

Copy to ETAP meeting 10 February 2021

Report to the Police Fire and Crime Panel – 1st February 2021

Police and Crime Budget Report for 2021/22

(Including Medium Term Financial Strategy)

Report of the Staffordshire Commissioner

Introduction

The purpose of this report is to set out the proposed budget and precept proposals for the Police and Crime element of the Staffordshire Commissioner's portfolio for 2021/22. Given his intention not to stand in the 2021 election, it is the final budget report of his second and final term in office and delivers one of the his key responsibilities under the Police Reform and Social Responsibility Act 2011.

The report sets out the following:

- Net police and crime budget requirement for 2021/22
- Proposed precept for the police and crime element of the council tax 2021/22
- Proposed Policing Medium Term Financial Strategy (MTFS)
- Outline Policing Capital Budget

The report should be read in conjunction with the accompanying:

- Treasury Management Strategy
- Reserves Strategy
- Capital Strategy

Recommendations

The Police, Fire and Crime Panel is asked to:

- Examine the information presented in this report, including:
 - The Total 2021/22 net revenue budget requirement of £222.051m (**Appendix 1**), including
 - A council tax requirement for 2021/22 of £83.197m before collection fund deficit is taken into account (**see Appendix 5**)
- Support the proposal to increase the 2021/22 precept for the policing element of the council tax bill by 5.99% or £13.48 per annum which is equivalent to 26p per week, increasing the council tax to £238.57 for a Band D Property (**see Appendix 5**).

- Note that the Council Tax base has decreased to 348,733 properties, equivalent to a decrease of 1.2% **(see Appendix 4)**. The Council Tax collection fund has also been finalised delivering a deficit of £0.200m after government support **(see Appendix 3)**.
- Note that the Budget and MTFS fully support and include the investment required to deliver the Officer Uplift of 89 by 31 March 2022 in line with the Ring Fenced Grant of £1.483m.
- Note the use of £0.305m of revenue reserves to support the capital programme in 2021/22
- Note the MTFS summary financials **(Appendix 6)** and MTFS assumptions **(see paragraph 9.2)**
- Note an overall balanced budget position for 2021/22 is presented.
- Support the delegation to the Director of Finance for the Staffordshire Commissioners Office and the Chief Finance Officer of Staffordshire Police to make any necessary adjustments to the budget as a result of late changes to central government funding (including changes due to the final funding settlement being announced) via an appropriation to or from the general fund reserve
- Support the proposed four year Capital Investment Programme **(see section 12)** and the Capital Strategy and Capital Programme Paper
- Note the outcome of The Staffordshire Commissioner's budget consultation within the Commissioners foreword which included a survey regarding the proposed level of precept for 2021/22.


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Staffordshire Commissioner

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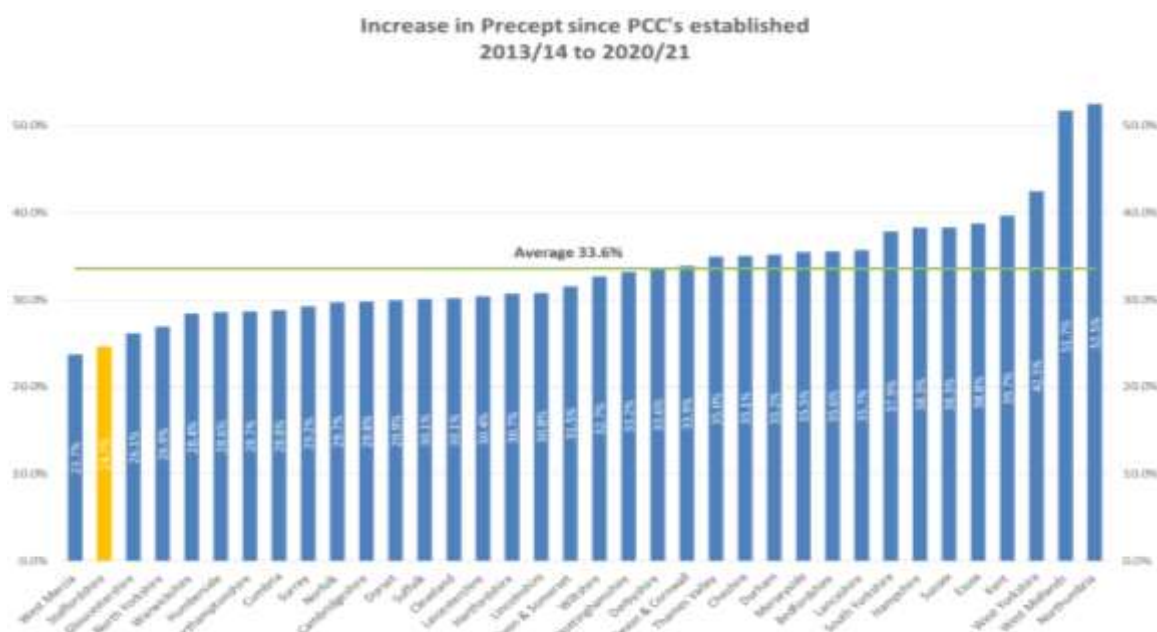
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Commissioners Foreword



This is my final budget and precept proposal as the Staffordshire Commissioner. During the last year I have been consistently awed by the professionalism of our public servants in their individual and collective response to the Covid-19 pandemic. I am also keenly aware of the impact on each and every one of us and look forward to the successful roll out of Covid vaccines, allowing for a return to normality. The 2021/22 budget and Medium Term Financial Strategy (MTFS) is set against the backdrop of the Covid-19 pandemic. Prudently, I had set aside specific reserves at the end of 2019/20 to support Policing in its immediate response to Covid-19 ensuring that, financially, Staffordshire Police would not see an impact during 2020/21 on its core funding. Financially the pandemic has seen reductions in anticipated funding over the life of the MTFS, driven by reductions in the collection of council tax revenues, as well as revised assumptions around central government support for Policing.

Over both terms of office, I have been committed to only increase local taxation through the policing precept where absolutely necessary. My view had been that efficiencies should be delivered within policing and community safety before I would consider asking council taxpayers for more. This policy impact has resulted in Staffordshire taxpayers seeing the second lowest increase in council tax levels, as a percentage, since I became the Police and Crime Commissioner in April 2012 (with my first decision being for the 2013/14 financial year).



For 2021/22, an online precept consultation with residents shows that overall, around 78% of all respondents support an increased investment in policing and crime. This area has also continued to increase as an area of public concern and

importance for public sector investment over the last 12 months, through various national surveys.

The resident's survey has generated 2,258 responses and shows that 22% of individuals favoured a freeze in council tax, 21% favoured a proposal of a 4.99% increase with 57% favouring the maximum increase in precept.

I have considered the response to the survey and have decided to increase the Policing Precept by 5.99%, equivalent to 26p per week, but below the maximum permissible. My proposed increase of 5.99% is less than the increases proposed by a large number of Commissioners across England and Wales.

The budget and MTFS report that you have before you reflects continued investment into Staffordshire Police to assist further modernisation of service and ensure that the public receive excellent policing support. Over recent years, Staffordshire Police have performed well and against the general trend, Staffordshire has seen crime levels drop for two years in succession. The Chief Constable has wisely invested the additional funding that I have provided, alongside the police officer uplift that Government have provided in 2020/21, to be supplemented further in 2021/22.

As I and Staffordshire Police look to the future, it is clear that new investment is required to create the operational resilience and capability over and above the increases in police officer numbers. This report describes a substantial capital programme, with more investment in IT / Digital, Fleet and Operations; capital spend has to be funded over the medium-term and therefore, choices have to be made to do this at the expense of other things. I will be prudent in my investment planning and ensure that our finances are secure over the medium-term.

In relation to the efficiency agenda, I am pleased to be able to reflect the following achievements over the current financial year:

- Her Majesty's Inspectorate of Constabulary, Fire and Rescue Services (HMICFRS) continuing to award Staffordshire Police a 'Good' rating for the use of resources in their most recent inspection.
- Within savings plan for 2020/21, 87% of projected savings have been delivered, against the back drop of a global pandemic.
- My Estates policy and planning has led to the further generation of capital receipts and reduced running costs on surplus estate.
- Further additional savings have arisen from the joint use of estate with Staffordshire Fire and Rescue Service with the creation of a joint facility in Hanley. This follows the creation of a joint facility in Tamworth last year.
- The Financial and Commercial Services team within Staffordshire Police (a shared service with Staffordshire Fire and Rescue Service) has won a prestigious national Public Finance award for Finance Team of the Year.

1. Executive Summary

- 1.1 This report, and the Council Tax precept proposal within it takes into account public and stakeholder consultation, demand for Policing services as well as key government announcements.
- 1.2 Following the announcement of the council tax referendum levels and Police Grant settlement by Government, the Commissioner has considered; current and future funding requirements, together with the factors included within his Police and Crime Plan, the results of the survey with local residents, as well as actual and expected cost pressures and expected efficiency savings available to the Force and to his own office.
- 1.3 The budget considers the current and emerging operational challenges, both nationally, regionally and locally, with particular reference to those areas included within the Force's Strategic Assessment.
- 1.4 The current Covid-19 pandemic, whilst rightfully seen as public health emergency, is having a significant economic impact. The financial impact of the pandemic will likely set the scene for the decade to come in relation to public spending, with an impact already being seen on the financial position of Policing within Staffordshire.
- 1.5 The impact of the Covid-19 pandemic is evidenced in the 2020/21 budget via a reduction in the tax base (driven by an increase in the means tested benefit Local Council Tax Support schemes) and deficits on collection funds from 2020/21 which are recognised in the following year.
- 1.6 The Commissioner has taken into account the adequacy and level of reserves and the impact of future financial challenges and opportunities in the MTFS. Since coming into office he has maintained a position to keep reserves at a minimum safe level and is constantly reviewing that position. This paper is accompanied by a revised Reserves Strategy.
- 1.7 2021/22 represents the second full year of Central Governments uplift programme which will see an additional 20,000 Police officers recruited by the end of 2022/23.
 - The first year of this programme has seen Staffordshire receive an additional 90 officers – this is a net growth of 90 once accounting for retirees and leavers meaning actual recruitment has been in excess of 200 officers. The national recruitment target was 6,000 for 2020/21
 - The spending review announced that the programme would now be funded to deliver 6,000 new officers in year 2 (2021/22). This is down from the 8,000 previously announced (with the 8,000 now being delivered in the final year 2022/23). The revised numbers will see Staffordshire recruit an additional 89 officers again as part of this programme in 2021/22 (and c.120 in the final year)
- 1.8 Whilst funding for these new officers is received via a mix of increased core grant and a ring fenced uplift grant, excluding these funding streams means that central government funding is cash flat from 2020/21 to 2021/22 (e.g. a real terms reduction). As these new uplift officers progress through their careers this brings pay pressure as well as the replacement of increasing quantities of equipment,

higher IT licensing costs and other non-pay spend as a result of a higher number of officers. These elements require local funding on an ongoing basis, resulting in either further efficiencies on non-police officer spend or via increases in precept. To support Commissioners in delivering the uplift programme the government has allowed for precept increases of up to £15

- 1.9 After consideration of all of these aspects the Commissioner is proposing a precept increase of 26 pence per week from April 2021. The proposed precept enables the Commissioner to provide an increase in funding raised from the precept of £3.784m in 2021/22 in order to maintain and safeguard policing and community safety services across Staffordshire and Stoke on Trent, to make targeted additional investment in his Police and Crime Plan as well provide some degree of medium term financial stability in light of uncertainty around Central Government support from 2022/23.
- 1.10 The Commissioner and Chief Constable will make the following headline investments into Policing and Crime over the course of the MTFS, above and beyond those provided for by Central Government in:
- Increasing Digital Forensic examination capacity and capability,
 - Increasing capacity within Force Intelligence,
 - Increasing transformation capability
 - A significant investment, via the capital programme, in Police IT,
 - A modern and fit for purpose Policing Estate,
 - A modern fit for purpose Police fleet

The Commissioner will determine the balance of investment funding in each of these areas, following further detail being provided by the Chief Constable. Further detail is contained in section 6.

