



**To:** Business Co-Ordination Board

**From:** Interim Chief Finance Officer

**Date:** 4 January 2018

### **2018/19 Budget Consultation**

#### **1. Purpose**

1.1 This report provides the Business Co-ordination Board (“the Board”) with the proposed 2018/19 budget consultation documentation.

#### **2. Recommendation**

2.1 It is recommend that the Board approves the budget consultation proposal contained within this report and that the formal consultation commences on Friday 5 January and finishes at 5pm on Monday 29 January.

#### **3. Background**

3.1 Cambridgeshire Constabulary is already an efficient and effective organisation. Over the last 5 years savings of £17.2 million have been made in order to meet the budget reductions faced by Cambridgeshire Constabulary. This has been achieved in a number of ways including reducing back office staff and collaborating with other forces, other emergency services and partner organisations.

3.2 A recent review of local policing in the county has identified a new approach that will create savings and allow an additional 50 officers to be recruited.

3.3 Looking forward, changes in the types of crime that need to be dealt with and an overall increase in calls for service means that more officers are needed to keep people safe, investigate crimes and deter people from criminality.

3.4 Cambridgeshire Constabulary is one of the lowest funded forces in the country and is one of the most efficient with a cost of 43p per person per day against a national average of 55p per person per day.

#### 4.0 Budget Consultation

- 4.1 The draft financial settlement for 2018/19 was issued by the Home Office on the 19<sup>th</sup> December 2018. The settlement provided details of the proposed Police Grant for 2018/19 and allows Police and Crime Commissioners to increase their share of Council Tax by up to £12 per year (band D equivalent). Additionally, in order to help forces plan their finances more effectively for the future, the Home Office has signalled its intention to repeat the same settlement for 2019 to 2020, provided there is substantial progress from policing in delivering productivity and efficiency improvements.
- 4.2 As part of the budget consultation on Council Tax increases for 2018/19, the Commissioner wishes to present a number of options to the public, showing what these mean in relation to police numbers.
- 4.3 The starting point of these options is the pre-settlement planned increase of approximately £4.00 per annum (based on a Band D house). This would allow current officer numbers to be maintained. If no council tax increase was applied then there would be a risk to approximately 23 posts, or equivalent savings found from elsewhere, on already tight budgets. If an increase of £12 a year were applied then an increase of 55 new officers would be possible.
- 4.4 The proposed budget consultation questionnaire is attached as Appendix A.
- 4.5 The Medium Term Financial Strategy (MTFS) 2018/19 – 2021/22 and precept report will be brought to this Board when it meets on 16 January and will contain full details of how the ability to increase the Council Tax by £12 will impact the MTFS. However, the Commissioner is planning to increase Council Tax by the full £12 allowable.
- 4.6 The current draft MTFS is predicated on a 1.99% council tax rise which left a budget gap of between £10m and £14m. The provisional Police Grant settlement, which is a “stand still position”, means this budget gap will be £10m. The additional council tax raised could be used to help bridge this budget gap.
- 4.7 The intention of the Commissioner is to give all of the additional money raised from the increased Council Tax (above the planned 1.99% increase) to the Chief Constable. This would allow him to resource the increase in demand more adequately and more effectively respond to what the public want through measures that would include the recruitment of additional Police Officers as well as permitting a review of the plans to reduce Police station opening hours. Whilst this will help ensure the resourcing needs of the Constabulary are being more adequately met it will however, still leave a budget gap, over the medium term, of approximately £10m, which will need to be met by the saving and efficiency plans that are already in place.

**5. Recommendation**

- 5.1 It is recommend that the Board approves the budget consultation proposal contained within this report and that the formal consultation commences on Friday 5 January and finishes at 5pm on Monday 29 January.

**BIBLIOGRAPHY**

<b>Source Document</b>	
<b>Contact Officer</b>	Interim Chief Finance Officer, Office of the Police and Crime Commissioner