

Leicester
City Council

**MEETING OF THE LEICESTER, LEICESTERSHIRE AND RUTLAND POLICE
AND CRIME PANEL**

DATE: WEDNESDAY, 2 FEBRUARY 2022

TIME: 1:00 pm

**PLACE: Committee meeting room G01, Ground Floor, City Hall, 115
Charles Street, Leicester**

Members of the Panel

Councillor Taylor (Chair)

Councillor Master (Vice-Chair)

Councillors Clair, Cutkelvin, Graham, Harper-Davies, Loydall, Mullaney, Phillimore, Stephenson, Whelband and Woodman and City Mayor Sir Peter Soulsby.

Independent Members

To be formally appointed at meeting on 2 February 2022

Members of the Panel are invited to attend the above meeting to consider the items of business listed overleaf.

For Monitoring Officer

Officer contacts:

Anita James (Senior Democratic Support Officer),

Tel: 0116 4546358, e-mail: anita.james2@leicester.gov.uk

Leicester City Council, 3rd Floor Granby Wing, City Hall, 115 Charles Street

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If you have any queries about any of the above or the business to be discussed, please contact:

Anita James, Democratic Support on 0116 4546358. Alternatively, email anita.james2@leicester.gov.uk, or call in at City Hall.

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PUBLIC SESSION

AGENDA

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1. **WELCOME AND INTRODUCTIONS**
2. **APOLOGIES FOR ABSENCE**
3. **APPOINTMENT OF INDEPENDENT MEMBERS TO THE LEICESTER, LEICESTERSHIRE AND RUTLAND POLICE AND CRIME PANEL** **Item 3**

Members to receive a report with details of the recruitment process which took place for two co-opted Independent Member vacancies on the Leicester, Leicestershire and Rutland Police and Crime Panel, and to formally introduce the two persons appointed.

Members will be asked to endorse the Appointment Panels selection decision and to formally appoint the two co-opted Independent Members to the Panel.

4. **DECLARATIONS OF INTEREST**

Members will be asked to declare any interests they have in the business on the agenda.

5. **MINUTES OF THE LAST MEETING: 2ND DECEMBER 2021** **Item 5**

The minutes of the meeting and the confirmation hearing held on 2nd December 2021 are attached and Members will be asked to confirm they are an accurate

record.

6. THE PROPOSED PRECEPT 2022-23 AND THE MEDIUM TERM FINANCIAL PLAN (MTFP)

Item 6

Members to receive a report setting out the proposed precept 2022-23 and the medium term financial plan (MTFP).

Members will be asked to comment and note the contents of the report.

Members will also be asked to support the proposal to increase the 2022-23 Precept by £10.00 per annum (4.03%) for police purposes to £258.23 for a Band D property.

7. POLICE RECRUITMENT AND RETENTION UPDATE

Item 7

Members will receive a report updating on Police recruitment and retention as well as the Force 1 in 4 commitment to be representative of the population of Leicester, Leicestershire and Rutland.

Members will be asked to comment on and note the contents of the report.

8. WORK PROGRAMME

Item 8

Members to consider and note the ongoing work programme and make further suggestions for inclusion as appropriate.

9. ANY OTHER URGENT BUSINESS

10. DATE OF NEXT MEETING

The next scheduled meeting will take place on Monday 14th February 2022 at **12 noon** at City Hall.

Item 3

LEICESTER, LEICESTERSHIRE AND RUTLAND

POLICE AND CRIME PANEL – 2nd FEBRUARY 2022

APPOINTMENT OF INDEPENDENT CO-OPTED MEMBERS OF THE LEICESTER,

LEICESTERSHIRE& RUTLAND POLICE & CRIME PANEL

REPORT OF THE PANEL'S SECRETARIAT

Purpose of Report

1. To provide Members with details of the recruitment process which took place for two Co-opted Independent Members of the Leicester, Leicestershire and Rutland Police and Crime Panel, and to formally introduce the two persons appointed.

Background

2. The Police Reform and Social Responsibility Act 2011 (the Act) requires Police and Crime Panels to have at least two non-political co-opted independent members. The Act also states that in making these appointments the panel must ensure the overall panel membership meets the balanced appointment objective in terms of having the skills, knowledge, and experience necessary to discharge its functions effectively.
3. The requirements of the Act are reflected in the Terms of Reference of the Leicester, Leicestershire, and Rutland Police & Crime Panel which state at Section 2, Paragraph 9:
The panel shall co-opt two independent members on to the panel for a term of 4 years commencing at the mid-way point in the Police and Crime Commissioners term of office, with a view to ensuring the panel has the necessary skills, knowledge, and experience to carry out its functions.
4. Mr Keith Culverwell and Ms Mehrunissa Lalani served as the panels Independent Members from 1 January 2017 until 31 December 2021.
5. At the meeting of the Leicester, Leicestershire and Rutland Police and Crime Panel on 30th September 2021 it was agreed to commence a new recruitment process to fill the two independent member positions on expiry of the current terms. It was agreed that an Appointment Panel be set up to comprise one member from Leicester City Council, one member from Leicestershire County Council and one member from Rutland County Council.

Recruitment process

6. On 15th December 2021 the vacancies were advertised on the Leicester City Council website and shared with recruitment teams in the County Councils and Districts for promoting. The advert was also shared with the Police communications team who promoted that through their website.
7. The advert was also circulated to all Panel Members to share accordingly.
8. As a result of the advertisement there were 15 requests for application forms and 6 completed applications submitted by the closing date.

9. The appointment panel comprising Councillor Deborah Taylor (Leicestershire County Council), Councillor Lucy Stephenson (Rutland County Council) and Councillor Kirk Master (Leicester City Council) conducted a shortlisting process and selected candidates for interview.
10. On 24 January 2022 candidates undertook a formal interview. The applicants were assessed against the following selection criteria as recommended in the Local Government Associations guidance on appointing Independent Members:
 - The ability to think strategically;
 - The ability to make good judgements;
 - The ability to be objective;
 - The ability to be supportive;
 - The ability to scrutinise and challenge;
 - The ability to be analytical;
 - The ability to communicate effectively.
11. Following the interviews the Appointment Panel made the decision to appoint two of those candidates Ms Salma Manzoor and Ms Parisha Chavda . Their term of office will run from 2nd February 2022 until 1st February 2026.

The appointed candidates

12. Ms Salma Manzoor

Ms Manzoor resides in Leicester and works in the public sector as a Key Account Manager for Business Investment. She is currently a non-practicing solicitor with previous experience as a senior lawyer in the busy commercial property sector. She is also a parent governor and Vice-Chair of Governors at a primary school in Leicester and has been part of local Neighbourhood Watch schemes and residents' groups dealing with community safety.

13. Ms Parisha Chavda

Ms Chavda resides in Leicester and works in the Young People Justice Service (previously the Youth Offending Service) as a Restorative Justice and Volunteer Co-Ordinator. She is a qualified social worker with experience of working with agencies such as the Police; CAMHS; Education and Health Care providers, Substance misuse teams and Victim First as well as involvement in multi-agency meetings.

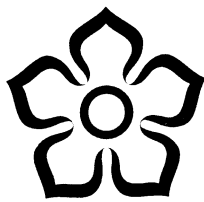
Recommendations

The Panel is asked to endorse the Appointment Panels selection decision and to formally appoint the two independent co-opted members to the Panel.

Officer to Contact:

Anita James, Senior Democratic Support Officer

E-mail: Anita.James2@leicester.gov.uk



Leicester
City Council

Item 5

Minutes of the Meeting of the
LEICESTER, LEICESTERSHIRE AND RUTLAND POLICE AND CRIME PANEL

Held: THURSDAY, 2 DECEMBER 2021 at 1:00 pm

P R E S E N T :

Councillor Taylor (Chair)
Councillor Master (Vice-Chair)

Councillor Clair	Councillor Graham
Councillor Graham	Councillor Mullaney
Councillor Phillimore	City Mayor Soulsby
Councillor Stephenson	Councillor Whelband
Councillor Woodman	Mr Keith Culverwell
Ms Mehrunnisa Lalani	

In Attendance:

Rupert Matthews – Police and Crime Commissioner

Also Present:

Simon Down – Head of Strategy and Commissioning, OPCC
Kira Hughes – Interim Chief Finance Officer, OPCC
Jemima Mason – Performance Analyst, OPCC
Lizzie Starr – Interim Chief Executive Officer, OPCC
Kamal Adatia – Monitoring Officer
Matthew Reeves – Democratic and Civic Support Manager

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51. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Loydall and Cutkelvin.

52. DECLARATIONS OF INTEREST

Members were asked to disclose any pecuniary or other interest they may have in the business on the agenda.

There were no declarations.

53. MINUTES OF THE LAST MEETING: 30TH SEPTEMBER 2021

RESOLVED:

That the minutes of the meeting held on 30th September 2021 be confirmed as an accurate record.

54. PROGRESS AGAINST ACTIONS (NOT ELSEWHERE ON THE AGENDA) - IF ANY

None received.

55. PUBLIC QUESTIONS

None received.

56. PERFORMANCE MANAGEMENT REPORT FOR THE FORCE AND OPCC

The Panel considered a report which provided an update from the Corporate Governance Board and the oversight of Leicestershire Police performance by the Police and Crime Commissioner for Leicester, Leicestershire and Rutland and his Office.

Police and Crime Commissioner, Rupert Matthews and Interim Chief Executive Officer, Lizzie Starr, presented the report. It was noted that the report was the first received in the new format and was work in progress, as the process was still being established and strengthened. It was planned to be the first of a regular series of reports.

The Police and Crime Commissioner informed Members of his key intention in standing for election, which was to build public trust and confidence in the Leicestershire Police force. He would do this by ensuring that reports on the funding and operation of the Office of the Police and Crime Commissioner and Police Force were made publicly available, and that the operations of both were transparent for public and Panel scrutiny.

It was noted that the new report format allowed the Police and Crime Commissioner to explore Police Force actions in more detail, as well as provide more in-depth, informed reports to the Panel. He further specified his objective to ensure the safety and connectivity of the Leicestershire area through the collaborated efforts of his Office and the Panel.

Further details of the Corporate Governance Board procedures were provided, and it was confirmed that the minutes from the Board would be provided to the Panel on an ongoing basis. The Interim Chief Executive Officer requested further feedback and comments from the Panel, with the intention to be incorporated in reports for the foreseeable future.

The Chairman thanked the Police and Crime Commissioner and Interim Chief Executive Officer for the report and commented that the format was welcomed.

The report was useful, easy to read and informative, giving the Panel a greater insight into the work of the PCC and OPCC in holding the Police Force to account.

The ensuing discussion included the following comments and suggestions:

In relation to page 17 of the report, regarding hospital admissions from knife crime and the impact of the Violence Reduction Network (VRN) upon these figures was queried, and a request was made to invite the VRN Director to a future meeting. The Police and Crime Commissioner explained that the work of the network was always likely to take time to show results, but experience from elsewhere had shown a significant impact in reducing public harm and progress would be monitored. He also noted that the Panel were welcome to receive a report to a future meeting which the VRN Director could attend. Some concern was noted about yearly Home Office funding for the VRN which led to some instability.

In relation to the reference on page 14 / 15 regarding spiking via injection, the view of the Police and Crime Commissioner was sought. The Commissioner confirmed that he was confident about reporting levels. He felt that the figure which appeared high was likely due to a greater willingness of victims to come forward. He encouraged victims to continue to report incidents and confirmed they would be fully investigated. Progress in this area would continue to be reported to the Corporate Governance Board.

In terms of the format / content of the report, it was requested that some detail be provided in future versions, for all areas covered, where the incidents were taking place and whether resources needed to be targeted to those areas.

Noting the reference to the Independent Inquiry into Child Sexual Abuse on page 16 of the report, it was queried whether there were further lessons for the force to learn. The Commissioner agreed to contact the questioner about the date of publication of the report after the meeting. He was, however, confident that lessons had been learnt from the report's recommendations and these had been suitably addressed.

A further suggestion was made that the presentation of statistics in future report identify repeat offenders (i.e. were several offences down to one person.)

RESOLVED:

1. That the content and the format of the report was welcomed.
2. That the suggestions and comments of the Panel in the body of the minutes be taken on board for future reports.
3. That a Violence Reduction Network update report be provided to a future meeting and the Director, Grace Strong be invited to present that report.

4. That the Police and Crime Commissioner contact Councillor Whelband regarding the date of publication of the report from the Independent Inquiry into Child Sexual Abuse.

57. MEDIUM TERM FINANCIAL PLAN (MTFP) -HOME OFFICE REVIEW OUTCOME

Members of the Panel received a report, which provided a copy of the letter received from RT Hon. Kit Malthouse (MP) in relation to Leicestershire Police Financial Planning. It was recommended that the Panel note the contents of the letter.

The satisfactory result of the review regarding the financial sustainability of Leicestershire Police and the Medium-Term Financial plan was welcomed, but it was commented that the process undertaken without the involvement of the Chief Constable was thought to be unfortunate.

RESOLVED:

That the reports contents be noted.

58. DOMESTIC ABUSE AND SEXUAL VIOLENCE REPORT

Members of the Panel received a report which provided an update on the Domestic and Sexual Violence and Abuse (DVSA) recommissioning project and provided some insight in relation to the role that alcohol abuse played within this area of crime.

The Head of Strategy and Commissioning for the Office of the Police and Crime Commissioner, Simon Down, presented the report. After a recent recommissioning project, it was noted that local specialist providers had been successful in the recommissioning contract process.

The successful contract providers were noted as follows:

- Helpline and Engagement Service – FreeVA
- Domestic Abuse Locality Services – Living Without Abuse
- Sexual Violence and Abuse Service – FreeVA
- Refuge Lot – Women’s Aid Leicester
- BME Refuge Lot – Panahghar
- Perpetrator Interventions Contract – FreeVA
- Domestic Abuse Children and Young People Service – Living Without Abuse
- Dispersed Accommodation – Under Investigation and yet to be filled

A question was noted regarding point 10 in the report, about what was happening in Leicestershire and Rutland County with the Perpetrator Intervention Provision (PIP). It was noted that the Home Office released an opportunity to bid for 4 months funding in 2020 provided that Office of the Police and Crime Commissioner (OPCC) found match funding from the locality. A years' worth of match funding was secured from individual local authorities, Clinical Commissioning Groups', the Probation service, as well as the OPCC itself, to which the Home Office later provided a further 6 months of funding. The Home Office's funding would cease at the end of September 2022, which allowed more time to build a business case and secure agreement across the local partnership to continue funding the County and Rutland Provision, as well as the City provision which would continue to be funded past the deadline.

Noting that there was uncertainty over future funding for the PIP, it was requested that a report be provided to a future meeting of the Panel which included relevant statistics on the effectiveness of the provision's short and long-term impact on Domestic Abuse figures. It was further commented that a positive business case should be developed in support of the PIP provision due to the importance of prevention being better than cure and identifying abusive behaviour at an early stage, particularly within schools.

A further point was made regarding the importance of ensuring that reports highlight impacts, particularly related to equalities and financial, as it was felt there were clear equality impacts arising from this project.

A particular point was raised about the rise in domestic violence in the city, particularly over the pandemic period. Concern was expressed about a possible link to alcohol and substance abuse. It was also noted to be of concern that funding for this project was only in place until 2022, and there should be a joint approach to ensuring continuity of provision beyond this point.

The Panel agreed on the importance of retaining this important programme and requested the issue be brought back to a future meeting.

Domestic Violence Presentation

Jemima Mason, Performance Analyst for the OPCC, introduced a presentation which looked into the data regarding any correlation between domestic abuse offences and the use of alcohol in these offences. Crime levels were reviewed over the lockdown period and exceptions to the data were noted to be passed to the Force Performance Team and Corporate Governance Board.

The presentation initially covered points around the definitions of domestic abuse and how / whether alcohol was a contributing or aggravating factor in an offence. Data was presented which compared figures regarding all offences and the percentage of alcohol related offences, noting key points during the pandemic / lockdown periods. There was further data shown which compared domestic abuse offences and those which were alcohol related, again noting key points during the pandemic period and any impact on the level of offences. Further data was provided which covered the 2019 -2021 period, showing

increases in overall crime (3.6%), alcohol related crime (11.8%), domestic abuse offences ((9.9%) and alcohol related domestic abuse incidents (14.8%).

It was summarised that domestic abuse and alcohol related offences had increased disproportionately to the total crime committed, to which the next steps were presented as follows:

- Raise the issue with the Corporate Governance Board.
- The OPCC to support the Police Force in conducting more in-depth analysis to understand the issue.
- The Commissioning Team to work with the new providers on addressing the issue.

The Chairman thanked the Performance Analyst for the OPCC for the presentation and invited the Panel to comment.

Detailed comments were made regarding the figures which showed an increase in both drug and alcohol abuse during the pandemic period and queried whether there was a causal link. Further detailed points querying whether the increase in domestic violence during lockdown should have reversed itself when the pubs re-opened to be more like the figures in the pre-pandemic period, but this didn't appear to have happened. Further there was concern that there were ongoing incidents and suffering behind closed doors which wasn't being reported.

The Performance Analyst for the OPCC noted this concern and would respond to the Panel in due course.

Further comments were made around comparing how drug and alcohol related crime were considered differently, and how the consumption of alcohol was considered more socially acceptable and a harsher view was taken towards illegal drug related crime.

Some surprise was expressed at the level of alcohol related crimes not being higher. In line with this, it was requested that details be provided in a future report about days of the week when alcohol related crimes were more likely to take place, with the expectation that they would be higher at the weekend.

It was also noted that the OPCC would be looking at location and repeat offender statistics to give greater clarity of the problems.

It was further requested that future reports make reference regarding how the forthcoming Police, Crime, Sentencing and Courts Bill would factor in to work on this area going forward.

Some personal experience of working with families and children was referred to, and the impact that domestic violence could have in such situations. Further reports on this area were welcomed but coming to a view about how the OPCC and the Police could act upon the further data when received was noted as a

key issue.

The Interim Chief Executive of the OPCC confirmed that the next steps were for the details, including comments from the Panel to be fed back to the Police Force and to be discussed at a meeting of the Corporate Governance Board, with details of the Police response forming part of the report, which would subsequently be received by the Panel.

Some additional comments were made; a request that offenders in this area be guided to the perpetrator programme, and also whether domestic abuse was being taken up by the Violence Reduction Network (VRN). The Police and Crime Commissioner confirmed that he had raised this with the VRN director who confirmed that this would be covered.

The Police and Crime Commissioner paid tribute to the Performance Analyst for the work done on the Domestic Abuse report.

The Panel formally thanked Jemima Mason and Lizzie Star for their work on the presentation regarding domestic abuse and related alcohol use.

RESOLVED:

1. That the contents of the report be noted.
2. That a report be brought to the Panel regarding the future of Perpetrator Intervention Provision, which responds to the comments / suggestions of the Panel.
3. That a report be brought to the Panel updating on the work regarding domestic abuse and related alcohol use incorporating the comments and suggestions made by Panel Members.

59. ETHICS, INTEGRITY AND COMPLAINTS COMMITTEE UPDATE

The Panel considered a report which outlined the proposed changes to the Ethics, Integrity and Complaints Committee and the recruitment timelines moving forward.

The Police and Crime Commissioner introduced the report by outlining his intention of making the re-constituted Ethics, Integrity and Complaints Committee a powerful tool in assisting his office in monitoring the moral, transparency, and ethical aspects of the Police Force, especially in light of public concerns around the case of Sarah Everard. He felt that the terms of reference for the Committee reflected this intention. He noted that applications for the Committee were still welcomed until 12th December 2021 and noted that 12 applications had already been received. He further noted that the Membership of the Committee would be regularly changed, and it was intended to reflect the Force area's diverse population. Progress reports on the work of the Committee would be reported regularly to the Panel.

The report, the establishment of the Committee and its focus on integrity and

transparency was welcomed. Members felt reassured about the Panel membership in being independent of mind and representative of the diverse communities of the City and Counties. It was noted that a report would be received at the next meeting on the background of successful candidates to the Ethics and Transparency Panel.

Concern was however expressed about the removal of the whole Committee which was previously in place and whether there had been engagement with the previous Committee. The Police and Crime Commissioner clarified that the previous Committee had been disbanded, as part of a review of all Office of the Police and Crime Commissioner structures and that past Members were able to apply for the new Committee. There had been no recent challenges by prior members of the committee about disbanding, but some emails had been exchanged. It was noted that prior Members did not have an employed status, instead being an independent committee who had been paid an allowance.

Members questioned the changes in the Terms of Reference between the old and newly established Committee, to which the Police and Crime Commissioner clarified that the report highlighted the key differences between both bodies, where the prior Panel's Terms of Reference had been changed annually, leading to confusion about the committee's duty and responsibilities.

