

**NORTH HERTFORDSHIRE DISTRICT COUNCIL**



**NOTICE IS HEREBY GIVEN OF A  
MEETING OF THE HERTFORDSHIRE POLICE AND CRIME  
PANEL**

to be held in the

**BROXBOURNE COUNCIL BISHOPS' COLLEGE,  
CHURCHGATE, CHESHUNT, HERTFORDSHIRE EN8 9XQ**

On

**THURSDAY, 6TH FEBRUARY, 2020 AT 7.00 PM**

**\*\*MEMBERS PLEASE ENSURE THAT YOU DOWNLOAD ALL  
AGENDAS AND REPORTS VIA THE MOD.GOV APPLICATION  
ON YOUR TABLET BEFORE ATTENDING THE MEETING\*\***

## **Agenda Part I**

<b>Item</b>		<b>Page</b>
<b>1.</b>	<b>AGENDA AND REPORTS</b> This meeting is being held at Broxbourn Borough Council.  The Agenda and Reports are attached.	(Pages 3 - 60)



## MEETING OF HERTFORDSHIRE POLICE AND CRIME PANEL

Thursday 6 February 2020 – 7pm

Broxbourne Council Bishops' College,  
Churchgate, Cheshunt, Hertfordshire EN8  
9XQ

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### AGENDA

#### 1 INTRODUCTIONS, APOLOGIES AND WELCOME

#### 2 MINUTES OF THE MEETINGS OF 19 September 2019 *(attached)*

If members of the public have any comments on the draft minutes, please email [memberservices@broxbourne.gov.uk](mailto:memberservices@broxbourne.gov.uk)

#### 3 MATTERS ARISING

#### 4 PUBLIC QUESTIONS TO THE POLICE AND CRIME COMMISSIONER

Questions are to be sent to [memberservices@broxbourne.gov.uk](mailto:memberservices@broxbourne.gov.uk) by **30<sup>th</sup> January 2020**, seven days in advance of the meeting to allow for a quicker and more complete response. *(20 minutes are permitted)*

#### 5 QUESTIONS TO THE PANEL AND PETITIONS FROM THE PUBLIC

Questions are to be sent to [memberservices@broxbourne.gov.uk](mailto:memberservices@broxbourne.gov.uk) seven days in advance of the meeting to allow for a quicker and more complete response. *(20 minutes are permitted)*

#### 6 THE PROPOSED POLICE AND CRIME COMMISSIONER'S PRECEPT *(attached)*

(a) Public questions on the proposed precept *(15 minutes are permitted)*

(b) Panel consideration of the proposed precept *(Report attached)*

#### 7 ANY OTHER BUSINESS

#### 8 DATE OF NEXT MEETING – 7PM THURSDAY 9 APRIL 2020 – Venue to be confirmed.

**(If a further meeting is required to conclude the scrutiny of the Commissioner's precept and budget, this will be held at 7pm on Thursday 13 February 2020 at Broxbourne Council)**

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# MEETING OF THE HERTFORDSHIRE POLICE AND CRIME PANEL

Thursday 19 September 2019  
East Herts Council (Council Chamber)  
Wallfields, Pegs Lane Hertford, SG13  
8EQ

## MINUTES

**(Please note the minutes are a brief summary of the discussion and are not intended to be verbatim)**

### Members Present:

Cllr S Monaghan (Chair), Broxbourne Borough Council  
Mr C Cowdrey, Independent Member  
Dr M Ramsay, Independent Member  
Mr Ian Laidlaw-Dickson, Independent Member  
Cllr A Scarth, Three Rivers District Council  
Cllr J Hollywell, Stevenage Borough Council  
Cllr C Woodward, Hertfordshire County Council  
Cllr G Saffery, Watford Borough Council  
Cllr S North, North Hertfordshire District Council  
Cllr A Curtis, East Herts District Council  
Cllr S Hodgson, St Albans City and District Council  
Cllr I Imarni (Vice Chair), Dacorum Borough Council

### Also Present:

Mr David Lloyd, Police and Crime Commissioner  
Mr David Gibson, Deputy Police and Crime Commissioner  
Mr Chris Brace, Chief Executive, PCC  
Dr Amie Birkhamshaw, Director of Strategy, PCC  
Mrs N Boateng, Clerk to the Police and Crime Panel

## 1 WELCOME AND APOLOGIES

Apologies received from Cllr B Sarson and Cllr P Choudhury.

## 2 MINUTES OF THE MEETINGS OF 13 JUNE 2019

Agreed, subject to amendments dealt with under matters arising.

### **3 MATTERS ARISING**

Corrections to the minutes put forward by Cllr North and David Lloyd.

Agreed it was for the Panel to request a report on Officer welfare.

The possibility of reports being submitted earlier to enable members of public a longer period to consider and pose questions was discussed.

It was agreed that PCC reports that are ready will be submitted. However, this will not be possible for all reports.

### **4 PUBLIC QUESTIONS TO THE POLICE AND CRIME COMMISSIONER**

None

### **5 QUESTIONS TO THE PANEL AND PETITIONS FROM THE PUBLIC**

None

### **6 THE POLICE AND CRIME COMMISSIONER'S DRAFT COMMUNITY SAFETY AND CRIMINAL JUSTICE PLAN (EVERYBODY BUSINESS)**

PCC: Summarised the draft plan and indicated to the Panel this was their opportunity to tell him what they thought and make recommendations.

Panel: Asked for a breakdown of new officers anticipated for Herts.

PCC: Referred to the Home Office figure of 20,000 new Officers, details of this have not been provided yet.

Panel: If Herts has 2% of 20,000 that might mean 400 Officers, are there enough Police lockers?

PCC: Looking at re-developing some sites, but confident we have enough space.

Panel: The Plan uses the word "explore" in some areas, rather than more active language. It would be useful to have priorities cross referenced to actions.

PCC: Where the Plan refers to "explore" this relates to actions we are seeking from other agencies, where the delivery is less within our gift. The Plan is meant to be a strategic document. The Delivery Plan, puts forward the PCC commitments with SMART targets; the narrative is cross referenced to actions taken by PCC.

Panel: Commented that Cybercrime doesn't feature much in the Plan.

PCC: Don't accept this, initiatives have been undertaken to combat Cybercrime, such as courses for small businesses. Cybercrime covered on page 13 of Plan.

Panel: Mentioned the public might have difficulty with the number of acronyms in the Plan.

PCC: A glossary can be provided.

Panel: Referred to pages 20-21 of the Plan which discusses ASB and the support from Beacon. Although pleased to see this, would welcome PCC working with other partners and Councils.

PCC: We would welcome talking to other agencies.

Panel: More should be made of the ONS data. Discussion around inviting the ONS to a PCP meeting.

Panel: Referred to page 8 of the Plan and enquired what was meant by local policing, this could be made clearer to the public.

PCC: Public have more of an understanding of local policing than neighbourhood policing. In the Plan we are talking about the model we currently have.

Panel: On page 9, reference is made to 3 categories of crime; this doesn't capture all crime.

PCC: We were making a general point, we were not saying the 3 categories covers all crime.

Panel: With reference to page 24 questioned why rape prosecution successes were low.

PCC: Interesting work being undertaken nationally on this. Difficulty with this type of crime is the question of consent, and that there are no witnesses. It is difficult to prove beyond reasonable doubt. CPS has a high bar, as to whether there is a case to answer.

Panel: Referred to page 12, and asked whether Police would be upskilled to deal with mental health calls.

PCC: Mental health problems should be treated as importantly as other health problems. Need mental health professionals to attend. We are not saying we will not send the Police but there is a better way of dealing with these calls.

Panel: Stop and Search, will anything go into the Plan on its use for BME and white people?

PCC: Page 34 discusses the work of the Independent Stop and Search Scrutiny Panel which has resulted in improvements in the quality of searches conducted.

Panel: Page 13, county lines, this is an increased threat, will more resources be committed to it?

PCC: The Chief Constable is responsible for operational decisions; my priorities are identified strategically, to ensure funding is in place to resource and tackle gang activity and County lines.

Panel: Referred to Page 10 and information sharing, issues around sentencing and early intervention. What partnership working could be done around this?

PCC: Vast majority of our criminals are under 25, some are children, often not old enough to exercise good judgement. If they are given a criminal record it is difficult for them to get out of the system. We are working with County Partners. Schools and gang units have been set up to help young people.

Panel: Pleased to see adoption of OWL and Neighbourhood watch.

PCC: Take up has been good across the County.

**7**     **AOB**  
None

**8**     **DATE OF NEXT MEETING – 7:00PM THURSDAY 14<sup>th</sup> November 2019 at Borough of Broxbourne Council Offices – Council Chamber**



# SIX MONTH BUDGET MONITOR REPORT 2019/20

## NOVEMBER 2019

### 1. PURPOSE

- 1.1 The purpose of this report is to update the forecast outturn position for revenue and capital expenditure compared to the budget for the 2019/20.

### 2. SUMMARY REVENUE BUDGET FORECAST POSITION 2019/20

- 2.1 The overall net revenue budget for the year is £203.404m. Outturn expenditure is forecast at £203.387m, resulting in an underspend for 2019/20 of £0.017m (0.0%), based on end of September figures. The forecast outturn variance includes:
- **Total Constabulary budgets** - A variance of -£0.001m (0.0%) underspend against budgets totalling £204.740m.
  - **PCC Budgets** - A variance of -£0.016m (0.6%) underspend against budgets totalling £2.712m.
- 2.2 The forecast outturn has decreased from an £0.840m overspend at quarter 1 to an underspend of -£0.017m based on an additional three months data and resolution of the reporting issues associated with the new payroll system. Section 3 sets out the thematic details of the movement. In summary police officer pay and police staff costs (including overtime) are forecast £0.604m lower than at quarter 1. Work has also been undertaken to better define and de-risk pressures on non-pay budgets including a Chief Officer review of the overspend mitigation plans. Alongside this we have factored in a developing understanding of the National Uplift Programme and the recognition of HQ2020 revenue costs.
- 2.3 As signalled in the previous report management action plans to address overspend pressures have now been developed with budget holders and reviewed by Chief Officers and are reflected in the latest forecast position. The plans sought to both reduce forecast expenditure as well as the level of risk previously forecast. The last monitor report set out risk of £0.9m associated with non-achievement of management actions and this has now been removed albeit in some cases risks have crystallised as overspend pressures in the forecast.
- 2.4 In the last week the Home Office have confirmed Hertfordshire's share of National Police Officer Uplift Programme funding for 2019/20 at £0.430m. The constabulary plans that additional costs from the programme will be fully funded by the grant. In particular the ambitious recruitment plans set-out in section 3 continue to increase officer numbers with a focus on the second half of the year, associated higher ancillary and training costs will be incurred and a BCH Uplift Team has been established at a cost of circa £0.300m. However, since we are yet to submit our spending plan to the Home Office for agreement

and the Hertfordshire baseline has yet to be confirmed, a risk of £0.100m reflecting the non-achievement of this plan has been included in Section 5.

- 2.5 The forecast outturn variance is summarised in Table 1 below, and a more detailed cost centre level summary is attached at Appendix A.

**Table 1- Summary 2019/20 Forecast Variance**

	<b>REVISED BUDGET £m</b>	<b>OUTTURN FOR YEAR £m</b>	<b>OUTTURN VARIANCE £m</b>	<b>%</b>
Local Policing	110.180	109.766	-0.414	-0.4
Operational Support	24.803	24.444	-0.359	-1.4
Collaborate Protective Services	25.834	25.115	-0.719	-2.8
Organisational Support	36.924	37.037	0.113	0.3
Hertfordshire Corporate Budgets	6.199	7.490	1.291	20.8
<b>CONSTABULARY BASE BUDGET</b>	<b>203.940</b>	<b>203.852</b>	<b>-0.088</b>	<b>-0.0</b>
Constabulary One-Off Spend	0.800	0.887	0.087	10.9
<b>TOTAL CONSTABULARY BUDGET</b>	<b>204.740</b>	<b>204.798</b>	<b>-0.001</b>	<b>0.0</b>
Transfer from Reserves	-4.048	-4.048	-	-
Office of the Police & Crime Commissioner	2.712	2.696	-0.016	-0.6
<b>TOTAL REVENUE BUDGET*</b>	<b>203.404</b>	<b>203.387</b>	<b>-0.017</b>	<b>0.0</b>

\* Over / (-) Underspend

2.6 There are a number of uncertainties and related financial risks which may impact upon the 2019/20 outturn. This year again sees a high level of planned recruitment (Police Officers, PCSOs and Call Operators) as well as continuing pressures on overtime budgets. (See Section 5 Risks and Uncertainties). At this stage of the year a level of uncertainty remains regarding the forecast outturn which sits within a range of £0.5m underspend to £0.8m overspend.

2.7 The report is set-out as follows:

Section 3	Budget Variance – High Level Themes
Section 4	Detailed Variance Analysis
Section 5	Risks and Uncertainties
Section 6	Capital Forecast 2019/20

### 3. BUDGET VARIANCE – HIGH LEVEL THEMES

#### **Police Officer Pay, Overtime & Allowances: -£0.873m (0.8%) underspend**

3.1 The permanent police officer pay budget for the year was set at £112.013m funding an average of 2,009 FTE officers. In addition further funding of £0.800m was agreed on a temporary basis for an additional 25 student officers in anticipation of the move to the new probationer training approach (PEQF).

3.2 The main factors influencing the forecast for Police Officer Pay, Overtime & Allowances are set out below:

- Latest work force plans are for heavy recruitment throughout the year, with 11 intakes totalling 184 new recruits and 9 transfers and 11 Police Now, giving a 2019/20 total of 204 officers and the high level of student officer recruitment resulting in a much higher level of student officer costs being charged to the Corporate budget with a compensating reduction in spend in Local Policing Command budget. Leavers are forecast at 157 officers giving a net increase of 47 officers during the year.
- For police officers in Herts only units, overall numbers are forecast to average the year 2 FTE above the permanently budgeted establishment of 1,705 FTE resulting in a £0.092m overspend. In addition the reduction in average police pay rates forecast in the last report has continued to grow as the composition of the workforce changes with a greater proportion of officers at the lower end of their pay scale, net of the higher than anticipated police officer pay award from Sept 2019. This position has been further impacted by the inclusion in the 2019/20 budget of £0.800m to fund the temporary enhancement of 25 student officers. In total the above gives a net underspend forecast of £1.801m. It is proposed this reduction in spend pressure will be reflected in the 2020/21 budget.
- Hertfordshire's share of police officer costs within collaborated units is forecast to be below budget, particular in JPS units. A net -£0.421m underspend is forecast for collaborated Police Officer budgets with the largest variances

being underspends in APU (-£0.178m) and in Road Policing (-£0.459m) offset by overspends in the CPO £0.104m, CJ & Custody SMT £0.069 and BCH CJD £0.056m.

- A number of virements have been made linked to police officer pay budgets including £0.200m transferred to cover compensating higher costs for police staff pay in the FCR and £0.100m for police staff overtime in the FCR, £0.120m to integrate Police Now costs into the budget, and finally £0.200m transferred to the Pension and Redundancy cost centre to cover police officer costs from ill health retirement.
  - Significant progress has been made in reducing Hertfordshire police officer overtime spend with a movement for the period of -£0.193m resulting in a circa £1.0m reduction in police officer pay compared to 2018/19. The Overtime Action Group has met on monthly basis with representation from both Finance, the LPC and Safeguarding. Focus has primarily been on monitoring progress against action plans, reviewing the operational functionality of CARM's, scrutinising processes and procedures including authorisation levels with monthly updates to the Chief Officer Group. In light of benchmarking data showing Hertfordshire having relatively high overtime spend, a detailed review has been undertaken with TVP (who had lower spend levels in the benchmarking data). This work has shown that when a consistent approach to categorising spend is applied Herts spend levels are in line with those of TVP.
- 3.3 The overall position is that Police Officer Pay is forecast underspent by a net - £1.612m and Police Officer Overtime forecast overspent by £0.739m, giving an overall forecast outturn position for Police Officer Pay and Overtime of -£0.873m underspend.

