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CYNGOR
Sir Ddinbych
Denbighshire
COUNTY COUNCIL

Annwyl Syr / Fadam,

Atodir agenda a dogfennau eraill isod ar gyfer cyfarfod o'r **PANEL HEDDLU A THROSEDD GOGLEDD CYMRU**.

Yr eiddoch yn gywir,

Gary Williams
**Pennaeth Gwasanaethau Cyfreithiol a Democrataidd**

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Dear Sir / Madam,

An agenda and other documents for a meeting of the **NORTH WALES POLICE AND CRIME PANEL** are attached below.

Yours faithfully,

Gary Williams
**Head of Legal and Democratic Services**

**AGENDA**

**1 AGENDA PACK** (Pages 3 - 52)

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POLICE AND CRIME PANEL

PANEL HEDDLU A THROSEDD

**North Wales Police and Crime Panel**

Monday, 20 January 2014 at 10.00 am
Bodlondeb, Conwy

# AGENDA

1. **Apologies for absence**

2. **Declarations of Interest: Code of Local Government Conduct**

   Members are reminded that they must declare the **existence** and **nature** of their declared personal interests.

3. **Urgent matters**

   Notice of items which, in the opinion of the Chairman, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act 1972.

4. **Minutes** (Pages 3 - 6)

   To approve and sign as a correct record minutes of the previous meeting.

5. **Periodic Update by the Police and Crime Commissioner** *(verbal)*

6. **To consider reports by the North Wales Police and Crime Commissioner:**

   **a)** Proposed Policing Precept Level (Pages 7 - 18)

   **b)** Police and Crime Commissioner and Chief Constable for North Wales Police Force - Medium Term Financial Plan 2014-15 to 2017-18 (Pages 19 - 38)

   **c)** Police and Crime Plan for North Wales - Consultation Draft - Revised Police and Crime Objectives (Pages 39 - 49)

   **d)** Workshop for Panel Members *(verbal)*

7. **Date of Next Meeting:**

   Monday, 17 March 2014 @ 2.00 pm

CONWY
CYNGOR BWRDEISTREF SIROL
COUNTY BOROUGH COUNCIL

**Membership of Panel**

| | |
|---|---|
| Cllr Glenys Diskin (Chair) | Flintshire County Council |
| Cllr Gethin Williams (Vice Chair) | Gwynedd Council |
| | |
| Cllr Amanda Bragg | Flintshire County Council |
| Cllr Philip C. Evans J.P. | Conwy County Borough Council |
| Cllr Julie Fallon | Conwy County Borough Council |
| Cllr William T. Hughes | Ynys Mon County Council |
| Cllr Charles Jones | Gwynedd Council |
| Cllr Colin Powell | Wrexham County Borough Council |
| Cllr Ian Roberts | Wrexham County Borough Council |
| Cllr Bill Tasker | Denbighshire County Council |
| | |
| Patricia Astbury | Independent Co-opted Member |
| Timothy Rhodes | Independent Co-opted Member |

# NORTH WALES POLICE AND CRIME PANEL

Monday, 16 December 2013 at 2.00 pm
Bodlondeb, Conwy

| | |
|---|---|
| Present: | Councillor Glenys Diskin (Chair)<br><br>Councillors: Amanda Bragg (Flintshire County Council), Philip C. Evans J.P. (Conwy County Borough Council), William T Hughes (Ynys Mon County Council), Colin Powell (Wrexham County Borough Council) , Ian Roberts (Wrexham County Borough Council) and Bill Tasker (Denbighshire County Council) |
| Co-opted Member | Pat Astbury |
| In Attendance: | Anna Humphreys (Chief Executive, Office of the Police and Crime Commissioner) Winston Roddick CB QC (North Wales Police and Crime Commissioner) and Julian Sandham (Deputy North Wales Police and Crime Commissioner) |
| Officers: | Ken Finch (Strategic Director - Democracy, Regulation and Support), Richard Jarvis (Solicitor), Jane Angharad Jones (Committee Services Officer) and Ffion Wynne (Translator) |

## 82. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Julie Fallon, Charles Jones, Gethin Williams and Timothy Rhodes (Independent Co-opted Member).

## 83. DECLARATIONS OF INTEREST: CODE OF LOCAL GOVERNMENT CONDUCT

Councillor Philip C. Evans J.P., Pat Astbury (Co-opted Member) and the Strategic Director (Democracy, Regulation and Support) declared a personal, but non-prejudicial interest in Agenda item 5 - Confirmation Hearing for Deputy Police and Crime Commissioner as they know the candidate on a professional basis only.

## 84. URGENT MATTERS

None reported.

## 85. MINUTES

The minutes of the North Wales Police and Crime Panel held on 11 November, 2013 were submitted for approval.

**RESOLVED –**

**That the minutes of the meeting of the North Wales Police and Crime Panel held on 11 November, 2013 be approved as a correct record.**

86. **CONFIRMATION HEARING FOR DEPUTY POLICE AND CRIME COMMISSIONER**

The North Wales Police and Crime Panel (PCP) had convened to consider the Police and Crime Commissioner's (PCC) nomination for the post of Deputy Police and Crime Commissioner (DPCC).

The Police Reform and Social Responsibility Act 2011 required the PCP to hold a confirmation hearing in public in respect of this senior appointment, whereby the candidate was requested to appear for the purposes of answering questions relating to the appointment.

The Commissioner provided the Panel with some background to the appointment process and reported that a total of 11 applications were received, out of which 3 applicants were interviewed. The Interview Panel unanimously agreed that Mr Sandham would be the most suitable candidate as his career history would best mirror and complement the Commissioner's legal background.

As a consequence, the PCP was asked to consider the proposed senior appointment of Julian Sandham as the Deputy Police and Crime Commissioner for North Wales.

Mr Sandham addressed the PCP and provided an update on his work to date, which included:-

- Attendance at various functions, engagements and seminars
- Community engagement
- Development of scrutiny. Areas of activity being burglary of people's homes, crime recording and the development of draft guidelines in respect of Professional Standards and Integrity. In response, the Commissioner informed the Panel that anomalies and accuracy of the recording of crime had been reported to the Home Office
- The development of draft guidelines in respect of Professional Standards and Integrity
- Review of work activity within the Commissioner's office
- Provide daily updates to the Commissioner

In addition, Mr Sandham responded to questions raised by the Panel Members.

Following the hearing, the PCP approved a motion to exclude the press and public, in order to deliberate in private.

**RESOLVED –**

**That it be recommended to the Police and Crime Commissioner that Mr. Julian Sandham be appointed as the Deputy Police and Crime Commissioner.**

*Councillor Philip C. Evans J.P., Pat Astbury (Co-opted Member) and the Strategic Director (Democracy, Regulation and Support) declared a personal, but non-prejudicial interest in the above item.*

*The Commissioner and Chair wished both the Panel and Officers a Merry Christmas and Happy New Year.*

87. **ALLOWANCE SCHEME**

The Police and Crime Panel (PCP) was asked to consider whether the Allowance Scheme for the North Wales PCP should make provision for reasonable time for pre meeting preparation and travelling time to and from the place of the meeting.

The Strategic Director (Democracy, Regulation and Support) informed the PCP that the Independent Remuneration Panel for Wales (IRPW) had recently published its Annual Report and whilst the IRPW did not have any jurisdiction over the PCP, the PCP's Allowance Scheme was based on the IRPWs payments to co-opted members.

Members considered the report and made the following observations:-

- The role of the Panel and the importance of effective scrutiny
- Resource implications
- Travelling time to and from the place of the meeting
- Rotation of meetings - the Panel strongly believed that as Conwy was the host authority, the meetings should remain within Conwy.
- Proposed payments and risks associated with adopting the revised determinations of the IRPW – Members would be at risk of exceeding the maximum amount payable in any one year
- Representation had been made to the Home Office in respect of a number of issues, but as yet, no definitive answer had been received
- Inconsistencies across England and Wales
- Highlighting anomalies to the Secretary of State for Wales was considered an option

The need for clarity in respect of the IRPW's revised determinations was sought, prior to the PCP making representation in respect of the Allowance Scheme.

**RESOLVED:-**

**That consideration of whether the Allowance Scheme should be amended, in line with the revised determination from the**

**Independent Remuneration Panel for Wales (IRPW), be deferred pending the receipt of further information.**

88. **DATE OF NEXT MEETING:**

**RESOLVED:-**

**That the next meeting be confirmed as Monday, 20 January 2014 at 10.00 am in the Council Chamber, Bodlondeb.**

(The meeting ended at 2.50 pm)

## Proposed Policing Precept Level
### *Introduction by Police Commissioner Winston Roddick*

One of the key decisions that I make each year is to decide on the level of the proposed policing precept and to present this to the Police and Crime Panel. This decision is critical in determining the resources that can be made available for the Chief Constable to deliver the policing service in North Wales and for delivering the strategic objectives of my Police and Crime Plan.

To enable the Chief Constable to provide an effective and efficient Police Service and to reduce crime, I propose that the policing element of Council Tax for 2014/15 is increased by 2% which equates to an increase of £4.50 per annum on a band D property or 9 pence a week.

This proposed increased would enable a sustainable budget to be achieved despite further reductions in the policing grant provided to North Wales. Following detailed discussions with the Chief Constable he has concluded that this proposed level of funding for 2014/15 will be sufficient to enable him to deliver on his statutory duties and the Police and Crime Plan.

In reaching this proposal, I have taken into account a number of factors.

Firstly, the level of central grants allocated to North Wales. Central grants from the Home Office and Welsh government provide approximately 55% of the income for North Wales Police. The Home Office's funding for next year has been cut by 3.3%, which has been passed on in full to local policing bodies. In addition, the Home Office has top-sliced the budget to pay for a number of national initiatives, such as an Innovation Fund, and to increase funding for the Independent Police Complaints Commission. This means that every Police and Crime Commissioner in England and Wales has seen central funding reduce by 4.8%. This equates to over £3.5million for North Wales alone.

Secondly, costs are increasing. In particular, the price of fuel is rising far higher than general inflation. Public sector pay is rising at a lower rate, but as pay forms around 80% of our expenditure, even a 1% pay increase represents a large amount.

Thirdly, the level of reserves we hold. Over the past few years, the Chief Constable has been asked to make significant savings. The budgets relating to these savings have been reduced from the point at which it was certain the necessary changes could be implemented. However, thanks to the efficient and proactive attitude of the Chief Constable, many of these savings were realised earlier than expected, which has resulted in underspends over the last few years.

