year assisted in some of the investment required. However, the force has some vital major developments required. These include the new 50 cell custody provision for the north of the county, and north area headquarters in Chesterfield, and in the longer term a solution needs to be found for the same provisions in the south of the county. We continue to work with the Home Office and Treasury regarding potential grant funding to support the sustainable exit from the current Private Finance Initiative (PFI)

contract for the south headquarters. These require significant capital investment and borrowing; the latter being currently at a high rate. Whilst we have made considerable inroads into the estate improvements required, a pragmatic and flexible approach is being taken to ensure all changes are necessary, affordable and support provision of the most efficient and effective service. The force has continued to invest in technology and used investment to support this. The laptop rollout and MDT upgrades demonstrate this. They are used to create additional capacity in the estate through enabling more agile working. Whilst this requires continued investment in rollout and replacement programmes, it enables more efficient and effective use of the estate and relieves some of the pressures within it in a more cost-effective manner.

### **Precept Recommendation**

Commissioner, I have outlined throughout this letter the significant operational and organisational challenges we face, within the context of substantial financial challenge. I am acutely aware of the financial challenges to our communities in the face of the increasing cost of living.

The force has made significant improvements but there is still much more to do. We have sought to manage this through the realignment of resource, maximising police Uplift and through creating efficiencies in the first instance before recourse to additional investment. However, in this year I have needed to utilise officers in new necessary posts, key to frontline delivery, which could potentially be modernised in the future. However, the constraints on the budget and maintaining police officer numbers means that I will have no option but to continue to use police officers instead and will be unable to use modernisation as an opportunity for future savings on these and similar posts. As we move forward and further savings are required, I am confident we will reach a position where we will need to consider moving police officers into posts that have previously been occupied by police staff. We are not yet at this point, and I am keen to maximise the opportunity that a £15 precept affords the force, and ensures it maintains officers in as many frontline roles as possible.

In modelling the precept options available to us, anything other than an increase of £15 is likely to yield a significant budget shortfall in 2023/2024, (and beyond) or be insufficient to sustain the investments we have made over the last few years to tackle the force identified threat and risk priorities and deliver your Police and Crime Plan. Many factors in relation to our financial context are outside of my control, such as pay and inflation, the cost of fuel, the cost of building materials and the rate of borrowing, and all have a significant impact against the budget.

Our budget requirement for 2023/24 is £219.471m. With inflation currently over 10% it is increasingly difficult to cushion the impact of increased cost and services from our budgets. We continue to explore every opportunity to reduce our costs and the proposed budget reflects savings of £0.884m that we have identified and additional income of £1.059m. Central Government funding has only increased by 2%, placing a considerable burden on the force to achieve a balanced budget. A £15 increase per year in precept is the maximum permitted under current regulations and would result in a 5.9% increase in a Band D property to £266.60. This generates an extra £5.0m and would still require a one-off contribution from our Reserves to balance the budget.

We will seek to manage future funding gaps through the Savings Programme during 2023/24, however our future funding assumptions remain based upon a potential precept increase of £10 for 2024/25 and beyond.

Whilst the option to increase the precept by £15 will still lead to significant challenges for the 2024/25 financial year and beyond, I am confident that the areas discussed in this letter for immediate investment in 2023/24 would enable resilience in the improvements we have made,

and support the further improvements required. They enable delivery of Derbyshire Police and Crime Plan priorities as supported by the public and will deliver against force threats and risks. Increasing the precept by £15 will allow me to continue to deliver responsive and visible policing to the communities of Derbyshire in the coming year.

The key question when determining the level of precept must be, does it allow for a manageable and sustainable budget in the forthcoming year that delivers some growth against our priorities, whilst protecting the Constabulary for the future?

Commissioner, anything other than a precept increase of £15 would not deliver the immediate investment required to maintain and improve service in the short and medium term, leaving me with no option but to make this recommendation to you. It presents a risk to frontline policing, which we have both worked hard to increase over the past 18 months. I make this recommendation in the full knowledge that the Constabulary is yet again asking you to approach the communities of Derbyshire to ask for more funding, which I know under the current climate will be difficult for many. We have worked hard to manage costs within our control and continue to do so, however many large factors are outside of our control and affect our ability to improve services. I would like to reassure you that I will continue to pursue all opportunities for efficiencies that do not impact upon our ability to deliver policing within Derbyshire and would never seek to ask for more funding than is necessary for this purpose.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Rachel Swann', written in a cursive style.

Rachel Swann QPM  
Chief Constable

 <p><b>Derbyshire Police and Crime Commissioner</b></p> <p><i>Protecting Communities, Fighting Crime</i></p>		AGENDA ITEM
<h1 style="margin: 0;">POLICING BUDGET MEETING</h1>		

<b>REPORT TITLE</b>	BUDGET 2023/24, PRECEPT REPORT AND MEDIUM-TERM FINANCIAL FORECAST 2023/24 – 2026/27
<b>REPORT BY</b>	JOINT REPORT OF THE CHIEF CONSTABLE, CHIEF FINANCE OFFICER FOR THE CONSTABULARY AND CHIEF OPERATING OFFICER FOR THE PCC
<b>DATE</b>	18 JANUARY 2023

### **PURPOSE OF THE REPORT**

This main purpose of this report is to request that the Police and Crime Commissioner approves a Revenue Budget Requirement for the Constabulary for the financial year 2023/24 of **£219,470,868** and agrees to an increase in Band D Council Tax, at the maximum permitted under current Precept Limitation regulations (**a £15 increase**).

The report also requires actions and decisions to be made regarding the following: -

1. The Police and Crime Commissioners (PCC's) own Revenue Budget for 2023/24.
2. The Medium-Term Financial Forecasts for 2023/24 – 2026/27.
3. The forecasted balances on force Reserves and any use of these Reserves

A full list of recommendations regarding these matters is set out in the following section of the report. Subsequent sections provide comprehensive background information, analysis and forecasting to support all the recommendations made.

## **ATTACHMENTS**

### **List of Annexes**

<b>A</b>	November 2022 Planning Day Business Cases
<b>B</b>	Revenue Budget Forecast (Medium Term) 2023/24 – 2026/27
<b>C</b>	Budget for the Office of the Police and Crime Commissioner 2023/24
<b>D</b>	Budget for the Chief Constable 2023/24
<b>E</b>	Anticipated Reserves 2023/24 – 2025/26
<b>F</b>	Summary of Precepts 2023/24

## RECOMMENDATIONS

1. To note and acknowledge the letter from the Chief Constable setting out her professional recommendation to the PCC regarding the budget and precept proposal for 2023/24.
  
2. In respect of the revenue budget for 2023/24: -
  - a) To note the information and analysis as set out in this report.
  - b) To agree the proposed adjustments to the 2023/24 budget as detailed in both this report and **Annexes A through F**
  - c) To maintain a revenue contribution to capital of at least £3.491m in the base revenue budget.
  - d) To approve the revenue budget for 2023/24.
  - e) Approved joint delegation to the Chief Finance Officer (Constabulary) and Chief Finance Officer (PCC) to make appropriate adjustments to use of Reserves in relation to any surplus or deficit arising from the Collection Fund.
  
3. In respect of the council tax requirement, the associated police precept and provisional contributions to/(from) reserves: -
  - a) To recommend a £15 precept increase for a Band D Property.
  - b) To note the anticipated movement in reserves during 2023/24 as shown in **Annex E**.
  
4. In respect of the Medium-Term Financial Forecast for 2023/24 - 2026/27, discussed within this report but also shown in more detail at **Annex B**: -
  - a) To note the financial forecasts up to 2026/27.
  - b) To note the assumptions inherent in those forecasts and the scenarios that affect the projected financial position.
  - c) To note that the Medium-Term Financial Forecast indicates reserves will not be sufficient to close a future funding gap.
  - d) To recognise that the Force will need to identify further efficiencies and savings both for reinvestment but also to protect front-line services. (The savings strategy is included in the Medium-Term Financial Strategy).

## 1. **SETTING A BUDGET FOR 2023/24 - OUR APPROACH**

1.1 Each year the Police & Crime Commissioner is required to recommend a **Band D Council Tax** amount to support the provision of policing services in Derbyshire for that year. Applied to the **taxbase** as assessed by the 9 billing authorities, this gives a total **Police Precept** to be levied on local taxpayers.

1.2 When combined with central government funding allocated through the **Police Finance Settlement** the Precept provides the resources to finance the net revenue **Budget Requirement** for the year, which the Police & Crime Commissioner must also approve.

1.3 This report:

- sets out the potential funding available to the Constabulary, both from the recommended Council Tax option and from alternative options.
- sets out details of the proposed Revenue Budget (i.e., the ‘spending plans’ for 2023/24) and how these plans will be impacted by different council tax options.
- sets out the implications of the proposed Budget Requirement for the Constabulary’s longer-term financial position, including its Reserves.
- sets out how the proposed Budget Requirement is aligned with, and supports, a range of key policing objectives such as: delivery of the Police and Crime Plan for Derbyshire, allocating resources against threat, risk, and demand; addressing HMICFRS recommendations.

1.4 The production of the report and the recommendations within it are the result of several key actions and processes, including the following:

- 1) Receiving, analysing and understanding the details of the **Police Finance Settlement**, including its wider context of the government’s overall economic and fiscal strategy (section 2)
- 2) Receiving and following the **government’s updated Precept Limitation** principles, as they apply to Police and Crime Commissioners for 2023/24 (section 3).
- 3) **Consulting with local taxpayers** on various options for increasing the Police element of Council Tax and reflecting on the outcome (section 4).

- 4) Forecasting the estimated **taxbase of Derbyshire** for 2023/24, using past trends and figures provided by the various billing authorities where available (section 5)
- 5) From (1) to (4), projecting the potential **revenue funding available to the Constabulary** under the recommended Council Tax option and alternative options (section 6)
- 6) Calculating a committed **Budget Requirement for 2023/24**, by updating the 2022/23 Base position for the following items.
  - Removal of non-recurring spend from the 2022/23 Base (principally one-off Investment Fund items).
  - The impact of pay awards already implemented (September 2022) and the estimated impact of future pay awards (projected for September 2023) on the pay cost base.
  - The impact of non-pay inflation, actual and expected, on the non-pay cost base, as assessed on a heading-by-heading basis.
  - The full impact of Derbyshire's allocation of Uplift officers (283 officers) within the budget.
  - The impact of various other national policy decisions and other external factors influencing the Constabulary's expenditure and income.
  - The impact of changing demands and trends which have an influence on costs and income.
  - The impact of decisions previously taken by the Constabulary, for example the ongoing costs of business cases approved by the various Boards and the costs of borrowing (approved by the Commissioner) associated with the approved Capital Programme.
  - The impact of savings which have been identified as well as the ongoing financial management practised across the Constabulary.

All the above are set out in detail at section 7

- 7) Ensuring that the committed Budget Requirement is aligned with the Constabulary's **workforce planning process**.

- 8) Considering the organisational requirements that have emerged from the latest **PEEL inspection** and reflecting these appropriately in the budget proposals.
  - 9) Considering the **PCC's priorities** as set out in the current Police and Crime Plan and ensuring that the budget proposals are aligned with these as far as possible.
  - 10) Considering the decisions made following the **Constabulary's Planning Days** in November regarding its priority 'Growth Bids' and the extent to which these can be funded within the budget proposals.
  - 11) Recognising the Constabulary's ongoing responsibility to deliver **Value for Money (VFM)** for taxpayers and the wider public in the budget proposals.
  - 12) Recognising the Constabulary's ongoing responsibility to consider the impact of its budget proposals on **equality and diversity**.
  - 13) Identifying, assessing, and where possible quantifying the **key risk areas** where outcomes in 2023/24 may vary from the expectations inherent in the budget proposals.
  - 14) Projecting the ongoing impact of the funding expectations and budget proposals over the **medium-term (to 2026/27)**, to ensure their sustainability. This includes the impact on levels of Reserves.
- 1.5 All of the above considerations are overarched by the legal requirement to set a balanced budget in each year. Planned expenditure must not exceed anticipated income, taking account of any contributions to or from Reserves.
- 1.6 The consolidated proposed budget is set out at Section 8 and compared against the available funding.