#### **Police Staff, Agency and Police Staff Overtime: £0.038m (0.1%) overspend**

- 3.4 Police staff pay and overtime is forecast to overspend by £0.038m a movement of -£0.102m less spend from the previous report. The forecast reflects the financial impact of the 0.5% higher than anticipated pay award for police staff and is based upon balancing the need to recruit into key performance areas whilst abating recent expenditure trends. The constabulary has continued to recruit into vacant posts in order to reduce reliance on more expensive agency staff.
- 3.5 The previous report set-out offsetting forecast variances in local policing budgets totalling a net -£0.186m underspend (with a risk of £0.315m increase to spend). Since then further work has been undertaken to validate data from the new payroll system as well as working with budget managers on overspend mitigation plans and as a result the risks contained within the original forecast have crystallised and local policing police staff pay budgets are now forecast to overspend by £0.152m.

- 3.6 A virement of £0.200m (See Section 3.2) has been made to support the Contact Management and the IMU police staff budgets in order to maintain staffing levels above the rate necessary to meet the 3.5% vacancy factor and so bolster performance, continue to support Athena implementations and offsetting the impact of police officer shortages in this area. The new forecast is in line with the adjusted budget and reflects removal of the risk contained within the previous report.
- 3.7 The BCH ICT department is forecasting a -£0.125m underspend based upon projections that on average 8 posts will be held vacant across the year.
- 3.8 Police Staff Overtime is showing a projected decrease in forecast of -£0.053m from the £0.150m overspend shown in the last report. This arises predominantly in Public Contact where additional funding of -£0.100m has been vired from police officer pay underspends within the unit, offset against the crystallisation of the £0.050m risk included within the last monitor report and now considered unobtainable.

#### **Non Pay Budgets (Including Income) £0.835m (2.7%) overspend**

- 3.9 The non-pay and income budgets represent the most significant area of variance and are at the greatest risk of further overspend (see section 5). The forecast overspend has decreased by £0.246m from the previous report. This is a net position reflecting an increased overspend forecasts on local policing of £0.161m (following conclusion of the management mitigation work) and HR £0.105m. And reduced spending pressures on Corporate Budgets totalling £0.500m including £0.430m of National Uplift grant and £0.120m capital financing costs.

#### **OPCC Domestic and Commissioning Budget -£0.016m (0.3%) underspend**

- 3.10 The OPCC domestic cost centre is forecast to underspend by -£0.016m a movement for the period of £0.007m was -£0.009m in relation to staff pay and £0.002m for non-pay.

### **4. DETAILED VARIANCE ANALYSIS**

- 4.1 Alongside the analysis by themes set-out in Section 3 above, spend against budget was also monitored across the cost centre structure. The table in Appendix A provides the detail for specific cost centres.

## 5. REVENUE BUDGET RISKS AND UNCERTAINTIES

5.1 A number of spend pressures arising in 2018/19 were addressed in setting the 2019/20 budget. These included an additional £0.440m for HR, £0.514m within the IMU and Control Room for full year funding of the growth in police staff, £0.657m to full year fund the increase in motor insurance premiums and £0.652m for the full NEP charge moving to revenue.

5.2 Whilst through working with budget managers on mitigation work a significant proportion of risk has now been removed from the monitor, at this stage of the financial year there are still some areas which could serve to produce further variances against the original budget. In total these issues present a risk of a greater variance from the budget ranging from a £0.5m underspend to £0.8m overspend. The key issues are set out below:

- This financial year will see operation ISOBAR undertaken within the county. At this stage development of resourcing plans continues as do discussions with the MPS regarding funding for cost recovery. The operation has the potential to require the use of significant resources, both from Herts and via Mutual aid and could lead to a number of costs that are non-recoverable. At this stage it remains prudent to assume a risk of increased spend of £0.100m.
- **Police Officer Overtime** - Recognising the shortfall in trained officer numbers compared to the increased budgeted establishment, reduced spend on average officer pay, and the high level of demand, LPC forecast to overspend significantly on police officer overtime. There is the risk that still higher overtime levels may need to be maintained, generating a risk of a further £0.3m spend. Overtime plans are reviewed on a regular basis, and adjusted in the light of overall affordability and demand on operational teams. In particular the LPC now has a monthly Overtime Board and reports progress to COG.
- **National Uplift Programme, Police Officer Recruit and Turnover** - The Constabulary has ambitious targets in relation to the recruitment of police officers. Overall growth of 75 new police officer posts was included in the 2019/20 budget (50 permanent and 25 temporary). Whilst Police Officer numbers finished 2018/19 at 22 above budgeted establishment, the 2019/20 the constabulary will need to balance recruitment into these 75 posts, the management of turnover and regular reviews of average police pay rates. Should it not prove possible to recruit and retain at the planned level then the forecast underspend on police pay could increase. A 2.0%-3.0% increase in turnover and vacancies in the second half of the financial year would increase the forecast underspend by circa £0.5m.

A further complexity is the potential impact of PEQF and the national uplift programme. Work continues in these areas and at this stage a risk of £0.100m is applied against the full application of the £0.430m Uplift Grant for 2019/20.

- **Other Change Pressures - £0.300m.** There are a number of one-off pressures on the 2019/20 budget including costs associated with continuation of the Athena Support Team, Single on-line Home, DAMS and the Digitisation Team. In addition Taser training, ill health retirement budgets, shortfall in POCA income, increased uniform and fleet spend (in part reflecting the increased level of officer recruitment) are all seen as potential risks that in total have the potential to exceed the planned use of the change reserve of £0.600m.

## 6. CAPITAL FORECAST 2019/20

6.1 The capital budget is £12.769m for 2019/20 is set out in Table 3 below:

**Table 3 – Forecast Capital Programme 2019/20**

	<b>Outturn £'m</b>
Approved Budget 2019/20	9.411
Brought Forward From 2018/19	3.311
In Year Application of Grants And Revenue Contributions	0.047
<b>Revised Budget 2018/19</b>	<b>12.769</b>
Forecast Expenditure	9.335
<b>Variance</b>	<b>-3.434</b>
Consisting of:	
- Slippage Into 2020/21	-3.808
- Overspend 2019/20	0.374

6.2 The revised budget of £12.769m consists of:

- The original 2019/20 capital programme of £9.411m new budget, agreed at SEB in February 2019.
- Slippage from 2018/19 of £3.311m, which, as set-out in the 2018/19 outturn report, includes funding for the HQ2020 redevelopment (£1.229m) and completion of Hemel Hempstead police station refurbishment (£1.910m). Other smaller areas of slippage include Site Security Upgrades (£0.018m), BCH ICT Annual Schemes totalling (£0.118m), ICT Development Costs (£0.098m) and ESMCP (£0.036m).
- The in-year use of specific grants and contributions from revenue budgets. External funding of £0.047m comprised of red light camera contributions under the safety camera scheme (£0.029m), Beds and Cambs contributions to the southern data centre (£0.014m), and Project Isobar (£0.004m).

6.3 Capital investment is forecast to total £9.335m for the year, and is made up of:

- Estates expenditure totalling £3.287m, consisting of work on the redevelopment of the HQ site (£0.695m), Hemel Hempstead refurbishment Phase 2 (£1.888m), other adaptations and planned work (£0.198m), and minor work costs (£0.506m).
- Herts' share of BCH ICT capital expenditure (£3.318m), including PC and laptop replacement (£1.193m), mobile comms (£0.932m), infrastructure (£0.415m) networks (£0.300m), TuServ (£0.171m), and other smaller developments totalling £0.307m.
- Hertfordshire's share of the ABLE system development totalling £0.729m, an overspend of £0.364m after virements from ESCP, further investment in Athena of £0.117m and other smaller developments totalling £0.053m.
- Emergency Service Network replacement for Airwave (£0.039m).
- Annual fleet replacement programme (£1.526m).
- Technical and specialist equipment (£0.266m).

6.4 At this stage forecast expenditure has resulted slippage of £3.808m, predominantly due to delays in business case completion and sign-off for the HQ 2020 project. In line with previous years, slippage is being reviewed closely to ensure that it is made only where absolutely necessary. In general slippage is not made where investment is recurring or annual in nature.

6.5 Appendix B provides a summary of capital programme variances and, where appropriate, the required slippage.

Report Authors: Mike Jarvis  
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**REVENUE BUDGET OUTTURN STATEMENT 2019/20**

	YEAR TO DATE				FULL YEAR						
	PROFIED BUDGET £m	SPEND OR (INCOME) £m	VARIANCE		ORIGINAL BUDGET £m	BUDGETS B/FWD £m	BUDGET VIREMENTS £m	REVISED BUDGET £m	OUTTURN FOR YEAR £m	VARIANCE	
			£m	%						£m	%
<b>SUMMARY</b>											
Local Policing	55.090	52.961	-	2.129	156.5	110.187	-	0.007	110.180	109.766	- 0.414 - 0.4
Operational Support	12.402	12.729	-	0.327	2.6	24.612	-	0.191	24.803	24.444	- 0.359 - 1.4
Collaborate Protective Services	12.917	14.514	-	1.597	12.4	25.714	-	0.120	25.834	25.115	- 0.719 - 2.8
Organisational Support	18.462	19.298	-	0.836	4.5	36.787	-	0.137	36.924	37.037	- 0.113 0.3
Hertfordshire Corporate Budgets	3.100	4.860	-	1.760	56.8	6.640	-	0.441	6.199	7.490	- 1.291 20.8
<b>CONSTABULARY BASE BUDGET</b>	<b>101.971</b>	<b>104.362</b>	<b>2.391</b>	<b>2.3</b>	<b>203.940</b>	<b>-</b>	<b>-</b>	<b>203.940</b>	<b>203.852</b>	<b>- 0.088</b>	<b>- 0.0</b>
BCH Change Programme On-Off Budgets	0.300	0.150	-	0.150	50.0	0.600	-	-	0.600	0.687	- 0.087 14.5
Operational Capability / Partnership	0.100	0.050	-	0.050	-	0.200	-	-	0.200	-	-
<b>TOTAL CONSTABULARY BUDGET</b>	<b>102.371</b>	<b>104.562</b>	<b>2.191</b>	<b>2.1</b>	<b>204.740</b>	<b>-</b>	<b>-</b>	<b>204.740</b>	<b>204.739</b>	<b>- 0.001</b>	<b>- 0.0</b>
Transfer from Reserves	-	-	-	-	-	4.048	-	-	4.048	-	- 4.048 -
Office of the Police & Crime Commissioner	0.781	0.749	-	0.032	4.0	2.712	-	-	2.712	2.696	- 0.016 - 0.6
<b>TOTAL REVENUE BUDGET</b>	<b>103.152</b>	<b>105.311</b>	<b>2.160</b>	<b>2.1</b>	<b>203.404</b>	<b>-</b>	<b>-</b>	<b>203.404</b>	<b>203.387</b>	<b>- 0.017</b>	<b>- 0.0</b>

**REVENUE BUDGET OUTTURN STATEMENT 2019/20**

	YEAR TO DATE				FULL YEAR						
	PROFIED BUDGET £m	SPEND OR (INCOME) £m	VARIANCE		ORIGINAL BUDGET £m	BUDGETS B/FWD £m	BUDGET VIREMENTS £m	REVISED BUDGET £m	OUTTURN FOR YEAR £m	VARIANCE	
			£m	%						£m	%
<b>LOCAL POLICING</b>											
Local Policing Command	43.192	41.301	- 1.891	- 4.4	86.590	-	- 0.207	86.383	86.37	- 0.011	- 0.0
SARC	0.142	0.392	0.251	177.0	0.283	-	-	0.283	0.283	-	-
Serious & Organised Crime Group	3.597	3.238	- 0.359	- 10.0	7.189	-	0.004	7.193	6.628	- 0.565	- 7.9
Safeguarding	6.675	6.625	- 0.050	- 0.7	13.183	-	0.166	13.349	13.561	0.212	1.6
Crime Reduction Unit	1.486	1.405	- 0.081	- 5.5	2.942	-	0.030	2.972	2.922	- 0.050	- 1.7
<b>Total</b>	<b>55.090</b>	<b>52.961</b>	<b>- 2.129</b>	<b>156.5</b>	<b>110.187</b>	<b>-</b>	<b>- 0.007</b>	<b>110.180</b>	<b>109.766</b>	<b>- 0.414</b>	<b>- 0.4</b>
<b>OPERATIONAL SUPPORT</b>											
Contact Management	7.888	7.745	- 0.143	- 1.8	15.659	-	0.117	15.776	15.615	- 0.161	- 1.0
BCH Public Contact	0.246	0.388	0.142	57.7	0.492	-	-	0.492	0.519	0.027	5.5
ESPM & Digital Data	-	-	-	-	-	-	-	-	-	-	-
Custody (Hertfordshire)	2.737	2.619	- 0.118	- 4.3	5.474	-	-	5.474	5.160	- 0.314	- 5.7
Criminal Justice Department (Hertfordshire)	0.764	0.653	- 0.111	- 14.5	1.453	-	0.074	1.527	1.449	- 0.078	- 5.1
BCH Firearms & Explosive Licensing Unit	0.082	0.063	- 0.019	- 23.2	0.164	-	-	0.164	0.190	0.026	15.9
BCH Criminal Justice	0.496	0.819	0.324	65.3	0.991	-	-	0.991	1.061	0.070	7.1
BCH Criminal Justice & Custody SMT	0.190	0.415	0.226	119.0	0.379	-	-	0.379	0.450	0.071	18.7
Local Criminal Justice Board	-	0.027	0.027		-	-	-	-	-	-	-
<b>Total</b>	<b>12.402</b>	<b>12.729</b>	<b>0.327</b>	<b>2.6</b>	<b>24.612</b>	<b>-</b>	<b>0.191</b>	<b>24.803</b>	<b>24.444</b>	<b>- 0.359</b>	<b>- 1.5</b>

**REVENUE BUDGET OUTTURN STATEMENT 2019/20**

	YEAR TO DATE				FULL YEAR						
	PROFIED BUDGET £m	SPEND OR (INCOME) £m	VARIANCE		ORIGINAL BUDGET £m	BUDGETS B/FWD £m	BUDGET VIREMENTS £m	REVISED BUDGET £m	OUTTURN FOR YEAR £m	VARIANCE	
			£m	%						£m	%
<b><u>COLLABORATED PROTECTIVE SERVICES</u></b>											
BCH Counter Terrorism & DE	-	0.001	0.001		-	-	-	-	-	-	
Herts CTIU	0.244	2.012	1.768	724.6	0.488	-	-	0.488	0.49	-	-
BCH Camera Ticket Collisions	-	-	-		-	-	-	-	-	-	
Air Support Unit	0.489	0.245	0.244	49.9	0.858	-	0.120	0.978	0.981	0.003	0.3
BCH Roads Policing	2.640	2.357	0.283	10.7	5.279	-	-	5.279	4.950	0.329	6.2
BCH Protective Services Command	0.162	0.055	0.107	66.0	0.324	-	-	0.324	0.385	0.061	18.8
BCH Professional Standards	0.861	0.864	0.003	0.3	1.722	-	-	1.722	1.717	0.005	0.3
BH Resilience	0.085	0.045	0.040	47.1	0.170	-	-	0.170	0.173	0.003	1.8
BCH Dogs Unit	0.600	0.681	0.081	13.5	1.200	-	-	1.200	1.198	0.002	0.2
BCH APU	1.534	1.581	0.047	3.1	3.067	-	-	3.067	2.921	0.146	4.8
BCH Scientific Services	2.448	2.557	0.110	4.5	4.895	-	-	4.895	4.744	0.151	3.1
BCH Ops Planning Support Unit	0.257	0.156	0.101	39.2	0.513	-	-	0.513	0.521	0.008	1.6
BCH MCU	1.926	2.078	0.152	7.9	3.852	-	-	3.852	3.691	0.161	4.2
Herts ERSOU	1.673	1.882	0.209	12.5	3.346	-	-	3.346	3.346	-	-
Herts ERSOU & CTIU	1.916	3.894	1.979	103.3	3.831	-	-	3.831	3.831	-	-
<b>Total</b>	<b>12.917</b>	<b>14.514</b>	<b>1.597</b>	<b>12.4</b>	<b>25.714</b>	<b>-</b>	<b>0.120</b>	<b>25.834</b>	<b>25.115</b>	<b>0.719</b>	<b>2.8</b>