The Police and Crime Commissioner stressed that the intention for reconstituting the Ethics Committee had been to address a variety of factors, including the regularity in which reports are brought to the PCP as well as to reassure the public on the ethical and transparent basis of reviewing the Police Force, not to criticize the work of the prior Committee.

The Panel welcomed the two-year term change in Panel membership, referring to charity boards which did the same thing to allow for renewal and diversity of thought.

The Chairman thanked the Police and Crime Commissioner for the report.

RESOLVED:

1. That the report and comments made by the Panel be noted.
2. That a report on the successful applicants to the Ethics, Integrity and Complaints Committee be submitted to the Police and Crime Panel at a future meeting.

60. POLICE AND CRIME PLAN UPDATE

The Panel considered a report which provided a brief update of the Police and Crime Plan.

In introducing the report, the Police and Crime Commissioner described his role as the democratically elected head of the Police force, noting the election endorsed his manifesto, and the Plan was the means to put his manifesto into action. He noted that the Police and Crime Plan had been through rigorous

stages of scrutiny and amendment, including public consultation, which had received over 3,000 responses. Furthermore, there had been discussions with the Chief Constable and Officers on strategic policing requirements and the Police and Crime Plan. Updates on the Plan would be reported to the Panel on a regular basis.

The Interim Chief Executive Officer confirmed that the Office of the Police and Crime Commissioner were working with the Police Force to develop an operational delivery plan for the Police and Crime Plan. The delivery plan will be a regular item on the Corporate Governance Board agenda, which will be brought through to the Police and Crime Panel as updates occur. It was further noted that a summary of the responses received from the Police and Crime Plan consultation would be published on the Office of the Police and Crime Commissioner Website.

The Chairman noted that the first draft of the Police and Crime Plan would be considered at the Corporate Governance Board on 14th December and requested a draft of the Plan be circulated to Panel Members in advance of its publication. The Police and Crime Commissioner confirmed he was happy to share the draft plan.

The Chair thanked the PCC for the report.

RESOLVED:

1. That the contents of the report be noted.
2. That a copy of the draft Police and Crime Plan, being considered by the Corporate Governance Board on 14th December be circulated to the Panel prior to its formal publication.

61. COMPLAINTS AGAINST THE POLICE AND CRIME COMMISSIONER ANNUAL REPORT

The Panel considered the annual report on complaints against the Police and Crime Commissioner, which intended to provide the Police and Crime Panel with an update on complaints relating to the Police and Crime Commissioner over the last 12 months.

The City Barrister clarified that the primary purpose of the report was to assure the Panel and public of the process for complaints against the Police and Crime Commissioner, as well as note the engagement of the Police and Crime Commissioner in resolving any complaints made.

Members discussed possible options for a different report format to provide more narrative on the complaints, whilst balancing the need to retain anonymity. There was a general view that more detail would be of use to the Panel, such as any themes regarding the complaints, providing a summary of them and some detail about how they were dealt with. The City Barrister confirmed he would consider changes to the report for future versions. He also

commented that he would engage with the new Chief Executive of the Office of the Police and Crime Commissioner about how best to take forward.

RESOLVED:

That the contents of the report be noted, and the suggestions made be taken into account for future reports.

62. POLICE AND CRIME PANEL CONSTITUTION - TERMS OF REFERENCE REVIEW

Mehrunnisa Lalani and Keith Culverwell declared an ordinary disclosable interest in this item, as the report considered the level of allowance for Independent Members, but as neither were applying for the role again, the interest was not felt to be prejudicial, therefore they remained in the meeting.

The City Barrister, Kamal Adatia presented the report, which recommended a new rate of remuneration for future recruited Independent Members of the Panel. The proposed rate was to be aligned to the rate paid to other Independent Members who took roles at Leicester City Council, plus a 50% uplift to reflect the additional meetings of the role and to be consistent with other Police and Crime Panels.

In response to the proposed new rate, it was noted that the work of an Independent Member included more than just meeting attendance, but also considerable background reading and detailed research. It was further noted that those attracted to become Independent Members would be more motivated by an interest in the subject area and public service, rather than the remuneration. The proposed rate was generally felt to be acceptable.

Arising from the discussion on the remuneration, the Chairman commented that she would welcome further clarity about the Home Office grant which funded aspects of the Panel's work. She therefore requested details be provided to a future meeting which looked at matters such as the amount of grant available, what it was used for and whether there was any unused funding which could be utilised for the improvement of the Panel.

The City Barrister referred to the Terms of Reference regarding handling Police and Crime Commissioner complaints and suggested technical changes to the procedure in referring criminal complaints to the Independent Office of Police Conduct (IOPC).

It was noted that whilst the power to deal with such complaints was vested in the Panel, referring such complaints to the IOPC could only be delegated to the Chief Executive of the Office of the Police and Crime Commissioner, not the Monitoring Officer, which was currently the case. Therefore, a technical change was proposed.

A query was raised regarding who undertook the assessment about whether a complaint was referred to the Independent Office for Police Conduct. The City Barrister noted that whilst there existed national Guidance on IOPC referrals it

was not primarily aimed at referrals about PCC conduct. There was a balance to be struck between establishing that a potential criminal allegation is made, versus not becoming embroiled in an investigative process. His own practice was to err on the side of caution and make referrals if the complaint asserts criminal misconduct, leaving it to the IOPC to lead.

The Panel thanked the City Barrister for the report.

RESOLVED:

1. That the amended rate of the Independent Members Allowance be approved for future appointments.
2. That the power of delegation to refer criminal complaints to the IOPC be amended to the Chief Executive Officer of the OPCC with immediate effect.
3. That details of the Home Office grant be presented to a future meeting.

63. DATES OF FUTURE MEETINGS

The Chairman noted that the next meeting of the Panel was due to take place Wednesday 2nd February 2022 at 1pm, to consider the precept, which if it was vetoed, would mean a further meeting to be held on Monday 14th February. Venues for future meetings would be notified in due course.

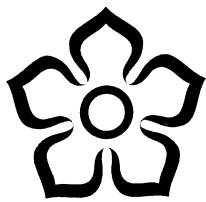
64. ANY OTHER URGENT BUSINESS

The Chairman agreed to consider the Work Programme as an item of urgent business as it was missed off the original agenda.

65. WORK PROGRAMME

The Chairman noted that this had been circulated and asked the Panel if there were any comments on the programme's contents.

It was noted that the Section 106 working party would be reconvened in January after the meeting on the morning of 2nd December didn't have sufficient information to progress.



Leicester
City Council

Item 5

Minutes of the Meeting of the
LEICESTER, LEICESTERSHIRE AND RUTLAND POLICE AND CRIME PANEL

Held: THURSDAY, 2 DECEMBER 2021 at 2:30 pm

P R E S E N T:

Councillor Taylor (Chair)
Councillor Master (Vice-Chair)

Councillor Clair	Councillor Graham
Councillor Graham	Councillor Mullaney
Councillor Phillimore	Councillor Whelband
Councillor Woodman	Mr Keith Culverwell
Ms Mehrunnisa Lalani	

In Attendance:

Rupert Matthews – Police and Crime Commissioner

Also Present:

David Peet – Candidate – Chief Executive – Office of the Police and Crime
Commissioner

Kamal Adatia – Monitoring Officer

Nicola Graham – Human Resources Team Manager, Leicester City Council

Matthew Reeves – Democratic and Civic Support Manager

* * * * *

66. APOLOGIES FOR ABSENCE

Apologies for absence were received from City Mayor Sir Peter Soulsby and Councillors Cutkelvin, Loydall and Stephenson.

67. DECLARATIONS OF INTEREST

There were no declarations.

68. CONFIRMATION HEARING FOR THE ROLE OF CHIEF EXECUTIVE OF THE OFFICE OF THE POLICE AND CRIME COMMISSIONER

The Police and Crime Panel undertook a Confirmation Hearing for the proposed candidate, Mr. David Peet, for the role of Chief Executive of the

Office of the Police and Crime Commissioner, as based on the procedure outlined in the cover report and Local Government Association guidance.

The Chairman welcomed the Panel to the confirmation hearing and invited the Police and Crime Commissioner (PCC) to make any comments about his proposed candidate and the recruitment procedure which was followed.

The Police and Crime Commissioner, Rupert Matthews, introduced Mr Peet to the Panel, the preferred candidate for the Chief Executive of the Office of the Police and Crime Commissioner (OPCC). The Commissioner informed the Panel of the process undertaken to recruit a new Chief Executive, as advised by the Assistant Chief Officer of Human Resources of the Leicestershire Police, and further informed by prior Police and Crime Commissioners who have been through the selection process.

The selection panel was formed of four persons, Rupert Matthews (PCC), Bev Smith (Chief Executive of North West Leicestershire Council), Alistair Kelly (Assistant Chief Officer for HR for Leicestershire Police and Mrs. Nupa Chamund, a long-serving staff member of the OPCC, who was included by the Police and Crime Commissioner as a way of offering new training and skills to members of staff. After advertisement of the role, 11 applications were received, 4 of which were shortlisted. The four shortlisted candidates were interviewed, and were tested for leadership, competency, and skills.

After each interview, the Panel discussed the candidate's suitability in depth, leading to a unanimous agreement for the proposed successful candidate, after the completion of the interview process. The successful candidate, Mr Peet, was highly regarded by the selection panel, believing that his interview and Curriculum Vitae (CV) demonstrated a broad range of experience and skills suited for the role.

The Police and Crime Commissioner felt it important to clarify Mr Peet's independence from himself in that the only times he had met the candidate was during the course of PCC business, never having met under other social or business terms.

The Chairman thanked the Police and Crime Commissioner and welcomed Mr Peet to the Panel, who was invited to say a few words to outline his skills and experience.

The Candidate thanked the Chairman and Panel, briefly explaining the range of experience and track record he attained, which were noted as follows:

- Mr Peet worked as the Chief Executive for Derbyshire's Police and Crime Commissioner's Office, for a period of just under nine years.
- Prior to his role as a Chief Executive, he worked for the Police Authority in Northamptonshire, managing the transition from police authority to Police and Crime Commissioner.

- The Candidate had worked nationally with complaints and developing guidance, in a close working arrangement with the Independent Office for Police Conduct (IOPC).
- He had chaired the Association of Police and Crime Commissioner Chief Executives for a number of years, only recently standing down.

The Chairman thanked the candidate for his address, and led the Panel on a questioning session for Mr Peet, regarding his suitability for the post under the following key headings:

- Professional Competence;
- Personal Independence.

Arising from the questioning, the Panel noted the following points made by Mr. Peet:

- (i) Mr Peet, due to his prior experience at Derbyshire OPCC, he had the opportunities and experience of working with a variety of partners of the OPCC, such as local authorities, Health authorities and the wider Criminal Justice bodies, but also more unusual partners through developing the synergy between partners. Mr. Peet stated that his focus was outcomes, and that he would work closely with the PCC and the Panel to develop the best outcomes for both the City and the Counties.
- (ii) Having worked for Derbyshire OPCC, Mr. Peet stated he was well aware of the types of issues that may arise in the role, and he had confidence and strong experience regarding when to respond decisively as the Chief Executive of the OPCC, and when to consult with the Panel or his team to form responses.
- (iii) With nearly nine years of experience in this type of role, Mr. Peet stated he had worked on developing a number of Police and Crime Plans alongside various teams and PCC's, supported by robust delivery plans. He stated he would ensure the continued delivery of such plans which would report to the Panel to ensure they would always be aware of the actions being undertaken. Mr. Peet reiterated his focus of being outcome driven, rather than output driven.
- (iv) Mr. Peet stated, subject to the Panel's confirmation, that Leicester, Leicestershire and Rutland Police and Crime Commissioner would be his fifth PCC to have worked with, one in Northamptonshire and 3 in Derbyshire, alluding to his extensive experience in the role of Chief Executive. He believed the role of the Chief Executive should be that of both a critical friend and advisor, as well as not being afraid to speak truth unto power. Mr. Peet specified his driver was to ensure the OPCC and PCC did the best job possible, to be doing exactly

what they should be doing, while being aware that as the Monitoring Officer, he had to guarantee the best for residents of the area.

- (v) Mr Peet clarified that he didn't perform the job of Chief Executive for personal glory, instead, he did it due to his strong commitment to the public service, and therefore it was important, as an office, to celebrate the positive outcomes and successes and to promote the importance of the role of the Police and Crime Commissioner and the Office to the public.
- (vi) As a side note at the bequest of the Chairman, Mr. Peet stated that there were 19 members of staff at the Derbyshire OPCC, of which not all worked full-time equivalent.
- (vii) Upon being asked why Mr Peet chose Leicestershire, he stated his interest in the area as a local resident, and the personal importance in ensuring effective policing. Due to the lack of availability for the role as Chief Executive in Leicester in recent times, he developed his skillset and experience nearby in Derbyshire and Northamptonshire, with ambition to be able to take his expertise back to Leicester and make a difference for the community he lives in.
- (viii) Mr. Peet stated his personal test was to evaluate whether or not he had made a difference. He referenced his experience in both the charity and public sectors and expressed his genuine need to make a difference and to lead on positive outcomes for people's lives.

The Chairman thanked the PCC and Mr. Peet for their attendance and informed them that it would be necessary for the Panel to come to a view in private on whether to endorse or otherwise the PCC's proposed appointment.

Following a discussion in private the Panel confirmed that they were happy to endorse Mr Peet's appointment as Chief Executive of the Office of the Police and Crime Commissioner.

RESOLVED:

That the proposed appointment of Mr David Peet to the post of Chief Executive the Office of the Police and Crime Commissioner be endorsed.

69. INDEPENDENT MEMBERS - KEITH CULVERWELL AND MEHRUNNISA LALANI

As this was the last meeting at the end of their 4 year term, the Chairman, on behalf of the Panel thanked Keith and Mehrunnisa for their service to the Panel.

70. ANY OTHER URGENT BUSINESS

There being no further business, the meeting closed at 2.53pm.

POLICE AND CRIME COMMISSIONER FOR LEICESTERSHIRE

POLICE AND CRIME PANEL

Report of	POLICE AND CRIME COMMISSIONER
Date	WEDNESDAY, 2 ND FEBRUARY 2022 AT 1PM
Subject	PROPOSED PRECEPT 2022-23 AND MEDIUM-TERM FINANCIAL PLAN (MTFP)
Author	KIRA HUGHES, INTERIM CHIEF FINANCE OFFICER, OFFICE OF THE POLICE AND CRIME COMMISSIONER

Purpose of the Report

1. To present the 2022-23 Band D Precept Proposal and the additional considerations contained within it.
2. To present the Medium-Term Financial Plan (MTFP).

Recommendations

3. The Panel is asked to:
 - a. Note the information presented in this report, including:
 - the total 2022-23 net budget requirement of £223.204m,
 - a council tax (precept) requirement for 2022-23 of £86.457m,
 - a transfer from the Budget Equalisation Reserve of £2m over the MTFP to fund specific projects,
 - a revenue contribution to capital of £3m for 2022-23,
 - an efficiency savings target which balances the budget over the MTFP.
 - b. Support the proposal to increase the 2022-23 Precept by £10.00 per annum (4.03%) for police purposes to £258.2302 for a Band D property.
 - c. Note the future risks, challenges, uncertainties and opportunities included in the precept proposal, together with the financial and operational considerations identified.
 - d. Note the Home Office grant allocations notified through the provisional settlement and the Band D council tax base and estimated collection fund deficit received from the billing authorities.

- e. Note the current Medium-Term Financial Plan (MTFP) contained in Appendix 1, the Operational requirement budget setting at Appendix 2, the Capital Strategy at Appendix 3 and the Treasury Management Strategy at Appendix 4.

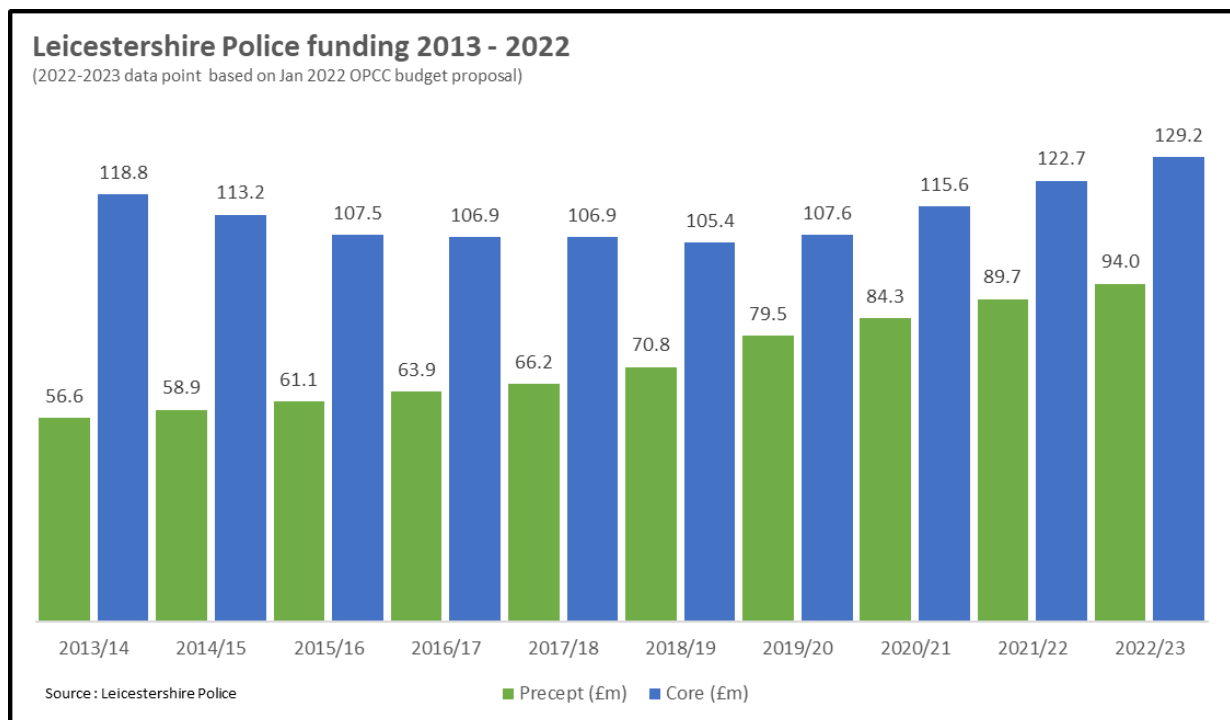
Executive Summary

4. This report, and the Precept proposal, is the culmination of several months' work by the Office of the Police and Crime Commissioner (OPCC) and Force colleagues, and takes account of public and stakeholder consultation and key government announcements.
5. The Police Grant Provisional Settlement was announced on 16th December 2021 and confirmed a £6.7m increase in revenue grant funding. This is intended to meet the year three salary costs and three year infrastructure costs of the Government's 20,000 police officer uplift programme 2020 to 2023. The precept referendum threshold has been confirmed at £10 for a Band D property.
6. The Commissioner has been briefed on the current and emerging operational challenges, both nationally and locally by the Chief Constable and has considered this advice in preparing the budget for 2022-23 (See Appendix 2 - Operational Requirement Budget Setting 2022-23).
7. The budget is focussed upon the Commissioner's priorities as contained within the Police and Crime Plan and the Strategic Policing Requirement, and ensures there are strong links with the Force Target Operating Model (TOM).
8. The third year of the Government's 20,000 officer uplift programme will provide funding for the remaining 119 officers during 2022-23 (6 officers are to be recruited into the Regional Organised Crime Unit). The Force is ahead of this target and therefore the establishment will be 2,242 by March 2023.
9. Other investment items totalling £1.85m are contained within the budget proposals for 2022-23 and beyond. This includes additional police staff posts and supporting organisational infrastructure, deemed essential to deliver both service transformation and to support the growth in officer numbers.
10. As part of this budget process, the Commissioner has reviewed the adequacy and level of Reserves and is planning to move away from the reliance on reserves in order to be sustainable over the medium-term.
11. In considering the proposed level of precept, the Commissioner carried out a budget consultation exercise. The survey asked if residents of the area were prepared to pay more per month for policing services. There were 2,563 responses to the survey. Of these, 21.8% responses lived in Leicester, 69.7% lived in Leicestershire and 8.5% lived in Rutland. Overall, the response was in support of a precept increase, with 72.3% of respondents supportive of a £10.00 Band D precept increase.
12. After careful consideration of these factors, the Commissioner is proposing a Band D precept increase of £10.00 per annum for the 2022-23 financial year in line with Home Office assumptions. The Commissioner has allocated approximately 97.3% of the net revenue budget requirement of £223.204m to the Chief Constable, for use on local policing and regional collaborations in order to safeguard and improve policing services across the entire Force area of Leicester, Leicestershire and Rutland.