2. **THE POLICE FINANCE SETTLEMENT**

2.1 The provisional Police Finance Settlement was announced via a Written Ministerial Statement on 14 December 2022. The statement initiated a period of national consultation on the settlement, ending on 13th January 2023.

**Background and Context**

2.2 The Settlement has occurred within the context of a very significant economic upheaval both globally and nationally which began with the fall-out from the Covid-19 pandemic, followed by the UK’s exit from the EU and more recently, has been exacerbated by the invasion of Ukraine. These have had, and will continue to have, major consequences for the country’s economic position and public finances for the foreseeable future.

2.3 The Settlement was preceded by the Chancellor’s Autumn Statement on 17 November. It was the first fiscal event to be accompanied by an Office for Budget Responsibility forecast since the spring statement on 23 March 2022.

2.4 The Autumn Statement identified the government’s priorities as ‘stability, growth and public services’, to be underpinned by ‘fiscally sustainability’ which in practice means a reducing level of national debt over the medium-term. Taxation and public spending are each to contribute to this goal ‘in a broadly balanced way’. On public spending the Statement confirmed that departmental DEL (Departmental Expenditure Limit) budgets will ‘be maintained at least in line with budgets set at the [2021] Spending Review’. For the Home Office the figures are:

	£ billion			
	Outturn 2021-22	Plans 2022-23	Plans 2023-24	Plans 2024-25
Resource DEL	14.4	14.6	15.4	15.4

2.5 While keeping to previously announced expenditure plans will help provide financial certainty and stability to allow for longer-term, strategic financial planning, the Spending Review occurred before much of the steep rise in inflation had materialised. This means that the Autumn Statement’s commitment signals a real-terms reduction in expenditure in most areas of the public sector.

## **2023/24 Police Settlement - The National Picture**

- 2.6 The provisional settlement largely confirmed the expectations from the Autumn Statement in terms of government support for policing. It did however include a revision to the previously announced limit on Police and Crime Commissioners' ability to raise additional funding via the Police Precept (see section 3).
- 2.7 The settlement provides a total of up to £17.2 billion for policing in 2023/24, an increase of £0.3 billion, or 1.8%, on 2022/23. This compares to a £1.1 billion increase for the previous year over 2021/22. Available funding to Police and Crime Commissioners (PCCs) will increase by up to £523 million depending on whether maximum use is made of local flexibility to increase council tax precept. This would take the total resources available to forces to £15.1 billion. The total potential increase is broken down as follows:
- A £174m increase in Government grant funding to PCCs. This is £74m higher than the amount announced as part of the 2021 Spending Review, the additional resources being made available to support the costs of the September 2022 police officer pay award.
  - Up to £349m additional funding from council tax precept, based on current forecasts and assuming all PCCs maximise their precept flexibility. The Government is enabling PCCs to increase precept by up to £15 for a Band D equivalent property, £5 more than was previously announced in the Spending Review.

Other components of the Settlement include £1.1 billion allocated to National Policing Priorities 'to support PCC's and forces, and to support the strategic vision outlined in the Beating Crime Plan to cut crime, increase confidence in the criminal justice system and put victims first'.

## **2023/24 Police Settlement - The Picture for Derbyshire**

2.8 The Settlement allocates a number of separate funding streams to forces, Derbyshire's share of each being as follows:

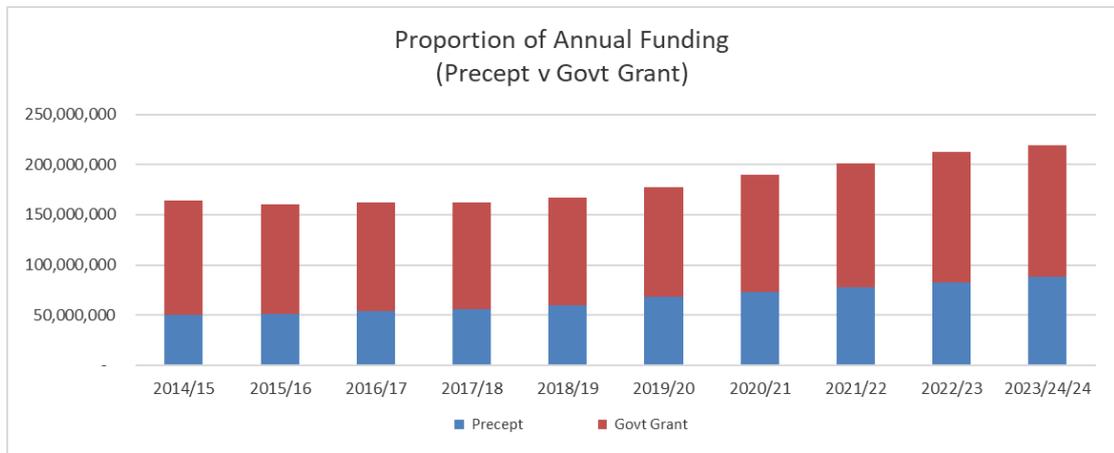
<b>Funding Stream</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>Change £m</b>	<b>Change %</b>
Home Office Police Grant	76.0	76.3	0.3	0.4%
Ex-DCLG Formula Funding	45.2	45.4	0.2	0.4%
<b>Sub-Total - Formula Grant</b>	<b>121.2</b>	<b>121.7</b>	<b>0.5</b>	<b>0.4%</b>
Council Tax Grants	8.7	8.7	0.0	0.0%
<b>Total - General Funding Grants</b>	<b>129.9</b>	<b>130.4</b>	<b>0.5</b>	<b>0.4%</b>
Pension Support Grant	1.9	1.9	0.0	0.0%
Police Uplift Programme Grant	1.9	3.9	2.0	105.3%
<b>Total - All Police Grants</b>	<b>133.7</b>	<b>136.2</b>	<b>2.5</b>	<b>1.9%</b>

2.9 The above allocations of grant funding represent an increase in cash support of just under 2% compared to 2022/23. This needs to be seen in the context of the £1,900 pay increases awarded to officers and staff in September 2022, equating to approximately 5.5% and 6.5% respectively, and the guidance issued by the Home Office that forces should plan for pay awards 'above 2%' next year as well. Additionally, key non-pay budgets have seen inflationary increases well above 2% in the past 12 months. For example, Utility costs (20%), Vehicle Fuel (28%), Vehicle Maintenance (10%) have all increased considerably over the past 12 months.

2.10 It should be noted that £2.0m of the overall £2.5m increase in funding is in the form of additional Police Uplift Programme Grant. The 2022/23 Base Budget assumed that the costs of the year 3 uplift target of 113 additional officers would be phased throughout the year. Building in the 'full year' costs of these officers from 2023/24 onwards has required £2.594m to be added to the Police Officer pay budget, so absorbing the total increase in government funding. As it is a requirement to maintain police officer numbers at the 'post-Uplift' benchmark of 2,110 officers (headcount, equating to 2,017 full-time equivalents), this provides no flexibility as to how the increase in funding is utilised.

2.11 The Government Grant allocations continue to be the main source of funding for the Constabulary, with Council Tax precept income meeting the additional running costs for the force. The proportion of Grant to Council Tax has changed significantly during the past seven years, which has resulted in a greater proportion

of funding through Council Tax, with now over 40% of our budget funded through Council Tax compared to 30% in 2014/15.



### 3. OPTIONS FOR SETTING A PRECEPT

- 3.1 The requirement on the Commissioner to set a Band D Council Tax for policing is bounded by a 'Council Tax Referendum Principle' applied to all Police and Crime Commissioners each year. This principle is formally set by the Department of Levelling Up, Housing and Communities as part of the Local Government Finance Settlement.
- 3.2 Following the 2021 Spending Review it was announced that PCC's would be able to increase their Band D Council Tax by **£10** per year in each of the three years covered by the Review without the need to hold a local referendum. For the first year, 2022/23, Derbyshire's PCC increased Council Tax by the maximum permitted following a consultation process with local taxpayers.
- 3.3 The DLUHC issued a local government finance policy statement for 2023/24 to 2024/25 on 12 December 2022. This announced changes to Referendum Principles for most types of authority, including Police & Crime Commissioners. For 2023/24 only, the maximum permitted increase in Band D Council Tax for policing is **£15** instead of £10.
- 3.4 The change was confirmed in a letter from the Minister for Crime, Policing and Fire, Chris Philp, to the NPCC and APCC who stated that it was in recognition of the pressures faced by policing and the expressed need for a 'greater degree of flexibility when setting budgets.' The letter also states that the Home Office 'expect[s] PCCs to exhaust all other options to re-prioritise budgets, seek efficiencies and to maximise productivity of their existing resources before looking to local taxpayers for additional funding.'
- 3.5 The recommendation of this report is that the Band D Council tax should be increased by the maximum permitted of £15. The Chief Constable's letter to the Commissioner and the budget analysis and proposals set out at section 7 provide a detailed rationale for this recommendation including how all the other options requested by the Home Office have been considered and addressed.

#### **4. PUBLIC CONSULTATION AND ENGAGEMENT**

- 4.1 Decisions on increases to the Police Precept need to take account of the views of residents and taxpayers of Derbyshire as well as local and national policing priorities. The Commissioner launched an online public budget consultation in November, seeking the public's view on the amount of council tax that local residents pay towards policing in Derbyshire. The consultation included options ranging from 0% (a freeze in council tax) up to a £18 increase (£1.50 per month) based on a band D property.
- 4.2 To ensure the consultation was promoted effectively, details were publicised through social media, the Commissioner's website, along with being distributed to key stakeholders including members of the public. In addition, a press release was issued by the Commissioner which was circulated to local news outlets within Derbyshire.
- 4.3 The consultation period closed on 16 January 2023 and saw 2,138 Derbyshire taxpayers participate. Responses were received from each local authority area (over 170 from each area) and the results showed that 65.9% of people supported an increase to the policing precept, with 53.1% of respondents supporting an increase of £15 or more.