**REVENUE BUDGET OUTTURN STATEMENT 2019/20**

	YEAR TO DATE				FULL YEAR						
	PROFIED BUDGET £m	SPEND OR (INCOME) £m	VARIANCE		ORIGINAL BUDGET £m	BUDGETS B/FWD £m	BUDGET VIREMENTS £m	REVISED BUDGET £m	OUTTURN FOR YEAR £m	VARIANCE	
			£m	%						£m	%
<b>ORGANISATIONAL SUPPORT</b>											
Corporate Communication	0.420	0.469	0.049	11.7	0.840	-	-	0.840	0.890	0.050	6.0
Human Resources	3.564	4.256	0.693	19.4	7.127	-	-	7.127	7.391	0.264	3.7
BCH IMD	0.649	0.545	1.194	-	1.298	-	-	1.298	1.254	0.044	3.4
Legal Services Department	0.371	0.526	0.155	41.8	0.742	-	-	0.742	0.791	0.049	6.6
Finance Department	0.741	0.667	0.074	10.0	1.482	-	-	1.482	1.404	0.078	5.3
Estates and Facilities Department	4.044	4.887	0.844	20.9	7.787	-	0.300	8.087	7.987	0.100	1.2
BCH Procurement	0.518	0.881	0.364	70.2	1.035	-	-	1.035	1.022	0.013	1.3
BH Info & Comms Technology	4.801	4.964	0.164	3.4	9.601	-	-	9.601	9.393	0.208	2.2
Organisational Learning	2.771	3.051	0.281	10.1	5.859	-	0.318	5.541	5.648	0.107	1.9
DBS	-	0.001	0.001	-	-	-	-	-	-	-	-
BH Printforce	0.043	0.067	0.024	55.8	0.086	-	-	0.086	0.115	0.029	33.7
Collaboration Programme	0.370	0.427	0.058	15.6	0.739	-	-	0.739	0.739	-	-
Continuous Improvement Team	-	-	-	-	-	-	-	-	-	-	-
Fleet	0.173	0.351	0.524	302.9	0.191	-	0.155	0.346	0.403	0.057	16.5
<b>Total</b>	<b>18.462</b>	<b>19.298</b>	<b>0.836</b>	<b>4.5</b>	<b>36.787</b>	<b>-</b>	<b>0.137</b>	<b>36.924</b>	<b>37.037</b>	<b>0.113</b>	<b>0.3</b>

**REVENUE BUDGET OUTTURN STATEMENT 2019/20**

	YEAR TO DATE				FULL YEAR						
	PROFIED BUDGET £m	SPEND OR (INCOME) £m	VARIANCE		ORIGINAL BUDGET £m	BUDGETS B/FWD £m	BUDGET VIREMENTS £m	REVISED BUDGET £m	OUTTURN FOR YEAR £m	VARIANCE	
			£m	%						£m	%
<b><u>HERTFORDSHIRE CORPORATE BUDGETS</u></b>											
Major Incidents	-	-	-	-	-	-	-	-	-	-	-
RCCO	-	-	-	-	-	-	-	-	-	-	-
Safer Neighbourhood Initiatives Fund	0.011	0.005	0.006	52.4	0.021	-	-	0.021	0.021	-	-
Corporate Savings	-	-	-	-	-	-	-	-	-	-	-
Force Account	0.880	3.111	2.231	253.5	2.501	-	0.741	1.760	2.928	1.168	66.4
Seconded Officers	-	0.224	0.224	-	-	-	-	-	0.016	0.016	-
Capital Financing	0.772	0.330	0.442	57.3	1.544	-	-	1.544	1.424	0.120	7.8
Support Groups	0.008	0.001	0.007	87.5	0.016	-	-	0.016	0.012	0.004	25.0
Chief Constable's Initiatives	0.005	-	0.005	100.0	0.010	-	-	0.010	0.009	0.001	10.0
Insurance	0.618	0.617	0.001	0.2	1.236	-	-	1.236	1.266	0.030	2.4
Health & Safety	0.011	-	0.011	100.0	0.022	-	-	0.022	0.009	0.013	59.1
Staff Association	0.215	0.195	0.020	9.1	0.429	-	-	0.429	0.396	0.033	7.7
Pensions & Redundancies	0.566	0.368	0.198	34.9	0.831	-	0.300	1.131	1.379	0.248	21.9
Development Fund	0.015	0.009	0.006	40.0	0.030	-	-	0.030	0.030	-	-
<b>Total</b>	<b>3.100</b>	<b>4.860</b>	<b>1.761</b>	<b>56.8</b>	<b>6.640</b>	<b>-</b>	<b>0.441</b>	<b>6.199</b>	<b>7.490</b>	<b>1.291</b>	<b>20.8</b>

**REVENUE BUDGET OUTTURN STATEMENT 2019/20**

	YEAR TO DATE			
	PROFILED BUDGET £m	SPEND OR (INCOME) £m	VARIANCE	
			£m	%
<b>TOTAL CONSTABULARY BASE BUDGETS</b>	<b>101.970</b>	<b>104.362</b>	<b>2.392</b>	<b>232.8</b>
<b><u>CONSTABULARY ONE-OFF BUDGETS</u></b>				
BCH Change Programme One-Off Budgets	0.300	0.150	- 0.150	- 50.0
Operational Capability / Partnership	0.100	0.050	- 0.050	-
<b>TOTAL CONSTABULARY BUDGETS</b>	<b>102.370</b>	<b>104.562</b>	<b>2.192</b>	<b>232.8</b>
Transfer From Reserves		-	-	-
<b><u>POLICE &amp; CRIME COMMISSIONER</u></b>				
Office of the Police & Crime Commissioner	0.781	0.749	- 0.032	- 4.0
Police & Crime Commissioner Commissioning Budgets	0.576	1.192	0.617	-
<b>Total</b>	<b>1.356</b>	<b>1.941</b>	<b>0.585</b>	<b>- 4.0</b>
<b>TOTAL REVENUE BUDGET</b>	<b>103.726</b>	<b>106.503</b>	<b>2.777</b>	<b>2.7</b>

FULL YEAR						
ORIGINAL BUDGET £m	BUDGETS B/FWD £m	BUDGET VIREMENTS £m	REVISED BUDGET £m	OUTTURN FOR YEAR £m	VARIANCE	
					£m	%
<b>203.940</b>	<b>-</b>	<b>-</b>	<b>203.940</b>	<b>203.852</b>	<b>- 0.088</b>	<b>16.426</b>
0.600	-	-	0.600	0.687	0.087	14.5
0.200	-	-	0.200	0.200	-	-
<b>204.740</b>	<b>-</b>	<b>-</b>	<b>204.740</b>	<b>204.739</b>	<b>- 0.001</b>	<b>- 0.0</b>
- 4.048	-	-	- 4.048	- 4.048	-	-
1.561	-	-	1.561	1.545	- 0.016	- 1.0
1.151	-	-	1.151	1.151	-	-
<b>2.712</b>	<b>-</b>	<b>-</b>	<b>2.712</b>	<b>2.696</b>	<b>- 0.016</b>	<b>- 0.6</b>
<b>203.404</b>	<b>-</b>	<b>-</b>	<b>203.404</b>	<b>203.387</b>	<b>- 0.017</b>	<b>- 0.0</b>

## APPENDIX B

	Approved Budget £m	Brought Forward £m	RCCO £m	Reserves Grants £m	Virements £m	Total Budget £m	Forecast £m	Variance £m	Slippage £m	Under/Over Spend £m
<b>PROPERTY - ESTATE PROGRAMME</b>										
Headquarters / Longfield / Gosling	2.750	1.229	-	0.014	-	<b>3.993</b>	0.695	-3.298	-3.298	-
Hemel Hempstead Refurbishment	-	1.812	-	-	0.076	<b>1.888</b>	1.888	-	-	-
Other Estates Strategy Developments	0.350	0.018	-	-	-0.170	<b>0.198</b>	0.198	-	-	-
Minor Works Programme	0.456	-	-	-	0.050	<b>0.506</b>	0.506	-	-	-
	<b>3.556</b>	<b>3.059</b>	<b>0</b>	<b>0.014</b>	<b>-0.044</b>	<b>6.585</b>	<b>3.287</b>	<b>-3.298</b>	<b>-3.298</b>	<b>0</b>
<b>ICT Investment Programme</b>										
BCH ICT Schemes (Herts Share)	3.700	0.118	-	-	-	<b>3.818</b>	3.318	-0.500	-0.510	-0.010
Herts ICT Schemes	0.200	0.098	-	0.004	0.233	<b>0.535</b>	0.899	0.364	-	0.364
	<b>3.900</b>	<b>0.216</b>	<b>0</b>	<b>0.004</b>	<b>0.233</b>	<b>4.353</b>	<b>4.217</b>	<b>-0.136</b>	<b>-0.510</b>	<b>0.374</b>
ESCP	0.236	0.036	-	-	-0.233	<b>0.039</b>	0.039	-	-	-
Chiltern Transport Consortium	1.526	-	-	-	-	<b>1.526</b>	1.526	-	-	-
Technical & Specialist Equipment	0.193	-	-	0.029	0.044	<b>0.266</b>	0.266	-	-	-
<b>Total Capital</b>	<b>9.411</b>	<b>3.311</b>	<b>0</b>	<b>0.047</b>	<b>0</b>	<b>12.769</b>	<b>9.335</b>	<b>-3.434</b>	<b>-3.808</b>	<b>0.374</b>

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### **Open Letter on the Council Tax Precept for 2020-21**

One of my most important responsibilities as your Police and Crime Commissioner is setting the police budget for the year ahead. My priority is maintaining an effective force that keeps people safe whilst ensuring an efficient use of tax-payers' money.

It is paramount to continue to protect frontline police officer numbers, and that the Chief Constable has sufficient resources to tackle crime and prevent people becoming victims. Running Hertfordshire Constabulary costs just over £200m a year, with almost 60 per cent of this coming from Central Government funding, and the remainder being raised by the Policing Precept part of your Council Tax bill.

I have discretion to lower the Precept, keep it the same or increase it. This decision is made by balancing what you, the public, want your police service to look like against how much you want to pay for it. The budget must also take into account national operational policing demands put on the service and fulfilling the priorities of my [Community Safety and Criminal Justice Plan 'Everybody's Business' 2019-2024](#).

Earlier this year I increased the precept by £2-a-month for the average (Band D) property, promising it would pay for an extra 75 frontline police officers. This successful recruitment drive is on schedule to be delivered. I am pleased that Hertfordshire residents are already seeing the benefits of increased officer numbers which went over 2,000 for the first time since 2011. In addition to this, Hertfordshire will also benefit from an additional 91 officers coming in the year ahead as the first part of central government's uplift of 20,000 police officers nationally.

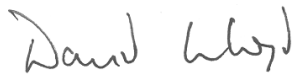
Prudent financial management means that as a Hertfordshire resident, you pay the fourth lowest Council Tax Precept out of the 42 police forces in England and Wales. We have maintained this while also keeping crime levels amongst the lowest when compared to our most similar forces. Low crime rates and low tax are a major reason why Hertfordshire Constabulary is one of the most efficient and effective forces in the country. According to the Crime Survey for England and Wales (2019) 83.9 per cent of residents think Hertfordshire police are doing "a good or excellent job" and the recent formal inspection rated the force as "good" in all areas.

Due to the General Election there is a delay in the confirmation of the level of central government funding for 2020/2021, the uplift to the funding for new officers, and the flexibility to raise the precept until January 2020. Therefore at this stage I am not able to give you the usual full information on my proposed budget, but I am giving you as much as I can.

Should I be given the flexibility to raise the Council Tax Precept, I am minded to do so in such a way that provides certainty to the Constabulary and avoids cuts when we are working to expand the force. I expect I will be able to do this whilst remaining within the referendum limits set by the government.

It's a positive year, as we know that there is an increase in funding for additional officers, but that does also come with additional costs. Hertfordshire is getting a significantly larger police force and the costs of running it will go up proportionately. There are also the standstill pressures, including inflation and statutory pay rises that need to be budgeted for.

So my plan this year is to increase the precept to meet the pressures that are coming through rather than to seek cuts, but I want to hear what you have to say. When we get the final figures from the Government I will give more detail on my proposals. In the meantime I want to hear your views and comments to help me determine whether this is the right strategy for Hertfordshire.

A handwritten signature in black ink, appearing to read 'David Lloyd'.

**David Lloyd**  
**Police and Crime Commissioner for Hertfordshire**

## Appendix A

### Report on Police Precept Consultation 2020/21

#### Introduction

Every year, as your Police and Crime Commissioner, I have issued an Open Letter ahead of setting the police element of Council Tax precept. This sets out my principles and thoughts on the level of the precept and seeks to gather feedback from the public on what they think about my proposal. This year presented a series of challenges. Due to the timings of the General Election in December 2019, there has not been the usual notification from the Home Secretary confirming the level of Central Government funding for 2020/2021 (including the level of funding to support the uplift of new police officers) and the degree of flexibility around setting the precept. Confirmation of these was not received at the point at which it was necessary for me to consult with constituents given the statutory budget setting timetable. Therefore, I have been unable to supply constituents with the usual full information on the proposed budget as has been in previous years.

In the Open Letter I outlined my proposal to raise the police element of council tax precept should I be given the flexibility to do so whilst remaining with the referendum limits stipulated by the government. I stated my desire to increase the precept to meet the pressures that are coming rather than to seek cuts at a time when Hertfordshire is getting a significantly larger police force and the costs of running it will go up proportionately. There are also standstill pressures including inflation and statutory pay rises that need to be budgeted for. In the Open Letter I notified constituents that once I received the necessary information from the Government that I would share more details on my proposals.

#### Methodology

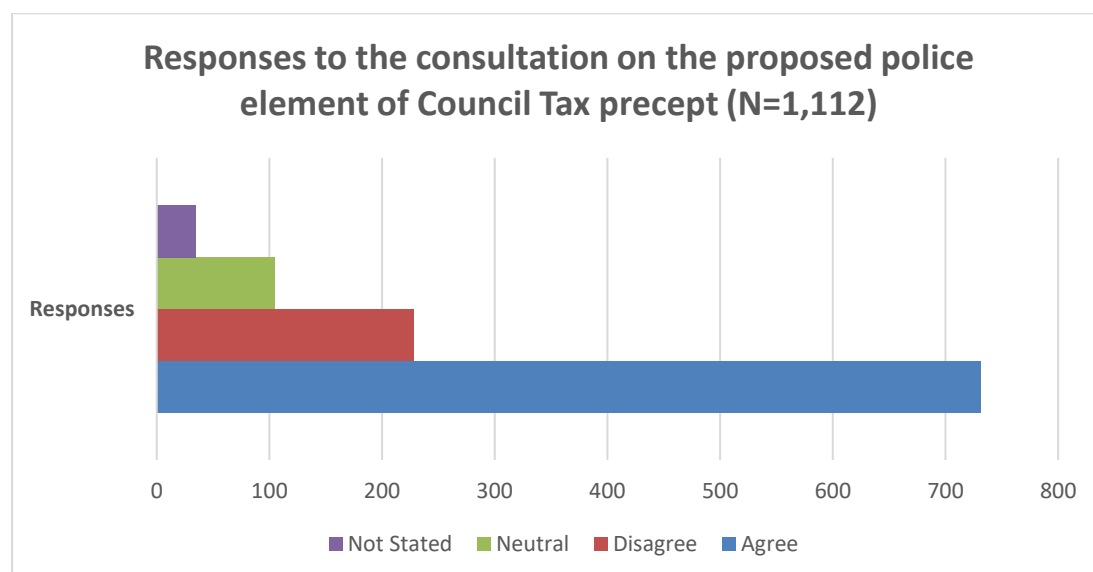
On 19<sup>th</sup> December 2019, my Open Letter was circulated through the following channels:

- Hertfordshire Police and Crime Commissioner's website:  
<https://www.hertscommissioner.org/public-consultation>
- On-line Watch Link (OWL) network to 137,500 residents and businesses across the county
- Partners websites:
  - The Hertfordshire Association of Parish and Town Councils website (700 Parish and Town Councillors): <https://www.haptc.org.uk/news/2019/12/what-do-parish-town-and-community-councillors-and-residents-think-about-the-policing-budget>
  - Wheathampstead Council - <http://wheathampstead-pc.gov.uk/what-do-you-think-about-the-policing-budget/>
- Press Releases to local newspapers
- Social media (Twitter and Facebook) on Hertfordshire Constabulary and Hertfordshire Police and Crime Commissioner.

