



## Nottinghamshire Police and Crime Commissioner – Notice of Decision

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<b>DECISION OR INFORMATION:</b>	Decision
<b>DATE RECEIVED:*</b>	23/02/2024
<b>REF:*</b> (to be inserted by the OPCC)	2024.021


<b>TITLE:</b>	BUDGET 2024-25, MTFP & Capital Programme to 2028-29
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<b>EXECUTIVE SUMMARY:</b>
<p>The purpose of this decision is to propose:</p> <ul style="list-style-type: none"> <li>• A revenue budget and council tax precept for 2024-25</li> <li>• A medium term financial plan for 2025-26 to 2028-29</li> <li>• A capital programme for 2024-25 to 2028-29</li> </ul> <p>The proposals will support delivery of the Police and Crime Plan.</p>

<b>INFORMATION IN SUPPORT OF DECISION: (e.g., report or business case)</b>
<p>The attached report sets out the detail. The Police and Crime Commissioner is asked to:</p> <ol style="list-style-type: none"> <li>1. note the Chief Finance Officer's statement on robustness of estimates and adequacy of reserves in Section 7;</li> <li>2. approve the council tax requirement for 2024-25 as set out in Appendix A;</li> <li>3. approve the revenue budget for 2024-25 at Appendix B and medium-term financial plan for 2025-26 to 2028-29 as set out in Appendix C; and</li> <li>4. approve the capital programme and its funding for 2024-25 to 2028-29 as set out in Section 5</li> </ol>

<b>FINANCIAL INFORMATION</b>	
All relevant financial information is contained in the attached report.	
<b>Signature: Chief Finance Officer</b>	<b>REDACTED</b>
<b>Date:</b>	23.02.24

<b>Is any of the supporting information classified as non-public or confidential information?*</b>	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If yes, please state under which category from the guidance**				
<b>DECISION:</b>				
<p>To:</p> <ol style="list-style-type: none"> <li>1. approve the council tax requirement for 2024-25 as set out in Appendix A;</li> <li>2. approve the revenue budget for 2024-25 at Appendix B and medium term financial plan for 2025-26 to 2028-29 as set out in Appendix C; and</li> <li>3. approve the capital programme and its funding for 2024-25 to 2028-29 set out in Section 5.</li> </ol>				

<b>OFFICER APPROVAL:</b>	
I have been consulted about the proposal and confirm that the appropriate advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.	
<b>Signature:</b> Chief Executive	
<b>Date:</b>	23.02.24

<b>DECLARATION:</b>	
I confirm that I do not have any disclosable pecuniary interests in this decision, and I take the decision in compliance with the Code of Conduct for the Nottinghamshire Office of the Police and Crime Commissioner. Any interests are indicated below:	
The above request has my approval	
<b>Signature:</b> Nottinghamshire Police & Crime Commissioner	
<b>Date:</b>	27.02.24

\*\* See guidance on non-public information

## 1. Police Grant Settlement

- 1.1 The Provisional Police Grant Report accompanied by a Written Ministerial Statement was laid before Parliament on 31 January 2024 and debated on 7 February 2024. The settlement remains unchanged from that set out at the provisional police funding settlement published on 14 December 2023.
- 1.2 The core grant for Nottinghamshire is now £163.2m, an increase of £3.3m from 2023-24 (this includes the in-year grant in respect of the pay award). In addition, a ringfenced allocation of £9.0m is available to Nottinghamshire upon maintaining the uplift officers target headcount number of 2,378 plus an additional 30 bringing the total number to 2,408, the funding will be released on a bi-annual basis, following the publication of police workforce statistics, and will be based on officer headcount in forces as at 30th September 2024 and 31st March 2025. Should forces not meet the necessary requirements to claim the funding available at the mid-year point, this funding will not be available to forces at the end of the year. The pension top-up grant allocation, £6.9m, has been increased in 2024-25 due to the employer pension contribution rates increasing to 34.5%. The Legacy Council Tax Grants of £9.7m have been maintained at the same level as 2023-24.
- 1.3 The Minister confirmed the precept referendum limit to allow an increase up to an additional £13 per annum for a Band D property, without the need to call for a local referendum.
- 1.4 The Minister's statement sets out the national priorities for 2024-25 which include:
- investing in flagship crime programmes which are helping to keep our streets safe;
  - a focus on driving innovation and accelerating the delivery of priority capabilities into policing e.g development of a 'digital front counter';
  - and delivering a range of Major Law Enforcement Programmes to replace and improve essential national technology systems and improving the quality and the use of police data.
- 1.5 Following the cessation of capital grant funding to PCCs in 2022-23 there is no capital grant allocated to PCCs in 2024-25, the £129m budget available will be redistributed as part of wider reallocations including police aviation and technology programmes.
- 1.6 Whilst we await any initial principles in relation to the Core Grant Distribution Review (funding formula review), and the structure and components of a new formula the Medium-Term Financial Plan (MTFP) still includes a prudent estimate of what additional core grant funding could be allocated to Nottinghamshire from 2026.

