

Essex Police and Crime Panel

14:30	Thursday, 29 January 2015	Committee Room 1, County Hall, Chelmsford, Essex
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Quorum: 5 Membership

Councillor Tony Hedley
Councillor Graham Butland
Councillor John Newberry
Councillor Godfrey Isaacs
Councillor Bob Shepherd MBE
Councillor Tim Young
Councillor Gary Waller
Councillor John Jowers
Councillor Mike Danvers
Councillor Penny Channer
Councillor Jo McPherson
Councillor Mike Assenheim
Councillor Mick Page
Councillor Phil Smith
Councillor Robert Chambers
John Gili-Ross
Kay Odysseos

Representing

Basildon Borough Council
Braintree District Council
Brentwood Borough Council
Castle Point Borough Council
Chelmsford City Council
Colchester Borough Council
Epping Forest District Council
Essex County Council (Chairman)
Harlow District Council
Maldon District Council
Rochford District Council
Southend Borough Council
Tendring District Council
Thurrock Borough Council
Uttlesford District Council
Independent Member
Independent Member

For information about the meeting please ask for:

Colin Ismay, Council and Member Support Manager, ECC, and Secretary to the Panel

Fiona Lancaster, Committee Officer

Telephone: 033301 34573

Email: fiona.lancaster@essex.gov.uk



Essex County Council

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Part 1

(During consideration of these items the meeting is likely to be open to the press and public)

		Pages
1	Apologies and Substitution Notices The Secretary to the Panel to report the receipt (if any).	
2	Minutes To approve the minutes of the meeting held on 27 November 2014 (attached).	5 - 10
3	Declarations of Interest Members are invited to declare any interest in any item on the agenda. Members may still declare an interest in an item at any time prior to its consideration.	
4	Questions to the Chairman from Members of the Public The Chairman to respond to any questions relevant to the business of the Panel from members of the public.	
5	Actions arising from the last meeting To consider report EPCP/01/15.	11 - 12
6	Membership To consider report EPCP/02/15.	13 - 14
7	The proposed Police Precept for 2015/16 To consider report EPCP/03/15 and accompanying appendices.	15 - 40
8	Forward Look To consider report EPCP/04/15.	41 - 42
9	The Police and Crime Commissioner to update the Panel on On-going Issues (if any)	
10	Date of Next Meeting To note that the next meeting will be held at 14:30 on Thursday 19 February 2015, in Committee Room 1, County Hall.	

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Urgent Business

To consider any matter which in the opinion of the Chairman should be considered in public by reason of special circumstances (to be specified) as a matter of urgency.

Exempt Items

(During consideration of these items the meeting is not likely to be open to the press and public)

To consider whether the press and public should be excluded from the meeting during consideration of an agenda item on the grounds that it involves the likely disclosure of exempt information as specified in Part I of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act.

In each case, Members are asked to decide whether, in all the circumstances, the public interest in maintaining the exemption (and discussing the matter in private) outweighs the public interest in disclosing the information.

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Urgent Exempt Business

To consider in private any other matter which in the opinion of the Chairman should be considered by reason of special circumstances (to be specified) as a matter of urgency.

MINUTES OF A MEETING OF THE ESSEX POLICE AND CRIME PANEL HELD AT COUNTY HALL, CHELMSFORD, ON 27 NOVEMBER 2014

Present:

Councillor

Tony Hedley
Godfrey Isaacs
Bob Shepherd
Tim Young
Gary Waller
John Jowers
Mike Danvers
Stephen Savage
Jo McPherson
Mike Assenheim
Lynda McWilliams
Robert Chambers
John Gili-Ross

Representing

Basildon Borough Council
Castle Point Borough Council
Chelmsford City Council
Colchester Borough Council
Epping Forest District Council
Essex County Council (Chairman)
Harlow District Council
Maldon District Council
Rochford District Council (Vice-Chairman)
Southend Borough Council
Tendring District Council
Uttlesford District Council
Independent Member

Apologies for Absence

Graham Butland	Braintree District Council
John Newberry	Brentwood Borough Council
Penny Channer with Stephen Savage as her substitute	Maldon District Council
Mick Page with Lynda McWilliams as his substitute	Tendring District Council
Phil Smith	Thurrock Borough Council
Ann Haigh	Co-opted Member
Kay Odysseos	Independent Member

Councillor Jack Lawmon, Rochford District Council, was also in attendance.

The following officers were in attendance throughout the meeting:

Jane Gardner, Head of Commissioning Growing Essex Communities
Colin Ismay, Council and Member Support Manager, Essex County Council,
Secretary to the Panel
Fiona Lancaster, Committee Officer, Essex County Council

Nick Alston, the Essex Police and Crime Commissioner, and Lindsay Whitehouse, Deputy Commissioner, were in attendance throughout supported by the following officers:

Susannah Hancock, Chief Executive
Charles Garbett, Treasurer
Greg Myddelton, Assistant Director for Commissioning

The Secretary to the Panel reported that Ann Haigh had offered her resignation as her Court commitments were leading to her failure to attend meetings. A report on membership would, therefore, be made to the next meeting.

The Secretary to the Panel would be contacting Thurrock Borough Council concerning attendance.

1. Minutes

Subject to the first sentence of the seventh bullet of minute 6(c) (Public Engagement Programme) being amended to read “Some concern was expressed by the Panel regarding the removal of police attending Neighbourhood Action Panels (NAPs) and the ability of the police to run the local meetings”, the minutes of the meeting held on 29 October 2014 were approved as a correct record and signed by the Chairman.

2. Declarations of Interest

There were no declarations.

3. Questions to the Chairman from Members of the Public

There were no questions.

4. Actions arising from the last meeting

The Panel received report EPCP/048/14 by the Secretary to the Panel highlighting the matters raised during the previous meeting that required further action and indicating the action taken.

In relation to minute 6(b) (bullet 7), the Commissioner reported that he had received a response from the Chief Constable on the Panel's concerns regarding the new local police meetings. The Chief Constable had acknowledged there needs to be regular meetings held at convenient times for residents to enable them to engage with the police.

Panel members remarked that local meetings need to be advertised by various methods. The Commissioner would be contacting the Chief Constable to ask for the numbers attending the new local police meetings and for details of what was discussed.

5. Reports from the Police and Crime Commissioner

(a) Police and Crime Plan: Performance Report

The Panel considered report EPCP/049a/14 by the Commissioner updating the Panel on progress in delivering against the eight areas for focus within the Plan. The report focused on performance for April to June 2014 (Quarter 1) and July to September 2014 (Quarter 2).

The following points were made during the ensuing discussion.

- Significant investment was being made into dealing with Domestic Abuse. The Commissioner agreed to look into the reasons for the reduction in the solved rate for high risk domestic abuse offences.

- The Commissioner agreed to look into the rise in the number of first time entrants to the youth justice system in Southend.
- Some concern was expressed regarding the planned exits from drugs treatment data which showed a large decrease in numbers for Thurrock since Quarter 3 of 2013/14.
- Further investment had been made in education programmes for school age children through the 'Risk Avert' programme, and the Commissioner hoped that this programme would deliver benefits in the longer term. The programme will be offered to all secondary schools, although not all schools are currently engaged with the programme.
- In relation to the statistics on User Satisfaction, concern was expressed about residents not receiving feedback having reported a crime. The Commissioner expressed his concern about the need to improve communications.
- Incidences of crime are accurately recorded, assigned a reference number and are followed up.
- Concern was expressed about the growing trend towards internet based crime and online fraud. The Chief Constable has taken a national role relating to digital crime.

(b) Budget Issues

The Panel considered report EPCP/049b/14 by the Treasurer to the Commissioner's Office providing a summary of risks, issues and the local/national financial context to inform early discussions on the 2015/16 budget and precept.

The following points were made during the ensuing discussion.

- Members expressed concern that the combined impact of a reduction in Government grant and the cost of inflation would mean that Essex Police will be required to make annual recurring savings of a further £46m by 2017/18. Even with an increased precept there would still be a significant short fall in police funding. The impact of two murders in Colchester had also adversely affected the budget in 2014.
- The Chairman indicated that he felt the Panel would be sympathetic to a proposal for an increase in the precept based on the issues outlined by the Commissioner.
- The Panel urged the Commissioner, as Chairman of the Association of Police and Crime Commissioners, to lobby the Government on the negative impact of further reductions in police budgets.