Throughout the 21 day consultation period to 9<sup>th</sup> January 2020, the precept consultation on Twitter had 10,088 impressions and 311 engagements. My Facebook post on the precept reached 15,695 and had 727 engagements. The Open Letter was viewed on my website 6,526 times and its associated press release has 1,053 page views. The Open Letter also received relatively good coverage across the county given that I was unable to give a definitive figure or costs specified on the proposed raise:

- **Bishop Stortford Independent Online:** (23rd December 2019)  
<https://www.bishopstortfordindependent.co.uk/news/herts-police-chief-ponders-another-council-tax-rise-to-fund-yet-more-officers-9094614/>
- **Ware Online:** <https://www.wareonline.co.uk/?id=44> (27<sup>th</sup> December 2019)
- **Welwyn Hatfield Times** - <https://www.whtimes.co.uk/news/david-lloyds-plans-for-new-police-budget-for-2020-2021-1-6458597> (9th January 2020)
- **St Albans Herts Advertise** - <https://www.hertsad.co.uk/news/david-lloyds-plans-for-new-police-budget-for-2020-2021-1-6458597> (9th January 2020)
- **Stevenage Comet:** <https://www.thecomet.net/news/david-lloyds-plans-for-new-police-budget-for-2020-2021-1-6458597> (9th January 2020)
- **Watford Observer:** Police and Crime Commissioner could ask for council tax rise (24<sup>th</sup> January 2020)
- **St Albans & Harpenden Review-** <http://edition.pagesuite-professional.co.uk/html5/reader/production/default.aspx?pubname=&pubid=684d3920-eb54-44d3-8f56-56cc53a1d03d> (29<sup>th</sup> January 2020)

For the first year I utilised an online short survey to help the public to provide a quick response as to whether they supported my proposal, were opposed to it or remained neutral with the option of providing a short comment. This proved very popular and was responded to by 1,023 constituents. This was in addition to the normal dedicated “My Views” email address or postal option which received 89 responses. In total from both survey channels, I received 1,112 responses from constituents and councillors. The Chief Constable, Charlie Hall and his Chief Officers were also consulted on my outline proposals subject to confirmation, and are in agreement that an increase in the precept is required to meet the necessary costs.



## **Summary of the Feedback**

### **In favour of an increased precept**

Approximately two thirds (65 per cent) of those who responded (731) said they were in favour of an increase in the police element of council tax precept. Of those who left comments the majority showed general contentment with policing across the county and valued local policing, but argued strongly for police officer visibility to be strengthened. There was a feeling from those responding from smaller villages and rural areas that local policing had taken a downturn and that there has been a withdrawal from the streets. Many reported feeling pleased that the Government had pledged to bring in 20,000 police officers across the country, but felt that using a proportion of the precept to help pay for the necessary support in new officers was not something they had understood would need to be found locally.

The second most common theme amongst the group who agreed was a demand for a greater focus on low-level, localised and petty crime. More than 10 respondents highlighted this issue and gave examples of crimes including parking offences, fly-tipping, littering and shoplifting. There seemed to be an acceptance that high-level crime carries significant importance but that local communities were being overlooked and the crimes which affect everyday life were going unpunished. A number of respondents also stated their support for the increase due to the work that had been achieved around cybercrime and fraud. Five respondents stated that future funding should focus on tackling fraud, whilst acknowledging the good work that has already been done to tackle and deal with the issue.

A smaller, but not insignificant number of respondents in support of an increase in the policing element of council tax precept related this to the need to build resilience and staff retention levels. There was a recognition that police officers are not expendable resources and that there is a need to look after the welfare of officers given the increasing demands. One respondent was keen for any increase in the precept to be spent on building capacity in the workforce particularly with Detectives who have a high level of responsibility dealing with major offences.

There was also a number of respondents who felt that every police force should have the ability to raise their own funds to help pay their bills and supplement what the police and Government pay. Respondents felt that police forces should be able to charge all offenders who are taken into a police station in a police vehicle after being drunk or violent to police officers in the course of their duty the sum of £100 payable at the police station for the use of the transport. In doing so, police forces would be able to make up the shortfall in funding. Similarly, some residents were in favour of villagers pooling contributions to pay for overall better security like CCTV to help prevent crime.

### **Opposed the precept increase**

Of the 228 respondents who expressed their disagreement with my proposal to raise the precept related to the perception that there was too few police officers on the street and the lack of open police stations across the county. Many reported not having seen police officers walking around their local neighbourhood for a long time and therefore argued that an increase could not be justified. Moreover, around 20 respondents noted that it was difficult for them to accept another precept rise as it comes following two consecutive year rises and felt that it should be central

Government that provides the increased funding. Some respondents noted that previous years increases had gone above any inflationary increase and they were aware that there had been an increase in the council tax base following the increase of new houses across the county and therefore felt that it was hard to justify an increase this year. There was also a feeling from five respondents that seeking an increase from residents creates a view from Central Government of increased self-sufficiency. That proportionately, central funding will reduce, or at the very least Hertfordshire Constabulary would receive a reduced proportion of the investment promised than might otherwise have been afforded.

### **Remaining neutral**

105 respondents stated they remained neutral on the position of the proposed increase. Of those who left comments, some respondents stated that they were unable to give an opinion on whether they were in favour of a rise to the council tax precept as they sought clarification as to what I was proposing. Many were unclear on the benefits of any proposed increase and said that they required further information on how and where the money would be spent.

### **General observations and other priorities**

Throughout the consultation, a high number of respondents also took the opportunity to share their views, concerns and ideas with me, some relating to crime and policing, but others very broad. These included:

- How County Councillors spend their locality budget.
- The introduction of a mobile camera van to detect traffic violations around Watford.
- That police facilities in Hoddesdon, Berkhamsted and Hitchin were no longer as accessible to the public as they would like.
- The perception of a reduced police presence in Abbots Langley and the need for CCTV.

These are all helpful points to note which I intend to raise with the relevant authorities and responsible officers so they are aware of them and your concerns are listened to. Thank you to those respondents who took the time to feedback their thoughts on my proposal for the 2020/21 police precept.

Following the end of the consultation, I received confirmation on 22<sup>nd</sup> January 2020 from government on Hertfordshire's policing settlement. It represented a very positive settlement for Hertfordshire, what many might term 'transformational'. It is the biggest funding increase in a decade. The government also granted PCCs flexibility to make a small increase in the precept - £10.00 a year for the average (Band D) household. The government has urged PCCs to make use of that flexibility to maximise the additional investment in policing and I believe it is right to do so and that it is supported by the public. It is vital in three years' time with a substantially bigger force that it is properly resourced.

In response to the financial situation and what respondents told me through the consultation process, I am proposing to increase the police precept by the maximum amount of £10.00 per annum for the average (Band D) household. This equates to 83p per month and will generate £4.531m in additional income.

# Police and Crime Commissioner

for Hertfordshire

<b>Meeting</b>	Police & Crime Panel (PCP)
<b>Date</b>	6 February 2020
<b>Title</b>	2020/21 budget and precept setting report
<b>Submitted By</b>	The Chief Financial Officer of the Police and Crime Commissioner
<b>Purpose of Report</b>	To propose to the Panel the 2020/21 budget and resultant precept
<b>Recommendation</b>	That the Panel support the PCC's proposed precept level for average (Band D) equivalent properties in 2020/21
<b>Financial Implications</b>	Included in the body of the report
<b>Risk Implications</b>	Failure to apply sound financial management principles over the medium-term may threaten the organisation's financial sustainability.
<b>Legal Implications</b>	Pursuant to Section 17 (6) of the Police Reform and Social Responsibility Act 2011 and Policing Protocol Order 2011 which sets out the high level financial responsibilities of the PCC and CC. Also Schedule 5 of Police Reform and Social Responsibility Act 2011 in relation to the Commissioner's issuance of a precept under section 40 of the Local Government Finance Act 1992.
<b>Equalities Impacts</b>	None
<b>Freedom of Information Exemption Section if Applicable</b>	None

## 1. SUMMARY

The organisation has a legal duty under Section 44 of the Local Government Finance Act 1992 to set a balanced, realistic and financially sustainable budget each year and also ensure that it has adequate reserves to remain viable, stable and effective in the medium to long term. This report sets out the budget requirement for 2020/21 to enable the setting of the precept for the forthcoming financial year.

This report sets out the precept proposal alongside the high-level budget for 2020/21 and Medium Term Financial Plan (MTFP). The budget and precept proposals that follow are aligned with the Government's commitment to increase resources within the police service, consistent with the PCC's current Community Safety and Criminal Justice Plan and strengthen the organisation's finances to be better positioned to manage the medium term.

The recent final settlement increased Hertfordshire's revenue grant funding by £10.683m, which comprises two elements; core grant of £8.119m and specific grant of £2.564m; giving a total grant of £131.424m; as shown below.

Table 1

	2019/20 £	2020/21 £	Change £
Police Grant	108,487,939	116,607,341	8,119,402
Council Tax Legacy	10,228,363	10,228,363	-
Pension Grant	2,024,752	2,024,752	-
Uplift Grant	-	2,564,022	2,564,022
<b>Total Revenue Grant</b>	<b>120,741,054</b>	<b>131,424,477</b>	<b>10,683,423</b>

In addition to grant funding the Government confirmed precept flexibility of up to £10, before a referendum is required. This would generate additional income of £4.530m. After taking into account the increase in tax base and the movement on the collection fund surplus, the total council tax income would increase by £5.814m, as illustrated below.

Table 2

	£m
Precept increase	4.530
Tax base increase	1.126
Collection fund	0.158
<b>Total Council Tax increase</b>	<b>5.814</b>

Therefore as required by Section 5 of the Police and Social Responsibility Act 2011 this report notifies the Police and Crime Panel (PCP) of the Police and Crime Commissioner's (PCC) precept proposal for 2020/21. In order to make best use of the new officers, the government has urged PCCs to use the flexibility in raising the precept by £10.00 per annum in order to maximise the additional investment in policing and this is supported by the public. The PCC is therefore proposing to increase the average (Band D) Council Tax by £10.00 per annum to a figure of £198.00. This represents a 5.32% increase on the policing element of the county's average (Band D) council tax (2019/20). The table below shows the calculation for the precepting requirement for 2020/21. This level of funding will enable Hertfordshire to go beyond considering what resources are required over the coming year, but to plan for the next 2-3 years and build up the force to deliver the benefits of this investment.

Table 3

Budget Heading	£m
<b>Net Budget 2019/20</b>	<b>203.405</b>
Standstill costs	6.538
Pressures	3.360
Savings	(1.069)
Prior Year use of reserves	3.047
Investment & Growth	2.057
<b>Net Budget 2020/21</b>	<b>217.338</b>
Less Home Office Settlement Grants	(118.716)
Less Additional Core Grant	(8.119)
Less Collection Fund surplus	(0.801)
Council Tax Precept Requirement 2020/21	89.702
<b>2020/21 Band D Precept requirement £</b>	<b>198.00</b>
Current Band D Precept (2019/20) £	188.00
Increase required £	10.00
Increase required %	5.32%



The report contains the following sections:

Section	Title
2.	Community Safety and Criminal Justice Plan and performance context
3.	2020/21 Funding Settlement
4.	Precept Proposal
5.	2019/20 Outturn
6.	Standstill costs
7.	Pressures
8.	Efficiency savings
9.	Investment & growth
10.	Office of the Police & Crime Commissioner (OPCC) domestic budget
11.	2020/21 Net budget funding requirement
12.	Reserves
13.	OPCC Grants and Commissioning budgets
14.	Capital
15.	Medium-Term Financial Plan (MTFP)
	Appendices

## 2. COMMUNITY SAFETY AND CRIMINAL JUSTICE PLAN AND PERFORMANCE CONTEXT

The PCC's key priorities as set out in the 2019-2024 Community Safety and Criminal Justice Plan ("the Plan") are:

- Building on Success;
- Putting victims at the centre;
- Public focus; and
- Business sense.

The Plan sets out the changing nature of crime, harm and risk, and the increased demands on services and systems across community safety and criminal justice. In prioritising resourcing, including re-investment requirements, the Chief Constable is mindful of the five key ambitions set out in the Commissioner's Plan:

- Put Victims First: Continue to put victims first with improved services available through Beacon, our victim care centre and improvements in the criminal justice system.
- Keep Crime Low: Ensure Hertfordshire continues to be one of the safest places in the country through a continued focus on crime prevention and robust enforcement.
- Protect Local Policing: Strong neighbourhood teams with at least one major police station in each borough and district where the core local police team are based.
- Increase Officer Numbers: Ensure the right sized force and that the public have a say in how the officers are used.
- Keep Tax Low: Only charge what is required to meet the changing operational demands, continuing a focus on efficiency and effectiveness and keeping council tax charged in the lowest quartile nationally.

This budget will provide the Constabulary and OPCC with the resources better to respond to these priorities, providing the financial resilience to support the uplifted police establishment and the scope to respond to the challenges and demands. It also enables the Constabulary to plan and respond to those priorities identified in the Constabulary's Annual Management Statement (See Appendix A for Annual Management Statement and Performance Context).

## 3. 2020/21 FUNDING SETTLEMENT

### a. National

In July 2019 the Prime Minister pledged to increase officer numbers by 20,000 by the end of 2022/23; the profiling of which is shown below:

Table 4

	2019/20	2020/21	2021/22	2022/23	Total
Split Ratio	10%	20%	40%	30%	100%
National Officer No.	2,000	4,000	8,000	6,000	20,000

On Wednesday 22 January 2020 the Government announced the police funding settlement for the next financial year (including the level of grants to be made); in accordance with Section 46 of the Police Act 1996. In this settlement the Government set out its commitment to support the police service by increasing the investment and resourcing to deliver on its commitment to recruit the 20,000 additional officers over the next three years and this represents a transformational settlement.

In the recent settlement Government set out the need to increase investment and resourcing of policing, 'Government is determined to strengthen our police service and tackle the unacceptable levels of crime, particularly violent crime, across our country. This Government will deliver on its

commitment to recruit 20,000 additional officers over the next three years to protect the public and keep our families, communities and our country safe'. 'The 2020/21 funding settlement gives the police the investment they need to deliver on that promise'.

Taking all funding from the Government and PCCs' precept raising power into account (i.e. an increase in Band D by up to £10), up to an extra £1.1bn will be available for investment for policing, giving a total of £15.2bn. This would represent an increase of 8% funding on top of 2019/20 levels and is the single biggest increase in Government investment in policing for some time. Hertfordshire's share of the grant settlement is set out in Section 3b below and the precept proposal in Section 4.

The government has signposted that it has provided funding to assist forces in 'making the relevant infrastructure improvements needed to recruit the 20,000 additional officers by March 2023'. The OPCC and Chief Constable have reviewed the spending pressures set out in Section 7 and the standstill costs in Section 6 required to provide the financial resilience to maintain delivery of a police force with 2,100 officers.

The Government has also rightly highlighted the need to continue focusing on delivering efficiencies and productivity. In support of this the Constabulary has identified scope to achieve £1.069m of efficiency savings, as set out in Section 8, which enables funding of £2.057m of new areas of investment as set out in Section 9.

The main headlines from the national funding announcement are as follows:

- £50m of the £750m retained centrally to support recruitment of officers; of the remaining £700m - £532m via un-ring-fenced core grant, £168m ring-fenced for successfully meeting recruitment targets;
- £10 precept flexibility for all PCCs, or equivalent;
- £92m (9%) increase in reallocations to over £1.1bn in 2020-21;
- Reduction of 74% to capital grant funding to PCCs.