Leicestershire Context

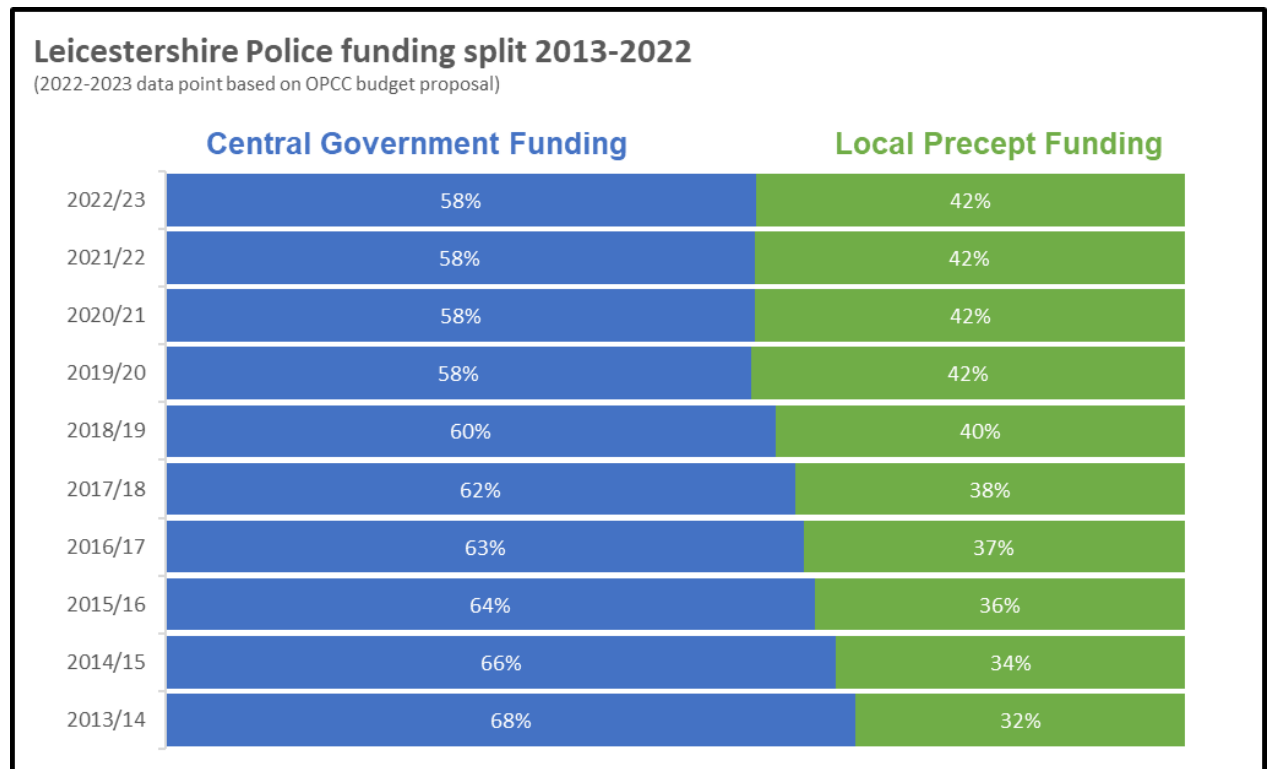
13. This section sets out some key information in relation to the policing area and the external factors that are driving demand which have a significant impact on policing in Leicester, Leicestershire and Rutland.
14. Chart 1 shows what has happened to core grant funding and the locally raised precept since 2013/14. It shows the actual cash grant received each year and does not consider the real terms reduction in funding.
15. The chart shows that core grant funding has increased from £118.8m in 2013-14 to £129.2m for 2022-23 an increase of 9%.
16. The graph also shows that the funding raised locally has increased significantly over the same period. In 2013-14 £56.6m was raised directly from residents of the area (and related grants) and for 2022-23 this will increase to £93.1m. An increase of £36.5m or 64% over the period.

Chart 1 - Leicestershire Police Funding 2013-2022



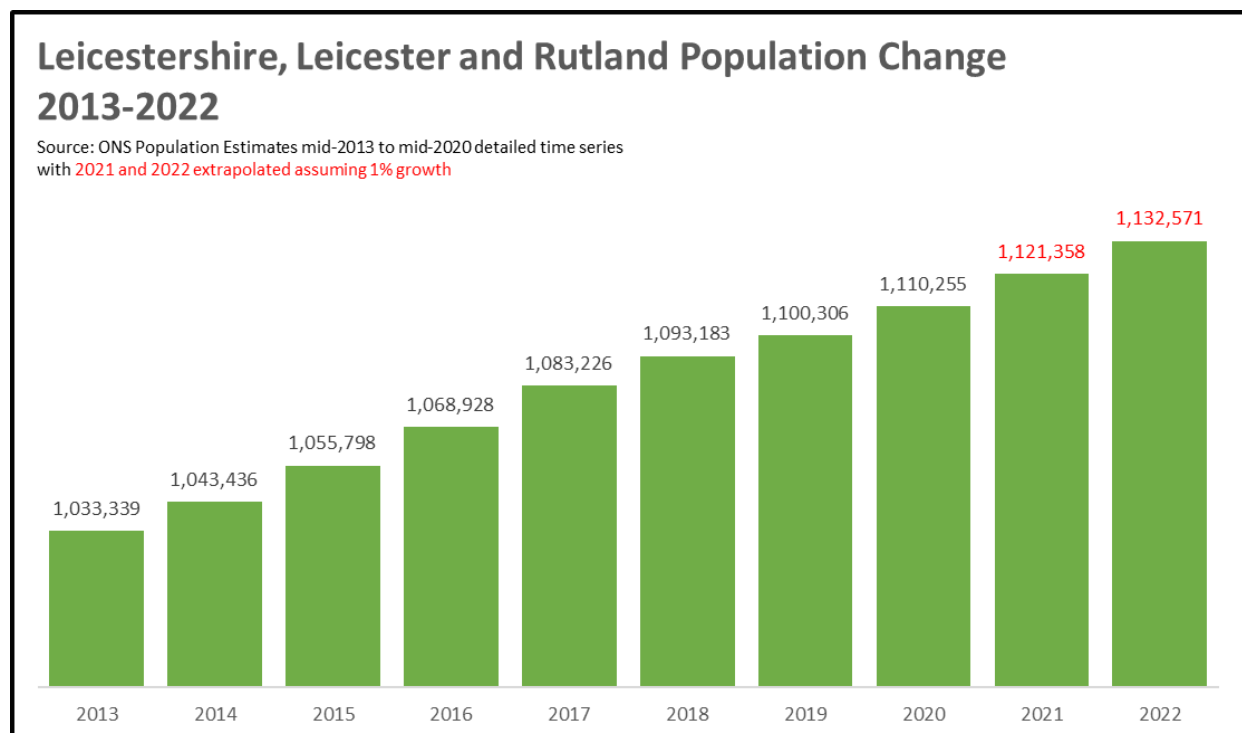
17. Chart 2 demonstrates how the total funding has moved between Core Grant and Precept Funding since 2013-14. It shows that in 2013-14 68% of the funding came from Core Grant with the balance of 32% coming from the local precept. For 2022-23 this has moved significantly to show that 58% of the total funding will come from Core Grant and that 42% of funding now comes directly from the local taxpayer (and related grants).

Chart 2 - Leicestershire Police Funding Split 2013-2022



18. Chart 3 shows how the population within Leicester, Leicestershire and Rutland has increased significantly since 2013.

Chart 3 – LLR Population Change 2013-2022



19. The below table shows how the demand for the service has changed over the last 5 years. Overall demand has increase significantly since 2016. This is no surprise when the increase in population in the area is taken into account. A selection of information taken from the Force Management Statement further underlines the point as detailed below:

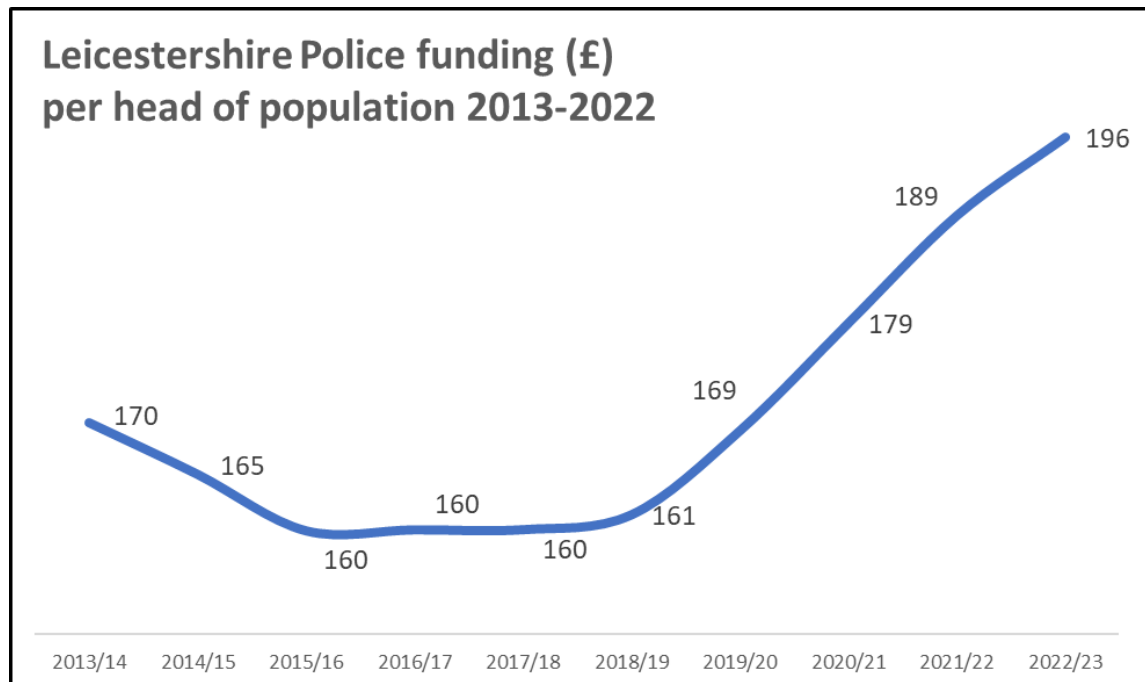
	2016	2021	% Change
Number of 999 Calls	133,298	158,721	19%
Number of 101 Calls	489,160	320,151	-35%
Number of referrals to Child Protection Teams	11,292	17,384	54%
Number of domestic incidents & crimes	12,819	23,896	86%
Number of missing people & incidents	3,594	6,627	84%

The above are just a small selection of the total number and variety of incidents dealt with by the Force.

20. Chart 4 below shows how much of total funding (core grant and precept) is received per head of population for each of the policing areas across England and Wales. This shows that Leicester, Leicestershire and Rutland receive approximately £196 per head of population which is lower than the national average. If funding was lifted to the average around £17m more funding would be available for investing in policing in the area.

21. Leicestershire Police funding per head of the population is the 12th lowest in the country.

Chart 4 - Leicestershire Police Funding by Population 2013-2022



Comprehensive Spending Review 2021 and Grant Settlement 2022-23

22. The Chancellor of the Exchequer announced the outcome of the 2021 comprehensive spending review (SR2021) alongside his Autumn Budget 2021 on 27th October 2021. The SR2021 sets out the public spending totals for the financial years 2022-23 to 2024-25.

23. The headlines which came from the SR2021 and Autumn Budget 2021 were as follows:

- a. Flexibility for PCCs to increase funding in each year of the CSR by up to £10.00 per annum for a Band D property without triggering a referendum;
- b. The Home Office settlement provides £4.2bn over the parliament, increasing from £12.3bn in 2019-20 to £16.5bn in 2024-25;
- c. Public Sector Pay Freeze to end in 2022;
- d. Office for Budget Responsibility expects CPI to average 4% over next year
- e. Economy expected to grow by 6% in 2022 and 2.1%, 1.3% and 1.6% over the following 3 years;
- f. There will be funding programmes to tackle neighbourhood crime, reoffending, county lines, violence against women and girls, victim services and improved responses to rape cases;
- g. £540m will be given to police to recruit the final tranche of police officers as part of the 8,000 Police Officer Uplift Programme.
- h. Increase in government grant for policing of £550m in 2022-23, a further £100m in 2023-24 and £150m in 2024-25

24. The Provisional Police Grant Settlement was announced on 16th December 2021. The Home Office are obtaining feedback from stakeholders on the contents of the provisional settlement and the final settlement is expected in January 2022.

25. The increased Core and Ex-MHCLG funding quoted for Leicestershire is £6.7m. The overall increase in funding is broken down as follows:

	2021-22	2022-23	£m	%
	<u>£m</u>	<u>£m</u>	<u>Increase</u>	<u>Increase</u>
Home Office Core Funding	75.9	79.8	3.9	5.1%
Ex-MHCLG Formula Funding	44.9	47.6	2.7	6.0%
Council Tax Support Grant*	8.1	7.0	-1.1	-13.6%
Council Tax Freeze Grant	1.9	1.9	0.0	0.0%
Precept & Collection Fund	81.6	86.9	5.3	6.5%
Total	212.4	223.2	10.8	5.1%
*Includes £1.1m LCTS revenue grant for 2021/22				
NB. Excludes £2m (£1.5m in 2021-22) Home Office Uplift Grant				

26. The additional precept funding is only delivered if the Policing element of the Band D Council Tax bill increases by £10.00 (4.03%) from £248.23 to £258.23. This generates an extra £4.7m in revenue funding based on a Band D tax base of 334,807 and an estimated Collection Fund surplus of £0.5m.

27. There are other cost pressures which will need to be funded relating to staff pay, inflationary increases and other contractual increases.

Tax base and Collection Fund details

28. Leicester City Council, Rutland County Council and the Borough and District Councils are responsible for estimating the tax base in their area, and the Council Tax Collection Fund surplus or deficit.
29. The total tax base is used to calculate the total precept that will be collected by billing authorities on behalf of the Commissioner.
30. In 2021-22 the tax base used in setting the budget for the Commissioner was 329,286 Band D equivalent properties. For 2022-23 this has increased to 334,807 Band D equivalent properties.
31. The collection fund surplus for 2022-23 is currently estimated at £0.5m. This is currently an estimate as awaiting confirmation from billing authorities which is expected late January/early February 2022.

Council Tax Referendum Limit

32. The Localism Act 2011 requires authorities, including Police and Crime Commissioners, to determine whether their “relevant basic amount of council tax” for a year is excessive, as such increases will trigger a council tax referendum.
33. From 2012-13, the Secretary of State is required to set principles annually, determining what increase is deemed excessive. The Home Office has confirmed that in order to maximise council tax income for 2022-23, Police and Crime Commissioners can increase their precept on a Band D property by up to £10.00 without triggering a referendum.

Risks

34. There are number of financial risks within the draft budget requirement, as summarised below:
 - Police Staff Job Evaluation – The Force continues to progress the evaluation of its Police Staff posts. There are £0.2m of revenue costs included in the base to cover the job evaluation team cost. Pay protection and ongoing pay cost have been estimated at £3.9m over the MTFP period, with a further £1.4m estimated costs in 2026-27. However, further work is ongoing in relation to pay modelling which is likely to alter this estimate. It is not envisaged that Job Evaluation will be implemented before 1st February 2023. This remains a financial risk until the pay assimilation is completed, the actual costs are confirmed and options to fund these costs are developed.
 - Pay inflation – is included for 2022-23 at 2% and for each year over the MTFP period. However, the National Police Chiefs Council has suggested the pay inflation could be as high as 3.5% for 2022-23 but this will be subjected to independent pay body review and subsequent Home office and treasury ratification in the Autumn. Pay award costs in excess of 2% will require additional funding.
 - The Chief Constable, along with other Chief Constables nationally and the Home Office, currently have a number of claims in respect of unlawful discrimination arising from transitional provisions in the Police Pension Regulations 2015. The employment tribunal has agreed a process for the consideration of compensation claims between April 2020 and January 2021. The number of claims identified for Leicestershire Police is 144 claims. Recent legal advice suggests that a settlement may be reached on this matter with Government. Settlement proposals are being refined and a further update will follow. The liability for Leicestershire could range

from £0.6m to several million, but it is unclear what it may be and whether it will be funded by Government or by Forces. Given this uncertainty, no liability costs are currently included in the MTFP.

- Emergency Services Network (ESN) – The Emergency Service Network remains a risk area due to delays nationally and uncertainty regarding devices, along with the cost of retaining airwave services longer than expected. Continuing airwave costs have been included in the IT budget. No ESN running costs are included as these should not be incurred until 2024-25.

The ESN Programme Costs have been increased to £295k. This will fund a full-time project manager, IT Comms Architect, Project support officer, and the contribution to the regional team of £135k. Whilst the regional Team budget has been reduced from £180k to £135k this still results in a price increase as the regional team were funded from their reserve in 2021-22. This is in line with the MTFP projections.

- Digital transformation and Cloud migration – the Force has developed a digital transformation strategy which includes the move from on premise data storage to Cloud storage which will enhance operational analytical capability. The risks and costs associated with this are being explored and it is likely to be several months before they are fully known. It can be anticipated that further funding will be required to progress this initiative.

Base Budget Preparation, Approach, and Scrutiny

35. In 2008-09 the Force introduced a risk-based approach to budget setting which sought to align the budget process with identified strategic operational priorities and risks.
36. The Force continues to consider key corporate risks when setting the budget.
37. Essentially these risks are operational and organisational around managing people, infrastructure assets, information and so on. The Force has maintained and kept up to date, its Corporate Risk Register that sets out how it intends to control and mitigate these risks. The Corporate Risk Register is regularly reported to the Joint Arrangements Risk and Assurance Panel which is a public meeting.
38. The Force continues to identify its Strategic Operational Risks as part of the National Intelligence Model (NIM). This has been used to inform resourcing strategies at both Directorate and Departmental level.
39. Each year, the Force undertakes a major exercise to review its operational risks which are set out within the “Force Strategic Policing Assessment”. This was also informed by the work of regional collaborations.
40. The purpose of the Force Strategic Assessment is to identify those areas of greatest risk. Essentially, a high risk area is where only limited resources have been allocated to address a substantial risk, thereby creating a significant risk gap.
41. The revised four-year financial forecast and, in particular, the 2022-23 budget contained within this report aligns the Force and Commissioner’s financial resources to risk and therefore, is fundamental to the Force’s performance management regime.
42. The OPCC CFO has worked closely with the Force finance team throughout the year during the budget monitoring process and in the preparation of the budget for 2022-23. In respect of the budget, this has included (but was not limited to), the identification and agreement of assumptions and methodology and challenge and scrutiny of the budget

workings. In addition, where the CFO has sought clarification, or changes, these have been discussed and amendments made where appropriate.

43. The Commissioner, together with his Senior Management Team have held regular discussions with the Chief Constable and his Chief Officers throughout the year, particularly prior to and throughout the budget preparation process and the announcement and interpretation of the Settlement.
44. This has resulted in a number of discussions of the budget requirement, the national and local operational and financial challenges, the precept options available and a review of the MTFP and associated risks.
45. Furthermore, there has been a significant degree of scrutiny and challenge undertaken by the Commissioner and his team, prior to and during, the Corporate Governance Board on the 17th January 2022, at which, agreement of the Force budget for 2022-23 between the Commissioner and the Chief Constable was reached.

Revenue Budget 2022-23

46. The base budget for 2022-23 has been built based upon the 'budget rules' which are consistent with previous years and the risk based approach outlined earlier in the report.
47. In line with this approach, the Panel is advised that the total net budget requirement in 2022-23 is £223.204m. This equates to an increase of £10.829m (5.1%) from the 2021-22 net budget requirement level of £212.375m (see Appendix 1).
48. The table overleaf summarises the 2022-23 draft budget requirement:

	£	£
2022-23 Base Budget Requirement (Gross)		
Police Officer Pay & Allowances	119,563,766	
Staff Pay & Allowances	49,940,336	
PCSO Pay & Allowances	6,843,200	
Regional Collaboration	9,847,477	
Police Officer Pensions	3,580,729	
Non-Pay Expenditure	39,779,753	
Inflation Contingency	3,745,535	
Income	(15,300,968)	
Office of the Police and Crime Commissioner	1,567,397	
Commissioning	4,437,888	
TOTAL		<u>224,005,113</u>

There are other budget streams which when added to the above makes up the 2022-23 net budget requirement. These are listed below.

	£	£
2022-23 Base Budget Requirement (Gross)		224,005,113
Investment	1,852,685	
Revenue Contribution to Capital	2,995,381	
Specific Grants	(1,281,464)	
Home Office Pension Grant	(1,902,540)	
Home Office Uplift Grant	(2,000,000)	
Transfers to / (from) liability & equipment reserves	(204,056)	
Transfer from BER for specific projects	(179,209)	
Transfers to / (from) other reserves	(82,210)	
2022-23 Base Budget Requirement (Net)		223,203,700

49. There are a number of significant aspects of the budget to highlight in line with the Police and Crime Plan priorities as follows.