- The Home Secretary has undertaken to advise Commissioners at an earlier stage concerning capping arrangements. Commissioners have collectively communicated their concerns to the Home Secretary regarding the variation of funding across the forces and the inefficiencies of the Home Office Grant. The Commissioner indicated his intention to write personally to the Home Secretary on the situation for Essex.
- The Commissioner undertook to provide further details of the outcome of the review of the Police Estate.

(c) Victims' Commissioning

The Panel considered report EPCP/049c/14 by the Commissioner's Assistant Director for Commissioning which provided the Panel with:

- i) a summary of activity undertaken in relation to the commissioning of victims' support services in 2014/15; and
- ii) an update on the allocation of victim support services grant funding provided by the Ministry of Justice for 2014/15.

The Commissioner will provide reports to the Panel on progress in relation to the Victims Commissioning programme.

The following points were made during the ensuing discussion:

- All Police and Crime Commissioners had formally taken responsibility for the commissioning of local support services for victims of crime on 1 October 2014 with the remainder of commissioning responsibilities, referral and assessment of support for victims, coming to Commissioners from 1 April 2015. This gives Commissioners a real opportunity to provide a responsive service to local victims' needs.
- Funding had been devolved from the Ministry of Justice, with a one-off £640,000 capacity-building grant to support the setup of new systems and prepare local organisations for the new commissioning arrangements. A £600,000 commissioning grant had been provided for 2014/15, and a further £250,000 awarded for sexual violence services.
- The Ministry of Justice's Code of Practice for Victims of Crime sets out the minimum standards of service. The Commissioner will also need to ensure compliance with the EU Directive in support of victims of crime.
- The Panel considered the report to be a good one and welcomed the opportunity to be involved in the approach to commissioning victim services.

6. Accountability Structures: The Panel's draft response to the inquiry by the Committee on Standards in Public Life

The Panel considered report EPCP/050/14 by the Secretary to the Panel providing a draft response to be sent on behalf of the Panel by 30 November 2014.

The following points were made during the ensuing discussion:

- (Reference comment 1) It was not considered appropriate for panels to have powers to remove an elected official from office.
- (Reference comment 4) Add a statement about the Panel's concerns regarding the loss of the Neighbourhood Action Panels and the future uncertainty over the ability of the Police to manage local meetings.
- (Reference comment 6a) Amend the wording of the first sentence to state that the role does need further clarification to achieve better consistency nationally.
- (Reference comment 6c) Clarify the wording regarding the majority needed to veto the precept.
- (Reference comment 11) The Panel indicated that it would be helpful to have information on what Essex residents are looking at on the Commissioner's website.
- (Reference question 12) The Panel agreed that it would be helpful if the Commissioner could provide information regarding this area of interest.

The Secretary to the Panel was thanked by the Members for drafting a response on their behalf, which would now be amended in line with the comments made and submitted by the deadline.

7. Forward Look

The Panel considered report EPCP/051/14 by the Secretary to the Panel concerning the planning of the Panel's business.

The Secretary to the Panel reported Thursday 8 January 2015 (pm) as the date for the financial training event.

The Panel agreed the business proposed for the meetings scheduled in 2015. The next meeting on 29 January would focus on the Proposed Police Precept for 2015/16, and other agenda items would be kept to a minimum to allow for sufficient scrutiny. Panel Members were encouraged to attend the January meeting, or to send substitutes if they were unavailable.

Following the successful introduction of a private pre-meeting to enable the Panel to plan for meetings and develop key lines of enquiry, the Panel decided

that the 29 January pre-meeting should start at 13:45 to allow sufficient time for discussion.

8. HMIC PEEL Inspections

The Panel noted report EPCP/052/14 by the Secretary to the Panel regarding the launch of HMIC's new PEEL (police efficiency, effectiveness and legitimacy) assessments website. Members were encouraged to access the website to see how the Essex Police Force compares with other Forces.

9. Update on On-going issues

The Commissioner reported that he was holding an Essex Police Challenge meeting in Thurrock on 11 December 2014, giving an opportunity to allow scrutiny of the Chief Constable in public. Panel members were encouraged to attend.

The Panel was reminded that the Commissioner's Annual Conference was being held on Wednesday 14 January 2015, at the Community Stadium, Colchester.

In the context of the Peel Assessment's rating of how the Essex Force investigates offending, the Commissioner commented that significant issues regarding performance and investigation handling were being addressed with the Chief Constable, and he would report back to the Panel on the scrutiny of these issues.

10. Date of Next Meeting

The Panel noted that the next meeting would take place at 14:30 on Thursday 29 January 2015, in Committee Room 1, County Hall, and that this would be preceded by a private pre-meeting starting at 13:45.

Chairman
29 January 2015

AGENDA ITEM 5

Essex Police and Crime Panel	EPCP/01/15
Date: 29 January 2015	

Actions arising from the last meeting

Report by the Secretary to the Panel

Enquiries to: Colin Ismay: 033301 34571 colin.ismay@essex.gov.uk

Purpose of report

To highlight matters raised at the last meeting requiring further action and to indicate the action taken.

Minute No	Action required	Action taken
4	Monitor success of local policing meetings including levels of attendance.	Action in hand: PCC has asked CC for report on this, which will be circulated to Panel members as soon as complete.
5(a)	Commissioner to look into reasons for the reduction in the solved rate for high risk domestic abuse offences.	Action in hand: OPCC liaising with Essex Police and will provide a response to Panel.
5(a)	Commissioner to look into the rise in the number of first time entrants to the youth justice system in Southend and Thurrock	Response has been commissioned from the YOTs. To follow shortly.
5(b)	Commissioner to provide further details of the outcome of the review of the Police Estate	To be presented to future Panel meeting.
5(c)	Commissioner to report on progress in relation to the Victims' Commissioning programme	To be presented to future Panel meeting.
6	<ul style="list-style-type: none"> Commissioner to provide information on what Essex residents are looking at on the Commissioner's website. Commissioner to provide information on what measures have proved helpful in supporting him to identify and resolve conflicts of interest in discharging his duties and whether there are sufficiently robust protocols and guidance in 	<ul style="list-style-type: none"> Action in hand: Report circulated to Panel on 21 Jan. Info circulated to Panel

Minute No	Action required	Action taken
	place locally to manage these in a transparent way <ul style="list-style-type: none"> • Secretary to send consultation response to the Committee on Standards in Public Life 	Response sent 28 November. Sent to Panel Members 1 December
9	Commissioner to report back on Performance and Investigation handling	

AGENDA ITEM 6

Essex Police and Crime Panel	EPCP/02/15
Date: 29 January 2015	

Membership

Report by the Secretary to the Panel

Enquiries to: Colin Ismay: 033301 34571 colin.ismay@essex.gov.uk

Purpose of report and background

At the last meeting it was agreed that the Panel should receive a report on its membership following the resignation of Ann Haigh as a co-opted member.

Each local authority in England is required to appoint a member to their force-area police and crime panel. In Essex this means that the County Council, the two unitary authorities and each of the 12 district councils appoint a member to the Essex Panel, which must also include two independent members. The maximum panel size is 20 members. The current membership is as set out on the face of the Agenda.

The Home Office has made it clear that as far as possible, panels should satisfy the balanced appointment objective; which is to ensure the geographic, political and demographic make-up of the police force area is reflected in the membership of a panel. In appointing panel members, local authorities must, as far as is practicable, consider the make-up of the force area in terms of geography, politics and the requisite skills, knowledge and experience for the panel to function effectively.

Councillor membership of the panel should reflect the geography and population size of the force area. In the first instance, the legislation seeks to achieve this by having every local authority in the area represented on a panel.

The total number of Essex Councillors is 737 (including two vacancies) in the following proportions:

Conservative	Labour	Liberal Democrat	Other	UKIP
410 (55.8%)	97 (13.2%)	82 (11.1%)	102 (13.9%)	44 (6%)

The most recent appointees to the Panel are 10 Conservative, three Labour, 1 Liberal Democrat and 1 Independent against proportions of 8:2:2:2:1.

In terms of Council Administrations, there are 10 Conservative, 2 Labour and 3 joint administrations, 2 with Liberal Democrat Leaders and 1 with an Independent Leader.