The table below shows the final settlement for the Police Service that was announced on the 22 January 2020 which set out a 7.5% cash increase in core grant position for 2020/21 to all forces Police Grant (including legacy council tax grants). The Home Office set an overall direct resource funding control total for policing, including assumed precept income of £13.086bn in 2020/21; a £0.950bn (7.8%) cash increase on 2019/20.

Table 5

Funding element	2019/20 £m	2020/21 £m	Change £m	Change %
Core Grant Funding	7,108	7,640	532	7.5%
Legacy Council Tax Grants	548	548	-	-
National & International City Grants (NICCs)	190	190	-	-
Precept	4,147	4,397	250	6.0%
Pension Grant	143	143	-	-
Ring-fenced uplift grant	0	168	168	-
<b>Total Direct Resource Funding</b>	<b>12,136</b>	<b>13,086</b>	<b>950</b>	<b>7.8%</b>
Reallocations & Adjustments <sup>1</sup>	1,029	1,121	92	8.9%
<b>Revised Total Direct Resource Funding</b>	<b>13,165</b>	<b>14,207</b>	<b>1,042</b>	<b>7.9%</b>

<sup>1</sup> Contains £1.121bn (8.9% increase on 2019/20) of Reallocations and Adjustments to fund national priorities, which included circa. £500m for Police technology and a further £189m on areas such as Organised Crime, Serious Violence and Safer Streets.

## b. Hertfordshire

As outlined in Section 1 above, of the additional £700m, Hertfordshire will receive a total of £10.683m of Government grant linked to the recruitment of 91 additional officers (see table below), which comprises two elements, namely £8.119m of Core/General grant and £2.564m of Specific/Ring-fenced grant. Based on our recruitment plans and our understanding of the baseline as set by the Home Office it is assumed we will be able to access the full amount of the Specific Grant. This funding will be released quarterly and in arrears, but it is unclear at this stage whether this will be upon receipt of suitably evidenced expenditure or on the achievement of additional officer recruitment targets.

Table 6

Uplift officer	2019/20	2020/21	2021/22	2022/23	Total
Split Ratio	10%	20%	40%	30%	100%
Herts Officer No.(annual)	31	60	122	92	305
Herts Officer No.(cumulative)	31	91	213	305	
Year-end officer establishment target <sup>2</sup>	2,040	2,100	2,222	2,314	
Cumulative increase in officer numbers <sup>2</sup>	1.5%	4.5%	10.6%	15.2%	

The table above is for illustrative purposes and is based on applying the current apportionment methodology to the uplift roll-out in 2021/22 and 2022/23. Whilst it is unclear at present what basis will be used for the allocation in forthcoming years and what weighting may be applied to other forces or national requirements, the government have announced a projected increase of a further 200 officers in Hertfordshire over the subsequent 2 years. The medium-term plan shown in Section 15 is predicated on specific grant funding covering the additional officer uplift beyond 2020/21<sup>3</sup>. The government has also indicated that the totality of the funding it has provided is also to assist forces in 'making the relevant infrastructure improvements needed to recruit the 20,000 additional officers by March 2023'.

### i. Core Grant

With regard to the 2020/21 funding settlement the additional general grant of £8.119m will increase the total core grant to £116.607m and it is assumed that it will be subsumed into the base core going forward into 2021/22.

In addition the settlement also 'baselined' the specific pension grant of which Hertfordshire's share is £2.024m; which is a contribution towards the increased police pension employer contribution rates that arose in 2019/20. It also confirmed that the £10.228m of ring fenced council tax legacy grant that Hertfordshire currently receives will be retained in 2020/21.

### ii. Specific Grant – Uplift Funding

As part of the uplift of officer numbers, grant funding totalling £2.564m is earmarked specifically for the uplift programme. This will allow the Constabulary to increase police officer establishment by 91 by end of March 2021 to achieve its 2,100 FTE uplift target.

In light of the announcement the PCC and Chief Constable have reviewed the spending pressures set out in Section 7 and the standstill costs in Section 6 required to provide the financial resilience to maintain delivery of a police force with 2,100 officers. In order to achieve an officer establishment of 2,100 officers the Constabulary has increased recruitment in the current year and is further increasing recruitment to 225 officers in 2020/21 thereby markedly exceeding the

<sup>2</sup> Based on baseline police officer establishment of 2,009 FTE as at 31 March 2019

<sup>3</sup> To date there has been no confirmation of the funding for this beyond 2020/21 and indeed no confirmation has been received regarding the success of the 2019/20 funding submission to the Home Office on 30 November 2019 for the first tranche of £0.440m.

projected level of turnover and retirements, enabling a steady increase in officers numbers throughout the year.

As a result of this increased level of recruitment there will be a marked increase in Student Officers. In response to the permanent uplift in officer numbers the Chief Constable is prioritising resourcing additional student tutor and assessor officer roles, to support this high level of recruitment, and investing in additional investigative roles. During the coming year the Chief Constable will review the deployment of officers, building in a greater emphasis on prevention work, in order to inform the roll-out of the 'uplifted' officer numbers into local policing teams.

In light of the increase in specific grant funding the OPCC/Force is reviewing scope to submit further specific grant bids currently in relation to Safer Streets and also a Conducted Energy Devices (CED/Taser) bid.

#### 4. PRECEPT PROPOSAL

After considering the overall financial position of the force, the Commissioner proposes to increase the average (Band D) Council Tax by £10.00 (5.32%) to £198.00, generating an increase in funding of £4.530m.

Assuming all other PCCs follow Government advice Hertfordshire's 2020/21 average (Band D) Council Tax will remain the fourth lowest in England and Wales, behind Northumbria, West Midlands and West Yorkshire, some 16.4% (£31) below National Average and the lowest Band D in its Most Similar Group (MSG) at 9.1% (£17) below the group average (see Appendix B for comparison).

The following taxbase, collection fund and precept figures are based on the final data provided by the ten boroughs/districts on 28 January 2020.

##### a. Taxbase

There has been an estimated year-on-year increase of 5,990 (1.34%) in Band D equivalent properties in the county, giving a draft taxbase of 453,040 as illustrated below:

Table 7

Hertfordshire Boroughs & Districts' Taxbase				
Borough/District	Tax Base 2019/20	Tax Base 2020/21 Final	Change	
	No.	No.	No.	%
Broxbourne Borough Council	35,026	35,447	421	1.20%
Dacorum Borough Council	57,270	58,567	1,297	2.27%
East Herts District Council	60,722	61,272	550	0.91%
Hertsmere Borough Council	41,274	41,889	615	1.49%
North Herts District Council	49,498	49,980	482	0.97%
St Albans District Council	62,107	62,821	714	1.15%
Stevenage Borough Council	27,330	27,781	451	1.65%
Three Rivers District Council	39,092	39,213	121	0.31%
Watford Borough Council	32,841	33,481	640	1.95%
Welwyn Hatfield District Council	41,890	42,590	700	1.67%
<b>TOTAL</b>	<b>447,050</b>	<b>453,040</b>	<b>5,990</b>	<b>1.34%</b>

This will generate an additional £1.126m (as illustrated below).

Table 8

Taxbase Calculation	Amount
Estimated number of band D properties – 2020/21	453,040
Number of band D properties – 2019/20	447,050
Increase in tax base properties	5,990
Band D council tax rate	£188.00
<b>Additional tax base income £</b>	<b>£1,126,120</b>

## b. Collection fund

This one-off source of income saw a significant drop in 2019/20, however there is a projected increase of £0.158m (24.5%) in 2020/21 (as shown below).

Table 9

Final Collection Fund Surplus/(Deficit) relating to the PCC			
District	2019/20 £	2020/21 £	Change £
Broxbourne Borough Council	172,693	212,296	39,603
Dacorum Borough Council	62,111	131,410	69,299
East Herts District Council	59,020	81,609	22,589
Hertsmere Borough Council	(49,023)	175,759	224,782
North Herts District Council	20,291	(42,671)	(62,962)
St Albans District Council	136,128	152,101	15,973
Stevenage Borough Council	44,615	60,055	15,440
Three Rivers District Council	43,075	(77,339)	(120,414)
Watford Borough Council	156,214	108,203	(48,011)
Welwyn Hatfield District Council	(1,461)	53	1,514
<b>TOTAL</b>	<b>643,663</b>	<b>801,476</b>	<b>157,812</b>

## c. Precept

A precept increase of £10.00 would generate additional council tax income of £4.530m and the resultant bandings are illustrated in the table below.

Table 10

Band	A	B	C	D	E	F	G	H
Proportion to Band D charge	6/9ths	7/9ths	8/9ths	<b>9/9ths</b>	11/9ths	13/9ths	15/9ths	18/9ths
2019/20 Charge £	125.33	146.22	167.11	<b>188.00</b>	229.78	271.56	313.33	376.00
2020/21 Charge £	132.00	154.00	176.00	<b>198.00</b>	242.00	286.00	330.00	396.00
Increase per year £	6.67	7.78	8.89	<b>10.00</b>	12.22	14.44	16.67	20.00
Increase per month £	0.56	0.65	0.74	<b>0.83</b>	1.02	1.20	1.39	1.67
Increase per week £	0.13	0.15	0.17	<b>0.19</b>	0.24	0.28	0.32	0.38
Increase per day £	0.02	0.02	0.02	<b>0.03</b>	0.03	0.04	0.05	0.05
2020/21 Cost per month £	11.00	12.83	14.67	<b>16.50</b>	20.17	23.83	27.50	33.00
2020/21 Cost per week £	2.54	2.96	3.38	<b>3.81</b>	4.65	5.50	6.35	7.62
2020/21 Cost per day £	0.36	0.42	0.48	<b>0.54</b>	0.66	0.78	0.90	1.08

A breakdown by Borough/District of the total resultant council tax demand is shown in Appendix C.

## 5. 2019/20 OUTTURN

The latest monitor report indicated outturn would be broadly in line with budget. But the report did highlight risks of up to £0.800m<sup>4</sup> (including the officer overtime) which if they were to materialise by the year-end would require an additional call on reserves. However, there is an expectation that any potential overspend will be managed, through remedial action(s), to deliver within 2019/20 budget.

## 6. STANDSTILL COSTS

Standstill budget pressures are those costs increases that are required to deliver the same level of service as in the current financial year; predominantly pay inflation. The standstill budget requirement for 2020/21 totals £6.538m and comprises of the following:

Table 11

Analysis	£m
Pay costs – officers <sup>a</sup>	2.222
Pay costs – staff <sup>a</sup>	2.119
<b>Pay sub-total</b>	<b>4.341</b>
Other employee costs	0.044
Premises	0.302
Transport	0.065
Supplies & services <sup>b, c</sup>	1.565
<b>Non-pay sub-total</b>	<b>1.976</b>
Capital financing	0.121
Income	0.100
<b>Total £m</b>	<b>6.538</b>

The items of note are as follows:

- The pay costs include the additional 0.5% agreed with effect from 1 September 2019 plus an assumption that pay costs will increase by a further 2.5% from 1 September 2020, alongside a reduction in average officer pay levels reflecting the greater level of officers in the early stage of their policing career and the removal of one-off funding.
- In 2019/20 there were cost increases, significantly above inflation, in Gas (18%) and Electricity (24%) supply and so it is necessary to baseline this £0.300m in extra expenditure, alongside a general provision for uprating non-pay budgets in-line with cost pressures.
- The National Police Air Service (NPAS) charging methodology is based on the previous year's usage and for 19/20 Hertfordshire's charge equated to 2.3% of the national total. However Hertfordshire's usage has increased by 24% year-on-year (Sept.19), against an overall national reduction of 8.3%. If this trend continues for the remainder of the calendar year then Hertfordshire's contribution would increase to 3.1% of the national cost. This is at a time when NPAS costs are expected to increase by £2.4m, thereby adding a potential pressure of £0.375m to Hertfordshire's 2020/21 budget.

<sup>4</sup> Section 5 (Page 6) of 14 November SEB report



## 7. PRESSURES

As set out in Section 3a the government has signposted the intention to increase officer numbers by some 20,000 in the period up to 2022/23. The first phase of the funding for this was announced on 23 January and in anticipation of this NPCC<sup>5</sup> have encouraged forces to review resourcing across the range of support and infrastructure areas to ensure there is the resilience to support the expansion. Based on this review the following pressures, totalling £3.360m need to be reflected in the 2020/21 budget:

Uniform / Equipment / Vehicles – £0.532m – The force has baselined its officer uniform, equipment and vehicle fuel and maintenance costs which are increasing in light of the recent increases in establishment and the uplift plans, which increase the officer establishment to 2,100.

Recruitment and Training – £0.323m - In support of the Uplift Programme BCH HR department is putting in place additional training and project capacity. Additional training resources for student officers are also required to support the transition to the new Police Education Qualification Framework (PEQF) which commences in 2021. Additional assessor and training officer roles are also required and these will be from the Uplift Specific Grant.

ICT - £0.537m - The force continues to invest in IT to improve productivity and will incur increased revenue costs in our HR system, the Athena system, Digital Asset Management and Storage and in meeting the requirements of a larger officer workforce. In addition more of our IT systems are being delivered as a service and charged to revenue rather than via the purchase of a capital asset.

Estates – £0.639m - The Force has maintained a deployment base in each of the 10 CSPs. The PCC and Chief Constable are committed to maintaining this approach and there is a need to increase expenditure on planned maintenance to ensure the operational estate is fit to meet the demands of a larger officer workforce. In addition the force is also leasing additional training facilities to meet the increased level of demand.

Officer Overtime - £0.350m – The force has reviewed the requirement for overtime resources, including benchmarking spend alongside other forces and strengthening approval processes.

7 Force Collaboration – £0.342m - Building on the BCH Collaborative programme a wide ranging programme of regional collaboration is now being taken forward designed to achieve further efficiencies and covering IT, Support Services and Specialist policing functions (The first 7 Force unit, Procurement, was established in January of this year). A Section 22 agreement to govern the collaborative arrangements has been approved and Programme and Project capacity established.

Governance responsibility - £0.123m – The Commissioner has taken on responsibility for both the secretariat of the Local Criminal Justice Board thereby requiring additional resource to administer.

Police complaints regime - £0.100m – new requirements from 1 February 2020 to deal with complaints and pilot required to determine where responsibility works best.

Change / Project Resources – £0.300m – The force needs to maintain a Change / Project capacity to provide additional resourcing and fund the one-off costs associated with implementing change. To date these costs have been charged to the Change Reserve. Going forward it is proposed these costs will be charged to the base budget, thereby reducing the dependence on reserves.

Compliance Costs - £0.115m – The force faces increased costs relating to Scientific Service, Forensic accreditation and improving our driver risk management processes and systems.

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<sup>5</sup> National Police Chiefs Council

## 8. EFFICIENCY SAVINGS

During 2019/20 the force has undertaken a wide ranging review of budgets, other than those for police officers, in line with the 2% efficiency target set by the PCC in February 2019. Saving plans were developed in-line with this target and on the assumption of a stable police officer establishment. In the autumn of 2019 the government announced the National Uplift programme to increase police officer numbers by 20,000 nationally over the following 3 years, alongside a smaller increase in police staff roles. The saving programme was reviewed in the context of the uplift programme and the recent HMIC Value For Money profile which benchmarks all elements of spend against national and most similar group forces (See Appendix D). The savings programme was revised to ensure it was consistent with the increasing size of the force and resulting greater demands on related operational, operational support and support roles. The resultant proposals showed scope to achieve savings of up to £1.069m as follows:

1) Hertfordshire £0.565m

The PCC signalled an intent to focus on driving out efficiencies and those areas that will have least impact operationally. The following proposals have been developed:

- i) Savings achieved predominantly in non-operational departments including Corporate Communications £0.049m, Estates and Facilities £0.039m, Finance £0.090m. In addition there is a limited reduction to support staff of £0.059m.
- ii) Following a review of demand and resources within Public Contact a revised shift was implement during 2019/20 resulting in a savings of £0.179m.

