



Meeting: Leicester, Leicestershire and Rutland Police and Crime Panel

Date/Time: Tuesday, 2 February 2016 at 1.00 pm

Location: Sparkenhoe Committee Room, County Hall, Glenfield

Contact: Sam Weston (Tel: 0116 305 6226)

Email: sam.weston@leics.gov.uk

Membership

Mr. J. T. Orson JP CC (Chairman)

Cllr. Roger Begy, OBE	Cllr. Kirk Master
Cllr. John Boyce	Cllr. Ozzy O'Shea
Cllr. Lee Breckon, JP	Cllr. Rosita Page
Mrs. Helen Carter	Cllr. Trevor Pendleton
Cllr. Ratilal Govind	Cllr. Lynn Senior
Cllr. Malise Graham	Cllr. David Slater
Col. Robert Martin OBE, DL	Cllr. Manjula Sood, MBE

Please note: this meeting will be filmed for live or subsequent broadcast via the Council's web site at <http://www.leics.gov.uk/webcast>
– Notices will be on display at the meeting explaining the arrangements.

AGENDA

<u>Item</u>		<u>Report by</u>	
1.	Minutes of the meeting held on 16 December 2015.		(Pages 3 - 10)
2.	Public Question Time.		
3.	To advise of any other items which the Chairman has decided to take as urgent elsewhere on the agenda.		
4.	Declarations of interest in respect of items on the agenda.		
5.	Proposed Precept 2016/17 and Medium Term Financial Strategy.	Police and Crime Commissioner	(Pages 11 - 52)

Democratic Services ◦ Chief Executive's Department ◦ Leicestershire County Council ◦ County Hall
Glenfield ◦ Leicestershire ◦ LE3 8RA ◦ Tel: 0116 232 3232 ◦ Email: democracy@leics.gov.uk



www.twitter.com/leicsdemocracy



www.facebook.com/leicsdemocracy



www.leics.gov.uk/local_democracy

- | | | | |
|----|---|-----------------------------------|-----------------|
| 6. | Commissioning Framework 2016/17. | Police and Crime
Commissioner | (Pages 53 - 96) |
| 7. | Appointment of Independent Co-Opted
Members. | Head of
Democratic
Services | (Pages 97 - 98) |
| 8. | Date of next meeting. | | |

The next meeting of the Panel is tentatively scheduled to take place on 15 February 2016 at 1.00pm and will only be required in the event that the Panel has used its power of veto on the Commissioner's precept at this meeting (Item 5 refers).

Should the meeting not be required, the next meeting of the Panel is scheduled to take place on 22 March at 1.00pm.

9. Any other items which the Chairman has decided to take as urgent.

Minutes of a meeting of the Leicester, Leicestershire and Rutland Police and Crime Panel held at County Hall, Glenfield on Wednesday, 16 December 2015.

PRESENT

Mr. J. T. Orson JP CC (in the Chair)

Cllr. John Boyce	Cllr. Kirk Master
Mrs. Helen Carter	Cllr. Tony Mathias
Cllr. Ratilal Govind	Cllr. Rosita Page
Cllr. Malise Graham	Cllr. Trevor Pendleton
Cllr. Mike Hall	Cllr. Lynn Senior
Col. Robert Martin OBE, DL	Cllr. Manjula Sood, MBE

Apologies

Cllr. Lee Breckon, JP and Cllr. David Slater

In attendance

Sir Clive Loader, Police and Crime Commissioner, Simon Cole, Chief Constable, Paul Stock, Chief Executive (OPCC) and Helen King, Chief Finance Officer (OPCC)

166. Minutes.

The minutes of the meeting held on 16 September 2015 were taken as read, confirmed and signed, subject to the word 'income' in the first bullet point under the heading "Syrian Refugees" within Minute 159 being replaced with the word 'migration'.

167. Public Question Time.

No questions had been received.

168. Urgent items.

The Chairman advised that he had agreed to consider an urgent item on the recently published HMIC reports regarding Honour Based Crime, Domestic Abuse and 'Vulnerability' which had resulted in some media interest (Minute 170 refers).

169. Declarations of Interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

Cllr. M. Sood declared a personal interest in respect of all substantive items as a member of the Police's Independent Advisory Panel, as the Chairman of the Leicester Council of Faiths and a member of the Bishop's Faith Forum.

Col. Robert Martin declared a personal interest in respect of Agenda Item 6 as the Trustee of "Warning Zone" which was in receipt of some funding from the Police and Crime Commissioner (Minute 172 refers).

170. Urgent Item - Statement from the PCC on HMIC reports into Honour Based Crime and Domestic Abuse and Vulnerability.

The Panel considered the following matter, the Chairman having decided that it was of an urgent nature as a result of the need to enable the Commissioner to publicly respond to recently published HMIC reports concerning Honour-based Crime, Domestic Violence and Vulnerable People which had resulted in some media interest.

The Commissioner's statement was as follows:

"With regard to vulnerability, I have said this in the public arena:

Looking after the most vulnerable people in our communities lies at the very heart of any police force and this has been a priority for me during my time as PCC.

My commitment to this has been demonstrated most recently by the provision of £1.2m to help tackle CSE and prevent vulnerable people from falling prey to abuse. I am confident that this funding will serve to further strengthen the work the force delivers in this area, in partnership with others...

If I can break away from what I wrote there just to say a public thank you. There has been an awful lot of really good work done in the partnership arena to deal with this issue and my Chief Executive has been leading on that but with plenty of other people who are represented or indeed who are actually here round this table so thanks to all of you. I think we are doing some very good work together in that regard. Back to what I said...

I too am disappointed that the myriad of work undertaken by the Force has not been fully recognised and I share the concerns of the Deputy Chief Constable that the report may not completely capture the breadth and depth of the very significant work delivered by officers, particularly those in the Signal Team, Multi-Agency CSE Team and the Missing Persons Team.

I will read the content of the report and assess its observations extremely carefully in order to understand what more the Force could be doing, in partnership with others, to address the issues raised.

Mr Chair and Members of this Panel you can be very sure that the Chief Constable and I will be doing precisely that and I did find those areas where they have spelled out, at least adequately, what it is we need to be doing to get the grade higher than currently it is.

With regard to the other two reports which you know have only come out in the last 36 hours or so, I and the Chief Constable have not had a chance to even start to digest those yet. It's been a fairly frenetic 36 hours as you know, but the same will apply. In my role as Police and Crime Commissioner where I hold the Chief to account, I want to see what's in there and let the Chief advise me on those areas where work should and could be done, within resource, or may be where necessary he will advise me where resource needs to be swung in order to allow the work to be done in order to bring us up to the grades that we all like to see.

I'd like to say one other thing in this public forum and it's this: I was with the Chief yesterday with HMIC representatives and I made a point to them and I feel this now quite strongly. I am in no way an apologist for Police performance and I hope the Chief would admit that I have held him to account suitably in the last 3 years. He knows I have. But also there is another thing about HMIC here and the way that they report on things. Even the two words that are used – "requires improvement", carry a cache of 'this isn't good enough' and I feel at times the overall grading that's applied to them fails to recognise in anything like complete enough fairness the many good things that do happen and on behalf of the force, who yes I hold them to account but I also represent them as it were, I do feel that HMIC does a bit too much kicking and not quite enough praising and I have let that message be known through the meeting I had with HMIC and the Chief yesterday and I will do so with Zoe Billingham and indeed Tom Winsor as and when I have a moment. Thank you."

RESOLVED:

That a report on the action taken in response to the HMIC reports on Honour Based Crime and Domestic Abuse and Vulnerability be considered at the Panel's meeting on 22 March 2016.

171. Blueprint 2020 - Update.

The Panel considered a report of the Police and Crime Commissioner concerning progress on the Blueprint 2020 programme and setting out response times in the east of the County. A copy of the report, marked "Agenda Item 5" is filed with these minutes.

The Chief Constable reported the following updates on the Blueprint 2020 programme:

- Blueprint 2020 introduced an approach to harm-based crime where the focus was placed on the damage caused to communities;
- The budget context was unclear but would become clearer when the Provisional Police Grant report 2016/17 was published. The Comprehensive Spending Review announced on 25 November 2015 had indicated that there would be no cuts to police funding nationally, however it was not known whether there would be reduced funding for Leicestershire, Leicester and Rutland when the allocations were made clearer;
- It was pleasing that the Police response times for the east of the County had improved.

Arising from a discussion the following points were noted:

- As the Home Office had postponed the Funding Formula changes, the current Funding Formula would remain in place until at least 2017/18. It was unclear how the Funding Formula would work in the future once the process for calculating funding was changed;
- A view was expressed by the Panel that Neighbourhood policing was working well and should be protected insofar as this was possible, whilst making sure that officers were spending the appropriate amount of time dealing with the evidential and criminal justice side of policing. It was noted that initiatives were in place to free up officer time and Neighbourhood Officers would hand over cases to the

Force Investigation Team as soon as possible to enable officers to return to neighbourhood duties. There was also a national pilot for out of court disposals taking place. The Police and Crime Commissioner stated that, as the changes to Neighbourhood Policing were working well it was unlikely that further changes would be made, though it was acknowledged that tight resources would make this challenging;

- Concerns were raised regarding diary management and whether the appropriate length of time was being allocated for officers to complete the tasks required of them. It was noted that a balance had to be struck between allocating sufficient time for an officer to do a thorough job and making sure that officers were not left unoccupied. The Police and Crime Commissioner provided reassurance that as part of Project Edison he had asked for the use of officer time to be measured and a system known as IR3 recorded where officers and vehicles were at any time and provided data which could be analysed by management. The Police and Crime Commissioner also emphasised the importance of good customer care (ie. officers attending appointments on time) and he agreed to look into whether there were any recurring problems in this area and report back to the Panel as necessary;
- With regard to the Workforce Blueprint and changes to the management structure of the Force, concerns were raised regarding the proposed reduction in management roles particularly with regard to issues of equality and whether any particular section of the Force would be disproportionately affected by the restructure. It was noted that when funding was cut there would inevitably be an impact on personnel, though the precise details of any changes fell within the remit of the Chief Constable.

RESOLVED:

That the report be noted.

172. Budget and Proposed Precept 2016/17 - Update.

The Panel considered a report of the Police and Crime Commissioner which provided an update on the budget and the proposed precept for 2016/17. A copy of the report, marked "Agenda Item 6", is filed with these minutes.

The Chief Finance Officer of the OPCC reported the following:

- The Home Secretary had indicated in a speech on 8 December 2015 that, whilst the national policing budget was being protected, every Force would still need to make savings year on year;
- As the Ministry of Justice was to have a cut to its funding this would likely impact on Police and Crime Commissioners, with particular regard to Victim and Witness grant funding;
- The Police and Crime Commissioner would again be consulting the residents of Leicester, Leicestershire and Rutland on the precept by way of telephone and online surveys. It was intended that a sample of 600 people would be used for the consultation. It was confirmed that whilst the Police did not receive finance from business rates, there was likely to be business owners residing in Leicester, Leicestershire and Rutland who would wish to contribute to the survey and the link

to the website survey would therefore be sent to the Chamber of Commerce for them to forward on to businesses in the region as appropriate;

- Whilst the Police received all its funding from the Home Office, the Fire Service were still included in the Local Government Finance Settlement. A more detailed update on this issue would be provided at a future meeting of the Panel.

Arising from discussion the following points were noted:

- In response to a question, the Police and Crime Commissioner agreed to forward to Panel members the exact wording of the questions included in the survey. The Panel emphasised the importance that the OPCC had full regard to the responses given by the public. The Panel also requested that it be made clear to those members of the public who were surveyed which specific areas of policing would be affected by cuts to police funding, in order to demonstrate why increasing the precept may be necessary. The Police and Crime Commissioner stated that it would be difficult to provide this specific information but he would try and indicate which initiatives may be affected if the precept were not raised;
- In response to a question from the Panel regarding communicating the message to the public that savings were required to be made even though nationally there was no cut to police funding, the Police and Crime Commissioner agreed that this message had to be conveyed carefully and honestly. With regard to making savings the Police and Crime Commissioner stated that Project Edison and the Strategic Alliance with Nottinghamshire and Northamptonshire were important and would have been of value even if there had not been a cut to funding;
- The Chair emphasised the value of initiatives such as Supporting Leicestershire Families which was designed to prevent criminal activities through early intervention. In response the Chief Constable stated that he had committed police time and resource to these types of initiatives. The Police and Crime Commissioner agreed that this was a very important area of work which could ease the burden on the Force for years to come. It was noted that the Police and Crime Commissioner had prioritised this area of work in his Commissioning Strategy and over the last year had increased the funding allocation by £50,000.

RESOLVED:

That the report be noted.

173. Office of the Police and Crime Commissioner - Structure and Budget.

The Panel considered a report of the Police and Crime Commissioner concerning the structure and budget of the Office of the Police and Crime Commissioner. A copy of the report, "marked Agenda Item 7", is filed with these minutes.

The Chief Finance Officer of the OPCC reported the following:

- The OPCC budget for 2016/17 was £0.998M which was below the national average;
- The cost of the new Ethics, Integrity and Complaints Committee had been absorbed from within the OPCC budget's transitional reserve. Members of the

Committee had been appointed and a Chair elected. Details of the Committee members would be forwarded to Panel members following the meeting. The Committee had the freedom to investigate any aspect of policing they believed to be appropriate and they had already begun to look at the Force's use of facial recognition data.

Arising from discussions the following points were noted:

- The role of policy support to the Police and Crime Commissioner which had been carried out by Steph Morgan would conclude at the end of December 2015. Whether or not the role would be recommissioned was at the discretion of the incoming Police and Crime Commissioner in May 2016. The roles of the Section 151 Officer and Monitoring Officer were mandatory, however the existence of all other roles in the OPCC were down to the preferences of the Police and Crime Commissioner;
- Matt Tapp was the Director of Strategic Communications and Public Engagement at Leicestershire Police and the OPCC. However, as there were occasions when the Police and Crime Commissioner required advice which was independent from the Force Sallie Blair (Communications and Media Lead for the OPCC) was also engaged. Sallie had also been involved in other PCC functions, such as the Victim First service;
- The amounts in the section of the budget entitled 'Misconduct Tribunal Costs, Audit Fees' had varied over the previous 3 years due to two principal factors;
 - the funding required for Misconduct Tribunals depended on how many Tribunals were required during the year;
 - a new internal audit contract with regional partners had led to reductions in audit fees, and the new external auditors came at a lower cost.
- Plans were in place for the handover process to the new Police and Crime Commissioner in May 2016. An induction plan had been devised and the Chief Executive of the OPCC had produced an information pack for candidates. There was also a partnership landscape document which would be given to candidates, and it was intended to hold an event where the candidates would be able to meet with partners. The outgoing Police and Crime Commissioner had offered to spend time with all the candidates at Force Headquarters and provide them with advice. The Chief Executive intended to liaise with the Panel in early 2016 regarding the Panel's role in the induction process.

RESOLVED:

That the report be noted.

174. Child Sexual Exploitation Review - Update.

The Panel considered a report of the Police and Crime Commissioner which provided an update on the review commissioned on Leicestershire Police's response to non-recent Child Sexual Exploitation (CSE) cases. A copy of the report marked "Agenda Item 8" is filed with these minutes.

Concerns were raised by the Panel that the report did not indicate where lessons had been learned from the review. The Police and Crime Commissioner accepted that it would have been helpful for that information to have been included in the report. The Chief Constable emphasised that, due to the length of time that had passed since the CSE incidents were alleged to have taken place, the learning was fairly limited. However, he reassured the Panel that there was a completely different environment within the Force at the current time which included a greater propensity to accept the credibility of the victim's claims. Officers were highly trained in the area of CSE and HMIC conducted rigorous inspections.

RESOLVED:

That the report be noted.

175. NICHE - Update.

The Panel considered a report of the Police and Crime Commissioner concerning the implementation of the NICHE programme. A copy of the report marked "Agenda Item 9" is filed with these minutes.

A question was asked regarding the cost of obtaining the licence for each staff member to access the NICHE database. The Chief Finance Officer agreed to provide this information to the Panel in due course.

RESOLVED:

That the report be noted.

176. Dates of meetings in 2016.

It was NOTED that future meetings of the Panel would be held on the following dates at 1.00pm:

2 February 2016

15 February 2016

22 March 2016

30 June 2016

19 July 2016

26 September 2016

5 December 2016

177. Announcement - Leicestershire Police.

Cllr. Govind congratulated Leicestershire Police on the speed and efficiency with which they dealt with a recent robbery incident on Melton Road.

Cllr. Sood expressed her thanks to Leicestershire Police for their attendance and support at recent large scale community events such as Diwali, Hanukkah and Pride.

This page is intentionally left blank

POLICE AND CRIME COMMISSIONER FOR LEICESTERSHIRE POLICE & CRIME PANEL

PAPER MARKED

Report of	POLICE & CRIME COMMISSIONER
Date	TUESDAY 2 nd FEBRUARY AT 1:00PM
Subject	PROPOSED PRECEPT 2016/17 AND MEDIUM TERM FINANCIAL STRATEGY
Author :	CHIEF FINANCE OFFICER

Purpose of the Report

1. To present the 2016/17 Precept Proposal and the additional considerations contained within it.
2. To present the Medium Term Financial Strategy (MTFS).

Recommendation

3. The Police and Crime Panel is asked to:
 - a. Note the information presented in this report, including the total 2016/17 net budget requirement of £170.840m, which includes a council tax requirement for 2016/17 of £55.714m.
 - b. Support the proposal to increase the 2016/17 Precept by 1.99% (£3.58 per annum) for police purposes to £183.5770 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 mitigations and additional considerations identified.
 - d. Note that any changes required, either by Government grant alterations notified through the final settlement or through council tax base and surplus/deficit notifications received from the collecting authorities, will be balanced through a transfer to or from the Budget Equalisation Reserve (BER).
 - e. Note the current MTFS, the savings already achieved, and plans to identify further solutions alongside the requirements of the Police and Crime Plan.

Executive Summary

4. This report, and the Precept proposal within it, is the culmination of several months' work by the Office of the Police and Crime Commissioner (OPCC), supported by Force colleagues and taking account of key government announcements.

5. Following the announcement of the provisional Police Grant settlement, the PCC (Sir Clive Loader) has considered current and future funding levels, together with the factors included within the Chancellor's 2015 Autumn Statement.
6. The PCC has also reviewed the track record of the Force in delivering (and at times exceeding) the savings plans prior to his tenure and the savings achieved in excess of the £20m required by the Police and Crime Plan.
7. The PCC has been fully briefed on the current and emerging operational challenges, both nationally by the Home Secretary and the Home Office and locally by the Chief Constable, particularly in those areas included within the Force's Draft Strategic Policing Requirement Assessment for 2016/17.
8. The PCC has read in full the content of the Chancellor's 2015 Autumn Statement, information provided by the Home Secretary and the provisional grant settlement and acknowledges the assumption that PCC's will increase their precept locally at 1.99% each year for the period of the CSR to ensure that police spending is protected in real terms.
9. The PCC has reviewed the significantly better than anticipated grant settlement over the period of the CSR, which, together with the savings realised by the Force, have enabled a reinvestment into key operational areas in 2016/17 and future years as follows:
 - Built into the baseline budget permanently, the additional 28 Police Community Support Officers (PCSO) identified in the PCC's precept announcement in 2014/15 (and which were supported until March 2017 by an earmarked reserve) at an establishment level of 251. PCSOs will continue to be deployed by the Chief Constable to address areas of threat, risk and harm and be focussed towards core neighbourhood policing, prevention of significant harm and local safeguarding;
 - Provided additional specialist resources to continue to build capacity, resilience and capability in the areas of Child Sexual Exploitation (CSE), Child and Adult Abuse, Rape, Domestic Violence and Sexual Violence and Cybercrime;
 - Additional specialist resources to build capacity and resilience and develop new ways of dealing more efficiently with complaints and investigations within the Professional Standards Department;
 - One off investment into additional Automatic Numberplate Recognition (ANPR) capabilities to support both mobile and covert operations.
10. Furthermore, building on the success of the work by partners on identifying joint partnership solutions in line with the Strategic Partnership Development Fund (SPDF), the PCC will transfer a further £0.5m to this fund to support proposals from within the following priority areas:
 - Partnership response to Cybercrime
 - Partnership response to Counterterrorism, Extremism and Radicalisation
 - Further partnership responses to the Police and Crime Plan priority on Vulnerability, to include Drug and Alcohol misuse, Street Drinking and other areas to be identified by Strategic Partnership Board (SPB).