- **Police Officers** – The Police Officer pay and allowances budget is calculated based on the latest recruitment and attrition forecasts, taking into account:
 - Rank and incremental changes.
 - Externally funded and seconded officers.
 - Allowances.
 - Changes to the effective rates for National Insurance and Pension contributions.
 - The full year effect of 50 officers approved from the precept growth in 2021-22 and the additional 88 officers funded through the Home Office national Police Uplift Programme.
 - The increase in the employer's National Insurance rate for 2022-23 of 1.25% for the Social Care levy at a cost of £1.1m.

The officer establishment of 2,242 includes a number of funded posts. Funding from the core grant for Counter Terrorism has been removed and will be drawn down separately. Where future transformation and modernisation is required, the establishment may need to be amended to reflect this.

Leicestershire's share of the year three Government's 20,000 officer uplift programme is 119 officers in total (6 officers are to be recruited into the Regional Organised Crime Unit). This is part of the national uplift of 8,000 officers. The Force is ahead of this target and therefore the establishment will be 2,242 by March 2023. The estimated total cost of the 119 officers in 2022-23 is £2.8m which will be fully funded by Home Office grants, but only if they are recruited in full.

Also included within the MTFP is a reduction in the effective superannuation rate by 0.2% to 28.79% compared to 21/22. The impact of the reduction in employers' effective rate is approximately £158k.

- **Police Community Support Officers (PCSOs)** – The PCSO budget is based on an establishment of 200 FTEs working across the force area. This includes a vacancy factor of 6%, which reduces the estimated average budgeted strength to 188 FTE. The decision has been made to fund 4 School Liaison Officers from the PCSO budget in 2022-23, therefore PCSO strength may need to be lowered to 196 FTE.

- **Support Staff** – The budget is based on 1,203FTEs (including the OPCC and excluding PCSO's) which includes a number of changes to the establishment to address demand. Employer's National Insurance has been increased by 1.25% to reflect the new levy which is approximately £538k in total. There is also growth in weekend enhancements reflecting a change in policy, and shift allowances have also increased. The Force is also currently undertaking Job Evaluation of its police staff posts and estimated pay protection and related costs of £3.9m have been included within the MTFP, with a further £1.4m estimated costs in 2026-27.
- **Regional Budgets** – Regional collaboration budgets relate to Leicestershire Police's share of collaborative arrangements which include the cost of police officer posts. The budget for regional collaboration in 2022-23 is £9.8m.
- **Non-pay** – A significant element of the non-pay budget increase relates to IT enhancements and innovation. This is aligned to the national expectation to deliver a "modern digitally enabled workforce that allows officers to spend less time dealing with bureaucracy and more time preventing and fighting crime and protecting the public". The budget includes licensing costs and other system costs.

The energy markets are very volatile at present, and there are indications that utility costs will increase by £0.7m during 2022-23 to £1.8m. Any further increases may require additional in year funding.

- **Revenue contribution to capital** – The budget includes a revenue contribution to capital of £3m. Government funding of capital has decreased significantly over the past few years and been removed completely for 2022-23. Therefore, a revenue contribution to capital will reduce the borrowing requirement, which minimises the debt charges incurred over the medium term and beyond.

Office of the Police and Crime Commissioner

50. The amount of funding for the OPCC including commissioning equates to 2.7% of the total net budget requirement; the remaining 97.3% is allocated to the Chief Constable for use on local policing and regional collaborations. The percentage allocation to the force remains unchanged from 2021-22.
51. The total cost of the Office of the Police and Crime Commissioner is £1.57m, which is a net increase of £165k from 2021-22. The office structure has recently been reviewed to allow the OPCC to hold the Chief Constable to account more effectively, to understand better the views and expectations of the public and to communicate more effectively with stakeholders; such as Councillors, Community groups and the wider criminal justice system. It employs 23 members of staff whose costs represent 85% of total expenditure.
52. Supplies and Services includes items of expenditure such as internal audit and external audit costs, and subscriptions to external associations. External audit fees are forecast to increase by 28% to £64k for 2022-23 as a consequence of changes in the nationally agreed rates.
53. Detailed budgets for the office are available upon request.
54. The main costs are summarised overleaf:

	<u>£000</u>
Staffing	1,215
Transport	8
Supplies and Services	344
Total Expenditure	<u>1,567</u>
Income (MOJ Grant)	<u>(80)</u>
Net Expenditure	<u>1,487</u>

Commissioning

55. The Commissioning Framework for 2022-23 aligns to the priorities contained within the Police and Crime Plan and provides a budget of £4.438m. The commissioning budget held by the OPCC has remained the same as a proportion of the overall budget.

56. The budget is funded as follows:

	£000
Base budget	3,237
Ministry of Justice Grant	1,201
Total funding	<u>4,438</u>

57. The 2022-23 Commissioning Budget includes £0.4m for small grants to Community Organisations which are awarded at the discretion of the Commissioner.

58. The Ministry of Justice (MoJ) Victims and Witnesses Grant is included at flat-cash as the funding allocation for 2022-23 is unknown at the time of writing this report.

59. It is important to note that in addition to the published budget each year, the Commissioner has opportunities to submit bids to funding bodies (normally government departments) for additional, normally in year, funding. It is anticipated that further significant additional funding will be acquired for 2022-23.

Growth

60. Growth items totalling £1.85m are contained within the budget proposals for 2022-23 and beyond. This includes additional resources and organisational infrastructure deemed essential to deliver both service transformation and support for the growth in officer numbers. This includes:

- a) re-platforming of the Niche Database, £0.1m,
- b) digital interaction project, and cloud services integration costs of £0.2m,
- c) process re-alignment costs in Criminal Justice of £0.1m,
- d) salary costs for additional posts required to meet changes in demand of £0.7m,
- e) UKAS Accreditation costs of £0.3m,
- f) other enabling services requirements (including Office 365 and Voice Strategy) of £0.4m.

Proposed Efficiency Savings

61. As part of the budget proposals for 2022-23, the Commissioner has agreed with the Chief Constable that an efficiency savings target will be included within the MTFP. This is to ensure that the MTFP remains affordable and sustainable. There is a target built into the MTFP of £0.5m, which will balance the budget over the MTFP period.
62. There is also an expectation of the Commissioner that the force will continue to deliver an efficient and effective service. Therefore, the Commissioner expects the Force to deliver annual efficiency savings of at least 0.5% of the total annual budget for the life of the MTFP.

Capital Strategy, Capital Programme and Treasury Management Strategy

63. The Capital Strategy 2022-23 is set out in Appendix 3. The revenue consequences of the proposed programme have been considered in the development of the revenue budget, and the required prudential indicators are set out.
64. The Capital Programme includes investment in operational areas of premises, IT and vehicle fleet.
65. The anticipated local capital costs for the Emergency Services Network (ESN) have been included in the Capital Programme and Revenue Budget based on the latest Home Office estimates. However, there remains significant national and local uncertainty regarding the costs and timescales of the network and this financial risk will continue to be closely monitored.
66. The Treasury Management Strategy report is set out at Appendix 4. This is required by the Code of Treasury Management published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and explains the Investment Strategy in relation to reserves and balances.

Medium Term Financial Plan (MTFP)

67. It is a requirement that the Police and Crime Plan and budget must cover the period until the end of the financial year of the next election for PCCs. Elections are due to take place in May 2024. Thus the relevant date is 31st March 2025.
68. However, prudent financial management requires the Commissioner to have an MTFP that covers a period of at least four financial years. The financial information detailed in Appendix 1 covers a four year period, until the 31 March 2026. This provides a longer term view which will enable informed decision making to take place over the period of the plan. This is not without its challenges, given that there is only a firm Government announcement of funding for 2022-23 and an indication of potential funding through to 2024-25 only.
69. However, an MTFP has to be formulated using the best information available at the time of producing it. The attached MTFP has been produced on this basis, accepting that it is subject to change as new information emerges that can and will, change the assumptions inherent in the plan.
70. In 2022-23, the Commissioner will allocate approximately 97.3% of the net budget requirement to the Chief Constable for use on local policing and regional collaborations.
71. Key assumptions that have been included in seeking to outline the financial challenge for the medium term are:

- a. That the council tax base grows at 1.5% for financial years 2023-24, 2024-25 and 2025-26 respectively.
- b. All existing council tax related grants continue up to and including 2025-26.
- c. Core Government funding increases by 1.45% in 2023-24 and 2024-25. The uplift grant has been increased from £1.5m in 2021-22 to £2.0m from 2022-23 onwards to align with funding expectations around officer growth.
- d. The precept increases by £10.00 per Band D equivalent property for 2022-23 and by £10 each year thereafter in line with the prevailing national view, and modelling assumptions in each of the other East Midlands region Force areas. It should be noted that no decision on future years precept has yet been taken.
- e. Pay awards for officers and staff are included at 2% for 2022-23, and each year thereafter. The 2022-23 pay award could be as high as 3% but this will not be confirmed until the Autumn. Any increase above 2% would require additional funding.
- f. Non-pay inflation is included at 2% for 2022-23 and for each year thereafter.
- g. At this stage, there are no significant impacts on grant funding incorporated into the MTFP from the Funding Formula Review.
- h. No additional, unfunded responsibilities are given to the Commissioner.
- i. Further borrowing beyond the capital programme is not required.

72. Taking into account the above assumptions, the position is as follows:

Summary of the Budget Requirements (see Appendix 1 for detailed analysis)				
	2022/23	2023/24	2024/25	2025/26
	£m	£m	£m	£m
Net Budget Requirement	223.2	228.9	235.9	240.8
Net Funding	223.2	228.9	235.9	240.8
Funding Gap / (Surplus)	0.0	0.0	0.0	0.0

Use of Reserves and Balances

73. In considering the 2022-23 budget, the Commissioner has reviewed all of the reserves held.

74. In January 2021 a Reserves Strategy was agreed which set out the following 'guiding principles' for managing reserves:

- General fund reserves should be in the range of 2% to 5% of the total net budget (between £4.46m and £11.16m based on the 2022-23 budget).
- The BER can be used to support the budget but there must be a strategy to move reliance away from the reserve over a period of time.

- Other earmarked reserves should only be used for specific time limited projects, to provide financial cover for potential future financial liabilities and for 'invest to save' projects.
- Ongoing reliance should not be placed on reserves to deal with the funding of financial deficits and a clear plan should be in place to move reliance away from one off reserves.
- There should be an annual review of reserves.

75. Three types of Reserve are held and these are explained further below:

a. General Reserve

There is a General Reserve which will be increased to £5m from £4.25m with £0.75m being transferred from the BER. The £5m Reserve balance represents 2.2% of the net budget requirement for 2022-23 and is within the recommended limits referred to above. It is prudent to have such a reserve to enable the organisation to withstand unexpected events which may have financial implications. There is no further planned use of this reserve during 2022-23 or beyond.

b. Budget Equalisation Reserve (BER)

Over recent years, due to the impact of effective efficiency programmes and through financial prudence, a Budget Equalisation Reserve (BER) has been created. This reserve is currently estimated to be £13.3m at 31st March 2022, decreasing to £13.1m by 31st March 2023. Its purpose when established was twofold:

1. To fund 'invest to save' and other new initiatives and investments.
2. To partly support funding shortfalls in the MTFP in the short term with a clear exit strategy.

It is proposed that £2m of the BER is used during the MTFP period to fund ongoing historical investigations of £0.2m, Job Evaluation Pay protection costs of £1.4m, and a further £0.4m is ring fenced in 2025-26 for ESN dual running costs. This will reduce the BER to £11.3m at the end of the MTFP period.

c. Earmarked Reserves

The Commissioner currently holds a number of Earmarked Reserves which at 31 March 2022 are estimated to total £6m (excluding the General Reserve and BER) and those to note are as follows:

OPCC & Commissioning Reserve £0.6m – This contributes towards supporting the cost of the Commissioning Framework.

Civil Claims £1.2m – This reserve holds funds set aside where considered prudent for Civil Claims (Public and Employer liability) in line with professional advice.

Capital Reserve £0.2m – to support future Capital expenditure.

Proceeds of Economic Crime - £1.4m – reserve funded from proceeds of crime, used to support the Force's capability in specific investigative areas.

76. The following transfers to and from reserves form part of these budget proposals:

<u>Transfers from Reserves</u>	
	£m
<u>Budget Equalisation Reserve</u>	
Historical Investigations	-0.060
Job Evaluation	-0.119
	<u>-0.179</u>
<u>Other Earmarked Reserves</u>	
Economic Crime (POCA)	-0.054
Equipment Reserve	-0.425
Capital Reserve	-0.014
MAPPAs	-0.028
Collection Fund	-0.071
	<u>-0.591</u>
	<u>-0.771</u>

<u>Transfers to Reserves</u>	
	£m
<u>Specific Reserves</u>	
Equipment Reserve	0.050
Fleet Insurance Claims	0.125
Civil Claims Liability	0.130
	<u>0.305</u>
	<u>0.305</u>

	£m
Net Transfers to/(from)	<u> </u>
Earmarked Reserves	<u>-0.466</u>

Precept Proposal

77. After careful consideration of all the factors highlighted within this report, the Commissioner is proposing a £10.00 Band D Precept increase in line with Home Office assumptions to maximise resources for operational policing.

78. In making this proposal, the Commissioner is extraordinarily grateful to those who took part in the precept survey which showed the willingness of the public in Leicester, Leicestershire and Rutland to pay more in order to safeguard and develop policing in their neighbourhoods. Additionally, the Commissioner is satisfied that in doing so, he is maximising the resources available to Leicestershire Police to deliver the priorities outlined in his Police and Crime Plan.

Statement of the Chief Constable

79. In proposing the precept the PCC has sought views from the Chief Constable and his statement on the PCC's precept proposal for 2022-23 is as follows:-

"It is my responsibility, as described in the Policing Protocol Order 2011, to provide professional advice and recommendations to the PCC in relation to his receipt of all funding, including the government grant and precept and other sources of income related to policing and crime reduction. Under the terms of the Order I am responsible for the delivery of efficient and effective policing, the management of resources and expenditure by the Force. I also should have regard to the Police and Crime Plan, assist the planning of the Force's budgets, have regard to the Strategic Policing Requirement set by the Home Secretary in respect of national and international policing responsibilities and have day to day responsibility for financial management of the Force, within the framework of the agreed budget allocation and levels of authorisation agreed with the PCC.

My preferred option is an increase in the Band D precept of £10. This will best enable the Force to deliver the new Police and Crime Plan and meet the requirements of the Strategic Policing Requirement going forward. It also reflects the thrust of the national core grant allocation from central Government and the desire of local communities for accessible and visible policing. A £10 precept increase balances the MTFP through to 2024-25 and allows for a reduction in the Force's borrowing to fund the Capital Strategy. This is the most financially and operationally sustainable option.

This is the twelfth occasion that I have been involved as Chief Constable in the budget setting process for Leicestershire Police. Last year I highlighted the reliance on reserves, and the desire for a multi-year budget settlement. The latter has come to pass, with a three year settlement which the Government funding announcement links to precept levels, which are actually a responsibility for the PCC and this Panel.

I make no apology for again repeating the fact that in 2010 we had over 2,300 police officers and 251 PCSOs. At our lowest point we had dropped to 1700 police officers and 180 PCSOs. In the context of a growing population, maintaining sustainable numbers is important for the service that we provide to local communities.

We have sustained our neighbourhood model which was enhanced just as the COVID pandemic started. Our neighbourhood teams include dedicated neighbourhood officers, patrol officers and investigators who are located within local communities. They are supported by accessible Force resources covering a wide array of other areas including roads policing, specialist investigation of concerns such as domestic abuse and sexual assaults, dealing with public calls for service, firearms response, cybercrime, county lines drug dealing and regional teams covering forensics, major crime and counter terrorism.

With details of the budget settlement now available we have modelled on maintaining a minimum of 2242 police officers. This allows the Force to continue to meet the national 'uplift' requirement whilst also ensuring that the 2021/22 recruitment profile continued and was delivered. By maintaining 2242 it ensures there is not a reduction to operational capability, as of the 31 March 2022.

In the past year we have recruited a total of 601 new joiners to the Force; that includes 284 Police officers, 204 staff, 40 PCSOs, 14 Special Constables and 56 community volunteers.

During this time we have dealt with 158,725 emergency calls with 94.3% answered in 10 seconds. We have also dealt with 320,203 non-emergency calls of which 69.1% were answered within 60 seconds. Above that we have had 31,285 online reports submitted to us with 11,466 being crime reports. In total we have recorded 94,632 recordable crimes

Every day we safeguarded numerous people across Leicestershire: during the year we have dealt with 4993 missing persons which is an average 13.6 missing people per day.

We have had 12,979 people that have passed through our custody suites who were under arrest, which is an average of 35.5 per day.

We have maintained lean and efficient functions across the Force, with HMICFRS comparisons showing us comparing favourably with other Forces nationally. In that context the efficiency savings proposal outlined in this report will reinforce the ongoing search for efficiencies that the Force has made across the past decade, and will provide focus to do so.

Challenges ahead include the omnipresence of a digital footprint of some sort in most offences, cross border criminality, and advances in technology, which occur at pace.

Within this budget we will seek to enhance our Criminal Justice work, ensure availability of our fleet and ensure our finance team can meet workload within payroll. We will also drive forward work on increasing public confidence, an enhanced Force and partnership response to rural crime, a focus on business crime, continued work on violent and serious & organised crime. We will set out to improve the quality of service to tackle domestic abuse, enhance work on prevention and early intervention and increase the use of volunteers and Neighbourhood Watch schemes. We will seek to ensure that the Force has the technology infrastructure to manage the rapid growth in data and digital material along with using technology to automate and become more efficient.

This proposal for a £10 Band D precept increase has my support. It enables us in a sustainable fashion to police communities across Leicester, Leicestershire and Rutland."

Robustness of the Budget –Statement of the Commissioner Chief Finance Officer

80. *The Local Government Act 2003, Part 2, Section 25, as amended by the Police Reform and Social Responsibility Act 2011, requires the Commissioner's Chief Finance Officer to report on the robustness of the estimates used for the budget and the adequacy of the proposed financial reserves. The Commissioner is required to have regard to the report of the Chief Finance Officer and the report must be given to the Police and Crime Panel. The CFO statement is as follows:*

"I have attended a number of Corporate Governance Board meetings to provide assurance to the Panel that these factors have been considered. Since that date, dialogue, scrutiny and challenge has continued where new factors or information have been highlighted and discussed.

In the sections above, titled "Base Budget Preparation, Approach, and Scrutiny" and "Revenue Budget 2022-23", a description of the development of this budget is given.

During the preparation of the budget, I have been given full access to the budget model and have been consulted on the assumptions being made in order to develop the model. I have received timely and detailed responses to queries and/or points of clarification. I have agreed with the assumptions being made, and where there were any differences of opinion they were discussed until a consensus was reached.

Together with the Chief Officer Team, OPCC, Chief Executive and the Commissioner, I have reviewed, scrutinised and challenged the case for operational investment. This has included reviewing the operational and financial risks of the investment and highlighting the impact on the MTFP.

I have confidence that the budget monitoring process will identify any variations of expenditure or income from that budgeted so that early action can be taken and this is regularly reviewed, discussed and scrutinised at the Corporate Governance Board.

I have also reviewed the detailed calculations in arriving at the budget requirement and council tax precept and options and find these to be robust. I also have, together with other precepting partners, sought authorisations from billing authorities in relation to tax base and council tax surplus or deficits.

The Chief Constable has discussed the revenue and capital operational and Police and Crime Plan requirements (Appendix 1) for 2022-23 and future years and together, we have been able to develop a budget that supports the delivery of the priorities set out in the Police and Crime Plan.

There is an operational contingency available to the Chief Constable, and sufficient general reserves available should operational demands require access to these. Earmarked reserves are also in place for specific requirements.

This report presents a balanced budget over the MTFP period. The level of General Reserve, which should be held as a 'contingency of last resort' or to provide funds on a very short term basis, is held at £5m and there are no plans to utilise any of it over the next 4 years. This level of General Reserve is within the range expected and defined by the Reserves Strategy as set out earlier in the report.

In coming to my conclusion on the robustness of the budget I have also reviewed the separate papers on Capital Strategy (Appendix 3) and Treasury Management (Appendix 4).

Whilst a balanced budget is presented for the MTFP it is reasonable to assume that the financial and operational challenges will change over the course of the medium term. As such the MTFP contains the best estimates available at this point in time and assumptions contained within the MTFP are reasonable, prudent and will be updated as new information emerges.