Lastly, the amount of council tax increase that is reasonable in the light of everything mentioned above. The 2% increase proposed still presents many challenges to the Chief Constable. Even though the local population are being asked to contribute more towards the cost of policing, this still represents a net cut in resources of £4.3million. It is expected that central government

funding will continue to decrease in the medium term, and it is becoming harder to identify areas where savings can be made which do not impact negatively on front-line services. Although reserves can be used in the short term to support expenditure, and although they are generous at the current time, they are finite and must therefore be used wisely to ensure the continued viability of North Wales Police.

## Report from the Office of the Police and Crime Commissioner

| | |
|---|---|
| **Title:** | **Budget and Precept 2014-15 to 2017-18** |
| **Meeting:** | **North Wales Police and Crime Panel, 20 January 2014** |
| **Author:** | **Kate Jackson, Chief Finance Officer** |

### 1. Introduction

1.1 This report reviews the financial situation and makes recommendations for the 2014-15 council tax and precept.

### 2. Recommendations

2.1 That the precept for 2014-15 is based on increasing the band D Council Tax by 2% (increase of £4.50 per annum, 9 pence per week) to £227.61, which gives a total precept increase of 3.19%.

2.2 That the funding available and the Budget Requirement is £141.204m, a reduction of -1.31%.

2.3 That £4.325 savings have been identified for 2014-15.

2.4 That the Medium Term Financial Plan outlines a possible increase in Council Tax of 2% for each year to 2017-18 based on an estimated policing grant reduction of 3.2% in 2015-16 and 3% in the following two years

2.5 Summary of Budget 2014-15

| | | £m | |
|---|---|---|---|
| **Budget 2013-14** | | **143.083** | |
| (Adjusted to include Community Safety Fund) | | | |
| Inflation | | 2.446 | +1.7% |
| **Revised Budget 2014-15** | | **145.529** | |
| **Estimated total funding** | **2014-15** | | |
| Government Grants | (Funding proportion 55%) | 77.102 | -4.8% |
| - Council Tax | £227.61 | | +2.0% |
| multiplied by Tax Base | 281,633 | | +1.1% |
| Precept | (Funding Proportion 45%) | 64.102 | +3.19% |
| **Budget 2014-15** | | **141.204** | **-1.31%** |
| **Requiring cuts of** | | **4.325** | |

## 3. Statutory Items

3.1 Quality of information

3.1.1 The Chief Finance Officer (CFO) is required under the Local Government Act 2003 (S5) to comment on the suitability of the information to be used as the basis for budgetary decisions. The CFO has stated that the figures in the various reports are the products of procedures that have continued to be operated to the highest professional standards. These systems are audited both internally and externally and external audit has never issued any qualification. The information is therefore fit for purpose.

3.1.2 The same Act also requires the CFO to comment on the adequacy of reserves to be provided in the budget. The CFO has commented that the general reserve will continue to be adequate for the day to day operational needs of the Force.

## 4. Background

4.1 This Government's original Comprehensive Spending Review (CSR2010) covered the period 2011 to 2015; the Review included substantial cuts across the public sector. The original planned cash reduction in Police Government Grants over the 4 years was 12%. **The final cash reduction over that period is now confirmed as -18.2%** (-5.1% in 2011-12, -6.7% in 2012-13, -1.6% and -4.8% in 2014-15).

4.2 The Police Authority set a Council Tax at a 4% increase for 2011-12 and 2.5% for 2012-13. A Council Tax increase of 4% was set in 2013-14, £4.634m of cuts were taken with £1.8m of these cuts being re invested in an additional 51 Police Officer posts. At the time of setting the 2013-14 budgets a planning assumption of an annual 3% cut in Grants and a Council Tax increase of 4% was made. The table below documents the cuts made to date and the projected cuts at the time of setting the 2013-14 budgets.

| Year | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---|---|---|---|---|---|
| | **£M** | **£M** | **£M** | **£M** | **£M** |
| Cuts required | **4.678** | **6.016** | **4.634** | **2.552** | **2.273** |

4.3 Cuts of £15.058m will have been achieved over the first 3 years of the CSR2010, with £1.8m being re invested in front line posts. During 2013-14 the Chancellor of the Exchequer conducted a 'mini' Spending Review (SR) covering 2014-15 and 2015-16. This report and the Medium Term Financial Plan will focus the 4 years 2014-15 to 2017-18. Based on revised projections (as set out in 2.4) a further £17.103m will need to be cut over the next four years, a total of £32m over seven years, or a 22% reduction from the 2010-11 base, despite rises in council tax.

## 5. The Planning Environment

5.1 The attached Medium Term Financial Plan (English) sets out the planning environment. It includes previous year's figures together with projections for revenue income and expenditure, and plans for capital and reserves.

5.2 No Provisional Government Funding Allocations for 2014-15 had been given as part of the 2013-14 settlement. Following the Chancellor's mini Spending Review in June 2013 the Home Office announced that the Police total budget within the Home Office would be cut by 3.3% and at the time it was assumed that this percentage cut would be passed on the Policing areas.

5.3 The Chancellor announced in the 2013 Autumn Statement (5 December 2013) that there would be an additional 1.1% cut for the Home Office in 2014-15 and 2015-16.

5.4 The Home Secretary and Policing Minister announced the funding allocations for each Policing area on the 18th of December 2013. The main points of the announcements were:

5.4.1 A total cash reduction of 4.8% for all Police areas, made up of:

- the 3.3% cut previously announced previously and
- additional cuts to fund central expenditure (listed in paragraph 5.6).

5.4.2 The additional 1.1% cut from the Autumn Statement is not to be passed on in 2014-15 (although this may be revisited in the future).

5.4.3 The funding allocation announcement for 2015-16 has been deferred to a later date.

5.5 The Commissioner's Community Safety Fund Grant (which was a specific Grant in 2013-14) has been moved to the General Grant as previously announced. The comparative grant figure for 2013-14 has been amended to reflect this change.

5.6 Total government funding for 2014-15 will be £77.102m, a reduction of £3.857m from the 2013-14 figure of £80.959m. The cut to the Home Office Police total budget of 3.3% accounts for £2.671m, the remaining £1.186m has been cut to fund central Home Office Initiatives. These initiatives and the total amounts allocated are:

| | |
|---|---|
| Independent Police Complaints Commission | £18m |
| Innovation Fund | £50m |
| National Police Co-ordination Centre | £2m |
| College of Policing | £3m |
| City of London Police | £2m |
| Her Majesty's Inspector of Constabulary | £9m |

5.7 There was no prior announcement of the majority of these cuts, and therefore it was not possible to reflect all of these in previous planning assumptions. The transfer of funding from Police and Crime Commissioners (and therefore Police Forces) to central Home Office Initiatives, and the lack of timely information, could represent a serious risk to future financial planning and assumptions if repeated. Moreover, in some cases, it is far from clear how the use of these sums will benefit the communities of North Wales.

5.8 No announcement has been made on funding for 2015-16 onwards, although the Home Office has previously announced that damping (applied through the Floor Grant, which has resulted in all Commissioners experiencing the same 4.8% cut in 2014-15) will be applied in a similar way in 2015-16, prior to a fundamental review of the Police Funding Formula. Based on the figures currently available, and the Government has indicated that the austerity drive will continue beyond 2016-17, it has been assumed that there will be a reduction in grant of 3.2% in 2016-17, and 3% in the following years.

## 6. Budget 2014-15

6.1 Following the Chancellor's mini Spending Review in June 2013 it was expected that cuts of 3.3% would be made to Government Grants. However, the Home Office cuts listed in paragraph 5.6 imposed a further 1.5%, equivalent to £1.186m. Increasing Council Tax by 2% will require cuts of £4.325m, these have been identified and are listed below:

| | £m |
|---|---|
| Budget 2013-14 (adjusted to include CSF Grant) | 143.083 |
| Pay Inflation | 1.455 |
| Non-Pay Inflation | 0.577 |
| Grant funded expenditure | 0.424 |
| Revised Budget Requirement | 145.529 |
| Estimated total funding 2014-15 | 141.204 |
| Cut required | 4.325 |

| Cuts identified which can be taken in 2014-15: | £m |
|---|---|
| Project 2011+ and other reviews | 0.666 |
| Allowances, overtime and turnover | 1.324 |
| Pension Costs | 0.400 |
| IT Replacement Programme | 0.321 |
| Firearms Alliance | 0.400 |
| Forensics | 0.150 |
| Income | 0.540 |
| Grants | 0.414 |
| Inflation | 0.110 |
| Total | 4.325 |

6.2 Identifying savings, while maintaining the Service levels is becoming increasingly difficult. The Budget for 2014-15 can be balanced at the level shown above, but the balance between cuts and precept will need to be kept under review and the 2% increase in Council Tax may need to increase in future years. By the end of 2018 it is

assumed that nearly a quarter of the budget (22%) will have been cut since 2010, despite rises in council tax.

6.3 The Police Officer establishment (that is the number of funded Police Officer Posts) for 2013-14 was set at 1468. The original plan included an establishment of 1417, but additional funding of £1.8m was made available to fund 51 front line posts. The Police Officer Establishment for 2014-15 will be 1438. This is due to the reduction in Home Office funded posts, civilianisation, secondments, and the final stages of Project 2011+. A summary of these movements is shown below:

| | |
|---|---|
| Establishment 2013-14 | 1468 |
| Civilianisation | -7 |
| Home Office funded posts | -22 |
| Projects and Secondments | -1 |
| Police Officer Establishment 2014-15 | 1438 |

6.4 The Force's Recruitment Plan is set so that the established Post are filled with fully trained Officers, this will mean that during the year actual numbers of Officers will be higher than 1438 due to Probationary Officers who are being trained and not deployable.

7. **Risk**

7.1 The level of uncertainty in setting the 2014-15 budget has been high, because the Home Office Grant funding was not known until 18 December 2013. As no grant figures have been announced for further years the level of uncertainty for 2015-16 onwards is also high.

7.2 The plans for the saving in 2013-14 are in place and are being implemented, however the potential savings for 2014-15 have yet to be tested; however these have been considered by the Chief Constable who is confident this is deliverable in the year. Cuts beyond 2014-15 have to be identified and delivered. Not all of the savings are under the Force's control, for example the Collaboration savings will depend on other forces, and the cost and savings on pay will depend on final national agreements.