In July 2012 when looking at its political make-up the Panel decided that, subject to the Home Secretary's approval, in order to reflect better the political balance across the Police Force area, the Chairman approach the Leader of the Liberal Democrat Group on the County Council to nominate a Liberal Democrat representative to be co-opted on to the Panel who should not be a member of any of the 15 local authorities in the Essex Police Force area who nominate to the Panel. Home Secretary approval was given and Ann Haigh was co-opted on to the Committee as a result. At the last meeting the Panel accepted her resignation because other commitments were preventing her from attending meetings and agreed to look again at the question of membership at this meeting.

Should the Panel wish to make use of any co-opted places to achieve a better political balance, the Home Secretary would need to approve any changes to the co-options. The Panel now has a Liberal Democrat Member, Councillor John Newberry from Brentwood, and elections are due in May which affect all constituent authorities except the County Council. On this basis it is proposed that the Panel take no further action at this stage as it will have to review its membership at the next meeting after the May elections.

The Panel also agreed at its last meeting that the Secretary contact Thurrock Borough Council concerning its non-representation at recent meetings. The Secretary has emphasised the need for the Council to be represented and reminded it that it can appoint a named substitute, which it has not done since the elections in May last year.

Essex Police and Crime Panel	EPCP/03/15
Date: 29 January 2015	

Proposed Precept for 2015/16

Contacts: Nick Alston, Essex Police and Crime Commissioner,
Charles Garbett, Treasurer

1 Purpose of Report

- 1.1 To present the Police and Crime Commissioner's (PCC) proposed precept for 2015/16.

2 Force Performance

- 2.1 Essex Police has performed well against HMIC effectiveness indicators. The most recent 2014 HMIC PEEL inspection report states that 'Essex Police is good at reducing crime, preventing offending and tackling anti-social behaviour.'¹ Crime is broadly static in Essex with the most recent year to date figures showing no increase, despite a significant increase in domestic abuse crimes, which is one indicator of a greater confidence in reporting to the police.
- 2.2 The 2014 HMIC PEEL inspection report states that Essex Police is an efficient force and delivers good value for money. Recorded crime has fallen by 3.4% over the four years of significant funding reductions.
- 2.3 The PCC provides this Panel with a detailed performance report each quarter, showing progress against each of the key areas of focus within the Police Crime Plan. <http://www.essex.pcc.police.uk/scrunity/essex-police-performance/>
- 2.4 Further work is underway to demonstrate the relationship between financial inputs and performance outcomes, so we can better evidence the impact of investment on Essex Police performance. The PCC convenes monthly finance and resources scrutiny meetings with Essex Police to hold them to account on this important area.

3 Budget Overview

- 3.1 This report builds upon the initial discussion on 'budget issues' at the last meeting of this Panel and a full analysis of the PCC's proposed budget is shown in Annex 1.
- 3.2 The loss of central government grant from 2014/15 to 2015/16 is significant at 4.7%, equivalent to £8.5m. This loss of grant is very similar to the loss of grant last year

¹ <http://www.justiceinspectorates.gov.uk/hmic/essex/>

and is indicatively equivalent to another 165 police officers. A precept increase of just under 2% will generate £1.7m to partly offset this loss.

- 3.3 Savings required for a balanced budget in 2015/2016 are £12.2m. HMI has advised PCCs to plan for further reductions in the following three years which will require savings of an additional £20.5m during 2016/17 and £16.3m during 2017/18. Based on medium term trends produced by the Office of Budget responsibility total recurring savings required over the next five years amount to £79m by 2019/20. This is an immensely challenging target and intense work will continue over the next few months to ensure that there are plans in place to meet the savings while maintaining essential investment in infrastructure projects.
- 3.4 The PCC is preparing plans for investing in estate and technology in order to provide the essential infrastructure that will be necessary for a modern, fit for purpose force over the five to ten year period. With reducing resources over a prolonged period of time it is essential that the Force has the technology, equipment and facilities to both prevent crime and deliver efficient policing in Essex in the interests of citizens and victims. The current police estate is too large, expensive to maintain and not always in the right place. The draft capital programme in Annex 1 indicates the magnitude of the task. More detailed preparation work is being undertaken as a matter of urgency and the Panel will be kept up to date with developments.
- 3.5 The PCC remains committed to supporting community safety partnerships. This work reduces crime and reduces demand on Essex Police. His ongoing grants and commissioning programme, more recently in addressing victim's needs will continue. The PCC's net grant budget of £2.5m is the same level as the current year and less than 1% of the total net budget.

4 Budget Strategies

Revenue Budget

- 4.1 The Revenue Budget strategy is to:
- i) Maintain a balanced budget over the five year life of the 2015/16 to 2019/20 Medium Term Financial Strategy (MTFS) by achieving a profile of savings reaching a total of £79m per year by 2019/20. This will require a significant change to the policing model in Essex involving further regional collaboration and radically changed local partnerships with other public authorities.
 - ii) Increase the precept for 2015/16 by the maximum permitted by the Government before a referendum is triggered in order to ensure a continuing stream of precept income to mitigate the savings required. The PCC is considering a referendum thereafter to lift the currently low precept to a more responsible level.
 - iii) Accommodate the cost of financing capital investment in the estate, IT and fleet within the medium term financial plan on the basis that approved business plans are both viable and affordable.

- iv) Maintain only minimum sufficient reserves to meet working capital needs, essential investment and unforeseen events.

Capital Programme

- 4.2 The PCC's capital expenditure programme for 2015/16 will be financed from accumulated capital reserves, new capital receipts and through central government support. The Capital Expenditure strategy is to:-
 - i) Continue the work on the capital strategies for the estate, IT and fleet through investment in strategic options that define the capital investment that would best meet operational policing and community requirements.
 - ii) Maximise capital resources from capital receipts and grants to fund both the current and emerging Capital Programme.
 - iii) During 2015/16 prepare a capital financing strategy to meet the anticipated net borrowing requirement arising from the capital investment in i) above.

5. Recommendation

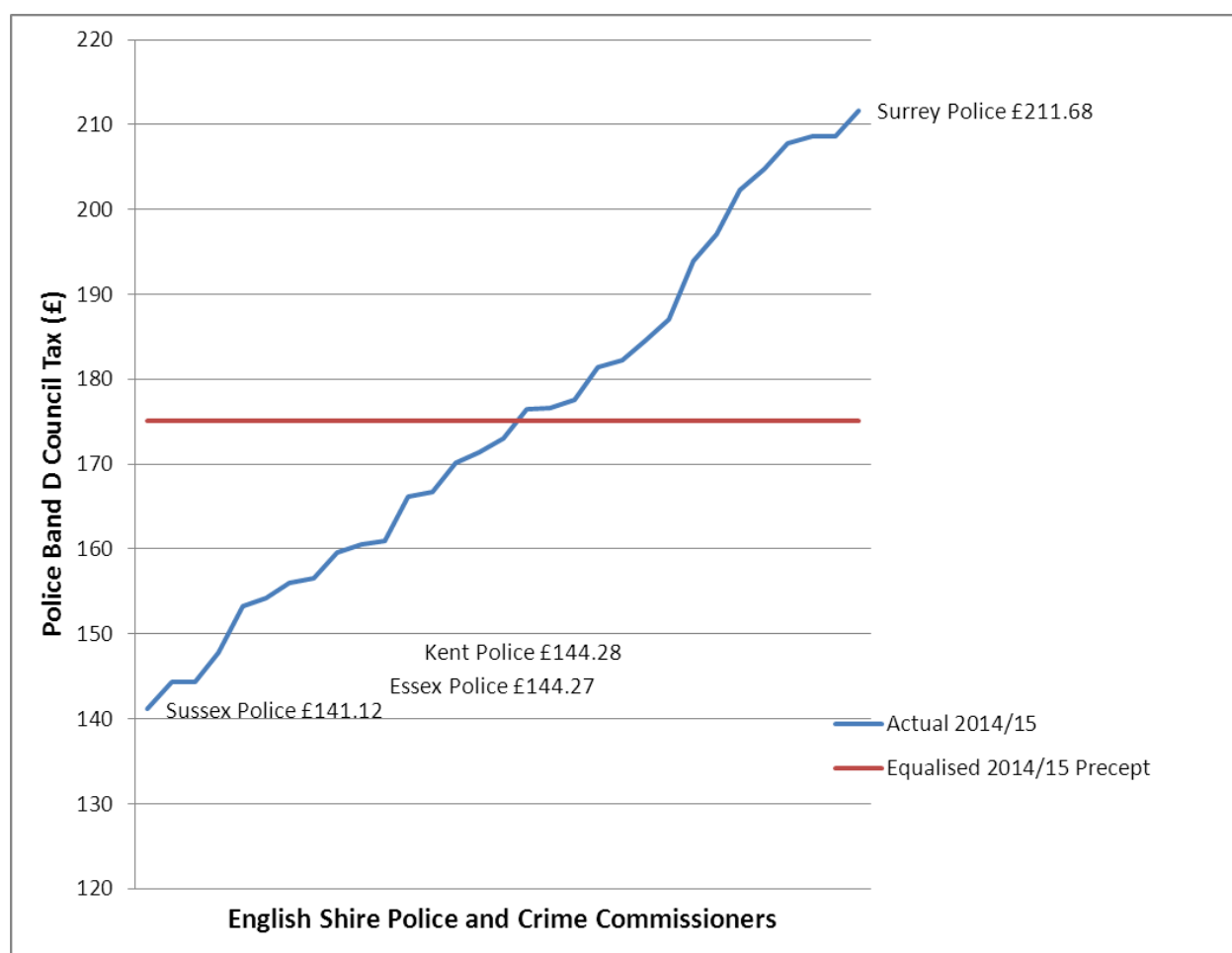
- 5.1 The PCC invites the Police and Crime Panel to note the continuing satisfactory performance of Essex Police.
- 5.2 The PCC proposes to increase the precept (the policing part of the council tax) in 2015/16 to the maximum permitted by the Government before a referendum is triggered.
- 5.3 The PCC therefore recommends a precept increase of 1.996%, equivalent to an increase of £2.88 a year from £144.27 to £147.15 for a Band D property, thus raising £1.7m of additional council tax receipts.
- 5.4 The Police and Crime Panel is invited to review and report on this proposed precept.