I conclude, therefore, that the budget for 2022-23:

- 1. Has been prepared on a robust and prudent basis.*
- 2. Includes investment into a number of areas as detailed in the report which are all in line with the Commissioner's Police and Crime Plan priorities.*
- 3. Includes an appropriate use of reserves and that the planned level of reserves remaining are adequate and sufficient.*

However, it is prudent to be mindful of emerging issues and challenges which will change the assumptions in the medium term financial plan and therefore, the estimated budget requirements for those years."

Implications

Financial:	The precept proposal, the financial position, uncertainties and timescales.
Legal:	The Commissioner is required to set a precept and this complies with those requirements.
Equality - Impact Assessment:	The budget and proposed precept forms part of the Police and Crime Plan which has a full impact assessment. Furthermore, the additional resources provided support the key priorities of the Police and Crime Plan.
Risks and – Impact:	Risks have been identified within the report.
Link to Police and Crime Plan:	The budget and precept support the delivery of the Police and Crime Plan.

List of Appendices

Appendix 1 Budget and Precept 2022-23 to 2025-26
Appendix 2 Operational Requirement Budget Setting 2022-23
Appendix 3 Capital Strategy 2022-23
Appendix 4 Treasury Management Strategy

Background Papers

Provisional Police Funding Settlement 2022-23 – December 2021
Leicestershire Police and Crime Commissioner Precept Survey – January 2022

Persons to Contact

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The Office of the Police and Crime Commissioner for Leicestershire
Budget Requirement and Precept 2022/23 - 2242 Police Officer Establishment

Version Date	20/01/2022
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		Precept Increase	4.03%	3.87%	3.73%	3.59%
2021-22 Approved Budget £		2022/23 Revenue Budget £	2023/24 Revenue Budget £	2024/25 Revenue Budget £	2025/26 Revenue Budget £	
115,280,293	Police Pay & Allowances	119,563,766	121,909,627	126,730,403	128,118,128	
47,204,779	Staff Pay & Allowances	49,940,336	53,636,174	56,171,141	58,648,648	
6,722,379	PCSO Pay & Allowances	6,843,200	7,184,701	7,453,135	7,729,036	
169,207,451		176,347,302	182,730,502	190,354,680	194,495,812	
9,462,279	Regional Collaboration	9,847,477	10,044,427	10,245,315	10,450,222	
3,429,844	Police Pensions	3,580,729	3,693,870	3,869,274	3,928,186	
37,261,708	Non-Pay Expenditure	39,779,753	41,029,386	42,523,207	44,537,004	
1,754,575	Inflation Contingency	3,745,535	1,026,887	1,027,221	1,027,221	
(13,545,659)	Income	(15,300,968)	(15,498,015)	(15,664,549)	(15,848,167)	
38,362,747		41,652,526	40,296,556	42,000,469	44,094,466	
207,570,198	Force Budget Requirement (excl. OPCC)	217,999,828	223,027,057	232,355,149	238,590,278	
1,402,352	OPCC	1,567,397	1,598,745	1,630,720	1,663,334	
4,343,819	Commissioning	4,437,888	4,570,554	4,737,711	4,838,497	
5,746,171		6,005,285	6,169,300	6,368,431	6,501,831	
213,316,370	Gross Budget Requirement	224,005,113	229,196,357	238,723,580	245,092,109	
(1,277,870)	Specific Grant - Victims and Witnesses	(1,281,464)	(1,281,464)	(1,281,464)	(1,281,464)	
(1,902,540)	Home Office Pension Grant	(1,902,540)	(1,902,540)	(1,902,540)	(1,902,540)	
(1,500,000)	Home Office Uplift Grant	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	
4,490,017	Investment	1,852,685	1,546,328	1,503,738	1,554,274	
227,000	Revenue contribution to capital	2,995,381	3,923,950	1,298,017	-	
(500,000)	Efficiency Savings	-	-	-	-	
(478,240)	Use of reserves for specific projects	(465,475)	(610,735)	(477,890)	(208,401)	
-	General transfer (from)/to reserves	-	-	-	-	
212,374,737	Net Budget Requirement	223,203,700	228,871,897	235,863,441	241,253,978	
-	Surplus / (Funding Gap)	-	-	-	(450,005)	
212,374,737	Net Revenue Budget	223,203,700	228,871,897	235,863,441	240,803,973	
	Funding					
75,864,611	Police Grant	79,768,566	81,218,566	83,393,566	83,393,566	
44,907,386	Business Rates	47,570,114	47,570,114	47,570,114	47,570,114	
8,120,391	Council Tax Support Grant	7,020,391	7,020,391	7,020,391	7,020,391	
1,910,530	Council Tax Freeze Grant	1,910,530	1,910,530	1,910,530	1,910,530	
(167,000)	Collection Fund Surplus / (Deficit)	476,947	-	-	-	
81,738,819	Precept	86,457,152	91,152,295	95,968,840	100,909,372	
212,374,737		223,203,700	228,871,896	235,863,441	240,803,973	

		Precept by Billing Authority			
£	Tax Bases	£	£	£	£
8,434,145	Blaby	8,843,411	9,323,661	9,816,329	10,321,680
14,468,569	Charnwood	15,188,842	16,013,688	16,859,861	17,727,816
9,024,682	Harborough	9,655,059	10,179,387	10,717,272	11,269,004
9,611,374	Hinckley & Bosworth	10,073,689	10,620,751	11,181,958	11,757,612
18,569,108	Leicester City	19,883,984	20,963,804	22,071,544	23,207,800
4,738,312	Melton	4,998,918	5,270,390	5,548,880	5,834,540
8,648,588	North West Leicestershire	9,188,089	9,687,057	10,198,927	10,723,974
4,358,600	Oadby & Wigston	4,545,407	4,792,250	5,045,475	5,305,219
3,885,441	Rutland	4,079,753	4,301,308	4,528,592	4,761,727
81,738,819		86,457,152	91,152,295	95,968,840	100,909,372
329,286	Council Tax Base	334,807	339,829	344,926	350,100

£	Precept by Band	Apportionment	£	£	£	£
165.4868	Band A	6/9	172.1535	178.8201	185.4868	192.1535
193.0679	Band B	7/9	200.8457	208.6235	216.4013	224.1790
220.6491	Band C	8/9	229.5380	238.4268	247.3157	256.2046
248.2302	Band D	9/9	258.2302	268.2302	278.2302	288.2302
303.3925	Band E	11/9	315.6147	327.8369	340.0591	352.2814
358.5547	Band F	13/9	372.9992	387.4436	401.8881	416.3325
413.7170	Band G	15/9	430.3837	447.0503	463.7170	480.3837
496.4604	Band H	18/9	516.4604	536.4604	556.4604	576.4604

£248.2302	Band D Council Tax	£258.2302	£268.2302	£278.2302	£288.2302
6.43%	% Increase	4.03%	3.87%	3.73%	3.59%
15.00	£ Increase	10.00	10.00	10.00	10.00
28.8p	Increase per week in Pence	19.2p	19.2p	19.2p	19.2p

Summary of Assumptions				
Changes in Core Funding	0.00%	1.45%	1.45%	0.00%
Precept increases	4.03%	3.87%	3.73%	3.59%
Precept increases £	£ 10.00	£ 10.00	£ 10.00	£ 10.00
Tax Base increases	1.68%	1.50%	1.50%	1.50%
Pay Inflation	2.00%	2.00%	2.00%	2.00%
Non-Pay Inflation	2.00%	2.00%	2.00%	2.00%
Police Officer FTE	2242	2242	2242	2242
PCSO FTE - (modelled with a 6% vacancy factor)	188	188	188	188

Budget Equalisation Reserve				
	2022/23 £	2023/24 £	2024/25 £	2025/26 £
Balance B/Fwd	13,336,048	13,156,839	12,381,582	11,725,534
Transfers to BER (from General Reserve)				
Other Transfers from BER to fund the base	-			
Transfers from BER for specific purposes	(179,209)	(775,257)	(656,048)	(385,153)
Balance c/fwd	13,156,839	12,381,582	11,725,534	11,340,381

POLICE AND CRIME COMMISSIONER FOR LEICESTERSHIRE

PAPER MARKED

Report of	Chief Constable
Subject	Operational Requirement Budget setting 2022/23
Date	18th January 2022
Author	Deputy Chief Constable Rob Nixon

1. Purpose of Report

- To provide the Chief Officers and the Police and Crime Commissioner (PCC) with the operational advice to inform the budget setting process for 22/23.
- It will summarise the approach taken to inform the budget setting process, recapping the principles and the desire to be both financially and operationally sustainable.
- It will set out the areas of operational and organisational threat and risk identified through the strategic risk assessment process.
- It will then highlight the Force's requirement for growth and changes intended for the operating model within the next business year to begin delivering the Police and Crime Plan and meet our strategic policing requirements.

2. Principles used throughout the planning process

The effectiveness of Leicestershire Police is our ability to continually evolve and adapt to rapidly changing policing challenges.

Section 3 below provides a short summary of the external influences that impact on policing. The importance of aligning budget with operational effectiveness is well rehearsed and understood by both the Chief Constable and Police and Crime Commissioner.

Between November 2021 and January 2022, a series of discussions took place to develop and agree a set of principles that informed the budget setting process. For ease, these are set out below.

1. Budget planning will focus on the total budget.
2. The Medium-Term Financial Plan's (MTFP) business-as-usual must be affordable and sustainable for the entire period of the MTFP.
3. Maintain General Reserve at £5m (2.3% of NRE).
4. Include 2 months Job Evaluation pay protection costs etc from Feb 2022 and full costs for the duration of MTFP.
5. Maintain an officer establishment of 2,242 ensuring we achieve the Home Office uplift minima.
6. PCSOs 200 FTEs.
7. Staff c.1,201 FTEs.
8. POCA income will be recycled into base to sustain and enhance our approach to economic / financial investigation.
9. Prepare for the future with investment in digital transformation (Cloud), transitional funding, and remove duplicate infrastructure costs modelled.
10. Use of Budget Equalisation Reserve for one-off investments and transformational change.
11. Ensure borrowing is sustainable around the potential impact of future debt charges.
12. Efficiency strategy to be refined and used to support investments.
13. Need to meet growing national accreditation costs to ensure our effectiveness is not undermined.

3. **Financial planning and modelling**

Both the PCC and the Force share the view that for the Force to continue to be effective it needs to be sustainable, both financially and operationally.

Financial sustainability will be a combination of the Home Office core grant and precept allocations. They provide sufficient revenue to maintain a consistent level of resources and infrastructure for the entire period of the MTFP. It will also ensure borrowing is proportionate and repayment costs are manageable within the construct of the MTFP.

Operational sustainability will mean the force maintains a consistent level of officers and avoids sharp fluctuations across officer establishments. It requires a focus on the operational capabilities of the force beyond that of officer head count and will include specialist skills, infrastructure and an operating model that is needed to deliver the Police and Crime Plan and meet our strategic policing requirements.

The changing nature of crime and vulnerability is bringing a requirement for new and different skills. Some merit being officer roles; some are better placed as a specialist support members. The important thing is having the right skill-set to achieve the outcomes the public requires of the service.

The pace of technological advancement is also being exploited by criminals at a faster than ever rate. The force needs to ensure we have an infrastructure that can support this increased workload, along with allowing technology to aid in the prevention and detection of crime.

In May 2021, the Police and Crime Commissioner set out a clear statement of intent that the use of reserves was not to continue to be used to uplift officer numbers and encouraged the force to set resourcing levels that were sustainable excluding reserves for the entire MTFP period.

Between 2009 and 2022, the force responded well to budgetary pressures. It is recognised that demand and complexity had increased during those years and the force, like most other forces, had to rely on reserves as well as precept increases to increase officer numbers. The use of reserves has been common practice among public sector organisations and was previously encouraged by the Home Office.

The commitment to growing officer numbers in order to meet demand was necessary. However, that approach was predicated on having reserves available in sufficient quantity to see through the MTFP period.

During the budget setting period 21/22, it was acknowledged that the reserves would not be sufficient to maintain that approach and, strategically, there would be a requirement to shift from growth to becoming sustainable.

To become sustainable, it is necessary to make a strategic shift away from the reliance on reserves for bolstering officer numbers and to balance the establishment within what is affordable for the entire period of the MTFP.

In December 2021, the Force and PCC received the details of the budget settlement and it is clear that to continue to recruit up to 2342 officers is not a sustainable option because it generates a £14.9 million deficit in total over the MTFP period, rising from £0.2 million 22/23 to £7.8 million 25/26.

On that basis, the Police and Crime Commissioner, in consultation with the Chief Constable, chose to model the budget based on maintaining a minimum of 2242 police officers. This was to allow the force to continue to meet the national uplift requirement whilst also ensuring that the 21/22 recruitment profile continued and was delivered. By maintaining 2242 it ensures there is not a reduction to operational capability, as of the 31 March 2022. Growth to 2342 was forecast to occur during 22/23 so the force is required to amend its recruitment programme for 22/23 and recruit to replace those who are due to retire.

In order to maintain a minima of 2242 officers and meet the budget principles as set out above, the force and OPCC finance team have modelled various options which include possible increases to the precept. These options are set out in detail in other papers submitted to the Police and Crime Panel.

4. Operational and organisational threat and risk

Policing continues to become more complex with the rapidly changing nature of crime, sharp rises in high harm crimes, cross border criminality and the interconnected nature of physical and digital evidence that needs to be captured and interpreted.

This is not unique to Leicestershire but policing across the country is experiencing a series of changing pressures.

The most recent Force Management Statement, an internal self-assessment of demand and risk, which was shared with HMICFRS, identified five strategic themes: workforce development, financial sustainability, the post-Covid environment, digital capability, and our commitments to collaboration at a local, regional and national level. Those themes, and the evidence underpinning them, have informed the budget setting exercise.

In order to plan effectively, the PCC has undertaken extensive public consultation on the development of his Police and Crime Plan, based on his 2021 election manifesto. This has positively re-shaped and refreshed the force's focus.

The force and OPCC have therefore begun a detailed and extensive planning exercise which has reviewed and considered all national and regional plans along with the Police and Crime Plan and a review of the next iteration of the Force Management Statement. This work is progressing at pace.

In Autumn 2021, the Chief Officer team and OPCC came together to consider the contents and agree a set of shared priorities. It is accepted that all elements of the Police and Crime Plan will be progressed, and the plan looks to deliver beyond the span of one election cycle. A longer time-span assists strategic planning overall.

In combination, these considerations have informed this report, highlighting the priority areas which will be the focus for investment within this budget along with the proposed changes to the force operating model as part of our ongoing transformation and delivery of the agreed "rich picture" (the expanded plan of force delivery against national, local and Police and Crime Plan objectives) during 22/23.

To turn to particular priority issues, we can consider them in the context of two challenges:

- Capacity: Challenges which are driven by year-on-year increases in demand and complexity, and;

- Capability: The pace of technological change and an emphasis on skills and workforce development to manage officer/staff churn.

The National Policing Strategy, in particular the National Policing Digital Strategy, places significant emphasis on the changing nature of police infrastructure. There is an expectation that individual forces will be converging towards the national approach. This will bring unknown expenditure and regular scrutiny through HMICFRS.

Locally, the force has experienced increased recording of crime. This is partly due to changes in crime recording but also improved confidence to report crimes such as safeguarding, rape, domestic violence, stalking and harassment. A recent HMICFRS inspection highlighted the significant increase in crime data integrity with the force. We look forward to their assessment in the coming months.

The Force Management Statement also identifies increased demand for the Serious Collision Investigation Unit, missing from home, and fraud and financial crime teams. The changing nature of crime requires additional skills and infrastructure to respond to these changes and manage it thereafter.

The force has identified significant churn in operational officers. This brings both opportunity and threat. The risks identified are that for a period of up to nearly ten years recruitment was significantly reduced. With the sharp increase in recruitment since 2019, and a significant number of officers approaching retirement, our workforce will shift to be disproportionately younger in service as a whole.

It should be noted that significant effort has gone into increasing officer numbers over recent years in order to meet growing demand. Equally, we should note that, by 2024, 40% of the force will have less than 4 years' service. When we consider uniform resources only, that figure increases to 60%. This is an opportunity and a challenge.

Additionally, the force has made significant progress in ensuring that frontline officers and staff have technology that enables them to work remotely. We are considered to be a progressive force with all officers having mobile devices and Body Worn Video. We have also invested in Pronto, a system which allows remote access to intelligence, crime and custody information along with developing an electronic case file. We have developed and introduced Digital Forensic capabilities allowing frontline staff to triage electronic devices in a timely manner which assists with providing a more timely and responsive service to the victims. We are considered to be an exemplar in this area.

That said, we recognise that much of our IT infrastructure has grown organically and there are areas of technology that are out of step with the pace of technological advancement. This is putting pressure on the system.

It is acting as brake on further innovation and improvement to service, which is why it has been identified for investment.

5. Focus for growth and transformation

Within this budget only 0.8% of the total budget is focused on meeting unavoidable costs and growth requirements which equals a total £1.85 million. This centres on Investment in technology and specialist skills as set out below and small growth to staff roles to meet changes to demand. These changes in demand are directly linked with increases to officer numbers and workloads.

They include: enhancement to Criminal Justice department to improve file quality and timeliness; Fleet, to increase the availability of vehicles and; Finance, to meet increased workloads linked with payroll. All growth areas have been extensively scrutinised by the Force Executive and are considered essential.

The areas that are being focused on as priority for transformation within the force operating model are as follows.

5.1 Strengthening public confidence.

A separate public confidence strategy will be drawn together to further strengthen public engagement, consultation, victim experience, communication, enhanced access and call handling capabilities.

We are in the process of reconfiguring corporate services and introducing a Business Insight section that will oversee and track confidence indicators, public engagement and consultation activity across the force and all communities.

We will further renew our commitment to Neighbourhood policing (NHP) through the delivery of accredited NHP training and increased visibility of NHP teams through a range of measures including the reintroduction of regular neighbourhood newsletters / blogs and joint-agency patch walks with local councillors.

We have established bespoke task and finish groups that are working on communities with recognised lower confidence levels and ensuring robust mapping, engagement and consultation is underway already.

We will continue to strive to become representative and maintain a priority focus on pre- and post- recruitment support for those from under-represented communities.

We will launch our repeat victims strategy and set out publicly what our service standards are, along with incorporating soft skills / service standards within all core training.

We will continue to be in the top quartile of police forces in ensuring complaints are dealt with in a timely and effective manner.

By June 2022, we will have introduced a new social media management platform which will further strengthen interaction with the public across these growing channels.

We will review all existing NHP beat offices and seek to maximise visibility across those locations, supported - where possible - with an ability for the public to book managed appointments with their local team in order to provide another opportunity to discuss local issues.

5.2 Enhanced force and partnership response to rural crime, business crime, violence, serious and organised crime and safeguarding.

We will enhance our response to rural criminality and wildlife crime by:

- Enhancing the centralised Rural Crime team by introducing rural crime teams in every Neighbourhood Police Area outside of the city
- All county Dedicated Neighbourhood Officers and PCSOs will receive training in rural crime and wildlife issues and become part of the broader response to rural criminality.
- We will utilise our newly formed 24/7 drone capability to provide additional rural patrol capability to hotspot areas. Along with supporting rural crime teams.
- We will move to having a minimum of two 4x4 rural crime vehicles as part our rural response. In addition, we will ensuring they have the appropriate equipment to undertake the role including the availability of night vision goggles and high intensification lamps.
- Special team to be further enhanced to operate alongside the centralised team as well as local rural crime teams.
- We will Introduce a dedicated trainer within the Academy to focus on rural crime issues.
- All Contact Management Department operators will be trained in rural crime issues.
- We will Introduce bespoke policing in rural neighbourhoods' performance pack to include response times and outcomes for varied offence types.
- We will Implement our revised policing in rural neighbourhood strategy and develop strategic- and tactical-level partnership governance arrangements including key stakeholders.
- In line with wider force programme, we will develop and implement a new digital platform to enable more effective access to policing services from rural communities.

- We will ensure Neighbourhood Link is set up to report on rural themes and to identify issues from rural communities and provide regular updates and practical tips.
- Ensure Single Online Home services provide appropriate information to refer to appropriate agencies.
- Continue to support rural specific operations around hare coursing, hunting and the badger cull.
- We will review mapping of all rural neighbourhoods and ensure regular and routine engagement is taking place.
- Additional Volunteering opportunities will be introduced (Farm watch etc).
- Build upon our Neighbourhood Active principles and embed them in rural neighbourhoods where possible.

5.3 Business Crime.

- Within the establishment we will introduce a strategic business crime lead and associated delivery plan.
- We will introduce business crime detectives within each of our local investigation units/ NPA.
- We will explore broadening our Neighbourhood Link capability to deliver a specific service for local businesses.
- We will invest in providing crime prevention, prioritising cyber and fraud crimes that are experienced by our business communities.
- We will establish robust engagement strategies to understand the issues most effecting our business communities and work with local partners to address the business crime priorities.
- We will embed a rolling programme of initiatives to encourage tradesman and skilled workers to mark property and utilise tracking equipment in order to reduce the impact of tool and equipment thefts.
- We will work with our partners and the Police and Crime Commissioner to ensure our Community Safety Partnerships have a business crime focus.