As with the current £2m SPDF, oversight of this additional funding will be the responsibility of the Strategic Partnership Board and its supporting structures and, whilst the detail needs to be fully scoped, this funding will only be released if there is a clear, costed business case that supports the achievement of improved outcomes in the areas identified above. It will also be important for partners to identify potential match-funding opportunities in order to generate a larger pool of financial resource to support these major strategic challenges.

11. These new commitments amount to a significant reinvestment in frontline operational capacity and capability so as to address the challenges from these new, emerging or increasing areas and can be summarised as follows:
 - 38 additional permanent Police Officers included in the Base budget – targeted towards the most vulnerable areas of Child Sexual Exploitation, Child and Adult Abuse, Rape, Domestic Violence and Sexual Violence, together with a joined up Cyber and Sex Offender Protect and Prevent Team;
 - 28 permanent PCSOs included in the base budget targeted towards enhancing neighbourhood, harm reduction and local safeguarding;
 - An initial £1.7m one-off investment to support the Force's set up costs in these areas to build resilience and capability and to invest in additional Automatic Number Plate Recognition (ANPR) equipment;
 - A further £0.5m to build on the Strategic Partnership Development Fund (SPDF) work priorities;
 - Ensuring funds are still available within the Budget Equalisation Reserve to support investment required for the proposed Strategic Alliance.
12. The PCC has taken into account the anticipated reduction in Capital Grant available to him in 2016/17 and future years and has reviewed this together with the investment requirements of the Capital Programme and potential Strategic Alliance requirements.
13. The PCC has taken into account the adequacy and level of reserves and the impact of future financial challenges and opportunities in the Medium Term Financial Strategy.
14. The PCC has conducted, and been informed by, a survey of 1,112 residents of Leicester, Leicestershire and Rutland (863 in 2015/16). The views received have contributed to make the final Precept decision.
15. After careful consideration of these factors, the PCC is proposing a precept increase of 1.99% for the 2016/17 financial year in order to build a sustainable base budget, not only to maintain and safeguard policing services across the entire Force area of Leicester, Leicestershire and Rutland but also to make significant, and permanent, increases in capability where so advised by the Chief Constable.

Previous Precept Strategies

16. This precept proposal will also build on and maintain previous year's precept strategies which:
- a. For 2014/15, the PCC:
 - Increased the precept by 1.5% to help build the base budget following the unprecedented and unexpected additional top slicing of £1.6m applied to the Police grant settlement for 2014/15;
 - Increased and maintained PCSO resources to 251 over three years in order to maintain operational resilience and minimise the impact of any Project Edison structural changes on neighbourhood policing, with resources targeted towards prioritising community and neighbourhood safety, particularly in regard to ASB hotspots; and
 - Secured a commitment from the Force to deliver the Volunteers (ViP) Strategy over 3 years.
 - b. In 2015/16, the PCC's precept:
 - Produced savings plans which prioritised a minimum of a further £2.5m in revenue savings to be released in 2016/17 and future years in the following areas:
 - Further recommendations into Force structural reform
 - A review of productivity across the Force
 - Proposals for savings in middle and back office functions
 - Further demand management benefits
 - Continued vigour with the Volunteers in Policing (ViP) strategy
 - Wider local public sector "join up";
 - To reflect the importance the PCC places on partnership working to deliver key priorities, the sum of £2m was set aside from Reserves to support 'invest to save' or seed funding, on partnership challenges through the Strategic Partnership Board. The key areas supported by this funding include:
 - £1.2m which has already been approved for the Child Sexual Exploitation (CSE) Partnership programme;
 - The balance of £0.8m is anticipated to be utilised on the work being finalised on two further bids covering Integrated Place Management (Braunstone Blues) and Integrated Vulnerability across LLR.

The Comprehensive Spending Review 2015 and the Provisional Grant Settlement

17. On 25 November 2015 the Chancellor of the Exchequer announced the outcome of the Comprehensive Spending Review 2015 (SR2015). The SR2015 details the spending settlements for each government department over the next four years (2016/17 to 2019/20).
18. Despite previous guidance from the Home Office for PCCs and Forces to model and prepare for reductions of between 25% and 40% over the period of the spending review, it was unexpected but welcome that the Autumn Statement considered the emerging issues faced by PCCs and Forces and the Chancellor's Autumn Statement (source: Hansard) specifically addressed police funding as follows:
 - a. *".....but security starts at home. Our police are on the frontline of the fight to keep us safe."*
 - b. *"now is not the time for further police cuts, now is the time to back our police and give them the tools to do the job."*
 - c. *"I am today announcing that there will be no cuts in the police budget at all. There will be real-terms protection for police funding. The police protect us, and we are going to protect the police."*
19. Following the Chancellor's Statement, the Home Secretary provided further detail to Police and Crime Commissioners and Chief Constables on the 25th November 2015 and advised the following:
 - a. *"Total central Government resource funding to policing, including funding for counter terrorism, will be reduced by 1.3% in real terms over four years. Taking into account the scope that you have to raise local council tax, this means a flat real settlement for policing."*
 - b. *"The public should be in no doubt that the police will have the resources they need to respond to new threats rapidly and effectively to keep people safe."*
 - c. *"This is a tough but fair settlement for the police".*
20. In her address to the Police Reform Summit on the 8th December 2015, the Home Secretary advised that *"every Force will still need to make savings year on year ... this settlement is not a reprieve for reform ... quite the opposite."*
21. Contained within both the detail of the Chancellor's Autumn Statement and the provisional grant settlement is the assumption that PCCs will increase their precept locally at 1.99% each year for the period of the CSR to ensure that police spending is protected in real terms.

Provisional Police Settlement

22. Since 2014/15, policing bodies have received their formula funding solely from the Home Office which subsumed the former DCLG grants (including previous funding from Business Rates). The grant allocation continues to be calculated through the four-block model, which has been subject to limited technical and data updates but work has been undertaken nationally (and is currently paused) on a review of the funding formula with a view to implementation for 2017/18.

23. Ministers have indicated that the funding formula review will continue, and have been reviewing options with the Home Office. However, further detail and timescales are still not available. As discussed at the Panel meeting in December 2015, the last two iterations of the model have suggested reductions in overall funding for Leicestershire.
24. The Police and Crime Commissioners Treasurers Society (PACCTS) has scrutinised the key elements of the Police Grant Settlement and, whilst not all of the detail is yet available, has identified that one of the most significant impacts is the top slicing of Police Grant to fund central initiatives.
25. PACCTS has advised that top slicing nationally is £218.4m (excluding PFI and Ordnance Survey), where Leicestershire's element is estimated at approximately £3.28m. In 2015/16, the comparative top slice for these elements was over £159.6m (of which Leicestershire's element was approximately £2.39m). In the current settlement, a large number of these were foreseen and prudently included within the forecasting for 2016/17.
26. Main issues in relation to the top-slice elements include the following:
 - a. Some of the top slice elements, the Innovation Fund, Emergency Services Network (ESN), Special Grant and Transformation Fund (details awaited) may be returned to Forces, some as competitive funding pots;
 - b. One of the top slices, the Transformation Fund, is worth £76.4m in 2016/17 (£34m is for firearms and £4.6m Digital Justice);
 - c. The revenue element of the Counter Terrorism Top slice was increased from £564m to £640m in 2016/17 and Police Special Grant from £15m to £25m;
 - d. Discussions are currently underway between Chief Constables and Ministers regarding how the critical areas of Firearms and Counter Terrorism can best be addressed and the most appropriate use (and level) of investment required in 2016/17 and future years (it is widely anticipated that additional resources may be required or the top slice increased in future years). This has been highlighted and recognised as both an operational and financial risk following the Chancellor's Autumn Statement, the provisional police grant allocation and throughout the recent budget and precept discussions with the Force;
 - e. At this stage, however, it is unclear whether ESN costs will be met in full by the Home Office and whilst £80m has been top sliced in 2016/17, ESN costs are anticipated to significantly exceed this sum; there are no details in respect of how these funds will be allocated nationally to meet the investment or how much additional financial burden will fall locally in 2016/17 and future years. It is widely anticipated that the level of top-slice will rise significantly in 2017/18 and future years;
 - f. Police Innovation Fund has reduced from £70m to £55m;
 - g. HMIC Police Efficiency, Effectiveness and Legitimacy (PEEL) is supported by a £9.4m top slice, consistent with 2015/16;
 - h. The Independent Police Complaints Commission (IPCC) top slice has increased from £30m in 2015/16 to £32m in 2016/17.

27. Whilst the total value of top slicing for 2016/17 is known (and it is assumed this reduction from top-sliced elements is permanent), as explained in paragraphs a to h above, there remains a high level of uncertainty about the impact on Police Grant of future years' top slices (which are anticipated to increase). Therefore, the long term impact on the MTFS must be considered alongside the precept options presented in this report.
28. A summary of the settlement (based on a 1.99% precept increase) is shown in the table below:

Funding Source	2015/16 Final (£'m)	2016/17 Planned (£'m)
Police Grant	65.720	65.345
Business Rates & Revenue Support Grant	39.876	39.649
Precept (Proposed 1.99% increase in 2016/17)	53.216	55.714
Localised Council Tax Support	7.020	7.020
2011/12 & 2013/14 Council Tax Freeze Grants	1.911	1.911
Council Tax Collection Fund Surplus (estimate)	0.817	1.201
Total	168.560	170.840

29. The allocations have been based on the existing police funding formula. As has been highlighted in the budget reports of previous years, Leicestershire Police is currently disadvantaged by this arrangement as it would receive about £5.6m more each year if the formula were allowed to work in full, i.e. the floor was funded from sources other than those policing bodies whose formula increases are capped.
30. The Office of the Police and Crime Commissioner (OPCC) will also receive a specific grant for the Localisation of Council Tax Support (LCTS). This scheme replaced the council tax benefit scheme (CTB) in 2013/14, and is administered locally by council tax collecting authorities. As a local scheme, the grant previously given to collecting authorities to reflect actual expenditure on LCTS is distributed to collecting and precepting authorities. The sum allocated to the OPCC for Leicestershire for 2016/17 is £7.02m which is the same amount allocated in 2015/16.
31. Although PCC grants after 2016/17 have not been provided at a local level, there is an indication of the total grant available; albeit there is no detail of the level of top slices (which are anticipated to increase each year and national information in this regard is awaited).
32. As a prudent approach, and in line with regional and many national colleagues, the MTFS assumes a 1% reduction of police grant year on year to Leicestershire. This is in line with the assumptions being made across other Force areas, although there is no national guidance in this respect at the present time.

Police and Crime Plan - Precept Considerations

33. The Police and Crime Plan and the Medium Term Financial Strategy (MTFS) have been prepared in line with the plans outlined by the PCC to the Police and Crime Panel in January 2013.
34. The precept proposals which underpin the 2013/17 Police and Crime Plan and MTFS and their comparison with actual precept decisions and the MTFS are detailed below:

	Increase in precept (%)			
	13/14	14/15	15/16	16/17
MTFS and Police and Crime Plan January 2013	0%	0%	2%	2%
Precept Determination Implemented	0%	1.5%	1.99%	
2016/17 Planned Precept - MTFS				1.99%

35. As shown in the above table, the Panel will note that the precept proposal within this report is consistent with the plans underpinning the Police and Crime Plan 2013/17, with the exception of 2014/15 where the PCC increased the precept as a result of the unexpected reduction in the settlement, due to the implementation and impact of top slicing to central government departments (in 2014/15 the Home Office).
36. Furthermore, the 2016/17 precept proposal is consistent with the plans submitted, and informed discussions held with the Police and Crime Panel throughout 2015/16.

Council Tax Referendum Limit

37. 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. From 2012/13, the Secretary of State is required to set principles annually, determining what increase is deemed excessive.
38. “The Referendums Relating to Council Tax Increases (principles) (England) Report 2016/17” (draft) was issued on the 17th December 2015, and this is in line with the guidance issued by the Home Secretary, in her letter to Chief Constables and Police and Crime Commissioners on the 25 November 2015 where she advised that “*you should plan on the basis that the overall referendum limit for Police Precept will be maintained at 2% over the Spending review period for Police and Crime Commissioners in England*”.
39. The level of precept proposed is below this threshold.
40. The cost of a referendum for a proposal to set a Council Tax increase in excess of 1.99% is significant and this would fall to the PCC (and more importantly the residents of Leicester, Leicestershire and Rutland) thus needing to be built into the increase sought.
41. If a referendum were held to increase the Policing precept above 1.99%, on the same day as the local elections in May, it would cost approximately £650k. That would rise to £1.2m if held on an alternative day.
42. Furthermore, if a “no” vote was returned in such a referendum, there could be a further cost of £1 million to re-issue council tax bills to every home. This would increase the total potential cost to between £1.650m and £2.2m if the referendum were unsuccessful.

43. The Panel will, therefore, be unsurprised that the PCC has no intention to propose a precept which will trigger a referendum. Therefore, once all the tax base levels have been formally authorised by the District and Borough Councils, should there be any subsequent revisions which affect the above calculation, the Budget Equalisation Reserve will be used to balance the impact of any changes.

The Financial Challenge – Savings Achieved during the Police and Crime Plan Period

44. At the time of the PCC's commencement in office, Leicestershire Police had already demonstrated a good record in achieving efficiency savings, with some £23m being removed from the base budget in the two years to 31 March 2013.
45. However, as highlighted to the Panel in January 2013, the financial challenge continued and the MTFs which underpinned delivery of the Police and Crime Plan, and which, at that time, showed a significant shortfall each year to 2016/17 as follows:

2013/14	2014/15	2015/16	2016/17
£0.446m	£6.085m	£12.820m	£20.260m

46. The Police and Crime Plan recognised this increased financial challenge to its delivery and included within it Strategic Priority 18 which stated:

“with our staff and partners, transform the way we protect our communities and deliver over £20m in (revenue) savings by 2016”.

47. The PCC set the Chief Constable the challenge of developing a change programme which would address the gaps identified following the CSR in June 2013 (which revised the figures in the MTFs). The Police and Crime Panel at its meeting in August 2013 received a presentation, on the change programme. This included the table below, which demonstrated the identified gap and the proposal to close this gap by 2016/17.

2014/15	2015/16	2016/17
£4.4m	£8.6m	£19.9m

48. Since January 2013, the Police and Crime Panel have received regular reports on the Medium Term Financial Strategy and Strategic Priority 18 as stated above.
49. In September 2015, the Panel were advised that the total value of savings required from the budget requirement since 2013/14 had increased to over £27.8m over the duration of the Police and Crime Plan and at that stage, all but £3.7m of the 2016/17 savings required had been identified. Furthermore, the report added that it was: *“anticipated that the challenge of realising over £27.8m in savings by the end of the Police and Crime Plan in 2016/17 will be met.”*
50. This report details that in fact, the savings required for the duration of the Police and Crime Plan have been met. Nonetheless, later in the report, the updated MTFs will highlight the financial challenges which remain post 2016/17.

51. The table below shows the savings achieved over the full term of the Police and Crime Plan 2013/17 equate to over £31m, whilst some were already in train before the PCC took up office and some savings have been reinvested, this is still a very significant achievement:

	2013/14	2014/15	2015/16	2016/17
	£m	£m	£m	£m
Transformational	1.4	5.4	4.3	4.9
(Project Edison and East Midlands Operational Specialist Services (EMOpSS))				
Transactional:				
Police Pay	2.3	1.1	0.8	2.0
Police Staff	0.4	0.2	0.6	0.7
Non Pay	2.4	1.6	1.2	2.3
	6.5	8.3	6.9	9.9

52. The Police and Crime Panel have received regular updates on the Medium Term Financial Strategy and Savings proposals, including updates on Project Edison the new operating model which was implemented in February 2015 and which released a large proportion of the savings required during the period of the Police and Crime Plan, Output Based Budgeting and, more recently, Blueprint 2020.
53. Additionally, the Panel has been updated on regional work and collaborations and, more recently, work has commenced on a Full Business Case to consider a proposed Strategic Alliance with Northamptonshire and Nottinghamshire to address better operational ways of working and achieve synergistic and financial benefits – both the Strategic Alliance and the MTFS are outlined further within the report.
54. The work undertaken by the Force, led by the Change Team, Project Edison and latterly Blueprint 2020 has led to the identification and delivery of strong and sustainable efficiencies. This, together with the better than anticipated Grant settlement, has enabled the PCC to reinvest in operational priorities identified by the Chief Constable for 2016/17 into the new, emerging and increasing operational threats highlighted nationally and by the Force; these are detailed further within this report.

Future Risks, Challenges, Uncertainties and Opportunities

55. Whilst the savings required under the PCC's Police and Crime Plan Strategic Priority 18 intention have been achieved (enabling a balanced budget for 2016/17), the MTFS, together with the future risks, challenges and uncertainties show how this important area of work must continue. The PCC and his office will continue to work with the Force to ensure that their continued excellent track record in identifying and implementing efficiencies will continue.