## 2. Council Tax

- 2.1 Details of the Nottinghamshire council tax base have been received from the City/District councils. These indicate a 1.21% increase in the tax base for 2024-25. There is also an aggregate net surplus on council tax collection funds; the Police and Crime Commissioner's share of this net surplus is estimated to be £0.941m.
- 2.2 The government confirmed its proposals relating to Council Tax referendum principles for 2024-25 in December 2024. In 2024-25 all PCCs will be allowed to increase Band D bills by up to £13 p.a. without triggering a local referendum. The budget is based upon the PCC's increase in the police precept of £12.96 (4.8%) for a Band D property for 2024-25.
- 2.3 The MTFP is based upon annual council tax increases of 3% p.a. from 2025-26 through to 2028-29.
- 2.4 It has been assumed that the taxbase will increase by 1.5% p.a. across the MTFP. This is considered a realistic level of increase.
- 2.5 The details of the council tax requirement are set out in Appendix A and the impact on Nottinghamshire council taxpayers is summarised in Table A below.

<b>Council Tax Band</b>	<b>2023/24 Council Tax</b>	<b>£12.96 Annual Increase to Band D</b>	<b>2024/25 Council Tax</b>	<b>% increase</b>	<b>Pence per week increase</b>
A	£179.46	£8.64	£188.10	4.8%	£0.17
B	£209.37	£10.08	£219.45	4.8%	£0.19
C	£239.28	£11.52	£250.80	4.8%	£0.22
D	£269.19	£12.96	£282.15	4.8%	£0.25
E	£329.01	£15.84	£344.85	4.8%	£0.30
F	£388.83	£18.72	£407.55	4.8%	£0.36
G	£448.65	£21.60	£470.25	4.8%	£0.42
H	£538.38	£25.92	£564.30	4.8%	£0.50

Table A: Council Tax

### 3. Other Income

3.1 The budget includes the use of £2.7m of reserves to balance the 2024-25 budget; and further use of reserves in future years in conjunction with efficiency savings to maintain a balanced position across the MTFP. The MTFP shows the need for a favourable outcome for Nottinghamshire in the long-awaited Funding Formula Review. Specific income from grants, partners and fees and charges is also included, detail is set out in Appendix B.

3.2 Core 2024-25 income is set out in Table B below.

<b>2024/25 Core Funding</b>	<b>£m</b>
Core Police Grant	(163.2)
Legacy CT Grant	(9.7)
Pension Grant	(6.9)
Ringfenced PUP	(9.0)
Special Grant	(2.7)
Surplus on collection funds	(0.9)
Police Precept	(94.8)
<b>Core Funding Total</b>	<b>(287.2)</b>
Use of Reserves	(2.7)
<b>Total Funding Available</b>	<b>(289.9)</b>