5.4 Focus on Violence

- We will utilise and mobilise our specialist resources including the tactical support group, firearms unit, dogs as well as specialist covert departments, to support local officers to tackle knife crime and serious violence within their communities which will include urban crime patrols in hot spot areas.
- The force will prioritise the Violence Against Women and Girls Strategy and strengthen how we keep women and girls safe.
- We deliver a rolling programme of operations that target those identified as habitual knife carriers.

- We will introduce dedicated school liaison officers aligned with priority schools and within the People Zone areas to prevent young people carrying knives and take early action to address and prevent issues escalating.
- We will enhance our ability to share fast-time information with schools in order to enhance the opportunities to address potential harmful exposure or situations.
- We will work with leading academics, local universities and interested groups to ensure we are deploying an evidence-based approach to tackling serious violence in order to maximise our effectiveness and lead to sustainable reductions in harm.
- We will ensure offenders arrested have the opportunity and support to address the reasons behind their arrest in order to prevent reoffending and exploitation.
- We will work with partners and communities to reduce knife crime with a specific focus addressing the behaviours of young people being exploited or exposed to harm and on the wrong path and we will target those that cause the most harm within our communities.
- We will embed a trauma-informed approach across the force. It will be mandatory training and aimed at preventing and reducing repeat victimisation and offending.

5.5 Improve quality of service to tackle domestic abuse

- The force will implement a new response to domestic abuse which will see an enhanced ability to capture evidence from the point of the call, allow better face to face triage through video call and an increase in officers to provide an enhanced investigation capability.
- The force will invest in providing data and analytical support to local officers to support the prioritisation of domestic abuse and ensure perpetrators are arrested at the earliest opportunity.
- The force will reduce the time to complete investigations and where a prosecution or sanction cannot be achieved increase the utilisation of Domestic Violence Protection Notices to safeguard victims and help break the cycle of domestic abuse will be used.

5.6 Safer Communities Strategy – Young People

- Deliver the Young Person's Strategy through the investment of school liaison roles one for each of our NPA areas.

- We will introduce the mini police initiative within the People Zones areas
- We will further develop a cadet scheme ensuring reach into all communities.
- Delivery of Level 3 qualification for cadets, in partnership with Leicester College ensuring those that want to pursue a career in policing have all the support and encouragement to do so.
- Continue to support a police cadet Duke of Edinburgh scheme offer for Bronze through to Gold.
- We will develop a young people's advisory group and deliver trauma-informed early intervention approaches with young people
- We will maintain and develop our offer around universities with bespoke VAWG action plans to support and reassure young people.

5.7 Night Time Economy

- We will build upon Operation Nightsafe to ensure there is a visible and engaging policing presence which is complimented through effective intelligence-led patrol and response plans.
- We will routinely deliver intelligence-led test purchase operations with the deployment of plain-clothed operations in support of VAWG plan.
- Ensure the centralised licensing team is supported at each NPA by nominated licensing sergeants who receive regular intelligence and licensing updates as part of their duties. They will be proactive and take appropriate action in relation to any premises where licensing objectives are not being upheld.
- We will strengthen partnerships by ensuring there is regular exchange of information and a focus to act under the new serious violence duty linked with Violence Against Women and Girls and the Night-Time Economy.

5.8 Enhanced force and partnership focus on prevention, early intervention, young people and increased use of volunteers and neighbourhood watch schemes

- We will enhance our focus on Specials.

- We will double (to 180) our number of Specials within 2 years with strong recruitment in 2022.
- We will Implement our Special to PC programme as a pilot with the College of Policing's approval.
- Further develop fully accredited Specials and ensure the proportion of those fully accredited increases.
- Implement Specials senior management team as part of Local Policing Directorate's structure.
- Develop rural special team, aligned with rural crime team with recruitment campaigns from within rural communities.
- We will introduce a dedicated special trainer within the Academy ensuring a rolling programme of training and development is taking place
- We will ensure Specials are available at every location in the force and every NPA
- Continue to support and develop specialisms within Specials (e.g. drones and road safety).
- Develop wider employer support programme with local business in support of volunteering

Volunteering

- We will deliver the Volunteers In Policing strategy through the delivery plan that covers Specials, cadets, volunteers and chaplains.
- Maintain high levels of Police Service Volunteers and high levels of satisfaction in volunteering.
- Develop rural crime volunteer scheme which is in addition to the rural Specials.
- Deliver Community Speed Watch in every NPA, in partnership with Road Safety partnership.
- Evaluate Neighbourhood Active project and deliver in all NPAs in support of prevention, problems solving and to build public confidence.

5.9 Workforce skills, representation, capability, Command, leadership and well being

- We will enhance our recently formed Resourcing Cell by developing systems and processes that ensure there is an equitable spread of experience and skills across each department and local teams with an ability to predict further into the future as part of an enhanced workforce modelling capability.
- We have increased the size of the Probationer Development Unit to support the professional development of our new-in-service officers to ensure the best possible service is given to the public.
- With immediate effect, we are implementing a new structure within the Team Leicestershire Academy. We have restructured to introduce a new head of academy and careers which seeks to enhance the relationship between recruitment, progression, retention with talent management and continuous professional development. This is aimed at ensuring we identify those with leadership potential to be identified and nurtured in readiness for taking up leadership positions.
- We are also strengthening the academy with a reformed senior management team in order to tackle the specialisms and complexity required e.g. enhanced crime training, digital, criminal justice procedures.
- Also, within the Academy we have also strengthened local policing and operations in a faculty structure. From April 2022 we will begin an operations faculty. This will focus on delivering all specialist training including dogs, firearms, public order and command training.
- We are seeking to optimise the efficiencies within the specialist faculty to uplift Taser availability by an additional 25% during 2022. This will enable the force to move from its current position of 430 Taser trained officers to 550 by the end of 2022. This will allow for one Taser trained officer to be available within every double crewed vehicle.
- The force is considered a progressive force with regards to our wellbeing offer. That said, there is a drive to better integrate our Occupational Health Unit (OHU) services and our wellbeing offer. One of the investments is to secure the expertise of a local occupational nurse to focus solely on Leicestershire cases. There is an ongoing review. We anticipate it will lead to the establishment of an enhanced local OHU and wellbeing offer.

5.10 Technology and digital ambition – Ensuring the force has the technology infrastructure to manage the rapid growth in data and digital material along with using technology to automate and become more efficient.

This is an area of investment / growth for the force.

To summarise the challenges, I would highlight there are several overlapping and interconnected issues. The force will need to manage the existing IT service demand, which is increasing at pace. During the past two years we have observed demand increase from 4000 – 6000 calls for assistance to the IT helpdesk each month. This is largely driven by the increased systems and issues that are associated with it.

We are capturing more data than ever before because of the world becoming more technologically enabled and this is rapidly using our on-premises storage facilities.

There is a growing need to maintain existing systems with increasing frequency for upgrades to keep pace with technology. This existing hardware needs to be maintained until it is replaced.

We need to use technology to make sense of the vast volumes of data both strategically but also operationally. To use Artificial Intelligence requires us to have a Cloud capability.

We need to create a Cloud capability which requires new skills alongside the need to ensure the data is of a sufficient quality to place into the Cloud. Once established, Cloud storage will remove many of the infrastructure risks we currently carry.

We will need to decommission and rationalise existing systems. Currently we have an IT infrastructure that will require replacement. This is expensive and the life span of technology is reducing from 5-7 years to 2-3 years. This makes capital borrowing expensive along with the high running costs linked with maintaining them and providing licences.

The force has successfully introduced Microsoft 365 and we need exploit that technology to rationalise other systems. Microsoft 365 on its own has immense capacity but we have only just begun to explore this. We need the capability to design and exploit its many functions. The new suite of Microsoft products allows us to radically change some ways of working e.g. in Forensics – automating slow manual processes, new tasking and briefing system, new intranet, and smarter more interactive staff engagement.

Finally, we need to develop new skills and capabilities within our IT department. This will require a full comprehensive review of what skills and capabilities we have along with what is needed to deliver against our digital transformation agenda.

In April, the force will introduce both a new intranet and Professional Development Review process that has been built in Microsoft 365. The force is also keen to exploit this technology further to enhance our partnership working.

The investments / growth contained within this budget are required to stabilise and manage the growth in existing IT demand. They allow for an increase in specialist capability to allow us to optimise on the investment we have made in 365. They allow for us to progress and develop the Cloud capabilities along with allowing us to carry out the review of the IT department.

There will be further requirement for investment in technology and potentially a substantial shift in how we fund the infrastructure into the future but at this stage we the investments merely seek to provide ongoing capability as we design the IT infrastructure for the future.

6. Conclusion

This paper sets out the operational advice to inform the precept budget planning discussions for 2022/23. It provides operational context and detail regarding the type and nature of the growth and changes to the operating model that will be implemented as part of the delivery of national plans, the strategic policing requirement and the Police and Crime Plan during 22/23.

Person to Contact

Rob Nixon, Deputy Chief Constable

CAPITAL STRATEGY 2022/23

Introduction

This capital strategy provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of policing services along with an overview of how associated risk is managed and the implications for future financial sustainability.

Decisions made this year on capital and treasury management will have financial consequences for the Policing Body for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

Capital Expenditure and Financing

Capital expenditure is where the Police and Crime Commissioner (PCC) spends money on assets, such as property, IT or vehicles that will be used for more than one year. The PCC has some discretion on what counts as capital expenditure, for example assets costing less than £10k are not capitalised and are charged to revenue in year.

In 2022/23, the Force is proposing capital expenditure of £10.2m as summarised below:

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

	2020/21 actual	2021/22 forecast	2022/23 budget	2023/24 budget	2024/25 budget
Estates	2.1	1.3	1.7	0.5	0.1
IT	4.2	4.1	5.4	2.5	1.8
Fleet	2.0	1.3	2.7	1.3	1.3
Operational Equipment	0.1	0.1	0.1		
ESN				0.3	1.4
Corporate Projects			0.3		
TOTAL	8.4	6.8	10.2	4.6	4.6

The capital projects included in the expenditure above are detailed later in this report on page 6.

Governance: The Estates, IT and Transport Departmental Heads in conjunction with the business, bid annually during November for projects to be included in the Force's capital programme. Bids are collated by Corporate Finance who calculate the financing cost (which can be nil if the project is fully funded from other resources). The proposed capital programme has been reviewed by Chief Officers and the PCC's office. The final capital programme is then presented to the Corporate Governance Board in January for approval.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the PCC's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 2: Capital financing in £ millions

	2020/21 actual	2021/22 forecast	2022/23 budget	2023/24 budget	2024/25 budget
External sources	0.7	0.6	0.6	0.4	-
Own resources	1.3	1.4	3.1	4.0	1.4
Debt	6.4	4.8	6.5	0.2	3.2
TOTAL	8.4	6.8	10.2	4.6	4.6

Where the commissioner finances capital expenditure through borrowing (debt) resources must be set aside to repay that debt from the revenue account. The amount charged to revenue account for the repayment of borrowing is known as the Minimum Revenue Provision (MRP). Planned MRP is as follows:

Table 3: Replacement of debt finance in £ millions

	2020/21 actual	2021/22 forecast	2022/23 budget	2023/24 budget	2024/25 budget
Own resources	2.1	3.1	3.5	4.0	4.0

The Statutory Guidance issued by the DCLG sets out the 4 options for calculating the MRP. The recommended MRP policy is:

- For capital expenditure incurred before the 1st April 2008 (which was supported capital expenditure) the policy will be based on 4% of the Capital Financing requirement.
- From the 1st April 2008 for all unsupported borrowing the MRP policy will be the Asset Life Method (Equal instalment approach) – the MRP will be based on the estimated life of the assets.

The Commissioner's policy is to finance shorter life assets from capital receipts, grants and revenue contributions. Borrowing reserved generally for Land and Buildings with an expected life of 25 years and IT projects that cannot be financed from the PCC's own resources.

The PCC's cumulative outstanding 'debt finance' is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP repayments and capital receipts used to replace debt. The CFR is expected to increase by £3.0m during 2022/23. Based on the figures above for expenditure and financing, the PCC's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

	31.3.2021 actual	31.3.2022 forecast	31.3.2023 budget	31.3.2024 budget	31.3.2025 budget
TOTAL CFR	32.9	34.7	37.7	33.9	33.1

Asset disposals: When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. No capital receipts are expected to be received during 2022/23.

Treasury Management

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the PCC's / Force's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The PCC is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

Due to decisions taken in the past, the PCC currently has £10.67m borrowing at an average interest rate of 4.85% and £17m treasury investments at an average rate of 0.01% (as at 31st December 2021)

Borrowing strategy: The PCC's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the PCC therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.10%) and long-term fixed rate loans where the future cost is known but higher (currently 1.5% to 2.5%).

Projected levels of the PCC's total outstanding debt (which comprises borrowing, PFI liabilities and leases) are shown below, compared with the capital financing requirement (see above).

Table 5: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £ millions

	31.3.2021 actual	31.3.2022 forecast	31.3.2023 budget	31.3.2024 budget	31.3.2025 budget
Debt (incl. PFI & leases)	10.7	15.5	20.1	21.2	23.8
Capital Financing Requirement	32.9	34.7	37.7	33.9	33.1

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the PCC expects to comply with this in the medium term.

Liability benchmark: To compare the PCC's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash and investment balances are kept to a minimum level at each year-end. This benchmark is currently £22.6m and is forecast to rise to £28.2m over the next three years.

Table 6: Borrowing and the Liability Benchmark in £ millions

	31.3.2021 actual	31.3.2022 forecast	31.3.2023 budget	31.3.2024 budget	31.3.2025 budget
Expected Outstanding borrowing	10.7	15.5	20.1	21.2	23.8
Liability benchmark	7.6	22.6	28.8	28.5	28.2

The table shows that the PCC expects to remain borrowed below its liability benchmark.

Affordable borrowing limit: The PCC is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 7: Prudential Indicators: Authorised limit and operational boundary for external debt in £m

	2021/22 limit	2022/23 limit	2023/24 limit	2024/25 limit
Authorised limit – borrowing	31.3	26.0	26.2	28.8
Authorised limit – Long Term Liabilities	2.5	2.5	2.5	2.5
Authorised limit – total external debt	33.8	28.5	28.7	31.3
Operational boundary – borrowing	28.8	23.5	23.7	26.3
Operational boundary – Long Term Liabilities	1.5	1.5	1.5	1.5
Operational boundary – total external debt	30.3	25.0	25.2	27.8

Treasury Investment strategy: Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The PCC's policy on treasury investments is to prioritise security and liquidity over yield. That is to focus on minimising risk rather than maximising returns. Surplus cash is invested securely, for example with the government, other local authorities, selected high-quality banks and pooled funds, to minimise the risk of loss.

Table 8: Treasury management investments in £millions

	31.3.2021 actual	31.3.2022 forecast	31.3.2023 budget	31.3.2024 budget	31.3.2025 budget
Near-term investments	13.1	10.0	10.0	10.0	10.0
Longer-term investments	-	-	-	-	-
TOTAL	13.1	10.0	10.0	10.0	10.0

Risk management: The effective management and control of risk are prime objectives of the PCC's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses and details the extent to which financial derivatives may be used to manage treasury risks.

Governance: Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Force's ACO (Resources) and staff, who must act in line with the treasury management strategy approved by the PCC. Half yearly reports on treasury management activity are presented to the Strategic Assurance Board.

Investments for Service Purposes

The PCC does not make any investments directly into local public services i.e buying shares or investing in local businesses to promote economic growth.

Commercial Activities

The PCC does not invest in any commercial property / activities.

Liabilities

In addition to current debt of £10.7m (*figure prior to new borrowing being taken for 2021/22*), the PCC is committed to making future payments to cover its LGPS pension fund deficit (valued at £10.7m) as set out by the scheme actuary. It has also set aside £0.8m to cover the risks of both the self insured public and employers liability claims where the PCC's claims handlers have advised there is a high probability of economic benefits being transferred and the successful claims in *Allard v Devon and Cornwall Police* for unpaid overtime following recalls to duty by covert human intelligence handlers. Leicestershire has identified when officers were on call and provisional costings have been calculated.

The PCC has a Budget Equalisation Reserve of £13.6m (Balance as at 31/03/21) to support annual expenditure and manage the financial risks of major incidents (this is in addition to the General Fund Reserve of £5m).

Governance: The risk of liabilities crystallising and requiring payment is monitored by corporate finance and reported in the quarterly Budget Monitoring Report presented to the Corporate Governance Board (CGB), if appropriate.

- Further details on liabilities are on pages 44, 61 and 64 of the 2021/22 statement of accounts.

Revenue Budget Implications

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax and core government grants.

Table 9: Prudential Indicator: Proportion of financing costs to net revenue stream

	2020/21 actual	2021/22 forecast	2022/23 budget	2023/24 budget	2024/25 budget
Financing costs (£m)	3.6	3.6	4.1	4.7	4.7
Proportion of net revenue stream	1.68%	1.84%	2.06%	2.00%	2.11%

Sustainability: Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 25 years into the future.

Proposed Capital Programme

A summary of the proposed Capital Programme for 2022/23 is shown in the table below.

<i>Proposed Capital Programme 2022/23</i>			
Expenditure	£000	Funding	£000
Property	1,684	Capital Grant	-
Information Technology	5,419	Specific HO grants	50
Vehicle Fleet	2,697	Borrowing Requirement	6,542
Corporate Projects	375	Revenue Contributions	3,095
Emergency Services Network		3 rd Party Contributions	489
Total	10,176	Total	10,176

Estates Programme

The 'Estates' programme is based on the approved Estates Strategy and includes the:

- Purchase of the land at Coalville to create additional parking
- Completion of the Melton Locker Room and refurbishment of the Keyham Lane Annex
- An extension to the FHQ Firearms accommodation (subject to a separate business case)
- Environmental schemes including the design and scoping of Solar PV for the transport unit roof and the installation of a number of vehicle charging points across the Force sites.
- Purchase of Lighthouse

IT programme

The completion of a number of the 2021/22 IT capital schemes has not been possible due to the impact of the pandemic on the global supply chain. Suppliers are struggling to source components, and supply and delivery logistics are challenging. As a result, £1.4m of the forecast expenditure for these schemes will now be incurred during 2022/23.

The IT schemes include:

- Investment in the data network and storage to ensure network performance and support new services.
- Completion of the smartphone fleet to facilitate the on-going use of agile services and replacement of airwave terminals to extend their use until the emergency services network goes live.
- Replacement of the body worn video cameras which will go end of life in 2022/23
- Investment in an IT Service Management Tool to provide asset management, call logging and handling, reporting and analysis and other ITIL functions that underpin service provision by the department.
- Provision for the on-going development of Pronto.
- The continuation of investment in the personal computer estate to support agile working.
- A range of upgrades / enhancements on the force's Contact Management and Telephony solution.

Vehicle replacement

The Transport Unit are also facing unprecedented difficulties in relation to vehicle supply as a result of

- World semi-conductor and magnesium shortages
- Covid factory shut-downs
- Factory floods
- Brexit
- BLC National Vehicle Procurement Framework tendering process.

This is leading to significant delays in the delivery of vehicles and £1.4m of the vehicle replacement budget will not now be incurred until 2022/23. This will result in the current fleet being retained and operated for a longer period.

The budget also provides for further 70 planned vehicle replacements during 2022/23 and the cost of vehicle replacements below the insurance threshold as a result of accidents.

The vehicle fleet budget is based on the replacement of the current fleet provision and does not allow for any changes in vehicle specifications as a result of changing operational requirements or any further uplift in numbers. The national purchasing framework for vehicles has also expired and the new vehicle types and purchase prices, are not yet known.

Other

Provision is also made for the rolling programme of Automatic Number Plate Recognition (ANPR) camera replacements, stage 2 of the Contact Management Department refurbishment (ergonomics) delayed from 2021/22 and the replacement of the walk-in freezers in the canteen.

Financing

From 2022/23 the Home Office capital grant has ceased. After the application of revenue contributions and other funding sources, the 2022/23 borrowing requirement is **£6.5m**.

The Capital Programme assumes that the 2022/23 borrowing requirement of £6.5m is financed through loans from the Public Works Loan Board (PWLB). Revenue resources are set a side over the life of the asset to repay the borrowing.

Knowledge and Skills

The PCC / Force employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions.

Where staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The PCC currently employs Arlingclose Limited as treasury management advisers. This approach is more cost effective than employing such staff directly, and ensures that the PCC / Force has access to knowledge and skills commensurate with its risk appetite.