1. 2015/16 Council Tax

Comparative Data

1.1 When compared with the other 32 English shire forces in England and Wales, for 2014/15 Essex has, per head of population, the:

- ❖ 2nd lowest net expenditure
- ❖ Lowest non staff expenditure
- ❖ Below average number of police officers
- ❖ Below average number of PCSOs
- ❖ 7th lowest number of police staff
- ❖ Above average proportion of resources spent on police officers
- ❖ 2nd lowest precept as shown below:



- 1.2 An average precept in Essex would as an indicative figure fund 300 more police constables in Essex Police.
- 1.3 Essex is the 8th most populous area of the country (including the major city conurbations). Its make-up and proximity to London add to the complexity of its policing. Despite low spending and low council tax Essex has devoted a greater proportion of its total spending to police officers than most other shire forces.

2015/16 Council Tax Proposal

- 1.4 For 2015/16, the Government has offered PCCs who set a 0% increase in their precept (the element of council tax that contributes to police funding), an additional council tax freeze grant equal to a council tax rise of 1% (£0.86m for Essex) for 2015/16.
- 1.5 At last year's settlement the Minister for Local Government Brandon Lewis announced that funding for the 2015-16 council tax freeze grant will be built into spending review baselines. However, funding for 2016-17 onwards will be subject to decisions at the next spending review following the General Election. There is therefore no guarantee that the council tax freeze grant awarded for 2016-17 will be available for future years. Unfortunately, a one-off grant cannot sustain continuing employment of police officers.
- 1.6 On 18 December Kris Hopkins, the Communities and Local Government Minister announced details of the referendum principles for English local government alongside the provisional settlement. He confirmed that as in 2014-15 the threshold for triggering a council tax referendum will be 2% and above for all local authorities, except parishes.
- 1.7 Table 1 shows the values of various potential increases and resulting tax levels.

Table 1 - Potential 2015/16 Band D Police Council Tax

2014/15 Police Council Tax	2015/16 Increase	2015/16 Increase	2015/16 Police Council Tax	Additional Cash
£/pa	%	£/pa	£/pa	£m/pa
£144.27	nil	nil	£144.47	£0.86
£144.27	1.0	£1.44	£145.71	£0.86
£144.27	1.996	£2.88	£147.15	£1.72 recurring

- 1.8 Given the current low precept level along with its impact on the level of savings required, the Commissioner's proposal is for a 2015/16 precept increase of £2.88/pa (a 1.996% increase equivalent to less than £0.06 per week). Even after this proposed increase, the Essex police precept will remain the second lowest of the 32 English Shire Forces in England and Wales.
- 1.9 Therefore the PCC proposes to increase the precept by 1.996%. The additional cash available would amount to £1.72m which indicatively equates to 33 police officers.

2. Central Government Financial Support

- 2.1 The Provisional Police Finance Settlement was announced by the Minister for Policing, Criminal Justice and Victims Mike Penning on Wednesday 17th December. As expected, this provisional settlement covers just one year. It is widely anticipated that there will be a spending review shortly after the general election on 7 May 2015.
- 2.2 This publication of the Draft 2015-16 Police Grant Report marked the start of the consultation with the deadline for submissions of 23 January.
- 2.3 In the 2013 Budget the Chancellor announced a further 1.1% cut to the Home Office Departmental Expenditure Limit (DEL) in 2015-16. The Home Office were considering whether they would be able to absorb that cut within the department rather than pass the cut on to the police service. Because of this, the police service did not receive a provisional 2015-16 settlement last year.
- 2.4 At the time of the 2013 Spending Round the police were expecting Police Grant cuts of 3.2% in 2015-16 in cash terms; which at the time equated to 4.9% in real terms. The Home Office have updated the deflators used so; whilst the real-terms cut is the same at 4.9%, the cash cut is now 3.5%. This means that the Home Office have passed on some of the 1.1% DEL cut but not all of it.
- 2.5 In addition, however, the settlement shows provisional top-slices at a national level in 2015-16 totalling £176.8m. In 2014-15 the figure was just £90m. Top-slicing increases the cash cut to individual forces.
- 2.6 The resultant cash cut to police funding, when combining Police Grant, the Department of Communities & Local Government (DCLG) formula grant and the additional top-slices, is 5.1%. This equates to 7% in real terms.
- 2.7 The 2015/16 settlement for Essex published on 17th December 2014 confirmed the level of overall Government support as a **total cash reduction in Government funding of 4.7%. This amounts to £8.5m which is equivalent to 165 police officers.**

Table 2 Government Grants – Difference between 2014/15 and 2015/16

Grant	2014/15 £m	2015/16 £m	Difference £m	% Change
Home Office 'Core'	110.1	103.4	-6.7	-6.0
Home Office 'Formula' Grant	58.1	56.3	-1.8	-3.0
Sub Total	168.2	159.7	-8.5	-5.0
Council Tax Support Grant	11.0	11.0	Nil	Nil
2011/12 CT Freeze Grant	2.1	2.1	Nil	Nil
Total	181.3	172.8	-8.5	-4.7

- 2.8 The settlement includes the removal of the top-slice for the National Police Coordination Centre (NPoCC) and the proposed National ICT top-slice; worth £2.3m and £69m respectively. The Home Office will instead be charging police forces to recover this funding, as the Home Secretary feels it is more transparent than top-slicing.

2.9 There are three new top-slices in 2015-16:

- **Police Knowledge Fund (£5m)** - Further details will be provided in due course, however it is linked to driving improvements in the same way as the Innovation Fund.
- **Major Projects Fund (£40m)** - The top-slice will support development of the National Police Data Programme, Home Office Biometrics and the Emergency Services Mobile Communications Programme.
- **Police Special Grant (£15m)** - A contingency fund which will support forces facing unplanned or unexpected additional pressures which place them at financial risk.

2.10 There has been a significant increase in the IPCC top-slice – up 67% from £18m to £30m in 2015-16. The Home Office states this is to enable the IPCC to deliver significantly more independent investigations as investigations staff are recruited.

2.11 The Innovation Fund is confirmed as being worth £70m in 2015-16. £20m has already been allocated under previous multi-year bids, leaving the remaining £50m available. Bidding closed on 2 January 2015 with announcements of successful bids in mid-March. The PCC has submitted 8 bids amounting to over £8.6m.

2.12 The provisional settlement confirmed that at the current level of funding, £564m has been allocated to Counter Terrorism in 2014/15. For security reasons these allocations are not publically available.

2.13 Parliament is scheduled to debate the provisional settlement on 10th February, after which the final figures will be announced.

