

Cumbria Police Authority

10 November 2005

Agenda Item No 8

Budget Priorities 2006-07

A report by the Chief Constable

1. Summary

- 1.1 At the budget meeting in February, the Authority agreed to a number of key milestones as part of the 2006-07 budget process, including the earlier identification of longer term budget and capital priorities. This was part of a wider strategic plan to better integrate financial and service planning and to recognise proposals from Government for longer term financial settlements, aimed at improving longer term planning.
- 1.2 Schedules of proposed developments, both for Revenue and Capital have been produced and are attached to this paper. However, they have been prepared in the context of the poor financial prospects for 2006-07 and beyond and also reflect the recent decision of the Home Secretary to create a smaller number of more strategic Forces and Authorities, subsequent to the publication of the O'Connor report in September.

2 Recommendations

- 2.1 Members are asked to: -
 - (i) Note the contents of the report
 - (ii) Comment on the proposals put forward and the strategy adopted

3. Details

3.1 Background

- 3.1.1 Members may recall that, in agreeing a budget for 2005-06, that a timetable was agreed, with a number of key milestones, in relation to formulating a budget for 2006-07. The key strategic aim in setting the timetable was to better integrate the

longer term strategic planning and financial planning processes. Members of the PPBV Committee previously agreed a timetable to deliver the authority's strategic plans, in tandem with the financial timetable as agreed by the full Authority.

3.1.2 The main timetable included: -

- The presentation of a Medium Term Financial Forecast (MTFF), which was presented to members in June. This set out the likely financial resources available in 2006-07 and the following two financial years and indicated, based on the assumptions in the forecast, that savings of around £1m might be needed.
- An update to the MTFF, in September, indicating any material changes to assessments of the cost of a continuation budget and to likely levels of government grant.
- For the meeting in November, it was agreed that proposals for revenue developments and capital expenditure would be presented, for the three year period to 2008-09. This paper is the Constabulary's response to that request. However, for the reasons as set out in the paragraphs below, both the form and content of the paper are somewhat different than originally conceived.

3.2 Context

3.2.1 Agreement to produce three year proposals for revenue developments and capital expenditure was undertaken in the context of the following: -

- The proposal, by Government, to move to three year financial settlements, in response to local criticisms that single year settlements do little to facilitate longer term planning. Members will, however, note that the first multi year settlement will now only be for two years, to synchronise with the three year periods covered by Comprehensive Spending Reviews.
- To allow members to become acquainted with spending pressures earlier in the planning process, particularly against a background where demands for resources would most likely be greater than the resources themselves. This position would most likely require members to agree spending priorities as put forward by the Chief Constable, which would include significant savings and efficiencies.

- 3.2.2 More recently, the wider context around which the 2006-07 budget is being prepared has changed in a number of ways. Specifically, the Review of the Funding Formula put forward a number of proposals to allocate funding in different ways, each of which would, if implemented, result in significant reductions in resources for Cumbria. To that end, the Authority would become increasingly dependent on whatever system of protection Government provided as part of its annual settlement.
- 3.2.3 But critically, the decision of the Home Secretary in September to accept the O'Connor report and ask Forces and Authorities to bring forward plans for amalgamations aimed at producing 'strategic forces', must significantly change the planning assumptions for the Constabulary and Authority. The report makes clear that smaller forces, like Cumbria, will be unable to provide the necessary standard of effective and sustainable protective services in the future, and recommends the creation of larger forces of at least 4,000 officers or 6,000 total staff. Against that background, and reflecting that the Home Office appears to want new strategic Police Authorities to be in place as soon as possible, perhaps as early as the beginning of the 2007-08 financial year, longer term financial planning for Cumbria should, for the future, be focused around whatever new structure is agreed. In the interim, and until that position becomes clearer, the Chief Constable has taken the stance that only those developments which are both absolutely vital and would not be unaffected by any amalgamation should be brought forward to members. Indeed, in the present uncertain climate, good governance dictates that any long term planning should revolve around the new organisation, once its configuration has been agreed.

3.3 Constabulary Planning Processes for 2006-07.

- 3.3.1 In recognition of the above, and, in particular, the proposals to amalgamate current forces to create larger, strategic forces, the Chief Constable has reflected on the planning processes supporting the 2006-07 budget. In recent years, local Budget holders (Commanders and Departmental Heads) have brought forward significant bids for new resources, notwithstanding the Authority's overall financial position. These have, by necessity, been reduced considerably within the Constabulary: -
- By prioritizing through the Constabulary's boards, which, since the most recent Corporate Management changes, now comprises the Operations board, The Resources and Standards Board and the Organisational Development and Partnerships Board
 - Further prioritizing by Budget Holders
 - Final approval by Chief Officers

- 3.3.2 For 2006-07, for the reasons outlined above, the processes have been truncated somewhat. Firstly, in recognition of the financial position of the Authority, development bids have been much reduced as compared with previous recent years. Against the background of the proposals for structural change, Chief Officers have agreed to put forward the proposals contained in the attached appendices. In coming to a view about those developments to bring forward, the Chief Constable has attempted to ensure that any development entered into for 2006-07, would be consistent with whatever amalgamation Cumbria is part of for the future.
- 3.3.3 Attached to this paper are schedules of proposed budget developments, at Appendix 1, and proposed Capital developments, at Appendix 2.