**5. COUNCIL TAX BASE**

- 5.1 The total funding available via the Police Precept depends on the tax base as calculated by the county’s nine billing authorities. They do this by converting all properties to Band D equivalents and making assumptions about the levels of discounts to be offered, including through their localised Council Tax Benefit Schemes, and the amount of tax to be collected.
- 5.2 While the tax base tends to grow each year the rate of growth depends on the levels of economic growth and prosperity being experienced throughout the county at any particular time. It increased steadily from 2014/15 to 2020/21 with average annual growth of 1.5% but the rate of increase dropped dramatically for 2021/22 to just 0.3% because of the economic impacts of the pandemic. It recovered strongly for 2022/23 to 1.61% and based on provisional estimates provided by billing authorities a further 1.54% increase is forecast for 2023/24.
- 5.3 As a guide, each 0.5% increase in the taxbase raises just over £0.4m in additional funding based on the 2022/23 level of Council Tax.
- 5.4 Billing authorities are not required to finalise their tax bases until the end of January. Based on provisional returns, the total tax base for the PCC for 2023/24 is expected to be 332,179.9 and this figure is broken down by authority in **Annex F**. The additional income raised from this taxbase over 2022/23, at a £10, £12, and £15 Council Tax increase is as follows:

Increase in Band D	2022/23 Precept	Increase in taxbase	Increase in Band D	2023/24 Precept	Total Increase
£ 10.00	82,305,531	1,270,937	3,322,165	<b>86,898,634</b>	<b>4,593,102</b>
£ 12.00	82,305,531	1,270,937	3,986,159	<b>87,562,628</b>	<b>5,257,096</b>
£ 15.00	82,305,531	1,270,937	4,982,699	<b>88,559,167</b>	<b>6,253,636</b>

- 5.5 In addition to the in-year Precept, billing authorities are required to share out any estimated surplus or deficit on their council tax collection accounts which relates to the previous year.
- 5.6 Among other effects of the covid-19 pandemic council tax collection rates were adversely impacted by the resulting economic slowdown. During 2021/22 the PCC received £1,312,068 in Local Council Tax Support Grant to meet any adverse impact on Precept funding from irrecoverable council tax losses. The grant

currently sits within an earmarked reserve to meet potential deficits in 2022/23 and 2023/24, as required by the regulations.

- 5.7 Due to the deadlines for when billing authorities are required to calculate and report the estimated position on their Collection Funds, the PCC's share of any surpluses or deficits has not been factored into the 2023/24 budget calculations. Any overall deficit that the PCC is required to pay to billing authorities during 2023/24 can be debited against the grant brought forward within the earmarked reserve. However, based on the experience of the last two years, there is a significant probability that most if not all the grant will not be needed for this purpose and can be released to support the overall budget in future years.

## 6. OUR OVERALL FUNDING POSITION

6.1 Total funding income for the 2023/24 revenue Budget Requirement comprises the Formula Grant and Council Tax Grants as set out at section 2 plus the Precept income raised from the PCC's Band D Council Tax decision as outlined at sections 3 to 5.

6.2 The Constabulary's budget proposals as set out in detail in the next section amount to a Net Budget Requirement of **£221,068,968**, a 4.1% increase in net expenditure over 2022/23. Against this requirement, the funding available from the two options for increasing Council Tax under the previous and revised limits leave remaining shortfalls as follows:

Band D increase	Band D Council Tax	% Increase	Estimated Precept Funding	Grant Funding	Total Funding	Deficit against Committed Budget
£ 10.00	£ 261.60	3.97%	£ 86,898,634	£ 130,375,332	£ 217,273,966	£ 3,795,003
£ 12.00	£ 263.60	4.77%	£ 87,562,628	£ 130,375,332	£ 217,937,960	£ 3,131,009
£ 15.00	£ 266.60	5.96%	£ 88,559,167	£ 130,375,332	£ 218,934,499	£ 2,134,470

6.3 At the previously announced limit of £10 the deficit would be just under **£3.8m** if all requirements were funded. If the additional flexibility of a further £5 increase is utilised, the deficit reduces to around **£2.1m** and the deficit is just above **£3.1m** with a £12 precept increase.

6.4 The next section provides a detailed analysis of the assumptions used and adjustments made in arriving at the Committed Budget total for 2023/24. It is intended that this information supports and justifies the proposal for the PCC to exercise the flexibility afforded by the Precept Limitation principles to set a £15 increase in Council Tax subject to Police & Crime Panel ratification.

6.5 Under this scenario the force has identified a number of measures it could take to close the remaining budget gap of £2.134m for next year. These measures can only be a temporary fix and all carry a variety of risks and opportunity costs. Furthermore, the force's medium-term financial planning indicates that under all current assumptions the underlying budget deficit will grow in the three following years.

- 6.6 It is acknowledged by the force that even with a £15 Council Tax increase in 2023/24, a rigorous and structured process for identifying further savings will be required to enable balanced budgets to be set for 2024/25 to 2026/27. This will be immensely challenging, especially given that a substantial proportion of the overall budget is allocated to police officer costs which is effectively ring-fenced under the Government's Uplift strategy.
- 6.7 The force has a programme of work called 'Cost of Policing' intended to ensure we make best use of our resources and identify efficiencies and savings. This sits under the Productivity and Efficiency Board chaired by the Deputy Chief Constable. We will continue to progress the 'Cost of Policing' resource allocation process to ensure that our resources are appropriately allocated to our services based upon a model that considers threat, risk and harm and are aligned to our force priorities and the Police and Crime Plan. The Productivity and Efficiency Board, and this workstream, will implement a longer-term Savings Plan that will help to reduce overheads, deliver continuous improvements and achieve both cashable and non-cashable savings to help towards achieving a balanced budget over the medium term. Given the challenges we have in our MTFP a small, dedicated team will be formed early in 2023 to focus this cost of policing work and identify opportunities to close the funding gap.

**7. OUR BUDGET PROPOSALS**

**The 2022/23 Base Budget Position**

- 7.1 The Committed Budget for 2023/24 has been built from the Approved Budget for 2022/23 as presented to the Public Assurance Meeting on 19 January 2022 (£212,258,465), with specific adjustments made for pay awards and price inflation increases, approved and supported Business Cases, identified savings and income generation activities and other changes from demand/activity levels.
- 7.2 The 2022/23 Budget was based on a Council Tax increase of £10, which enabled £3.016m of additional investment to ensure that the force was able to maintain its operational policing capabilities, to build upon the progress made so far to increase the number of police officers and to direct additional investment and resources to key priority areas of threat and risk and community safety.
- 7.3 It was known from our projections for future funding that the budget surplus for 2022/23 would only be a temporary position, with budget deficits predicted in the three following years (2023/24 to 2025/26). For this reason, the use of the surplus was mainly targeted towards one-off non-recurring investments and progress on these have been monitored and reviewed throughout the year.
- 7.4 In line with the commitment to reduce any future burden on precept increases, £2.531m of the additional funding was allocated to one-off expenditure, with the remainder (£0.485m) being kept within the base budget. The majority of this amount is to fund the ongoing cost of 20 PCSO posts which would otherwise have needed to be removed.
- 7.5 As a consequence, the adjusted starting position for the 2023/24 Budget is as follows:

	£m
2022/23 Approved Budget	212.259
less: Removal of one-off Investment	( 2.531)
<b>2023/24 Adjusted Base</b>	<b>209.728</b>

## Adjustments to the Base Position

7.6 The budget review process for 2023/24 co-ordinated by the Strategic Finance Department has identified further adjustments of **£11.341m** required to bring the Base up to the 'Committed' Budget Requirement for that year. These adjustments can be summarised as follows:

	£m
Pay awards and non-pay Inflation	9.793
Business cases approved after 2022/23 Precept	1.748
Business cases supported at November 2022 Planning Day	0.519
Provision for further in-year Business Cases	1.000
Identified Savings from 2022/23 Base	(0.884)
Additional Areas of Income Generation	(1.059)
Other miscellaneous changes	0.224
<b>Total Changes to 2023/24 Adjusted Base</b>	<b>11.341</b>

7.7 The impact of the changes on the medium-term financial projections for the force is set out in Annex B.

7.8 All of the above adjustments have been made using the following considerations, information and assumptions:

- Decisions made at national government or police service level - e.g., implemented pay awards, levels of specific grant awards, contributions towards central police services, etc.
- Price changes experienced against non-pay headings either through contract arrangements or market conditions.
- Best assumptions about future pay awards and non-pay inflation based on national forecasts, policy discussions and professional estimation.
- Review of demand against specific budget-headings which increase or decrease expenditure beyond the force's control.

### Pay Awards and Non-Pay Inflation

7.9 At £9.793m this is by far the biggest adjustment to the Base Budget and equates to a 4.7% increase in net costs. The net total includes a reduction of £1.474m stemming from the Government's decision to reverse the 1.25% Social Care Levy

within employers' National Insurance contributions from November 2022. Without this saving, price and price adjustments would have totalled £11.267m.

7.10 The breakdown of the £9.793m is as follows:

	£m	£m	%
<b>September 2022 pay awards</b>			
- Officers	3.809		5.5% / £1,900
- Staff	2.445	<b>6.254</b>	6.5% / £1,900
<b>September 2023 pay awards – estimate</b>			
- Officers	1.296		2.0%
- Staff	0.646	<b>1.942</b>	2.0%
<b>Pay / Prices Volatility Contingency</b>		<b>0.971</b>	
<b>Police Staff Pension Scheme revaluation</b>		<b>0.495</b>	4.0%
<b>Other changes in Employer oncosts</b>		<b>(0.400)</b>	various
<b>Non-pay inflation</b>			
Injury Pensions	0.227		10.1%
Training Courses	0.022		4.9%
Gas	0.017		5.0%
Electricity	0.239		20.0%
PFI Fee	0.325		8.0%
Vehicle Maintenance	0.080		10.0%
Tyres	0.008		5.0%
Vehicle Fuel	0.309		26.0%
Vehicle Insurance	0.155		30.8%
Equipment	0.003		10.1%
Firearms / Tasers	0.032		6.8%
Professional/Consultants Fees	0.010		10.1%
Recruitment & Selection costs	0.015		33.3%
NPAS Recharges	0.049		14.3%
Dangerous Dogs	0.007		10.1%
Software Maintenance	0.118	<b>1.616</b>	4.6%
<b>East Midlands Collaboration</b>		<b>0.389</b>	3.8%
<b>less: Removal of 1.25% Social Care Levy</b>		<b>(1.474)</b>	
<b>Total Pay awards and non-pay Inflation</b>		<b>9.793</b>	

7.11 It is important to emphasise that this additional cost does not relate to any increase in service but is required just to maintain the existing base level of service and pay commitments.

- 7.12 In the last couple of years inflation has been an issue for the public sector, businesses, and individuals alike to an extent not experienced for over forty years. As measured by the official national statistic of CPI-H its annual rate was 0.9% in January 2021 and had risen to 4.6% by November 2021 when the 2022/23 Budget was being prepared. At that time the Bank of England was forecasting that CPI would peak at around 5% by April 2022.
- 7.13 In the latest release of official statistics by the ONS (at 14 December 2022), the annual rate of CPI stood at 10.7%, over twice what the Bank had assumed would be its peak. It had been 11.1% at its highest, in October 2022. The Bank's expectation is now that inflation will remain 'very high' for the next few months before falling gradually into the spring of 2023. However, it acknowledges there are 'considerable uncertainties' around the future outlook and that the continuance of tight labour markets could make high inflation a more persistent issue.
- 7.14 The potential impact of inflation therefore remains a challenge for the management of the Constabulary's finances and requires careful judgements to be made regarding future planning.

### **Pay Awards**

- 7.15 The 'fixed amount' pay awards of £1,900 given to officers and staff from September 2022 varied in terms of a percentage increase quite widely. For a new officer recruit it represented an increase of just under 8% compared to 2% for an experienced Chief Superintendent, with the weighted average for officers being just over 5%. Similarly, for staff the addition to the wage bill was in the region of 6.5% when weighted by grade. Both these increases are substantially higher than the 3% assumed when the 2022/23 budget was set and the difference has had to be built into the 2023/24 Base Budget.
- 7.16 The level of pay awards to be implemented during the next year is subject to considerable uncertainty, not least because of the unpredictability of the economic environment in which they will be agreed. The Home Office have signalled that forces should budget prudently for future pay awards and should assume no further funding support than that provided by the Settlement.

7.17 It is considered that allowing for a 2% pay award in our budget provides for the minimum level of increase in pay. However, whilst inflation continues to run significantly above that level, there is a risk to the Commissioner and Chief Constable that centrally-set pay awards are above that level. Similarly, there are uncertainties inherent in our assumptions on non-pay items which are subject to inflation. We have therefore established a Pay/Prices Volatility Contingency to help cushion the Force from those inherent uncertainties.