- 1.11 The Commissioner will continue to support the Chief Constables transformation programme and has committed to ensuring that the scope of the capital programme and achievement of capital receipts will support this, through new IT platforms and Estate, balanced against the long term sustainability of Police and Crime funding. This paper is accompanied by a Capital Strategy and Treasury Management Strategy which explain how this investment will be targeted and afforded. Further detail on the proposed capital investment is contained in section 12.
- 1.12 It is recognised that there are still financial challenges faced over the coming years in order to meet the increasing demand for police services and the need for further modernisation. Whilst the Commissioner and Chief Constable understand the rationale behind a one year spending review in light of the Covid-19 pandemic, this does bring additional uncertainty to medium term financial forecasts and would welcome a multi-year settlement from government to assist with planning for critical service delivery.
- 1.13 The funding gaps for the years 2022/23 are below and will require an enhanced transformation plan to address these gaps, increased central government funding or precept increases in excess of the 2.99% assumed in those years:

2022/23 - £3.284m, growing to,
 2023/24 - £4.650m, growing to,
 2024/25 - £5.077m

- 1.14 If the proposals in this document are supported then the Staffordshire Commissioner (Police and Crime Commissioner for Staffordshire) will have the following funding available in 2021/22:

Table 1 Net Budget Requirement Comparison 2020/21 to 2021/22

| | 2020/21 | 2021/22 | Change |
|------------------------------------|----------------|----------------|--------------|
| Funding | £'000 | £'000 | £'000 |
| Home Office Police Grant | 115,158 | 122,417 | 7,259 |
| Police Pension Grant | 1,825 | 1,825 | 0 |
| Uplift Ring fenced Grant | 2,532 | 1,483 | (1,049) |
| Revenue Support Grant | 8,423 | 8,423 | 0 |
| Council Tax Freeze Grant | 3,541 | 3,541 | 0 |
| Precept | 79,413 | 83,197 | 3,784 |
| Local Council Tax Support Grant | 0 | 1,365 | 1,365 |
| Reserves | 0 | 0 | 0 |
| Council Tax Fund Surplus/(Deficit) | 1,510 | (200) | (1,710) |
| Total Funding | 212,402 | 222,051 | 9,649 |

| | 2020/21 | 2021/22 | Change |
|--|----------------|----------------|--------------|
| Funding | £'000 | £'000 | £'000 |
| Staffordshire Commissioner | 7,938 | 7,945 | 7 |
| Staffordshire Police | 198,155 | 203,676 | 5,521 |
| Capital Financing & Revenue Contribution to Capital* | 4,590 | 8,718 | 4,128 |
| Transformation Investment/(Requirement) | 1,719 | 1,711 | (8) |
| Total Spend | 212,402 | 222,051 | 9,649 |

**note this figure has been updated in year to include revenue funding of the capital programme in 2021/22 – the comparable figure is £7.319m (appendix 1)*

The detailed budgets are shown in Appendix 1

2. The Budget Process

- 2.1 The 2021/22 budgeting round continues to use a risk-based approach to budget setting which has sought to align the budget process with identified strategic operational priorities and risks, making strategic investments where funding allows in line with the Commissioners Police and Crime Plan.
- 2.2 Underpinning the budget and MTFS process are the principles of setting a good and balanced budget. Whilst setting a balanced budget is a legal requirement, significant focus is spent on ensuring it is a 'good budget'

A Balanced Budget means that:

- Income equals expenditure
- Cost reduction targets and investment proposals are credible and achievable, and:
- Key assumptions are 'stress tested'



A Good Budget means that:

- It has a medium term focus, supporting the Policing Plan
- Resources are focused on our priority outcomes
- It is not driven by short term fixes
- It demonstrates how we have listened to our communities through consultation
- It is transparent and well scrutinised
- It is integrated with the capital programme; and
- It maintains financial stability

- 2.3 The Commissioner and Staffordshire Police have considered key corporate risks when setting the budget. Essentially these risks are operational and organisational around managing people, infrastructure assets, information, commissioning etc.
- 2.4 The Force continues to identify its Strategic Operational Risks as part of the Force Management Statement (a requirement of Her Majesty's Inspectorate of Constabulary, Fire and Rescue Service). This has been used to inform resourcing strategies at both Directorate and Departmental Level.
- 2.5 The latest MTFS and, in particular, the 2021/22 budget contained within this report aligns the Force and Commissioner's financial resources to areas of greatest risk and therefore is fundamental to the performance management of Staffordshire Police and the Staffordshire Commissioners Office.
- 2.6 Both Chief Finance Officers have worked closely with the wider finance team throughout the year during the budget monitoring process and in preparation of the revenue and capital budgets for 2021/22. In respect of the budget, this has included (but was not limited to), the identification and agreement of assumptions and methodology and challenge and scrutiny of the budget workings across both the Staffordshire Commissioners Office (SCO) and Staffordshire Police.
- 2.7 The Commissioner and his management team have held regular discussions with the Chief Constable and his Chief Officers throughout the year on the MTFS. For the 2021/22 MTFS both the current Covid-19 impact on forecast council tax receipts (and council tax base) coupled with having only a one year spending review has introduced a greater degree of planning risk than would be desired.
- 2.8 Whilst the spending review was for one year only (and confirmed a freeze in core policing grant excluding uplift numbers, resulting in a real terms cut) papers released by the Office for Budgetary Responsibility (OBR) indicate that unprotected services (e.g. Local Government, Police, Fire, Prisons & Probation)

are likely to see continued real terms reductions in central funding for the government to deliver on its public finance targets for net borrowing as set out in the spending review until 2025.

- 2.9 These discussions have culminated in a number of full and robust discussions of the budget requirement, the right sizing and funding of the capital programme, national and local operational and financial challenges, the precept options available to the Commissioner and a review of the MTFS and associated risks.
- 2.10 Furthermore, there has been a significant degree of scrutiny and challenge undertaken by the Commissioner and his team, prior to, during and post the Strategic Governance Board on the 18th January, culminating in final discussions on the policing budget and decision on precept by the Commissioner. The decision around precept is taken by the Commissioner applying his judgement based upon the above budget process.
- 2.11 The approach taken to the MTFS is one where we continually seek to be a well-run organisation, scrutinising areas of spend as well as containing pressures. The overall approach to the MTFS process, in the order below, is:
1. Well run
 - Containment of pressures,
 - Identifying and achieving savings which involve no change to the operating model or incurring redundancy costs,
 - Spending every £ wisely
 2. Commercially astute
 - Income generation
 - Asset sales
 - Balance sheet management
 - Procurement and purchasing efficiencies
 3. Transformation
 - Changing the way we do things
 - Leveraging capital investment to support changes to our staffing model
 - Right sourcing of services and support
 4. Service reductions & precept increases

3. Impact of Covid-19 on the MTFS

- 3.1 The MTFS update report presented to PFCP in October set out the initial high level impact on funding for Policing. Whilst the pandemic is rightly being treated as a health emergency there are significant economic impacts which has fed through into the MTFS.
- 3.2 Funding from Central Government has emerged through the 2020/21 year with the Commissioner setting aside at the end of 19/20 in an earmarked reserve to support the response to Covid-19. The following funding streams are currently available
- PPE is funded by DHSC, with medical grade PPE spend incurred before DHSC took up supplying UK Policing now refunded (refund of £185k received for Staffordshire PPE and £470k received for PPE procured on behalf of UK Policing)
 - The Income Recovery Scheme - the scheme applies to sales, fees and charges where forces would usually generate income, such as policing of sporting fixtures or providing security at airports. The scheme will enable Staffordshire to recover 75p in every £1 of budgeted income lost due to Covid-19 restrictions this financial year once we have absorbed 5% of these losses.
 - Funding of £452k was received at the end of October for Covid enforcement. This surge funding is in addition to the funding set aside above.
 - For spend not covered by the above funding streams £478k was set aside in an earmarked reserve at the end of 2019/20, with a further appropriation of £100k made in year.
- 3.3 Net costs relating to Covid-19 totalled £1.352m to the end of December 2020, of which £0.285m relates to income losses. Funding totalling £1.126m has been identified to date; £0.794m has reimbursed by central government and the balance, £0.332m, has been funded from the earmarked reserve the commissioner set up at the end of 2019/20 to support the response to the pandemic.
- 3.4 This reserve will have a small anticipated balance to be carried over into the 2021/22 financial year. Subject to a successful inoculation programme and a removal of restrictions this amount is currently forecast to be sufficient.
- 3.5 Council tax receipts have been impacted on by the economic impact of Covid. The impact manifests itself through both a reduction in collection rates as well as lower growth in the council tax base in future years.
- 3.6 In relation to the reduction in collection rates in 2020/21 the deficit due to Covid-19 is estimated at £3.614m before any government support or deficit phasing is taken into account. The 2020/21 MTFS assumed a surplus for 2021/22 of £0.886m. This is a movement from that assumption of £4.500m before central government support is taken into account. A small number of collection funds are showing a surplus, in the main due to the recovery of historic debts.