56. This cultural change remains critical in that after 2016/17, even with a more favourable than anticipated settlement, savings will still be required to address the known risks and uncertainties.
57. Some of the further financial and operational risks and challenges are as follows:
- a. The unknown impact of any Future Funding Settlement, anticipated to be implemented in 2017/18, where all options have shown a detrimental impact for Leicestershire. Adding to this is the impact of the assumed reduction in Capital Grant by £0.53m (40%) in 2016/17 and a similar level of reduction is anticipated in future years.
 - b. The impact of a different grant assumption to that estimated in the MTFs for the years after 2016/17. Of note, every 0.5% reduction in grant equates to £0.525m less in available revenue (running) costs per year.
 - c. The uncertainties surrounding the national firearms and counter terrorism capabilities to address the threats – what these final intentions when proposals have been considered and determined by Ministers in late February/March 2016 will look like, and the impact regionally and locally of those intentions, whether this means an increase on the frontline or additional contributions.
 - d. The full impact of costs and funding arrangements for the new Emergency Services Network (ESN) are still unknown and, although the £1bn cost across all Emergency Services is included within their settlements, it is widely anticipated that the topslices for these will increase significantly in 2017/18 and future years, until the national financial benefits start to accrue in later years, in line with the cost profile of the national arrangements.
 - e. The operational and financial impact of the new, emerging and increasing areas of threat, including the locally reflected national concern and increasing demands of Child Sexual Exploitation, Adult and Child Sexual and Violent crimes, and increasing Cybercrime and extremism. From initial work on the Force's Strategic Assessment for 2016/17, which is in keeping with the national themes, it is clear that these areas of operational threat require more targeted investment and resources - some are one off and some ongoing requirements.
 - f. The capital programme requirements and the investment required to take the Strategic Alliance forward in advance of the timings of savings – whilst this may attract National Innovation Funding, these would still need match funding and financing.
 - g. Even under the “best case” scenario, a shortfall in resources of £1.1m in 2017/18 will increase to £4.6m by 2020/21 if no further action is taken. Under the “worst case” scenario, this range increases from £3.3m in 2017/18 to £10.6m by 2020/21.
58. However, these risks, challenges and uncertainties are under regular review and the steps already in train to mitigate these include:
- a. Re-investing savings to build in some of the Operational Requirements identified nationally and locally in the Draft Strategic Policing Requirement Assessment, as identified within this report within the baseline budget;

- b. To reflect the potential reduction in Capital Grant of 40% in each year, an additional Revenue Contribution to Capital Outlay of £0.815m as a one off transfer in 2016/17;
- c. The continuation of Outcome Based Budgeting (OBB) which commenced in 2015/16 and identified further savings across already lean back office functions. The OBB process will continue during 2016/17;
- d. PCC and OPCC oversight to ensure continued rigour and commitment takes place in meeting and identifying savings and efficiencies, at a regional and local level;
- e. Following a decision by the three PCCs and Chief Constables in Leicestershire, Nottinghamshire and Northamptonshire, work is already underway to develop a more detailed business case for a Strategic Alliance which will bring operational resilience and long term savings;
- f. Regular review of the Reserves Strategy to ensure sufficient earmarked reserves are in place and utilised appropriately, to ensure that the General Reserve is sufficient and that a suitable level of reserves is contained within the Budget Equalisation Reserve (BER) to enable targeted investment and the smoothing of additional costs before longer term realisation of savings.

2016/17 – Base Budget preparation, approach and scrutiny

- 59. 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.
- 60. The Force continues to consider key corporate risks when setting the budget. Essentially these risks are operational and organisational around managing people, infrastructure assets, information etc. 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.
- 61. 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.
- 62. Each year, the Force undertakes a major exercise to review its operational risks which are set out within the “Force Strategic Policing Assessment”. This work was also informed by the work of the Regional Collaboration Project Team looking at the extent of collaborative opportunities across the East Midlands.
- 63. 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 had been allocated to address a substantial risk i.e. this creates a significant risk gap.
- 64. A key part of this work was to bring together the Office of the Police and Crime Commissioner and Senior Officers across the Force, to consider the key risks that the Force faces and how best to address them.
- 65. The revised five-year financial forecast and, in particular, the 2016/17 budget contained within this report aligns the Force’s financial resources to risk and therefore is fundamental to the Force’s performance management regime.

66. The budget also takes into account the fact that the Force has delivered over £38m in cashable efficiency savings since 2009/10 in response to Home Office funding reductions arising from the Government's austerity measures.
67. The 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 2016/17. 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.
68. The PCC, together with the CFO and his Chief Executive have held regular discussions with the Chief Constable and his team throughout the year, particularly prior to and throughout the budget preparation process and the announcement and interpretation of the settlement.
69. These discussions have culminated in a number of full and robust discussions of the budget requirement, the national and local operational and financial challenges, the precept options available and a review of the MTFS and associated risks.
70. Furthermore, there has been a significant degree of scrutiny and challenge undertaken by the PCC and his team, prior to, during and post the Strategic Assurance Board on the 15th January 2016, culminating in final discussions on the 21st January 2016 (to obtain the most up to date information from the National Police Chiefs Council) to ensure the proposed precept has been informed by relevant information.

2016/17 Revenue Budget

71. The base budget for 2016/17 has been built based upon the 'budget rules' which are consistent with previous years and the risk based approach outlined earlier in the report.
72. In line with this approach, the Panel is advised that the total net budget requirement in 2016/17 is £170.840m. This equates to an increase of £2.28m from the 2015/16 net budget requirement level of £168.560m.
73. The budget requirement is detailed in Appendix 1 and the OPCC has undertaken full scrutiny of the detailed budget workings and the budget options with the Force and not least in discussions at the Strategic Assurance Board.
74. There are a number of areas where it may be helpful to highlight significant variations to the Panel in respect of the budget as the 2016/17 Budget includes operational reinvestment requirements to address the new, emerging and increasing threats and operational imperatives identified nationally and locally within the Strategic Policing Requirement Assessment. More specifically, these areas of reinvestment and their impact on the Base Budget include:
 - **Police Officers** - Increasing the Police Officer Establishment to 1,764 within the baseline budget to reflect an additional 38 Police Officers targeted towards building capacity, capability and resilience in the areas of Child Sexual Abuse, Child and Adult Abuse, Rape, Domestic Violence, Sexual Violence, Professional Standards and bringing together the Cyber and Sex Offender Protect and Prevent Teams.

- **Police Community Support Officers (PCSOs)** - Maintaining within the baseline budget the additional 28 PCSOs identified in the PCC's precept announcement in 2014/15 (and supported until March 2017 by an earmarked reserve) at an establishment level of 251. PCSOs deployed operationally by the Chief Constable will continue to be deployed in order to address areas of threat, risk and harm and be focussed towards core neighbourhood policing, prevention of high harm issues and local safeguarding.
- **Support Staff** – an additional permanent 35 support staff will be recruited to target working towards the most vulnerable areas of Child Sexual Exploitation, Child and Adult Abuse, Rape, Domestic Violence and Sexual Violence, together with a joined up Cyber and Sex Offender Protect and Prevent Team;
- Mindful of the future investment requirements of the Capital Programme and potential Strategic Alliance requirements and reflecting the reduction in Capital Grant for 2016/17 and anticipated in future years, the budget for 2016/17 includes a Revenue Contribution to Capital of £0.815m made to ensure borrowing costs are kept to a minimum.
- Funding for one off investment costs will be met from Reserves for non-recurring cost pressures for the above operational challenges and additional investment in mobile and covert Automatic Number Plate Recognition arrangements.
- Further efficiency savings of £0.599m from Outcome Based Budgeting have recently been identified within Back Office functions and these will be refined and implemented, reducing the cost of the Back Office arrangements even further below the national and most similar groups.

Office of the Police & Crime Commissioner (OPCC)

75. As highlighted to the Police and Crime Panel in December 2015, the table below shows how the OPCC net budget has consistently reduced year on year from £1.077m in January 2013 to £0.998m for 2016/17, a reduction of £48k (over 4.5%) since 2014/15 and £79k since January 2013.

	2013/14		2014/15		2015/16	2016/17
	Budget £000	Outturn £000	Budget £000	Outturn £000	Budget £000	Budget £000
Staffing, and Comms/PR	834	876	807	792	841	822
Force shared Exec Support, and Comms/PR	-	-	-	-	64	64
Misconduct Tribunal Costs, Audit Fees	105	79	101	101	97	82
Transport, Independent Custody Visitors ,training etc.	21	57	31	32	23	23
Ethics Committee	-	-	-	-	15	20
Policy Advisor , JARAP and Office costs	86	76	92	85	64	51
Cost before funding and reserve	1,046	1,088	1,031	1,010	1,104	1,062
V&W Grant funding	-	-	-	-	(64)	(64)
Use of Transitional Reserve	-	(42)	-	-	(15)	-
Net of funding and reserve	1,046	1,046	1,031	1,010	1,025	998

76. The following changes have been incorporated into the 2016/17 draft budget to ensure savings on 2015/16 budget of £27k as follows:
- a. Staffing costs have been updated to include the restructure changes previously advised;
 - b. The additional costs of pay awards, inflation and employer's additional national insurance costs totalling £10k have been absorbed in the OPCC budget;
 - c. A contingency of £15K has been set aside;
 - d. Savings in respect of contracts for internal and external audit fees of £15K have been realised in the budget;
 - e. The sum of £7.5K (50% of the Joint Audit Risk and Assurance Panel) costs has been transferred to the Force to reflect the Joint Panel arrangements;
 - f. The cost of the Ethics Committee of £20K has been mainstreamed within the budget (in 2015/16 the cost of setting up the Committee was funded from the transitional reserve);
 - g. The grant contribution towards Victims and Witness Administration and Management costs has been maintained at £64K to maximise the resources available to support Victim First and Commissioning Services.
77. In addition to the OPCC and Commissioning budgets, there is an OPCC Transition Reserve which was used to fund the necessary set up and transitional arrangements (as highlighted in the report to the Panel in June 2013). The balance on this reserve is contained within the Budget Equalisation Reserve (BER) and was provided to use towards set-up costs and new initiatives and the costs of recruitment and significant structural changes.
78. The PCC has determined that the balance remaining on the reserve at the end of his term, (anticipated at c.£115k by 31/3/16) will be set aside to support the new PCC in developing their office moving forwards from May 2016.

Commissioning

79. The Commissioning Framework was reviewed and refreshed in 2015/16 following detailed consultation to identify the PCC's Commissioning priorities for the remaining term of the Police and Crime Plan.
80. In his 2014/15 Precept, the PCC set aside the sum of £1m to supplement the Commissioning budget in delivering these priorities throughout the term of the Plan.
81. In 2016/17, £0.442m is included as a transfer from reserve and it is envisaged that there will be an unallocated balance of £0.901m as at 31/3/17 which the PCC has determined will be set aside for the incoming PCC to determine in line with their priorities moving forward from May 2016.
82. The Strategic Partnership Development Fund of £2m will be transferred from the BER to the Commissioning reserve, together with an additional £0.5m as identified within this report.

83. At the time of writing this report, the Ministry of Justice Victims and Witnesses Grant is in the process of being finalised for 2016/17. The MTFs assumes that funding will reduce by 15% over the period of the CSR in line with the MoJ Departmental reductions highlighted in the CSR. The Panel will be updated at the meeting.

Strategic Alliance

84. At a meeting of PCCs and Chief Constables on Thursday 17 December 2015, it was agreed that there is a real potential for the creation of a single policing model for the three Forces of Leicestershire, Northamptonshire and Nottinghamshire.
85. As a result it was agreed that a more detailed business case will now be developed to define what such an Alliance could constitute, with an intention to introduce unified leadership, a single way of working, uniformity in systems, training, policy and procedures, to ensure a consistently high quality standard of service across the three Forces.
86. The first phase of the Strategic Alliance will look at early alignment across the contact management functions by June 2017 and if the detailed business case proves viable, a full Alliance could be in place by 2020.
87. Where possible, the budgets for Leicestershire, Northamptonshire and Nottinghamshire have been prepared on common assumptions for Pay Awards, and inflation, creating a common baseline. Discussions continue nationally with the Home Office, PACCTS and the three Forces/PCCs finance teams to determine common grant assumptions.
88. Work on the full Business Case will be completed in Spring 2016 and this will include detailed work on the costs and timings of the Strategic Alliance, together with a preferred funding methodology.
89. Given these timescales, and that some investment is also subject to Innovation Fund Bids, it is not possible to include this information within the three PCC budgets or Precept reports for 2016/17. Therefore, in respect of Leicestershire, costs for Strategic Alliance work will be met from the BER once identified by the full Business Case. It is intended that an update will be provided on the MTFs to the June 2016 Police and Crime Panel meeting.
90. The Panel are advised that the three PCC precept reports across the three Force areas will all include a similar narrative for the Strategic Alliance.

Capital Programme 2016/17 to 2018/19 and Treasury Management - Investment Strategy

91. The Capital Programme is set out in Appendix 2 to this report. The revenue consequences of the proposed programme have been taken into account in the development of the revenue budget, and the required prudential indicators are set out in a separate report on this agenda. This was considered by both the OPCC and the Force at the Strategic Assurance Board on the 15th January 2016.
92. The Treasury Management report is set out at Appendix 3. 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. This was considered by both the OPCC and the Force at the Strategic Assurance Board on the 15th January 2016.

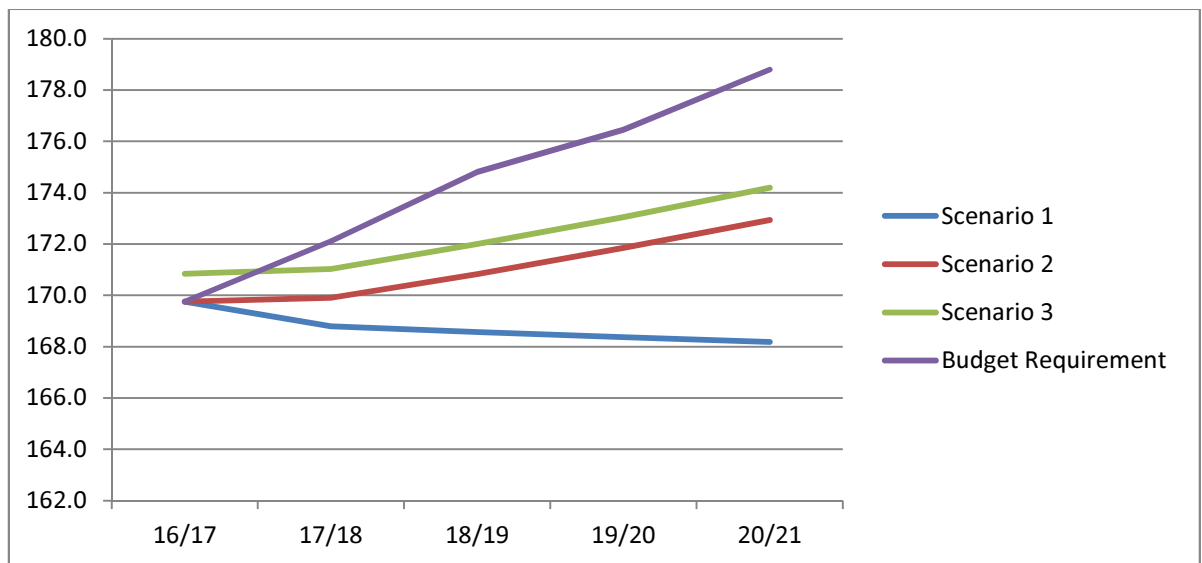
Medium Term Financial Strategy (MTFS)

93. It is a legislative requirement that the Police and Crime Plan must cover the period until the end of the year of the next election for PCCs, in this case to 31 March 2017.
94. However, it is appropriate that the MTFS covers not just the same period but extends this to 2020/21 to provide a longer term view to enable informed decision making to take place. This is not without its challenges, given that there is only a firm Government announcement of funding for 2016/17, together with the risks, challenges and uncertainties highlighted earlier within this report.
95. Due to the proactive work undertaken in Leicestershire in line with the previous MTFS, savings had already been identified and implemented for 2016/17 and future years. These savings (in addition to the grant settlement being more positive than previously anticipated), have enabled targeted reinvestment into operational areas identified within this report to take place and to ensure a balanced budget for 2016/17.
96. 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% per annum (source: professional prudent estimate based on the local position which is in excess of the 0.5% assumed by the Home Office nationally);
 - b. There is no new council tax freeze grant from 2016/17 onwards (source: as detailed within the provisional police settlement);
 - c. All existing council tax freeze grants continue up to and including 2020/21 (source: as detailed within the provisional police settlement);
 - d. Government funding reductions are 1% each and every year from 2016/17 onwards (source: in line with regional PCC and the majority of national estimates);
 - e. The collecting authorities' LCTS schemes deliver a cash neutral position when combined with the council tax support grant from the Government;
 - f. Pay and price increases are assumed at realistic levels (source: Pay increases of 1% were announced in the Chancellor's Autumn statement and price increases are consistent with other PCCs regionally and locally);
 - g. No additional, unfunded responsibilities are given to the PCC; and
 - h. The BER can fund any necessary invest to save projects and further borrowing beyond the capital programme is not required.

97. With the above assumptions, following the detail of the provisional grant settlement, the MTFFS has been modelled on a number of scenarios to reflect the best (scenario3) and worst (scenario1) cases and a shortfall/funding gap across the scenarios is set out in the table below:

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m
Scenario 1: (0% Increase, per year)	0	(3.320)	(6.236)	(8.088)	(10.609)
Scenario 2 (0% 16/17, 1.99% thereafter)	0	(2.217)	(3.973)	(4.609)	(5.854)
Scenario 3 (1.99% Increase, per year)	0	(1.092)	(2.809)	(3.044)	(4.606)

98. Taking the above assumptions, the MTFFS reveals a funding gap across the three scenarios as set out in the graph below:



Note: Scenario 3 requires a lower use of reserves to be utilised in 2016/17

99. The graph highlights that whilst there are still shortfalls at scenarios 2 (0% 16/17, 1.99% thereafter) and scenario 3 (1.99% per year), these scenarios do track closely the budget requirement trend, whilst still providing an ongoing, small requirement for further efficiencies.
100. However, under scenario 1 (0% increase per year), this reveals a funding shortfall by 2020/21 of £10.6m and produces a much larger requirement for efficiencies.
101. As part of his 2016/17 budget intentions, the PCC has reaffirmed his commitment to support the Force and the Chief Constable in seeking to identify and implement plans and efficiencies for 2017/18 and future years. The Chief Constable, his officers and the OPCC will continue to prioritise this work throughout the remainder of his term in office in order to provide a sustainable legacy to support the incoming PCC in May 2016.

Use of Reserves and Balances

102. In considering the precept options, it is important to look closely at the size, level and type of reserves to ensure that they are adequate to cover the purposes for which they are held and to provide some safeguards against the future risks identified within the budget.
103. Three types of Reserve are held: the General Reserve, Earmarked Reserves and the Budget Equalisation Reserve. These are explained further below:

a. General Reserve

There is a General Reserve held at £6m. This represents 3.5% of the net budget requirement for 2016/17 and is within recommended external audit and CIPFA levels of 3-5%. It is prudent to have such a reserve at this level to enable the organisation to withstand unexpected events which may have financial implications. There is no planned use of this reserve during 2016/17.

b. Earmarked Reserves

The PCC currently holds twelve Earmarked Reserves which at 31/3/15 amounted to £9.506m and those to note are as follows:

OPCC Commissioning Reserve £1.3m – this will reduce to £0.9m by 31/3/17 to support the Commissioning Framework and will be available for use by the incoming PCC. Funding for the SPDF will be both transferred and utilised from the Reserve.

PCSO Reserve £2.2m – in line with the determination to baseline the additional 28 PCSOs at the level of 251, this reserve will be applied to support that expenditure and will be fully exhausted by 2019/20.

Carry Forwards £2.6m – This reserve includes funds committed at year end to finance specific expenditure in future years.

Jointly Controlled Operations £0.9m – this relates to regional activities where the financial arrangements are managed by Leicestershire.

Civil Claims £0.7m – This reserve holds funds set aside where considered prudent for Civil Claims (Public and Employer liability) in line with professional advice.

Capital Reserve £0.4m – to support future Capital expenditure.

Proceeds of Crime Act - £0.7m – reserve funded from proceeds of crime, used to support Force's capability in specific investigative areas.