Table B - Funding

### 4. Revenue Expenditure

4.1 The 2024-25 budget is summarised in Table C below, and in more detail in Appendix B.

<b>2024/25 Expenditure</b>	<b>GROSS £m</b>	<b>NET £m</b>
OPCC Grants & Commissioning	12.2	
Less OPCC Specific Income	(8.1)	
Core Grants & Commissioning		4.1
PCC Office & Democratic Core		2.8
<b>Total OPCC</b>		<b>6.9</b>
CC Budget Requirement	310.1	
Less Specific Income	(24.0)	
Less Allocated Efficiencies/Savings	(5.2)	
<b>Total CC</b>		<b>280.9</b>
Direct Revenue Funding		0.0
Joint Service - Finance		2.2
<b>Total</b>		<b>289.9</b>

Table C – Expenditure (*amounts are rounded and may not sum*)

## 4.2 The following assumptions are included:

- Pay award for 2024-25 for officers and staff has been budgeted at 2.5%.
- Staff vacancy rate has been set at 4.75%.
- General inflation is budgeted at 2.5% where applicable and specific areas such as gas, electricity, diesel, petrol and Home Office ICT charges budgeted at varying levels to factor in the current pressures that are being faced.
- Police Officer headcount is maintained at 2,408 (2,367 FTE) to the end of March 2025 ensuring Nottinghamshire Police do not drop below the 357 additional officers plus the additional 30 officers allocated from the Uplift Programme.
- Police Staff establishment has seen a small increase in numbers to cope with the increasing demands placed upon the service following years of no change to our police staff numbers.
- The number of PCSOs is maintained at 150 FTEs throughout the whole of 2024-25.
- Investigators relate to both Police Staff Investigators (PSIs) and Graduate Investigators (GIs) and this number fluctuates within the year as we take new cohorts on, and others hopefully convert to becoming Police Officers that ties in with the Officer workforce plan. The main premise of these roles was to help feed the detective route of entry and this is an area in the future that can be scaled back in terms of FTEs as we bolster the detective constables within the force.

## 4.3 The following cost pressures are included:

- Pay and allowances has seen a £25m growth in cost through factoring in the pay award as well as the increments to officers and staff, restructures, and pension scheme contribution rate changes.
- £3m contract and insurance cost increases and a further £2m relating to inflationary pressures.
- £1.8m of demand pressures and investment to improve performance are included in the budget for 2024-25 to accommodate the challenges ahead.
- £3m of additional cost for NUH Maternity Investigation (Op Perth) that should be met by a combination of special grant funding and use of reserves.
- Maintenance of the OPCC £4.2m for Grants and Commissioning to continue the vital work to support victims and prevent crime and help people feel safe.

## 4.4 More detail on the budget changes since 2023-24 are in Appendix D.

4.5 £5.2m of efficiency savings have been identified and included as follows:

- £2.0m of efficiencies due to service redesigns, removal of temporary posts and ending of fixed term contracts.
- £2.5m has been identified from investment income and reduced interest paid on loans.
- £0.7m arising through savings from premises, comms and computing, supplies and services and increased income.

4.6 Plans for 2024-25 include:

- No service reductions, where possible demand and performance improvement funding has been included.
- Maintaining police officer numbers at 2,408, approximately one police officer for every 482 members of the public, and PCSOs at 150. A staff establishment at c1,400 with a 4.75% vacancy rate included.
- Increasing the number of neighbourhood PCs to 590, from 485. Increase of 15 sergeants to enhance supervisory ratios at a time when the level of experience of officers has reduced following the Police Uplift Programme.
- Neighbourhoods policing to fully incorporate Op Reacher, giving better availability and skill mix to these teams.
- Promoting the force as an employer of choice to fill vacant posts/retain staff and thus deliver better services to the public.
- Safeguarding the £4.2m budget for OPCC Grants and Commissioning to continue the vital work to support victims and prevent crime, help people feel safe and protect them from becoming victims of crime.
- Force continues to attend all burglaries and has a dedicated lead for shop thefts.
- Improve prosecution rates through greater synergy in investigations.
- Maintaining a high-level response rate to 999 calls and improvements to responding via rapid video response.
- Investing in capital projects to; ensure officers and staff have the right tools for the job e.g. appropriate ICT; ensure the vehicle fleet is fit for purpose; make provision for environmental projects to achieve a reduced carbon footprint (a review of opportunities has taken place and a plan has been drafted) and deliver on the net zero target.
- Continuing to maximise new funding opportunities to target specific activity and benefit as many people as possible.