7.3 The estimated cuts required are based on the planning assumption that Council Tax will increase by 2% each year, compared to the previous planning assumption of 4%. Given the uncertainty of what lies ahead, both in financial and operational terms, this planning assumption could be liable to change. If this were to be reduced, each reduction of 1% would result in additional cuts to the value of £0.628m in the 2014-15 budget. Conversely, an increase of 1% would increase the funding available by £0.628m.

7.4 As indicated in paragraph 5.6, the Home Office has top-sliced the amounts allocated to Police areas in 2014-15 to fund national units and initiatives. There will be further significant top-slicing to fund the Independent Police Complaints Commission in the

next two years. Any additional growth in new initiatives may result in further top-slicing.

7.5 The current Police Funding Formula has not been fully applied as the swings in funding have been considered too large. The adjustment has been made via the Floor Grant; the grant announcement stated that the Floor Grant would be continued in 2015-16. A full review of the Police Funding Formula is to be undertaken by the Home Office. Any change to the formula is likely to benefit larger forces and could result in significantly reduced funding for North Wales.

7.6 Further cuts could be applied in the next Comprehensive Spending Review period. Each additional 1% cut to the General Grant represents a cash reduction of over £0.771m.

7.7 As 80% of the net budget is spent on pay, small changes to the assumed pay increase, pension contributions, or National Insurance contributions can have a disproportionate effect on the budget.

7.8 The table below highlights the sensitivity of the main assumptions:

| **Sensitivity – main variables:** | **£m** |
|---|---|
| 1% reduction in Council Tax increase | 0.628 |
| 1% reduction in grant | 0.771 |
| 1% increase in pay | 1.116 |
| 1% increase in inflation | 0.300 |

8. **Resilience**

8.1 The Commissioner has a duty to ensure that he holds adequate financial reserves to manage risks. In addition to the funding and forecasting risks detailed above, the Commissioner needs to cater for expenditure risk (spending over budget) and costly major incidents, natural disasters or other unforeseen events. An element of this risk has up until now been managed through in-year budgets via contingency budgets. These contingency budgets are being reduced and a greater proportion of that risk is being transferred to Reserves and Balances.

8.2 General reserves are currently £7.189m which is 5.09% of the estimated 2014-15 net budget. The prudent range is considered to be 3%-5% of net budget, and it is advisable to be at the higher end of that range in the current climate, particularly bearing on mind that contingencies have been reduced in the revenue budget.

8.3 Earmarked Reserves have also increased over recent years. This is as a result of expenditure controls being put in place early in anticipation of major cuts. The Medium Term Financial Plan details how these reserves will be used to reduce pressure on future revenue costs and minimise risk as far as possible.

8.4 The use of the reserves will depend on the final decisions on Capital Expenditure and the final revenue settlements, therefore the profile in the table below is the current plan on how the earmarked reserves may be best used to support service provision and reduce pressure on the revenue budget. Where the use of the Reserve is not known (such as the Major Incident Reserve) no changes are shown. The use of reserves is reviewed on a regular basis.

**Reserve Position**

| **Usable Reserves at:** | **31.3.12** | **31.3.13** | **31.3.14** | **31.3.15** | **31.3.16** | **31.3.17** | |
|---|---|---|---|---|---|---|---|
| | £m | £m | £m | £m | £m | £m | |
| Capital Receipts Reserve | 2.228 | 2.725 | 0.829 | 0.000 | 0.000 | 0.000 | Can be used only for capital. Planned additional sales are included in the capital funding. |
| Capital Grants Unapplied | 1.582 | 1.361 | 0.000 | 0.000 | 0.000 | 0.000 | Can be used only for capital. |
| General Fund Balance | 7.189 | 7.189 | 7.189 | 7.189 | 7.189 | 7.189 | At the recommended 5% of budget. |
| Earmarked General Fund Reserves | 29.043 | 31.027 | 29.167 | 22.642 | 18.614 | 15.488 | Detailed below |
| **Total Usable Reserves** | **40.042** | **42.302** | **37.185** | **29.831** | **25.803** | **22.677** | |

A breakdown on estimated Earmarked Reserves at the end of each financial year is given below:

| **Description** | **31.3.12 £m** | **31.3.13 £m** | **31.3.14 £m** | **31.3.15 £m** | **31.3.16 £m** | **31.3.17 £m** |
|---|---|---|---|---|---|---|
| **Capital Investment** | 18.113 | 16.294 | 12.288 | 6.201 | 2.616 | 0.000 |
| **Transformation** | 0.000 | 0.000 | 1.700 | 1.700 | 1.700 | 1.700 |
| **Major Incident** | 2.040 | 2.040 | 2.040 | 2.040 | 2.040 | 2.040 |
| **PFI** | 2.097 | 2.615 | 3.061 | 3.427 | 3.788 | 4.082 |
| **Pension Ill Health** | 0.881 | 0.881 | 0.881 | 0.881 | 0.881 | 0.881 |
| **Insurance** | 1.259 | 1.259 | 1.259 | 1.259 | 1.259 | 1.259 |
| **Probationer** | 1.346 | 4.840 | 4.840 | 4.140 | 3.440 | 2.740 |
| **Revenue and Project Costs** | 1.949 | 1.949 | 1.949 | 1.949 | 1.949 | 1.949 |
| **Helicopter Maintenance** | 0.317 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| **Partnerships** | 0.789 | 0.668 | 0.668 | 0.564 | 0.460 | 0.356 |
| **Commissioner's Community Safety Fund** | 0.000 | 0.229 | 0.229 | 0.229 | 0.229 | 0.229 |
| **Police Authority/PCC Transition** | 0.252 | 0.252 | 0.252 | 0.252 | 0.252 | 0.252 |

## 9 Consideration of the Options

9.1 The Commissioner has considered the options available. These range from setting a Council Tax increase of 0% to setting a Council Tax increase of 4% as per the assumption in the previous Medium Term Financial Plan. Each 1% increase in Council Tax is worth £0.628m in budgetary terms. Following discussions with the Chief Constable the Commissioner has decided to propose a 2% increase. This sets a challenging budget, with an overall reduction of -1.31%. Cuts have been identified to balance the budget, but it will be difficult to hold future increases at this level if grant funding is reduced, or if new operational pressures or public expectations arise.

9.1 The level of Council Tax compared to other Forces has also been taken into consideration. This has been made more difficult as the Policing areas in England receive a total of £500m between them as part of the Council Tax Freeze Grant and the Local Council Tax Support Grant, in Wales the Freeze Grant is not available and the Local Council Tax Support Grant is paid direct to the Local Authorities.

9.2 Currently at a Band D value of £223.11 North Wales Police has the highest Council Tax in England and Wales, but if the above Grants were taken into consideration (as they subsidise increases in Council Tax) North Wales would be the 9th highest. If the total funding were to be funded through the Council Tax North Wales would have the 32nd highest Council Tax. These factors have been considered in proposing the increase of 2% in the Council Tax.

9.3 The Commissioner has held discussions with the Chief Constable who has confirmed that the council tax increase of 2% provides sufficient budget to enable the operational delivery of the policing service in 2014-15. However, due to future uncertainty over the level of grant and changes in operational pressures, it is not possible to comment at this stage as to whether an annual increase of 2% is sustainable in the medium term.

9.4 Increasing the Council Tax by 2% the various Property Valuation Bands are:

| A | B | C | D | E | F | G | H | I |
|---|---|---|---|---|---|---|---|---|
| 151.74 | 177.03 | 202.32 | 227.61 | 278.19 | 328.77 | 379.35 | 455.22 | 531.09 |

9.5 The precept for each billing area will be:

| Billing Authority | Council Tax Base | Precept Sum (£) |
|---|---|---|
| Isle of Anglesey County Council | 30,070.64 | 6,844,378 |
| Gwynedd Council | 49,669.55 | 11,305,286 |
| Conwy County Borough Council | 49,516.97 | 11,270,558 |
| Denbighshire County Council | 38,349.38 | 8,728,702 |
| Flintshire County Council | 61,501.00 | 13,998,243 |
| Wrexham County Borough Council | 52,525.00 | 11,955,215 |

| | | |
|---|---|---|
| | 281,632.54 | 64,102,385 |

10 **Budget Forecast 2014 to 2017-18**

10.1 The revised assumptions have had some effect on future projections. In terms of funding, an assumption of a reduction in grant of 3% has been made and the planning assumption of a 2% increase in Council Tax. Both are intrinsically linked and a change in the grant funding will lead to a review of the proposed Council Tax level. Details are contained in the Medium Term Financial Plan and summarised below.

10.2 The effect of inflation and grant cuts are broken down as follows:

| | 2014-15 £m | 2015-16 £m | 2016-17 £m | 2017-18 £m |
|---|---|---|---|---|
| Inflationary Increases | 2.446 (1.70%) | 2.355 (1.67%) | 5.005 (3.49%) | 2.464 (1.66%) |
| Reduction in Grant | 3.857 (4.76%) | 2.467 (3.20%) | 2.239 (3.00%) | 2.172 (3.00%) |
| Additional funding from 2% increase in Council Tax | 1.978 | 1.282 | 1.308 | 1.334 |
| **Revised deficit** | **4.325** | **3.540** | **5.936** | **3.302** |

10.3 The savings plans going forward have been reviewed as part of the budget setting process. As the level of uncertainty going in to 2017-18 is very high only the first three years' requirements have been looked at in detail. A total of £13.801 cuts are required for the period 2014-15 to 2016-17 with £4.325m of these required in the first year. The table below breaks down the planned cuts between those that are expected from existing projects and reviews, and those that form new reviews that are being carried out between now and September 2014. As the new reviews have not been conducted yet these figures are estimates. Non-staff cuts are being targeted, but the final reviews will necessarily include staffing. Plans for 2017-18 will need to be developed post September 2014.

10.4

| Summary of cuts planned for the next 3 years | £m |
|---|---|
| Total cuts required over 3 years | 13.801 |
| **Existing Projects and Reviews** | |
| Project 2011+ and other reviews | 0.666 |
| Allowances, overtime and turnover | 1.557 |
| Pension costs | 0.400 |
| IT replacement programme | 0.321 |
| Firearms Alliance | 0.700 |
| Other non-staff | 0.390 |
| Income and grants | 0.954 |
| IT Contracts | 0.700 |
| **Total** | **5.688** |
| **Gap to be identified** | **8.113** |
| | |
| **New Work Streams** | |
| Estates (including Force Communication Centre) | 1.200 |
| Transport | 0.378 |
| Budget Review/Contingency | 0.450 |
| Capital Funding | 0.400 |
| Support Function Review | 2.000 |
| Policing Service Reviews | 3.685 |
| | |
| **Total to be identified** | **8.113** |

**10.4** The final two lines above will involve staff reductions, the challenge will be to achieve this while maintaining front line services over the next four years. Bearing in mind the likely level of reductions in Government Grants there will be an increasing pressure on the Council Tax and Precept levels.