- 3.7 Normally a deficit or surplus on the collection fund is applied the following year. However, as part of the Governments Covid support package the 2020/21 deficit will be repaid over three years as opposed to one. In addition to this HM Treasury have guaranteed to fund 75% of this deficit.
- 3.8 In relation to the council tax base this is materially lower than the estimate contained in the 2020/21 MTFS. The impact of this is £2.233m. This is driven by higher Local Council Tax Support (LCTS) claimants as the unemployment rate increases as well as a reduction in house build completions as a result of Covid restrictions. The table below reconciles the tax base assumptions used in the 2020/21 MTFS with those being used now:

| | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|-------------------------------------|--------------|---------------|---------------|---------------|
| 2020/21 tax base estimate | 358,093 | 363,464 | 368,916 | 374,450 |
| 2021/22 tax base actual | 348,733 | 350,477 | 353,105 | 356,316 |
| Variance (band D equivalent) | 9,360 | 12,987 | 15,811 | 18,134 |
| Variance (£) | £2.233m | £3.191m | £3.885m | £4.726m |

- 3.9 The total movement on council tax income before government support is £6.733m. This consists of the loss in council tax base (£2.233m), deficit on the collection fund (£3.614m) and the loss of assumed surplus on the fund in the 2020/21 MTFS (£0.886m).
- 3.10 A one off grant will be received in 2021/22 in relation to the impact of Local Council Tax Support (LCTS). This grant is £1.365m and is included in the funding position for 2021/22. Guidance on accounting treatment has yet to be released and as such may not be shown in the net revenue budget funding position when the detailed budget is set, however is shown as it is in the paper for transparency.
- 3.11 The MTFS assumes a precept increase of 2.99% in the years 2022/23 to 2024/25. Any decision on precept for those years is a decision for the new Commissioner and is subject to government referendum limits.
- 3.12 Central Government finances have been severely impacted by the economic contraction as well as additional support to public services. The Spending review set out spending envelopes for government departments that were lower than those proposed in the previous spending review for 2021/22. For the 2021/22 budget central government funding is £1.05m lower across core grant and uplift grant compared to what was anticipated in February 2020.
- 3.13 Whilst the spending review was for one year only (and confirmed a freeze in core policing grant excluding uplift numbers, resulting in a real terms cut) papers released by the Office for Budgetary Responsibility (OBR) indicate that unprotected services (e.g. Local Government, Police, Fire, Prisons & Probation) are likely to see continued real terms reductions in central funding for the government to deliver on its public finance targets for net borrowing as set out in the spending review until 2025.

4. Precept Strategy and 2021/22 Proposal

- 4.1 The 2021/22 proposed precept increase is 5.99%. For the period 2013/14 to 2016/17, the Commissioner maintained council tax levels at the same level as in 2012/13. His strategy was that efficiencies should be delivered within policing and community safety before increasing the amount paid by council tax payers.
- 4.2 Following the increase last year the Commissioners increases since 2013/14 have been the second lowest nationally, based on publicly available information.
- 4.3 The Council Tax Referendum Principles for 2021/22 confirm that PCCs can increase the policing element of Council Tax by what they consider necessary, but that the maximum increase before a referendum is required is now £15.
- 4.4 The Commissioner has engaged with local residents and stakeholders on a wide range of matters. In relation to the precept, the recent consultation showed that 78% of those who responded would support an increased investment in policing.
- 4.5 The Commissioner has listened to this feedback and outlined his intention to increase funding in the coming year by £3.786m from the precept, which will provide some additional investment to Policing as well as ensuring that all material cost pressures across the Commissioner's Office and Staffordshire Police are met for the budget year 2021/22 as well as supporting the ongoing uplift programme. Importantly this increase provides additional protection to services into the medium term in light of the financial challenges faced by Central Government.
- 4.6 In addition the Covid-19 pandemic has seen a significant change in the assumptions on the council tax base as well as the Commissioners share of any surplus or deficit on collection funds. The 2020/21 MTFS assumed an ongoing increase in the council tax base of 1.5% per annum as well as surpluses on the collection fund. These assumptions have been revised in light of the pandemic but show a significant impact and loss of income compared to the 2020/21 MTFS.
- 4.7 The table below illustrates the financial impact of the precept changes on the Council Band D rate and increase in funding for Police and Crime in Staffordshire.

Table 2 – Precept Increase 2021/22 to 2021/22

| Council Tax (Police & Crime Element) | 2020/21 | 2021/22 |
|--------------------------------------|--------------|--------------|
| Band D Council Tax Proposed | £ 225.09 | £ 238.57 |
| Increase on Prior Year | £ 8.53 | £ 13.48 |
| Percentage increase on Prior Year | 3.94% | 5.99% |
| Council Tax Increase | £ 4,357,196 | £ 3,784,456 |
| Total Precept Levied | £ 79,412,756 | £ 83,197,213 |
| Weekly Increase | £ 0.16 | £ 0.26 |

- 4.8 The increase in Council Tax funding also takes into account the actual tax base reduction for 2021/22 (1.2%) for Staffordshire and Stoke on Trent when calculating the financial impact of the precept flexibility. The proposed Council Tax increase by banding is shown in **Appendix 5**

5. National Picture, Grant Settlement and Officer Uplift

- 5.1 On the 17th December 2020, the Government announced the provisional 2021/22 Police Finance Settlement.
- 5.2 In relation to the Police funding formula, there has been no change to this, nor any indication as to when the formula would be reviewed. It is currently unknown if Staffordshire would have any net gain or loss from this potential review given it has not yet started, and as such can be seen as a risk or an opportunity for future years. The MTFS assumes no impact from any potential changes to the funding formula.
- 5.3 In addition to the change in precept principles, the Minister confirmed an increase for the main Police Grant of £315m. Staffordshire's share is £7.259m, although the Home Office have been clear that this does not cover any inflationary uplift and is the non-ring fenced element of funding to support the increase in Police Officer numbers
- 5.4 In addition to the above core policing grant a ring-fenced grant for Officer Uplift has been introduced. Nationally this is £100m, of which Staffordshire share is £1.483m. The Commissioner and Chief Constable have not yet received the grant determination letter setting out the conditions of use; what is known is that this grant is dependent upon the delivery of the increase in Officer numbers (for Staffordshire this is an additional 89 Officers by the 31st March 2021).
- 5.5 The above grant is insufficient on its own to pay for the uplifted Officer numbers. However, the uplift in the non-ring-fenced core policing grant is anticipated to provide the additional funding required to deliver the 89 alongside local decisions on savings and precept. This is welcome given the additional flexibility of non-ring-fenced grant compared to ring-fenced grant.
- 5.6 The Police Pensions grant received in 2020/21 has been confirmed again for 2021/22, in line with the previous MTFS assumptions. Nationally this grant is £153m of which Staffordshire's share is £1.825m. The MTFS assumes this grant is held cash flat over the life of the MTFS, resulting in a real terms reduction in this funding stream.
- 5.7 The capital grant paid to Commissioners has been kept at the same level in cash terms as 2020/21 and have not been inflated in line with inflation. This is a real terms reduction in this funding stream, following the 75% reduction from 2019/20 to 2020/21
- 5.8 Since 2014/15, Commissioners have received their core policing funding from the Home Office which subsumed the former DCLG grants (including previous funding from Business Rates).
- 5.9 Previous Council Tax freeze grants have been maintained within the funding settlement at a cash flat value and have not been inflated in line with inflation, resulting in a real terms cut.
- 5.10 National reallocations (top slicing) have decreased from the 2020/21 reallocations total of £1.121bn to £1.033bn. Whilst these national reallocations reduce the

allocations to Police and Crime Commissioners from the overall Home Office settlement, Commissioners are supportive of these services being provided at a national level.

5.11 The key issues in relation to the settlement and top slice elements include the following:

- The majority of Counter Terrorism (CT) funding is negotiated separately to the police settlement, therefore, increases do not impact on the rest of the Police settlement.
- Top ups for the NCA and ROCU are funded outside of the core policing settlement in 2021/22, hence the removal of funding above.
- The Police Technology Programme has a budget for 2021/22 of £485m, which is a £13m decrease on the 2020/21 funding.
- Police Technology Programmes include ESN, existing Airwave System, Home Office Biometrics and the National Law Enforcement Database.
- Arms-Length Bodies include Her Majesty's Inspectorate (HMI), Gangmasters and the Independent Office for Police Conduct, which replaces the Independent Police Complaints Commission (IPCC).

5.12 Whilst the total value of the national reallocations for 2021/22 is known, there does remain a level of uncertainty about the impact on the Police Grant of top slices over the life time of the MTFs (which are anticipated to increase). This presents risks to the future funding, materially in the case of future funding for ROCUs and the ESN (Emergency Services Network) programme.

5.13 In addition to these national top slices additional pressures have been incorporated into the budget for national recharges. These have increased year on year, and remain an area of concern for Forces nationally. Home Office IT recharges are not yet known and any variation to budget will be managed through the IT reserve.

6. Officer Uplift

6.1 The announced uplift in Police Officer numbers is welcomed by both the Commissioner and the Chief Constable. For Staffordshire this uplift in 2021/22 is 89 Officers.

6.2 The allocation methodology used by the Home Office for 2020/21 was based on the share of core policing grant. For 2021/22 the allocation methodology has stayed the same; however a 'top slice' of the national figures has been made for Counter Terrorism and for Regional Organised Crime Units (ROCU). Whilst the methodology and final numbers are unknown for year three it is likely that representations will be made be areas with higher levels of crime than Staffordshire for a redistribution and change to the methodology. Assuming the

same formula allocation, and no further top slices, this would be c.120 for Staffordshire.

6.3 The following table reconciles uplift numbers:

| | National | Staffordshire |
|---|--------------|---------------|
| Formula Allocation | 6,000 | 90 |
| <i>Minus: Counter Terrorism Top slice</i> | 80 | 1 (notional) |
| <i>Minus: ROCU</i> | 270 | 4 |
| <i>Minus: Fraud</i> | 30 | 0 |
| Total uplift to individual Forces | 5,620 | 85 |

N.B. ROCU Officers are employed by each local Force within the West Midlands. As such the actual growth of Officer numbers in Staffordshire is 89 (only the Counter Terrorism uplift is employed by lead forces)

6.4 This uplift is in addition to the uplift as a result of previous precept increases by the Commissioner in 2018/19 and 2019/20. These Officer numbers are in the Home Officer Baseline and will need to be sustained to access the uplift funding.

6.5 The government has been clear in the funding allocated for 2021/22 that the revenue grant contains funding for the capital investment required to enable the uplift to be successful. This funding is one off in nature and thus the replacement programme

6.6 The Force is planning, in relation to the 89 Officers, to allocate these to the following areas.

- Regional Organised Crime Unit
- Response Policing
- Disruptions Team
- Neighbourhood Policing
- Custody
- Safeguarding

The deployment of Officers is legally at the discretion of the Chief Constable and is subject to change based upon operational requirements.