2) BCH Collaborative £0.504m

A range of savings in collaborated units have been developed of which Hertfordshire's share is £0.504m. These savings consist of:

- i) Joint Protective Services - £0.440m for Herts through the increase of vacancy factors for police officers. The units have operated at this level in the current year and in light of continuing challenge to fill these specialist posts it is appropriate to budget for this level of resources in 2020/21. Resourcing levels will be reviewed in-light of on-going specialist recruitment plans for 2021/22.
- ii) The HR transformation programme is estimated to generate a total £1.5m of savings across BCH, of which half was taken in the 2019/20 budget. The remaining savings will be realised over 2020/21 and 2021/22 of which Herts share will total £0.330m. One off change costs of £0.5m are forecast to be incurred leaving a net cost to Herts of £0.058m in 2020/21 and a saving of £0.388m in 2021/22.
- iii) ICT Structural Review – as part of the Constabulary's digital strategy there will be a move to cloud based solutions that better meet the needs of the business and help achieve savings across the Tri-force. Herts will release savings of £0.084m in 2020/21.
- iv) A further saving of £0.039m to Herts will be made through removing the ICT Health Check contingency within the IMD.

The initial wider savings work pre the uplift announcement identified circa £2.0m of further savings across the force, but with greater service impact and harder to achieve. These potential savings, whilst not forming part of the proposed 2020/21 budget will need to be considered as part of 2021/22 and Medium-Term budget planning process.

## 9. INVESTMENT & GROWTH

The PCC and Chief Constable have identified a number of areas where additional resourcing is required totalling £2.057m. These investment proposals have been developed against an assessment of capability and demand as set-out in the Force Management Statement, in the context of the police officer uplift programme and delivery of priorities in the Commissioner's Plan.

- 1) File Quality - £0.400m - File quality is measured against the CPS's National File Standards and BCH has consistently been within the bottom quartile for file quality performance. To help address this it is proposed to establish a Case File Standards Units in Hertfordshire replicating the model that is currently used in Cambridgeshire. This would be achieved through establishing a team of officers and staff to review files and specific department submissions.
- 2) FCR - £0.240m - In recognition of the lead in time to fully train Comms Operators it has been necessary to operate a proactive ongoing training and recruitment exercise whilst balancing higher levels of demand within the FCR. This requires a reduction in the budgeted vacancy factor by circa 1.3% to 2.5%. In addition changes have been made in supervisory levels to provide a more effective management structure. In total it is proposed to invest £0.240m (net of a degree of self-funding) in the FCR to meet these additional costs.
- 3) Professional Standards Department (PSD) - £0.118m - Investment is required to service a number of areas including additional requirements arising from Complaints Reform reforms legislation due to be implemented in February (1 A4 £0.040m); a Permanent Senior Analyst Post (£0.019m) and following recommendations from the most recent HMICFRS inspections funding for 4 additional police staff posts with the PSD Anti-Corruption Unit. (£0.058m).
- 4) SNT Shift Alignment - £0.102m - Following the review of SNT shift patterns currently, Sergeants, Constables and PCSO's work different shift patterns which impacts on supervisory management. The investment required is £0.205m split equally over two years covering spinal point increases for PCSOs and unsocial hours increases for police officers.
- 5) Taser Training - £0.141m - In order to meet the training requirement associated with the wider adoption of Tasers across BCH (in Hertfordshire a 130 officer increase over two years) it has been agreed that the 5 FTE police staff Taser trainers would be made permanent posts and the cost shared across BCH at a cost of £0.091m to Hertfordshire. In addition Taser trained officers within the LPC require annual refresher training at an estimated cost circa £0.050m from 2020/21.
- 6) Other Growth Areas - £0.055m – A number of smaller areas of growth have been identified including £0.026m of funding for the continuation of Test on Arrest up to June 2020 to enable the completion of evaluations, the establishment of a Special's mobile phone replacement and data budget of £0.024m and finally £0.005m towards the purchase of IT equipment for use by Cadets. Also included within the budget are increased RMU resources to support the operation of the new duties system CARMS. We have reviewed and raised the BCH/ERSOU contribution to Herts in line with current service provision and the increase in RMU resources is now offset by the increased contributions.
- 7) Crime Prevention & Innovation fund - £1.000m – the establishment of a fund to commission efforts to prevent crime and intervene early. This will allow for investment upstream to tackle problems at source and create fewer victims. This will be open to the constabulary, public sector partners, private sector and voluntary and not-for-profit organisations e.g. further investment in the Beacon Fraud Hub.

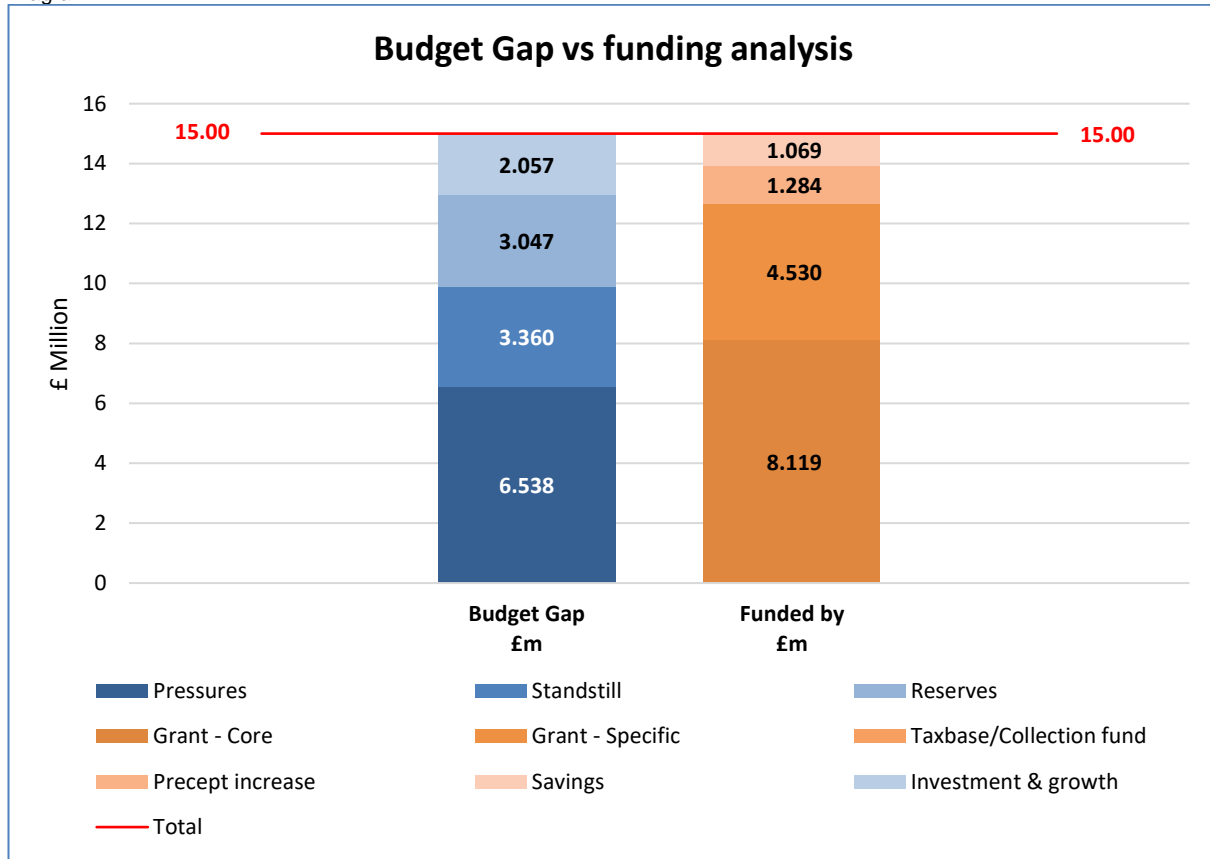
## 10. OFFICE OF THE POLICE & CRIME COMMISSIONER (OPCC) Domestic Budget

The OPCC's responsibilities have increased significantly in 2019/20, in order to deliver the commitments outlined in refreshed Commissioner's plan and assuming additional responsibility, including the secretariat of the Hertfordshire Criminal Justice Board<sup>6</sup>. This has meant that in addition to inflationary pressures e.g. nationally determined pay awards, there is need to increase the office budget by a further £0.123m to service these new requirements.

## 11. 2020/21 NET BUDGET FUNDING REQUIREMENT

Based upon the preceding income and expenditure assumptions the graph below sets out the 2020/21 budget gap and the funding utilisation to deliver a balanced budget.

Diagram 1



## 12. RESERVES

The primary role of reserves is to allow financial uncertainty to be managed. They support the organisation in meeting its legal requirement to balance its budgets by providing a resource that cushions the impact of unexpected events.

### a. Useable reserves

The Commissioner has planned the utilisation of reserves to protect officer numbers and fund investment over past 3 years (see Appendices E & F for comparison to other forces) and the useable reserves level at the start of 2020/21 is expected to be £12.218m. Therefore, in order to provide a sustainable base budget and give the organisation greater financial resilience, all recurring revenue expenditure currently funded by reserves will be mainstreamed.

<sup>6</sup> Police Reform and Social Responsibility Act 2011 - Section 10: Co-operative working

Going forward this reserve will be allocated for specific purposes (i.e. earmarked) as part of the budget setting process; for example the recent decision to allocate £0.500m to the HQ PMO team and £0.674m of SARC funding for 2020/21 (illustrated below).

Table 12

<b>Useable Reserves</b>	<b>2020-21</b>
Estimated opening balance b/fwd.*	<b>12.218</b>
<b>Earmarked reserves</b>	
HQ Project Management Office	(0.500)
OPCC Funds (see Section 13 below)	(0.264)
Sexual Assault Referral Centre	(0.674)
Increase in general reserve (see b below)	(0.700)
<b>Useable Reserves - closing balance</b>	<b>10.080</b>

\* excluding Road Safety Fund balance of £1.860m (31-3-2019)

## **b. General Reserve**

The General Reserve is a statutory contingency reserve to fund unplanned and emergency expenditure, for example to meet exceptional or extraordinary policing operations and major issues such as Brexit.

The Chief Financial Officer (CFO) is required, by Section 25 of the Local Government Act 2003, to review and report on the adequacy of reserves as part of the budget-setting process. The PCC's level of general reserves is currently £6.300m<sup>7</sup> and having carried out an assessment, based on currently available information, it is the CFO's professional view that a level of £7.000m<sup>8</sup> should be established for 2020/21. This is still significantly below the 5% (£10.863m) above which justification has to be provided to the Home Office.

<sup>7</sup> 3.1% of the 2019/20 net budget

<sup>8</sup> 3.2% of the 2020/21 net budget

### 13. OPCC GRANTS AND COMMISSIONING BUDGETS

It is recommended that a budget of £4.391m be allocated for 2020/21 as shown below and all funds issued by the Commissioner will be monitored and scrutinised through interim returns and updates.

Table 13

Fund Name	Funding Source	2020/21 £m
Community Safety Grant <sup>a</sup>	Base Budget	0.850
Criminal Justice Innovation Fund <sup>b</sup>	Base Budget	0.068
Complaints Reform Pilot <sup>i</sup>	Base Budget	0.100
Crime Prevention & Innovation fund <sup>d</sup>	Base Budget	1.000
<b>Base budget funding sub-total</b>		<b>2.018</b>
Commissioner's Action Fund <sup>c</sup>	Reserves	0.150
Volunteers Fund <sup>e</sup>	Reserves	0.094
Fly Tipping on Private Land Fund <sup>f</sup>	Reserves	0.020
<b>Reserve funded sub-total</b>		<b>0.264</b>
Victim Support Services <sup>g</sup>	Ministry of Justice Grant	1.384
<b>Externally funded sub-total</b>		<b>1.384</b>
Road Safety Fund <sup>h</sup>	Road safety reserve	0.725
<b>Road safety reserve sub-total</b>		<b>0.725</b>
<b>Grand Total</b>		<b>4.391</b>

Further details on specific funds are outlined below:

#### a. Community Safety Grant

This grant will be awarded to those recipients that can demonstrate that their proposal both supports and aligns with the Commissioner's Police and Crime Plan. Expenditure totalling £0.350m has already been committed for 2020/21 as the result of previous decisions on the funding of multi-year projects. This leaves a balance of £0.500m available in 2020/21.

#### b. Criminal Justice Innovation Fund

This fund will be open to applicants with ambitions to research and pilot new programmes to support reform of the criminal justice system, in line with published criteria as agreed by HCJB; of which the PCC is chair.

#### c. Commissioner's Action Fund

This is administered by the Hertfordshire Community Foundation, for a 10% fee, will be available to applicants for distribution to approved projects during the course of the financial year.

#### d. Crime Prevention & Innovation Fund

The establishment of a fund to support efforts to prevent crime and intervene early. It will help to support the process of transformation and innovation required to make best use of the additional officers we are receiving over the next 3 years. It will also support development and growth of key interventions including the Beacon Fraud Hub.

#### e. Volunteers Fund

This incorporates various volunteering projects including independent custody visitors (34 volunteers), dog welfare visitors (5 volunteers), Drivesafe (332 volunteers) and Stop & Search (13 volunteers).

#### f. Fly-tipping on Private Land Fund

This is available to support landowners, especially in Hertfordshire's rural communities, who have been victims of fly-tipping to help cover the cost of clearance.

#### g. Victim Support Services

Funded by the Ministry of Justice (MoJ) it enables the Commissioner to determine the most appropriate allocation to deliver victim services locally, including the delivery of victim led Restorative Justice. This funding comes from the victims surcharge levied on offenders at Court.

#### h. Road Safety Fund (RSF)

The RSF balance as at 31 March 2019 stood at £1.860m (£1.719m – 2018) and is currently funding approximately £0.220m of ongoing revenue costs each year. In addition to these revenue costs it is anticipated that a further £0.504m will be expended on projects during the year; giving a total requirement of £0.725m for 2020/21.

#### i. Complaints Reform Pilot

From 1<sup>st</sup> February 2020<sup>9</sup>, the government is bringing in a new mandated complaints regime designed to provide a better service to the public. It creates roles for PCCs and imposes new duties on them. Starting as a pilot project the intention will be to build on the excellent foundation that is in place with the Complaints Resolution Team to develop the new service. Consultation with the Chief Constable and the unions is now underway with the intention of developing and piloting the new service over the coming year. Additional resources will be required to instigate a pilot project, which will see an increase of up to 3 FTE (£0.100m).

### 14. CAPITAL

The high-level capital programme is shown below along with the planned sources of funding over the medium-term.

Table 14

Capital Programme	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	Total £m
Estates minor works	0.250	0.250	0.250	0.250	<b>1.000</b>
Other estates	0.200	0.200	0.200	0.200	<b>0.800</b>
HQ redevelopment <sup>11</sup>	1.082	0.713	11.180	19.393	<b>32.368</b>
ICT	3.250	2.032	2.769	2.769	<b>10.820</b>
Fleet	1.528	1.530	1.530	1.530	<b>6.118</b>
ESN	0.281	0.548	2.108	2.108	<b>5.045</b>
Technical and Specialist	0.293	0.293	0.293	0.293	<b>1.172</b>
Uplift (Estates, fleet, ICT)	0.000	0.300	0.300	0.300	<b>0.900</b>
<b>Total Capital</b>	<b>6.884</b>	<b>5.866</b>	<b>18.630</b>	<b>26.843</b>	<b>58.223</b>

<sup>9</sup> Policing and Crime Act 2017 effective from 1 February 2020

It is proposed that the above programme will be financed as follows:

Table 15

Financed by	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	Total £m
Capital Grant	0.157	0.157	0.157	0.157	<b>0.628</b>
Capital receipts	5.195	4.546	6.547	2.087	<b>18.375</b>
Capital Financing Requirement (Borrowing)	1.532	1.163	11.926	24.599	<b>39.220</b>
Revenue Contribution to Capital Outlay	-	-	-	-	-
<b>Total Financing</b>	<b>6.884</b>	<b>5.866</b>	<b>18.630</b>	<b>26.843</b>	<b>58.223</b>

The expected timings and amounts of capital receipts to be received, over the medium-term, are outlined below:

Table 16

	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	Total £m
Total receipts	7.900	5.200	0.000	0.000	13.100

The largest element of the programme is the HQ redevelopment project, which subject to approval is projected to cost £47.340m<sup>10</sup> between 2019/20 – 2024/25. This spend will be financed from external borrowing. The revenue expense of servicing the associated debt is calculated to be circa £2.300m<sup>11</sup> per annum (£5.08 precept<sup>12</sup>). For indicative purposes, every additional £1.000m of borrowing will have a revenue impact of circa. £0.051m<sup>11</sup> (£0.11 precept<sup>12</sup>), in debt servicing costs. It is projected that in 2020/21 planning and some limited enabling costs will be incurred prior to an approvals process via consideration of a Full Business Case. With regard to ICT spend the largest element relates to the provision of devices (telephony, Airwave, body worn camera and laptops) to expanded operational teams following the increase in officer establishment and the normal replacement programme, with the balance of spend on Infrastructure, Networks and the Force Communication Room.