3. **2014/15 Budget Proposals**

Revenue Budget Planning

3.1 The proposed 2015/16 budget is detailed in Appendix A and summarised in Table 3 below:

Table 3 - 2015/16 Revenue Budget (summary of Spending and Funding)

	2015/16 £m	%
Total Planned Expenditure	287.412	100
Funded by:		
Council Tax receipts	89.761	31
General Government Grants	172.750	60
Sub Total core funding	262.511	
Specific Government grants	10.558	4
Fees, charges & sales	14.343	5
Total funding	287.412	100

- 3.2 The latest forecast outturn, based on figures at 31st December 2014 (month 9) is that forecast net revenue expenditure is forecast to be over budget by £2m. This is mainly due to additional costs arising from two murder investigations.
- 3.3 The officer and PCSO budgets are based on strength and police staff on establishment. The budgeted position for officers, PCSO's and staff is shown in Table 4 below:

Table 4: Officer and Staff Numbers included in the 2015/16 Budget

	Police Officers	PCSOs	Staff
1 st April 2015	3,067	263	1,920
Net reduction	-108	-13	-45
31 st March 2016	2,959	250	1,875

- 3.4 The profile of officers and staff during the financial year will change and will be subject to monthly scrutiny by the OPCC and EVOLVE programme team.
- 3.5 The PCC includes an annual budget for the PCC's office of £1.2m. This is the same budget as 2014/15 with an inflationary adjustment. This represents just 0.4% of the total policing budget, which will leave the PCC's office with one of the lowest costs per head of population in the eastern region.
- 3.6 A revenue budget summary showing the 2015/16 budget analysed on a subjective basis is shown in Appendix B.

Community Safety Grants

- 3.7 During 2014/15 the PCC has provided community safety grants to a wide range of organisations, including community safety partnerships and youth offending teams to reduce crime and disorder in Essex. During 2014/15 the total budgeted amount of grants available was £3.74m, which includes an allocation of £1.2 from the Ministry of Justice (MoJ) to prepare for, and commission, local victims services.
- 3.8 Progress on the allocation of 2014/15 community safety funding is well advanced with less than £601k remaining uncommitted from the budget of £3.74m. The New Initiatives Fund continues, with new applications being received regularly.
- 3.9 Since October 2014 the PCC has been responsible for commissioning local victims services. The Ministry of Justice allocated a grant of £601k to Essex PCC for the commissioning of victims services in 2014/15. For 2015/16 the value of this grant will increase to £1.871m in 2015/16.

Table 5 – Community Safety Grants

Community safety funds	2014/15 Budget £k	2015/16 Budget £k
Community Safety Fund – For 2015/16 to include funds previously allocated to 'Public Sector Reform Unit' and 'Former Force Grants'	1,246	1,246 + 290 + 663
Public Sector Reform Unit	290	Nil

Former 'Force' Grants	663	Nil
New Initiative Funds/Community Safety Development Fund (wef 1 April 2015)	300	300
Victims Capacity Building	640	Nil
Victims/restorative commissioning	601	1,871
Total	3,740	4,370
Specific Government Grant	-1,241	-1,871
Net PCC Grant Budget	2,499	2,499

- 3.10 In 2014/15 the PCC committed to reviewing the allocation criteria for the funding of Community Safety Partnerships. A new funding formula was devised by a task and finish group which included a selection of CSP managers. The new formula uses an area's population, the overall crime rate and deprivation level to calculate the value of their community safety grant. The overall total grant provided to CSP remained the same as previous years but the value of individual allocations has been changed to reflect the new funding formula.
- 3.11 The PCC has also agreed to create a new Fund; the Community Safety Development Fund (CSDF), which will supersede the New Initiatives Fund. The CSDF will be made available to local voluntary and community sector and statutory organisations such as CSPs to apply for funding that will impact upon the areas of focus within the PCC's Police & Crime Plan. The value of this fund will be £300k in 2015/16.
- 3.12 The PCC has amalgamated the Public Sector Reform Unit (formerly Whole Essex Community Budget) funding and the Former Force Grants into the Community Safety Fund from 2015/16. This rationalises and simplifies the PCC's budget.

EVOLVE Programme

- 3.13 Significant progress has been made on the early identification and development of plans to meet the savings requirement for 2015/16. The plans in hand are essentially the culmination of the 2014/15 re-organisation and will see the further bedding in of changes to the operational policing model alongside some changes to operational and business support functions (custody and HQ department). Work is also ongoing to review demand and identify the most appropriate shift pattern for local policing team resources (although this unlikely to be finalised in the early part of the year). As with previous years, a significant proportion of the savings requirement for 2015/16 is to be found from non-pay sources.
- 3.14 Early work has focused on establishing the future mission and priorities for the force and has identified change in workforce composition (warranted/non-warranted mix), collaboration and internal resource re-alignment to match changing demands as core components of the long term plan.
- 3.15 Significant progress has been made on the early identification and development of plans to meet the savings requirement for 2015/16. The table below details the value of the plans targeted to date.

Table 5: 2015/16 Savings Target

Proposals	£'000
Non-Pay	1,552
PCSO Reductions	800
Custody Review	1,100
Essex Police College Review	500
Operational Policing Model Review	
HQ Review	5,050
Serious Crime Directorate Review	1,000
IMU Civilianisation	750
Total	10,774

- 3.16 Significant Planning is at an advanced stage to deliver the outstanding savings requirement to meet the above £10.774m target. Any additional savings required or in-year shortfall will be met by bringing forward some elements of the 2016/17 savings plan into the 2015/16 financial year and reviewing the recruitment profile.
- 3.17 This early identification of the bulk of the 2015/16 savings requirement has allowed the Strategic Change Team (an amalgamation of the former Evolve Team and Business and Change Development Team) to focus on the development of a longer term vision for Essex Police.
- 3.18 The longer term plan will cover the period up to (at least) the 2020/21 financial year and will ultimately set out the future shape and composition of Essex Police as well as identify key areas for collaboration and partnership working with other forces, agencies and partners. The future organisation will be affordable (based on the best information and estimates to hand) and there will be an established transition plan for the next five years.
- 3.19 Early work has focused on establishing the future mission and priorities for the force and has identified change in workforce composition (warranted/non-warranted mix), collaboration and internal resource re-alignment to match changing demands as core components of the long term plan.

Capital Programme Proposals

- 3.20 The three main categories for capital investment are the estate, IT and fleet.
- 3.21 The Estates Strategy Review commissioned by the PCC in early 2014 has reached its conclusion and identified the following significant features of the current estate:
- a) There is a footprint of 1.25 million square feet with HQ having 25% of the total space with 80 properties and a total asset value of around £70m
 - b) Accommodation exceeds future policing requirements by approximately One-third
 - c) The estate is fragmented, inefficient with many police stations in the wrong place
 - d) Many buildings are old with a backlog of maintenance estimated at £30m and £1.75m per year is needed to maintain the estate in its current condition

- e) The estate is not suited to modern policing operations
- 3.22 The analysis of the existing estate included a strategic view of future operational requirements in the context of further reductions in police budgets, collaboration opportunities and strategic acquisitions and disposals.
- 3.23 The high level outcomes of the strategic review were recommendations to:
 - a) Rationalise and/or move Force HQ
 - b) Rationalise into 6 major policing hubs
 - c) Create/improve 1 local policing centre per local district authority
- 3.24 Much work is now being undertaken to progress the business cases required to improve the estate starting with Force HQ. Consultants are currently engaged in reviewing several options with a view to a decision being made on the preferred solution early in 2015/16.
- 3.25 During 2014 there was also a strategic review of IT and specialist consultants were commissioned to advice on the most appropriate strategic direction and development of the joint Essex/Kent IT services directorate. The review advised on the convergence of IT operations by the two forces, still currently operating on two platforms, and an investment profile that would not only enhance service performance but would generate future benefits/savings.
- 3.26 Due to significant new information from both the Estates and IT reviews emerging in the last few months the **2015/16 five year capital programme** as outlined below is subject to change, particularly from 2016/17 onwards. Nevertheless, this is shown in summary in Table 5 below and each project detailed at **Appendix C** based on the latest available information.