### **Police Staff Pensions and other oncosts**

7.18 £0.495m has been added to the Base Budget as a result of the latest triennial valuation of the Derbyshire Local Government Pension Scheme (LGPS) as at 31 March 2022. This determines the required Employer Contribution Rates to the scheme as from 1<sup>st</sup> April 2023.

7.19 The 'Primary' rate, which pays for benefits to be accrued in the future, has increased by 6% (from 13.9% to 19.9% of pensionable pay). This is a consequence of an increase to the assumptions for future inflation and pay awards. It is offset by a reduction of -2% from the 'Secondary' rate which essentially recovers any outstanding deficit on benefits earned to date. Strong investment returns over the last 3 years means that all benefits accrued to the valuation date are fully funded. As a result, from 1 April 2023 the force will pay 17.9% of its police staff pay into the scheme.

7.20 Officer and staff oncosts (national insurance and pensions) also change for a variety of other reasons. For example, the number of police officer recruits who are young in age means that the average level of national insurance contributions payable has reduced. Overall, a net saving of £0.400m is projected from such changes.

### **Non-pay inflation**

7.21 It is projected that non-pay inflation will increase costs by an estimated £1.616m in 2023/24. This figure has been derived from a heading-by-heading assessment of past and likely future price changes impacting on the cost base. There is inevitably uncertainty regarding the levels of future price changes, which will be influenced by national and global economic conditions.

## Business cases approved during 2022/23

- 7.22 The force held a Strategic Planning Day in March 2022 which highlighted a number of operational areas that needed additional resourcing in the short-term to meet new or increased demand. Further requirements have been received and approved throughout the year by the Productivity & Efficiency Board or, where necessary, the Chief Officer team. In the main, these have resulted in new Police Staff posts being added to the establishment.
- 7.23 The financial position during 2022/23, particularly the carry-forward of underspends from the previous year, has meant that initial funding for this investment could be met from existing resources. However, £1.748m needs to be built into the budget from 2023/24 to maintain the investment on an ongoing basis. This will fund the following items:

<b>Business Cases approved after 2022/23 Precept Meeting</b>	<b>£</b>
Professional Standards Development	0.062
P&E Board - PCIP Project	0.344
P&E Board - Executive PA post	0.025
P&E Board - Criminal Justice posts	0.178
Crime Support Temporary Financial Investigators posts	0.135
Crime Support Stalking Co-ordinator post	0.034
Ops Support Airbox MOSAIC system	0.032
<b>March 2022 Planning Day - approved initiatives</b>	
- Digital Forensics Unit Staff Uplift	0.456
- Digital Forensics Unit Licences	0.075
- Contact Management - Removal of Police Staff Vacancy factor	0.223
- Mini Police scheme	0.020
- Specials subscriptions to Federation	0.011
- Information Services Service Desk post	0.031
- Information Services Network Engineer post	0.047
- Human Resources Temporary Training Planner post	0.027
- Human Resources Policy & Wellbeing post	0.048
<b>TOTAL</b>	<b>1.748</b>

## Planning Day Seminar – November 2022

- 7.24 The Constabulary held a further Planning Day seminar on 21st November 2022. Out of this seminar, bids for additional resources were presented, considered, and graded against 'Capacity Risk' (Severe / Substantial / Moderate / Negligible / not graded). All the bids submitted, and whether or not they were supported by the Chief Officer Team, are set out at Annex A.

7.25 In summary the proposed funding decisions were as follows:

- £0.123m one-off capital expenditure to be approved
- £0.423m one-off revenue expenditure to be approved
- **£0.519m on-going revenue expenditure to be approved**

7.26 The one-off capital expenditure can be funded from the existing Capital Equipment provision within the proposed Capital Programme and the one-off revenue expenditure can be funded via 2022/23 underspends and / or reserves. The £0.519m of on-going revenue expenditure has been built into the 2023/24 budget requirement.

### **Provision for further Business Cases**

7.27 There is a need for ongoing investment in up-to-date technology to make the best possible tools available to officers and staff as they respond to the increasing demands placed upon them. An additional £1.000m has been made available in each of the last two years for specific initiatives assessed and approved by the constabulary's Design Board.

7.28 It is hoped to continue this commitment with an additional £1.000m allocated annually for the next three years and this aspiration is reflected in the 2023/24 Committed Budget Requirement. However, recognising the more immediate pressures on the budget, one option to balance next year's budget (as set out at section 8) is to curtail this investment to £0.500m for 2023/24.

7.29 The PCIP project, which will modernise how we engage with the public of Derbyshire and those who need our services, is currently in its very early procurement phase. However, it is known that it will require a significant investment of resources to realise the benefits of the latest communication technology as intended. Therefore, the funding within the 2023/24 budget, plus the existing Design Board provision which has been already earmarked to the project (£1.557m), will need to be put into a reserve at 31 March 2024 pending costs coming on stream.

## Identified Budget Savings

- 7.30 Reductions made to the budget from a review of vacant police staff posts and demands against other areas of spend totalling £0.884m are as follows: -

<b>Identified Savings from the 2022/23 Approved Budget</b>	<b>£</b>
Vacant posts removed from Police Staff establishment	(.361)
Contact Management - Police Staff Overtime provision	(.213)
Information Management - Police Officer Overtime / Remote Storage	(.038)
Misc Premises costs	(.160)
Vehicle Insurance Excess costs	(.100)
Corporate Services - Partnerships	(.012)
<b>TOTAL</b>	<b>(.884)</b>

## Additional Income Generation

- 7.31 The net budget requirement for 2023/24 will be reduced by £1.059m of additional income being earned, mainly through recovery of costs incurred in supporting policing at a regional and national level. In some cases, the income offsets additional costs to be incurred, notably from bringing vetting activity 'in-house' from Warwickshire Police.

<b>Additional Areas of Income Generation</b>	<b>£</b>
Proceeds of Crime Income	(.080)
Recharges to EM Region for support services costs	(.231)
Recharges to EM CTIU and Sensitive Equities for support services costs	(.110)
Recovery of Vetting costs	(.100)
Vehicle Recovery income	(.233)
Provision for Mutual Aid cost recovery	(.300)
Other fees and charges / cost recovery income	(.005)
<b>TOTAL</b>	<b>(1.059)</b>

## Other Budget Changes

- 7.32 This section comprises budgetary changes resulting from a wide variety of factors which impact on the constabulary's income and expenditure, but which are mostly outside its direct control. In some cases, they stem from decisions taken by external agencies or from decisions already taken in previous years which have an ongoing impact.

7.33 A full list of these other changes is included at Annex B, but the key ones of note are as follows:

- A **£2.594m** increase to the Police Officers pay budget to reflect the full year cost of 113 additional officers (Year 3 Uplift) recruited in 2022/23. Offset by,
- Additional specific Uplift grant of **(£1.951m)**. This brings the total grant budgeted for to £3.9m as provided in the provisional settlement. It is understood from communications with the Home Office that funding for the Police Officers September 2022 pay award has been included within this grant. By including this funding as a specific grant, the force will need to demonstrate the appropriate costs being incurred in order to receive it from the Home Office.
- An increase in the budget for Police Officer Overtime of **£0.500m**. Police Officer Overtime is projected to be overspent by some £1.6m in the current year. This overspend is spread across the force and is occurring for a wide variety of reasons. Recognising that major changes are taking place across the Constabulary, both in terms of officer numbers and organisational structure, a force-wide review of overtime requirements will be undertaken during the next year. Some unavoidable growth to the existing provision is expected and £0.500m is a reasonable provision to set aside to address these requirements. The Productivity and Efficiency Board will lead a review of the Police Officer overtime requirement in response to the uplift in Officer numbers and the recent increase in overtime costs.
- The impact of the proposed Capital Programme on the revenue budget equates to **£0.515m** in 'new' borrowing costs but this is offset by a reduction of **(£0.506m)** as existing borrowing falls off.
- Additional investment income of **(£1.190m)**. In 2021/22 the constabulary earned just £0.030m from its investment of surplus cash balances. As a result of the series of interest rate increases implemented by the Bank of England's Monetary Policy Committee this is forecast to rise to £1.000m in the current year and £1.200m in 2023/24.

### **The 2023/24 Committed Budget**

- 7.34 Taking account of all the adjustments described above, the 'Committed' Budget for 2023/24 is **£221.069m**, a £11.341m increase over the adjusted base position for 2022/23. When unavoidable pay and price adjustments are taken into account (£9.793m), this represents a virtual 'standstill' position compared to the previous year, any increases being funded from reductions from elsewhere or from additional income.
- 7.35 It is considered that, as a minimum, any Precept decision needs to aim to fund the Committed position as far as possible. This accepts that some further budget reduction measures, or contribution from Reserves, will be needed in any case.

## 8. BUDGET PROPOSALS

8.1 Against the options for Council Tax increases, based on the previous and revised Precept Limitation criteria, the following budget shortfalls would occur:

<b>Increase in Band D</b>	<b>Deficit £m</b>
£ 10.00	3.795
£ 12.00	3.131
£ 15.00	2.134

8.2 At £3.795m it would be extremely challenging to meet the gap resulting from either a £10 or £12 increase in Council Tax. However, a number of measures have been identified which will enable the smaller deficit of £2.134m to be closed. There are some risks attached to these measures as well as opportunity costs, and they will not eliminate the need for the structured Savings Plan to be developed which was mentioned earlier. A summary of the proposed budget-reduction measures is as follows:

	£m
Police Staff Vacancy Factor increased from 4% to 6%	0.815
Reduce provision for Design Board investment by 50%	0.500
EMSOU Savings	0.283
<b>Total Potential Budget Reductions</b>	<b>1.598</b>
<b>Remaining Deficit</b>	<b>0.536</b>

### **Police Staff Vacancy Factor**

8.3 A certain level of saving inevitably arises from the turnover of staff and the 'lag' between an employee leaving and his/her replacement starting. Unlike police officer recruitment there is less scope to avoid this by 'front-loading' / forward recruitment. This has always been recognised within the Police Staff salaries budget by allowing for less than 100% of the cost of all established posts.

8.4 Within the Committed Budget a vacancy rate of 4% of all police staff posts - except those within the Force Control room - has been allowed for. This 4% allowance has been in place for a number of years. Removing it for Contact Management was the consequence of a Business Case recognising the specific challenges of rapid turnover in that particular area.

8.5 In the last couple of years Police Staff vacancies have changed from being a ‘natural occurrence’ to being something of an issue for the constabulary. The tight labour market nationally has combined with specific local circumstances to create rates of vacancy well above the 4% rate allowed for, as illustrated in the table below. One particular factor has been the number of staff, especially in PCSO roles, resigning to become police officers. The following table shows the movement in police staff vacancies during the past 12 months.

Month	Actual (inc. PCSOs)	Establishment (inc. PCSOs)	Number of Posts Vacant	% of Posts Vacant	Minimum % Gap
Nov 2022	1525.5	1752.7	227.1	13.0%	4.0%
Oct 2022	1522.1	1738.4	216.2	12.8%	4.0%
Sep 2022	1473.4	1738.3	264.8	15.2%	4.0%
Aug 2022	1483.7	1738.3	254.5	14.6%	4.0%
July 2022	1495.3	1737.3	242.0	13.9%	4.0%
June 2022	1501.5	1737.2	235.7	13.4%	4.0%
May 2022	1495.0	1725.7	230.7	13.4%	4.0%
Apr 2022	1515.7	1725.6	211.4	12.3%	4.0%
Mar 2022	1557.5	1711.7	154.2	9.0%	4.0%
Feb 2022	1561.0	1704.7	143.7	8.4%	4.0%
Jan 2022	1556.4	1699.7	143.2	8.4%	4.0%
Dec 2021	1561.6	1696.7	135.1	8.0%	4.0%

8.6 As at November 2022 vacancies were running at 13.0%. While not a deliberate aim, this situation does provide an opportunity to reflect the actual experience within the 2023/24 budget. Whilst active steps are being taken to recruit to key posts, it would be reasonably safe to assume a certain higher-than-normal vacancy rate will continue for some time. If the allowance was increased to 6% for all staff posts except the Control Room (0%) and PCSO’s (4%) this would enable a budget reduction of £0.815m to be made.