Michael Baxter
Chief Constable

Attachments

Appendix 1 Schedule of new 2006-07 budget developments

Appendix 2 Schedule of 2006-07 new capital items

**Cumbria Police Authority
Assessment of essential developments for 2006-07:**

Description	Value 2006-07 £000	Full Year £000	Risk of Not Doing	Impact on Performance of Not Doing
<p>Support for PNC Bureau</p> <p>Recent changes in legislation have impacted on the way in which the PNC is updated. This has resulted in a significant growth in the work of PNC records bureau, with recordable offences having increased by about 80% as a result of the changes. As a consequence of the above increase, the various performance targets for timely input to PNC cannot be met from existing staff resources. The bid is for two additional members of staff, initially for two years to allow performance to recover and to assess the longer term requirements of the unit.</p>	40	40	<p>There are a number of serious implications of not maintaining an up to date PNC. Clearly, most recent information will not be available to the system and there would be implications for the Constabulary in the event that a serious event took place, which might have been prevented with more up to date information. Not progressing this issue would, in addition, be seen as not embracing the Bichard agenda.</p>	<p>There are a number of specific PI's relating to performance inside the PNC recording bureau. Specifically, 90% of new recordable offences are required to be input onto PNC within 24 hours and 75% of all court results are required to be input within 10 days. The growth in workload, from about 1000 recordable offences per month to about 1800. These PI's are not being met without additional staff to support the bureau.</p>

Description	Value 2006-07 £000	Full Year £000	Risk of Not Doing	Impact on Performance of Not Doing
<p>Upgrade of CJX to PNN3</p> <p>PNN3 is the national infrastructure for the secure communications service CJX. As a result of significant increases in national usage, plus further projected national increases, there is a requirement to upgrade the network infrastructure. Forces have been advised that they will be expected to absorb the additional costs.</p>	25	50	The PNN is a national police infrastructure. Forces have no option other than to accept the increases if they wish to remain within the infrastructure.	Forces have no real option other than to stay within the national infrastructure.
<p>Neighbourhood policing Analyst</p> <p>The Police Authority has supported the development of Local Policing Teams and a community policing philosophy. Part of that philosophy is that Neighborhood officers need to properly understand the communities they operate within. A neighborhood policing pilot study has been established to take forward this work, including developing a number of analytical products around community information. This work now needs a full time analyst to formally take forward the current pilot work.</p>	25	25	Some of the wider benefits of the neighborhood policing policy would be lost without the ability to properly analyse community demographics and neighborhood social and crime data.	Better performance, brought about by properly maintained social and crime profiles, would be lost.
Total	90	115		

Cumbria Police Authority

Assessment of new Capital Requirements for 2006-07

Description	Total Capital cost £000	Annual Running costs £000	Risk of Not Doing	Impact on Performance of Not Doing
<p>IMPACT - Full CRISP, including information sharing</p> <p>Members received a full report and briefing in relation to the impact programme at the specially arranged meeting of the Authority in August. That report set out that further investment would be needed in 2006-07 and 2007-08. This latest phase allows the data warehouse to be rolled out across the constabulary, to allow forces to begin to share information and to expand CRISP to cover more data sources, e.g. Crime, Firearms, Child Protection.</p>	190	75	<p>IMPACT is a national development, following on from the publication of the Bichard report, subsequent to the Soham murders. Not undertaking this work would risk failing to comply with national requirements. In addition, the Constabulary would be unable to properly respond to requests for information from other forces.</p>	<p>The benefits of joined up systems brought about by CRISP would be lost if the development is not taken forward. Information searches would continue to be around individual systems, which requires more time and effort. In addition, the benefits of having local access to this intelligence would be lost.</p>

Description	Total Capital cost £000	Annual Running costs £000	Risk of Not Doing	Impact on Performance of Not Doing
<p>IMPACT – Code of Practice for Information sharing A mandatory Code of Practice exists which formally sets out the legitimate purposes for which forces can hold intelligence data and how that data should be managed from initial collection. There is an expectation that forces will develop action plans to develop and implement the code. Thereafter, additional resources will be needed in local areas to undertake mandatory responsibilities to make sure that information is properly checked and vetted, and to ensure that the Code is complied with locally.</p>	65	120	Adopting the Code of Practice for Information sharing is an integral part of the IMPACT programme. The Code of Practice is mandatory and cannot be avoided.	
Total	255	195		