Table 5 – Draft Capital Programme and Financing 2015/16 to 2019/20

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Opening balance	11,763	2,879	(32,478)	(60,453)	(50,684)
<i>Estimated resources to be generated in year</i>					
Home Office - capital settlement	2,200	2,200	2,200	2,200	2,200
Other capital contributions	-	-	-	-	-
Capital receipts from existing plan and Estates Strategy	5,790	3,328	2,500	12,500	14,500
<i>Less, estimated capital payments in year</i>					
2014/15 and earlier years projects	(4,740)	(5,746)	(133)	-	-
Capital bids					
2015/16	(12,134)	(2,455)	(11)	-	-
2016/17	-	(32,684)	(27,975)	-	-
2017/18	-	-	(4,555)	(480)	-
2018/19	-	-	-	(4,451)	(2,240)
2019/20	-	-	-	-	(4,549)
Closing balance	2,879	(32,478)	(60,453)	(50,684)	(40,773)

- 3.27 Currently there are two sources of capital funds; an annual capital grant from the Home Office and capital receipts from the sale of fixed assets. The annual capital grant for 2015/16 is subject to confirmation in early February.
- 3.28 Table 5 shows that that there are sufficient capital reserves to fund the capital programme for 2015/16 but an estimated shortfall of £32m in 2016/17 rising to £60m in 2017/18 before reducing thereafter as capital receipts are generated.
- 3.29 Following use of all capital reserves during 2016/17 there will be a need to borrow monies in order to finance capital investment. The net borrowing requirement is after capital receipts have been taken into account along with any alternative credit arrangements, such as leasing, that are proven to be cost effective.
- 3.30 The revenue consequences arising from the 2015/16 and future years programme will be fully recognised in the PCC's Treasury Management Policy and Strategy which will be publicised before 1 April 2015. The forecast revenue costs will then be included in the Medium Term Financial Strategy.
- 3.31 There is a need to commission further specialist advice for both the estates and IT programme to progress robust business cases for investment. Advantage has therefore been taken of the substantial collection fund surplus of £1.68m. The 2015/16 revenue budget includes £1.18m for supporting investment in the estate and IT through a mixture of revenue funded capital investment and essential specialist support to progress the work required.

4. **Medium Term Financial Strategy (MTFS)**

- 4.1 The forecast revenue deficit increases year on year over the next five years to reach £79m by 2019/20. This arises due to a combination of the reduction in government grants and new unavoidable costs for pay & price increases resulting from national pay awards and other contractual or inescapable costs. The forecast deficit is the estimated gap between annual revenue spending and annual income from government grants and council tax receipts over the 5-year period. The planned profile for the £79m savings are shown in Table 9.

Table 9 - Planned MTFS savings required over the next 5 years

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Annual Savings Target	12.2	20.5	16.3	15.4	14.9
Cumulative Savings Target	12.2	32.7	49.0	64.4	79.3

- 4.2 The need to generate savings each year is substantially driven by the continuing reduction in Government grant, with no indication yet that this trend will abate. The plan to achieve savings of £79m over 5 years is to be addressed by the EVOLVE team over the next few months.

5. **Use of Reserves**

- 5.1 Earmarked or Specific Reserves are set aside for specific policy purposes, whilst the balance on the General Reserve is set aside for unforeseen contingencies and cash flow management. A full analysis of reserves is shown in Appendix D.
- 5.2 The general reserve balance is forecast to be £16.4m at 31 March 2015 and £14.3m at 31 March 2016. Working capital requirements, the amount needed to ensure that short term borrowing is avoided is estimated at £8m. Furthermore, a minimum contingency for unplanned police operations is now estimated at £2m. Reserves therefore need to be managed to maintain a minimum level of £10m.
- 5.3 It is estimated that specific capital reserves will be fully applied during 2016/17 in order to finance the capital investment highlighted above. The only earmarked reserves anticipated over the medium term are those to meet future dilapidation costs on a leased property.
- 5.4 An analysis of reserves held by other PCC's of Essex's most similar forces was presented to the Panel at their last meeting which showed that the level of reserves held by the PCC for Essex overall was at the lower end of the scale. The full use of earmarked capital reserves anticipated in Essex during 2016/17 reinforces the position that there are no reserves held beyond those required to maintain a balanced budget over the medium term.
- 5.5 The minimum level on reserves is to be maintained at **£10m** throughout the period of the medium term plan.

6. Robustness of Estimates

- 6.1 Section 25 of the Local Government Act 2003 requires that the Treasurer reports to the PCC when he is considering his budget and council tax. The report must deal with the robustness of the estimates and the adequacy of the reserves allowed for in the budget proposals, so that the PCC will have authoritative advice available to him when he makes his decision. Section 25 also requires the PCC to have regard to the report in making his decisions.
- 6.2 The decision on the level of the council tax precept is taken before the year begins and cannot be changed during the year, so allowance for risks and uncertainties that might increase spending above that planned, must be made by:
- i) Making prudent allowance in the estimates for each area of spend
 - ii) Ensuring that there are adequate reserves to draw on if the estimates turn out to be insufficient
- 6.3 These matters are more critical each year as the scale of budget reductions and the significant reduction or elimination of leeway in budgetary provision increases the risk of overspending.
- 6.4 The timely, accurate and regular monitoring of the budget and balance sheet items throughout the year is a mitigating factor and it is important that the Finance Department maintains the capacity and capability to support this work alongside other essential tasks such as the successful completion of the statutory accounts and advisory role to the EVOLVE work stream.
- 6.5 All project developments, particularly those in support of EVOLVE; will require financial advice and guidance at various levels. There are arrangements in place to ensure consistency of financial reporting whereby all financial content of reports presented to the PCC are reviewed by the Treasurer.
- 6.6 The following matters are taken into account when assessing the adequacy of reserves:
- Assumptions about inflation / deflation
 - Estimates of the level and timing of capital receipts
 - Treatment of demand led pressures and savings
 - Financial risks inherent in any significant new development
 - Financial standing (level of borrowing and debt)
 - Track record on budget management
 - Capacity to manage in-year budget pressures
 - Year-end procedures in relation to over and underspends
 - Strength of financial information and reporting arrangements
 - Adequacy of insurance arrangements
- 6.7 The level of general reserve as at 31 March 2016 will represent 5.4% of net revenue expenditure. However, this level may not prove to be sufficient to provide certainty over the medium term and this is being addressed.

APPENDIX A

2015/16 Budget Summary

	£000	
2014/15 Original Budget - Budget Book Net Expenditure	266,955	includes one-off expenditure and funding from reserves
Adjustment for use of reserves and one-off items in 14/15	(1,053)	From 2014/15 budget setting
Pay	721	Includes payrise, reduction in pension costs & turnover changes
Income increase	(200)	Increase in Private Hire and Mutual Aid income budgets
Growth from previous budget settings no longer required	(120)	
Evolve - Pay Savings	(5,418)	Savings from 2015/16 structure changes changed in 2014/15
Evolve - Non Pay savings	(1,567)	Includes £573k for fuel
Total Pre 2015/16 Activity	(7,637)	
2015/16 Base Budget after adjustment to 15/16 base for pre 2015/16 activity	259,318	A reduction of (£7.6m) to the 2014/15 baseline budget
Contractual Inflation	546	
Pay inflation	1,870	
Police Officer Ill Health/Injury Pension	302	Inflation @ 2.2% from 1st April 15
2015/16 Adjusted Baseline	262,036	
Identified MTFS Pressures / adjustments		
Pay (not inflation) e.g. increments/pension/NI changes	2,458	Includes increments of £2.2m
Revenue Cost Pressures	1,804	
Increase in support to Local Authorities for the Council Tax	200	
Total Identified MTFS Pressures	4,462	
Savings		
Savings to be found in 2015/16	(5,167)	Balance of in-year savings from full year savings programme & recruitment reviews
Total savings	(5,167)	Total savings in 2015/16 = (£12.2m) - see Evolve savings in pre 15/16 activity above
One-Off Activity		
Revenue Cost Pressures	913	
Bank Holidays	897	Base budget is for 8 in a year. 2015/16 has 10 & 1 substitute day (Boxing Day is on a Saturday)
Excess Mileage costs from restructures	360	Evolve and Reform restructures
Vehicle Fuel	(100)	Maybe required in 2015/16 if vehicle fuel prices increase - permanent budget reduced by £573k as part of Non-pay savings
Investment in Estates and IT Strategies	1,180	Funded from Collection Fund Surplus
Total One-Off Spending	3,250	
Use of Reserves		
Contribution from General Reserve	(2,070)	Funding one-off pressures less Collection Fund contribution
Total use of General Reserve	(2,070)	
2015/16 Final Budget requirement	262,511	
Source of Funding		
HO Core Police Grant - a reduction of £6.739m	103,372	(2014/15 £110.111m) - includes previous Community Safety Grant of £1.246m & PCSO's grant £7m
HO formula Grant - previously DCLG grant - a reduction of £1.857m	56,253	2014/15 £58.110m (2013/14 £60.950m)
Council Tax Freeze grant (2011/12)	2,133	2013/14 £2.133m (2013/14 £2.133m)
Council Tax Support Grant	10,992	2014/15 £10.992 (2013/14 £10.957m) - for reduction in taxbase from 13/14
Council Tax precept	88,081	2014/15 £84.545m (2013/14 £81.440m). Based on taxbase growth of 2.14% & 1.996% precept increase.
Collection Fund surplus	1,680	2014/15 £1.064m (2013/14 £0.406m & 2012/13 £0.101m).
2015/16 Total Funding	262,511	2014/15 £266.955m (2013/14 £271.573m).
Surplus / (deficit)	-	
Council Tax Band D (2013/14 = £141.48 & 2014/15 = £144.27)	£147.15	
CT Increase % (3.49% in 2013/14 & 2014/15 1.97%)	1.996%	
Increased cost to Band D property / pa (£2.79 in 2014/5)	£2.88	
Additional Weekly Cost (5 pence in 2014/15)	£0.06	
Tax base - number of properties (586.016m in 2014/15)	598,581	