6.7 The Force has, due to recruitment profiling across the three year uplift programme, committed to recruiting 120 officers in year 2 of the programme. Whilst there is the option to reduce this to the revised figure of 89 this would mean delaying recruitment of 31 officers by a matter of months (from the 2021/22 financial year to the 2022/23 financial year). It is affordable to continue to recruit in line with the original central government uplift programme (e.g. the 120) and beneficial in terms

of workforce planning; however it must be noted that recruitment will not exceed the c.300 uplift numbers over the entirety of the three year programme.

7. Local Investments In Policing

- 7.1 The Commissioner, in reaching a decision to increase the Policing precept, has considered the need to balance increases in local taxation against the investments required in local policing to continue building back in capability and capacity, as well as enabling Staffordshire Police to respond to new and emerging threats.
- 7.2 These investments have been designed to balance and complement the investment in Police Officer numbers as a result of the government investment in Policing. The government's focus has been on increasing Officer numbers and the infrastructure directly related to increasing Officer numbers. The government's investment does not focus, at a local level, on increasing technological innovation, specialist Police staff roles, volunteer roles both in relation to revenue spend through pay costs or capital investment in infrastructure. These areas are becoming increasingly important to Policing in terms of meeting future demand.
- 7.3 The increase proposed is lower than the maximum increase allowed for under legislation. The increase allows for investments that the Commissioner can make above and beyond a rise in the precept linked to inflation would allow for.
- 7.4 Whilst there is a strong rationale for further investment and enhanced medium term stability that an increase up to the maximum under legislation allows for, the Commissioner is minded to balance these needs against the ability of the local taxpayer to afford increases in precept. Should the Commissioner have opted for the maximum increase in precept this would have raised an additional £0.529m; increasing the band D precept by a further 3 pence per week.
- 7.5 The MTFS contains the following potential investments across the revenue and capital programme. The substantial capital programme that this report describes in section 12 will require a significant increased commitment from the revenue budget over the medium-term and the Commissioner will ensure that a prudent approach is taken to prioritise this. All investment decisions for 2021/22 will be subject to further detailed review by the Commissioner before the start of the financial year:
- **Technology & Digital Capability** – the investment in technology and digital capability covers investment in both infrastructure, software and devices. This builds on the commissioner's desire for Staffordshire Police being the most technologically enabled Force and build on the benefits of bringing Technology Services in house during 2020/21. The outcomes expected are:
- A more stable network, including for remote working
 - Continual upgrading in devices including mobile technology
 - Upgrading software
 - National Technology Programmes
 - The Emergency Services Network

- **Modern and fit for purpose Estate** – The Commissioner is committed to investing in Estate to ensure the Force has access to modern, fit for purpose Estate that meets the needs of a 21st Century Police Force. Whilst a significant element of this commitment will be delivered via sharing estate with Staffordshire Fire and Rescue Service the Commissioner is committed to also invest in the estate that will be retained. The outcomes expected are:
 - Modern fit for purpose neighbourhood and response bases,
 - A programme of investment in communal areas and energy efficient heating
 - An operations hub to meet the evolving needs of the Force, in light of the changing nature of policing
 - The creation of shared modern estates with Staffordshire Fire and Rescue Service to generate significant revenue savings.

- **Modern and fit for purpose fleet** – the Commissioner is committed to ensuring the fleet requirements of Staffordshire Police are met through a rolling replacement programme. The outcomes expected are:
 - A modern fit for purpose fleet. The average age of vehicles being replaced are 7 years old
 - New vehicles reduce revenue running costs and time spent off the road
 - Newer vehicles typically have lower emissions. The Force is currently in the process of adding a number of electric vehicles to its fleet

- **Digital Forensics** – since 2010 digital forensic submissions have increased by over 500%, driven by both increases in device numbers and complexity of devices being analysed. The outcomes expected are:
 - Reduced outsourcing of devices
 - Increasing throughput and speeding up analysis
 - Reduced backlogs in devices
 - Upgrades in analytical equipment

- **Change and Transformation** – over the coming years there will need to be further investment in change capacity to both address future funding gaps as well as deliver on the ambitious change programme. The expected areas for investment are:
 - Increased pace in delivery of change programmes
 - Reductions in future financial gaps
 - Reductions in agency and interim spend on change and transformation capacity

7.6 The Commissioner will continue to hold Staffordshire Police to account for the impact on outcomes of these investments. The Commissioner will have particular interest in how the local investment into Policing complements and enhances the national investment in Police Officer numbers.

8. The Medium Term Financial Strategy

The Medium Term Financial Strategy has been updated as follows and is shown in detail in Appendix 6:

- 8.1 The MTFS is an important document in the overall financial framework of the Commissioner's and Staffordshire Police's planning. It builds on the budget for 2020/21 and incorporates plans to meet changes in available financing with the need to meet current and future commitments.
- 8.2 It is a requirement that the Police and Crime Plan must cover the period until the end of the financial year of the next Commissioner election in May 2021 however it is prudent to prepare a medium term financial strategy over a longer period than this and therefore the report focusses on a four year timeline.
- 8.3 The MTFS update presented to the Police and Crime Panel in October 2020 identified a funding gap over the MTFS period. Those gaps were:
- £5.551m in 2021/22, growing to;
 - £7.722m in 2022/23, growing to;
 - £10.138m in 2023/24,
- 8.4 The above gaps were predicated on an annual pay award of 2.5%, a cash flat core policing grant, a 2.99% annual precept increase and an assumption that the Officer Uplift would be fully funded. They also took account of the impact, based on information from billing authorities during October 2020, on council tax base and collection rates.
- 8.5 The latest MTFS position for the period to 2021/22 indicates that this funding gap has been resolved for the coming budget year. The main drivers of this improvement is the combination of the chancellors pay freeze, the increased precept opportunity, new savings identified and treasury management savings. There are small future funding gaps; however given the current spending review is for one year only this gap is predicted on cost and income inflation assumptions that will be reviewed once the 2022 Spending Review has concluded. The assumptions used are in line with those used by other Commissioners and Forces.

| | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|---|-------------|-------------|--------------|-------------|
| Previously reported position (October 2020 PFCP) | £5.551m Gap | £7.722m Gap | £10.138m Gap | N/A |
| Transformation Requirement | - | £3.284m Gap | £4.650m Gap | £5.077m Gap |

- 8.6 The MTFS is based on full delivery of a number of savings relating to the Force Efficiency and Change Programme, as included in **appendix 7**. The recent internal audit on the Change Programme controls and governance arrangements provided a 'positive assurance', along with strong focus in both the Commissioner and Force senior management team to ensure timely delivery.

- 8.7 As part of the 2021/22 MTFS review savings in the current MTFS have been reviewed. This has resulted in certain savings being re-profiled or removed from the 2021/22 MTFS. The revised savings programme are set out in **appendix 7**
- 8.8 New savings proposals from Staffordshire Police totalling £1.894m have been included and are in addition to the savings already assumed in the MTFS. These include savings that arise from the Commissioner's strategic plans e.g. Estates, have been presented to the Commissioner and have been 'stress tested' for deliverability. These savings exceed the expectation of Police efficiencies set out in the Spending Review. For Staffordshire the Spending Review assumed efficiencies of £1.8m, with savings identified of £2.011m. The revised savings programme are set out in **appendix 7**
- 8.9 Additional savings from Treasury management, compared to the October PFCP paper, are now included. This saving has been delivered by improved cash balances and cash management (leading to lower external borrowing and interest costs), additional capital receipts from the disposal of surplus assets and slippage within the capital programme.
- 8.10 The base budget allows for the impact of the decision to terminate the IT contract with Boeing Defence UK. This is covered under decision note number 6 on the agenda for the Police Fire & Crime Panel meeting on the 10th February 2020.
- 8.11 The MTFS includes a number of key assumptions covering likely funding levels, inflationary increases and expenditure items. These include the following:
- That the core policing grant would stay cash flat for the life of the MTFS, with additional funding for uplift officers only. This represents a real terms reduction in central government funding of c.8% by 2024/25
 - That the council tax base grows at 0.5% per annum in 2022/23, 0.75% in 2023/24 and 0.91% in 2024/25. Previously this had been set at 1.5%. Growth in the base recovers over the period based upon an assessment of the economic recovery from the pandemic.
 - A pay 'pause' was announced in the spending review, freezing pay for all earning over £24,000 per annum and a flat rate £250 increase for those earning under £24,000. It is assumed this pay 'pause' will be a permanent feature of the budget (e.g. is a pay freeze as opposed to being deferred and 'caught up' via an above inflation increase in future years).
 - Pay Increases are assumed at 2% for the life of the MTFS from 2022/23 onwards in line with the Bank of England target inflation rate. This means no net increase, in real terms, in pay levels.
 - Non staff inflation is based upon known contract or specific inflation where known (e.g. business rates). Where inflation is unknown the rate of inflation included is 1.5%. This is 0.5% lower than the Bank of England target inflation rate of 2%, and builds in an assumed efficiency saving.

- 8.12 It is expected that there will be more clarity provided by the Home Office for the years after 2021/22 in terms of funding arrangements once a multiyear spending review has been concluded in the autumn of 2021.

9. Assumptions

- 9.1 All assumptions in the MTFS are subject to change however they are useful in establishing the general size of the underlying pressures in the budget.
- 9.2 The MTFS presented has been constructed using the following assumptions:

Table 4: Assumptions

| Description | 2021/22 Budget | 2022/23 Estimate | 2023/24 Estimate | 2024/25 Estimate |
|-----------------------------------|-------------------|---------------------|---------------------|---------------------|
| <u>Police Officers</u> | | | | |
| Pay Award | 0.0% | 2.0% | 2.0% | 2.0% |
| Incremental uplift | 1.0% | 1.0% | 1.0% | 1.0% |
| Pension Contribution | 31.0% | 31.0% | 31.0% | 31.0% |
| <u>Police Staff</u> | | | | |
| Pay Award | 0.0% | 2.0% | 2.0% | 2.0% |
| Incremental uplift | 1.0% | 1.0% | 1.0% | 1.0% |
| Pension Contribution | 15.5% | 15.5% | 15.5% | 15.5% |
| <u>Non Staff Inflation</u> | | | | |
| General (Including Rates) | 1.5% | 1.5% | 1.5% | 1.5% |
| Utilities - Gas/Electric | 1.5% | 1.5% | 1.5% | 1.5% |
| Fuel | 1.5% | 1.5% | 1.5% | 1.5% |
| Estates Contract | 1.5% | 1.5% | 1.5% | 1.5% |
| Insurances | 1.5% | 1.5% | 1.5% | 1.5% |
| <u>Funding</u> | | | | |
| Government Funding | 0.0% | 0.0% | 0.0% | 0.0% |
| Council Tax Base Increase | 0.50% | 0.50% | 0.75% | 0.91% |
| Variable Income Charges | 2.0% | 2.0% | 2.0% | 2.0% |
| Council Tax Precept Increase | 5.99% | 2.99% | 2.99% | 2.99% |
| Collection Fund Deficit £000 | (200) | (301) | (301) | 0 |

- 9.3 This does not commit the Commissioner to any course of action however these assumptions must be viewed as being more likely than any others which is why they have been selected.
- 9.4 Assumptions on inflation have been cross-referenced with other Policing and local public sector organisations and believe they are consistent.
- 9.5 The tax base forecasts are based upon a slow recovery from the current reduction in the council tax base. Current economic conditions in relation to both the current and future level of housebuilding as well as the number of claimants of Local Council Tax Support will make a significant impact in terms of the total council tax collected and future income projections.