## 5. Capital Programme

5.1 The programme is built upon the current priorities within the Force. Ensuring premises and equipment are fit for purpose, appropriately maintained, and replaced at the end of their useful life.

5.2 It is currently estimated that there will be approximately £0.6m carried forward from 2023-24 capital programme into 2024-25, these figures will be re-evaluated and confirmed at the end of the financial year.

5.3 The capital programme for 2024-25 to 2028-29 and its funding is summarised in Table D below. This outlines the funding made available, however, business cases will be completed and approved before funding is released.

£'000s					
<b>Capital Expenditure</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
Estates & Facilities	1,205	2,705	5,323	1,827	1,831
Information Services	315	315	112	115	140
Fleet	2,742	3,628	2,784	2,312	2,414
<b>Capital Programme</b>	<b>4,262</b>	<b>6,648</b>	<b>8,219</b>	<b>4,254</b>	<b>4,385</b>
<b>Financed by:</b>					
Capital Receipts	(300)	(300)	(300)	(300)	(300)
Capital Grants	0	0	0	0	0
Direct Revenue Financing	0	0	0	0	0
Borrowing	(3,962)	(6,348)	(7,919)	(3,954)	(4,085)
<b>Total</b>	<b>(4,262)</b>	<b>(6,648)</b>	<b>(8,219)</b>	<b>(4,254)</b>	<b>(4,385)</b>

Table D: Capital Programme

5.4 Estates & Facilities - A refresh of the building condition survey is taking place during 2023-24 to identify elements of future work required. There is a project to relocate Jubilee House in 2024-25. Also, a continuation of improvements to ensure the custody suites remain Home Office compliant, and general updates to the force estate to make best use of the space available and improve the environmental impact progress.

5.5 An investment within Information Services to continue the replacement of the ANPR static camera programme.

5.6 Fleet shows the budget requirement for on-going replacement of vehicles as well as provision for replacing written off vehicles.



## 6. Medium Term Financial Plan (MTFP)

6.1 The MTFP shows that a budget gap is emerging, the summary in Table E below demonstrates this.

	Budget	Medium Term Financial Plan - as at February 2024			
	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m	2028-29 £m
Revenue Expenditure	289.9	302.8	311.3	317.2	323.6
Direct Revenue Financing	0.0	0.0	0.0	0.0	0.0
<b>Total Expenditure</b>	<b>289.9</b>	<b>302.8</b>	<b>311.3</b>	<b>317.2</b>	<b>323.6</b>
Core Funding	287.2	293.5	302.5	310.3	318.8
Use of Reserves	2.7	4.0	3.3	4.0	0.6
<b>Total Funding Available</b>	<b>289.9</b>	<b>297.5</b>	<b>305.8</b>	<b>314.3</b>	<b>319.4</b>
<b>Net Surplus/(Deficit)</b>	<b>0.0</b>	<b>(5.3)</b>	<b>(5.5)</b>	<b>(2.9)</b>	<b>(4.2)</b>
Core Efficiency Requirement (BAU)	0.0	1.0	1.7	2.1	2.4
Cumulative Stretch Efficiency Targets	0.0	2.0	2.9	2.9	2.9
<b>Total Efficiency Requirements</b>	<b>0.0</b>	<b>3.0</b>	<b>4.6</b>	<b>5.0</b>	<b>5.3</b>
Use of Reserves from/(to) / One-off savings/(investment)	0.0	2.3	0.9	(2.1)	(1.1)
<b>Net Surplus/(Deficit)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Table E - MTFP

6.2 The detailed MTFP can be found in Appendix C. The Financial Strategy will provide more detail on the specific savings and efficiencies outlined.