APPENDIX B

POLICE & CRIME COMMISSIONER FOR ESSEX

REVENUE BUDGET SUMMARY 2015/16

Based on 1.996% Precept increase in 2015/16

	<i>2013/14 Actuals</i>	<i>2014/15 Original Budget</i>	<i>2015/16 Estimate</i>
	£000	£000	£000
Employees			
Police Officer Pay and Allowances	174,465	169,455	165,576
PCSO and Police Staff Pay and Allowances	70,681	70,683	74,785
Training	969	827	936
Other Employee Expenses	733	2,288	499
Police Officer Pensions (Ill Health & Medical)	4,068	4,259	4,561
Premises	10,483	10,518	10,183
Transport	6,165	6,582	5,882
Supplies and Services	22,935	20,077	20,096
Third Party Payments	7,490	5,192	5,640
Gross Operating Expenditure	297,989	289,881	288,158
Total Income	(30,701)	(23,715)	(24,648)
Net Cost of Services	267,288	266,166	263,510
Interest Receivable / Payable	(187)	(243)	(253)
Net loss/(surplus) on the disposal of fixed assets	20	32	32
Net Operating Expenditure	267,121	265,955	263,289
Capital & Other Adjustments	727	1,000	1,002
Net Expenditure	267,848	266,955	264,291
Contribution to/(from) Earmarked Reserve	4,851	0	2,360
Contribution to/(from) General Reserve	(1,083)	0	(4,140)
BUDGET REQUIREMENT	271,616	266,955	262,511
Finance by:			
Police Grant	(114,441)	(110,111)	(103,372)
Home Office Formula Grant (previously DCLG)	(60,950)	(58,110)	(56,253)
Community Safety Grant	(1,246)	0	0
Council Tax Freeze Grant	(2,133)	(2,133)	(2,133)
Council Tax Support Grant	(10,966)	(10,992)	(10,992)
Council Tax Precept	(81,440)	(84,545)	(88,081)
Collection Fund Surplus	(440)	(1,064)	(1,680)
Sources of Finance	(271,616)	(266,955)	(262,511)

CAPITAL PROGRAMME 2015/16 TO 2019/20

2015/16	joint with Kent	Capital Cost £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Later years £000	Total £000
<i>ANPR</i>									
Fixed site expansion		252.0	126.0	126.0					252.0
Essex journey time cameras		250.1	250.1						250.1
Stansted Airport - server infrastructure		50.0	50.0						50.0
Thurrock ANPR - radio link		15.0	15.0						15.0
Canvey Island ANPR - new cabinet connection		10.0	10.0						10.0
Stansted Airport ANPR - replacement equipment		15.0	15.0						15.0
Basildon ANPR - replacement equipment		10.0	10.0						10.0
<i>Estates</i>									
Capitalised maintenance programme		1,000.0	750.0	250.0					1,000.0
Chelmsford DHQ Boiler refurbishment		100.0	90.0	10.0					100.0
Chemical Enhancement Laboratory 2	Y	625.0	625.0						625.0
Chigwell - site purchase		750.0	750.0						750.0
Cycle stores		50.0	50.0						50.0
Environmental Projects 1		350.0	175.0	175.0					350.0
Evolve building works		500.0	400.0	100.0					500.0
Lightning and Power Surge Works at Hub and main Police Stations		100.0	80.0	20.0					100.0
Police HQ Professional fees for detailed work on chosen option and planning application fees		1,035.0	1,035.0						1,035.0
Southend Police Station - phase 2 (see separate report)		762.0	257.4	493.2	11.4				762.0
<i>IT</i>									
Magnolia Migration	Y	20.0	20.0						20.0
Workforce Management		200.0	200.0						200.0
Mobile Policing	Y	2,389.0	1,889.0	500.0					2,389.0
Joint Domestic Abuse Triage Team (JDATT) /Multi Agency Risk Assessment Conferences (MARAC)		100.0	100.0						100.0
ANPR Back Office Convergence		30.0	30.0						30.0
IT Self Service	Y	43.0	43.0						43.0
Desktop replacement programme	Y	70.0	70.0						70.0

CAPITAL PROGRAMME 2015/16 TO 2019/20

Network	Y	395.0	295.0	100.0					395.0
Server/Storage redesign and replacement	Y	811.0	711.0	100.0					811.0
Airwave - handheld radios replacement programme		76.0	76.0						76.0
Airwave - replacement of chargers		18.4	18.4						18.4
Consolidation of Systems and Software into strategic platforms	Y	500.0	400.0	100.0					500.0
Apollo	Y	280.0	280.0						280.0
Police Service Network	Y	312.0	312.0						312.0
Emergency Services Communication Network (Replacing Airwave)		1,000.0	750.0	250.0					1,000.0
Child Abuse Image Database (CAID) and Digital Evidence network/storage	Y	142.0	142.0						142.0
Work Management	Y	80.0	80.0						80.0
Web Crawler	Y	15.0	15.0						15.0
Property Management System		20.0	20.0						20.0
<i>Other</i>									
Body armour		79.0	63.2	15.8					79.0
<i>Transport</i>									
Fleet replacement programme		2,145.8	1,931.2	214.6					2,145.8
		14,600.3	12,134.3	2,454.6	11.4	0.0	0.0	0.0	14,600.3

CAPITAL PROGRAMME 2015/16 TO 2019/20

2016/17	joint with Kent	Capital Cost £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Later years £000	Total £000
<i>ANPR</i>									
Fixed site expansion		210.0		210.0					210.0
Equipment replacement		121.0		121.0					121.0
<i>Estates</i>									
Capitalised maintenance programme		1,000.0		750.0	250.0				1,000.0
Custody provision		7,500.0		4,000.0	3,500.0				7,500.0
Environmental Projects		150.0		150.0					150.0
Evolve building works		50.0		50.0					50.0
Headquarters		25,000.0		12,500.0	12,500.0				25,000.0
New Contact Centre FCR		7,250.0		3,625.0	3,625.0				7,250.0
Lightning and Power Surge Works at Hub and main Police Stations 2		50.0		50.0					50.0
Storage - new central facility	Y	5,000.0		2,500.0	2,500.0				5,000.0
Training Facility	Y	5,000.0		2,500.0	2,500.0				5,000.0
<i>IT</i>									
Consolidation of Systems and Software into strategic platforms	Y	530.0		430.0	100.0				530.0
Contact management		1,000.0		500.0	500.0				1,000.0
IT Self Service	Y	16.0		16.0					16.0
Desktop replacement programme	Y	409.0		409.0					409.0
Airwave - handheld radios replacement programme		76.0		76.0					76.0
Airwave - replacement of chargers		18.4		18.4					18.4
Emergency Services Communication Network (Replacing Airwave)		5,000.0		2,500.0	2,500.0				5,000.0
<i>Other</i>									
Body armour		79.0		79.0					79.0
<i>Transport</i>									
Fleet replacement programme		2,200.0		2,200.0					2,200.0
		60,659.4	0.0	32,684.4	27,975.0	0.0	0.0	0.0	60,659.4