Background Papers

Home Office Settlement Notification via the Home Office website.

TREASURY MANAGEMENT – INVESTMENT STRATEGY

Revised January 2022.

1. Introduction

- 1.1. Treasury Management is defined as the management of the Police and Crime Commissioner's (PCC) investments and cash flows, banking and financing of capital expenditure; the effective control of the risks associated with those activities, balanced against the relative performance.
- 1.2. A key activity of Treasury Management is to ensure that the cash flow is adequately planned, with cash being available when it is needed. Any surplus treasury management funds should be invested in low risk counterparties in line with the strategy of providing security of the capital and sufficient liquidity before investment return.
- 1.3. Capital financing decisions provide a guide to the borrowing need of the PCC. In essence, this involves longer term cash flow planning to ensure that capital spending obligations can be met. The management of the longer term cash balances may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasions any current loans may be restructured to meet the PCC's risk or cost objectives.

2. Statutory Requirements

- 2.1. The 'Code of Treasury Management' published by the Chartered Institute of Public Finance and Accountancy (CIPFA), and recommended by the Home Office, has been adopted by the Office of the Police and Crime Commissioner for Leicestershire ("the OPCC").
- 2.2. In 2018 CIPFA revised the Code and the Prudential Code for Capital Finance, the key changes being:
 - The definition of 'Investments' in the revised TM Code now covers all the financial assets of the organisation, as well as other non-financial assets which the PCC may hold primarily for financial returns, such as investment property portfolios. This may therefore include investments which are not managed as part of normal treasury management or under treasury management delegations.
 - A revised TM Code covers investments made for reasons other than treasury management with the requirement that these are proportional to the resources available and that the same robust procedures for the consideration of risk and return are applied to these investments.
 - The Prudential Code, which also applies to police and fire authorities, recommends that a Capital Strategy is produced giving a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 2.3. In addition, the Ministry of Housing, Communities and Local Government (MHCLG) issued revised guidance on Local Authority investments in February

2018 that requires the PCC to approve an investment strategy before the start of each financial year. Investments now include all the financial assets and those non-financial assets held primarily or partially to generate a profit, including investment property and loans to subsidiaries and third parties.

- 2.4. This report fulfils the OPCC's legal obligations under the Local Government Act 2003 to have regard to both the CIPFA Code and MHCLG guidance in relation to treasury activity.
- 2.5. The Treasury Management Strategy is approved annually to run from 1st April to the following 31st March, but can be revised at any time during the year.
- 2.6. The Local Government Act 2003 included capital regulations that applied from 1st April 2004. These regulations allow the OPCC freedom to borrow to fund capital expenditure provided it has plans that are affordable, prudent and sustainable. The requirements are covered in the Prudential Code.

3. Treasury Management Strategy

- 3.1. The OPCC has potentially large exposure to financial risks including the loss of invested funds and the effect of changing interest rates. The successful identification, monitoring and control of risk is therefore central to the OPCC's treasury management strategy.
- 3.2. Uncertainty in the financial markets is likely to continue during the remainder of 2021/22 and 2022/23 as a result of the impact on the UK from Coronavirus, together with higher inflation, the likelihood of higher interest rates, and the country's trade position post-Brexit.
- 3.3. The Bank of England (BoE) voted to increase Bank Rate by 0.15% to 0.25% in December 2021. Within the November 2021 Monetary Policy report, the bank expected (CPI) inflation to peak at around 5% in April 2022 before falling back as the impact from higher energy prices fade and demand slows. The economy is slowly recovering from the impact of COVID and the UK economy is getting close to where it was before the pandemic hit.
- 3.4. Due to the UK economy recovering, unemployment levels falling, and the expected rise in inflation, the BOE expect the interest rates will need to rise modestly to return inflation to the 2% target
- 3.5. The core aim of the Treasury Management Strategy is to have an appropriate balance of borrowing and investments, in keeping with the principles of affordability and prudence and maintaining longer-term stability. The OPCC's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 3.6. The OPCC has appointed Arlingclose as treasury management advisers to provide specific borrowing and investment advice as well as capital financing, technical and accounting advice.

Managing daily cash balances and investing surpluses

- 3.7. In order that the OPCC can maximise income earned from investments, the target for the uninvested overnight balance in the current account is a maximum of £15,000.
- 3.8. At any one time, the OPCC has between £5m and £40m (depending on the cash flow) available to invest. This represents income received in advance of expenditure plus balances and reserves.
- 3.9. Currently most of the PCC's surplus cash is invested in short term unsecured bank deposits and money market accounts.

Credit Rating Agencies

- 3.10. There are three main credit rating agencies that provide a view on the credit worthiness and security of financial institutions.
- 3.11. The three credit rating agencies are:
- Fitch
 - Standard and Poor's
 - Moody's

Their range of ratings for financial institutions are as follows:

Credit Rating Agency	Highest long-term investment grade rating	Lowest long-term investment grade Rating
Fitch	AAA	BBB-
Standard and Poor's	AAA	BBB-
Moody's	Aaa	Baa3

- 3.12. We have employed the services of Treasury Management Advisers Arlingclose who monitor, on a continual basis, the ratings provided to financial institutions and indeed countries where those institutions are based.
- 3.13. They provide this information on a regular basis and alert clients if there are changes to any of the ratings as well as tailoring their advice based on other information they have at their disposal and further checks that they carry out.
- 3.14. Before making investments the current ratings of the financial institution where the investment is to be made will be checked to ensure that they are within the limits set within this treasury management strategy.
- 3.15. Security of investment remains the priority ahead of investment returns.

Revised Credit Ratings

- 3.16. The OPCC defines "high credit quality" as those organisations and securities having a credit rating of:

- ☐ A- or higher that are domiciled in the UK
- ☐ A- or higher that are domiciled in a foreign country with a sovereign rating of AA+
- ☐ A- or higher for Money Market Funds

3.17. The limits set out above will ensure that investments can be made in more financial institutions but security of investment is not compromised.

3.18. This treasury management strategy also seeks to broaden the investment instruments that can be used. The following investment instruments can be used when investments are made:

Unsecured Bank Deposits

3.19. This includes investments in call and notice accounts, deposits, certificates of deposit and senior unsecured bonds with UK and non-UK banks and UK building societies with high credit quality as defined above.

3.20. These investments are nevertheless subject to the risk of credit loss via a “bail-in” should the regulator determine that the bank is failing or likely to fail. The counterparty list is determined by the treasury advisor based on various criteria including, but not limited to, credit ratings and other credit metrics, as well as research.

3.21. Investment limits will be set by reference to the lowest published long-term credit rating from the major rating agencies (Fitch, Moody’s or Standard & Poor’s). Investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account. Information on all of the credit ratings is clearly summarised by Arlingclose which sets out the institutions that can be invested in according to the set criteria.

Secured Bank Deposits

3.22. Investments are secured on the bank’s assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in.

3.23. These are ‘designated investments’ which can be transacted by Professional Clients under MiFID II. As at March 2019 we have been re-classified as a professional client and therefore these instruments have become available

Government

3.24. This will include loans to and bonds/bills issued by or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in risk. Bonds and bills are also a designated investment tool and therefore can only be used if we are re-classified as a professional client.

3.25. Investments in non-UK national Governments will be subject to them having a minimum sovereign rating of AA+

- 3.26. Investments with the UK Central Government may be made in unlimited amounts for up to 10 years. The UK's Debt Management Office currently takes loans for periods up to 6 months.
- 3.27. A very small number of local authorities are credit rated and their long-term ratings range from AA to A+.
- 3.28. The security for loans to UK local authorities stems from the local government finance framework, creditor protections and likelihood of central government support (or intervention for those facing particular budgetary challenges).
- 3.29. Loan principal along with any interest due is charged on the revenues of the borrowing authority. All loans rank equally including those from the PWLB, banks and other local authorities, without any priority.
- 3.30. No investments will be made to a local authority where a S114 Notice has been issued and is still in operation.

Pooled Funds

- 3.31. Collective investment schemes, generally referred to as pooled funds, have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee.
- 3.32. Short-term Money Market Funds (MMFs) that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts.
- 3.33. Pooled funds whose values change with market prices and/or have a notice period will be used for longer investment periods for that element of the OPCC's funds which can be invested for periods in excess of 12 months. Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term.
- 3.34. These allow diversification into asset classes other than cash without the need to own and manage the underlying investments. The risk and reward characteristics of these funds and their appropriateness for the OPCC's investment portfolio and time frames will be carefully considered in conjunction with advice from the treasury advisor.
- 3.35. The funds' performance and continued suitability in meeting the investment objectives will also be monitored regularly.
- 3.36. Pooled funds will only be utilised following specific advice from the OPCC's Treasury Advisers and after consultation with the OPCC's S151 officer and the Chief Constable's S151 officer.
- 3.37. Some of these funds can only be transacted by 'Professional' clients under MiFID II. As a professional client we would be able to use some of these funds.
- 3.38. In the event that cash balances are available for more than one year, the OPCC will seek to achieve a total return that is equal or higher than the prevailing rate

of inflation, in order to maintain the spending power of the sum invested. Pooled funds can help towards achieving this aim.

Risk Assessment and Credit Ratings

3.39. Credit ratings are obtained and monitored by the Commissioner's treasury advisers, who will notify the OPCC and the force finance team of ratings and changes as they occur.

3.40. Where an entity has its credit rating downgraded so that it fails to meet the OPCC's approved investment criteria then:

- no new investments will be made in that entity
- any existing investments that can be recalled or sold at no cost will be
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

3.41. In these circumstances advice will be sought from the treasury advisers and the OPCC/Force's S151 officer will be consulted with regard to the next steps to be taken.

Summary of Amounts and Durations of Investments

Credit rating	Banks/Building Societies unsecured	Banks/Building Societies secured	Government including LAs
UK Govt	n/a	n/a	£ Unlimited 10 years
AAA, AA+, AA, AA-	£3m 3 years	£3m 4 years	£3m 5 years
A+	£3m 2 years	£3m 3 years	£3m 3 years
A	£3m 13 months	£3m 2 years	£3m 2 years
A-	£3m 6 months	£3m 13 months	£3m 13 months
None	£1m 6 months ¹	n/a	£3m 13 months ²
Pooled funds	£3m per fund		

Note: The durations highlighted in the table are maximum durations for investments. However, the recommended durations will vary on a regular basis depending on what is happening in the market. These recommended durations are contained within the regular credit rating updates provided by Arlingclose and will be used for the day to dealings.

¹ Some Building Societies do not apply for a credit rating. However, in the opinion of our Treasury Advisers they are as secure as the A- rated banks. Strictly speaking they are an unrated, nevertheless we may wish to consider investing some of our funds with them. These are the only investments in unrated financial institutions that will be authorised.

² Most local authorities are included in this category as they do not have an official rating but are seen as a secure investment option. Authorities subject to a S114 notice will not be invested in.

Other information on the security of investments

- 3.42. The OPCC understands that credit ratings are good, but not perfect, indicators of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.
- 3.43. The OPCC and force finance team will rely upon the treasury management advisers to highlight and communicate emerging issues on counterparties as a matter of urgency.

Investment Limits

- 3.44. The OPCC's General Fund revenue reserves available to cover investment losses were £5 million on 31st March 2021. In order that available reserves are not put at risk in the case of a single default and taking into account the in-year level of cash balances, the maximum that will be lent to any one organisation (other than the UK Government) will be £3 million.
- 3.45. A group of banks under the same ownership will be treated as a single organisation for limit purposes.
- 3.46. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Borrowing

- 3.47. The OPCC currently holds a £10.7m loan with the Public Works Loans Board (PWLb)
- 3.48. Capital expenditure forecasts show that the PCC expects to borrow up to £4.9m over the remainder of 2021/22.
- 3.49. The main objective when borrowing funds is to strike a balance between securing low interest costs and achieving certainty of those costs over the period for which the funds are required.
- 3.50. The strategy continues to address the key issues of affordability. With short-term interest rates currently lower than long term rates, it is likely to be more effective in the short-term to either use internal resources, or to borrow short-term loans instead.
- 3.51. By borrowing internally, the OPCC is able to reduce net borrowing costs (despite forgone investment income) and reduce overall treasury risk. The benefits of internal versus external borrowing will continue to be monitored.
- 3.52. In addition, the OPCC may borrow short term loans to cover unplanned cash flow shortages.

- 3.53. The recommended sources of long-term and short-term borrowing are:
- Public Works Loan Board (PWLB) and any successor body
 - UK Local Authorities
 - Any bank or building society authorised to operate in the UK
- 3.54. Whilst the OPCC has previously raised all of its long term borrowing from the PWLB other options will be explored at the point of borrowing to ensure that the most favourable rates and terms are secured.
- 3.55. Short term and variable rate loans can leave the OPCC exposed to the risk of short term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the Treasury Management Indicators
- 3.56. Arlingclose will assist the PCC with borrowing analysis. Its output may determine whether or not the PCC borrows additional sums at long-term fixed rates in 2022/23 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.
- 3.57. The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current redemption rates determined by the PWLB. These often lead to high premium costs on premature redemption. The OPCC and its treasury advisers will nevertheless keep the loan portfolio under review during the remainder of 2021/22 and 2022/23 to see whether a saving could be achieved on the overall interest costs
- 3.58. The PCC will not borrow more than or in advance of its needs purely in order to profit from the investment of extra sums borrowed. Any decision to borrow in advance will be within the forward approved Capital Financing Requirement estimates and will be considered carefully to ensure value for money can be demonstrated and the PCC can ensure the security of such funds

4. Latest Position regarding Treasury Management

- 4.1. The banking sector continues to show signs of instability alongside the wider economy. Exposure to individual institutions will be diversified by counterparty and also through the use of Money Market Funds (where appropriate) in which the underlying investments are very highly spread and also very liquid. This is in keeping with the OPCC's stated aim of protecting the principal (cash) amount.
- 4.2. Funds are placed with institutions based on (a) available headroom and (b) rate of return – this is a daily decision-making process. A balance is struck between the desired level of return and the need to provide liquid funds to meet the OPCC's obligations i.e. supplier payments, payroll costs and tax liabilities.
- 4.3. Continued monitoring of institutions' credit ratings and other credit metrics takes place and is reported to the Corporate Governance Board throughout the year via the "Treasury Management Performance" report.

- 4.4. The Bank of England has increased the bank rate to 0.25% and gradual interest rate rises are expected for 2022. Future policy rates are not, however, guaranteed and a lot hinges on the economy's strength and the inflation outlook after the country's potential withdrawal from the EU and recovery from the Pandemic.
- 4.5. On this basis the investment income budget Rate has been set at £1,500 for 2022/23.

<u>Financial Year</u>	<u>Interest Income</u>	<u>Comments</u>
2017/18	£0.05m	Actual
2018/19	£0.10m	Actual
2019/20	£0.15m	Actual
2020/21	£0.01m	Actual
2021/22	£0.00m	Forecast
2022/23	£0.00m	Budget

- 4.6. Given the continued uncertainty in the economy an ongoing review of the Treasury Management Strategy will be undertaken during 2022/23 to review whether there are other investment options available.

5. **Borrowing Limits**

- 5.1. In accordance with the Prudential Code it is a requirement that the OPCC set borrowing limits for the next three years and upper limits on fixed and variable interest rate exposures. These limits are intended to reduce risk. It is proposed that the limits should be as follows:

		2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m
(i)	Total authorised borrowing limit*	31.3	26.0	26.2	28.8
(ii)	Long term liabilities	2.5	2.5	2.5	2.5

*includes headroom for short term borrowing - £1m for each year

- 5.2. The interest rate risk indicator is set to control the OPCC's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rate will be:

Interest rate risk indicator	Limit
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£53,641
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£(53,641)

The impact of change in interest rates calculated on the assumption that maturing loans and investments will be replaced at current rates.

- 5.3. The Prudential Code also recommends that the Police and Crime Commissioner sets upper and lower limits for all of its borrowing to control exposure to refinancing risk. The following limits are proposed:-

	Upper Limit	Lower Limit
Under 12 months	50%	0%
Between 12 months and 24 months	50%	0%
Between 24 months and 5 years	50%	0%
Between 5 years and 10 years	65%	0%
Between 10 years and 15 years	100%	0%
Over 15 years	100%	0%

- 5.4. The purpose of the upper and lower limit is to make sure that the debt portfolio is diversified appropriately over different durations to ensure that not too much borrowing is maturing at the same time and therefore subject to market conditions at the point of maturity.

6. Principal sums invested for long periods longer than 364 days

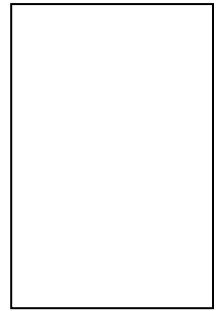
- 6.1. The purpose of this indicator is to control the exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	2021/22	2022/23	2023/24
Limit on principal invested beyond year end	£2m	£2m	£2m

7. Changes to the Treasury Management Strategy

- 7.1. The Treasury Management Strategy can be amended in year by the S.151 officer of the OPCC who will have consulted with the Police and Crime Commissioner and the Force's ACO (Resources) prior to making any changes. Any changes will be the subject of a formal decision record.

POLICE AND CRIME COMMISSIONER FOR LEICESTERSHIRE POLICE AND CRIME PANEL



Report of	POLICE AND CRIME COMMISSIONER
Subject	RECRUITMENT AND RETENTION OF POLICE OFFICERS IN THE LEICESTERSHIRE POLICE
Date	2nd FEBRUARY 2022 at 1300 HOURS
Author	DAVID PEET, CHIEF EXECUTIVE OFFICER, OFFICE OF THE POLICE AND CRIME PANEL

Purpose of Report

1. This paper provides an update on the work of the recruitment team and an update on the 1 in 4 commitment.
2. The papers sets out the Force's continuing desire to be representative of the population of Leicester, Leicestershire & Rutland in keeping with the Peelian principle that "the police are the public and the public are the police" as outlined in the Police and Crime Plan.
3. It will set out the Police and Crime Commissioners desire to produce an annual workforce report that will be presented each year to the Police and Crime Panel for public view. This will include a broad set of metrics that illustrate the makeup of the force along with providing statistical analysis on work force trends, protected characteristics and progress towards achieving that ambition.
4. Finally, this report outlines the types of data intended to be included along with examples of historical trends and question sets that may be used to gauge the socio-economic factors linked with recruitment. The panel are invited to consider the metrics and construct of an annual workforce report and highlight any areas they feel would be beneficial to be included.

Context

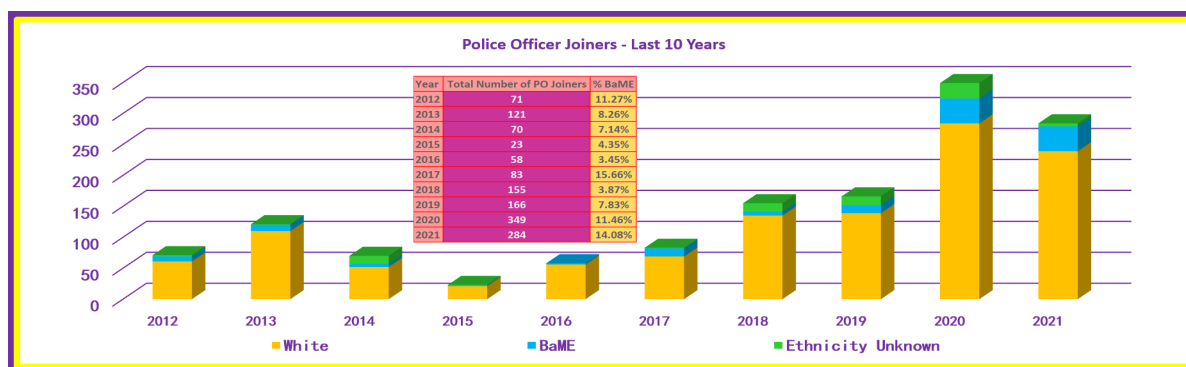
5. In 2017, the Force established an Attraction, Retention and Progression Gold group chaired by the Chief Constable to focus on recruitment profiles and give impetus to recruiting officers and staff from under-represented communities.