## 7. Chief Finance Officer's report under section 25 of the Local Government Act 2003

7.1 The purpose of this section of the report is to provide the Commissioner with information on the robustness of the estimates and the adequacy of reserves, so that authoritative advice is available when the budget decision is made.

7.2 The Commissioner is required to decide each year how much should be raised from council tax. This decision is based upon a budget that sets out estimates of spending plans.

7.3 The decision on the level of the council tax is taken before the year begins and it cannot be changed during the year, so allowance for risks and uncertainties that might increase expenditure above that which is planned must be made by:

- making prudent allowance in the estimates, and in addition;
- ensuring that there are adequate reserves to draw on if the estimates turn out to be insufficient.

7.4 Section 25 of the Local Government Act 2003 requires that the Chief Financial Officer reports to the Police & Crime Commissioner (PCC) as part of the consideration of the 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. Section 25 also requires the PCC to have regard to the report in making the decision.

### Robustness of Estimates

- 7.5 This report provides details of the revenue budget proposals for 2024-25 together with provisional budgets for 2025-26 to 2028-29. The budget proposals presented herein are based upon delivering the PCC's Police & Crime Plan.
- 7.6 Detailed estimates for 2024-25 have been prepared on a realistic basis and following a rigorous review by budget holders, Finance Business Partners, the Force Executive Board, and the Office of the Police and Crime Commissioner.
- 7.7 The Chief Finance Officer to the Police & Crime Commissioner and The Chief Finance Officer to the Chief Constable has worked closely with the Head of Finance (Nottinghamshire Police) to obtain assurance on the accuracy of the estimates provided. There have been specific meetings between the Commissioner, Chief Constable, and their professional officers to discuss the proposals.
- 7.8 Detailed workforce plans provide for the continuation of the Home Office target for Nottinghamshire's police officer uplift in 2024-25. Appropriate staff numbers and PCSOs are also included. Other estimates are set out below:

COST DRIVER	ESTIMATE
Pay inflation	2.5%
Vacancy levels for police staff	4.75%
Pensions	18.2% LGPS, 34.5% Police Officers
Non pay inflation	0% to 5%
Inflation Volatility	£400k
Collection fund surplus/deficits	£941k surplus
General Inflation	2.5%
Police/Home Office IT charges	10%
Insurance	30%

- 7.9 The budget proposed within this report represents a balanced budget. To achieve this, the force has provided detail on how efficiencies and savings will be delivered. There are some potential risks to the full amount of savings being achieved and this will be monitored monthly, with alternative savings needing to be identified if the initial plans cannot be delivered.

### Medium Term Financial Plan

- 7.10 Provisional service budgets are proposed for 2025-26 to 2028-29. The government has yet to set grant allocations for these years. Estimates have been based on prudent assumptions. There remains the risk that the grant income will be lower than assumed, and significant specific grants may not continue at the same level or at all.
- 7.11 Similarly there is no clarity on the government's future intentions in relation to the limitation of council tax increases from 2025-26 onwards. Prudent assumptions have been made.
- 7.12 On current assumptions the budget requires a further plan for more efficiency savings and potentially an increased use of reserves to balance the MTFP. This is based on maintaining the resources available for police officers/PCSOs and maintaining appropriate numbers of police

staff. This also makes provision for smoothing the impact of OPCC specific grants that may cease or be reduced from 2025.

- 7.13 Nevertheless, financial balance would be achieved across the medium term because of increased contributions from Nottinghamshire council taxpayers, use of reserves and further efficiency savings. Plus, the expected implementation of the long-awaited Formula Funding Review.
- 7.14 Alongside increased government funding for the national police officer uplift programme, improved service delivery to the people of Nottinghamshire will be achieved by investment in ICT, vehicles and estates to ensure officers and staff have the right tools for the job to work in the most efficient and effective manner. Priority performance and demand related funding requirements have been included.
- 7.15 Continually improving productivity and efficiency together with achieving additional government funding are key to maintaining sufficient levels of policing into the medium term. Continuing sound financial control will also be key to maintaining financial balance into the medium term.