The police capital grant has reduced significantly (72%) in the recent announcement, from £0.599m to £0.157m, as the Government ‘rebalances’ funding for capital grant expenditure, with circa £64million to be spent on national priorities and infrastructure; as outlined below.

Table 17

National Capital Grant allocations	£m
Special Grant Capital	1.00
Police Live Services	13.10
National Police Air Service	11.50
Arm's Length Bodies	6.40
Police Technology Programmes	17.60
Counter Terrorism	1.60
Serious and Organised Crime Programmes	10.00
Football Policing	2.50
<b>TOTAL</b>	<b>63.70</b>

<sup>10</sup> Outline Business Case (OBC) agreed at SEB 14th November 2019

<sup>11</sup> Based on PWLB 50 year certainty rate (2.9%) plus MRP of 2%

<sup>12</sup> Based on final 2020/21 taxbase of 453,040



The major projects listed below have not been factored into the capital programme at this stage, as they are not sufficiently developed to be able to determine the size and timing of any financial commitments, however subject to an approvals process they are expected to incur enabling costs in the short to medium-term.

Table 18

Potential capital projects
Longfield joint training centre redevelopment
Watford Police Station rebuild/refurbishment
Armed Policing Unit (APU) range facilities
North Herts rebuild/refurbishment
7 Forces ICT Convergence
Operational Support Unit (OSU) training site re-provision

## 15. MEDIUM-TERM FINANCIAL PLAN (MTFP)

The table below provides a high-level summary of the medium-term plan and the following assumptions have been made in its construction.

- A prudent view on the availability of additional core grant beyond 2020/21 at 1% increase p.a.;
- Full-year effect of funding permanent establishment of 2,100 officers and further Uplift on officers above 2,100 establishment funded £ for £ by specific grant;
- A £5 precept flexibility is available and utilised;
- A 2% savings applied to all non-police pay costs;
- Police officer and staff pay awards at 2% from 2020/21 onwards;
- Pressures of additional £0.500m per annum; and
- No growth assumed beyond 2020/21.

Furthermore, assuming the uplift to 20k officers goes forward the force will face an increase in ancillary costs, which are not included below but work is ongoing to determine this requirement, as the Home Office have indicated that the 2020/21 settlement includes provision for these costs.

Table 19

	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	Total £m
Core Grant	(8.119)	(1.268)	(1.281)	(1.294)	(11.962)
Standstill costs	6.417	5.111	5.058	5.149	21.735
Pressures	3.360	0.500	0.500	0.500	4.860
Removal of reliance on reserves	3.047	0.000	0.000	0.000	3.047
Savings	(1.069)	(1.781)	(1.718)	(1.406)	(5.974)
Growth	2.057	0.000	0.000	0.000	2.057
Taxbase & Collection fund	(1.284)	(1.256)	(1.306)	(1.356)	(5.202)
Precept increase	(4.530)	(2.297)	(2.329)	(2.362)	(11.518)
Capital financing	0.121	1.297	0.770	0.769	2.957
<b>Budget gap per annum</b>	<b>(0.000)</b>	<b>0.306</b>	<b>(0.306)</b>	<b>(0.000)</b>	<b>(0.000)</b>
<b>Cumulative budget gap</b>	<b>(0.000)</b>	<b>0.306</b>	<b>(0.000)</b>	<b>(0.000)</b>	

The following may be available, if required, to mitigate the potential budget gap:

- Hertfordshire has already identified additional savings, albeit more difficult to achieve and more impactful in nature;
- Beds, Cambs and Herts (BCH) have identified additional savings that will be phased in beyond 2020/21; and
- 7 Force projected procurement savings.

## APPENDICES

### Appendix A – Annual Management Statement and Performance Context

The strategic direction detailed in the Plan informs how operational and organisational pressures facing the constabulary and its associated resources, as detailed in the 2019 Annual Management Statement (AMS), are responded to. The AMS highlighted the following challenges:

#### Operational

- Cybercrime and economic crime
- Serious violent crime, including knife crime.
- Sexual Offences, particularly rape outcome rates and meeting disclosure requirements
- Continued focus on reducing harm in relation to domestic abuse, through partnership working and problem solving.
- Improving the service to victims

#### Organisational

- Increasing the Constabulary's investigative capability and capacity. A lack of detectives has been highlighted but with an increase in recruitment it is recognised that volume crime will be investigated by inexperienced officers, who must be supported.
- Workforce modernisation to ensure that officers and staff have skills for the 21st century. In part this will be delivered through our digital strategy.
- Transition to new student officer training requirements (PEQF)
- The continued optimisation of Athena, through process refinement, implementing new versions of the system to complement wider regional and national projects.
- Modernising the Constabulary Estate.
- Optimising the benefits of new technologies to achieve a step change in productivity.
- Closing the financial gap in income and expenditure that is presently addressed through reliance on reserves.

#### Partnership and Innovation

- Hertfordshire Emergency Services Collaboration Board

The Hertfordshire Emergency Services Collaboration Board continues to oversee the delivery of Memorandum of Understanding principles / vision statements between the OPCC and HCC. Recently, this has included the development and sign off of Operation Magnify, which underpins the joint Hertfordshire Fire and Rescue Service (HFRS) and Constabulary response to reports of missing persons assessed to be at high risk. The Constabulary's Police Search Advisors, Duty Inspectors and Force Incident Managers now work more efficiently and effectively with HFRS National Inter-Agency Officers (NILOs) as a result of joint training, shared use of resources and a new deployment protocol. A joint agency pilot for Emergency Services Volunteers has commenced in Dacorum, with uniformed volunteers being trained to deliver both fire and crime prevention advice. Further work is being scoped to assess opportunities for collaboration in joint service emergency and event planning; and in a joint team to deliver prevention, safety and secured by design. Strategic asset work continues apace in terms of scoping opportunities for joint / shared estate.

#### Digital Innovation Team

- The Constabulary is continuing to further develop its digital capabilities to interact more effectively and efficiently with our criminal justice partners. A digital evidence management system is in place to directly transfer digital media evidence (i.e. Body Worn Video, CCTV, 999 recordings) to the CPS and wider Criminal Justice system. Additionally, dashcam footage can be uploaded by the public for cases of antisocial driving and road traffic

collisions. A number of projects are in flight, delivering against the Digital Strategy. These include:

- Further development of the mobile policing application tuServ, which enables officers to use their mobile phones and lap tops to access multiple systems from a single app, allowing them to be more mobile.
- A project to deliver a new interview system which will achieve time saving efficiencies, negating the need for officers to record to disks and onward transport those through the criminal justice system.
- Additionally, further enhancements to the public on-line reporting services are underway to reduce the number of call-backs within the Force Control Room.
- Within the digital innovation strand, which scopes and tests emerging technology, a project is underway to trial a livestreaming system currently being used in the National Health Service. The system allows livestreaming of video footage from the public into the Force Control Room which is anticipated to lead to more effective resource allocation, aiding risk assessment and decision making by call handlers.

## **Performance and Demand Management**

### Performance

- Hertfordshire Constabulary continues to perform well across a wide range of measures nationally and when compared to its Most Similar Group (MSG) of forces. This includes the overall crime rate<sup>13</sup> of 74 crimes per 1000 residents, which places Hertfordshire 3<sup>rd</sup> lowest within its MSG and 12<sup>th</sup> lowest within England & Wales, and our overall Criminal Justice Outcome (CJO) rate<sup>1</sup> of 15.54%, maintaining Hertfordshire's 1<sup>st</sup> place within its MSG.

The overall volume of crime recorded has fallen marginally this year to date<sup>14</sup> over 2018/19 by 0.1%, better than both the national and MSG<sup>15</sup> averages.

- Some key crime types have fallen quite significantly, at least in part demonstrating the impact of local crime prevention and enforcement activity. For example, Scorpion Teams tackling serious acquisitive crime and problem solving approaches, in particular carried out by Safer Neighbourhood Teams in conjunction with local partner agencies and communities:
  - Burglary Residential Dwelling has fallen by 17%
  - Public Order fallen by 5.7%
  - Criminal Damage has fallen by 4.6%
  - Vehicle Offences fallen by 1.9%
  - Anti-Social Behaviour (ASB) has fallen by 4%.

Conversely, though, others have risen including:

- Robbery has risen 16.4%, though still relatively small numbers overall
- Possession of Weapons has risen 15.6%, in part stemming from the proactive focus placed by the Constabulary on knife crime
- Sexual Offences have risen by 3% though still relatively small numbers overall
- Theft (including Shoplifting) has so far risen 3.6%

Hertfordshire continues to follow a national trend in recording increases in Violence Against the Person (up 2.5%) but increases have slowed considerably not least as crime recording has improved. This includes Domestic Abuse crime, which has increased by 8.4%, in part from the Constabulary encouraging reporting. The threat from knife crime is a particular

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<sup>13</sup> According to Home Office iQuanta for the 12m to 31 October 2019

<sup>14</sup> Herts Constabulary Crime Comparison Sheets, Year to Date to 31 December 2019

<sup>15</sup> MSG = Hertfordshire, Staffordshire, Essex, Avon & Somerset, Sussex, Leicestershire, Hampshire and Thames Valley

concern. Levels nationally and within Hertfordshire have been increasing in previous years though now beginning to plateau.

- Whilst our overall CJO rate places the Constabulary 1<sup>st</sup> within its MSG, the CJO rates for some offence types remains a cause for concern, notably rape and serious sexual offences. The Constabulary has reviewed all investigations and is ensuring that peer support is available to check and test its approach. In addition, the OPCC is scoping the introduction of a Rape Scrutiny Panel, with plans to implement in 2020/21.
- File Quality, as assessed by NPCC / the CPS, continues to be an area of concern. The Constabulary's national ranking has been in flux but as of November 2019 this stood at 37th worst out of 44 forces. The former Op Qualis and recent OPCC research into file quality with recommendations for improvement continues to drive activity to tackle common errors and improve performance and arising from this there is a significant investment proposal built into the budget.
- There has been a small increase in 999 emergency calls over the last year but notable decrease in 101s, reflecting an element of 'channel shift' to newer, digital methods of contact such as online crime reporting and WebChat. With an intensive change programme in the Force Communications Room (FCR), call handling metrics have improved slightly over the year, with an average of 80% of 999 calls answered within 10 seconds and 47% of 101 calls answered within 30 seconds. Further work continues to ensure the resources in the FCR best match the demand profile.
- 'In house' Victim Satisfaction Surveys have showed relatively high levels of 'whole experience' satisfaction for victims of crime though it should be noted that since 1 April 2017, there has no longer been a Home Office requirement for Victim Satisfaction Surveys as a result of which we are no longer able to provide MSG positions. 2019 saw the introduction of Echo, a notable enhancement to our ability to engage with the public, victims of crime, officers and staff with early results suggesting similar patterns of high confidence and satisfaction with the service delivered. The most recent<sup>16</sup> Crime Survey of England and Wales (CSEW) data shows that 82% of those surveyed in Hertfordshire had confidence in their local police (1<sup>st</sup> MSG) and 66% believed they were doing a good or excellent job (also 1<sup>st</sup> MSG).
- Demand Management
- A Demand Management Strategy has recently been agreed by Chief Officers and a supporting action plan is being developed by the Local Change Team who are charged with co-ordinating Hertfordshire Constabulary's efforts to understand and manage both current and future demands. This action plan will also assist in delivering the Annual Management Statement and future reviews by HMICFRS.
- Work to understand the breadth and depth of demands faced by the Constabulary has continued with vigour under the banner of Project Odyssey. Recent reviews include:
- **Intervention Teams** - A Post Implementation Review of the shift change implemented to better meet the demands placed on Intervention Teams is being conducted to ensure efficiencies are maximised whilst the effectiveness of response teams is enhanced. Whilst considering the impacts on the hearts and minds of Officers and Staff, building the confidence of the public in our ability to react to their needs by increasing capability.
- **Safer Neighbourhood Teams** – A number of resourcing profiles have been developed to meet the demands of neighbourhood policing and are offered to Chief Officers for consideration. These models include, a 'HARM' based tool that assesses the harm caused

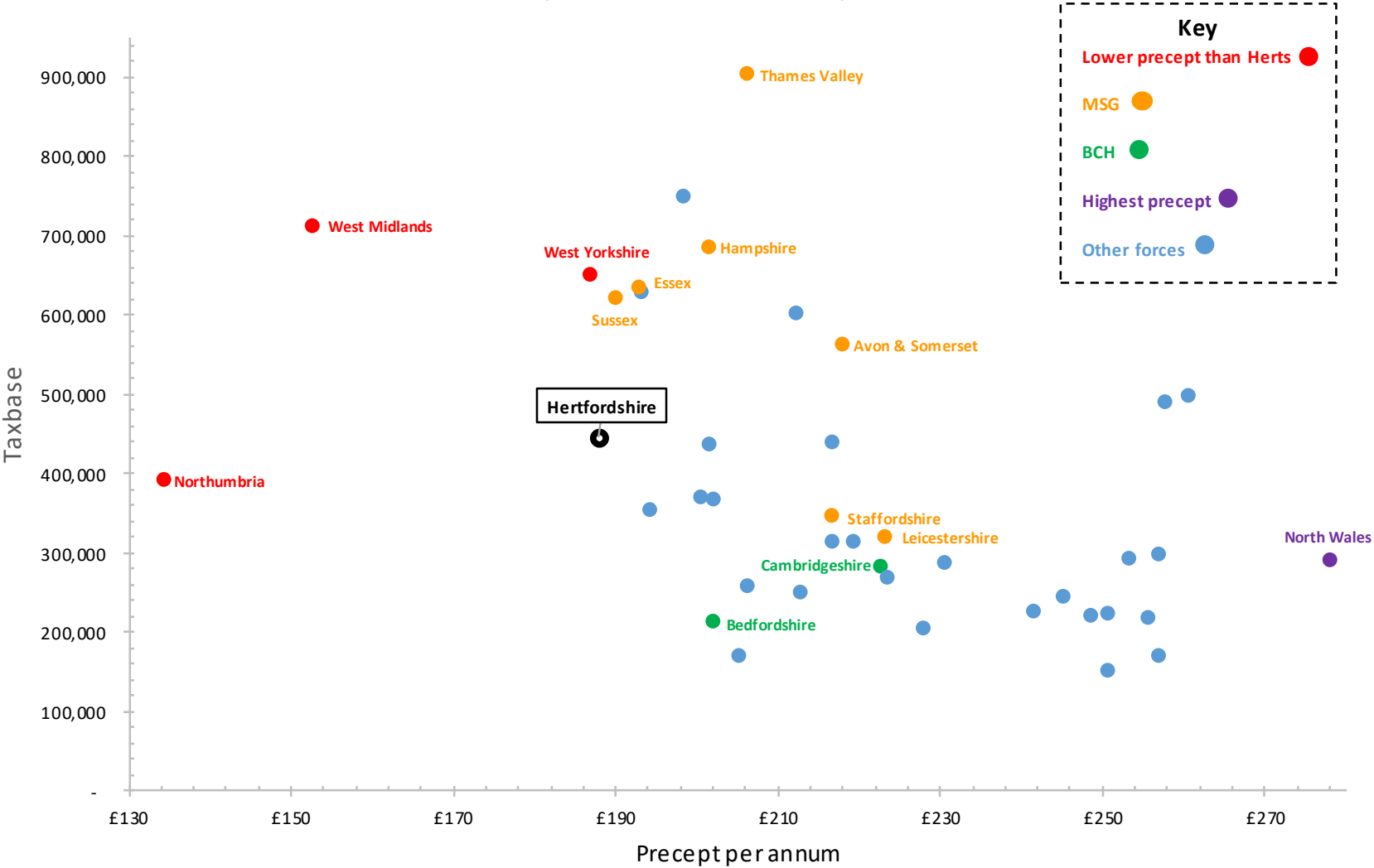
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<sup>16</sup> 12 months to 30 June 2019

to communities and individuals across a range of metrics, a Priority Based Budgeting tool utilising current budgetary constraints to depict service delivery levels and the 2012 model, the model developed in house which informed the current resourcing picture. Further to this, a shift pattern has been developed to deliver a focus on local, community policing whilst realigning staff and Officers to supervision and teams, building resilience and ensuring resources are available at optimum times to address the needs of the public. This will be considered by Chief Officers in the near future.