- 9.6 Police Officer pension costs remain a significant risk over the medium term, in particular in light of the McCloud judgement on pension's age discrimination. To offset this risk the Commissioner has established a pensions reserve, however the impact of this could amount to a significant multi million pound annual cost.

10. Risks and Sensitivity Analysis

- 10.1 In reflecting on where and whether investments are appropriate in 2021/22 the Commissioner will also reflect on the development of risks within the environment and respond to the monitoring of those risks.
- 10.2 Whilst the uplift in funding for Policing is welcome the Commissioner is cognisant of the ongoing pressures on other local partners and national agencies. These pressures will have an impact on the performance of local policing and crime services.

Table 5: Sensitivity Analysis on Assumptions

| Cost Area | Change | £'000 |
|-----------------------------|--------|-------|
| Police Pay | 1% | 1,048 |
| PCSO/Police Staff | 1% | 619 |
| Utilities | 1% | 43 |
| Vehicle costs | 1% | 34 |
| Supplies & Services | 1% | 99 |
| Police Pension Contribution | 1% | 1,048 |
| Police Core Grant Funding | 1% | 1,224 |
| Precept | £1 | 349 |
| Council Tax base | 1% | 832 |

11. Reserves Position

- 11.1 The previous MTFS for both 2019/20 and 2020/21 included proposals to replace and strengthen the reserves position alongside investing in service delivery. This work has been fully completed now
- 11.2 The Commissioner has always believed in holding 'minimal safe reserves' as defined by the Commissioners understanding of the risk profile facing Policing. The Commissioners reserve strategy sets this out to be 3% of the net revenue budget, with the general fund reserve currently at 3%
- 11.3 A number of earmarked reserves are included within the overall reserves position. A number of these reserves exist to cover increased risks in the external environment such as pensions and Covid-19.
- 11.4 Overall one revenue reserve is being drawn on in setting the 2021/22 budget. This is for £0.305m to support the vehicle replacement programme. The capital receipts

reserve is being utilised to support the capital programme in addition to the above revenue reserve use.

- 11.5 If the proposals in this report are adopted then the reserves position will be as shown in **Appendix 2**. These reserves are from the audited accounts reserves for the year ending 2019/20.

12. Capital Programme 2020/21 to 2024/25

- 12.1 The Capital Programme is set out at 12.11 (Table 6 below). The revenue consequences of the proposed programme have been taken into account in the development of the revenue budget and the required prudential indicators are set out in the accompanying Treasury Management Strategy.
- 12.2 The core Capital Programme was considered by both the Commissioner and the Force at the Strategic Governance Board meeting in January 2021. The Programme includes investment on operational areas of premises, IT and vehicle fleet, together with assumptions for Capital Receipts and timings of work. The Commissioner provided scrutiny and oversight given the size of the expected spend.
- 12.3 Over recent years the Force has seen significant investment through the capital programme into Digital Technology. The capital programme for 2021/22 to 2024/25 will continue to focus investment on the shared priority of Digital Technology, with an increased focus on maximising the opportunities for sharing estate both with Staffordshire Fire and Rescue service as well as other public sector partners to drive value for the taxpayer and allow for the prioritisation of investment in Digital Technology.
- 12.4 The capital programme will see debt as a percentage of the net revenue budget increase throughout the period of the MTFS. On this metric the affordability of the capital programme will continue to consume a greater percentage of revenue spend over the MTFS period. The Commissioner is committed to maintaining revenue contributions to the capital programme, in particular for purchasing short life assets. This strikes a fair balance between the need for investment and the burden left to future taxpayers to service these investments.
- 12.5 The Commissioner has been able to increase the capital programme investment compared to the programme previously proposed due to a number of factors. These include; increased capital receipts, direct revenue financing of the capital programme, a stronger internal cash position as well as improving confidence in the Force's ability and approach to managing capital spend and planning. The following investments are proposed as part of the 4 year capital programme.
- 12.6 As part of his 2020/21 budget proposals the commissioner set a revenue contribution to capital spend of £2.073m. This continues throughout the MTFS period and supports both capital investment, but crucially lowers the capital financing requirement (accumulated debt) compared to not including this. By contributing revenue to capital the commissioner is supporting longer term

financial sustainability thus allowing for more funding for service provision over the medium term as opposed to funding being required for debt repayment.

12.7 Digital Technology investment is proposed to maintain the significant improvements in capability seen due to previous investments, to improve core infrastructure, build on the benefits witnessed from insourcing Technology Services and for improvements in digital capabilities to be leveraged. The main proposed investments in the four year programme are:

- £0.550m on network infrastructure to improve network resilience and support increased off site working.
- £2.350m for enhancements to operational software and capabilities over the life of the MTFS
- £4.468m for device refresh including mobile technology over the life of the MTFS
- £10.1m for the assumed local costs of the Emergency Services Network within the capital programme. Whilst work is ongoing to ensure the costs passed to Forces and Commissioners is minimised this is included as a planning assumption based on the Home Office ESN funding model. Within the revenue budget £0.240m has been allocated for ESN costs that cannot be capitalised under statute.
- £2.750m for national IT & Digital programmes. Whilst the projects are currently known, the funding costs and split are not, therefore this is included as a funding placeholder

12.8 The vehicle replacement programme does not see an increase in the number of vehicles the Force operates outside of the uplift programme. An investment of £1.905m will allow for the replacement of c.80 vehicles, with the vehicles proposed for replacement being on average 7 years old.

12.9 Additional capital spend in year to support the uplift programme will be required and will be added to the capital programme for the costs of the uplift in Officer numbers. This is to be funded via revenue contributions from the ring-fenced uplift grant and is not yet shown in the capital programme.

12.10 The estates programme focusses on the costs of maintaining the current estate. Whilst a joint Estates strategy is being developed by the Commissioner with Staffordshire Police and Staffordshire Fire and Rescue Service, it is envisaged that this strategy will see a number of projects within this maintenance programme not being undertaken due to Staffordshire Police taking advantage of the modern PFI facilities offered by the Fire service under this joint estates strategy. However, for prudence whilst the strategy is being developed provision has been made for these projects.

12.11 Alongside the ability to work and operate from modern facilities contained within the estate operated by the Fire Service is the ability to generate capital receipts and ongoing revenue savings from the disposal of surplus estate. These receipts have been reinvested back into the capital programme and the revenue savings are used to support the revenue budget. The main proposed investments in the four year programme are:

- A rolling refurbishment programme on the current Police Estate including provision for the refurbishment of Burslem, Longton, Leek, Stafford and Cannock Police Stations
- A provision on £19m for a new operations hub / fire arms training range, scheduled for 2022/23. The Commissioner has approved an outline business case, with a full business case being developed to be considered by the Commissioner elected in May 2021 and is included for planning purposes only.
- A programme of mechanical, electrical, fire and security upgrades. This will also include investment in modern energy efficient and environmentally friendly heating.

12.12 The table below details the Capital Programme Projects and spend over the MTFS period with the expected funding of the programme.

Table 6: Capital Programme Spending

| Business Area | 2021/22 Estimate £'000 | 2022/23 Estimate £'000 | 2023/24 Estimate £'000 | 2024/25 Estimate £'000 |
|--------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| IT | 8,068 | 4,450 | 7,640 | 2,040 |
| Estates and Facilities | 3,009 | 11,609 | 9,794 | 600 |
| Transport | 1,905 | 1,905 | 1,905 | 1,905 |
| Operational Equipment | 150 | 150 | 150 | 150 |
| OPCC | 0 | 0 | 0 | 0 |
| Capital Programme | 13,132 | 18,114 | 19,489 | 4,695 |

| | | | | |
|---------------------------------|-----------------|-----------------|-----------------|----------------|
| Funded by: | | | | |
| Capital Receipts | (1,775) | (1,450) | (350) | 0 |
| Deferred Capital Receipt | (99) | (59) | (20) | 0 |
| Capital Grants | (174) | (174) | (174) | (174) |
| Capital Specific Grants | 0 | 0 | (331) | 0 |
| Revenue Contribution to Capital | (2,073) | (2,073) | (2,073) | (2,073) |
| Earmarked Reserves | (355) | (355) | (1,004) | (221) |
| Borrowing Requirement | (8,656) | (14,003) | (15,537) | (2,227) |
| Total Funding | (13,132) | (18,114) | (19,489) | (4,695) |

12.12 The impact of capital investment at a level detailed in the table above on the revenue budget is significant, creating additional financial pressures into the medium-term, because of financing costs, or because revenue funding is used

directly to meet capital costs. The Chief Constable's plans in this area, will continue to be scrutinised and subject to the approval of the Commissioner.

13. Statement of the Commissioner CFO on the robustness of the Budget and adequacy of the proposed financial reserves

- 13.1 The Local Government Act 2003, Part 2, Section 25, as amended by the Police Reform and Social Responsibility Act 2013, requires the Commissioner's CFO to report on the robustness of the estimates used for the budget and the adequacy of the proposed financial reserves. The Commissioner is required to have regard to the report of the CFO and the report must be given to the Police and Crime Panel.
- 13.2 It is noted that the budget years 2022/23 onwards are planned within a more uncertain environment than has been the case in recent years, in relation to the impact of Covid-19 on both Central government finances as well as locally raised taxation.