Juniper Lodge £0.4m – unspent funds from partners in respect of the Juniper lodge facility and being utilised to develop the New Parks SARC facility.

c. Budget Equalisation Reserve

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 £10.5m at 31/3/16, and its purpose when established in line with the Reserves Strategy was twofold:

1. To fund invest to save and other new initiatives and investments (for example the Change Programme)
2. To recognise that some savings would take time to implement (particularly in respect of Police Officers where attrition is at a lower level than reductions required) and to smooth the impact of these changes

To support the operational investment requested by the Force, the PCC has agreed the following use of the reserve:

- to earmark up to £1.7m for one off investment to colocate staff together in a cyber/sex offender prevention protect and prevent team, purchase Automatic Numberplate Recognition Equipment (ANPR) and fund set up costs and build resilience, capacity and capability in the ongoing operational requirement areas supported in this precept proposal.
- Furthermore, as highlighted earlier in this paper, the PCC will transfer a further £0.5m to the Commissioning reserve which will be used to support proposals from within the following priority areas:
 - Partnership response to Cybercrime
 - Partnership response to Counterterrorism, Extremism and Radicalisation
 - Further partnership response to Vulnerability, to include Drug and Alcohol misuse, Street Drinking and other areas identified by SPB.

As at 31/3/17, there will be an estimated balance on the reserve of £9m which will be utilised primarily towards investment and transformational costs associated with the proposed Strategic Alliance and match funding for Home Office Innovation Fund bids reported on elsewhere.

104. The OPCC receives regular updates on the level and use of Reserves, together with the Capital Programme and Treasury Management Strategy as part of the budget monitoring process and both of these areas were fully considered in the budget and precept discussion at the Strategic Assurance Board on 14th January 2016.

Precept Options – Council Tax Consultation

105. Throughout December 2015 and closing on the 6/1/16, a survey of 603 residents of Leicester, Leicestershire and Rutland were undertaken by telephone, together with an online survey running simultaneously which attracted 509 responses, providing a total number of 1,112 respondents (as compared to 863 in 2015/16).
106. The survey advised that:

“.....the Commissioner is continuing to seek to drive efficiencies through the Force to minimise the council tax burden on local residents, but should this not be possible, he is seeking your views on what you should pay towards policing for 2016/17.”

107. The survey highlighted the savings already identified for the period of the Police and Crime Plan and sought views on options of 0%, 1.5% and 2% increases.
108. The survey was undertaken in two ways, through the Force's external survey company, and via an online form on the Force webpage and the OPCC webpage. The survey was emailed to key partners and stakeholders, including the Chamber of Commerce and Police and Crime Panel members.
109. The PCC is appreciative of the time taken by respondents to complete the survey. Their views have been critical in informing his proposed precept decision for 2016/17. A copy of the survey results will be available on the OPCC website shortly.
110. The methodology applied to the survey was consistent with that applied in 2015/16 and is detailed within the survey results as follows:
 - It is often impractical to collect the opinions of every single person in a population. However, it is possible to assess opinion by gaining the views of a representative sample of the population and hence gleaning an understanding of what overall opinion is likely to be.
 - This is done by use of statistical sampling whereby one can calculate (by comparing the size of the total population to the size of the sample), and obtain confidence that the opinions of the sample are reflective of the opinions of the whole population. The greater the proportion of people surveyed, the greater the confidence received that the collective view of those surveyed is reflective of the population as a whole.
 - This level of assurance is expressed in terms of the confidence that the true result is within a certain latitude of an actual numeric average of what the sample shows.
 - Equally, if one knows what level of assurance is required, the sample size that would be required to achieve this can be calculated.
 - Both the Home Office and HMIC have determined that, in terms of information relating to policing, the acceptable level of confidence is to aim to have a sample that will provide 95% confidence that the average results in the sample are within +/-4% of what the average of the overall population would be were everyone in that population surveyed.
 - Therefore, this consistent methodology has been applied to the analysis required for local consultation.
 - The methodology for the outsourced survey aimed to be statistically representative of the population at Force level (603), by gender age and ethnicity. The number of respondents for each of the former LPU areas aimed to be proportionate to the population of that area (Census 2011).
 - The online survey completed by 509 respondents, (163 in 2015/16) was not subject to the sampling methodology therefore the sample collected from this survey method is not entirely proportionate. As identified later in the report, this is most evident in the over representation of the 45 (and above) age brackets.

111. Using the methodology given, this means that since 70.7% of residents indicated an increase of 2% in the precept level is acceptable, this option was the preferred one for between 68.2% and 73.2% of the population.
112. The results of the survey show an even greater preference for a 2% increase than in 2015/16 where 56.1% of those who responded said that they would pay an increase of 2% on the current amount.
113. The table below shows that the telephone survey showed an overwhelming level of support (at 81%) for a 2% increase when compared to the online survey. However, the opposite was true in 2015/16 where 74.2% online respondents supported a 2% precept compared to 51.7% for the telephone survey.

	Survey		Online		Combined	
	No.	%	No.	%	No.	%
Freeze	45	7.5%	159	31.2%	204	18.4%
Increase by 1.5%	69	11.5%	51	10.0%	120	10.9%
Increase by 2%	484	81.0%	299	58.8%	783	70.7%
Total	598	100%	509	100%	1,107	100%

Note: Declined/Refused of 5 are excluded from the results

114. In Council boundaries, due to lower levels of responses, confidence levels varied, but in all instances, the majority of respondents preferred an increase of 2% as follows:

	Preferred Option						Total	
	Freeze		+1.5%		+2%		Consultees	C.I.+/-%
City Council	59	19.9%	35	11.8%	202	68.2%	296	4.9%
Charnwood	28	16.6%	18	10.7%	123	72.8%	169	6.5%
Melton	9	14.3%	8	12.7%	46	73.0%	63	10.7%
Rutland	9	15.5%	6	10.3%	43	74.1%	58	11.1%
NW Leics	18	20.0%	7	7.8%	65	72.2%	90	8.9%
Blaby	18	16.7%	10	9.3%	80	74.1%	108	8.2%
Harborough	13	12.3%	12	11.3%	81	76.4%	106	8.2%
Hinckley & Bosworth	18	15.0%	18	15.0%	84	70.0%	120	7.7%
Oadby & Wigston	8	13.3%	4	6.7%	48	80.0%	60	10.9%
Unknown	24	64.9%	2	5.4%	11	29.7%	37	N/A
Total	204	18.4%	120	10.9%	783	70.7%	1,107	2.5%

Note: C.I. confidence level

115. In line with the methodology highlighted above, the total survey provided a confidence level of over 95% to be representative at Force level by gender, age and ethnicity. Key information is as follows:
- Although numerically at first sight there appeared to be an underrepresentation by BME respondents in the survey when compared to the population, statistically it is within reasonable parameters.
 - In terms of gender, there was a little variation between the preference for a 2% increase for female (73.9%), compared to male respondents (71.9%), although it is not statistically significant.

- In terms of age range, there are slightly more respondents between the age range of 45-64 who said that they support the increase compared to respondents between the age of 25-44.

In all instances, a 2% increase was supported by the majority of respondents.

116. Residents were asked to provide comments under key categories, and the responses can be grouped as follows:

Comment/Theme	Freeze	1.5%	2.0%	Total
The increase is not a large amount to pay	0	3	236	239
The Police Service has been cut enough/More police presence needed not less/the level of service should be maintained	0	4	215	219
Can not afford to pay/No increase in income/Already pay too much	86	14	0	100
Already pay a lot but can afford a bit more/costs are still increasing	0	57	0	57
The police need more money to provide the level of service they provide	0	1	50	51
Police are needed to keep communities safe	0	0	50	50
The police do a good job and need the support	0	1	42	43
With current threats and issues the police are needed	0	0	34	34
Government should pay for the police/funding should come from elsewhere/other agencies waste money	13	2	6	21
Have been a victim of crime/crime rate is low need the police to keep it like that/if police service reduced crime would increase	2	0	16	18
The Force should budget more/waste less money/make cuts in senior roles	12	0	1	13
Don't pay the bills, but choice seems fair	1	2	1	4
Total	114	84	651	849

117. In summary, the survey shows that an increasing majority of residents of 70.7%, compared to 56.1% in 2015/16 are in favour of increasing the precept by up to 2%. This reaffirms the precept strategy adopted on which the Police and Crime Plan and associated MTFS were based.

118. The results from the survey are in keeping with the early results being shared from other national surveys being undertaken nationally by other PCCs.

Precept Options

119. In order to calculate the precept increase required for 2016/17 to fund the budget requirement, after taking account of the Government formula grant and the use of reserves, it is necessary to have regard to two figures. Firstly, the value of the council tax base for the area and secondly, the Police and Crime Commissioner's share of the estimated surpluses (or deficits) on the billing authorities' collection funds for the preceding financial year (2015/16).

120. At the time of writing this report, provisional council taxbase information has been provided by all billing authorities and reflects an increase of 2.65% or 7,838 Band D equivalent properties. The collection fund surplus reflects the performance of the billing authorities in collecting council tax in 2015/16 and the tax base reflects the number of households upon whom council tax can be levied, usually quoted in Band D equivalent numbers. The latest information supplied by the billing authorities has been used in this report and this will be updated where possible in the report to the Police and Crime Panel.
121. As mentioned above, no council tax freeze grants apply for 2016/17 although previous years freeze grants have been honoured in the settlement.
122. The Department for Communities and Local Government (DCLG) confirmed in the draft Ministerial Statement the referendum principles that will apply in 2016/17. These are that the increase in an authority's council tax requirement in 2016/17 will be considered 'excessive' if its Band D council tax in 2016/17 is increased by 2% or more compared with 2015/16.
123. There are exceptions for PCCs whose 2015/16 Band D council tax is in the lower quartile; their increase can be over 2%, up to £5. This latter exception does not apply to Leicestershire.
124. If it were decided to increase the Band D council tax by 2% or more, then a public referendum would be required to seek to identify what support there might be for that level of increase. These are not only costly exercises, but also delay council tax collection, which has negative cash flow impacts for all authorities.
125. In the light of this information three council tax options were consulted on as detailed within Precept Options – Council Tax Consultation.
 - a. **Option 1 – no increase in Band D council tax**
 - b. **Option 2 – a council tax Band D increase of 1.5%**
 - c. **Option 3 – a council tax Band D increase of 1.99%**
(which is in line with the Government's CSR assumptions).
126. For the second year in a row, the 1.5% option received very minimal support, therefore, three scenarios were modelled for the MTFS to give the PCC an understanding of best and worst case scenarios.
127. In considering the impact of these three scenarios on the overall resources of the Police and Crime Commissioner over the medium term, in line with the CSR assumptions, all scenarios assume that grant reduces by 1% year on year to reflect current assumptions around future top slicing of Police Grant. The MTFS detailed earlier in the report has been based on these three options.
128. When considering the level of Council Tax Band D increase to set, a number of factors must be taken into consideration. These include:
 - a. the capacity to address the priorities as set out in the current and future Police and Crime Plan;
 - b. the potential efficiencies to be derived from the current change programme;

- c. the hitherto good track record in driving costs down and efficiency up but acknowledging the limitations around this moving forward;
 - d. future funding forecasts and the longer term MTF5;
129. Other factors which are worth noting in relation to Council Tax levels (Source: HMIC VFM indicators) for Leicestershire are as follows:
- At £180.00 in 2015/16, Leicestershire's Council Tax level for a Band D property is higher than both the national average at £175.10 and the MSG average of £160.10.
 - Regionally, Council Tax levels for Band D properties in 2015/16 are:
 - £173.61 (Derbyshire)
 - £176.40 (Nottinghamshire)
 - £180.00 (Leicestershire)
 - £197.64 (Lincolnshire)
 - £200.96 (Northamptonshire)
 - Leicestershire PCC receives a lower level of Precept per head of population at £51.80, compared to national levels of £56.80 but slightly higher than the most similar group of £51.70.
 - Additionally, Leicestershire raises significantly less through Council Tax than others, with a Council Tax yield (the amount per £1 of Council Tax collected that goes to the local policing body) of £0.29 per £1 of Council Tax raised compared to £0.32 nationally £0.33 for the most similar group.
 - As highlighted above, Leicestershire receives less central funding per head of population nationally at £106.80 compared to £115.90 and slightly more for the most similar group at £106.10. This is in keeping with the impact on local authorities in Leicester, Leicestershire and Rutland.

Precept proposal

130. After carefully taking into account all the factors highlighted within this report, the PCC is proposing a 1.99% Precept increase which would provide for the following to happen.
- a. First, it enables the Force to carry out the operational enhancements which, for the reasons outlined, are vital to protect our neighbourhoods and communities, and,
 - b. Second, it will give adequate provision for the as yet unknown financial costs pressures relating to increased Firearms capability and Counter Terrorism work and other risk areas identified in this report.
131. Given that the PCC is not standing for re-election, and given that he also sees it as his duty not to leave his successor in any parlous financial state that could have been obviated by making a different decision, he has decided to propose this increase.
132. In making this proposal, the PCC is extraordinarily grateful to those who took part in the Precept surveys which showed unequivocally the public's willingness to pay more in order to safeguard policing in their neighbourhoods and communities.

133. Additionally, in making this proposal, the PCC is satisfied that in doing so , he is leaving Leicestershire Police fully resourced in its need to remain operationally capable whilst also being suitably lean but assuredly financially viable.

Statement of the Chief Constable

134. In proposing the precept and associated conditions, the PCC has sought views from the Chief Constable and his statement on the PCC's precept proposal for 2016/17 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 must also support the PCC in the delivery of the strategy and objectives set out in the Police and Crime Plan, assist in the planning of the Force's budgets, have regard to the strategic policing requirements 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 issued by the PCC.

My preferred option is an increase in the Precept of 1.99% as this best enables the Force to deliver the Police and Crime Plan, and meet the requirements of the Strategic Policing Requirement going forward.

HMIC assessed us as "good" in the recent National PEEL assessment.

In the Efficiency assessment HMIC found "that Leicestershire Police is well prepared to face its future financial challenges. It has balanced the budget and has a good track record of achieving savings. The Force has recently introduced a new way of organising itself (its operating model) based on a detailed analysis of demand. In last year's value for money inspection, which considered how Forces had met the challenge of the first spending review period, Leicestershire Police was judged to be good'.

They also assessed us as demonstrating value for money, with the 8th lowest costs nationally on support functions offering the opportunity to deliver frontline services. HMIC's assessment when austerity began was that policing could sustain a 12% cut without the frontline being impacted, our cut is 20%.

The Force Change Programme sets out the challenges of maximising the impact of the money that we do have, which is still a considerable amount, on community safety within the terms laid out by the Police and Crime Plan. In striving to provide the best service possible to local people and to keep them as safe as possible we are doing focused work on demand management and looking at our productivity.

The Force has identified a number of areas which it is progressing in order to close the funding gap:

2016/17

Regional Collaboration – will deliver further savings anticipated at £0.5m of which £0.3m is expected from work within Criminal Justice and Operations.

Output Based Budgeting – expected to realise between £0.6m and £1.2m in 2016/17.

Local Projects – are anticipated to realise further savings this financial year. Projects being scoped include workforce modernisation, vacancy management, reduction in training costs associated with specialist roles, reduction in overtime expenditure, embargo on non-critical estate improvements, and a recruitment restriction/freeze.

The Force is considering savings opportunities through:

1. Force structure including rank structures, supervisory levels and ratios and working hours.
2. Increased productivity and this will be inspected by the HMIC during the year ahead.
3. The opportunity for savings to middle and back office and operationally. This will include looking at options with partners as part of a Strategic Alliance with Nottinghamshire and Northamptonshire Police.
4. Demand Management; we will seek, with partners, to make Predictive Demand Management the norm.
5. Continued vigour with our Volunteers Strategy: seeking innovative engagement opportunities.
6. Wider local public sector “join up”; where we can realistically “join up” in support of the same agendas to deliver a better service and at the same time release much needed savings in the process.
7. We will also seek to identify effective opportunities to work with partners, possibly pooling some budgets on issues such as victims, safeguarding, CSE, cyber-crime, mental health and other emerging priorities identified within the Strategic Assessment and the ongoing review of partnerships.

We live in an age where the desire for a visible policing presence remains key to ensuring community confidence, yet whilst officers visibly patrol the streets the greatest threat may be coming into your house through the internet. To meet this challenge we will be innovative, seeking to protect the vulnerable whilst targeting offenders.

The Panel’s support through Community Safety Partnerships, joined up demand management, and shared risk appetites will be crucial in ensuring our continued success.”

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

135. The Local Government Act 2003, Part 2, Section 25, as amended by the Police Reform and Social Responsibility Act 2011, requires the PCC'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 PCC 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. At the Strategic Assurance Board on the 15th January 2016, a statement was prepared by the PCC and Force Finance Director to provide assurance to the Board that these factors have been jointly considered. Since that date, dialogue, scrutiny and challenge has continued where new factors or information has been highlighted.
136. In the sections above, titled "2016/17 – Base Budget – preparation, approach and scrutiny" and "2016/17 Base Revenue Budget", 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. In the majority of cases I have agreed with the assumptions being made, and where I have sought changes then they have been incorporated.
137. Furthermore, I have worked with the Force Finance Director to agree consistent assumptions and methodologies and where possible with Chief Finance Officer colleagues in Northamptonshire and Nottinghamshire which has assured that these have been benchmarked with peers.
138. Together with the Force Finance Director, Chief Officer colleagues, OPCC Chief Executive and the PCC, I have reviewed, scrutinised and challenged the Business Cases for operational reinvestment. This has included reviewing the operational and financial risks to ensure the operational requests are coherent with the Plan and future risks. I have also scrutinised the profiling and allocation of expenditure and transfers from reserves.
139. I am assured that there is work underway to refine and ratify the identified Efficiency Savings from the Outcome Based Budgeting process which have been built into the 2016/17 budget and future years' MTFS.
140. 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 Strategic Assurance Board.
141. 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 sought authorisations from billing authorities in relation to taxbase and council tax surplus/deficits.
142. The Chief Constable has proposed the operational requirements he requires for 2016/17 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.
143. 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 such as pensions and insurance.

144. In coming to my conclusion on the robustness of the budget I have also reviewed the separate papers on Capital Expenditure (Appendix 2) and Treasury Management (Appendix 3).
145. The sections in this report on “Future Risks, Challenges, Uncertainties and Opportunities” and the “MTFS” highlight significant unknown issues moving forwards in the medium term for both operational and financial areas.
146. Whilst this report does reveal that 2016/17 shows a balanced budget and the efficiencies identified in the Police and Crime Plan for 2013-17 will have been met and exceeded by the 31/3/17, the MTFS, however, reflects that under all three scenarios, savings will still be required from 2017/18 to 2020/21.
147. I conclude that the budget for 2016/17 has been prepared on a robust basis and that although shortfalls have been identified for 2017/18 and thereafter, they are manageable and plans are already being progressed to address these.
148. Beyond 2017/18, there is a high level of uncertainty as to how the finance settlement might look and following the headlines identified in the Chancellor’s Autumn Statement, although a better than anticipated settlement is proposed during the period of the CSR, both at a national and a local level, it is reasonable to assume that the operational and financial challenges will continue and these are reflected as best estimates in the MTFS to 2020/21.
149. I conclude, therefore, that the budget for 2016/17;
1. Has been prepared on a robust basis, and
 2. Includes the reinvestment as advised by the Chief Constable in the key operational areas in 2016/17 and future years.
 3. In the short term, the budget is stable and reserves are sufficient, however,
 4. the financial landscape after that time is uncertain and significant financial challenges have been identified within the MTFS which need to be considered and plans progressed.