### Reserves

- 7.16 CIPFA's Guidance makes clear that the adequacy of the PCC's reserves should be assessed in the context of its strategic, operational and financial risks.
- 7.17 The currently approved Reserves Strategy sets out the level of general reserves to be maintained at the mid-point of a target range based on the financial risk assessment in respect of residual financial risks. The Reserves Strategy has been reviewed as part of the budget process and is the subject of a separate decision record.
- 7.18 The PCC currently holds a General Fund Reserve of £9.0m, 3.1% of total net budget in 2024-25. It has previously been established that General Reserve will be maintained at a level above the **minimum of 2.0%, £5.8m of the total net budget**. Similarly, the General Reserve should be set at a prudent and not excessive level, as holding high level of reserves can impact on resources available and therefore performance. As such the **maximum** level of General Reserve is recommended to set at **5.0%, £14.5m of the total net budget**.
- 7.19 There are no plans to use the General Fund Reserve to balance the 2024-25 revenue budget, and it looks unlikely to become necessary to do so during the MTFP, with Earmarked Reserves being utilised in the first instance. The Reserves Strategy provides details of the risk-based assessment that has been undertaken.
- 7.20 It is expected that earmarked reserves will be reduced over the MTFP due to specific demands such as specific grants in the OPCC ceasing or reducing plus the impact of funding Op Perth.
- 7.21 In the current circumstances, I am satisfied that the level of reserves is adequate.

## APPENDIX A – Council Tax Requirement

<b>A. Budget &amp; Council Tax Requirement</b>		<b>£</b>	<b>£</b>	
Total Budget			322,131,192.40	
Less: Specific Grants & General Income			32,201,329.99	
Budget Requirement			289,929,862.41	
Less: Use of Reserves			2,700,054.00	
Police Grant		163,171,530.00		
PUP Ringfenced Grant		9,027,287.00		
Pension Top Up Grant		6,866,107.00		
Special Grant		2,663,641.00		
Council Tax Support Grant		9,726,194.00	191,454,759.00	
PCC for Nottinghamshire Precept			95,775,049.41	
Less: City/District Councils Collection Fund Surplus			940,707.21	
Council Tax Requirement			94,834,342.20	
<b>B. PCC Council Tax by Property Band</b>		<b>Proportion of Band D</b>	<b>Council Tax £</b>	
Band A		6/9	188.10	
Band B		7/9	219.45	
Band C		8/9	250.80	
Band D		9/9	282.15	
Band E		11/9	344.85	
Band F		13/9	407.55	
Band G		15/9	470.25	
Band H		18/9	564.30	
<b>C. Precept on Councils</b>	<b>No. of Band D Properties</b>	<b>Council Tax Requirement £</b>	<b>Collection Fund Surplus/(Deficit) £</b>	<b>Total £</b>
Ashfield	34,524.50	9,741,087.68	121,285.00	9,862,372.68
Bassetlaw	37,801.62	10,665,727.08	471,281.00	11,137,008.08
Broxtowe	35,224.25	9,938,522.14	7,541.44	9,946,063.58
Gedling	38,962.89	10,993,379.41	(33,555.00)	10,959,824.41
Mansfield	31,003.40	8,747,609.31	72,117.18	8,819,726.49
Newark & Sherwood	42,531.75	12,000,333.26	(114,205.32)	11,886,127.94
Nottingham City	69,075.00	19,489,511.25	420,045.78	19,909,557.03
Rushcliffe	46,989.80	13,258,172.07	(3,802.87)	13,254,369.20
Total	336,113.21	94,834,342.20	940,707.21	95,775,049.41