## 11. Implications of the report

| | |
|---|---|
| Diversity | The report's recommendations will affect the Force's employee numbers in future years. |
| Financial | The report deals with financial matters. |
| Risk | The report identifies and evaluates the risks from the recommendations. |
| Legal | The report in conjunction with the Medium Term Financial Plan provides sufficient information for members to reach a decision that could stand future legal challenge. |
| Welsh Language | No separate implications identified. |

## 12. Background documents

Medium Term Financial Plan 2014-15 to 2017-18 English
Welsh Government Police Finance Settlement 2014-15 English/Welsh
Statements of Accounts English/Welsh

# Police and Crime Commissioner and Chief Constable for North Wales Police Force

# Medium Term Financial Plan

# 2014-15 to 2017-18

## 1. Introduction

**1.1** The Medium Term Financial Plan (MTFP) links the Police and Crime Plan and the Police and Crime Objectives agreed by the Police and Crime Commissioner and the Chief Constable with the Financial Strategy (Appendix A) and the Resources available.

### 1.2 Aim

The aim of this paper is to give details of how the budget has been balanced to date and the plans for balancing future years whilst maintaining performance and ensuring local and national priorities are achieved.

### 1.3 Background

This Government's original Comprehensive Spending Review (CSR2010) covered the period 2011 to 2015; the Review included substantial cuts across the public sector. The original planned cash reduction in Police Budgets over the 4 years was 12%. The Police Authority set a Council Tax at a 4% increase for 2011-12 and 2.5% for 2012-13. A Council Tax increase of 4% was set in 2013-14 which included the re investment of £1.8m savings in an additional 51 Police Officer posts. At the time of setting the 2013-14 budgets a planning assumption of an annual 3% cut in Grants and a Council Tax increase of 4% was made. The table below documents the cuts made to date and the projected cuts at the time of setting the 2013-14 budgets.

| Year | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---|---|---|---|---|---|
| | **£M** | **£M** | **£M** | **£M** | **£M** |
| Cuts required | **4.678** | **6.016** | **4.634** | **2.552** | **2.273** |

1.4 Cuts of £15.058m will have been achieved over the first 3 years of the CSR2010, with £1.8m being re invested in front line posts. During 2013-14 the Chancellor of the Exchequer conducted a 'mini' Spending Review (SR) covering 2014-15 and 2015-16. This Medium Term Financial Plan (MTFP2014) will cover the 4 years 2014-15 to 2017-18.

## 2. Planning Process

2.1 A number of reviews were carried out during 2010-11 in anticipation of the budgetary reductions these were governed by the 2011+ Programme Board. The final Phase of these Reviews, Phase 5 was completed during 2013-14 with some savings falling into 2014-15. The Project 2011+ reviews resulted in the reorganisation of the operational delivery model and the back office support which was implemented on May the 4th 2011. These delivery models were reviewed during 2012-13 and amendments made within the budgets allocated in each area. Further reviews were conducted during 2012-13, with Phase 3 Level 2 Policing being implemented and Phase 4 Criminal Justice administration also being implemented.

The final Phase 5 which covered a number of areas not previously reviewed has also been completed. This Medium Term Financial Plan will concentrate on future years, estimating the gap in resources and how plans will be developed to find the required cuts.

**2.2** In developing the MTFP the following were also taken into account:

- The strategic planning process
- Other Force strategies
- Current economic climate
- Estimates of resources available to fund the Medium Term Financial Plan
- Budget forecasts for the period including pay awards
- The current financial position.
- The Capital Programme, Prudential Code and their effect on the Revenue Budget
- Reserves and Balances
- Income generation, trading activities and grants
- Collaboration
- Managing financial resources

2.3 A draft set of budgets were discussed in detail by the Chief Officer Team and Service leads on the 20th of November 2013. The proposals were discussed by the Commissioner's and Chief Constable's Chief Finance Officers on the 21st of November 2014. The Government's Grant figures were announced on the 18th of December, a further meeting between the Chief Officer Team and Service leads was held on the same day. The final proposals were agreed on the 20th of December at a meeting between the Commissioner and his staff and the Chief Officer Team, subject to the final detail being reviewed in the new year by the Commissioner prior to submission to the Panel.

2.4 The following sections will detail all developments since the previous MTFP giving the updated position for Revenue, Capital and Reserves.

**3. 2013-14 Budget**

3.1 Government Funding was cut by 1.6% in 2013-14 (following on from cuts of 5.1% and 6.7% in 2011-12 and 2012-13 respectively). Council Tax was increased by 3.98%. Cuts of £4.634m were identified and £1.777m of theses were re invested in 51 additional Police Officer posts, increasing the number of funded posts from the 1417 planned to 1468.

3.2 The cuts identified (summarised below) have been implemented successfully. Current projections are for a £1.7m under spend for the year, the majority of the under spends are in areas of the budget targeted for cuts in 2014-15.

**Cuts taken in 2013-14 budget**

| | £m |
|---|---|
| Reviews 2012-13 | -0.578 |
| Review previous years | -1.456 |
| Civilianisation | -0.565 |
| Increment Freeze | -0.411 |
| Allowances | -0.391 |
| Training | -0.125 |
| Energy Budget | -0.090 |
| Body Armour | -0.100 |
| Contracts | -0.252 |
| Air Support | -0.285 |
| Special situation contingency | -0.093 |
| General Contingency | -0.250 |
| Interest on Balances | -0.038 |
| **Total** | **-4.634** |

## 4. Funding Allocations

4.1 No Provisional Government Funding Allocations for 2014-15 had been given as part of the 2013-14 settlement. Following the Chancellor's mini spending Review in June 2013 the Home Office announced that the Police total budget within the Home Office would be cut by 3.3%; it was assumed that this cut would be passed on the Policing areas.

4.2 The Chancellor announced in the 2013 Autumn Statement (December 5th) that there would be an additional 1.1% cut for the Home Office in 2014-15 and 2015-16.

4.3 The Home Secretary and Policing Minister announced the funding allocations for each Policing area on the 18th of December 2013. The main points of the announcements were:

- A total cash reduction of 4.8% for all Police areas.
- This is made up of the previous 3.3% cut announced previously and additional cuts to fund central expenditure (listed below).
- The additional 1.1% cut from the Autumn Statement is not to be passed on in 2014-15.
- Funding allocation announcement for 2015-16 to be deferred to a later date.

4.4 The Commissioner's Community Safety Fund, which was a Specific Grant in 2013-14, has been moved to the General Grant as previously announced. The 2013-14 base has been amended to reflect this in order to compare like with like.

4.5 Total Government Funding for 2014-15 will be £77.102m, this is a reduction of £3.857m from the 2013-14 figure of £80.959m. The cut to the Home Office Police total budget of 3.3% accounts for £2.671m of this, with the additional £1.186m being cut to fund central Home Office initiatives. These initiatives and total amounts allocated are:

| | |
|---|---|
| Independent Police Complaints Commission | £18m |
| Innovation Fund | £50m |
| National Police Co-ordination Centre | £ 2m |
| College of Policing | £ 3m |
| City of London Police | £ 2m |
| Her Majesty's Inspector of Constabulary | £ 9m |

4.6 No announcement has been made on funding from 2015-16 onwards; although the Home Office have previously announces that damping (the process to ensure that, where the calculated formula grant is significantly different from what has previously been received, the change in grant is applied over a number of years in order to avoid financial instability; this has resulted in all areas receiving the same 4.8% cut in grant in 2014/15) will be applied in a similar way in 2015-16 prior to a fundamental review of the Police Funding Formula. Based on the figures available, and that the Government has indicated strongly that the austerity drive will continue beyond 2016-17, it has been assumed that there will be a 3.2% grant reduction from 2016-17 and 3% in the following years.

4.7 The Table below summarises actual and projected Government Funding from 2012-13 to 2016-17.

| **13-14 Grant £m** | **14-15 Cut %** | **14-15 Cut £m** | **14-15 Grant £m** | **15-16 Cut %** | **15-16 Cut £m** | **15-16 Grant £m** | **16-17 Cut %** | **16-17 Cut £m** | **16-17 Grant £m** | **17-18 Cut %** | **17-18 Cut £m** | **17-18 Grant £m** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 80.959 | 4.8 | -3.857 | 77.201 | 3.2 | -2.467 | 74.635 | 3.0 | -2.239 | 72.396 | 3.0 | -2.172 | 70.224 |

## 5. Council Tax and Precept

5.1 There are two elements to the total net Police Budget, the total of the Police Grants and the Precept. The proportion of these two funding streams for North Wales Police is as follows:

| | 2013-14 | |
|---|---|---|
| | £m | % |
| **Total Government Grants** | 80.959 | 56.5% |
| **Total Precepts** | 62.124 | 43.5% |
| **Total Budget Requirement** | 143.083 | |

5.2 Council Tax is calculated by dividing the total precept requirement by the tax base, the tax base being the number equivalent Band D properties in each Force area. The Tax Base is provided by the six Local Authorities in North Wales. In 2013-14 there was a decrease in the tax base due to an estimated reduction in the amounts that could be collected by the Local Authorities. This meant that the 2013-14 Council Tax increase of 3.98% resulted in a lower Precept increase of 3.47%. The tax base for 2014-15 has increased by 1.1% which will mean that the percentage increase in Precept will be higher than the Council Tax increase. These changes emanated from the Welfare Reform Act 2012 and the way Housing Benefits are paid, which in turn affect the projected Council Tax collection rate, these changes have been compensated for by payment of an additional Grant to the Local Authorities.

5.3 The rules for limiting the increase in Council Tax increases, called the capping rules, are different for England and Wales. English Police Areas have had access to separate grants if they agreed to limit the Council Tax increases. These were previously paid by the Department of Communities and Local Government (DCLG) but have now been consolidated into the Home Office Grant totalling £500m. North Wales has the second highest Council Tax but if these Legacy Council Tax Grants were taken into consideration North Wales would be the 9$^{th}$ highest.