8.7 A potential downside to this measure is that it may require deliberate delay or curtailment of recruitment that would otherwise have occurred should the overall vacancy situation improve unexpectedly. Also, the budget will need to be restored in future years should the constabulary wish and be able to operate at a lower rate again, this will be factored into the wider Savings Plan work.

### **Design Board provision**

- 8.8 As discussed at paragraphs 7.26-27, it is intended to allocate this funding to the PCIP project. As costs are not due to be incurred until 2025/26, reducing the amount by 50% would have no immediate impact. This is therefore perhaps the easiest option to implement although the overall cost of the project will need to be financed eventually.

### **EMSOU Saving**

- 8.9 The regional collaborative budgets have yet to be agreed by the CC's and PCC's, however a budget option has been put forward that provides for a reduction in PCC funding.

### **Budget Reduction Measures - Summary**

- 8.10 If the three budget reduction measures as outlined above are adopted, then with a **£15** precept increase the outstanding deficit would be **£0.536m**. It is proposed to take this amount from the **Operational Funding and Investment Reserve** in 2023/24 pending further savings options being developed to eliminate the budget gap on a permanent basis.

## 9. 2023/24 PROPOSED BUDGET SUMMARY

### The Workforce Strength

- 9.1 The budget as proposed above would fund a total of 3,728.4 full-time equivalent posts (officers and staff), a net increase of 58.8 posts over the 2022/23 approved budget, as set out in the table below:

FTEs	Police Officers	PCSO's	Police Staff	Total Staff	TOTAL
<b>2022/23 Funded Posts</b>	<b>2017.0</b>	<b>199.0</b>	<b>1453.6</b>	<b>1652.6</b>	<b>3669.6</b>
<b>Police Staff posts funded from Uplift</b>			6.0	6.0	6.0
<b>March 2022 Planning Day</b>					
- Digital Forensics Unit			12.0	12.0	12.0
- Information Services			2.0	2.0	2.0
- Human Resources			3.0	3.0	3.0
<b>November 2022 Planning Day</b>					
- Information Services			0.6	0.6	0.6
- OSD Weapons Maintainer			1.0	1.0	1.0
- Crime Directorate - RRD Project Manager			1.0	1.0	1.0
<b>Productivity &amp; Efficiency Board</b>					
- Criminal Justice Redaction Team			3.0	3.0	3.0
- Criminal Justice Custody			3.0	3.0	3.0
- Executive post			1.0	1.0	1.0
- Professional Standards Restructure			1.0	1.0	1.0
<b>Other Approved Business Cases</b>					
- Contact Management - PCIP project			13.0	13.0	13.0
- Professional Standards Development			3.0	3.0	3.0
- Financial Investigators - funded from PACE income			3.0	3.0	3.0
- Crime Support Stalking Co-ordinator			1.0	1.0	1.0
- HR - Head of Derbyshire Occupational Health			1.0	1.0	1.0
- Procurement - Trainee post 50% funded by OPCC			1.0	1.0	1.0
<b>Cost of Policing vacancy review - removed posts</b>			-8.8	-8.8	-8.8
<b>Other Changes</b>					
- Changes in Structure of Corporate Services			1.0	1.0	1.0
- Changes in regional posts employed by Derbyshire			6.5	6.5	6.5
- Changes in staff recharged to external bodies			4.5	4.5	4.5
<b>Projected 2023/24 Funded Posts</b>	<b>2017.0</b>	<b>199.0</b>	<b>1512.4</b>	<b>1711.4</b>	<b>3728.4</b>

### The Allocation of the Budget

- 9.2 The tables below provide a summary of the 2023/24 draft revenue budget split between those elements that the PCC is directly responsible for and those under the direction and control of the Chief Constable to manage and operate.

9.3 The proposed draft budget for 2023/24 for the **Office of the Police and Crime Commissioner** is summarised in the table below:

<b>Office of the Police and Crime Commissioner</b>	<b>Approved Budget 2022/23 (£m)</b>	<b>Draft Budget 2023/24 (£m)</b>
Commissioner's Office	1.346	1.378
Crime Prevention Fund	0.275	0.275
Community Safety Fund	2.054	1.936
Victim and Witness Services	1.979	2.185
<b>Sub-Total</b>	<b>5.654</b>	<b>5.774</b>
Revenue Contributions to Capital	3.439	3.491
Debt Charges	1.674	1.583
Interest Receipts	(0.010)	(1.200)
<b>Sub-total</b>	<b>10.757</b>	<b>9.648</b>
Contribution from Reserves	(0.100)	(0.100)
Contribution to Reserves	0.003	0.043
Grant from the Ministry of Justice (estimate)	(1.284)	(1.337)
Local Authority Contributions	(0.941)	(1.001)
<b>Net Budget Requirement</b>	<b>8.435</b>	<b>7.253</b>

9.4 The proposed draft budget for the **Chief Constable** is as follows:

<b>Chief Constable</b>	<b>Approved Budget 2022/23 (£m)</b>	<b>Draft Budget 2023/24 (£m)</b>
Derbyshire Constabulary	190.432	199.804
East Midlands Collaboration	10.211	10.473
Contributions to National Policing	-	(0.300)
BCU Fund	0.318	0.318
Partnerships	0.549	0.537
<b>Sub-total</b>	<b>201.510</b>	<b>210.832</b>
Contributions to/(from) Reserves	-	2.057
Contributions to/(from) Reserves	(0.703)	(0.671)
<b>Net Budget Requirement</b>	<b>200.807</b>	<b>212.218</b>

9.5 The budget for the share of specialist policing within Derbyshire that is being delivered collaboratively with other police forces within the **East Midlands** is summarised in the table below: -

<b>East Midlands Collaboration</b>	<b>Approved Budget 2022/23 £m</b>	<b>Draft Budget 2023/24 £m</b>
EMSOU Serious and Organised Crime, incl. TSU	5.365	5.910
Major Crime	0.184	0.172
Forensics	2.097	2.167
HR Service Centre - Derbyshire / Leicestershire	0.901	0.965
Learning and Development / Occupational Health	0.832	0.379
Legal	0.444	0.482
Contribution to Regional Teams	0.378	0.388
Crimestoppers Regional Manager	0.010	0.010
<b>Total Collaboration</b>	<b>10.211</b>	<b>10.473</b>

The 5-force collaboration for Occupational Health services will end in March 2023. Estimates for a new in-house provision have been included within the operational budget for the Constabulary.

### **Band D Council Tax**

9.6 Assuming the PCC supports a £15 increase, the maximum allowed by the Government, the recommended Band D Council Tax proposed for 2023/24 is £266.60, an increase of 6.0% on the comparable figure for 2022/23.

	<b>Precept Increase £15</b>
Net Revenue Budget	£219,470,868
Budget Increase (%)	3.15%
Proposed Council Tax Requirement	£88,559,167
Police Council Tax (Band D)	£266.60
Police Council Tax Increase (£)	£15.00
Police Council Tax Increase (%)	6.00%
<b>Proposed Contribution from Reserves</b>	<b>£536,369</b>

## 10. VALUE FOR MONEY

- 10.1 The Constabulary continues to demonstrate good value for money and performs well in national comparators. The most recent procurement data reported to Blue Light Commercial shows cashable savings of £0.290m to date for 2022/23 on top of £0.622m achieved in 2021/22.

A review of 'good financial management' arrangements across our services resulted in budget reductions of £2.9m from the 2022/23 Budget and a further £0.884m has been removed from the budget requirement for 2023/24. Further efficiencies and cashable savings are planned through the Mobile Workplace project, which will improve the way we work remotely and optimise the business benefits working with Office 365 productivity tools.

Income provides the Force with opportunities to deliver services and quality to the force's strategic and policing plans, above that which would be available with statutory funding. In October 2021, the force approached CIPFA to undertake an assessment of where Derbyshire are compared to others and to identify any significant opportunities in respect of Income Generation. Based upon Police Objective Analysis returns for the 3-year period 2018/19 to 2020/21, the review found that Derbyshire Constabulary performed better than the average of all forces and significantly outperformed other forces for income generated per officer. The review concluded that overall, the Force gains more total income than the average Force.

Through exploiting the deployment of O365 the Force continues to make efficiency, cashable and non-cashable savings by maximising our use of the Microsoft Power Platform. PowerApps and associated automation has enabled the Force to solve a range of business problems without needing to invest in siloed solutions or rely on manual / obsolete processes. The Force is in the process of realising benefits for several Applications.

The creation of an in-house Drone Application and associated SharePoint storage removed the need to buy a system and train users, it also provided efficiency savings in terms of Drone Pilot time. The introduction of a Desk Booking App to support agile working in Force again avoided the need to purchase a new system

and gives the Force the flexibility to adapt and change as required.

There are many examples such as these where we have developed inhouse solutions to improve how we work which not only drive efficiencies, but which also avoid additional cost to the Force.

## 10.2 Procurement and Commercial Frameworks

Police Digital Service (PDS) as the predominant IS and Digital provider have concluded national frameworks for policing which Derbyshire have supported and now access to ensure WFM through savings and efficiencies through economy of scale.

Projects include Oracle licences, Chronicle Licencing and Support, SSAS, Airwave Radios (overt and covert), Adobe Licencing, VMWare Support, IBM i2 Analytical Software.

Derbyshire benefit from a very hands-on service from Blue Light Commercial (BLC) and we continue to work closely together on many national projects for both goods and services. We have also engaged with BLC to provide additional support and advice concerning our approach to market relating to the PCIP project and the current live tender. BLC have been very complimentary of our approach and the professionalism shown by the project team during the creation and publication of requirement documentation and how the market is being managed to deliver this force wide critical strategy.

During 2023 the procurement team intend to expand their knowledge and training in relation to contract management within the force as there is now a dedicated resource being allocated to this field and this will be driven via BLC training and support mechanisms.

Work is also underway with BLC to deliver procurement routes/strategies for Uniform, Body Armour, Fleet, Next Generation Forensics (traditional & digital) FM, Social Value, Net Zero, Income Generation/Cost Recovery, Learning & Development, new procurement regulations.

Projects include Contingent Labour, Vehicles Purchasing, Supply & Fit of Tyres, Fuel Cards, E-Tendering system and contract database, Custody Medical Services, Scene of Crime Consumables, Protected Personnel Carriers.

We will continue to explore collaboration and procurement opportunities with other authorities, particularly Derbyshire Fire and Rescue and also our neighbouring forces in the East Midlands and wider Midlands areas.

National collaboration is also considered via attendance at National Procurement forums, and the utilisation of compliant Government, Bluelight, NHS and Education frameworks as a first option for routes to market.

We have also established our own frameworks to drive cashable and efficiency savings in volume areas such as Estates and IS.