## APPENDIX B – Budget 2024-25

		2023/24		2024/25	
		£'000		£'000	
		TOTAL		TOTAL	
<b>Core Income</b>	Council Tax Precept	(89,750)		(95,775)	
	General Police Grant	(96,040)		(104,028)	
	Legacy Council Freeze Grant	(1,332)		(1,332)	
	Legacy Council Support Grant	(8,394)		(8,394)	
	National Non Domestic	(57,953)		(59,144)	
	Pension Top Up Grant	(2,028)		(6,866)	
	Police Special Grant	0		(2,664)	
	PUP Ringfenced Grant	(4,909)		(9,027)	
	Use of Reserves	(1,500)		(2,700)	
<b>Total Core Income</b>		<b>(261,907)</b>		<b>(289,930)</b>	
		2023/24	2024/25	2024/25	2024/25
		NET TOTAL	SPECIFIC	GROSS	NET TOTAL
			INCOME	EXPENDITURE	
<b>Chief Constable</b>	Police Officer Pay & Allow	128,602	0	147,602	147,602
	PCSO Pay & Allowances	5,995	0	6,484	6,484
	Investigators Pay & Allowances	3,909	0	5,431	5,431
	Archives & Exhibits	2,045	(35)	2,239	2,204
	City Division	2,868	(84)	2,643	2,560
	Collaboration - Major Crime	1,011	(44)	1,168	1,125
	Collaboration - Operations	8,421	(6,118)	14,911	8,792
	Collaboration - Services	1,344	0	1,465	1,465
	Command	546	(9)	788	779
	Contact Management	13,080	(1,096)	13,971	12,875
	Corporate Communication	837	0	1,125	1,125
	Corporate Development	1,652	0	1,735	1,735
	County Division	2,856	(145)	2,407	2,261
	Crime Command Team	426	0	501	501
	Criminal Justice	3,433	(959)	5,144	4,185
	Custody	4,579	(11)	4,849	4,838
	Estates & Facilities	10,265	(2,220)	12,179	9,959
	Fleet	3,707	(263)	4,093	3,829
	Information Management	641	(1,085)	1,951	866
	Information Services	19,888	(446)	21,317	20,870
	Intelligence	4,662	(1)	4,344	4,343
	Operational Support	3,043	(6,207)	9,576	3,369
	People Services	5,958	(61)	6,606	6,545
	Prevention Hub	0	(95)	2,875	2,781
	Professional Standards Directorate	1,126	(60)	1,330	1,270
	Projects - Grant Funded	(592)	(1,054)	1,053	(1)
	Projects - Internal	500	0	2,292	2,292
	Public Protection	2,681	(176)	2,666	2,491
	Seconded	(570)	(414)	75	(339)
	Serious & Organised Crime	3,670	(214)	4,186	3,972
	Special Accounting	14,547	(3,167)	16,718	13,551
	Special Investigations	0	0	1,001	1,001
	Staff Associations	121	0	142	142
	Violence Reduction Partnership	578	0	0	0
<b>Chief Constable</b>		<b>251,829</b>	<b>(23,964)</b>	<b>304,866</b>	<b>280,902</b>
<b>OPCC</b>	OPCC & DEMOCRATIC CORE	2,645	0	2,801	2,801
	OPCC GRANTS & COMMISSIONING	4,586	(8,138)	12,204	4,066
<b>OPCC</b>			<b>(8,138)</b>	<b>15,005</b>	<b>6,867</b>
<b>JOINT SERVICES</b>	Finance	2,247	(100)	2,260	2,160
<b>Direct Revenue Financing</b>	Direct Revenue Financing	600	0	0	0
<b>TOTAL</b>		<b>261,907</b>	<b>(32,201)</b>	<b>322,131</b>	<b>289,930</b>