5.5 The capping rules in England have not been announced but the Chancellor did comment that if Council Tax were to be increased by more than 2% that he would expect a referendum to be held. Policing areas and Local Authorities in England have access to a further Grant equivalent to a 1% increase in Council Tax in 2014-15 if they freeze or reduce their Council Tax.

5.6 No capping rules have been announced in Wales. The Minister for Local Government and Government Business has written to all Local Authorities and Commissioners to say that she is willing to use the capping powers if Council Tax increases appear to be unreasonable. No Council Tax reduction Grant is available in Wales.

## 6. Budget Forecast and Planned Reductions 2014-15 to 2017-18

6.1 A summary of the Budget Forecast and changes for 2013-14 and future years are shown in Appendix B.

6.2 The Comprehensive Spending Review 2010 set out clearly that there would be cuts over a four year period 2011-12 to 2014-15. The 2014-15 budget is the final year of this initial austerity drive, but it is now clear that it is also the first year of a further period of cuts in funding. Cuts required up to 2017-18 have been revised based on the following assumptions:

- Pay Inflation 1% from September 2013
- General Inflation 2%, specific inflation applied where known (e.g. National IT systems charges increase by 15% in 2014-15)
- Council Tax increase of 2%
- Grant reductions of 4.8% 2014-15, 3.2% 2015-16 and 3% for the following 2 years
- Changes in National Insurance charges in 2016-17 will add a further £2.7m to the pay bill

6.3 Based on these assumptions the cuts required over the next 4 years are estimated to be £17.091m broken down as follows:

| Year | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---|---|---|---|---|
| | **£M** | **£M** | **£M** | **£M** |
| Cuts required | **4.325** | **3.540** | **5.936** | **3.303** |

6.4 The effect of inflation and Grant cuts are broken down as follows

| | **2014-15 £m** | **2015-16 £m** | **2016-17 £m** | **2017-18 £m** |
|---|---|---|---|---|
| Inflationary Increases | 2.446 (1.70%) | 2.355 (1.67%) | 5.005 (3.49%) | 2.464 (1.66%) |
| Reduction in Grant | 3.857 (-4.76%) | 2.467 (-3.2%) | 2.239 (-3.0%) | 2.172 (3.0%) |
| Additional funding from 2% increase in Council Tax | -1.978 | -1.282 | -1.308 | -1.334 |

| | | | | |
|---|---|---|---|---|
| **Revised Deficit** | **4.325** | **3.540** | **5.936** | **3.302** |

6.5 The saving plans going forward have been reviewed as part of the budget setting process. As the level of uncertainty going into 2017-18 is very high, the first three years requirements have been looked at in detail. A total of £13.801m cuts are required for the period 2014-15 to 2016-17, with £4.325m of these required in the first year. The table below breaks down the planned cuts between those than are expected from existing projects and reviews over the next 3 years and those form new reviews that are being carried out from now until September 2014. The new reviews have not been conducted yet and the figures are estimates. Non staff cuts are being targeted, but the final reviews will include staffing. Plans for 2017-18 will need to be developed post September 2014.

**Summary of 3 years cut plans**

| | £m |
|---|---|
| Total Cuts required over 3 years | 13.801 |
| **Exiting Projects/Reviews** | |
| Project 2011+ and other Reviews | 0.666 |
| Allowances, Overtime and Turnover | 1.557 |
| Pension costs | 0.400 |
| IT Replacement Programme | 0.321 |
| Firearms Alliance | 0.700 |
| Other non-Staff | 0.390 |
| Income and Grants | 0.954 |
| IT Contracts | 0.700 |
| **Total** | **5.688** |
| **Gap to be identified** | **8.113** |
| **New Work streams to identify gap** | |
| Estates (including Force Communication Centre) | 1.200 |
| Transport | 0.378 |
| Budget Review/Contingency | 0.450 |
| Capital Funding | 0.400 |
| Support Function Review | 2.000 |
| Policing Services Reviews | 3.685 |
| **Total to be identified** | **8.113** |

6.6 From the above, cuts that can be made in 2014-15 have been identified and the details are broken down below

**Breakdown of proposed 2014-15 budget**

| | £m |
|---|---|
| Budget 2013-14 | 143.083 |
| (adjusted to include CSF Grant) | |
| Pay Inflation | 1.455 |
| Non pay Inflation | 0.577 |
| Grant Funded | 0.414 |
| Revised Budget Requirement | 145.529 |
| Estimated total funding 2014-15 | 141.204 |
| Cut required | **4.325** |

**Cuts identified that can be taken in 2014-15**

| | **£m** |
|---|---|
| Project 2011+ and other Reviews | -0.666 |
| Allowances, Overtime and Turnover | -1.324 |
| Pension Costs | -0.400 |
| IT Replacement Programme | -0.321 |
| Firearms Alliance | -0.400 |
| Forensics | -0.150 |
| Income | -0.540 |
| Grants | -0.414 |
| Inflation | -0.110 |
| **Total** | **-4.325** |

## 7. Recruitment

7.1 The Police Officer Establishment (the number of funded Police Officer Posts in the Budget) was set for 2013-14 at 1468. The original plans were set at 1417 but additional funding of £1.8m was made available to fund 51 front line posts. These posts have been filled with either existing experienced Officers or newly trained recruits. The Recruitment Plan is set in order to have fully trained Officers deployed in the Established Police Officer Posts. The number of posts will vary due to Grant funded and Seconded Officer post numbers as well as the effect of any civilianisation or reduction in Police Officer Posts. The actual number of Officers will vary

depending on the number of retirements and other leavers and the recruitment profile.

7.2 The current plan includes five intakes of 18 during the year, however this will be reviewed during the year as the number required will be dependent on the number leaving. The Police Establishment at the start of 2014-15 will be 1438, the reduction is due to the reduction in additional Home Office funded posts, civilianisation, secondments and the final implementation of Project 2011+. A summary is given below

| | |
|---|---|
| Police Officer Establishment 1.4.2013 | 1468 |
| Civilianisation | -7 |
| Home Office funded posts | -22 |
| Projects/Secondments | -1 |
| Police Officer Establishment 1.4.2014 | 1438 |

**8. Risks**

8.1 The level on uncertainty in setting 2014-15 budgets has been high as the grant funding was not known until the 18th of December. As no grant figures have been announced the level of uncertainty for 2015-16 onwards is also high.

8.2 The plans for the savings in 2013-14 are in place and are being implemented; however the potential savings in 2014-15 have to be tested. These are considered to be deliverable in the year. Cuts beyond 2014-15 have to be identified and delivered. Not all the savings are under the Force's control, the Collaboration savings will depend on other Forces, and the cost and savings on pay will depend on final national agreements.

8.3 The estimated cuts required are based on the planning assumption of a 2% increase in Council Tax. If this were to be reduced each reduction of 1% would mean an additional £0.628m cut in the 2014-15 budgets.

8.4 The Home Office have top-sliced the amounts allocated to Police areas in 2014-15 to fund National Units and Initiatives. There will be further top slicing to fund the IPCC in the next two years. Any new initiatives may result in further top slicing.

8.5 The current Police Funding Formula has not being fully applied as the swings in funding have been considered to be too large. The correction is made through the Floor Grant; the grant announcement stated that the Floor Grant would be continued in 2014-15. A full review of the Police Allocation Formula is to be undertaken by the Home Office once the PCC's are established in their posts. A future review of the formula likely to benefit larger Forces and could result in reduced funding for North Wales.

8.6 Further cuts could be applied in the next CSR period. Each additional 1% cut to the General Grant Funding is a cash reduction of over £0.771m.

8.7 As 80% of the net budget is spent on pay any small changes in pay increase, pension contribution or National Insurance contributions can have a disproportionate effect on the budget.

8.8 The table below highlights the sensitivity of the main assumptions

| **Sensitivity main variables** | **£m** |
|---|---|
| 1% less Council Tax increase | 0.628 |
| 1% reduction in grant | 0.771 |
| A 1% increase in pay | 1.116 |
| 1% increase in inflation | 0.300 |

**9. Reserves and Balances**

9.1 The Commissioner has a duty to ensure that he holds adequate financial reserves to manage risks. In addition to the funding and forecasting risks detailed above, the Commissioner needs to cater for expenditure risk (spending over budget), and costly major incidents, natural disasters or other unforeseen events. An element of this risk has been managed through the in-year budgets through the contingency budgets. These are being reduced and greater proportion of that risk being transferred to Reserves and Balances.

9.2 General Reserves are currently £7.189m which is 5.09% of the estimated 2014-15 net budget. The prudent range is considered to be 3% to 5% of net budget and it is advisable to be at the higher point in the current climate, bearing in mind that contingencies have been reduced in the revenue budget.

9.3 Earmarked Reserves have also increased over recent years. This has been made possible as a result of expenditure controls being put in place early in anticipation of major cuts. In the early part of 2010-11 indications suggested that the cuts required over the CSR2010 period would be in the region of £25m. Cuts at this level would have required substantial redundancy costs to be funded from reserves. Any firmly uncommitted reserves were initially put into a 'Redundancy Costs Reserve'. However, the current level of cuts enable these reserves to be put to more positive use that will benefit the service and help reduce revenue pressure in the future. The additional reserves have also enabled risk to be transferred from the revenue budget to the reserves. As Officers have to give only 30 days notice of retirement it is always difficult to project exactly how many recruits are required; having reserves in

place enables the Force to undertake the Recruitment Strategy set out in section 7 in a controlled manner.

9.4 The use of the reserves will depend on the final decisions on capital expenditure and the final revenue settlements, therefore the table below shows the current plan on how the earmarked reserves may be best used to support service provision and reduce the pressure on the revenue budget. Where the use of the Reserve is not known (such as the Major Incident Reserve) no changes are shown. The use of reserves will be reviewed on a regular basis.

Details of the Reserve position at the end of each year are given below the table.