Implications

Financial:	This report for the Police and Crime Panel to note the precept proposal, the financial position, uncertainties and timescales.
Legal:	The PCC 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, providing additional resources in some areas of disadvantaged communities and vulnerable highlighted in the EIA of the Plan. Additionally, the survey is comprised of a representative sample of Leicester, Leicestershire and Rutland.
Risks and – Impact:	Risks have been identified within the report.
Link to Police and Crime Plan:	The report provides an update on the Strategic Priority 18

List of Appendices

Appendix 1 Budget and Precept 2016/17 to 2020/21
Appendix 2 Capital Programme 2016/17 to 2018/19
Appendix 3 Treasury Management – Investment Strategy

Background Papers

Provisional Police Grant Report – 17 December 2015
Council Tax Referendum Principles – 17 December 2015
2016/17 Leicestershire Police and Crime Commissioner Precept Survey

Persons to Contact

Mrs H King, Chief Finance Officer, Office of the Police and Crime Commissioner
Tel 0116 229 8984, Email: helen.king@leicestershire.pnn.police.uk

Mr P Dawkins, Finance Director, Office of the Chief Constable
Tel 0116 222 2244, Email: paul.dawkins@leicestershire.pnn.police.uk

Appendix 1

		Precept Increase	1.99%	1.99%	1.99%	1.99%	1.99%
2015/16 Approved Budget			2016/17 Revenue Budget	2017/18 Revenue Budget	2018/19 Revenue Budget	2019/20 Revenue Budget	2020/21 Revenue Budget
£			£	£	£	£	£
94,385,744	Police Pay & Allowances		91,611,598	90,243,120	90,783,096	90,066,220	89,829,285
37,426,734	Staff Pay & Allowances		36,540,794	38,077,525	38,857,495	39,720,509	40,834,237
7,341,143	PCSO Pay & Allowances		7,247,809	8,020,952	8,244,658	8,474,054	8,757,664
139,153,621			135,400,201	136,341,597	137,885,249	138,260,783	139,421,186
4,134,719	Police Pensions		4,187,866	4,214,415	4,249,707	4,287,685	4,326,118
25,375,241	Non-Pay Expenditure		26,499,710	28,004,264	29,024,490	29,790,762	30,567,400
1,774,610	Inflation Contingency		1,931,603	1,157,431	1,157,431	1,157,431	1,157,431
(11,107,130)	Income		(11,798,766)	(11,817,751)	(11,903,810)	(11,990,536)	(12,093,632)
20,177,440			20,820,413	21,558,359	22,527,818	23,245,342	23,957,317
7,896,758	Regional Collaboration		8,325,773	8,731,338	8,820,250	8,913,256	9,007,262
1,104,195	OPCC		1,061,330	1,016,969	1,040,344	1,064,180	1,093,620
4,343,000	Commissioning		4,611,000	4,169,067	4,169,067	4,169,067	4,169,067
172,675,014			170,218,717	171,817,330	174,442,728	175,652,628	177,648,452
(1,102,000)	Specific Grants		(1,101,702)	(994,702)	(951,702)	(908,702)	(908,702)
-	- Re-investment		2,880,409	2,636,818	2,556,126	2,581,687	2,607,504
-	- Revenue contribution to capital		814,989	-	-	-	-
-	- Efficiency Savings		(598,724)	(678,514)	(688,514)	(758,514)	(758,514)
(1,295,479)	Transfers to/from Earmarked Reserves		(1,373,529)	(663,024)	(552,236)	(471,236)	206,764
170,277,535	Net Budget Requirement		170,840,160	172,117,908	174,806,402	176,095,863	178,795,504
(1,717,301)	Surplus / (Funding Gap)		-	(1,091,754)	(2,808,538)	(3,044,263)	(4,605,728)
168,560,234	Net Revenue Budget		170,840,160	171,026,154	171,997,864	173,051,600	174,189,776
	Funding						
65,720,384	Police Grant		65,345,458	64,672,898	64,007,064	63,347,888	62,695,304
39,876,209	Business Rates		39,648,721	39,252,234	38,859,711	38,471,114	38,086,403
7,020,391	Council Tax Support Grant		7,020,391	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	1,910,530
816,985	Collection Fund Surplus		1,201,443	495,443	495,443	495,443	495,443
53,215,735	Precept		55,713,617	57,674,658	59,704,725	61,806,234	63,981,705
168,560,234			170,840,160	171,026,154	171,997,864	173,051,600	174,189,776
£179.9951	Band D Council Tax		£183.5770	£187.2302	£190.9561	£194.7561	£198.6317
1.99%	% Increase		1.99%	1.99%	1.99%	1.99%	1.99%
3.51	£ Increase		3.58	3.65	3.73	3.80	3.88
6.8p	Increase per week in Pence		6.9p	7.0p	7.2p	7.3p	7.5p

Appendix 1 (cont)

		Precept Increase	1.99%	1.99%	1.99%	1.99%	1.99%
2015/16 Approved Budget £			2016/17 Revenue Budget £	2017/18 Revenue Budget £	2018/19 Revenue Budget £	2019/20 Revenue Budget £	2020/21 Revenue Budget £
£	Precept by Billing Authority		£	£	£	£	£
		<i>Tax Bases</i>					
5,535,091	Blaby	31,566.60	5,794,902	5,998,874	6,210,026	6,428,609	6,654,885
9,387,839	Charnwood	53,538.80	9,828,492	10,174,441	10,532,568	10,903,297	11,287,074
5,749,172	Harborough	32,787.50	6,019,031	6,230,892	6,450,211	6,677,248	6,912,275
6,382,365	Hinckley & Bosworth	36,398.60	6,681,946	6,917,141	7,160,615	7,412,657	7,673,569
12,135,027	Leicester City	69,206.00	12,704,630	13,151,816	13,614,739	14,093,957	14,590,039
3,154,518	Melton	17,990.20	3,302,587	3,418,833	3,539,172	3,663,745	3,792,702
5,316,329	North West Leicestershire	30,319.00	5,565,871	5,761,782	5,964,589	6,174,532	6,391,865
2,971,105	Oadby & Wigston	16,944.20	3,110,565	3,220,053	3,333,394	3,450,724	3,572,184
2,584,289	Rutland	14,738.19	2,705,593	2,800,826	2,899,411	3,001,465	3,107,112
53,215,735		303,489.09	55,713,617	57,674,658	59,704,725	61,806,234	63,981,705

£	Precept by Band	Apportionment	£	£	£	£	£
119.9967	Band A	6/9	122.3847	124.8201	127.3041	129.8374	132.4211
139.9962	Band B	7/9	142.7821	145.6235	148.5214	151.4770	154.4913
159.9956	Band C	8/9	163.1796	166.4268	169.7388	173.1165	176.5615
179.9951	Band D	9/9	183.5770	187.2302	190.9561	194.7561	198.6317
219.9940	Band E	11/9	224.3719	228.8369	233.3908	238.0352	242.7721
259.9929	Band F	13/9	265.1668	270.4436	275.8255	281.3144	286.9125
299.9918	Band G	15/9	305.9617	312.0503	318.2602	324.5935	331.0528
359.9902	Band H	18/9	367.1540	374.4604	381.9122	389.5122	397.2634

CAPITAL PROGRAMME 2016-17 TO 2018-19**Background**

1. The Government support for capital spending includes the capital grant which directly supports the capital programme. Since 2004 the Prudential Code has given the police authority and now the PCC the freedom to set its own borrowing limit subject to compliance with the Code.

Prudential Code

2. The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. A further key objective is to ensure that treasury management decisions are taken in accordance with good professional practice.
3. The Prudential Indicators required by the Code are designed to support and record local decision making. They are not designed to be comparative performance indicators.
4. The main objective in consideration of the affordability of the capital programme is to ensure that total capital investment remains within sustainable limits, and in particular to consider its impact on the council tax.
5. In assessing affordability the Office of the Police and Crime Commissioner (OPCC) has to take into account all the resources currently available to the organisation and estimated for the future, together with the totality of its capital plans, revenue income and revenue expenditure forecasts for the coming year and the following 2 years.
6. In relation to being prudent there is a need to ensure that, over the medium term, net borrowing will only be used for capital purposes. It is also prudent to ensure that treasury management is carried out in compliance with the CIPFA Code of Practice for Treasury Management in the Public Services and limits are set on fixed and variable interest rate exposures, and on the maturity structure of borrowing.
7. The decisions on capital investment need to take into account option appraisal, asset management planning, strategic planning for both the OPCC and Force and the achievability of the forward plan.

Prudential Indicators

8. The actual 2014/15 capital expenditure and the estimated capital expenditure for the current year and future years are:-

	2014/15	2015/16	2016/17	2017/18	2018/19
	Actual	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m
Total	7.1	5.8	8.6	5.7	2.7

9. The estimates of the ratio of financing costs to the net revenue stream for 2014/15 and for the current and future years are:-

2014/15	2015/16	2016/17	2017/18	2018/19
Actual	Estimate	Estimate	Estimate	Estimate
%	%	%	%	%
1.12	1.30	1.46	1.82	2.09

10. The actual capital financing requirement at 31 March 2015 and the estimates for the current and future years are:-

	31.3.15	31.3.16	31.3.17	31.3.18	31.3.19
	£m	£m	£m	£m	£m
Total	22.8	24.2	28.2	29.5	27.6

11. The capital financing requirement (CFR) measures the OPCC's need to borrow for capital purposes. In order to ensure that over the medium term net borrowing will only be for a capital purpose, the OPCC has to ensure that net external borrowing does not, except in the short term, exceed the total of the CFR in the preceding year plus estimates of any additional CFR for the current and next two years. The OPCC met this requirement in 2014/15, and is expected to do so in future years.

12. In respect of external debt, the recommended authorised limits for total external debt, gross of investments, for the next three financial years are shown below:-

	2015/16	2016/17	2017/18	2018/19
	£m	£m	£m	£m
Borrowing	19.2	20.4	26.5	28.5
Long Term Liabilities	2.3	1.9	1.4	1.0
Total	21.5	22.3	27.9	29.5

13. These authorised limits are consistent with the OPCC's current commitments, existing plans, and potential future IT Strategic Alliance proposals for capital expenditure and its financing, and the approved treasury management policy. The authorised limit for 2015/16 is the statutory limit determined under section 3(1) of the Local Government Act 2003.
14. There is a need to have an approved operational boundary for external debt which is based on the same estimates as the authorised limit (para 12). The operational boundary reflects an estimate of the most likely level of debt. It does not include the additional headroom within the authorised limit that allows for unusual cash movements.

	2015/16	2016/17	2017/18	2018/19
	£m	£m	£m	£m
Borrowing	18.2	19.4	25.5	27.5
Long Term Liabilities	1.8	1.4	0.9	0.5
Total	20.0	20.8	26.4	28.0

15. The OPCC's actual external debt at 31 March 2015 was £14.2m. The amount is split between the Public Works Loans Board (PWL) figure of £12.4m and Leicestershire County Council £1.8m (transferred debt from 1995 regarding the formation of police authorities as per the Police and Magistrates Courts Act 1994. This has now transferred to the OPCC).

It is planned that the 2015/16 'borrowing requirement' of £2.9m will be met by internal cash balances.

16. The estimate of the incremental impact of capital investments proposed in this report for Band D Council Tax per week are:

2016/17	2017/18	2018/19
0p	8p	4.1p

17. A monitoring system is in place and reports on progress against the indicators are taken to the OPCC.

Proposed Capital Programme

18. The capital programme has been prepared in consultation with budget holders on the basis of operational need and risk. The Estates programme reflects the 'Estates Strategy' discussed at the Strategic Assurance Board on the 15th January 2016. The IT programme reflects investments in our local infrastructure and systems. Specific schemes to support the Strategic Alliance will be presented later in the year for approval once the detail becomes available.

Savings of £98k have been achieved on the 2016/17 Fleet Replacement Programme as a result of the new collaborative purchasing contract.

19. A summary of the proposed Capital Programme for 2016/17 is shown in the table below.

<i>Proposed Capital Programme 2016/17</i>			
Expenditure	£000	Funding	£000
Property	2,750	Capital Grant (TBC)	800
Information Technology	3,769	Borrowing Requirement	5,827
Emergency Services Network	1,050	Capital Receipts	560
Vehicle Fleet	1,033	Home Office Grants (TBC)	500
		Revenue Contributions	915
Total	8,602	Total	8,602

20. The Programme includes property schemes relating to a proposed (subject to formal sign-off) co-location of Coalville police station with the Fire Service providing for a smaller efficient building, the continuation of major refurbishments at Beaumont leys and the remodelling of the Force HQ residential and amenities blocks to create additional office space to support the Force's 'agile working' programme. The information technology expenditure includes significant investment in the data and voice Infrastructure and mobile devices to support the new policing model and regional collaborative projects. Planned replacements for the existing vehicle fleet are also included.

Funding Arrangements

21. The 2016/17 capital grant has not yet been confirmed by the Home Office. This will be announced with the final settlement in February 2016. However, the Capital grant has been reduced nationally by 40% and a similar reduction has been assumed reducing the provisional capital grant from £1.3m to £0.8m. After the utilisation of receipts arising from the sale of properties as part of the Strategic Estates Strategy and the application of revenue contributions to capital schemes, the borrowing requirement is **£5.827m** for 2016/17.

22. The Capital Programme assumes that the 16/17 borrowing requirement of £5.827m is financed through maturity loans from the PWLB at an indicative interest rates of 3.54% for 25 years, 2.90% for 10 years and 2.46% for 6 year loans.

Background Papers

Home Office Settlement Notification via the Home Office website

TREASURY MANAGEMENT – INVESTMENT STRATEGY

Background

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. The Treasury Management Strategy is approved annually to run from 1st April to the following 31st March.
3. The Strategy has evolved in recent years in response to the relative instability within the banking sector. This saw the removal of all European/foreign banks and all but one Building Society (Nationwide) from the authorised lending list.
4. 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.

Treasury Management Strategy

5. The core aim is to generate additional income for the OPCC but by balancing risk against return. The avoidance of risk to the principal cash amounts takes precedence over maximising returns.
 - i. Managing daily cash balances and investing surpluses

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 £15k. At any one time, the OPCC has in excess of £21m available to invest. The current lending list is as follows:-

<u>Institution</u>	<u>Maximum Loan</u> £m	<u>Maximum Period of</u> <u>Loan</u>	<u>Short-Term Credit</u> <u>Ratings **</u>
Royal Bank of Scotland plc	10.0	364 days	F1 / A-2 / P-2
Lloyds TSB Bank plc	10.0	364 days	F1 / A-1 / P-1
Barclays Bank plc	10.0	364 days	F1 / A-1 / P-2
HSBC Bank plc	10.0	364 days	F1+ / A-1+ / P-1
Nationwide Building Society	10.0	364 days	F1 / A-1 / P-1
Debt Management Office	*	364 days	n/a

** No limit is set. The DMO tends to pay a low rate of return and hence are used only when funds can not be placed with other approved institutions.*

*** Short-term credit ratings (valid as at 17/12/2015) are as supplied by the OPCC's brokers - Tullet Prebon (Europe) Ltd. The highest potential ratings are F1+ (Fitch), A-1+ (Standard & Poor's) and P-1 (Moody's) respectively.*

ii. **Borrowing**

Funds are only borrowed to finance part of the Capital Programme. External borrowing is from the Public Works Loan Board (PWLB) at below commercial rates. The critical factor in determining the length of such loans is the view on the future movement of interest rates.

Borrowing may be made from internal cash resources where it is considered appropriate by the OPCC having assessed its merits against the external alternative.

Any borrowing, whether internal or external, will be timed such that the impact on the OPCC is as advantageous as possible.

Latest Position regarding Treasury Management

6. The banking sector continues to show signs of instability alongside the wider economy. In this context it is not yet advisable to consider a return to placing investments with the majority of Building Societies or European/Foreign banks. This is in keeping with the OPCC's stated aim of protecting the principal (cash) amount.
7. 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.

1. Continued monitoring of the ratings agencies' assessment of institutions takes place and is reported to SAB throughout the year via the "Treasury Management Performance" report.
9. The Bank of England Base Rate has been at 0.50% since 5th March 2009. Returns have therefore been lower in recent years as can be seen below:

<u>Financial Year</u>	<u>Interest Income</u>	<u>Comments</u>
2008/09	£1.48m	Actual
2009/10	£0.18m	Actual
2010/11	£0.12m	Actual
2011/12	£0.10m	Actual
2012/13	£0.25m	Actual
2013/14	£0.14m	Actual
2014/15	£0.12m	Actual
2015/16	£0.09m	Forecasted
2016/17	£0.09m	Proposed Budget

External Advice

10. External advisers have not been used over the last year. However they may be used on an *ad hoc* basis if required.

Borrowing Limits

11. In accordance with the Prudential Code it is a requirement that the OPCC set borrowing limits for the next 3 years. These limits are intended to reduce risk. It is proposed that the limits should be as follows:

		2015/16	2016/17	2017/18	2018/19
		£m	£m	£m	£m
(i)	Total authorised borrowing limit*	19.2	24.1	30.2	32.2
(ii)	Long term liabilities	2.3	1.9	1.4	1.0
(iii)	Interest payable limit on borrowing at variable rates	0.2	0.2	0.2	0.3
(iv)	Interest payable limit on borrowing at fixed rates	0.6	0.6	0.7	0.7

* includes headroom for short term borrowing - £1m for each year and potential future IT strategic Alliance proposals.

12. The OPCC has an obligation to repay transferred debt to Leicestershire County Council, to finance capital spending prior to 1st April 1995. The amount outstanding at 30th November 2015 was £1.356m and is subject to interest charged at variable “pool” rates.
13. The Prudential Code also recommends that the Police and Crime Commissioner sets upper and lower limits for the maturity structure of its fixed rate borrowing. The following limits are proposed:-

	Upper Limit	Lower Limit
Under 12 months	20%	0%
Between 12 months and 24 months	20%	0%
Between 24 months and 5 years	20%	0%
Between 5 years and 10 years	50%	0%
Over 10 years	100%	25%

POLICE & CRIME COMMISSIONER FOR LEICESTERSHIRE POLICE AND CRIME PANEL

PAPER MARKED

Report of	POLICE AND CRIME COMMISSIONER
Date	TUESDAY 2 FEBRUARY 2016 – 1:00pm
Subject	COMMISSIONING FRAMEWORK 2016/17
Author	MR SIMON DOWN – COMMISSIONING MANAGER, OPCC

Purpose of Report

1. The purpose of this report is to inform the Police and Crime Panel ('the Panel') on the refreshed Commissioning Framework for 2016/17, the process through which it was developed, the feedback from stakeholders and our responses.

Recommendations

2. The Panel are recommended to note the contents of the report.

Background

3. Since the commencement of the Police and Crime Commissioner (PCC) the OPCC has been developing its commissioning processes and building a diverse market of provision to meet the aims of the Police and Crime Plan. This has culminated in Sir Clive's final Commissioning Framework which sets out the commissioned services that will be funded during 16/17 and leaves a strong legacy for the incoming PCC.
4. The Police and Crime Plan outlines four key themes and a number of strategic priorities which together provide clear direction for allocating the available commissioning budget to maximum effect. The Commissioning Framework 2015-17 set out our spending intentions for 2015/16 and expected figures for 2016/17 against that plan. A refresh for 2016/17 (Appendix A) has been produced both to confirm/update expected figures and also to set out further investments in response to strategic developments.