I conclude, therefore, that the budget for 2021/22:

- Has been prepared on a robust basis,
- Is accompanied by a Capital, Treasury Management and Reserves Strategy
- Includes the funding for the required uplift in Officer numbers

David Greensmith

Director of Finance / S151 Officer for the Staffordshire Commissioner's Office

Appendix 1

Revenue Budget 2021/22

| | Budget 2020/21 | Budget Proposal 2021/22 | Year on Year Change |
|-------------------------------------|-------------------|-------------------------------|------------------------|
| | £'000 | £'000 | £'000 |
| Pay | | | |
| Police Officer Pay Costs | 97,142 | 104,792 | 7,650 |
| Pcso Pay Costs | 8,452 | 8,324 | (128) |
| Police Staff Pay Costs | 53,719 | 53,560 | (159) |
| Other Employee Costs | 7,092 | 5,717 | (1,375) |
| Police Officer Pensions | 4,536 | 5,583 | 1,047 |
| Total Pay | 170,941 | 177,975 | 7,034 |
| Non Pay | | | |
| Repairs & Maintenance | 50 | 30 | (20) |
| Other Premises Costs | 4,293 | 4,284 | (9) |
| Vehicle Costs | 3,866 | 3,365 | (502) |
| Other Travel Costs | 489 | 489 | 0 |
| Operational Supplies & Service | 6,798 | 7,111 | 313 |
| Communications & Computers | 6,561 | 8,210 | 1,649 |
| Administration | 1,984 | 1,957 | (27) |
| Other Supplies & Services | 875 | 870 | (5) |
| Total Non Pay | 24,917 | 26,317 | 1,400 |
| Contracted | | | |
| Third Party Payments | 23,679 | 24,344 | 665 |
| Total Contracted | 23,679 | 24,344 | 665 |
| Capital Financing Cost | | | |
| Capital Financing Costs | 5,246 | 6,645 | 1,399 |
| Revenue Contribution to Capital | 2,073 | 2,073 | 0 |
| Total Capital Financing Cost | 7,319 | 8,718 | 1,399 |
| Reserve Transfers | | | |
| Reserve Transfers | 2,831 | 0 | (2,831) |
| Total Reserve Transfers | 2,831 | 0 | (2,831) |
| Income | | | |
| Grants & Contributions | (10,386) | (10,302) | 84 |
| Reimbursements | (4,982) | (5,073) | (91) |
| Sales, Fees & Charges | (1,076) | (982) | 94 |
| Other Income | (240) | (70) | 170 |
| Total Other Income | (16,684) | (16,427) | 257 |
| Unallocated Savings | | | |
| Unallocated Savings | (601) | (588) | 14 |
| Total Unallocated Savings | (601) | (588) | 14 |
| Transformation Support | 0 | 1,711 | 1,711 |
| Total Revenue Budget | 212,402 | 222,051 | 9,648 |

| | | | |
|------------------------|----------------|----------------|--------------|
| Financed By: | | | |
| Home Office Funding | 131,479 | 137,689 | 6,210 |
| LCTS Grant | | 1,365 | 1,365 |
| Council Tax Funding | 80,923 | 82,997 | 2,074 |
| Total Financing | 212,402 | 222,051 | 9,648 |

Appendix 2

Useable Reserves Statement

| Actual 31-Mar- 20 £'000 | | Transfer Out £'000 | Transfer In £'000 | Forecast 31-Mar-21 £'000 |
|----------------------------------|---------------------------------|--------------------------|-------------------------|--------------------------------|
| 6,350 | General Fund | 0 | 23 | 6,373 |
| | <u>Earmarked Reserves</u> | | | |
| 3,216 | Transformation Reserve | 0 | 0 | 3,216 |
| 1,903 | Capital Reserve | 0 | 32 | 1,935 |
| 348 | Insurance Reserve | (94) | 733 | 987 |
| 1,164 | Pensions Reserve | 0 | 1,047 | 2,211 |
| 250 | Collaboration Reserve | (193) | 0 | 57 |
| 0 | Uplift Reserve | 0 | 2,644 | 2,644 |
| 3,264 | Operation Reserves | (1,107) | 691 | 2,848 |
| 10,145 | Total Earmarked Reserves | (1,394) | 5,147 | 13,898 |
| 3,150 | Capital Receipt Reserve | (3,448) | 2,074 | 1,775 |
| 331 | Unapplied Grants | 0 | 0 | 331 |
| 19,975 | Total Reserves | (4,842) | 7,244 | 22,377 |

Useable Reserves Forecast

| | 2020/21 Budget £'000 | 2021/22 Estimate £'000 | 2022/23 Estimate £'000 | 2023/24 Estimate £'000 | 2024/25 Estimate £'000 |
|---------------------------------|----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| General Fund | 6,373 | 6,373 | 6,373 | 6,373 | 6,373 |
| <u>Earmarked Reserves</u> | | | | | |
| Transformation Reserve | 3,216 | 3,216 | 3,216 | 3,216 | 3,216 |
| Capital Reserve | 1,935 | 1,580 | 1,225 | 221 | 0 |
| Insurance Reserve | 987 | 987 | 987 | 987 | 987 |
| Pensions Reserve | 2,211 | 2,211 | 2,211 | 2,211 | 2,211 |
| Collaboration Reserve | 57 | 57 | 57 | 57 | 57 |
| Uplift Reserve | 2,644 | 2,644 | 2,644 | 2,644 | 2,644 |
| Operation Reserves | 2,848 | 2,933 | 3,018 | 3,103 | 3,188 |
| Total Earmarked Reserves | 13,898 | 13,628 | 13,358 | 12,439 | 12,303 |
| Capital Receipt Reserve | 1,775 | 0 | 0 | 0 | 0 |
| Unapplied Grants | 331 | 331 | 331 | 0 | 0 |
| Total Reserves | 22,377 | 20,332 | 20,062 | 18,812 | 18,676 |

Council Tax Report 2021/22

Council Tax Surplus / (Deficit) by Billing Authority

| | 2020/21 £000's | 2021/22 £000's* | Change £000's |
|-------------------------|-------------------|--------------------|------------------|
| Cannock Chase | 135 | (34) | (169) |
| East Staffordshire | 87 | 36 | (50) |
| Lichfield | 187 | (37) | (224) |
| Newcastle | (66) | (54) | 12 |
| South Staffordshire | 214 | (44) | (259) |
| Stafford | 288 | (53) | (341) |
| Staffordshire Moorlands | 37 | (79) | (116) |
| Tamworth | 95 | 75 | (20) |
| Stoke City Council | 534 | (11) | (545) |
| Total | 1,511 | (200) | (1,711) |

*Note these figures are after the application of the 75% Treasury contribution towards Covid-19 deficits and after the 3 year spreading of the locally funded 25% deficit. Confirmation of how the support grant is to be paid and its exact amount are awaited from HM Treasury, thus potentially may change these figures.

Council Tax Report 2021/22

Council Tax base by Billing Authority

| | 2020/21 (Band D Equivalent) | 2021/22 (Band D Equivalent) | Change (Band D Equivalent) |
|----------------------------|--|--|---|
| Cannock Chase | 29,243 | 29,137 | (106) |
| East Staffordshire | 38,389 | 37,875 | (514) |
| Lichfield | 39,032 | 38,891 | (141) |
| Newcastle | 37,387 | 37,087 | (300) |
| South Staffordshire | 38,356 | 38,664 | 308 |
| Stafford | 48,261 | 47,994 | (267) |
| Staffordshire Moorlands | 33,225 | 33,260 | 35 |
| Tamworth | 22,367 | 22,366 | (1) |
| Stoke City Council | 66,542 | 63,459 | (3,083) |
| Total | 352,801 | 348,733 | (4,068) |

Council Tax Report 2021/22

Council Bands for Each Band and Billing Authority Precepts

Based upon a Band D Increase of 5.99%

| Band | 2020/21 £ | 2021/22 £ | Annual Increase £ | Increase per week £ |
|------|--------------|--------------|-------------------------|---------------------------|
| A | 150.06 | 159.05 | 8.99 | 0.17 |
| B | 175.07 | 185.55 | 10.48 | 0.20 |
| C | 200.08 | 212.06 | 11.98 | 0.23 |
| D | 225.09 | 238.57 | 13.48 | 0.26 |
| E | 275.11 | 291.59 | 16.48 | 0.32 |
| F | 325.13 | 344.60 | 19.47 | 0.37 |
| G | 375.15 | 397.62 | 22.47 | 0.43 |
| H | 450.18 | 477.14 | 26.96 | 0.52 |

| | 2020/21 £ | 2021/22 £ | Change £ |
|-------------------------|-------------------|-------------------|------------------|
| Cannock Chase | 6,582,266 | 6,951,171 | 368,905 |
| East Staffordshire | 8,640,962 | 9,035,839 | 394,877 |
| Lichfield | 8,785,877 | 9,278,226 | 492,349 |
| Newcastle | 8,415,532 | 8,847,846 | 432,314 |
| South Staffordshire | 8,633,624 | 9,224,142 | 590,518 |
| Stafford | 10,863,120 | 11,449,952 | 586,833 |
| Staffordshire Moorlands | 7,478,697 | 7,934,838 | 456,141 |
| Tamworth | 5,034,643 | 5,335,857 | 301,213 |
| Stoke City Council | 14,978,035 | 15,139,342 | 161,307 |
| Total | 79,412,756 | 83,197,213 | 3,784,456 |

MTFS Summary Financials to 2024/25

| | Budget 2021/22 £'000 | Budget 2022/23 £'000 | Budget 2023/24 £'000 | Budget 2024/25 £'000 |
|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Pay | | | | |
| Police Officer Pay Costs | 104,792 | 110,623 | 114,105 | 117,208 |
| PCSO Pay Costs | 8,324 | 8,324 | 8,324 | 8,324 |
| Police Staff Pay Costs | 53,560 | 53,617 | 53,677 | 53,677 |
| Other Employee Costs | 5,717 | 5,805 | 5,824 | 5,824 |
| Police Officer Pensions | 5,583 | 5,583 | 5,583 | 5,583 |
| Total Pay | 177,975 | 183,951 | 187,512 | 190,615 |
| Non Pay | | | | |
| Repairs & Maintenance | 30 | 30 | 30 | 30 |
| Other Premises Costs | 4,284 | 4,284 | 4,284 | 4,284 |
| Vehicle Costs | 3,365 | 3,365 | 3,365 | 3,365 |
| Other Travel Costs | 489 | 489 | 489 | 489 |
| Operational Supplies & Service | 7,111 | 7,111 | 7,111 | 7,111 |
| Communications & Computers | 8,210 | 8,993 | 10,119 | 10,712 |
| Administration | 1,957 | 1,957 | 1,957 | 1,957 |
| Other Supplies & Services | 870 | 870 | 870 | 870 |
| Total Non Pay | 26,317 | 27,099 | 28,226 | 28,819 |
| Contracted | | | | |
| Third Party Payments | 24,344 | 24,344 | 24,344 | 24,344 |
| Total Contracted | 24,344 | 24,344 | 24,344 | 24,344 |
| Capital Financing Cost | | | | |
| Capital Financing Costs | 6,645 | 6,914 | 6,878 | 7,419 |
| Revenue Contribution to Capital | 2,073 | 2,073 | 2,073 | 2,073 |
| Total Capital Financing Cost | 8,718 | 8,987 | 8,951 | 9,492 |
| Reserve Transfers | | | | |
| Reserve Transfers | 0 | 0 | 0 | 0 |
| Total Reserve Transfers | 0 | 0 | 0 | 0 |
| Income | | | | |
| Grants & Contributions | (10,302) | (10,302) | (10,302) | (10,302) |
| Reimbursements | (5,073) | (5,073) | (5,073) | (5,073) |
| Sales, Fees & Charges | (982) | (982) | (982) | (982) |
| Other Income | (70) | (70) | (70) | (70) |
| Total Other Income | (16,427) | (16,427) | (16,427) | (16,427) |
| Unallocated Savings | | | | |
| Unallocated Savings | (588) | (653) | (699) | (699) |
| Total Unallocated Savings | (588) | (653) | (699) | (699) |
| Transformation Support/(Requirement) | 1,711 | (3,284) | (4,650) | (5,077) |
| Total Revenue Budget | 222,051 | 224,018 | 227,258 | 231,067 |