**Reserve Position**

| *Usable Reserves at* | 31.3.12 | 31.3.13 | 31.3.14 | 31.3.15 | 31.3.16 | 31.3.17 | |
|---|---|---|---|---|---|---|---|
| | £m | £m | £m | £m | £m | | |
| **Capital Receipts Reserve** | 2.228 | 2.725 | 0.829 | 0.000 | 0.000 | 0.000 | Can only be used for capital, planned additional sales are included in the capital funding |
| **Capital Grants Unapplied** | 1.582 | 1.361 | 0.000 | 0.000 | 0.000 | 0.000 | Can only be used for capital |
| **General Fund Balance** | 7.189 | 7.189 | 7.189 | 7.189 | 7.189 | 7.189 | At the required 5% of net budget |
| **Earmarked General Fund Reserves** | 29.043 | 31.027 | 29.167 | 22.642 | 18.614 | 15.488 | Detailed below |
| **Total Usable Reserves** | **40.042** | **42.302** | **37.185** | **29.831** | **25.803** | **22.677** | |

A breakdown of estimated Earmarked Reserves at the end of each financial year is given below

| **Description** | **31.3.12 £m** | **31.3.13 £m** | **31.3.14 £m** | **31.3.15 £m** | **31.3.16 £m** | **31.3.17 £m** |
|---|---|---|---|---|---|---|
| **Capital Investment** | 18.113 | 16.294 | 12.288 | 6.201 | 2.616 | 0.000 |
| **Transformation Reserve** | 0 | 0 | 1.700 | 1.700 | 1.700 | 1.700 |
| **Major Incident** | 2.04 | 2.04 | 2.040 | 2.040 | 2.040 | 2.040 |
| **PFI Reserve** | 2.097 | 2.615 | 3.061 | 3.427 | 3.788 | 4.082 |
| **Pension Ill Health Reserve** | 0.881 | 0.881 | 0.881 | 0.881 | 0.881 | 0.881 |
| **Insurance Reserve** | 1.259 | 1.259 | 1.259 | 1.259 | 1.259 | 1.259 |
| **Probationer Reserve** | 1.346 | 4.84 | 4.840 | 4.140 | 3.440 | 2.740 |
| **Revenue and Project Costs** | 1.949 | 1.949 | 1.949 | 1.949 | 1.949 | 1.949 |
| **Helicopter Maintenance** | 0.317 | 0 | 0.000 | 0.000 | 0.000 | 0.000 |
| **Partnerships Reserve** | 0.789 | 0.668 | 0.668 | 0.564 | 0.460 | 0.356 |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Commissioners Community Safety Fund** | 0 | 0.229 | 0.229 | 0.229 | 0.229 | 0.229 |
| **Police Authority Reserve/PCC Transition** | 0.252 | 0.252 | 0.252 | 0.252 | 0.252 | 0.252 |
| **Total** | 29.043 | 31.027 | 29.167 | 22.642 | 18.614 | 15.488 |

**9.5** **Capital Investment Fund –** To be used to invest in the assets and infrastructure of the Force to improve service provision and reduce revenue expenditure.

**Transformation Reserve –** To fund one off costs associated with implementing new saving plans.

**Major Incident Reserve –** To be used in the event of a Major Incident requiring additional resources beyond those available within the annual budget. This reserve has enabled the Major Incident Contingency budget to be reduced.

**PFI Reserve –** This is required as the funding for PFI from the Government reduces annually, the fund will eventually reduce over the life of the PFI contract.

**Pension Ill Health Reserve –** The Authority has to pay a one off sum equivalent to twice an Officers pay for each Ill Health Retirement. Holding the Reserve has reduced the need for the budget in revenue.

**Insurance-** This relates to the Municipal Mutual Insurance Limited scheme of Arrangement, which could result in a final payment of an estimated £0.432m; for unknown emerging claims, and unknown future claims highlighted by the Insurance Broker.

**Probationer Reserve –** To be used to fund Probationers over establishment to enable posts to be filled with trained Officers..

**Revenue and Project Costs –** To be used to fund the cost of change.

**Helicopter Maintenance Fund –** No longer required as Helicopter transferred to national unit, so the amount has been transferred to Capital Reserve.

**Partnerships Reserve –** Balances held for specific Partnerships which will either be used or are held in the event of funding being withdrawn resulting in additional costs.

**Community Safety Fund -** To provide additional resources to the Community Safety Fund

**Office of the PCC and PCC Transition –** OPCC reserve and amount earmarked for any transition costs associated with the transition to the new structures.

**10.** **Capital**

10.1 As part of the cost cutting exercise the Capital Programme was suspended with only committed Projects proceeding in 2011-12. A full review of Capital requirements, with a focus on 'invest to save' projects was conducted in the main Capital spend areas of Estates, Fleet and IT. The new Programme is in the process of being implemented, details of the individual Projects are included in the Capital Programme 2013-2017 (Appendix C) and are summarised below. As part of identifying the cuts required the Programme will be reviewed with a view to reducing the borrowing requirements.

10.2 **Capital Programme 2013-14 to 2016-17**

| **Expenditure** | **£m** |
|---|---|
| Estates | 25.625 |
| Vehicles and Equipment | 7.220 |
| Information Technology and Communication | 7.750 |
| Total | 40.595 |
| | |
| **Funding** | |
| Grants | 5.982 |
| Revenue Contribution | 2.680 |
| Reserves | 16.294 |
| Capital Receipts | 5.644 |
| Borrowing | 9.985 |
| Total | 40.585 |

## 11 Summary

**11.1** The Medium Term Financial Plan brings together the details from the re design of the Force, future income and expenditure projections and plans to meet future cuts. The assumptions, risks and sensitivities behind the forecasts are given. The Operational and Structural Plans are based on the Strategies and Plans agreed by the Force and the PCC and the Priorities agreed as part of the Policing Plan, the MTFP allocates the resources to achieve the priorities set within a balanced budget.

**Appendix A**

## The Financial Strategy

**Financial Strategic Objectives:**

- Prioritise resources to align spending plans with the PCC's and CC's vision and strategic objectives as set out in the 3 year Policing Plan
- Maintain a balanced budget position and to set a medium term financial plan that supports the service through the period of reduced funding
- Deliver value for money for local taxpayers
- Exercise probity, prudence and strong financial control
- Provide a robust framework to assist the decision making process
- Manage risk, including maintaining reserves at a suitable level whilst only incurring a sustainable level of debt
- Continually review budgets to ensure that resources are targeted on key objectives

To achieve the Strategy Objectives Planning is undertaken in the following areas:

**Corporate and Business Planning**

- To integrate operational and financial planning to ensure that resources are directed to support the priorities set out in the Strategic Plan and to match resources with corporate objectives
- To produce a financial plan for the next 4 years which will incorporate the Force's major capital and revenue projects and the IT and Estates strategies and provide sustainable funding over the short and medium term
- To produce a detailed annual revenue and capital budget which supports the most effective deployment of resources

**Risk Management - Reserves and Provisions**

- To maintain adequate reserves and provisions to ensure that the medium term policy programme is sustainable and can be delivered
- To aim to balance the revenue budget over the medium term without reliance on the use of general reserves
- To maintain the 3 levels of resilience by use of reserves and provisions:

1. Annual Budget Management
2. Earmarked Reserves including the Major Incident Reserve
3. A General Reserve at between 3% and 5% of net revenue expenditure

**Risk Management - Financial Control Framework**

- To maintain a financial control framework which is key to maintaining effective standards of financial administration and stewardship. This will be achieved through the following

  Adherence to Statutory Rules and Regulations
  Home Office Financial Management Code of Practice
  Code of Corporate Governance
  Policies and Procedure notes
  Financial Regulations and Standing Orders
  Treasury Management Policy and adherence to Prudential Code
  Implementation of Internal and External Audit recommendations
  Management of Risk
  Codes of Professional Conduct

- To maintain and develop adequate financial systems to record and control resources and move towards full electronic processing

- To align financial responsibility at the operational level with the appropriate management control or influence

- To ensure that accurate, up to date financial information is available to enable users to apply it effectively in decision making.