- **Force Communications Room** – A full review of demands on the Force Communications Room (FCR) has been completed by the Local Change Team, alongside external consultants, resulting in process changes, a new shift pattern design to address call handling requirements and identification of demand reduction initiatives, including the re-introduction of an Incident Response Team (IRT) on a 12-month trial basis to resolve calls to service at the first point of contact. Ongoing work includes the scoping of a Crime Recording function, to manage all aspects of investigation recording within the FCR (excluding those deployed to), to allow call handlers to focus on performance measures whilst developing expertise and efficiencies in recording functions.
- **Crime Investigation** – A review of demand placed upon investigative functions across the organisation including: Local Crime Units, Case Investigation Teams and specialist investigation teams such as the Serious and Organised Teams and Safeguarding. This review is aimed at building resilience whilst increasing the Forces' capability and capacity to meet the investigative needs of its victims.
- **Intelligence Review** – An ongoing review of all intelligence functions across the organisation is underway, with a focus on realigning processes and procedures, reviewing service level agreements and improving service delivery to the organisation, its' partners and the public.

2019/20 National Precept vs Taxbase comparison (excl. MOPAC)



## Appendix C – 2020/21 Precept amounts required from the Borough/District councils

District	Tax Base £	Collection Fund £	Total £
Broxbourne Borough Council	7,018,506	212,296.00	7,230,802.00
Dacorum Borough Council	11,596,266	131,410.00	11,727,676.00
East Herts District Council	12,131,856	81,609.00	12,213,465.00
Hertsmere Borough Council	8,294,022	175,758.80	8,469,780.80
North Herts District Council	9,896,040	(42,671.00)	9,853,369.00
St Albans District Council	12,438,558	152,101.00	12,590,659.00
Stevenage Borough Council	5,500,638	60,055.00	5,560,693.00
Three Rivers District Council	7,764,174	(77,339.00)	7,686,835.00
Watford Borough Council	6,629,238	108,203.00	6,737,441.00
Welwyn Hatfield District Council	8,432,820	52.77	8,432,872.77
<b>TOTAL</b>	<b>89,702,118</b>	<b>801,475.57</b>	<b>90,503,593.57</b>

## Appendix D – HMICFRS Value for Money 2019

HMICFRS have recently published their annual Value for Money dashboard that compares force position against Most Similar Group (MSG, 8 forces) and nationally (41 forces), using 2019/20 budget data. The key points to note are:

- The 27<sup>th</sup> highest level of recorded crime per '000 of population.
- Overall spend is 27<sup>th</sup> highest, 6.0% (£13.2m) below the average, MSG 4<sup>th</sup> highest and 3.0% (£6.0m) above the average.
- 4<sup>th</sup> lowest precept level and 21<sup>st</sup> lowest precept income per head of population.
- 5<sup>th</sup> highest use of reserves and highest in MSG. 15 forces budgeted to contribute resources into reserves in 2019/20 although some at a minimal level.
- Local policing (the biggest area of spend - £81.4m) Hertfordshire is spending 0.6% (£0.5m) above the national average per head of pop. In order to achieve this prioritisation on Local Policing whilst spending below the national average, overall spend on Non-Local Policing per head of pop is significantly lower (9.8% or £13.7m below the national average).
- Hertfordshire is spending 11.1% above the MSG average on Local Policing. Spend on Non-Local Policing is 1.7% below the MSG average.
- With regard to the proportion of budget, Hertfordshire is spending 39.2% on Local Policing compared to 36.6% Nationally (MSG 36.3%). This is equivalent to £5.4m although this figures needs to be seen alongside the variation in overall spend nationally.
- Hertfordshire's proportion of spend on frontline policing is 71.4%. Out of 41 forces Hertfordshire has the 11<sup>th</sup> highest percentage of frontline spend, and the 2<sup>nd</sup> highest out of 8 forces in MSG. On business support Hertfordshire has the 12<sup>th</sup> lowest percentage nationally and 3<sup>rd</sup> lowest within MSG.

### SPECIFIC SERVICE AREAS

Local Policing – 18<sup>th</sup> highest spend nationally. Hertfordshire is spending 0.6% (£0.5m) above the national average per head of population. Hertfordshire's is spending 11.1% above the MSG average:

- Officer spending on Incident and Response Mgt is £5.4m higher than MSG average;
- Officer spend on Community Liaison is £1.6m above MSG average; and
- PCSO spend is £1.0m above national average and £1.3m above MSG average. 12<sup>th</sup> highest level of PCSO spend and 2<sup>nd</sup> highest in MSG.

Support Functions – 12<sup>th</sup> lowest nationally. Hertfordshire is spending 8.4% (£4.1m) below National Average and 0.9% below MSG average, highlighting limited scope to achieve significant further savings:

- HR and Training – Hertfordshire spending 0.7% below National Average ( less than £0.1m ) and 8.2% ( £0.7m ) above MSG average.
- ICT – 10<sup>th</sup> lowest nationally. Hertfordshire is spending 12.2% (£2.5m) below National Average and 15.0% below MSG average.
- Estates – 9<sup>th</sup> lowest spend across all forces. Hertfordshire is spending 18% (£1.6m) below national average.
- Finance – 13<sup>th</sup> lowest spend across all forces.
- PSD – 17<sup>th</sup> lowest spend.



- Communications – 19<sup>th</sup> lowest spend.
- Performance Review and Corporate Development – 13<sup>th</sup> highest spend.

Dealing with Public (Control Room and Front Desk) 19<sup>th</sup> highest spend nationally:

- Control Room – Hertfordshire is spending 9.7% (£1.26m) above National Average and a slightly higher percentage above MSG average.
- Front Desk – 11<sup>th</sup> lowest spend. Hertfordshire is spending 43% (£0.73m) below National Average and 22% below MSG spend.

Criminal Justice – 8<sup>th</sup> lowest spend nationally. Hertfordshire is spending 16% (£2.1m) below the National Average and 12.0% (£1.5m) below MSG average.

Roads Policing – 15<sup>th</sup> lowest spend nationally. Hertfordshire's expenditure on Roads Policing is 10.0% (£0.4m) below National Average and 6.0% (£0.2m) below MSG average.

Operational Support – 15<sup>th</sup> lowest spend nationally. (Firearms, Dogs, PSU, Helicopter) spend is 21% below national average and 2.0% below MSG.

Intelligence – 9<sup>th</sup> highest nationally. Spend is 20% (£1.9m) above the National Average and the MSG average. This area is one of the thematic areas in the Efficiency Review.

Investigations (including Major Crime, S& Org, Economic and Cybercrime) – Spend is 14<sup>th</sup> highest nationally and 4.0% (£0.4m) above the National Average, and 37% above the MSG average.

Public Protection – Spend is 19<sup>th</sup> lowest nationally and 8% (£1.1m) below national average and marginally above MSG average.

Investigative Support – Spend is 20<sup>th</sup> lowest nationally, and 5% (£0.2m) below the national average and a similar percentage below MSG average.

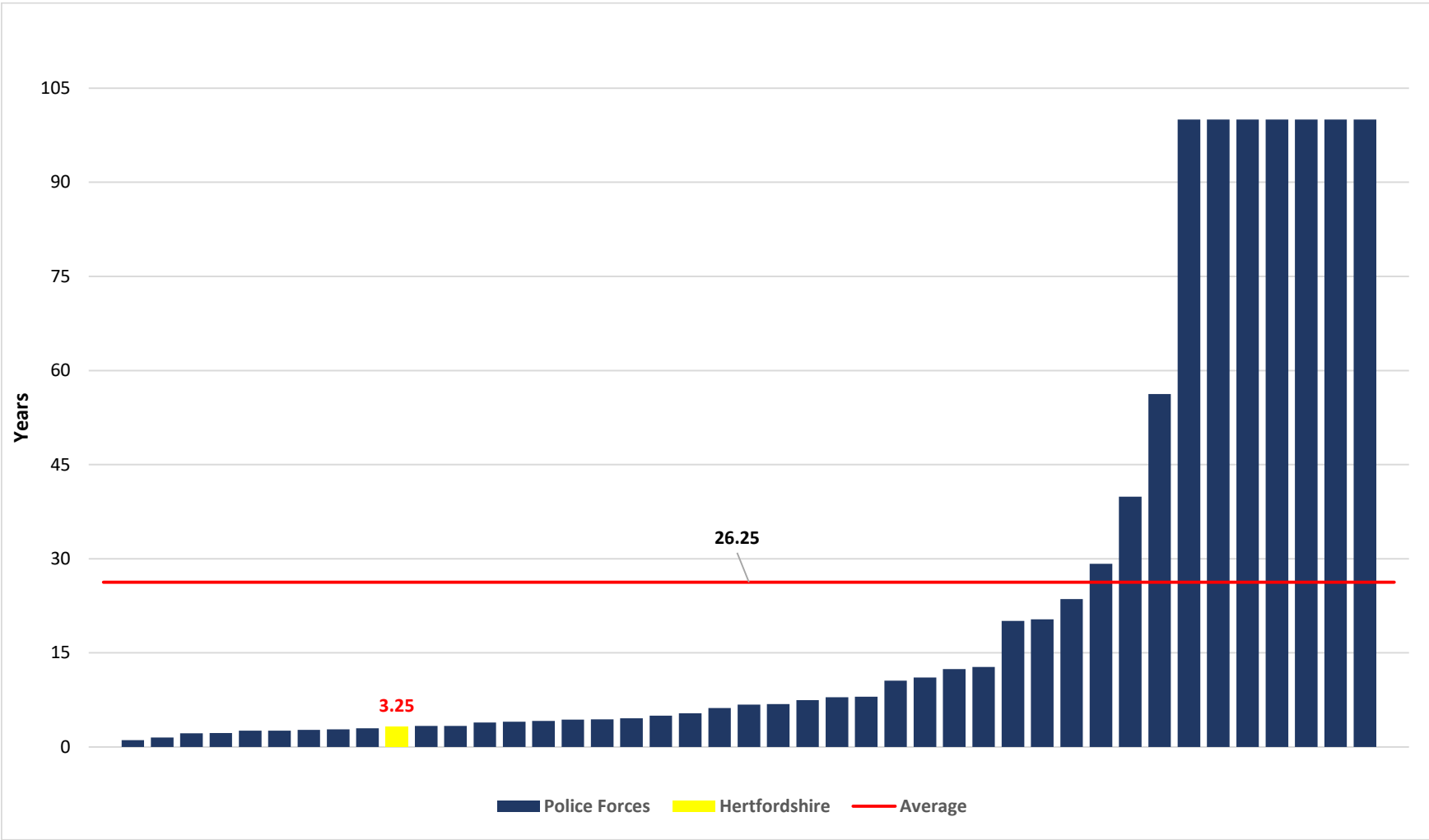
Central Costs- Spend 2<sup>nd</sup> lowest nationally and is 71% (£6.3m) below national average and 69% below MSG spend:

- Pension and Exit costs are £2.7m below national average.
- Revenue Contribution to Capital is £1.8m below national average.
- Capital Financing costs are £1.9m below national average. This is projected to become an area of growing spend pressure as capital receipts are largely utilised, capital spend is planned to increase creating greater pressure to fund capital directly from revenue and to increase borrowing on longer-term assets.

Injury Pension costs are also projected to increase as level of costs increase and reserve is now fully utilised.

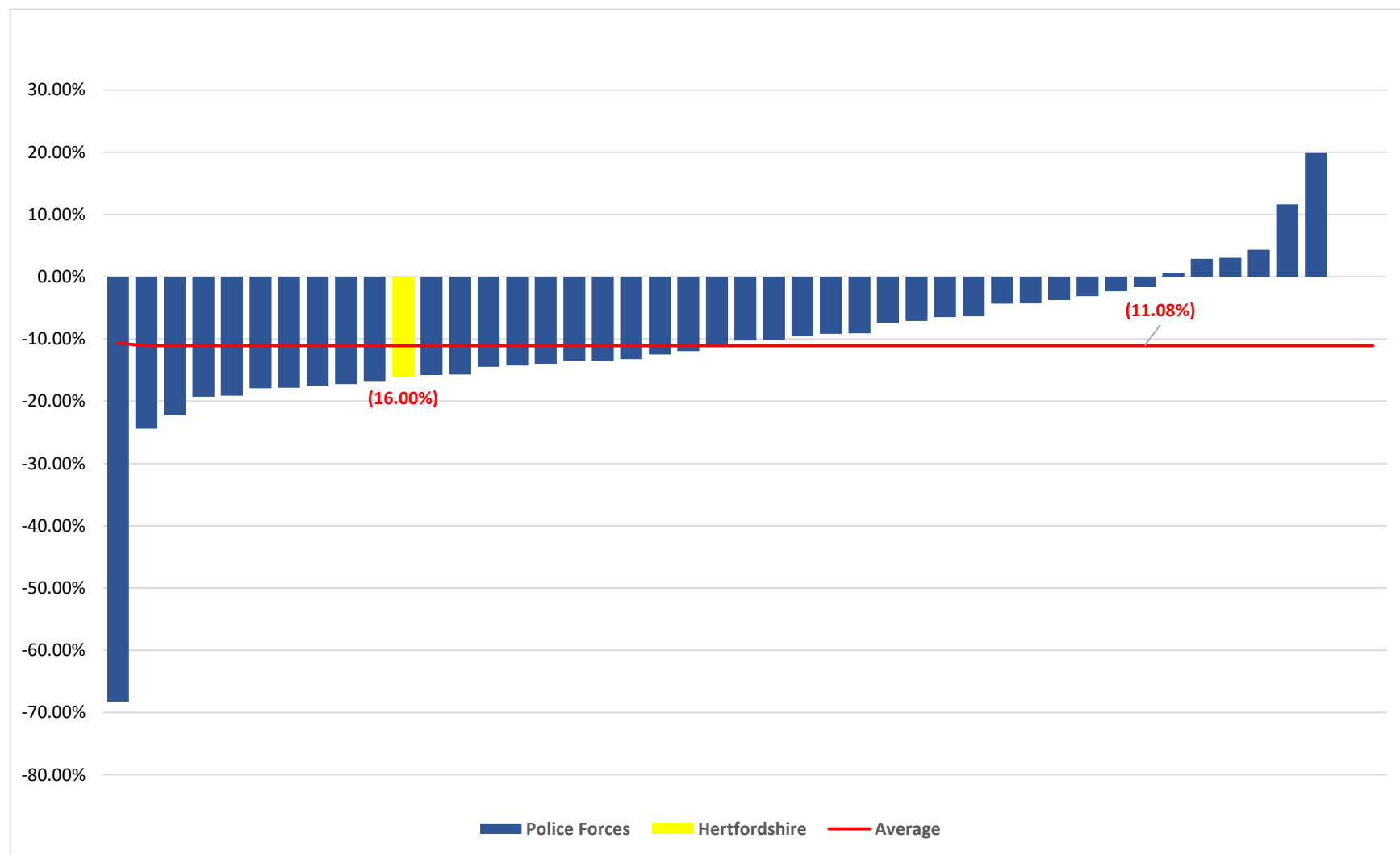
Overtime – Hertfordshire has the 21st highest level of budgeted spend per head of population and 4<sup>th</sup> highest in MSG.

Appendix E – Reserves depletion time



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## Appendix F – Average change in Total Reserves for past 3 years



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