Executive Summary

5. The refresh has taken into account feedback from partners and wider stakeholders who have considered the draft (for consultation) Commissioning Framework 2016/17 and provided feedback which has shaped our final plans. All responses and our comments back are detailed in appendix B.
6. Budgets have been allocated to each of the 4 strategic themes of the Police and Crime Plan as set out in table 1 below and with full details within Appendix A.

Table 1

Strategic Theme	2016/17 funding (£m)
Reducing Offending and Re-offending	1.995
Supporting Victims and Witnesses	1.185
Making Communities and Neighbourhoods Safer	0.105
Protecting the Vulnerable	0.206
Partnership Locality Fund (various themes)	0.450
Total	3.940

7. An Equalities Impact Assessment has been undertaken for the refreshed framework (Appendix C).

Process

8. So as to ensure input from as wide a range of partners and stakeholders as possible we undertook an electronic consultation. This took the form of a document which set out the key changes and posed a series of questions to elicit structured responses around those elements of the framework which were open to being influenced (much of the framework having already been set in place through the Commissioning Framework 2015-2017).
9. Consultation responses were then gathered together, analysed and a report was produced for the PCC to consider.
10. The decision record, along with the completed refreshed Commissioning Framework 2016/17, was then placed on the PCC website and the link distributed to partners and stakeholders along with Appendix B.

Key points of the consultation

11. The key points from the consultation were:
- a) strong support for a full year's Partnership Locality Fund allocation which will now be provided
 - b) strong support for Project 360 (proactive short term support for repeat victims of domestic abuse) which we are currently re-procuring
 - c) strong support for voluntary tags for the Integrated Offender Management (IOM) cohort (enabling those voluntarily tagged to use the tag as a reason not to engage with their peers in criminal activity) which will now be provided
12. All responses received are in Appendix B with our associated comments.

Implications

Financial:	None
Legal:	None
Equality Impact Assessment:	See Appendix C
Risks and Impact:	None identified
Link to Police and Crime Plan:	The Framework is split down by the strategic themes of the Police and Crime plan to ensure full and proper linkages.

List of Appendices

- Appendix A – Commissioning Framework 2016/17 Refresh
- Appendix B – All consultation responses and our comments back
- Appendix C – Equalities Impact Assessment

Background Papers

None.

Persons to Contact

Mr Simon Down, tel: 0116 229 8704 , email:



Commissioning Framework

2016/17 Refresh

Contents

		Page
1.	Introduction	3
2.	Background	4
3.	Commissioning Budget	4
4.	Commissioning Outcomes	5
5.	Commissioning Framework	5
6.	Funding Mechanisms:	6
	a) Direct Commissioning	6
	b) Co-commissioning	6
	c) Partnership Locality Fund	7
	d) PCC Grant	8
7.	Appendix A - Strategic Priorities	9
8.	Appendix B - Existing commitments for 2016/17	10
9.	Appendix C - 2016/17 additional allocations	19
10.	Appendix D - Glossary	20

1. Introduction

As the Police and Crime Commissioner for Leicestershire, I have some very specific responsibilities which include the following:

- Assuring an effective and efficient Police Service.
- Writing the Police and Crime Plan ('the Plan'), ensuring that it continues to reflect the aspirations and concerns of local people; I am charged with holding the Chief Constable to account in its delivery.
- And, lastly, setting the local precept which is the local tax to help fund the Police.

But there is another, absolutely key, part of my role which is to help the Chief Constable and other partners to drive down crime and anti-social behaviour by fulfilling my statutory duty to commission services in support of the Plan. Actually, I aim to commission 'outcomes' – an aspiration that demonstrates my determination to achieve value for taxpayers' hard-earned money as we continue to develop our commissioning processes.

This is the final, refreshed, Commissioning Framework (which covers the period up to March 2017) which I will issue as PCC. As before, it is directly aligned to the Plan, with each commissioning intention being demonstrably linked to my strategic priorities. It has, again, been produced in consultation with a wide range of partner organisations and local communities, who have helped to define not only the commissioning intentions but also the ways in which the desired outcomes will be purchased. For this iteration, we have also carried out a broad consultation – and we have listened. Hence, for example, I have decided to commission services for the full financial year 16/17, despite the fact that this reduces my successor's ability to make early and different choices – for this was the clear wish from you during the consultation process. So, as before, I remain very grateful to partners for their inputs, and I look forward to hearing how well these initiatives have delivered – even if that is from the slightly estranged position of my 'second retirement'!

This important work will play its own part in our joint contribution towards driving down crime thereby increasing the safety of the residents of Leicester, Leicestershire and Rutland.



23rd October 2015

**Sir Clive Loader
Police and Crime Commissioner
Leicester, Leicestershire and Rutland**



2. Background

- 2.1 The Police and Crime Commissioner (PCC) for Leicestershire is responsible for setting the strategic direction for policing in Leicester, Leicestershire and Rutland (LLR) through the Police and Crime Plan. The Plan covers the whole of the PCC's period in office and is valid for the period of 1 April 2013 to 31 March 2017. The Chief Constable is responsible for the operational delivery of policing, including the Strategic Policing Requirement. The PCC is responsible for understanding and supporting the dynamic relationship between policing and local partner activity in support of the strategic priorities in the [Police and Crime Plan](#).
- 2.2 The priorities set out in the Plan inform the PCC's decisions as to what funding is made available to the police and partners to secure reductions in crime and disorder. The PCC must identify opportunities for reducing crime, enabling communities to feel and be safer, protecting people who find themselves in a vulnerable situation and ensuring that victims and witnesses of crime and anti-social behaviour are positively supported.
- 2.3 The Police and Crime Plan was revised and re-published in October 2013. The Plan outlines four key themes (please refer to section 5.1) and a number of strategic priorities (Appendix A), which provide a clear direction for allocating the available budget to maximum effect. This Commissioning Framework sets out how the PCC intends to align the commissioning budget with those key themes and strategic priorities.
- 2.4 The Commissioning Intentions were first issued in 2013 and refreshed as the Commissioning Framework for 2014/15 and 2015/16 and this document details the refresh of the Commissioning Framework for 2016/17.

3. Commissioning Budget

- 3.1 The 2016/17 budget and precept will be set by the existing PCC in line with the Police and Crime Plan 2013-17.
- 3.2 Included within this, the commissioning budget for 2016/17 is anticipated to be £4.611m¹.
- 3.3 The proposed Commissioning Framework 2016/17 includes an element which will be available for consideration by the new PCC.
- 3.4 The proposed Commissioning Framework for 2016/17 includes £3.940m committed previously and these are detailed further in Appendix B
- 3.5 There is available funding therefore of £0.671m of which £0.332m in 2016/17 which will be allocated in line with Appendix C.

¹ This number includes assumptions made concerning the 2015/16 outturn against budget and is subject to review for the remainder of the financial year.

4. “Commissioning Outcomes”

- 4.1 The PCC has made it clear that outcomes and not services will be commissioned. With this in mind, this Commissioning Framework has been created which, as it is used and developed, will ensure future commissioning decisions are focused on the achievement of clearly defined outcomes.
- 4.2 It is recognised that partners may have difficulties in identifying and measuring the impact of their proposed initiative(s) on the outcomes within the Police and Crime Plan. The Commissioning Framework has been designed to be an operational tool that strives to keep performance measurement processes as simple as possible.
- 4.3 It will be the PCC’s responsibility, through staff within the OPCC, to monitor progress for each commissioned activity against the proposed outcomes. A range of performance management systems will be used to do this. The OPCC will continue to work with partners and providers to develop performance indicators and an outcomes framework that can be easily managed and reported on.

5. Commissioning Framework

- 5.1 The Commissioning Framework is based upon the four themes, and strategic priorities, within the Police and Crime Plan. The themes (within the Police and Crime Plan) are:
- 1) Reducing offending and re-offending
 - 2) Supporting victims and witnesses
 - 3) Making communities and neighbourhoods safer
 - 4) Protecting the vulnerable
- 5.2 The Commissioning Framework provides a clear and consistent way forward for the commissioning of each theme. It outlines how the PCC will commission for outcomes to achieve the priorities set out in the Police and Crime Plan. Four different types of funding mechanism have been developed. These are the ways in which the PCC will purchase the intervention needed to deliver outcomes. Information about the indicative commissioning values for 2016/17 are included in Appendices B and C.
- 5.3 A range of performance measures across all themes and outcomes have been developed and are being used to support contract tender specifications and final approved contracts. The performance management options continue to be developed with partners as measures and indicators are introduced and tested. The performance indicators are used by the OPCC to select the best measure(s) for the interventions they wish to purchase. The OPCC will continue to work with providers and partners to develop meaningful measures that can reliably evidence that progress is being made across all areas.

6. Funding Mechanisms

- 6.1 The PCC has considered the ways in which the initiatives needed to achieve the outcomes in the Police and Crime Plan can be delivered. The following principles have been considered:

- The existing commissioning arrangements of partners should be used where they are fit for purpose, can deliver the PCC's outcomes within time and added value is achieved through the partnership approach. This will maximise local commissioning expertise.
- There should be a focus on value for money, maximising resources and ensuring the impact of the money spent is measured and the value is assessed.
- Commissioning should take place at regional, sub regional (i.e. Leicester, Leicestershire and Rutland) and locality levels. Systems should be fit for purpose and work with existing structures where these are operating well.
- Best practice in relation to procurement will be applied. The PCC expects all procurement processes to follow best practice and be accessible for any provider, including the voluntary sector, unless a single provider dispensation has been agreed (please refer to 6.2a below). All relevant regulations and legislation will also apply including the Equalities Act 2010 which includes the Public Sector Equality Duty.

6.2 There are four funding mechanisms as follows:

- Direct commissioning** – the PCC has/ will directly tender or contract with a provider. There are a number of areas where it is more efficient for the PCC to commission directly in order to achieve the desired outcomes. There are some instances where a single provider dispensation will be applied. This relates to situations when there is only one provider who, given the nature of the outcomes to be commissioned, can be considered and contracted with directly. Examples include the Local Resilience Forum, Troubled/Supported Families Programmes and Crimestoppers.
- Co-commissioning** – existing commissioners are already commissioning outcomes on behalf of the PCC under contracts. There are a number of both established and emerging commissioning structures which take on all or some of the core commissioning tasks. These include:
 - Reducing Reoffending Board
 - Sub Regional Substance Misuse Commissioning Board (managed by Leicester City Council)
 - Joint Commissioning Assurance Board (for sexual and domestic violence support)
- Partnership Locality Fund (PLF)** – via the Community Safety Partnerships (CSP) who have a unique role in assessing, analysing, and responding to local need around crime and community safety. As such they have both a proactive strategic function and a reactive tactical function when assessing the threats to individual localities.

In order to benefit from the existing structures and systems in place, the PCC will make a financial contribution towards the delivery of each Community

Safety Partnership Delivery Plan. CSPs will be required to provide a copy of their 2016/17 Plan, together with a budget breakdown and performance framework. Meetings will then be held with each CSP to discuss their plan and clarify any issues. Funding will not be provided for any activity/service that duplicates existing provision in the locality.

Timescales for agreeing the PLF will be determined by the CSPs as it is recognised that each CSP produces its Plan at a different time of year. However, all meetings in relation to 2016/17 funding will need to be held by the end of February 2016 at the latest.

Following consultation, £450,000 will be made available for the full year 2016/17 which will be allocated using the Vulnerable Localities Index (as per table 1 below and appendix B). Further details of this methodology are available at <https://www.ucl.ac.uk/jdibrief/analysis/Vulnerable-Localities-Index>

Table 1.

CSP	2016/17
Blaby	£29,700
Charnwood	£67,950
Harborough	£23,850
Hinckley and Bosworth	£36,000
Leicester City	£215,100
Melton	£15,750
North West Leicestershire	£31,950
Oadby and Wigston	£19,800
Rutland	£9,900
Total	£450,000

- d) **The PCC Grant** - inviting community and voluntary sector organisations to submit applications to support the achievement of specific commissioning intentions and related outcomes in identified hotspot locations. Only those funds agreed through the previous PCC grants process will be provided under the current Police and Crime Plan (see appendix B for details). However, this funding mechanism may, at the discretion of the successful PCC candidate, be used in support of the new Police and Crime Plan.

- 6.3 For all funding mechanisms the PCC will hold contracts/agreements with the successful organisations that specify the detail of what outcomes are to be commissioned and for what value. The contracts/agreements will also specify

quality standards, as well as performance measures for monitoring purposes and will include details of how the PCC will manage any instances where the outcomes are not being achieved.

Strategic Priorities

Theme: Reducing Offending and Reoffending

1. Preventing and diverting young people from offending
2. Reducing reoffending amongst young people and adults
3. Reducing alcohol and drug related offending and reoffending
4. Reducing crime and anti-social behaviour (ASB) caused by families in a Troubled/Supporting Families programme

Theme: Supporting Victims and Witnesses

5. To increase reporting of domestic abuse and ensure a positive outcome for victims and witnesses of domestic abuse
6. To increase reporting of serious sexual offences and ensure a positive outcome for victims and witnesses of serious sexual offences
7. To increase reporting of hate crimes and ensure a positive outcome for victims and witnesses of hate crime offences
8. To prevent ASB and to continuously improve the quality of service and response to victims of anti-social behaviour
9. To continually improve the quality of service and response to victims of crime

Theme: Making Communities and Neighbourhoods Safer

10. To continuously improve the police service to the communities of Leicester, Leicestershire and Rutland
11. To reduce all crime
12. To reduce domestic burglary and ensure a positive outcome for victims of burglary offences
13. To reduce violence against the person – with injury and ensure a positive outcome for victims of violent crime – with injury offences
14. To reduce vehicle crime and ensure a positive outcome for victims

Theme: Protecting the Vulnerable

15. To prevent child abuse and child sexual exploitation (CSE) and provide a safe and supportive environment for victims and witnesses
16. Improving the response, service and outcomes for those with mental health needs
17. To reduce the number of repeat missing person reports

Existing commitments for 2016/17

Strategic Theme	Contract Name /Initiative and description	16/17 value	Organisation with whom we have a contract	Commissioning framework classification	Primary P&CP Strategic priority	Secondary P&CP Strategic priority	Geographical reach
Reducing Offending and Re-offending	Specialist substance misuse services – Adults and Young People	£370,136	Leicestershire County Council and Leicester City Council	Co-com	SP3	SP2	Leicestershire County and Leicester (not Rutland)
Reducing Offending and Re-offending	IOM – Contribution towards Integrated Offender management	£368,000	Leicestershire Police to Reducing Re-offending Board	Co-com	SP2	SP4	LLR
Reducing Offending and Re-offending	MAPPOM – Drugs testing, Alcohol liaison Officer, Drugs Intelligence Officer for priority and prolific offenders	£216,405	Leicestershire Police	Direct	SP3	SP2	LLR
Reducing Offending and Re-offending	Police Officer Support to city and county YOS	£162,554	Leicestershire Police	Direct	SP1	SP2	LLR
Reducing Offending and Re-offending	Youth Mentoring – Working with those at risk of entering the criminal justice system	£147,556	Twenty-Twenty	Direct	SP1	SP2	LLR
Reducing Offending and Re-offending	Adult Substance Misuse for sub-region – Contribution to substance misuse treatment services	£98,750	Leicester City Council	Co-com	SP3	SP2	LLR
Reducing Offending and Re-offending	Think Family – A contribution to the Priority Family approach taken by Leicester City Council	£89,250	Leicester City Council	Direct	SP4	SP2	Leicester City
Reducing Offending and Re-offending	Leicester City YOS – Contribution to the Youth Offending Service in Leicester City	£84,446	Leicester City Council	Direct	SP1	SP2	Leicester City

Reducing Offending and Re-offending	Supporting Leicestershire Families – A contribution to the Priority Family approach taken by Leicestershire County Council	£78,750	Leicestershire County Council	Direct	SP4	SP2	Leicestershire County
Reducing Offending and Re-offending	Leicestershire and Rutland YOS – Contribution to the Youth Offending Service in Leicestershire and Rutland	£77,934	Leicestershire and Rutland Youth Offending Service	Direct	SP1	SP2	Leicestershire County and Rutland (not city)
Reducing Offending and Re-offending	Youth prevention and diversion –City – Targeted diversionary youth activities working with either young offenders or those likely to offend	£72,150	Leicester City Council	Direct	SP1	SP2	Leicester City
Reducing Offending and Re-offending	Youth prevention and diversion-County – Targeted diversionary youth activities working with either young offenders or those likely to offend	£63,825	Leicester County Council Early Help Services	Co-com	SP1	SP2	Leicestershire County
Reducing Offending and Re-offending	Adult Mentoring – Working with offenders to help them to move towards and maintain positive behaviours and attitudes	£50,000	Derbys, Leics, Notts and Rutland Community Rehabilitation Company	Direct	SP2	SP3	LLR
Reducing Offending and Re-offending	Multi Agency Public Protection Arrangements (MAPPAs) – A contribution to the MAPPAs and the work that it undertakes	£34,029	Police	Direct	SP2		LLR
Reducing Offending and Re-offending	Anchor Centre – Contribution towards the Anchor centre where vulnerable street drinkers are able to receive support	£34,000	Leicester City Council	Co-com	SP3	SP2	Leicester City

Reducing Offending and Re-offending	Young Persons Substance misuse – City – Substance misuse treatment service for young offenders	£13,000	Leicester City Council	Co-com	SP3	SP2	Leicester City
Reducing Offending and Re-offending	Young Persons Substance misuse – County – Substance misuse treatment service for young offenders	£12,000	Leicestershire County Council (L&R YOS)	Direct	SP3	SP2	Leicestershire County and Rutland (not city)
Reducing Offending and Re-offending	Young Adult Project – Identifying and implementing a series of system-wide recommendations focussed on improving outcomes for young (16-24 yr old) offenders	£10,000	OPCC	Co-com	SP2	SP1	LLR
Reducing Offending and Re-offending	Changing Lives-Rutland – A contribution to the Priority Family approach taken by Rutland County Council	£7,000	Rutland County Council	Direct	SP4	SP2	Rutland
Reducing Offending and Re-offending	Youth prevention and diversion-Rutland – Targeted diversionary youth activities working with either young offenders or those likely to offend	£3,700	Rutland CC Places Directorate	Direct	SP1	SP2	Rutland
Reducing Offending and Re-offending	Substance misuse add on to PLF – Provision for substance misuse interventions in Rutland	£1114	Rutland CC	Direct	SP3	SP2	Rutland
Reducing Offending and Re-offending Subtotal	-	£1,994,599	-	-	-	-	-
Supporting Victims and	Victim First – Victim support and advocacy service (including	£634,384	Catch 22	Direct	SP9		LLR