| | Budget 2013-14 to 2016-17 | | | | | | | | Appendix B | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Annual Budget 2013-14 | | Annual Budget 2014-15 | | Annual Budget 2015-16 | | Annual Budget 2016-17 | | Annual Budget 2017-18 |
| | Expenditure | £000 | | £000 | | £000 | | £000 | | |
| 1 | Police Officer Pay | 71,689 | -478 | 71,211 | 1,214 | 72,425 | 3,920 | 76,345 | 1,227 | 77,572 |
| 2 | Police Staff Pay | 39,862 | 608 | 40,470 | 647 | 41,117 | 651 | 41,768 | 655 | 42,423 |
| 3 | Police Officer Overtime | 2,294 | -150 | 2,144 | 0 | 2,144 | 0 | 2,144 | 0 | 2,144 |
| 4 | Police Staff Overtime | 406 | 0 | 406 | 0 | 406 | 0 | 406 | 0 | 406 |
| 5 | Allowances | 3,254 | -706 | 2,548 | -50 | 2,498 | -50 | 2,448 | -50 | 2,398 |
| 6 | Training | 626 | 13 | 639 | 13 | 652 | 13 | 665 | 13 | 678 |
| 7 | Other Employee | 656 | 4 | 660 | 13 | 673 | 13 | 686 | 14 | 700 |
| 8 | Direct Pension Payments | 2,944 | 76 | 3,020 | 82 | 3,102 | 84 | 3,186 | 86 | 3,272 |
| 9 | Energy Costs | 1,342 | 67 | 1,409 | 71 | 1,480 | 74 | 1,554 | 78 | 1,632 |
| 10 | Building Running Costs | 6,718 | 60 | 6,778 | 136 | 6,914 | 138 | 7,052 | 141 | 7,193 |
| 11 | Repairs & Maintenance of Vehicles | 876 | 18 | 894 | 17 | 911 | 19 | 930 | 19 | 948 |
| 12 | Vehicle Running Costs | 2,079 | 86 | 2,165 | 90 | 2,255 | 94 | 2,349 | 98 | 2,447 |
| 13 | Car & Travelling Allowances | 693 | 11 | 704 | 14 | 718 | 14 | 732 | 15 | 747 |
| 14 | Air Support Unit | 1,394 | 0 | 1,394 | 0 | 1,394 | 0 | 1,394 | 0 | 1,394 |
| 15 | Equipment | 860 | -79 | 781 | 15 | 796 | 16 | 812 | 16 | 828 |
| 16 | Clothing and Uniforms | 426 | 0 | 426 | 0 | 426 | 0 | 426 | 7 | 433 |
| 17 | Printing and Stationery | 579 | -24 | 555 | 11 | 566 | 12 | 578 | 12 | 589 |
| 18 | IT and Communications | 9,446 | -321 | 9,125 | 0 | 9,125 | 0 | 9,125 | 0 | 9,125 |
| 19 | Subsistence | 278 | -2 | 276 | 5 | 281 | 6 | 287 | 6 | 293 |
| 20 | Other Supplies and Services | 3,931 | 236 | 4,167 | 30 | 4,197 | 30 | 4,227 | 99 | 4,327 |
| 21 | Forensics | 1,471 | -120 | 1,351 | 27 | 1,378 | 27 | 1,405 | 28 | 1,433 |
| 22 | Debt Charges & Contribution to Capital | 1,904 | 0 | 1,904 | 0 | 1,904 | 0 | 1,904 | 0 | 1,904 |
| 23 | Special Situations Contingency | 554 | 0 | 554 | 0 | 554 | 0 | 554 | 0 | 554 |
| 24 | Inflation and General Contingency | 546 | -111 | 435 | 0 | 435 | 0 | 435 | 0 | 435 |
| 25 | Community Safety Fund | 1,379 | -213 | 1,166 | 0 | 1,166 | 0 | 1,166 | 0 | 1,166 |
| | **Gross Expenditure** | **156,207** | **-1,025** | **155,182** | **2,335** | **157,517** | **5,061** | **162,578** | **2,464** | **165,041** |
| | Income | | | | | | | | | |
| 26 | Secondments | -1,302 | -183 | -1,485 | 0 | -1,485 | 0 | -1,485 | 0 | -1,485 |
| 27 | Interest on Balances | -271 | 0 | -271 | 0 | -271 | 0 | -271 | 0 | -271 |
| 28 | Income | -2,106 | -337 | -2,443 | 0 | -2,443 | 0 | -2,443 | 0 | -2,443 |
| 29 | Specific Grants | -9,891 | -157 | -10,048 | 63 | -9,985 | 53 | -9,932 | 0 | -9,932 |
| | **Total Income** | **-13,570** | **-677** | **-14,247** | **63** | **-14,184** | **53** | **-14,131** | **0** | **-14,131** |
| 30 | PFI Reserve | 446 | -73 | 373 | -43 | 330 | -109 | 221 | 0 | 221 |
| 31 | Speed Awareness Reserve | 0 | -104 | -104 | 0 | -104 | 0 | -104 | 0 | -104 |
| 32 | Additional from Reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Net Expenditure** | **143,083** | **-1,879** | **141,204** | **2,355** | **143,559** | **5,005** | **148,564** | **2,464** | **151,027** |
| 33 | Total Grants | -80,959 | 3,857 | -77,102 | 2,467 | -74,635 | 2,239 | -72,396 | 2,172 | -70,224 |
| 34 | Precept | -62,124 | -1,978 | -64,102 | -1,282 | -65,384 | -1,308 | -66,692 | -1,334 | -68,026 |
| | **Funding** | **-143,083** | **1,879** | **-141,204** | **1,185** | **-140,019** | **931** | **-139,088** | **838** | **-138,250** |
| | Annual Balance | 0 | 0 | 0 | 3,540 | 3,540 | 5,936 | 5,936 | 3,302 | 3,303 |
| | Cummulative cuts made to be made | | | 4,325 | | 7,865 | | 13,801 | | 17,103 |

Appendix C

## Capital Programme 2013-14 to 2016-17

| Ref | Description | 2013-14 Revised Budget | 2014-15 Draft | 2015-16 Draft | 2016-17 Draft | Total |
|---|---|---|---|---|---|---|
| | | £000 | £000 | £000 | £000 | £000 |
| | **Estate Programme** | | | | | |
| 1 | Retentions, Consultancy and QS | 9 | 0 | 0 | 0 | 9 |
| 2 | Sustainability Improvements | 228 | 100 | 100 | 100 | 528 |
| 3 | Menai Bridge Offices | 0 | 0 | 100 | 0 | 100 |
| 4 | Custody Suites upgrades | 21 | 0 | 0 | 0 | 21 |
| 5 | Strategic Command Centre | 25 | 0 | 0 | 0 | 25 |
| 6 | Llangefni New Police Station | 1,800 | 0 | 0 | 0 | 1,800 |
| 7 | Chirk Station Relocation | 70 | 0 | 0 | 0 | 70 |
| 8 | Cefnmawr Station Relocation | 50 | 0 | 0 | 0 | 50 |
| 9 | Wrexham new Facility | 1,675 | 4,322 | 5,000 | 5,667 | 16,664 |
| 10 | Saltney Relocation | 0 | 50 | 0 | 0 | 50 |
| 11 | Buckley Relocation | 55 | 0 | 0 | 0 | 55 |
| 12 | Deeside Relocation | 0 | 0 | 250 | 0 | 250 |
| 13 | Flint Relocation | 400 | 0 | 0 | 0 | 400 |
| 14 | Llangollen Relocation | 25 | 390 | 0 | 0 | 415 |
| 15 | St Asaph Consolidation | 22 | 0 | 0 | 0 | 22 |
| 16 | Prestatyn NPT Base | 53 | 0 | 0 | 0 | 53 |
| 17 | Llandudno Relocation/New Build | 50 | 2,700 | 0 | 0 | 2,750 |
| 18 | Conwy Relocation | 0 | 175 | 0 | 0 | 175 |
| 19 | Bethesda Relocation | 50 | 0 | 0 | 0 | 50 |
| 20 | Pwllheli Relocation | 100 | 850 | 0 | 0 | 950 |
| 21 | Nefyn Relocation to FCC | 0 | 100 | 0 | 0 | 100 |
| 22 | Tywyn Relocation | 0 | 0 | 100 | 0 | 100 |
| 23 | Holyhead Upgrade | 0 | 50 | 0 | 0 | 50 |
| 24 | Firearms Range Training Facilities | 155 | 0 | 0 | 0 | 155 |
| 25 | Deeside Security works | 20 | 0 | 0 | 0 | 20 |
| 26 | Dolgellau Station Generator works | 80 | 0 | 0 | 0 | 80 |
| 27 | Airbase Security | 75 | 0 | 0 | 0 | 75 |
| 28 | Mold Custody flooring | 16 | 0 | 0 | 0 | 16 |
| 29 | Llanrwst Station Roof | 40 | 0 | 0 | 0 | 40 |
| 30 | Canteen Refurbishement (subj to Busienss Case) | 0 | 90 | 0 | 0 | 90 |
| 31 | Firearms Range Safety (subject to Business Case) | 0 | 250 | 0 | 0 | 250 |
| 32 | Firearms Alliance hub | 0 | 212 | 0 | 0 | 212 |
| | **Total Building Works** | **5,019** | **9,289** | **5,550** | **5,767** | **25,625** |

| Ref | Description | 2013-14 Revised Budget | 2014-15 Draft | 2015-16 Draft | 2016-17 Draft | Total |
|---|---|---|---|---|---|---|
| | | £000 | £000 | £000 | £000 | £000 |
| | **Vehicles and Other Equipment** | | | | | |
| 33 | Vehicle Purchase Replacement Programme | 1,851 | 1,500 | 1,500 | 1,500 | 6,351 |
| 34 | Personnal Issue Vehicles (Revenue stream replacement) | 40 | 0 | 0 | 0 | 40 |
| 35 | PSU Vehilces (Revenue Stream replacemnt programme) | 563 | 0 | 0 | 0 | 563 |
| 36 | Replacement Helicopter (Retention) | 18 | 0 | 0 | 0 | 18 |
| 37 | ANPR | 248 | 0 | 0 | 0 | 248 |
| | **Total Vehicles and Other Equipment** | **2,720** | **1,500** | **1,500** | **1,500** | **7,220** |
| | **Information Technology and Communication Equipment** | | | | | |
| 38 | Desk Top Replacement (Replacement Programme) | 300 | 300 | 300 | 300 | 1,200 |
| 39 | Network Installation (Replacement Programme) | 0 | 0 | 500 | 500 | 1,000 |
| 40 | CAD Upgrade and Hardware (Replacement Programme) | 80 | 0 | 500 | 0 | 580 |
| 41 | RMS Upgrade and Hardware (Replacement Programme) | 450 | 0 | 0 | 0 | 450 |
| 42 | Business Systems Servers (Replacement Programme) | 0 | 345 | 0 | 420 | 765 |
| 43 | IMPACT/Confidential Environment (Replacement Program | 21 | 0 | 0 | 0 | 21 |
| 44 | Holmes II hardware (Replacement Programme) | 0 | 114 | 0 | 0 | 114 |
| 45 | Criminal Justice Digital Project | 290 | 610 | 0 | 0 | 900 |
| 46 | Interview Rooms Security and DDA | 0 | 300 | 0 | 0 | 300 |
| 47 | Call centre management system | 0 | 650 | 0 | 0 | 650 |
| 48 | Vehicle Tracking Technology | 50 | 750 | 0 | 0 | 800 |
| 49 | Mobile data 300 devices | 0 | 0 | 800 | 0 | 800 |
| 50 | Multi Functional devices | 100 | 0 | 0 | 0 | 100 |
| 51 | Secure System Replacement | 0 | 70 | 0 | 0 | 70 |
| | **Total Information Technology and Communication** | **1,291** | **3,139** | **2,100** | **1,220** | **7,750** |
| | **Total Capital Expenditure** | **9,030** | **13,928** | **9,150** | **8,487** | **40,595** |
| | **Funding of Capital Programme** | | | | | |
| 52 | Home Office General Capital Grants | 2,682 | 1,100 | 1,100 | 1,100 | 5,982 |
| 53 | Revenue Contribution | 1,142 | 818 | 410 | 310 | 2,680 |
| 54 | Earmarked Reserves | 3,752 | 6,087 | 3,839 | 2,616 | 16,294 |
| 55 | Capital Receipts | 0 | 1,896 | 1,504 | 2,244 | 5,644 |
| 56 | Borrowing for Estates | 0 | 3,268 | 997 | 997 | 5,262 |
| 57 | Borrowing for Replacement Programmes | 1,454 | 759 | 1,300 | 1,220 | 4,733 |
| | **Total Funding** | **9,030** | **13,928** | **9,150** | **8,487** | **40,595** |

# Police and Crime Plan for North Wales

## Consultation Draft – Revised Police and Crime Objectives

Consultation period: 13th January 2014 to the 3rd of March 2014

Please provide feedback through www.northwales-pcc.gov.uk or by e-mailing opcc@nthwales.pnn.police.uk or in writing to the Office of the Police and Crime Commissioner, Glan Y Don, Colwyn Bay, LL29 8AW.