## 11. THE FUTURE FINANCIAL POSITION (2023/24 to 2026/27)

The impact of the budget proposals for 2023/24 and key assumptions based on relatively limited information for costs and income streams over the next 4 years is summarised in the table below. The projections assumes that funding for Uplift officers continues through ring fenced grant at the 2023/24 level (£3.9m). **They also assume that a £10 precept increase is approved in each of the next 3 years (24/25, 25/6 and 26/7) and shows the extent of the challenge that remains.**

Medium-Term Forecast 2023/27	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
Previous Year's Gross Expenditure	212.258	219.471	231.077	236.271
less: One-off investment fund expenditure	(2.531)	-	-	-
<b>Previous Year's Gross Expenditure</b>	<b>209.728</b>	<b>219.471</b>	<b>231.077</b>	<b>236.271</b>
Pay Awards and Inflation increases	9.793	8.706	3.991	4.074
Other Changes to the Committed Budget	(0.276)	2.436	2.014	1.797
Identified Savings Income Generation	(1.943)	0.000	0.000	0.000
New Business Cases and Investment	3.767	0.464	(0.811)	0.000
Budget Reduction Measures to meet deficit	(1.598)	0.000	0.000	0.000
<b>Net Revenue Budget</b>	<b>219.471</b>	<b>231.077</b>	<b>236.271</b>	<b>242.142</b>
Projected Funding	(218.934)	(225.858)	(233.156)	(240.628)
<b>Forecast Base Budget (Surplus) / Deficit</b>	<b>0.536</b>	<b>5.219</b>	<b>3.115</b>	<b>1.514</b>

- 11.1 It is vital that Derbyshire Police continues to explore opportunities to deliver savings to fund future investment so that we can maintain appropriate reserve levels and that ongoing enhancements to service levels are self-financed through saving plans.
- 11.2 It is also important to bear in mind that in the two years immediately beyond the current forecasting period (2027/28 and 2028/29), we will continue to incur additional debt charges as we implement our ambitious plans for developing the estate notably the North divisional HQ and response hub and the Multi-purpose Hall at force Headquarters.

## 12 WHAT ARE OUR RESERVES LEVELS LIKE?

### Reserves Position for Derbyshire

12.1 The budget plans accommodate all the known immediate financial risks facing Derbyshire Police. Nevertheless, risks continue to remain over future finance settlements, inflation and the impact of future pay awards, but also:

- The contributions to Regional Organised Crime Units (ROCU) and East Midlands Serious and Organised Crime Unit.
- Future funding to support recruitment and the associated costs.
- National Police Information and Technology charges.
- Employer Pension rates – particularly arising from ‘McCloud’ rectification’.
- Further changes to the funding model for the National Police Air Service (NPAS).
- Forensics (accreditation regimes, investment in digital technology and supplier pressure).
- Introduction of the Emergency Services Network (ESN).
- Impact of Brexit.
- Interest rate rises
- Consideration of any further financial impact of the Covid-19 pandemic in terms of the costs of any policing response, reductions in Fees & Charges income and suppression of the local Council Tax base.

12.2 Equally, major and unpredictable new policing operations can also impact heavily on the budget. As it stands, reserves are sufficient to provide a cushion against short term risks. The following table shows the projected level of reserves up to 2026:

	Balances at 31/03/22	Estimated Balances at 31/03/23	Estimated Balances at 31/03/24	Estimated Balances at 31/03/25	Estimated Balances at 31/03/26
	£m	£m	£m	£m	£m
<b>GENERAL RESERVES</b>	<b>6.500</b>	<b>6.500</b>	<b>6.500</b>	<b>6.500</b>	<b>6.500</b>
<b>EARMARKED RESERVES</b>					
<b>Useable:-</b>					
Operational Funding and Investment Reserve	3.743	5.313	5.178	5.178	5.178
Contribution to Capital	0.551	0.000	0.000	0.000	0.000
Carry-forwards	1.122	1.500	0.984	0.984	0.984
PCC Grants & Commissioning	1.119	0.974	0.874	0.774	0.674
Covid-19 Funding Reserve	0.299	0.163	0.000	0.000	0.000
Workforce Resilience & Well-Being	0.997	0.632	0.340	0.340	0.340
IT Equipment	0.500	0.000	0.000	0.000	0.000
Design Board Funding	1.000	2.500	4.057	0.000	0.000
Planning Day Initiatives	1.255	0.761	0.603	0.603	0.603
Productivity & Efficiency	0.500	0.500	0.500	0.500	0.500
Investment Fund	0.000	1.335	0.000	0.000	0.000
Local Council Tax Support	1.311	1.311	1.311	1.311	1.311
<b>Sub-Total</b>	<b>12.397</b>	<b>14.989</b>	<b>13.847</b>	<b>9.690</b>	<b>9.590</b>
<b>Non-useable:-</b>					
PFI - Ilkeston	0.822	0.727	0.636	0.521	0.390
PFI - Derby	1.461	0.987	0.582	0.122	0.000
Insurance	0.148	0.218	0.220	0.222	0.225
<b>Sub-Total</b>	<b>2.431</b>	<b>1.933</b>	<b>1.438</b>	<b>0.866</b>	<b>0.615</b>
<b>TOTAL EARMARKED RESERVES</b>	<b>14.828</b>	<b>16.921</b>	<b>15.285</b>	<b>10.555</b>	<b>10.205</b>
<b>TOTAL RESERVES</b>	<b>21.328</b>	<b>23.421</b>	<b>21.785</b>	<b>17.055</b>	<b>16.705</b>

Further detail on the level of reserves is set out in **Annex E** and the Reserves Strategy within the Medium-Term Financial Strategy show the modelling of the impact on reserves of risks and key assumptions.

## 13 **IS OUR BORROWING AFFORDABLE?**

- 13.1 Whilst the Prudential Code relates to new capital controls, it does impact on the revenue budget. Any agreed long-term borrowing meeting all the Prudential Code guidelines will have on-going revenue implications over a long period. Separate reports deal with the Capital Programme and also the Prudential Indicators for the Constabulary have been prepared. Borrowing assumptions for currently approved capital schemes are included in this report.

## **14. ASSURANCE STATEMENT FROM THE S151 OFFICERS' CONSIDERATIONS**

- 14.1 When setting the Budget and Capital Programme for the forthcoming year the Police & Crime Commissioner must be satisfied that adequate consideration has been given to the following: –
- a) Government policy on police spending, as applied to the Police & Crime Commissioner.
    - i. The CIPFA Prudential Code and the CIPFA Treasury Management Code.
    - ii. The impact on the Council Tax and the threat or risk of exceeding the excessiveness principle (previously capping).
    - iii. Whether the proposals represent a balanced budget for the year.
    - iv. The robustness of estimates and the size and adequacy of general and specific earmarked reserves.
    - v. The medium-term implications of the Budget and Capital Programme (MTFS).
  - b) Section 25 of the Local Government Act 2003 requires the Commissioner's Chief Financial Officer to provide the Commissioner with assurance on the robustness of estimates made for the purposes of the budget calculations and the adequacy of reserves.
  - c) The Act requires that the Commissioner has regard to the report of the Chief Finance Officer in making their budget decision. Where this advice is not accepted, this needs to be formally recorded in the minutes of an appropriate meeting.

## 14.2 ASSURANCE OF THE CHIEF CONSTABLE'S CHIEF FINANCIAL OFFICER

As the Chief Constable's Chief Financial Officer, I can provide the following assurances:

- a) The main assumptions and estimates, for compiling the budget are set out within the report and the figures for the 2023/24 budget have been based on these assumptions.
- b) The recommendations are consistent with the medium-term financial strategy and do not impact on the financial stability of the Constabulary. There is, however, increased pressure on reserves with the proposed use of the Operational Funding and Investment Reserve to meet the budget deficit in 2023/24. The success of the Savings Plan will be critical to achieve a balanced budget beyond 2023/24.
- c) Future financial implications up to 2026/27 have been analysed but can only provide an indication of the potential financial position that the Constabulary and Commissioner will face, particularly with the likelihood of high inflation combined with higher interest rates and the volatility of council tax income and Precept levels. The Medium-Term Financial Plan reflects all known factors that could have an impact on our Budget up to 2026/27. The impact of increased funding through Uplift grant will also require careful monitoring and the Savings Plan will be required to deliver savings to sustain the budget in the short and medium term and will be monitored through the Force's Productivity and Efficiency Board and the Financial Assurance Board with the PCC.
- d) The figures within the Medium-Term Financial forecasts are based on a number of key assumptions and can only provide an indication of the scale of the challenge that we face at this time. In particular the figures are heavily dependent on future government funding decisions and precept limitations.
- e) Medium Term implications –. There are a number of scenarios that the Constabulary will continue to model within the current MTFP, based on the most prudent forecast around funding and precept increases. It does, however, present a significant challenge, accepting it provides the worst or a likely case scenario, based on very limited information at the moment.

### **14.3 ASSURANCE OF THE POLICE AND CRIME COMMISSIONER'S CHIEF FINANCIAL OFFICER**

As the Commissioner's Chief Financial Officer, I can provide the following assurances: -

- a) Government Policy – The MTFs is produced in line with the latest government policy as applied to Police & Crime Commissioners.
- b) CIPFA Code – the MTFs is produced in line with the Prudential Code and the CIPFA Treasury Management Code. Details are outlined in the Treasury Management and Capital Programme reports.
- c) Council Tax – The Government confirmed that legislation through the Localism Act provides communities with the power to veto, through a referendum, council tax increases deemed by the government to be excessive. The level at which council tax is deemed excessive is decided in accordance with a set of principles determined by the Secretary of State for Communities. For 2022/23 the revised Referendum Principle is £15 for Police & Crime Commissioners. Increases in council tax secure year on year funding, as being a part of the base revenue budget.
- d) Balanced budget – a balanced budget is presented.
- e) Robustness of Estimates – I have reviewed the matters that have been considered in drafting the proposed budget and the consequential budget requirement, and the required level of the police precept. I am satisfied that the procedures adopted by the Constabulary's Chief Financial Officer and his team are sufficiently robust to ensure the financial data is accurate and forms a sound basis for the preparation of the estimates for 2022/23.
- f) Adequacy of reserves – I consider the level of general reserves (£6.5m) to be adequate for meeting estimated future risks. Specific reserves are reducing (rapidly in some cases) but are at appropriate levels to support future expenditure in the short and medium term. Given the size of the deficit, however, I will keep this position under regular review and expect to see the Constabulary's savings plans in due course.
- g) Medium Term implications – I consider that the MTFP presents a best estimate of the future financial pressures that the Commissioner will face. It should be noted that inherent within the MTFP are assumptions as set out in this report and its annexes. Movement in any of the key assumptions would have significant impact on the available resources to support policing. The Constabulary's Chief Financial Officer and I will continue to monitor national developments carefully to ensure the Commissioner and Chief Constable are sighted on any emerging risks for Derbyshire.