## APPENDIX C – Medium Term Financial Plan 2025-2029

Medium Term Financial Plan - as at February 2024						
	2024-25	2025-26	2026-27	2027-28	2028-29	Assumptions
Revenue Expenditure	£m	£m	£m	£m	£m	
Pay	234.7	241.2	249.2	254.5	259.6	2.5% each year
Non-pay	87.7	89.4	91.2	93.0	94.9	Average of 2% increase p.a.
Income	(32.2)	(29.1)	(29.7)	(30.3)	(30.9)	2% p.a from 2026-27 onwards
Use of Asset Reserve	(0.3)	1.3	0.6	0.0	0.0	Planned use to smooth replacement cost
<b>Total Net Revenue Expenditure (NRE)</b>	<b>289.9</b>	<b>302.8</b>	<b>311.3</b>	<b>317.2</b>	<b>323.6</b>	
<b>Funding Analysis</b>						
Core Police Grant	163.2	175.6	179.2	182.7	186.4	24-25 PUP Grant added to core. Assumed 2%
PUP Grant	9.0	0.0	0.0	0.0	0.0	increase from 2025-26 onwards
Council Tax Legacy	9.7	9.7	9.7	9.7	9.7	Fixed amount
Funding Formula Review	0.0	0.0	1.0	2.0	3.0	Gains phased - floors and ceilings
Pension Top-up Grant	6.9	6.4	6.4	6.4	6.4	Fixed amount
Special Grant	2.7	2.7	2.5	1.1	0.0	Op Perth
Precept	94.8	99.1	103.7	108.4	113.3	£12.96, then 3% increase and 1.5% tax base growth
Collection fund surplus/(deficit)	0.9	0.0	0.0	0.0	0.0	
<b>Core Funding Available</b>	<b>287.2</b>	<b>293.5</b>	<b>302.5</b>	<b>310.3</b>	<b>318.8</b>	
<b>Balance Sheet Funding</b>						
Use of Reserves	2.7	4.0	3.3	4.0	0.6	Planned use to fund general expenditure
<b>Total Funding Available</b>	<b>289.9</b>	<b>297.5</b>	<b>305.8</b>	<b>314.3</b>	<b>319.4</b>	
DRF	0.0	0.0	0.0	0.0	0.0	Funding of capital expenditure
<b>Net Surplus/(Deficit)</b>	<b>0.0</b>	<b>(5.3)</b>	<b>(5.5)</b>	<b>(2.9)</b>	<b>(4.2)</b>	
Core Efficiency Requirement (BAU)	£5.2m of efficiencies have been removed from NRE above	1.0	1.7	2.1	2.4	This is the level of ongoing efficiencies/reductions expected each year as part of normal business
Stretch Efficiency Target		2.0	2.9	2.9	2.9	Additional efficiencies required to balance the budget shown as ongoing
<b>Total Efficiency Requirements</b>	<b>0.0</b>	<b>3.0</b>	<b>4.6</b>	<b>5.0</b>	<b>5.3</b>	<b>Total cumulative efficiencies required of £17.9m</b>
Use of Reserves from/(to) / One-off savings/(investment)		2.3	0.9	(2.1)	(1.1)	Balance to zero over the MTFP
<b>Cumulative Deficit</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

## APPENDIX D - Variance analysis between 2023-24 and 2024-25 budgets

### **Pay, allowances and overtime costs**

- Total movement of £28.9m comprising of:
  - Pay award of 7% for all officers and staff in 2023-24 and a full year impact in 2024-25
  - Annual increments for employees
  - Impact of first year of Op Perth
  - Full year impact of having procurement and cleaning services inhouse

### **Comms and computing costs**

- Total movement of £1.4m comprising of:
  - Increase in contract prices for essential services
  - Impact of inflation from Home Office IT charges

### **Operational costs**

- No change year on year

### **Partnership costs**

- Total movement of £4.0m comprising of:
  - Increases in costs for contracts that are held by partners that we contribute towards as well as inflation
  - Increase in OPCC Grants & Commissioning expenditure (offset by specific income)
  - Increase to regional EMSOU contribution

### **Premises costs**

- No change year on year with inflation costs offset by efficiency savings

### **Supplies and services costs**

- Total movement of £1.0m comprising of:
  - Greater costs for Safer Roads from more attendees at speed awareness courses (offset within income)
  - McCloud remedy implementation costs

### **Transport cost**

- Total movement of £0.1m comprising of:
  - Increase in fuel costs for diesel and petrol

### **Income**

- Total movement of (£8.4m) comprising of:
  - Increase in investment income
  - Greater income from Safer Roads from more attendees at speed awareness courses
  - Increase in OPCC Commissioning Grants
  - Increase in seconded officer income, court income from police led prosecutions and special services income from mutual aid and football matches