CAPITAL PROGRAMME 2015/16 TO 2019/20

2017/18	joint with Kent	Capital Cost £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Later years £000	Total £000
<i>ANPR</i>									
Fixed site expansion		206.0			206.0				206.0
Equipment replacement		91.0			91.0				91.0
<i>Estates</i>									
Capitalised maintenance programme		1,000.0			750.0	250.0			1,000.0
Disposal consultancy		0.0			0.0				0.0
Environmental Projects 2		500.0			500.0				500.0
Helipad and Boreham main site		0.0			0.0				0.0
<i>IT</i>									
Consolidation of Systems and Software into strategic platforms	Y	150.0			150.0				150.0
Desktop replacement programme	Y	409.0			409.0				409.0
Network refresh		300.0			300.0				300.0
<i>Other</i>									
Body armour		79.0			79.0				79.0
<i>Transport</i>									
Fleet replacement programme		2,300.0			2,070.0	230.0			2,300.0
		5,035.0	0.0	0.0	4,555.0	480.0	0.0	0.0	5,035.0

CAPITAL PROGRAMME 2015/16 TO 2019/20

2018/19	joint with Kent	Capital Cost £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Later years £000	Total £000
<i>ANPR</i>									
Fixed site expansion		212.0				212.0			212.0
<i>Estates</i>									
Hub refurbishment - say Harlow		4,000.0				2,000.0	2,000.0		4,000.0
<i>IT</i>									
<i>Other</i>									
Body armour		79.0				79.0			79.0
<i>Transport</i>									
Fleet replacement programme		2,400.0				2,160.0	240.0		2,400.0
		6,691.0	0.0	0.0	0.0	4,451.0	2,240.0	0.0	6,691.0

CAPITAL PROGRAMME 2015/16 TO 2019/20

2019/20	joint with Kent	Capital Cost £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Later years £000	Total £000
<i>ANPR</i>									
ANPR fixed site expansion		220.0					220.0		220.0
<i>Estates</i>									
Hub refurbishment - say Colchester		4,000.0					2,000.0	2,000.0	4,000.0
<i>IT</i>									
<i>Other</i>									
Body armour		79.0					79.0		79.0
<i>Transport</i>									
Fleet replacement programme		2,500.0					2,250.0	250.0	2,500.0
		6,799.0	0.0	0.0	0.0	0.0	4,549.0	2,250.0	6,799.0

SUMMARY		Capital Cost £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Later years £000	Total £000
2015/16 proposals		14,600.3	12,134.3	2,454.6	11.4	0.0	0.0	0.0	14,600.3
2016/17 proposals		60,659.4	0.0	32,684.4	27,975.0	0.0	0.0	0.0	60,659.4
2017/18 proposals		5,035.0	0.0	0.0	4,555.0	480.0	0.0	0.0	5,035.0
2018/19 proposals		6,691.0	0.0	0.0	0.0	4,451.0	2,240.0	0.0	6,691.0
2019/20 proposals		6,799.0	0.0	0.0	0.0	0.0	4,549.0	2,250.0	6,799.0
		93,784.7	12,134.3	35,139.0	32,541.4	4,931.0	6,789.0	2,250.0	93,784.7

Current & Forecast Reserves**APPENDIX D**

	2014/15		2015/16		2016/17		2017/18		2018/19		2019/20	
	Forecast Movements (£m)	Forecast @ 31/3/15 (£m)	Forecast Movements (£m)	Forecast @ 31/3/16 (£m)	Forecast Movements (£m)	Forecast @ 31/3/17 (£m)	Forecast Movements (£m)	Forecast @ 31/3/18 (£m)	Forecast Movements (£m)	Forecast @ 31/3/19 (£m)	Forecast Movements (£m)	Forecast @ 31/3/20 (£m)
Specific Revenue Reserves												
Leased Property Dilapidations Reserve Original	-	0.2	-	0.2	-	0.2	-	0.2	-	0.2	-	0.2
Leased Property Dilapidation & Maintenance Reserve	-	0.5	-	0.5	-	0.5	-	0.5	-	0.5	-	0.5
Estates Plan	(0.8)	1.5	(1.5)	-	-	-	-	-	-	-	-	-
Support Services Project Team	(0.1)	-	-	-	-	-	-	-	-	-	-	-
Athena	(1.4)	0.3	(0.3)	-	-	-	-	-	-	-	-	-
Restructuring Reserve	1.6	1.6	(0.8)	0.8	(0.8)	-	-	-	-	-	-	-
Investment for Estates & IT Strategies	-	-	1.2	1.2	(1.2)	-	-	-	-	-	-	-
POCA income	-	0.6	-	0.6	-	0.6	-	0.6	-	0.6	-	0.6
Specific Revenue Reserves	(0.7)	4.7	(1.4)	3.3	(2.0)	1.3		1.3		1.3		1.3
Carry Forwards Reserve	(1.9)	-	-	-	-	-	-	-	-	-	-	-
General Reserve (note 1) GR as % of net revenue expenditure	(1.6)	16.4 6.1%	(2.1)	14.3 5.4%	(1.1)	13.2 5.2%	(1.7)	11.5 4.6%	(1.3)	10.2 4.2%	(1.3)	8.9 3.7%
Total Revenue Reserves	(4.2)	21.1	(3.5)	17.6	(3.1)	14.5	(1.7)	12.8	(1.3)	11.5	(1.3)	10.2
Specific Capital Reserves												
Usable Capital Receipts	2.3	10.0	(7.1)	2.9	(2.9)	-	-	-	-	-	-	-
Unapplied grants & other contributions	(3.2)	1.2	(1.2)	-	-	-	-	-	-	-	-	-
Long term liabilities												
Capital Grants - receipts in advance	(0.1)	0.6	(0.6)	-	-	-	-	-	-	-	-	-
Total Capital Reserves (note 2)	(1.0)	11.8	(8.9)	2.9	(2.9)	-	-	-	-	-	-	-
Usable Provisions												
Insurance (for known outstanding claims) (note 3)	(1.5)	1.4	(1.4)	-	-	-	-	-	-	-	-	-
Restructuring (for known redundancies @ 31.03)	-	-	-	-	-	-	-	-	-	-	-	-
Total Usable Provisions	(1.5)	1.4	(1.4)	-	-	-	-	-	-	-	-	-
Grand Total	(6.7)	34.3	(13.8)	20.5	(6.0)	14.5	(1.7)	12.8	(1.3)	11.5	(1.3)	10.2
Internal Borrowing on past capital projects	1.0	(8.1)	1.0	(7.1)	1.0	(6.1)	1.0	(5.1)	1.0	(4.1)	1.0	(3.1)
Reserves Financed by Cash	(5.7)	26.2	(12.8)	13.4	(5.0)	8.4	(0.7)	7.7	(0.3)	7.4	(0.3)	7.1

note 1: The forecast movements on the General Reserve for 2014/15 includes £0.3m transfer from the Carry Forward Reserve from the underspend on the DVPO unit

note 2: Capital spend from 2015/16 is being reviewed. The above estimates relate to the outline capital programme from 2015/16

note 3: The Insurance provision includes additional revenue funding of £0.3m in 2015/16 and £2.0m in 2016/17

AGENDA ITEM 8

Essex Police and Crime Panel	EPCP/04/15
Date: 29 January 2015	

Forward Look

Report by the Secretary to the Panel

Enquiries to: Colin Ismay: 033301 34571 colin.ismay@essex.gov.uk

Purpose of report and background

To plan the business of the Panel.

The next Meeting of the Panel is scheduled for 19 February 2015.

Business proposed to be taken to the meetings is as follows:

Date	Performance for period up to	Other business
19 February	End December Q3	<ul style="list-style-type: none"> • Hold against precept needing to come back
25 June	End March Q4	<ul style="list-style-type: none"> • Election of Chairman • Appointment of Vice-Chairman • Estates Review • Part-Night Lighting review
29 October	End June Q1	<ul style="list-style-type: none"> • Annual Report • Ethics and Integrity • Communication
26 November	End September Q2	<ul style="list-style-type: none"> • Commissioner's Budget Plans

The Panel is asked to indicate any other business it would like to consider and approve the schedule of meetings.

Potential Future items: Police Integrity and ethics; the impact of Transforming Rehabilitation and the changes to the Probation Service