# ANNEX A

## Constabulary Planning Days November 2022 - Submitted Bids for Additional Resources

Growth Bid	Decision	HMICFRS	Department	Capital Cost £	One -off Revenue £	Ongoing Revenue 23/24 £
Review, Retention, Disposal Project (Project Manager)	Supported		Crime Directorate - Intelligence			50,200
Cellebrite Capability	Supported	AFI 19	Crime Directorate - Intelligence			80,000
Chorus Investigate for Intelligence Officers	Supported	AF19	Crime Directorate - Intelligence			109,000
Driving Training Vehicles	Supported	AFI s 19, 22	Human Resources - Training	123,400		6,000
Rounding up of 0.6 (across 3 posts) within Information Services	Supported	AFI 21	Information Services			20,000
Armourer	Supported	AF1 22	OSD			34,200
Occupational Health & Wellbeing	Supported	AFI 18	Human Resources			220,000
DFU Outsourcing	Supported	AFIs 14, 19	Crime Directorate - Intelligence		357,700	
Trim - Train the Trainer Course	Supported	AFI 18	Human Resources - Training		1,500	
Training Estate - Matlock Lease	Supported	AFI 19	Human Resources - Training		24,000	
Campaign Funding	Supported	AFI 3	Comms & Engagement		40,000	
RASSO Victim Liaison Officers	Supported	AFIs 10, 11	Crime Directorate -Public Protection		213,400	
Central Disclosure	Supported - Temp Basis	-	Information Management			
Substance Abuse Co-ordinator	PC Uplift (if cannot be funded through external)	AFI 13, 21	Corporate Services			
E-CINS Co-ordinator	PC Uplift	AFIs 1, 13, 21	Corporate Services			
Serious Violence Co-ordinator	PC Uplift	AFI 13, 21	Corporate Services			
VAWG Coordinator	PC Uplift	AFI 14	Corporate Services			
NACT Burglary Prevention Co-ordinator	PCSOs to be used	AFI 21	Corporate Services			
Custody Tagging	Not supported	AFI 10, 14	Criminal Justice -Custody			
Dedicated Custody Trainer	Not supported	AFI 19, AFI 22	Criminal Justice - Custody			
PCSO Supervisor Uplift - Chesterfield	Not supported	AFIs 3,4	North Division			
<b>Total</b>				<b>123,400</b>	<b>636,600</b>	<b>519,400</b>

# ANNEX B

## POLICE & CRIME COMMISSIONER FOR DERBYSHIRE Revenue Budget Projections 2023/24 to 2026/27

		2023/24	2024/25	2025/26	2026/27
<b>PROJECTED STAFFING LEVELS</b>	2022/23	<b>fte's</b>	<b>fte's</b>	<b>fte's</b>	<b>fte's</b>
Police Officers	2,017.0	2,017.0	2,017.0	2,017.0	2,017.0
PCSO's	199.0	199.0	199.0	199.0	199.0
Police Staff	1,453.6	1,512.4	1,512.4	1,512.4	1,512.4
<b>TOTALSTAFFING</b>	<b>3669.6</b>	<b>3728.4</b>	<b>3728.4</b>	<b>3728.4</b>	<b>3728.4</b>
<b>PROJECTED BUDGET REQUIREMENT</b>		<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Previous Year's Budget Requirement</b>		<b>212.258</b>	<b>219.471</b>	<b>231.077</b>	<b>236.271</b>
Remove non-recurring costs from 2022/23 Chiefs Investment Fund		( 2.531)			
<b>Adjusted Base Budget Requirement</b>		<b>209.728</b>	<b>219.471</b>	<b>231.077</b>	<b>236.271</b>
<b>Pay &amp; Price Increases</b>					
Full Year Effect of Previous Year's Pay Award:-					
Police Officers		3.809	1.489	1.108	1.081
Police Staff		2.445	0.773	0.503	0.514
Provision for Current Year's Pay Award & Inflation:-					
Police Officers pay award		1.296	1.395	1.329	1.407
Police Staff pay award		0.646	0.686	0.698	0.713
Pay & Prices Volatility Contingency		0.971			
Removal of 1.25% Social Care Levy in National Insurance		( 1.474)			
Police Officer Scheme Revaluation			4.029		
Police Staff Pension costs - LGPS Revaluation		0.495			
Other changes in Police Officer oncosts (NI / Pensions / Appr Levy)		( .400)	( .107)	0.000	0.000
Non-Pay Inflation		1.616	0.232	0.136	0.139
Collaboration - inflationary increases		0.389	0.210	0.216	0.221
<b>Total - Pay &amp; Price Increases</b>		<b>9.793</b>	<b>8.706</b>	<b>3.991</b>	<b>4.074</b>
<b>Previous Year's Budget updated for Pay &amp; Price changes</b>		<b>219.520</b>	<b>228.177</b>	<b>235.068</b>	<b>240.345</b>
<b>Other Changes to the Committed Budget</b>					
OPCC - Grants & Commissioning		0.088			
OPCC - Ministry of Justice Grant / Local Authority contributions		( .113)			
OPCC - Staffing / Office running costs		( .045)			
Police Officers - Increments / Turnover		( 1.261)	1.032	0.533	0.773
Police Officers - 2022/23 Uplift (full year effect)		2.594			
Police Officers - Misc Allowances / Housing Allowances		( .045)	( .103)	( .000)	( .000)
Police Officers - Overtime (no of Bank Holidays and other changes)		( .125)			
Police Staff - Increments / regrades / other changes		0.172			
Other Indirect employee expenses		0.015			
Cleaning Contract specification		0.176			
Vehicle Commissioning and Maintenance		0.240			
Other Fleet / Travel costs		0.055			
Crime Support Professional Fees		0.090			
Criminal Justice Fees - GMP Custody Contract / Doctors Statements, etc		0.030			
Finance and Business Support Fees - Financial Contracts		0.066			
Finance and Business Support Fees - Vehicle Recovery		0.165			
NPAS Recharges		0.154			
Information Services - Microsoft Licences renewal		0.157	0.124		
Information Services - NICHE Cloud		0.105			
Information Services - Telematics costs		0.071			
Information Services - other costs		( .036)	( .200)		
Ops Support - Dangerous Dogs costs		0.051			
Other Supplies & Services		0.042	0.017		
Debt Charges - current borrowing		( .506)	( .414)	0.962	2.214
Debt Charges - new borrowing		0.515	1.422	0.469	( 1.104)
Review of MRP for PFI schemes		( .101)	0.609	( .277)	( .086)
Increase in Police Uplift grant		( 1.951)			
Investment Income		( 1.190)			
Remove contribution from reserves re additional PCSO's		0.212			
Contribution from reserves re 3 temporary Financial Investigators		( .135)			
Changes in other specific Reserve contributions		( .007)	( .050)	0.327	0.000
Recharges from EM Collaborative Units		0.240			
<b>Total - Other 'Committed' Budget Changes</b>		<b>( .276)</b>	<b>2.436</b>	<b>2.014</b>	<b>1.797</b>

COMMITTED BUDGET BEFORE IDENTIFIED SAVINGS / BUSINESS CASES		219.245	230.613	237.082	242.142
<b>identified Savings from the 2022/23 Approved Budget</b>					
Vacant posts removed from Police Staff establishment		(.361)			
Contact Management - Police Staff Overtime provision		(.213)			
Information Management - Police Officer Overtime / Remote Storage		(.038)			
Misc Premises costs		(.160)			
Vehicle Insurance Excess costs		(.100)			
Corporate Services - Partnerships		(.012)			
		<b>(.884)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Additional Areas of Income Generation</b>					
Proceeds of Crime Income		(.080)			
Recharges to EM Region for support services costs		(.231)			
Recharges to EM CTIU and Sensitive Equities for support services costs		(.110)			
Recovery of Vetting costs		(.100)			
Vehicle Recovery income		(.233)			
Provision for Mutual Aid cost recovery		(.300)			
Other fees and charges / cost recovery income		(.005)			
		<b>(1.059)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Business Cases approved after 2022/23 Precept Meeting</b>					
March 2022 Planning Day - approved initiatives		0.938	(.036)		
Professional Standards Development		0.062			
P&E Board - PCIP Project		0.344			
P&E Board - Executive PA post		0.025			
P&E Board - Criminal Justice posts		0.178			
Crime Support temp Financial Investigators posts		0.135			
Crime Support Stalking Co-ordinator		0.034			
Ops Support Airbox MOSAIC system		0.032			
PCIP - additional revenue costs				0.746	
		<b>1.748</b>	<b>(.036)</b>	<b>0.746</b>	<b>0.000</b>
<b>Provision for further Business Cases</b>					
Design Board		0.000	0.500	0.500	
Contribution to Reserves - PCIP Project		1.000		(2.057)	
Police Officer Overtime		0.500			
		<b>1.500</b>	<b>0.500</b>	<b>(1.557)</b>	<b>0.000</b>
<b>Supported Planning Day Business Cases</b>					
In-house Occupational Health provision		0.220			
2 Additional Driver Training Vehicles - Revenue		0.006			
Info Mgt - Review, Retention, Disposal Project Manager		0.050			
Crime Directorate - Enhanced Cellbrite Capability		0.080			
Crime Directorate - Chorus Investigate Licences		0.109			
Operational Support - Armourer Post		0.034			
Information Services - 0.6 fte (Rounding up of 3 part-time posts)		0.020			
		<b>0.519</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Total - New Growth less Identified Savings and Income Generation</b>		<b>1.824</b>	<b>0.464</b>	<b>(.811)</b>	<b>0.000</b>

REVISED BUDGET REQUIREMENT FOR YEAR		221.069	231.077	236.271	242.142
<b>Savings Measures to be implemented</b>					
- Increased Vacancy Allowance for Police Staff posts		(.815)			
- Reduced Design Board Investment		(.500)			
- EMSOU Budget Reductions		(.283)			
		<b>(1.598)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>REVISED BUDGET REQUIREMENT FOR YEAR AFTER SAVINGS</b>		<b>219.471</b>	<b>231.077</b>	<b>236.271</b>	<b>242.142</b>

FUNDING FOR BUDGET REQUIREMENT	notes	£m	£m	£m	£m
<b>Central Government Funding</b>					
Formula grant	(4)	(121.675)	(123.834)	(126.310)	(128.836)
Council Tax grants	(4)	(8.700)	(8.700)	(8.700)	(8.700)
<b>Total - Central Government Funding</b>		<b>(130.375)</b>	<b>(132.534)</b>	<b>(135.010)</b>	<b>(137.536)</b>
<b>Precept Funding</b>					
Previous year Council Tax Funding		(82.306)	(88.559)	(93.324)	(98.146)
Change in tax base - annual growth	(5)	(1.271)	(1.328)	(1.400)	(1.472)
Change in Band D Council Tax		(4.983)	(3.436)	(3.422)	(3.474)
Change in Collection A/c Surplus / (Deficit)		0.000	0.000	0.000	0.000
<b>Total - Precept Funding</b>		<b>(88.559)</b>	<b>(93.324)</b>	<b>(98.146)</b>	<b>(103.092)</b>
<b>TOTAL PROJECTED FUNDING</b>		<b>(218.934)</b>	<b>(225.858)</b>	<b>(233.156)</b>	<b>(240.628)</b>

<b>BUDGET (SURPLUS) / DEFICIT</b>		<b>0.536</b>	<b>5.219</b>	<b>3.115</b>	<b>1.514</b>
<b>Contribution from Operational Funding / Investment Reserve</b>		<b>(.536)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>REMAINING (SURPLUS) / DEFICIT NOT FUNDED</b>		<b>0.000</b>	<b>5.219</b>	<b>3.115</b>	<b>1.514</b>