6. In June 2019, Leicestershire Police made the decision to set up a small dedicated recruitment team to aid and support in the recruitment of new Police officers and PCSO's into Leicestershire Police. In an attempt to maximise the recruitment potential, the construct of the team consisted of HR specialists, and a selection of experienced officers.
7. The team was expanded to 3 Police Officers and 3 Police Staff following the announcement of the national Uplift Programme and the introduction of a Degree Holder Entry Programme (DHEP) in 2020.
8. To give an idea of scale, since 2020 the recruitment team has delivered over 220 recruitment webinars, both in person and online. The team has delivered over 250 support workshops and circa 50 familiarisation sessions; these are events where those who have passed the process and are awaiting pre-employment checks are invited to an event to meet their cohort, find out a little more about pre-employment checks, health and wellbeing, fitness and guidance around support networks.
9. Since 2018 Positive Action support has been available to all applicants who identify as being from an Ethnic Minority background, female, LGBT and disabled. The support consists of individual and group interventions. There are additional workshops that sit alongside the recruitment process. Candidates from under-represented groups are also offered a mentor to support them through the process. The recruitment team draws on support and experience from the internal staff networks and other Police officers and staff from Leicestershire Police.
10. In November 2020, the Force and the then Police and Crime Commissioner set an aspiration to aim to recruit at 1 in 4 joiners who self-identify as Black, Asian or Minority Ethnic to align with Force demographics.
11. To support this the recruitment team has increased the volume of one to one and group interventions. They proactively follow up on individuals that drop out of the process which is leading to reapplication rate of 36%.
12. They have also developed a targeted recruitment campaign for the DHEP (Degree Holder Entry Detective Programme). The action taken resulted in increased diversity with the first cohort joining in November 2021 including 24.2% who self-identified as BAME.
13. The Force and Police and Crime Commissioner recognise that there is a need for longer term interventions to build trust within communities so that policing becomes a career of choice.
14. With this in mind the force continues to invest in developing the Police cadet programme. There are 258 cadets within the 2021 cadet programme making it one of the most successful years of cadets to date.

15. The Force conducted its first targeted cadet recruitment campaign in May 2021 generating 199 applications from a wide variety of young people wanting to join. This has resulted in 23% of new joiners coming from a Black, Asian and Minority Ethnic background.
16. In support of delivering against the 1 in 4 ambition a new cadet unit has been established in the St Matthews. The St Matthews cadet unit currently has a regular attendance of 16 cadets, 75% of whom are from a BAME background. There are now 9 cadet units. Each cadet unit meets on a weekly basis throughout term time. Additionally, there is rolling programme of work taking place with schools and colleges and we continue to run an extensive Duke of Edinburgh (D of E) programme. To date 106 Cadets are taking part over all 3 stages, Bronze, Silver and Gold with cadets from all 9 units engaged with the D of E Programme.
17. To aid the continual understanding of what works the force is investing in a university research project which focuses on the lived experience of those joining Leicestershire Police. This gives unfettered access to new recruits particularly those from under-represented communities in an attempt to better understand their experience.

Recruitment of Police Officers – A 10-year view

18. The following graph shows all Police Officer joiners by year, for the 10 years up to the end of 2021, detailed further by ethnicity:



19. As can be seen from the graph, there has been a notable increase in Police Officer recruitment over the last two calendar years in particular, as a result of local growth and Operation Uplift.
20. The Force continues to monitor progress through an Ethnicity Dashboard that is regularly reviewed by the force Attraction, Retention & Progression Gold. This Gold Group is chaired by the Chief Constable. The below table illustrates the percentage and ratio. As can be seen the Force year to

date figure is the highest proportion recorded at 13.4% representing 1 in 7.5

Police Officer Joiners	BAME %	BAME Ratio
2014-15	7.5%	1 in 13.3
2015-16	3.7%	1 in 27.0
2016-17	8.9%	1 in 11.2
2017-18	12.2%	1 in 8.2
2018-19	4.7%	1 in 21.5
2019-20	10.2%	1 in 9.8
2020-21	12.1%	1 in 8.3
2021-22 to Date	13.4%	1 in 7.5

21. In terms of Leicestershire Police's on-going commitment to representing the communities it serves, the last two years show an increase in Police Officer joiners from a Black, Asian and Minority Ethnic background, standing at 11.46% of all Police Officer joiners in 2020 and 14.08% in 2021.
22. During the last month, Leicestershire Police has been praised by the national Uplift team for our approach to recruitment in particular relating to female and Black, Asian and Ethnic Minority recruitment. Our applicants now have the highest pass rate of any force at the national assessment centre. The team have shared their experience with four other force areas.

"The police are the public and the public are the police."

23. The Force has a clear desire to live up to this Peelian principle through a workforce representation that mirrors the demographics of Leicester, Leicestershire and Rutland. On that basis the Chief Constable and Police and Crime Commissioner receive regular updates on recruitment activity against a broad range of indicators. This is to better inform on the changing nature of the workforce ensuring that all communities and protected characteristics are tracked. This will aid the force in planning their annual recruitment strategy and training design.
24. It is also recognised that it is essential and a legal duty to have due regard to the protected characteristics under the Equality Act. There is a need to also consider other examples of representation including socio-economic factors all of which play a valuable role in ensuring the force is the most representative that it can be.

Annual Recruitment and Retention Report

25. A report will be presented each year to the Corporate Governance Board. This will highlight how the Force's workforce has changed with regards representation during the preceding year in a number of categories. This will cover the protected characteristics, and a set of broader metrics. The first iteration will be available in Summer 2022.
26. The intention is to monitor and report on the following:
- Headcount (Officers, PCSOs, Specials, Staff, Volunteers and whole workforce family)
 - Protected Characteristics
 - Disability
 - Ethnicity
 - Gender
 - Religion & Belief
 - Sexual orientation
 - Highest level of educational attainment on joining
 - Residential location on joining (Leicester, Leicestershire, Rutland, or outside of LLR)
 - Socio-economic indicators
27. A set of socio-economic questions has been developed and agreed nationally for use in recruitment monitoring. The questions are shown at Appendix A.
28. Data would be benchmarked using Office of National Statistics Data for Leicester, Leicestershire and Rutland where available.
29. Data regarding new recruits will be collated and analysed, along with information regarding how recruitment is carried out, the effectiveness of different recruitment strategies in producing top class recruits and the ways in which different strategies affect recruitment over time.
30. Studies of career progression within the force will be made to ascertain any long term trends that may indicate that working practices or other factors may require attention if we are to continue to ensure that the best officers are supported in their career goals.
31. It is recognised that the retention of experienced officers is vital to ensure that the Leicestershire Police remains an effective and efficient organisation. Data regarding those leaving the Leicestershire Police will be analysed to see if there are meaningful trends that may require action to be taken. Exit interviews will be studied to see if any working practices, welfare support of other factors require attention.

32. The recruitment and retention report will allow tracking of representation in a broader sense than perhaps has been available previously.
33. Headcount data will be provided for the whole workforce with more detailed analysis across the other metrics for Police Officers. Examples of historical trend data showing change in Police Officer representation over the last 10 years is provided in Appendix B for information.
34. The views of the panel on the indicators chosen and usefulness of the approach is very much invited and welcomed.

Conclusion

35. The force and the Police and Crime Commissioner are strongly committed to ensuring that the Leicestershire Police becomes and remains representative of the population of LLR. The paper demonstrates the ongoing commitment and the strategic intention to develop and track a broader set of metrics to better inform and influence future recruitment and training profiles.

Recommendations

The Panel are requested to note the report and are invited to comment on the metrics and intended future construct of the annual workforce report.

Appendix A

Socio-Economic Questions

- What type of school did you mainly attend between the ages of 11 and 16? (Please select one option)
 - ☐ State-run or state-funded school – selective on academic, faith or other grounds
 - ☐ State-run or state-funded school – non-selective
 - ☐ Independent or fee-paying school – bursary
 - ☐ Independent or fee-paying school – no bursary
 - ☐ Attended school outside the UK
 - ☐ Don't know
 - ☐ Prefer not to say
 - ☐ Other (please specify):
- What is the highest level of qualifications achieved by either of your parent(s) or guardian(s) by the time you were 17? (Please select one option)
 - ☐ At least one has a degree-level qualification
 - ☐ Qualifications below degree level
 - ☐ No formal qualifications
 - ☐ Don't know
 - ☐ Not applicable
 - ☐ Prefer not to say
 - ☐ Other (please specify):
- If you finished school after 1980, were you eligible for free school meals at any point during your school years? Free school meals are a statutory benefit available to school-aged children from families who receive other qualifying benefits and who have been through the relevant registration process. It does not include those who receive meals at school through other means (e.g., boarding school). (Please select one option)
 - ☐ Yes
 - ☐ No
 - ☐ Not applicable (finished school before 1980 or went to school overseas)
 - ☐ Don't know
 - ☐ Prefer not to say

- Compared to people in general, would you describe yourself as coming from a lower socioeconomic background? (Please select one option)

- ☐ Yes
- ☐ No
- ☐ Don't know
- ☐ Prefer not to say

- Has a member of your family worked for the police, either as a police officer, PCSO or police staff? (Please select one option)

- ☐ Yes
- ☐ No
- ☐ Prefer not to say

- is your main language?

- ☐ English
- ☐ Other (please specify):
- ☐ Prefer not to say

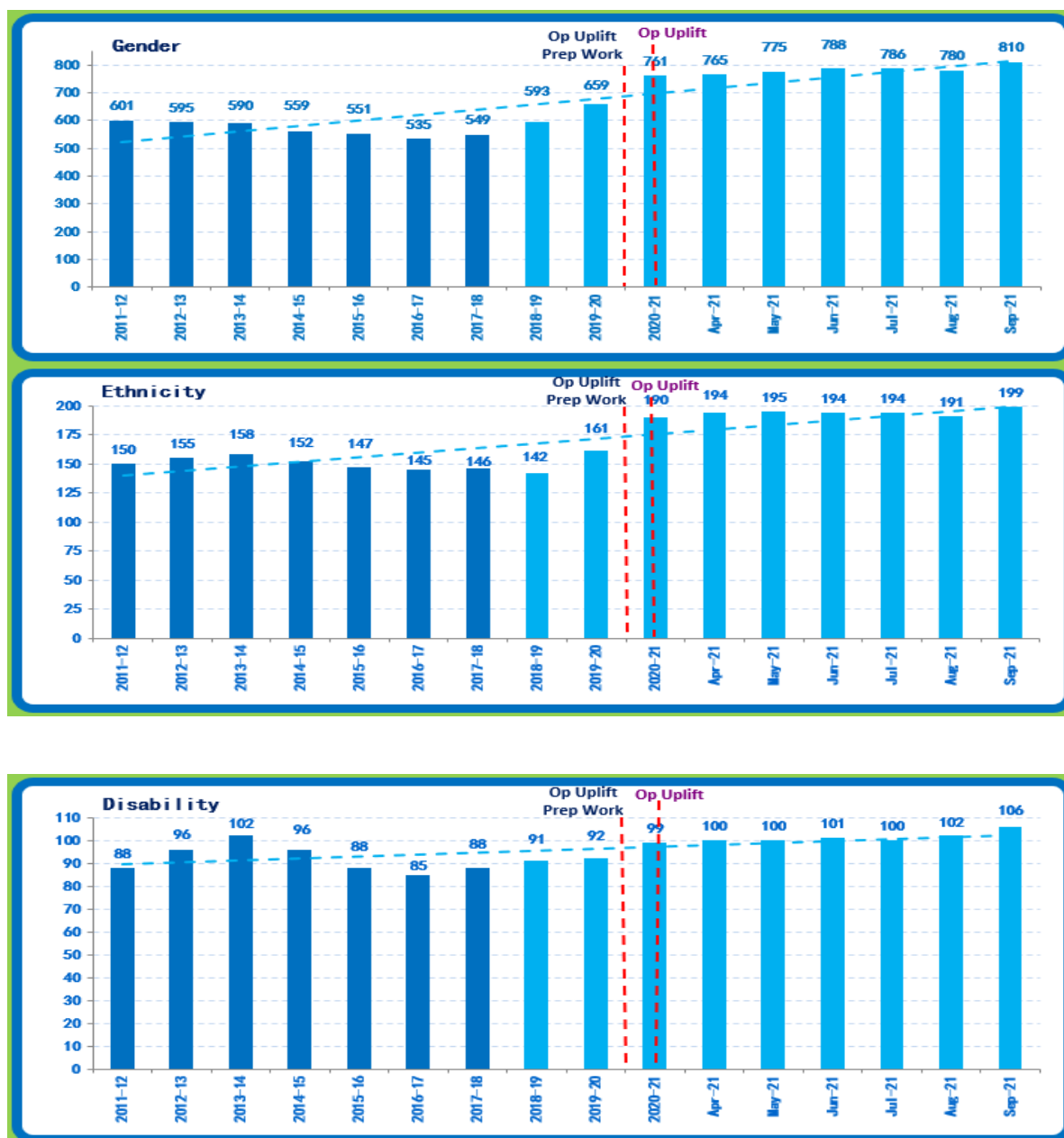
- How well can you speak English?

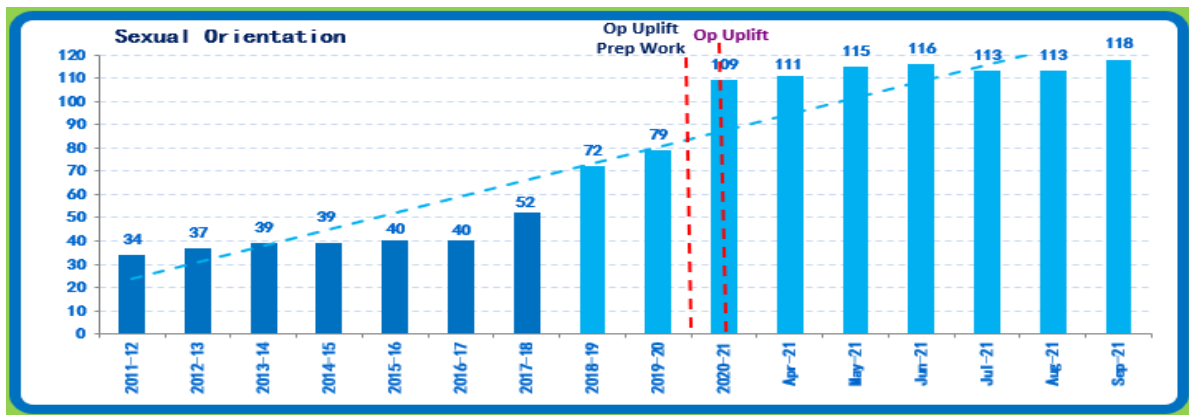
- ☐ Fluent
- ☐ Advanced
- ☐ Intermediate
- ☐ Beginner
- ☐ Prefer not to say

Appendix B

Change in demographic of Police Officer Headcount over last 10 years

The following graphs track the headcount increase in Police Officers from the main protected characteristics, over the last 10 years and for the year to date, up to the end of September 2021. It shows the net effect of joiners and leavers:





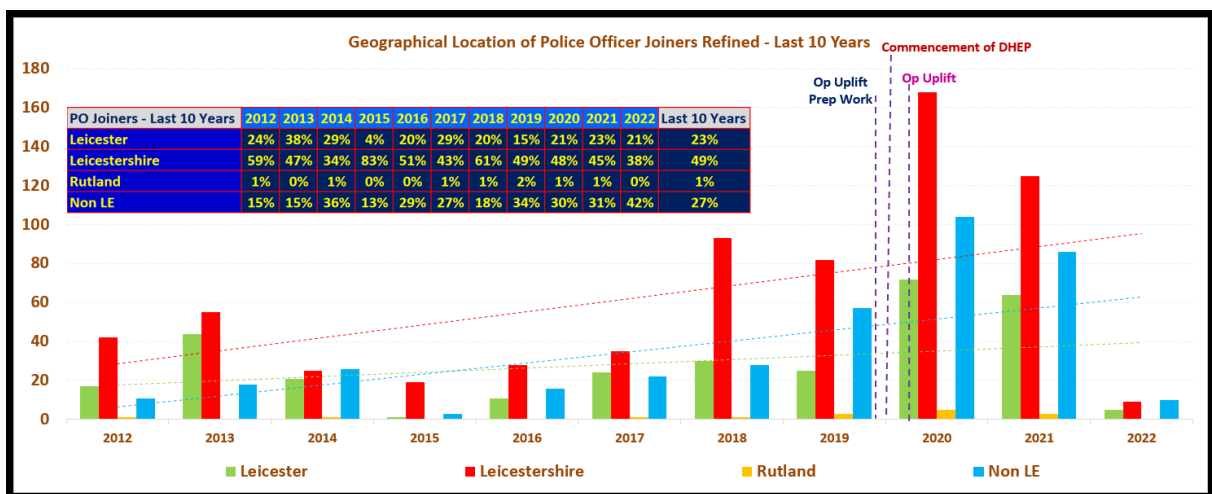
As can be seen from the above graphs, Leicestershire Police can be described as at an all-time high in terms of the number of officers self-identifying with one of the underrepresented groups. In terms of Gender, Ethnicity, Disability and Sexual Orientation, Leicestershire Police's Police Officers headcount of Officer at the end of September 2021 was higher than it has ever been.

The following are the percentage increases that can be seen from 10 years ago up to the end of September 2021:

Female Officers: 35%
 BAME Officers: 33%
 Disabled Officers: 20%
 LGBTQ Officers: 247%

Change in Geographical Location of PO Joiners over last 10 years

The following graph shows the geographical distribution of Police Officer recruits, from their residential postcode at the point of application, over the last 10 years:



As can be seen, the largest amount of Police Officer joiners to Leicestershire Police over the last 10 years, have been from within Leicestershire, standing at 49%.

Further to this, over one quarter of joiners have come from outside of LL&R (27%) and only 1% have come from Rutland. Over one quarter of all of our Officer joiners come from outside of the force area. This is an increasing trend.

If the non-LE postcode data is discounted and compared with the population aged 18 to 64 (ONS, 2020) then the 10-year average is close to proportion. Leicester is in line at 31.5% against 33.65%, with Leicestershire slightly overrepresented (67.12% against 62.98%) and Rutland under-represented (1.37% against 3.37%)

THE LLR POLICE AND CRIME PANELS WORK PROGRAMME 2021

DATES	ITEM	COMMENTS
Weds 2 February 22 at 1pm	<ul style="list-style-type: none"> • Appointment of Independent Members • Proposed Precept 2022 and Medium Term Financial Plan • Police Recruitment and Retention update 	<p>To consider and take a decision on the PCC's proposed precept</p> <p>To include ethnic/diverse breakdown of police family plus numbers and rank of retiring officers over next 3 years (from September meeting)</p>
Mon 14 Feb 22 at 12 noon	<ul style="list-style-type: none"> • Proposed Precept 2022 (if veto exercised on 2/2/22) • The Police and Crime Plan 	To consider and approve the final draft Police and Crime Plan
Mon 4th April 22 at 1pm	<ul style="list-style-type: none"> • Performance Management report • Trauma Informed Strategy update • Violence Reduction Network update • Interim report – In-Year Monitoring Information re: Home Office Grant Agreement 	<p>To include Force and OPCC performance data</p> <p>Grace Strong to be invited to provide update on VRN</p> <p>Panel secretariat to provide update</p>
Mon 20th June 22 at 1pm	<ul style="list-style-type: none"> • Election Chair/Vice-Chair • Confirm Panel Memberships • Perpetrator Intervention Provision • Domestic Abuse and related alcohol use update 	<p>To provide an update in terms of the future of this provision (from 2 Dec mtg)</p> <p>To provide an update on this area of work (from</p>

		2 Dec mtg)
Weds 27th July 22 at 1pm	<ul style="list-style-type: none"> • Performance Management report • PCC's Annual Report • PCP Annual report – Monitoring Information re: Home Office Grant Agreement 	<p>To include Force and OPCC performance data</p> <p>Panel secretariat/Chair to provide an overview of the PCP's work for the year 2021-22</p>
Mon 26th Sept 22 at 1pm	<ul style="list-style-type: none"> • Police and Crime Plan update 	To provide an update on progress against the aims and objectives within the plan
Weds 14th Dec 22 at 1pm	<ul style="list-style-type: none"> • Complaints against PCC Annual Report • Panel Constitution – Terms of Reference annual review 	
Other Suggested items to be scheduled	<p>Emergency Services Network update</p> <p>Ethics, Integrity and Complaints Committee update</p>	<p>To provide update on timeline for implementation and budget impacts. (From Sept 21 meeting) (to April 2022?)</p> <p>To provide update and details of successful applicants/appointees to the committee</p>

Notes: Budget/Precept: Proposed Precept must be notified to Panel by 1 Feb and Panel must consider by 8 Feb If veto used, Panel's consideration must be completed by 22 February and PCC issue the final precept by 1 March

- **Working Task and Finish Groups – non-public meeting, shows panel scrutiny and support of the PCC.**

Scoping for a Task & Finish Group to review section 106 funding

- Panel 29th July 2021 – scoping approved
- 1st meeting 14 October 2021
- 2nd meeting 2 December 2021 – postponed to reconvene DTBC in February 2022.

Working Group to review progress and work with PCC on the Police and Crime Plan

1st meeting held 14 July 2021

2nd meeting held August 2021

Draft Police and Crime Plan brought to special meeting on 13th September 2021 -pre public consultation