Witnesses	helpline and face to face support)						
Supporting Victims and Witnesses	SV/DV - Sexual and Domestic Violence Information and Support Service (including helpline and IDVA/ISVA provision	£268,877	Partnership agreement with Leicester City Council	Co-com	SP5/6	SP9	LLR
Supporting Victims and Witnesses	Target Hardening – Increasing the security of the homes of victims of crime.	£80,000	24/7 Locks	Direct	SP8	SP9	LLR
Supporting Victims and Witnesses	SARC – Sexual Abuse Referral Centre for victims of sexual abuse	£67,906	Leicestershire Police	Co-com	SP6	SP9	LLR
Supporting Victims and Witnesses	Makes Moves – Charnwood – Youth Café and street based youth work to reduce youth related ASB in the area.	£34,735	Go-Getta CIC	PCC Grant	SP8	SP1	Sub - Leicestershire County
Supporting Victims and Witnesses	Street Sport – Targeted sports sessions to reduce youth related ASB in New Parks, Braunstone Park and Rowley Fields, Abbey and Spinney Hills beats	£23,800	Community Projects Plus	PCC Grant	SP8	SP1	Sub-Leicester City
Supporting Victims and Witnesses	Make Moves – Loughborough – Youth Centre and street based youth work to reduce youth related ASB in the area.	£21,585	Go-Getta CIC	PCC Grant	SP8	SP1	Sub - Leicestershire County
Supporting Victims and Witnesses	Changing Tracks – Early intervention working with young people and their families (accessed through schools) to prevent ASB in Braunstone Park and Rowley Fields, Abbey and	£17,612	Pedestrian Limited	PCC Grant	SP8	SP1	Sub-Leicester City

	Beaumont Leys beats						
Supporting Victims and Witnesses	Pay it Forward – Early intervention working with young people to prevent ASB in the Loughborough East beat	£15,835	Pedestrian Limited	PCC Grant	SP8	SP1	Sub - Leicestershire County
Supporting Victims and Witnesses	Sentinel – Contribution towards the Anti-Social Behaviour case work system that sits across LLR	£10,000	Leicestershire Police for Sentinel	Direct	SP8	SP4	LLR
Supporting Victims and Witnesses	Hardship fund – bespoke fund available to victims via Victim First which will help to mitigate the impact of crime on victims	£10,000	Catch 22	Direct	SP9	SP12	LLR
Supporting Victims and Witnesses Subtotal	-	£1,184,734	-	-	-	-	-
Making Communities & Neighbourhoods Safer	Crime stoppers National Hub – A contribution to the national service for the confidential reporting of information in relation to crimes	£26,190	Crime stoppers National Hub	Direct	SP10	SP11	Nationwide
Making Communities & Neighbourhoods Safer	Domestic Homicide Reviews – City – A contribution to enable through cross partnership reviews to be undertaken which ensure that lessons are learnt from domestic homicides either in or with a link to Leicester	£16,000	Leicester City Council	Direct	SP11		Leicester City
Making Communities & Neighbourhoods Safer	Domestic Homicide Reviews – County/Rutland - A contribution to enable thorough cross partnership reviews to be undertaken which ensure that	£16,000	Leicestershire County Council	Direct	SP11		Leicestershire County and Rutland (not city)

	lessons are learnt from domestic homicides either in or with a link to Leicestershire/ Rutland						
Making Communities & Neighbourhoods Safer	Youth Commission – Co-ordinating and supporting the work of the youth commission to challenge and quality assure the police from a young person’s perspective	£15,000	OPCC	Direct	SP10	SP11	LLR
Making Communities & Neighbourhoods Safer	Local Resilience Forum – Contribution to the LRF which helps to co-ordinate partner agencies during critical incidents	£6,536	Leicestershire County Council	Direct	SP10		LLR
Making Communities & Neighbourhoods Safer	VCS infrastructure support– City – supporting voluntary and community sector organisations in engaging with the commissioning process	£5,000	Leicester City Council	Co-com	SP11		Leicester City
Making Communities & Neighbourhoods Safer	VCS infrastructure support– supporting voluntary and community sector organisations in engaging with the commissioning process	£20,000	To be confirmed	Direct	SP11		Leicester, Leicestershire and Rutland
Making Communities & Neighbourhoods Safer Subtotal	-	£104,726	-	-	-	-	-
Protecting the Vulnerable	Children’s Safeguarding Board – County – A contribution to the safeguarding board and the	£43,945	Leicestershire County Council	Direct	SP15	SP17	Leicestershire County and Rutland (not city)

	work that it undertakes						
Protecting the Vulnerable	Children’s Safeguarding Board – City – A contribution to the safeguarding board and the work that it undertakes	£43,945	Leicester City Council	Direct	SP15	SP17	Leicester City
Protecting the Vulnerable	CSE Return Interview post – Interviewing and providing initial support to return runaways from Children’s residential homes in order to identify and mitigate risks to these young people	£41,000	Leicester City Council	Direct	SP15	SP17	LLR
Protecting the Vulnerable	Contribution to the Mental Health Partnership Development Manager Post – Co-ordinating partnership working in relation to mental health and Leicestershire police	£40,000	OPCC	Direct	SP16		LLR
Protecting the Vulnerable	Adults Safeguarding Board – City – A contribution to the safeguarding board and the work that it undertakes	£8,500	Leicester City Council	Direct	SP15	SP17	Leicester City
Protecting the Vulnerable	Adults Safeguarding Board – County and Rutland – A contribution to the safeguarding board and the work that it undertakes	£7,970	Leicestershire County Council	Direct	SP15	SP17	Leicestershire County and Rutland (excluding Leicester City)
Protecting the Vulnerable	Clinical Mental Health Nurse in Victim First – provision ensuring that victims and witnesses of crime who have had their mental wellbeing significantly impacted upon by offences will	£20,564	TBC	Direct	SP16	SP9	LLR

	be supported and referred to appropriate care pathways						
Protecting the Vulnerable Subtotal	-	£205,924	-	-	-	-	-
Various (PLF)	Leicester City PLF – Contribution towards delivering the areas’ community safety plan	£215,100	Leicester City Council	PLF	Various	Various	City
Various (PLF)	Charnwood PLF – Contribution towards delivering the areas’ community safety plan	£67,950	Charnwood Borough Council	PLF	Various	Various	Charnwood
Various (PLF)	Hinckley and Bosworth PLF – Contribution towards delivering the areas’ community safety plan	£36,000	Hinckley and Bosworth Borough Council	PLF	Various	Various	Hinckley and Bosworth
Various (PLF)	North West (NW) Leicestershire – Contribution towards delivering the areas’ community safety plan	£31,950	NW Leicester District Council	PLF	Various	Various	North West Leicestershire
Various (PLF)	Blaby PLF – Contribution towards delivering the areas’ community safety plan	£29,700	Blaby District Council	PLF	Various	Various	Blaby
Various (PLF)	Harborough PLF – Contribution towards delivering the areas’ community safety plan	£23,850	Harborough District Council	PLF	Various	Various	Harborough
Various (PLF)	Oadby and Wigston PLF – Contribution towards delivering the areas’ community safety plan	£19,800	Oadby and Wigston Borough Council	PLF	Various	Various	Oadby and Wigston
Various (PLF)	Melton PLF – Contribution towards delivering the areas’ community safety plan	£15,750	Melton District Council	PLF	Various	Various	Melton

Various (PLF)	Rutland PLF – Contribution towards delivering the areas' community safety plan	£9,900	Rutland County Council	PLF	Various	Various	Rutland
Various (PLF) Subtotal	-	£450,000	-	-	-	-	-
Grand Total	-	£3,939,983	-		-	-	-

2016/17 additional allocations

Name/description of provision	16/17 cost	Need for service identified via...	Linkages to PCP
Project 360 (DAST) – A partnership approach to repeat medium – low risk DV cases that reduces repeat incidences.	£292,000	Previous commissioning process and now backed up by academic assessment	Supporting Victims and Witnesses - Increasing the reporting of domestic abuse and ensuring a positive outcome for victims
Tags for IOM cohort – Voluntary tagging of IOM cohort as a preventative measure to reduce reoffending amongst this group	£40,000	Reducing Re-offending Board/ Police – joint funded by force	Reducing offending and Reoffending Reducing reoffending amongst YP and adults
Total	£332,000	-	-

NB. These initiatives have already been funded in 2015/16 and will be funded in 2016/17 as a result of the outcomes of the consultation.

The forecasted balance of £0.339m will be held as a Commissioning Reserve and used to cover any remaining eventualities under the current PCC and allow for flexibility in funding decisions for 2016/17 for the incoming PCC.

Appendix (D)**Glossary**

ASB	Anti-Social Behaviour
CSE	Child Sexual Exploitation
CSP	Community Safety Partnership
CYP	Children and young people
DAST	Domestic Abuse Support Team
IDVA	Independent Domestic Violence Advocate/ Advisor
IOM	Integrated Offender Management
ISVA	Independent Sexual Violence Advocate/ Advisor
Locality	Blaby District, Charnwood Borough, Harborough District, Hinckley and Bosworth Borough, Leicester City, Melton Borough, North West Leicestershire District, Oadby and Wigston Borough or Rutland County
LLR	Leicester, Leicestershire and Rutland
LRF	Local Resilience Forum
MAPPA	Multi Agency Public Protection Arrangements
MAPPOM	Multi Agency Prolific and other Priority Offender Management
OPCC	Office of the Police and Crime Commissioner
PCC	Police and Crime Commissioner
P&CP	Police and Crime Plan
PLF	Partnership Locality Fund
Regional	East Midlands which includes Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire
SP (1-17)	Strategic Priorities of the Police and Crime Plan
SV/DV	Sexual violence/domestic violence
VCS	Voluntary and Community Sector
YP	Young Person
YOS	Youth Offending Service

This page is intentionally left blank

Appendix B

Question	Answers from stakeholders	OPCC response
<p>Q1a. Do you support only awarding 6 months of PLF for April to September 2016 against Sir Clive's Police and Crime Plan with the expectation that the incoming PCC may award a further 6 months funding against their priorities?</p>	<p>No = 9 Yes = 2 Blank = 4</p>	<p>It is clear from the responses that providing only 6 months PLF funding carries some significant risks in terms of delivery of positive outcomes with the majority asking that a full years PLF funding be given. In response to this we can confirm that we will be awarding a full years funding for 16/17.</p>
<p>Q1b. If we were to provide the full years PLF funding how could we ensure that the priorities of the new PCC are reflected in PLF provision?</p>	<p>Personally, the PLF supports core functions and activities within the local CSP, which is best placed to respond to the area's needs and community desires, while linking into the local area assessments and the police crime plan. I really don't think that the incoming PCC will radically change the CSP's workings or the core area of police business tackling core crime, violence related incidents, CSE or Cyber Crime, if they do, then CSP and partners will have to adjust their local plans in accordance with the new PCC's outcome desires.</p> <p>I cannot imagine that priorities would change that greatly as the plan is relevant and up to date – it will be very distracting and will create instability and uncertainty for those that rely on the 12 month funding to deliver their programmes of work. This reminds me of the issues we had at the beginning of the PCC's term in office where 6 months was all that was given until the plan had been agreed. I understand the sentiment but think that sensible commissioning of major priorities would also be acceptable to any incumbent PCC who would also need time to reflect on their new plan and priorities which wouldn't happen immediately anyway.</p> <p>I feel unable to comment on this as we are unsighted on the new PCC's priorities</p>	<p>As the new PCC's strategic priorities become clear we will work with CSPs to help align any of their uncommitted spend (such as contingency monies) with the new priorities.</p>

The PCC's Crime Plan is clear in its objective, fit for purpose and we are working in partnership to achieve our agreed goals. It is our view that these priorities are unlikely to change dramatically in the short term, as evidenced by the fact the plan addresses the needs of those within our District. There is a threat if we were to receive 6 months funding as the District's performance could be adversely effected by short term planning of initiatives and contracts. Changing the way CSP's are funded could affect service delivery, potentially leading to changes to service providers.

By receiving only 6 months funding will prove difficult in terms of budgeting as evidenced previously when only 6 months funding was secured from LCC. In addition, some initiatives scheduled to take place in the latter half of the financial year are likely to suffer as funding will not be guaranteed so any advance planning compromised.

Locally we have adapted to the change from funding services to commissioning against outcomes. This has been a great success for the performance of both the District and OPCC. Changing the way funding is allocated may lead to less successful outcomes due to the shorter length of the contracts on offer and a potential higher cost of delivering shorter contracts. There is however an opportunity that organisations who may not normally have the capacity to tender for longer, higher value contracts, being able to adapt to do so.

As we have been doing this year, we will continue to submit our plans to the OPCC to ensure that priorities of both the current and future PCC are reflected.

- We would identify/ target areas of work which meet the aims/ objectives of more than one partner agency.
- We would endeavour to deliver projects which are reflective of partnership priorities which have been identified clearly through local need.
- Previous strategic assessments and commissioning statements (pre and post PCC) have all taken into account issues experienced within localities; with that in mind there is an expectation that the in-coming PCC would take a similar approach.

Strategic priorities are so broad they are likely to incorporate any 'specific' priority from the new PCC

The current themes and strategic priorities, namely: Reducing Offending, Supporting Victims / Witnesses, Making Communities & Neighbourhoods Safer and Protecting the Vulnerable are believed to be both valid and an integral part of building a safer and stronger community. With this in mind, it is difficult to foresee an incoming PCC making drastic changes to the strategic priorities.

If one accepts this point of view, Charnwood's Strategic Assessment, has and will continue to support the delivery of outcomes required to deliver on these key priorities. As we are currently in the planning stages of our Strategic Assessment 2016/17, we would not be supportive of receiving 6 months PLF. We believe such an approach to be restrictive to both our strategic and fiscal planning for 2016/17. More importantly it would impact upon our ability to commission services in support of our priorities. We note that it is not proposed to inhibit other organisations, in so far as they appear to be in receipt of their total funding allocation for the forthcoming twelve months. Hence in summary we would ask that Charnwood is equally afforded the opportunity of maximum funding in order that we may make necessary provision for our strategic assessment.

If we are allocated a full years funding we are confident that our partnerships priority of crime prevention initiatives in rural areas is key to the reduction of crime in our rural communities. Our four year plan for our partnership is based on robust evidence, comprehensive consultation and a clear plan that it will take a sustained focus and period of time to ensure crime is reduced in our Borough.

It is unlikely that the priorities will change whoever is in post, so it is essential that the money is given for twelve months to enable whatever initiatives are in place to be implemented effectively. Moreover, it will take the new OPCC that long to get to grips with their role.

CSP plans will be developed incorporating community views. Suggest a review meeting with CSPs when new PCC when in place to negotiate any changes in light of new PCCs priorities.

It would be difficult for CSPs to change priorities half way through a year, our priorities are set through looking at Strategic Assessments and community consultations and our action plan is put in place. We have aligned these priorities to OPCC priorities and funding we feel an incoming PCC will need time to assess what is required for the following year. It would not be practical to run projects for only 6 months (some need up front funding), and likewise there would not be enough time in the funding year to develop new projects and re-assign funding for the last 6 months. There may be an argument for assigning a small amount of funding for immersing issues and for close consultation between the new PCC and CSPs to allow for any shift in priorities.

	<p>All feedback from Hinckley and Blaby CSP members is clearly and strongly against only awarding 6 months of PLF funding. The CSP feel this change would negatively affect service, resources, outcomes for service users and negatively impact on our delivery of local initiatives that contribute to the PCC Plan. The CSP feel that it is crucial that funding is allocated for the full 12 months. Gradual change in relation to the new PCC's priorities can then be introduced prior to the 2017-2018 planning year where the new priorities can be fully embedded in to the provision.</p> <p>We are opposed to the 6 month funding proposal for the following reasons:</p> <ul style="list-style-type: none"> • It is extremely difficult to manage short term funding and change priorities mid-stream • It makes it very difficult for partnerships to plan and secure resources for such a short period particularly where funding may be for officer roles e.g. children's worker etc. • The current PCC priorities went out to consultation and are supported by partners/stakeholders so these should not dramatically change regardless of a change in personnel. • It is unlikely that our local priorities will change significantly part way through the year to warrant this and only 6 months' funding is too short to achieve significant outcomes. Local priorities are set annually to fit in with the current annual PLF commissioning framework. • In terms of the new PCC's priorities – the PLF is about meeting local needs/gaps which we will have identified locally • increased time and associated costs with extra consultation, project planning, bidding etc • other areas of PCC funding will be in place for the full year regardless of personnel change 	
<p>Q2. How do you feel the OPCC can best provide VCS infrastructure support?</p>	<p>From looking at the plan the VCS appears to only related to Leicester City for a value of £5'000, I am confident in the belief that OPCC staff plus local CSP staff can support the process through BIK support.</p> <p>I would encourage more collaboration across the VCS to maximise resources, e.g. back office functions and that this could be an element of a funding requirement that shows they are doing all they can to minimise such costs to ensure maximum front line delivery. Too often the VCS organisations are competing for funding now and this isn't necessarily the most effective way to run in the future.</p> <p>Instead of annual funding a commissioning programme with the VCS as and when required would be beneficial</p> <p>A first step would be to engage with the VCS to establish what support would best suit their strategic priorities and needs.</p>	<p>The OPCC has historically funded a total of £20,000pa of VCS infrastructure support across LLR. The table in Appendix B of the Commissioning Framework for consultation only shows £5,000 spent via Leicester City Council in 16/17. This is because the existing contract for the city ends on the 30th September 2016 whilst the County and Rutland contracts end on the 31st March 2016.</p>

<ul style="list-style-type: none"> • The OPCC needs to clarify the role of VAL and identify gaps in provision with the aim of meeting these where relevant. • The OPCC needs to provide agenda (community safety) specific support to the VCS, e.g. information on good practice projects, helping with the formation of collaborative/ partnership arrangements and bids. • Improved process/ communication on the needs of the OPCC and examples of how the VCS can meet these. 	<p>Responses received are largely supportive of VCS support being spent in a more targeted manner rather than through generic VCS infrastructure support contracts. We will engage with VCS agencies and their representative umbrella bodies in identifying the best way forward (starting from the responses already received as part of this consultation). We expect that our eventual plans will be shaped and signed off by the new PCC.</p>
<p>Open days Not sure if this means support to VCS or VCS support to individuals in appropriate circumstances.</p>	<p>In relation to some of the more specific feedback given on this matter:</p>
<p>Charnwood have established effective relations with a number of user groups from within the Voluntary and Community Sector. Critical to this work is the need to establish sustainable long term outcomes. We would encourage the OPCC to reaffirm a commitment to active citizenship and prioritise funding streams to those priority neighbourhoods or areas of business centred on reducing threat, risk & harm. The critical concern is that of sustainability and hence we would advocate for funding to support the infrastructure beneath such voluntary support groups to professionalise their business discipline, in order to capture enhanced outcomes.</p>	<ul style="list-style-type: none"> • As a commissioner of numerous services from the VCS, the OPCC considers that it has an inherent responsibility to fund VCS infrastructure support. • We will consider with the VCS the possibility of funding some specific work seeking to create efficiencies in back office functions between locally based VCS agencies.
<p>The OPCC could best provide support by ensuring that the VCS is clear as to the priorities of the OPCC is and work with them to structure their services were appropriate to be in a position to contribute towards the reduction of crime and positive interventions, rehabilitation and support for victims. This approach should ensure that the VCS is more informed and were their aims and objectives fit with that of the OPCC more robust initiatives and conversations take place.</p>	<ul style="list-style-type: none"> • We fully expect some of our VCS infrastructure funding to directly contribute to support for VCS agencies in responding to some of our larger commissions.
<p>By funding VCS organisations who provide work in the criminal justice system with proper funding for their work. It is not the role of the OPCC to fund infrastructure support; that is for others.</p>	<ul style="list-style-type: none"> • The OPCC is indeed committed to active citizenship and already directly supports this through a number of other initiatives such as the Youth Commission and volunteer Independent Custody Visitors
<p>No view on this.</p>	
<p>The County Council also commission VCS Infrastructure support and districts fund local VCS 'hubs'. The best way the PCC could support the VCS would be to have a comprehensive volunteering offer. There are police volunteers but a bigger more visible programme would increase volunteering numbers, ensure volunteers learn new skills and have a tangible impact on community safety e.g. campaigns.</p>	