| | | | | |
|---|----------------|----------------|----------------|----------------|
| Financed By: | | | | |
| Settlement Funding | | | | |
| Home Office Police Grant (inc. Uplift Ringfenced Grant) | 123,900 | 124,417 | 124,417 | 124,417 |
| Police Pension Grant | 1,825 | 1,825 | 1,825 | 1,825 |
| Revenue Support Grant | 8,423 | 8,423 | 8,423 | 8,423 |
| Council Tax Freeze Grant | 3,541 | 3,541 | 3,541 | 3,541 |
| Total Settlement Funding | 137,689 | 138,206 | 138,206 | 138,206 |
| LCTS Grant | 1,365 | 0 | 0 | 0 |
| Council Tax | 82,997 | 85,812 | 89,052 | 92,862 |
| Total Financing | 222,051 | 224,018 | 227,258 | 231,067 |

Appendix 7 – Saving & Efficiencies

| Savings Theme - Estates | Description | Directorate | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|------------------------------|--|-------------------------------|--------------|--------------|--------------|--------------|
| Estates | Project Spend - Savings achievable due to the Joint Estates Strategy reducing the size of the Police only Estate | People and Resources | (20) | (20) | (20) | (20) |
| Estates | Office Furniture & Equipment - extension of the useful economic life of furniture under the annual replacement programme, coupled with greater agile working reducing wear and tear | People and Resources | (10) | (10) | (10) | (10) |
| Estates | Variable maintenance spend - As the size of the Police owned estate reduces efficiencies will be generated within repairs and maintenance | People and Resources | (20) | (20) | (20) | (20) |
| Estates | Estates Rationalisation Strategy - Revenue running cost savings generated from the disposal of Estate assets currently held for sale | People and Resources | (241) | (306) | (306) | (306) |
| Estates | Accommodation costs - Recharging of Estates costs to external grant funding in line with grant agreements | Neighbourhood and Partnership | (13) | (13) | (13) | (13) |
| Estates | Estates Lease Review - The Force has reduced its requirement to lease space from third parties. As a result there is a reduction in the lease payments due | People and Resources | (45) | (45) | (45) | (45) |
| Total Estates Savings | | | (349) | (414) | (414) | (414) |

| Savings Theme - Efficiency & Procurement | Description | Directorate | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--|---|---------------------|---------|---------|---------|---------|
| General Efficiency & Procurement | Forensics Vehicle Recovery - General efficiency within this area of spend | Operational Support | (25) | (25) | (25) | (25) |
| General Efficiency & Procurement | External Training for CDOs - Training will now be undertaken in house | Operational Support | (48) | (48) | (48) | (48) |
| General Efficiency & Procurement | ANPR Equipment Maintenance - Due to the upgrade in ANPR funded by the Commissioner in the 20/21 MTFS savings have been identified within the maintenance budget as new equipment is more resilient | Operational Support | (31) | (31) | (31) | (31) |
| General Efficiency & Procurement | General Vehicle Hire - General efficiencies made in the usage and retendering of vehicle hire contracts | Operational Support | (23) | (23) | (23) | (23) |
| General Efficiency & Procurement | Subscriptions & Levies - A review of subscriptions and levies has been undertaken resulting in a small saving | Operational Support | (2) | (2) | (2) | (2) |

| | | | | | | |
|---|--|-------------------------------|--------------|--------------|--------------|--------------|
| General Efficiency & Procurement | Equipment - Removal of a historic budget line with equipment funded via grant or capital programmes | Investigations | (50) | (50) | (50) | (50) |
| General Efficiency & Procurement | Prosecution Costs - General Efficiency and budget reduction due to historical underspend | Investigations | (51) | (51) | (51) | (51) |
| General Efficiency & Procurement | ██████████ - reduction in historical budget line | Investigations | (50) | (50) | (50) | (50) |
| General Efficiency & Procurement | Advertising Vacancies - Efficiency generated through reducing spend on third parties to advertise Police Staff posts | People and Resources | (5) | (5) | (5) | (5) |
| General Efficiency & Procurement | Assessment Centres - Reduction in assessment centre spend | People and Resources | (73) | (73) | (73) | (73) |
| General Efficiency & Procurement | Workstation equipment - General efficiency achieved on specialist workstation equipment | People and Resources | (3) | (3) | (3) | (3) |
| General Efficiency & Procurement | Office Supplies - A reduction on the use of stationary and other associated office supplies | People and Resources | (15) | (15) | (15) | (15) |
| General Efficiency & Procurement | Cash Collection - General efficiency in Force cash collection costs | People and Resources | (1) | (1) | (1) | (1) |
| General Efficiency & Procurement | Vending Machine Consumables - A change in catering contract has removed a number of 24/7 vending machines from the Force estate. | People and Resources | (4) | (4) | (4) | (4) |
| General Efficiency & Procurement | Bank & BACS charges - General efficiency within Finance and Commercial services on banking charges | People and Resources | (1) | (1) | (1) | (1) |
| General Efficiency & Procurement | ██████ Payroll Services - A general efficiency within historic costs held within Finance relating to historical Police Staff pension costs | People and Resources | (5) | (5) | (5) | (5) |
| General Efficiency & Procurement | Postage - General efficiency achieved via reducing the use of external postage, in part due to the increase in the use of electronic communications | People and Resources | (10) | (10) | (10) | (10) |
| General Efficiency & Procurement | Contributions to partnerships - General budgetary efficiency following a review of contributions to external partnerships where alternative funding arrangements exist or non-cash contributions are made | Neighbourhood and Partnership | (10) | (10) | (10) | (10) |
| General Efficiency & Procurement | Laundry Contract Efficiencies - A procurement efficiency on retendering the contract for laundry services for detained individuals | Operational Support | (21) | (21) | (21) | (21) |
| General Efficiency & Procurement | Uniform costs - Savings made as part of the replacement cycle for uniform for Custody Detention Officers. | Operational Support | (4) | (4) | (4) | (4) |
| Total General Efficiency & Procurement | | | (431) | (431) | (431) | (431) |

| Savings Theme - Income Generation | Description | Directorate | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--------------------------------------|---|----------------------|--------------|--------------|--------------|--------------|
| Income Generation | Secondments - Income generation as a result of secondments to national policing bodies and central government, bringing this budget line in with the levels of income achieved over the last two years | Investigations | (200) | (200) | (200) | (200) |
| Income Generation | Enabling Services - Charges made to third parties for the delivery of Enabling Support Services | People and Resources | (58) | (58) | (58) | (58) |
| Income Generation | National Fees and Charges Inflation - On nationally mandated fees and charges inflationary increases are applied each year in line with Home Office and NPCC recommendations. | People and Resources | (72) | (144) | (144) | (144) |
| Total Income Generation | | | (330) | (402) | (402) | (402) |

| Savings Theme - Staffing | Description | Directorate | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|-----------------------------|---|----------------------|---------|---------|---------|---------|
| Staffing | Custody Detention - As a result of the Commissioners decision to in source Custody Detention Officers in 2018 efficiencies have been generated via the staffing model. This adjustment reflects changes made to that staffing model as a result of a review by the directorate | Operational Support | (63) | (63) | (63) | (63) |
| Staffing | Shared Services; Finance & Commercial - A small restructure has been undertaken within Commercial Services resulting in a reduction in staffing spend. As this is a shared service with Staffordshire Fire & Rescue savings a portion of savings will also accrue to SFRS. Since the baseline was set in the commissioners business case on collaboration this service has exceeded the savings in the business case | People and Resources | (15) | (15) | (15) | (15) |
| Staffing | Redeployment Expenses - A reduction in the number of Staff and Officers claiming redeployment expenses | People and Resources | (15) | (15) | (15) | (15) |
| Staffing | Contact Services Management Redesign - As part of the ongoing efficiency drive within the directorate senior management has been reviewed within the contact centre [REDACTED] | Contact and Response | (63) | (63) | (63) | (63) |
| Staffing | Overtime - A reduction in variable overtime spend on the central budget held by the Deputy Chief Constable | DCC Directorate | (50) | (50) | (50) | (50) |

| | | | | | | |
|------------------------|--|--|-------|-------|-------|-------|
| Total Staffing Savings | | | (206) | (206) | (206) | (206) |
|------------------------|--|--|-------|-------|-------|-------|

| Savings Theme - Transformation | Description | Directorate | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--------------------------------|---|----------------------|---------|---------|---------|---------|
| Transformation | Redundancy costs - Under current practice redundancy costs are paid for centrally and not by directorates. Under this policy redundancy costs will be paid for by directorates from the efficiency generated by restructures, with the ability for directorates to spread the cost over a number of years through using the redundancy reserve | People and Resources | (500) | (500) | (500) | (500) |
| Transformation | Training and Development - The Force has expanded its relationship for training with Staffordshire university, including the innovative Detective Constable entry programme 'DC DHEP'. This change has resulted in a cessation of the Police Now programme resulting in a net saving | People and Resources | (195) | (195) | (195) | (195) |
| Total Transformation | | | (695) | (695) | (695) | (695) |

| | | | | | | |
|------------------------------------|--|--|---------|---------|---------|---------|
| TOTAL STAFFORDSHIRE POLICE SAVINGS | | | (2,011) | (2,148) | (2,148) | (2,148) |
|------------------------------------|--|--|---------|---------|---------|---------|