## Introduction

This is the draft version of my proposed revisions to the Police and Crime Plan for north Wales. The revisions build on the foundations established by the first plan, and are intended to gather the views of the public, partners and the Police and Crime Panel on the proposed direction of the plan.

The public consultation on this draft will take place between the 13th of January 2014 and the 3rd of March. The focus of these revisions is on the proposed changes to the police and crime objectives. The revised plan, taking into account views received during the consultation period, will then be submitted to the Police and Crime Panel for its consideration on the 17th of March 2014. Members of the public will be able to submit comments through my website www.northwales-pcc.gov.uk or by e-mailing opcc@nthwales.pnn.police.uk or in writing to the Office of the Police and Crime Commissioner, Glan Y Don, Colwyn Bay, LL29 8AW.

North Wales is one of the safest places in which to live, work and visit and my intention is that it should remain so. By continuing to reduce crime and by working towards achieving the strategic outcomes or vision which I describe in this revision, I am confident it will. However, given the amount of the cuts already made to the Force budget and the savings yet to be found, the scale of this challenge should not be underestimated. Nevertheless, my intention is that north Wales should continue to be a safe place in which to be by delivering my objectives and continuing to reduce crime. In this revised plan I shall also highlight particular crime areas that may be currently under-reported and which may witness an increase as a consequence of North Wales Police . I will be redirecting resources to tackle them more robustly given the threat they pose to our communities.

The outcomes sought through my first plan were security in the home, safety in public places and visible and accessible policing. These continue to be my overridding vision. To deliver them for north Wales I have established four new police and crime objectives. They are:

- Prevent crime
- Deliver an appropriate response
- Reduce harm and the risk of harm
- Build effective partnerships

These objectives are intended to be clear and to give North Wales Police, its staff and its partners focus and provide greater emphasis on delivering with our partners. They replace the police and crime objectives established within the first Police and Crime Plan. They will be underpinned by a set of measures which will enable me to assess the performance to enhance delivery for the public.

Delivering the proposed police and crime objectives will be challenging in the current financial climate. It is important to set the context for the people of north Wales. We must be clear that by the end of 2018 it is assumed that nearly a quarter of the policing budget will have been cut since 2010, despite rises in council tax. More information about the policing budget is provided in the Medium Term Financial Plan and precept proposal that are being provided to the Panel on the 20th of January.

Alongside this plan will be the Chief Constable's action plan outlining how he aims to deliver the outcomes. We will be working with the North Wales Safer Communities Board to provide greater strategic alignment with the North Wales Community Safety Plan which is currently being developed by the Board. These plans will be included as appendices in the revised version to be considered by the Panel on the 17th of March.

Winston Roddick CB QC

Police and Crime Commissioner for North Wales

13.01.14

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## Security in the Home; Safety in Public Places; Visible and Accessible Policing

### Security in the Home

This is of greatest importance to all of us. Feeling safe, secure, and unthreatened by crime, criminals, and intimidation from whatever source.

I will work towards improving people's security at home and their perception of security at home and towards reducing victim based crime.

### Safety in Public Places

People living, working and visiting north Wales need to feel safe in public places, in the day and at night.

I will work towards improving people's safety in public places, their perception of safety in public places and reducing victim based crime.

### Visible and Accessible Policing

There can be no doubt that the visible presence of the police deters most crimes, reassures the public and reinforces its links with the police. I believe that nothing is more effective in deterring crime than enhanced police visibility and that key to communities feeling safe is the knowledge that the police is an accessible service that will be available when needed most.

I will work towards improving police visibility and accessibility. This will of course, not be easy, given the level of savings to be found.

## Delivering for North Wales

To deliver for north Wales I have established four new objectives for the police service and our partners in the community safety and criminal justice sectors. They are:

- Prevent crime
- Deliver an appropriate response
- Reduce harm and the risk of harm
- Build effective partnerships

These replace the objectives set out in the first police and crime plan. They will be underpinned by a set of measures which will enable me to assess the performance of the police service.

The introduction of these measures will enhance my ability to deliver accountable policing for north Wales. Overall I still intend to work towards reducing crime and reducing victim based crime will remain the only target established within the police and crime plan, but I recognize that some crimes have been under-reported by the public and there are emerging trends about which we are gaining a greater understanding. Therefore, the introduction of the measures will give me an enhanced ability to respond to emerging issues and assess delivery in a more comprehensive way. During the consultation I will continue to develop and refine the draft measures.

In monitoring these measures, I will be focusing particularly on trends which indicate that usual, anticipated or historical performance has changed significantly. I will continue to receive independent reports from Her Majesty's Inspectorate of Constabulary (HMIC) and will commission them if I consider necessary.

I will continue to scrutinise the delivery of the plan through the Strategic Executive Board. I will also continue to work with the Police and Crime Panel by requesting its views on key matters, providing it with periodic reports of my activities and fulfilling the other statutory requirements with the Panel.

## The Police and Crime Objectives

### Prevent crime

Preventing a crime from occurring is the most effective way to protect our communities, and to ensure that people are safe at home and in public places. To deliver this objective I expect:

- The Chief Constable to continue to deliver the Force's Crime Reduction Plan and to treat reducing victim based crime as core business for North Wales Police.

- The continuation of visible deterrents that prevent crime and anti-social behaviour. These include visible policing activities, maintaining accessible policing facilities and partners' provision of CCTV.

- The identification of the factors that can lead to individuals and groups being at risk of becoming victims and deliver targeted interventions with partners.

- The tackling of the problems caused by organised crime groups in our communities, as well as collaborative work with other police forces to tackle the organised crime groups.

- Partnership working, in particular with the probation service, to reduce re-offending by delivering effective justice and addressing factors that can lead to and aggravate criminal behaviours.

- Partnership working, in particular with the youth justice services, to secure the effective prevention of children and young people from offending and reoffending with the overall aim of preventing them from becoming adult offenders.

- Partnership working, in particular with local authorities, to deliver community based problem solving solutions including resolving anti-social behaviour problems to prevent escalation.

- Partnership working to identify people or families who have a disproportionate impact on public services and for partners to work to address their multiple needs to reduce the disproportionate demand on services.

I will also be consulting with the business community to identify means to support them in improving the north Wales economy.

*To hold the force to account I will monitor:*

- The level of total recorded crime
- The level of victim based crime

- The level of resolved crime, by crime type
- The level of recorded anti-social behaviour

## Deliver an appropriate response

The police and partners in the criminal justice and community safety sectors have a responsibility to deliver an appropriate response to criminal offences or public safety issues. To deliver this objective, I expect:

- The Chief Constable to ensure that the police respond to policing emergencies in a timely and efficient way.

- The delivery of the new Victims Code of Practice and the continued resolution of crime.

- The provision of a policing service which maintains the trust of the people of north Wales through acting ethically and with integrity.

- The delivery of the rural policing plan established within the first police and crime plan

- The joint delivery of our Joint Welsh Language Scheme and our Joint Equality Plan.

- The identification and assessment of opportunities to work collaboratively with other forces and local partners to enhance service delivery and/or improve value for money.

- The Chief Constable, in collaboration with other forces and agencies, to have or be able to access appropriate capability to address the threats identified within the Strategic Policing Requirement (SPR). The Home Secretary has set out the expectation for responding to national threats to security, public safety, public order and public confidence within the SPR, namely: terrorism; civil emergencies; organised crime identified in the National Security Risk Assessment; public order which cannot be managed by a single force acting alone; large scale cyber incidents, and major events that have national implications.

I will continue to listen to our communities' views on the policing service they receive and take their views into account on a strategic level, and I expect the police service to engage with communities directly on operational issues. To support the force in providing a policing service that meets the needs of the different communities of north Wales, I will feed back community views to the Chief Constable.

*To hold the Force to account I will monitor:*

- The average response times of attendance at police emergencies
- The amount of non-emergency calls classified as 'abandoned calls'
- The feedback received through victim surveys

## Reduce harm and the risk of harm

Reducing harm and the risk of harm to our communities is of great importance. Crime types that are included within this objective such as domestic abuse are often conducted behind closed doors, and have victims who are vulnerable and who may have great fear of the consequences of reporting incidents to the police. The nature of the police provision required to meet some of the crime areas included below means that I expect the Chief Constable to have the ability to balance the requirement I have set out for visible policing with the methods applied and resources required to enable him to tackle those offences that cause serious harm. To deliver this objective, I expect:

- The Chief Constable to provide effective responses to incidents of domestic abuse, and I will work with the Chief Constable and partners to ensure appropriate support services for victims of domestic abuse are provided across north Wales.

- The continuation of progress in enhancing the investigation and the building of victims' confidence in the police response to reports of sexual offences. This will include maintaining the Amethyst dedicated rape investigation team established in the previous plan.

- The continued development of proactive capability in identifying perpetrators of child sexual exploitation, including those accessing indecent images of children through the internet and effective multi-agency working to protect children identified as being at risk.

- The disruption of the supply chains of illegal drugs (as part of the overall work against organised crime) to contribute towards preventing and managing the impact of substance misuse within our communities.

- Partnership working, in particular with the health service and local authorities, to deliver substance misuse services to reduce the harm caused by drugs and alcohol. I will continue to fund the Drugs Intervention Programme which targets support at offenders.

- Partnership working, in particular through the Multi Agency Public Protection Arrangements (MAPPA), to effectively manage and rehabilitate dangerous offenders, including those on the sexual offenders register.

- Partnership working, in particular with local authorities and the North Wales Fire and Rescue Service, to support the realisation of the Welsh Government's aim to reduce the number of people killed or seriously injured on the road, by identifying risk factors and focusing prevention activities.

I will also be developing my intentions for the future commissioning of victims' services to provide victims of crime with the appropriate support services

*To hold the force to account I will monitor:*

- The number of people killed or seriously injured (KSI) in road traffic collisions
- The level of repeat offending

## Build effective partnerships

The police service is not alone in working to prevent crime, deliver appropriate responses, and reduce harm and the risk of harm. Working in partnership enables lasting impacts and differences to be made to our communities. I will be working with partners through the North Wales Regional Leadership Board, the Safer Communities Board, Substance Misuse Area Planning Board and the Local Criminal Justice Board to identify means of working together more effectively in these challenging financial times. This will assist me with my broader responsibilities to improve community safety and enhance the delivery of criminal justice in our area and enable me to ensure that all relevant agencies and bodies are discharging their responsibilities in these regards.

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