## ANNEX C

### Office of the PCC - 2023/24 Budget (detail)

Account	Budget Heading	2022/23 Base Budget	Full Year Inflation	Increments	Other Changes	2023/24 PROPOSED BUDGET
1100	Police Staff Pay	810,900	40,800		(40,830)	810,870
1120	Police Staff Overtime - Plain Time	1,100				1,100
1140	Police Staff National Insurance	91,200	(3,900)		(4,180)	83,120
1160	Police Staff Superannuation	112,700	42,800		(6,700)	148,800
1501	Training Courses	7,500				7,500
1602	Recruitment Advertising	1,500			(500)	1,000
1603	Interview Expenses	500				500
2210	Hire of Rooms	1,000				1,000
3200	Police Vehicle Fuel	500			(200)	300
3300	Hire of Vehicles	1,200			(200)	1,000
3400	Other Mileage (PSV)	5,500			(1,500)	4,000
3403	Rail Travel	4,000			(3,000)	1,000
3408	Car Parking, Taxis, etc	750				750
4000	Equipment - General	3,000			(1,000)	2,000
4040	Furniture	2,000			(2,000)	0
4100	Accommodation / Hotel Expenses	1,500			(500)	1,000
4101	Subsistence Expenses	400				400
4291	Meals / Refreshments	750				750
4400	Printing and Stationery - General	3,000			(2,500)	500
4401	Publications	500				500
4505	Financial Contracts	55,000			7,500	62,500
4520	Professional Fees	20,000				20,000
4543	Professional Fees - Legal	17,600				17,600
4575	Engagement and Communications	46,500				46,500
4635	Software Purchase	15,000				15,000
4740	JARAC Attendance	13,000				13,000
4741	JARAC Mileage	1,000			(500)	500
4805	Non-Recruitment Advertising	4,000			(2,500)	1,500
4807	Conference Expenses	2,500			(1,500)	1,000
4888	Bank Charges	12,000				12,000
4890	Misc. Expenditure	13,500	20,300		(13,500)	20,300
4895	National & Regional Membership Fees	96,000			7,000	103,000
<b>Office of the PCC - Total Budget</b>		<b>1,345,600</b>	<b>100,000</b>	<b>0</b>	<b>(66,610)</b>	<b>1,378,990</b>

**ANNEX D**

<b>2023/24 PROPOSED BUDGET</b>		
<b><u>Services Commissioned via the Chief Constable</u></b>		
	<b>2022/23 Approved £m</b>	<b>2023/24 Proposed £m</b>
Police Officers	110.735	116.423
Community Support Officers	6.119	7.308
Other Police Staff	46.446	49.604
Police Pensions	3.075	3.301
Other Employee Expenses	0.762	0.840
Premises	9.876	10.443
Transport	3.837	4.642
Supplies & Services	21.063	21.408
Agency & Contracted Services	0.272	0.272
Specific Grants	( 6.559)	( 8.510)
General Income	( 5.194)	( 5.927)
<b>Derbyshire Constabulary</b>	<b>190.432</b>	<b>199.804</b>
Contribution to East Midlands Collaboration	10.211	10.473
Contributions to National Policing		( .300)
BCU Funding	0.318	0.318
Partnerships	0.549	0.537
Contribution to Reserves		2.057
<b>PROPOSED GROSS SPENDING</b>	<b>201.510</b>	<b>212.889</b>
<b>Contribution from reserves</b>		
- PFI	( .491)	( .536)
- Other Reserves	( .212)	( .135)
	<b>( .703)</b>	<b>( .671)</b>
<b>PROPOSED NET SPENDING</b>	<b>200.807</b>	<b>212.218</b>

## ANNEX E

**POLICE & CRIME COMMISSIONER FOR DERBYSHIRE**  
**STATEMENT OF LEVEL OF RESERVES AS AT 31<sup>st</sup> MARCH 2021 & FORECAST LEVELS TO 31<sup>st</sup> MARCH 2026**

	2022 / 23					2023 / 24			2024 / 25			2025 / 26		
	Balances at 1/04/22	Movements (to) / from Revenue	Transfers Between Reserves	Contributions to Capital	Estimated Balances at 31/03/23	Projected Movements (to) / from Revenue	Projected Contributions to Capital	Estimated Balances at 31/03/24	Projected Movements (to) / from Revenue	Projected Contributions to Capital	Estimated Balances at 31/03/25	Projected Movements (to) / from Revenue	Projected Contributions to Capital	Estimated Balances at 31/03/26
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>GENERAL RESERVES</b>	<b>6,500,000</b>	-		-	<b>6,500,000</b>	-	-	<b>6,500,000</b>	-	-	<b>6,500,000</b>	-	-	<b>6,500,000</b>
<b>EARMARKED RESERVES</b>														
<b>Useable:-</b>														
Operational Funding and Investment Reserve	3,742,886	1,569,702			<b>5,312,588</b>	(134,700)		<b>5,177,888</b>			<b>5,177,888</b>			<b>5,177,888</b>
Contribution to Capital	550,689			(550,689)	<b>0</b>		<b>0</b>			<b>0</b>			<b>0</b>	
Carry-forwards	1,122,300	377,700			<b>1,500,000</b>	(516,200)		<b>983,800</b>		<b>983,800</b>			<b>983,800</b>	
PCC Grants & Commissioning	1,118,578	(144,502)			<b>974,076</b>	(100,000)		<b>874,076</b>	(100,000)	<b>774,076</b>	(100,000)		<b>674,076</b>	
Covid-19 Funding	299,153	(136,200)			<b>162,953</b>	(162,953)		-		-			-	
Workforce Resilience & Well-Being	997,000	(145,000)		(220,000)	<b>632,000</b>	(292,000)		<b>340,000</b>		<b>340,000</b>			<b>340,000</b>	
IT Equipment	500,000			(500,000)	-									
Design Board Funding	1,000,000	1,500,000			<b>2,500,000</b>	1,557,000		<b>4,057,000</b>	(4,057,000)	-			-	
Planning Day Initiatives	1,254,500	(493,900)			<b>760,600</b>	(157,900)		<b>602,700</b>		<b>602,700</b>			<b>602,700</b>	
Productivity & Efficiency	500,000				<b>500,000</b>			<b>500,000</b>		<b>500,000</b>			<b>500,000</b>	
Investment Fund	-	1,335,000			<b>1,335,000</b>	(85,000)	(1,250,000)	-		-			-	
Local Council Tax Support	1,311,401				<b>1,311,401</b>			<b>1,311,401</b>	0	<b>1,311,401</b>			<b>1,311,401</b>	
<b>Total Useable:-</b>	<b>12,396,507</b>	<b>3,862,800</b>	<b>0</b>	<b>(1,270,689)</b>	<b>14,988,618</b>	<b>108,247</b>	<b>(1,250,000)</b>	<b>13,846,865</b>	<b>(4,157,000)</b>	<b>0</b>	<b>9,689,865</b>	<b>(100,000)</b>	<b>0</b>	<b>9,589,865</b>
<b>Non-useable:-</b>														
PFI - Ilkeston	822,335	(95,262)			<b>727,073</b>	(91,103)		<b>635,970</b>	(114,871)	<b>521,099</b>	(130,700)		<b>390,399</b>	
PFI - Derby	1,460,688	(473,497)			<b>987,191</b>	(404,780)		<b>582,411</b>	(459,937)	<b>122,474</b>	(122,474)		<b>0</b>	
Insurance	148,262	70,185			<b>218,447</b>	1,600		<b>220,047</b>	2,000	<b>222,047</b>	2,500		<b>224,547</b>	
<b>Total Non-useable:-</b>	<b>2,431,285</b>	<b>(498,574)</b>	<b>0</b>	<b>0</b>	<b>1,932,711</b>	<b>(494,283)</b>	<b>0</b>	<b>1,438,428</b>	<b>(572,808)</b>	<b>0</b>	<b>865,620</b>	<b>(250,674)</b>	<b>0</b>	<b>614,946</b>
<b>TOTAL EARMARKED RESERVES</b>	<b>14,827,792</b>	<b>3,364,226</b>	<b>0</b>	<b>(1,270,689)</b>	<b>16,921,329</b>	<b>(386,036)</b>	<b>(1,250,000)</b>	<b>15,285,293</b>	<b>(4,729,808)</b>	<b>0</b>	<b>10,555,485</b>	<b>(350,674)</b>	<b>0</b>	<b>10,204,811</b>
<b>TOTAL RESERVES</b>	<b>21,327,792</b>	<b>3,364,226</b>	<b>0</b>	<b>(1,270,689)</b>	<b>23,421,329</b>	<b>(386,036)</b>	<b>(1,250,000)</b>	<b>21,785,293</b>	<b>(4,729,808)</b>	<b>0</b>	<b>17,055,485</b>	<b>(350,674)</b>	<b>0</b>	<b>16,704,811</b>

## ANNEX F

### 2023/24 PRECEPT PROPOSAL: A £15 COUNCIL TAX INCREASE ON BAND D PROPERTIES

Band D £266.60	Council Tax Base	Total Funding	Collection Fund - figures yet to be notified		Council Tax
			Surplus	Deficit	
	332,179.92	88,559,167	-	-	88,559,167
Amber Valley Borough Council	41,085.91	10,953,504			10,953,504
Bolsover District Council	22,900.72	6,105,332			6,105,332
Chesterfield Borough Council	30,222.43	8,057,300			8,057,300
Derby City Council	71,038.69	18,938,915			18,938,915
Derbyshire Dales District Council	30,662.53	8,174,630			8,174,630
Erewash Borough Council	34,613.00	9,227,826			9,227,826
High Peak Borough Council	31,390.00	8,368,574			8,368,574
North East Derbyshire District Council	32,603.64	8,692,130			8,692,130
South Derbyshire District Council	37,663.00	10,040,956			10,040,956

<u>Gross Revenue Expenditure</u>	
2022/23 Approved	212,258,465
2023/24 Proposed	219,470,868
Increase in GRE	3.40%

<u>Council Tax Requirement</u>	
2022/23 Approved	82,305,531
2023/24 Proposed	88,559,167
Increase in CTR	7.60%

<u>Council Tax per Banding</u>		
<u>BAND</u>	<u>2022/23</u>	<u>2023/24</u>
	£	£
A	167.73	177.73
B	195.69	207.36
C	223.64	236.98
D	251.60	266.60
E	307.51	325.84
F	363.42	385.09
G	419.33	444.33
H	503.20	533.20

## Appendix C

### EXTRACT FROM RULES OF PROCEDURE FOR DERBYSHIRE POLICE AND CRIME PANEL

#### 14.7 Proposed precept

- 14.7.1 The Police and Crime Commissioner will notify the Police and Crime Panel by 1<sup>st</sup> February of the relevant financial year of the precept which the Commissioner is proposing to issue for the financial year. The Panel must review the proposed precept by 8<sup>th</sup> February of the relevant financial year and make a report including recommendations.
- 14.7.2 Having considered the precept, the Police and Crime Panel will either:
- (a) support the precept without qualification or comment.
  - (b) support the precept and make recommendations; or
  - (c) veto the proposed precept (by the required majority of at least two thirds of the persons who are members of the Panel at the time when the decision is made).
- 14.7.3 If the Panel vetoes the proposed precept, the report to the Commissioner must include a statement that the Panel has vetoed the proposed precept with reasons. The Panel will require a response to the report and any such recommendations.
- 14.7.4 Where the Panel exercises the power of veto, the Police and Crime Commissioner shall, by 15<sup>th</sup> February of the relevant financial year, notify the Police and Crime Panel of the precept he/she now proposes to issue subject to the following:
- (a) where the Panel report indicates that the Panel vetoes the proposed precept because it is too high, the revised precept shall be lower than the proposed precept.
  - (b) where the Panel report indicates that the Panel vetoes the proposed precept because it is too low, the revised precept shall be higher than the proposed precept.
- 14.7.5 On receiving a response containing notification of a revised precept under the regulation the Panel shall, by 22<sup>nd</sup> February of the relevant financial year:
- (a) review the revised precept; and
  - (b) make a report (second report) to the Commissioner on the revised precept.

14.7.6 The Commissioner shall, by 1<sup>st</sup> March of the relevant financial year, have regard to the second report, give the Panel a response and publish the response.

The Commissioner may then issue the revised precept for the financial year or issue a different precept still subject to the requirements noted at 14.7.4.