Appendix 8 – Capital Programme

Estates Capital Programme

| Investment Area | Business Benefit and Narrative | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--------------------|--|---------|---------|---------|---------|
| Major Projects | | £000's | £000's | £000's | £000's |
| Baden Hall* | Bullet Catcher/Canopy - Contingency project to ensure compliance of Range with College of Policing Standards. | 250 | | | |
| Burslem PS | Major overhaul and refurbishment of site, works are in addition to BAU upgrades and assumes that no viable co-location opportunities exist under the joint estate | 350 | | | |
| Cannock PS | Phase Two refurbishment to areas of the site not addressed under Phase One works which focussed on Response hub needs. Focus is on congested ground floor writing rooms, front counter and public areas and to improve locker/storage space following relocation of the property store to Watling. | | 150 | | |
| HQ Blocks 8 & 9 | Major investment into both blocks to address backlog issues over environment, degradation of internal finishes, limitation of under floor power systems and to re-desk/improve work environments to support additional technology and business culture investments. | | 775 | | |
| HQ Block 1 | Improvements to office and work environments maximise and make efficient use of space, includes furniture replacements, space planning and redesign | | 300 | | |
| HQ Block 5 | Replacement of windows and security enhancements | 75 | | | |
| HQ Blocks 2,3 & 4* | General improvements to address back log issues and poor office layouts | 220 | | | |
| HQ Block 6 | Major investment to address backlog issues over environment, degradation of internal finishes and to re-desk/improve work environments to support additional technology and business culture investment. | | 350 | | |

| | | | | | |
|--------------------------------|--|--------------|---------------|--------------|----------|
| HQ External Areas | Improvements to perimeter security, lighting security systems and upgrades to security gates and barrier systems to improve site access and alternative access arrangements | 200 | | | |
| Leek PS | Major investment to address backlog issues over environment, degradation of internal finishes and to re-desk/improve work environments to support additional technology and business culture investment. | 175 | | | |
| Longton Police Station | Major investment to address backlog issues over environment, degradation of internal finishes and to re-desk/improve work environments to support additional technology and business culture investment. | 350 | | | |
| Northern Area Custody Facility | Investment (on a rolling programme) to ensure custody environments continue to meet operational needs - both detention and as a workplace. | 131 | 131 | 131 | |
| Watling Custody | Investment (on a rolling programme) to ensure custody environments continue to meet operational needs - both detention and as a workplace. | 63 | 63 | 63 | |
| Operations Hub* | New indoor range facility to replaced existing leased outdoor range | | 9,000 | 9,000 | |
| Stafford PS | Major investment to address backlog issues over environment, degradation of internal finishes and to re-desk/improve work environments to support additional technology and business culture investment. | 500 | | | |
| <i>*linked dependencies</i> | | | | | |
| Total Major Projects | | 2,314 | 10,769 | 9,194 | - |

| Minor Projects | | £000's | £000's | £000's | £000's |
|-----------------------|--|---------------|---------------|---------------|---------------|
| Doxey Police Post | Limited investment into a leased site to ensure working facilities meet operational need | 25 | | | |
| Lindum House | Improvements to communal areas and to improve the ground floor working environments | | 100 | | |
| Rugeley | Investment needed to adapt a Community fire station as a joint location | 70 | | | |
| Kidsgrove | Investment needed to adapt a Community fire station as a joint location | | 70 | | |

| | | | | | |
|--|---|---------------|---------------|---------------|---------------|
| Stone | Investment needed to adapt a Community fire station as a joint location | | 70 | | |
| Total Minor Projects | | 95 | 240 | - | - |
| | | | | | |
| Business as usual | | £000's | £000's | £000's | £000's |
| Refreshments and rest area replacements programme | Rolling programme force wide to ensure all rest areas meet required standards | 100 | 100 | 100 | 100 |
| Heating and Ventilation replacement programme | Boiler upgrades/AC improvements based upon PPM regimes | 180 | 180 | 180 | 180 |
| Security Upgrades | Door access control systems and physical security and general improvements | 100 | 100 | 100 | 100 |
| Fixed Plant - mechanical equipment, M&E services | Modernisation and plant and equipment replacements across the estate. | 60 | 60 | 60 | 60 |
| Internal and External Building Fabric Improvements | Includes new roofs, window replacements, works to redecorate and replace building finishes and to raise standard of condition | 100 | 100 | 100 | 100 |
| Fire Detection and Fire Safety | Essential upgrades to FD and FS systems based upon rolling PPM outcomes and inspections | 60 | 60 | 60 | 60 |
| Total Business as Usual | | 600 | 600 | 600 | 600 |
| | | | | | |
| Total Estates Capital Programme | | 3,009 | 11,609 | 9,794 | 600 |

IT and Digital Capital Programme

| Investment Area | Business Benefit & Narrative | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|-------------------------------------|---|---------------|---------------|---------------|---------------|
| Network Infrastructure | | £000's | £000's | £000's | £000's |
| WiFi Implementation | Deployment of new WP080 hardware across estate, offering improved connectivity | 115 | - | - | - |
| SDWAN Implementation | Implementation of new WP080 network hardware across estate with new circuits where required, to improve resilience and readiness for M365 and collaboration with partners | 170 | - | - | - |
| Express Route | Improved connectivity to cloud hosted environments within | 200 | - | - | - |
| Certificate Based authentication | Improvements to agile working capability, maintaining security whilst offering onsite connectivity | 65 | - | - | - |
| Total Network Infrastructure | | 550 | - | - | - |
| Storage & Hosting | | £000's | £000's | £000's | £000's |
| Application Streaming Service | Implement a replacement for to allow migration away from end of life , and ensure ongoing availability of streamed applications) | 150 | - | - | - |
| Secondary DC relocation | Transfer secondary datacentre to a more cost-effective solution/location, benefiting from increased resilience and failover capability | 300 | - | - | - |
| Migrate DBs to | Transfer of force databases into new improved environment | 50 | - | - | - |
| Total Storage & Hosting | | 500 | - | - | - |
| Business Systems | | £000's | £000's | £000's | £000's |
| (ERP) | Essential software upgrade, needed to maintain support contract for a critical business system | 400 | - | - | - |

| | | | | | |
|------------------------------------|---|---------------|---------------|---------------|---------------|
| Asset Management | To support the tracking of Commissioner assets, in line with the system used by SFRS | 10 | | | |
| Niche 2021 Upgrade | Continued development of new RMS system | 50 | - | - | - |
| Niche 2022 Upgrade | Continued development of new RMS system | - | 50 | - | - |
| Learning Management System | New system, which will allow a more comprehensive approach to CPD coordination in managing training and development records across the organisation | 200 | - | - | - |
| Total Business Systems | | 660 | 50 | - | - |
| | | | | | |
| Operational Systems | | £000's | £000's | £000's | £000's |
| | Part of approved Control Room upgrade, to provide functionality for multimedia queues (channel shift) | 70 | - | - | - |
| | To assess an either upgrade or alternative mapping solution | - | 80 | - | - |
| & mapping | Part of approved Control Room upgrade, to support underlying mapping solution in data accuracy | 120 | - | - | - |
| Digital Interview Recording | To allow recording of interviews in digital format, compatible with courtroom evidence. Current equipment is now failing | 180 | - | - | - |
| Digital Asset Management | To meet the demand to effectively track our digital resources | 250 | - | - | - |
| Digital Forensics (Infrastructure) | Overall solution needed for digital forensics, but needs vision and scope developing in more detail first | - | 700 | - | - |
| Protective Monitoring | No technological imperative to implement quickly, was deferred as a business in March 2020. Will facilitate monitoring of user behaviour/activity whilst using force systems, but brings significant load/demand on internal network if done globally | 180 | 80 | - | - |
| Vehicle Telematics | The ability to trace vehicle movements in real-time and report on performance data | 90 | - | - | - |
| Dashcams | The ability to record and upload video content from response vehicles, alongside BWV | 600 | - | - | - |
| Total Operational Systems | | 1,490 | 860 | - | - |
| | | | | | |

| Device Replacement | | £000's | £000's | £000's | £000's |
|--|---|---------------|---------------|---------------|---------------|
| Note 9 & Mobile device refresh | Essential investment into end of life user devices capable of supporting current OS and applications | 400 | 1,000 | 1,000 | 1,000 |
| End user device replacement | Essential investment into end of life user devices capable of supporting current OS and applications | 250 | 250 | 250 | 250 |
| Extension mobility | To allow port mobility across telephones, allowing hot desk culture and reduction in estate | 68 | - | - | - |
| Total Device Refresh | | 718 | 1,250 | 1,250 | 1,250 |
| | | | | | |
| National Systems & Projects | | £000's | £000's | £000's | £000's |
| ESN Readiness | Requisite local technology upgrades, in particular within the control room, to accept ESN technology - 'ESN Readiness' | 1,500 | | | |
| ESN | Current national airwave system is due to be decommissioned, and this is a mandatory change to adopt the new Emergency Services Network | 1,500 | 1,500 | 5,600 | - |
| National Systems Replacement | Budget allowance to capture all national programmes not yet approved or national funding to be allocated | 500 | 750 | 750 | 750 |
| Total National Systems & Projects | | 3,500 | 2,250 | 6,350 | 750 |
| | | | | | |
| Data Driven Policing | | £000's | £000's | £000's | £000's |
| Data warehousing platform (Corvus) | Underlying infrastructure to offer a Data Visualisation platform that will allow Improved decision making and access to force data | 150 | - | - | - |
| Tasking & Briefing | Improved decision making and access to data | 400 | - | - | - |
| Business Intelligence | A rich data-driven user experience, with accessible data across numerous devices | 100 | 40 | 40 | 40 |
| Total Data Driven Policing | | 650 | 40 | 40 | 40 |
| | | | | | |
| Total IT & Digital Programme | | 8,068 | 4,450 | 7,640 | 2,040 |

Fleet Capital Programme

| Investment Area | Business Benefit and Narrative | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--------------------------------------|--|--------------|--------------|--------------|--------------|
| Fleet Replacement Programme | Ensuring that Staffordshire Police has a modern and fit for purpose fleet. A modern and fit for purpose fleet increases the Force's ability to respond, reducing fleet 'down time' as well as newer vehicles typically being more environmentally friendly. This investment replaces c.80 vehicles per annum | 1,905 | 1,905 | 1,905 | 1,905 |
| Total Fleet Capital Programme | | 1,905 | 1,905 | 1,905 | 1,905 |

Equipment Capital Programme

| Investment Area | Business Benefit and Narrative | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--|---|------------|------------|------------|------------|
| Equipment Replacement Programme | Ensuring that Staffordshire Police has a modern and fit for purpose equipment provision. This provision includes tactical body armour, ANPR replacement as well as specialist forensics and investigative equipment | 150 | 150 | 150 | 150 |
| Total Equipment Capital Programme | | 150 | 150 | 150 | 150 |