	<p>We have received the following comments from members of the CSP:</p> <ul style="list-style-type: none"> • Talk directly with key providers from the VCS. An umbrella organisation can lead the development of provision across a number of VCS groups with the clear expectation that infrastructure costs are minimised. Some organisations may well have covered their infrastructure costs through other grants/allocations and its vital that the OPCC funding is not being used to 'double fund' these costs. • It's difficult to comment without knowing what the PCC have funded previously • It would be useful to know more about why the anticipated change for the county. Is this the same for the city? • If what has happened previously is a VCS event to raise the profile of the PCC Grant and support with applications, this is something our local VCS Forum could do in the future with perhaps a visit from someone from the OPCC to support the process 	<p>(more information is available on our website - www.leics.pcc.police.uk). Targeting of funding not already committed in contracts for 16/17 (such as potential PPC grants) will now fall to the new PCC to direct.</p> <ul style="list-style-type: none"> • The OPCC are keen to fully fund projects/initiatives. Whilst it may be the case that some organisations have covered some of their "infrastructure" costs through other grants/allocations, we would not wish to rely on this as we believe that fully funding each individual project/initiative (ie. each project having reasonable overhead provision) is the only fair and right way of ensuring the sustainability of VCS organisations. Not doing so runs the risk of encouraging a "race to the bottom" rather than encouraging quality and sustainable service provision within the VCS. In addition, grants to solely cover VCS organisation's basic costs/overheads are becoming increasingly rare as commissioners shift to outcomes based commissioning which we are fully supportive of.
<p>Q3a(i) Do you support the proposed additional allocation for Project 360?</p>	<p>No = 0 Yes = 12 Blank = 3</p>	<p>All respondents were in support of continued funding of Project 360 (which under the new contract will be called "Domestic Violence 360 Support") or did not answer this question so we will be pushing ahead with re-commissioning this service.</p>
<p>Q3b(i) How do you feel the additional allocation for Project 360 can best maximise positive</p>	<p>I really do believe that project 360 has delivered some cracking work, although cases within Rutland that have received input would be a very small sample, I would wish to think that the lessons learnt and knowledge gained during this project could be implemented for all clients experiencing repeat domestic incidents. Funding should remain until full integration has been completed.</p>	

<p>outcomes?</p>	<p>Reduce repeat victims is crucial given the statistics that state that a victim of DV will not report until around 30 incidents have taken place. It would be good to try and work to reduce this so that reporting happens much earlier and when the earlier intervention could benefit all involved (e.g. especially children in the household who witness the abuse). The earlier the intervention the better to break the cycle and to enable victims and their families to live free from fear and abuse.</p>	<p>The new service (expected to be in place by the 1st April 2016) will cover all cases where there have been more than 3 repeat incidences of DV reported to the Police within a rolling year. We know that there are likely to have been many more incidences that are not reported to the police prior to first report (which may be from a concerned 3rd party) which is why we are currently investing £50k during the remainder of 15/16 to raise awareness and promote the new LLR wide SV/DV service which has ben jointly commissioned with the City, County and Rutland County councils.</p> <p>Because of the academic rigour of the initial pilot project, this service can be considered as "evidenced based practice" in development. As such, we are prioritising maintaining the fidelity of the service. This means that significant changes (including moving to payments by results or to completely different measurements of success) will not be considered at this stage. Once a fuller longitudinal study is completed by the university we will then be in a position to consider what changes may or may not be appropriate in terms of ensuring an efficient and effective service. The new contract will be awarded as a 1 year + 1 year contract (where we have the option after 1 years provision as to whether or not we extend the contract for a further year). This will ensure that we are able to respond to the more in-depth academic</p>
	<p>Evidenced base policing research focussed on outcomes with such a significant investment- I understand that DMU academics are supportive of the programme but a careful grip will need to be maintained- is there an opportunity for staged payments based upon outcomes?</p>	
	<p>Project 360 has had great early success so would support it's continuation in its current format. This project supports our work with domestic abuse victims which as a District with high rates of domestic abuse we wholeheartedly support.</p>	
	<ul style="list-style-type: none"> • Project 360 needs to work closely with the newly commissioned domestic and sexual violence services (this relationship is already being considered and strengthened through the Joint Commissioning & Assurance Group set up by the commissioners of the 4 agencies; Leicester City Council, Rutland & Leicestershire County Council and the OPCC). • There is a need to ensure that duplication between Project 360 and other domestic violence services (and conversely gaps) are identified and tackled. • Need to ensure that the work of the project is properly communicated to all potential referrers (particularly, neighbourhood Police officers). • It would be useful to have a breakdown of the number of City victims supported against the total number of victims supported by the project. 	
	<ul style="list-style-type: none"> • Partnership approach to target vulnerable / identified persons • Support for prosecution / mediation • Education – victim / offender • Education to support reporting – Community / GP / Police etc 	
	<p>Charnwood is supportive of Project 360 as it is victim focused and centred upon ensuring there are supportive interventions within the initial and critical 24 hours following a domestic incident.</p> <p>Our CSP Plan (2014/17) currently has a priority aimed at providing services & support to Domestic Abuse victims & their families. We would respectfully suggest that the outcomes we are measuring: 75% of all clients that have received outreach support should be happy with that service and 75% of clients that have received 'Sanctuary' support should be happy with that service and feel safer in their homes, are conducive to measuring the outputs of Project 360.</p>	

	<p>This investment is key so as that victims are supported in order to reduce the risk of repeat offences. Research shows that repeat victims of medium and low DV shows if violence continues and they are experiencing such issues this will have much wider impacts and demands on all public services.</p> <p>It is key also key that this project links in with services within children's services, adult social care, sure start and Me & My Learning in Melton.</p> <p>The Safer Melton Partnership fully supports this approach.</p> <p>I think that it is important that Project 360 takes a holistic approach to the individuals, both the victims and the perpetrators and that effective work is undertaken with all involved including the children involved. Good partnership working across agencies needs to ensure that people are not having to tell their story over and over and that people are referred to organisations who can genuinely help. It will be important from a funding point of view to ensure that there is no duplication with SARC.</p> <p>Outcomes for this will be maximised through integration with existing DA support services to support the shortest and route and seamless service through to support, and therefore greater engagement.</p> <p>There needs to be a clear link with the Countywide UAVA project, and with the new target hardening project – of which we still have no details.</p> <p>Districts are also being asked to consider top up of 8-10k to plug expected deficit for the UAVA service, could some funding be allocated to this project so it is fully funded. It would also be good to see some analysis from 360 on numbers and outcomes from the existing project.</p> <p>The CSP feel that the information given is very brief and so difficult to comment on. In general there is support for Project 360 but it would be good to see evidence of outcomes for this project as it is a large amount of funding and also some reassurance that the project fits with the county wide plans for commissioned domestic abuse services.. The CSP feel that investment in the preventative end of the work is important when it comes to maximising outcomes. Partnership work is already proving effective locally with joint work between borough and county services – in particularly having a dedicated Children's domestic abuse worker to work directly with young people who are witnesses, victims or perpetrators of domestic abuse. Positive outcomes can be maximised by making sure that partnership links in localities are built upon.</p>	<p>findings as they become available.</p> <p>The service will not be "taking referrals" but will rather be responding to all cases, as identified from the Police's database, that meet their criteria. The new specification has been developed in consultation with all members of the Joint Commissioning and Assurance Board (sometimes referred to as the Joint Commissioning and Assurance Group) and will continue to be considered there from a strategic development perspective. This will ensure against any duplication with other SV/DV specific services and ensure that relevant referral pathways are utilised.</p> <p>Funding for the UAVA service has been agreed previously between co-commissioners and so it would be inappropriate for the PCC to be adding additional funding at this stage to this service.</p> <p>The academic assessment of project 360 (interim report) is available from the PCC's office on request.</p>
<p>Q3a(ii) Do you support the proposed additional allocation for Tags for the IOM cohort?</p>	<p>No = 3 Yes = 10 Blank = 2</p>	<p>Whilst some responants were not supportive of this option the majority were and on this basis (and having taken account of the various comments) we will be</p>

<p>Q3b(ii) How do you feel the additional allocation for Tags for the IOM cohort can best maximise positive outcomes?</p>	<p>Fully supportive, would welcome TAGS being upgraded to GPS enabled units of all offenders in time, but mindful of rights etc.</p>	<p>pressing ahead with this initiative.</p>
	<p>I have said no as I know very little about what this will entail. Tagging is one thing, but what is driving them to offend and reoffend? Will this make them more socially isolated which impacts on their mental health etc. I believe that getting to the root cause of their behaviour is the best way to reduce reoffending as they will find a way to avoid detection of breaking the 'tag' as has happened already elsewhere. Does tagging really work – where is the evidence?</p>	<p>Those that were not in support were largely concerned that tagging does not address the root causes of offending behaviour or build positive behaviours/ attitudes. However, we consider voluntary tagging to be working with those for whom tagging allows them to maintain a period of non-offending within which wider work can be undertaken in relation to changing their underlying behaviours and attitudes. Indeed, this could be through accessing some of our other funded initiatives such as mentoring.</p>
	<p>Really supportive of this through the IOM programme- evidence base exists following trials and the aim of reducing reoffending I'm sure will be monitored through the outcomes.</p>	
	<p>By definition, the TAGS are already being utilised on persons of most concern, who may commit more crime than others so the benefit of wearing the tag is already provided by the fact the offender is an IOM case. Specific attention will be given to persons who feature in other priority areas, such as the 16-24 age range. Tagging is a valuable tactic in helping people desist from crime and in reducing demand for those whose role involves managing the individual. It has been demonstrated within performance statistics and is a recognised tactic nationally.</p>	
	<p>From information we have had sight of, this appears to be a valuable project and we would support continuation.</p>	<p>The voluntary nature of the tagging means that they are unlikely to seek to break the tag off. There are no conditions attached to the tags in terms of where they can go. It is rather considered a deterrent to committing crimes as we'd know they were present at the scene of the crime if they did.</p>
	<ul style="list-style-type: none"> • The profile of this work needs to be raised in order to ensure that key relationships are built between this project and other relevant projects e.g. domestic violence, as all IOM nominals can be considered within the voluntary project. • Whilst we understand that this initiative is currently being used in a number of cities; it would be useful to get an objective evaluation of the project at its various stages in order to ensure that partners are able to play a full part in maximising the outcomes. 	<p>In relation to some of the more sepcific feedback given on this matter:</p>
	<ul style="list-style-type: none"> • Monitoring of offenders to support prosecution / prevent offending • Use of IOM as 'peer' support to offenders 	<ul style="list-style-type: none"> • Voluntary tagging is relatively new so the evidence base is still growing. We will work with the force to consider whether academic evaluation of our provision is feasible • We will work with the force to consider how intelligence from the tags can be used
	<p>Charnwood has always been a key partner of IOM and officers previously sat on the Strategic Project Board. To this end we are supportive of voluntary tagging as a control measure in the thematic of 'Reducing Offending'. However, we would seek to emphasise the importance of the relevant intelligence/data ie who is tagged and any subsequent breaching behaviour is captured at a Joint Action Group (Crime). If this data was not forthcoming then we believe it would be a missed opportunity in delivering our community safety strategy.</p>	

	<p>This is an initiative that the Safer Melton Partnership supports and links in to our priority of reducing re-offending and supporting those being released from custody to take a pathway into independent living and moving towards employment and making a positive contribution to society.</p> <p>The £40,000 would be a lot better spent giving this money to Leicestershire Cares to support offenders into employment, training or education. For the same price as a few tags that do nothing to change attitudes towards offending, or enhance a sense of self-worth (so vital an element in desistance) we would work with @ 50 people. The referrals would be specific to the Police (we already work with the Police in all its guises: MAPPA, MAPPOM, PIOM, IOM, Engage etc) and this would be a way of ensuring that we can continue to take referrals from you as we are having to move to a new funding model of charging referral agencies. As 67% of the clients we work with go into employment, training and education, the outcomes would be that the majority of those same offenders would no longer be offending, but instead, contributing positively to their local community and the economy, a far more cost effective, value for money, option!</p> <p>Clear evaluation of impact.</p> <p>Out CSP felt we did not have enough information to comment on this project.</p> <p>Again there was very little information given in order for us to comment. In general the CSP cannot support this based on the evidence given. The following comments received evidence the lack of positive support for this project:</p> <ul style="list-style-type: none"> • I'm not convinced the voluntary nature of the tagging will be taken up by many so consequently may not be cost effective. • Is there evidence of voluntary tagging for IOMs working in other places? • What are the consequences of breaching? 	<p>in support of Joint Action Groups</p> <ul style="list-style-type: none"> • The funding requirement is a result of demand outstripping current supply. They are proving to be popular with those offenders who wish to resist peer pressure to commit crimes
<p>Q4. Do you have any other comments that you would like to make in relation to the refresh of the Commissioning Framework 15-17?</p>	<p>Thank you for the opportunity of feedback whilst we know we've had budget cuts to lots of local services as a parish and borough councillors in our home we attend many local meetings, we both are very frustrated that local crimes don't appear to be followed up! the police person makes excuses that they tried to follow up the crime, this is just not good enough!</p> <p>In my opinion there is a complete lack of passion and enthusiasm for local beat management, my husband is a retired DC and at one point as a local best officer, all his residents knew him this we believe has gone!</p> <p>He loved his job and followed the local crimes through.</p>	<p>This has response has been fed through to Inspector Tracey Willetts from the Charnwood Neighbourhood Policing Area.</p>

<p>I have scanned through the proposals for the dispersion of funds and see nothing alarming. However a much deeper knowledge of policing and crime is needed for knowledgeable responses, and I certainly do not have this.</p> <p>My response here is to applaud you for consulting. However meaningful responses can only come by being familiar with the pros and cons of the tabled proposals. Have you considered making a YouTube presentation or the like of these pros and cons so responses from the public could be more meaningful?</p>	<p>We will consider such an approach for future consultations</p>
<p>With regards to young people I think that there needs to be further links into schools that require them to fully accept that they can't single handily undertake or deliver the early interventions that some young people need, certainly when it comes to YOS involvement.</p> <p>I would question the substance misuse service and how it actively promotes itself to engage with partners and communities, I think this could be greatly improved, aware that current provisions contract</p>	<p>We are starting to work with the Better Care Together partnership group which will be seeking to link in with schools from an early intervention perspective.</p> <p>The substance misuse services that we fund are currently in the process of being re-commissioned which should resolve any such issues.</p>
<p>The SLP/ Leicester City Council welcomes the ongoing support to agendas such as children & young people, mental health and safeguarding (children's and adults); that said there is real concern with the intention to allocate funding for 6 months only,</p> <ul style="list-style-type: none"> • Projects will not be able to make a meaningful difference within this time period, • It will be difficult to engage, where applicable, new staff for a period of 6 months only; there will be issues related to staff retention, losing expertise etc • The in-coming PCC will take time to bed down his/ her commissioning priorities and this will reflect on timescales for allocating monies to various initiatives – this will further delay programmes which will adversely affect crime and ASB. • IF the in-coming PCC's commissioning views differ significantly from those that partners are currently working to, there will be a disconnect between the 2 halves of 2016-17. • There is precedence for continuing funding over the 12 month period, as there were "transitional" arrangements in place between the Police Authority going out and the PCC infrastructure coming in. • Finally, it would be useful (for planning purposes) to get an indication as to when the OPCC will be announcing their intention as to whether funding will be allocated over a 6 month or a 12 month period. 	<p>See answer to Q1</p>

<p>SARC already included – could extend to include CHISVA</p>	<p>We are currently considering how we can fill the gap in relation to provision of Child ISVAs. It had originally been intended that this, alongside wider therapeutic support for children, would be provided via a Strategic Partnership Development Fund (SPDF). However, it has now been decided that this is not appropriate as spend within the required time period is not likely to exceed £100,000 (a requirement for the SPDF).</p>
<p>As stated previously, we believe that the four current strategic priorities as set out in the Commissioning Framework are valid and continue to be fit for purpose. Moving forward we would ask for a review of the localism agenda in respect of IOM as it is felt that there are currently blockages in the sharing of data in respect of local offenders committing crime within the Borough of Charnwood. Finally, whilst we are supportive of the strides taken in respect of the establishment of Victim First, we have continuing reservations about the lack of support for victims of ASB. Other than victims deemed to be high risk, there is no real provision for support. We believe this is a continuing threat.</p>	<p>We will raise the matter of data sharing with the force for their consideration.</p> <p>We will continue to work with CSPs/VF in relation to ASB and understanding demand/needs requirements.</p>
<p>The Safer Melton Partnership would like to see the issue of cyber-crime and digital safety included into the priorities of the OPCC priorities. This area of concern is affecting more people in our community and we feel this is an area that as a County we need to be proactively focusing on to reduce the risk of people becoming victims of cyber-crime.</p>	<p>Whilst cyber crime and digital safety are not "strategic priorities" of the Police and Crime Plan, the OPCC recognise the growing importance of these issues and it is for this reason that they have been prioritised within the Strategic Partnership Development Fund (SPDF). Further details of successful SPDF bids will be shared in due course.</p>

	<p>Preventing violent extremism is a notable gap in the plan and commissioning framework.</p> <p>We would request that the co-commissioning arrangements for the Youth prevention and diversion-County (- Targeted diversionary youth activities working with either young offenders or those likely to offend) is changed to direct commissioning to district councils or the County Council. It currently funds a number of really key youth crime diversion schemes but it is not of benefit to go via the County Council to continue this commissioning. We would welcome a conversation to change this.</p>	<p>It is not appropriate at this point in the political cycle for a refresh of the Police and Crime Plan. The inclusion or otherwise of preventing violent extremism will be a decision for the incoming PCC when they write their new plan. The Commissioning Framework must commit spend against priorities from the existing plan.</p> <p>We will work with the County Council to come to a reasonable solution in relation to the Youth Prevention and Diversion contract.</p>
	<p>The CSP strongly believe that moving to a short term funding cycle of 6 months would be detrimental to the work and outcomes for our communities. There is limited time to progress the work and meet the needs of vulnerable people and deliver projects with positive outcomes.</p>	<p>See answer to Q1</p>

The comments are not about the refresh but about the framework currently:
Of the £1.95m for Re-offending, only £148k is issued to the voluntary sector and that is for only one organisation. Is the VCS not considered an essential and capable sector to deliver on the prevention of re-offending? Why are the grants only for small scale work in local neighbourhoods? Having said that, I would be interested to know what 20 20 spends so much money on. Do you have a breakdown?
By contrast, over half the budget for supporting victims and witnesses has gone to creating an in-house OPCC VCS team of vast proportions, spending £750,000. What exactly is each of this small new army doing, why was Catch 22 chosen over Victim Support and how does any of this fit with value for money or outcomes based commissioning?
Lastly, much is made of outcomes commissioning, which is as it should be, but where can we find the outcomes for this £4m budget?

The OPCC greatly values the VCS and the contribution it makes towards all elements of the Police and Crime Plan. Our commissioning arrangements with partner commissioning organisations (i.e. the councils in the region) mean that much of our funding that is indeed spent with the VCS is referenced as going to one of the councils. This is both because we recognise the local expertise and knowledge that councils have and because it maximises the commissioning /procurement resource across the partnership in relation to the spend of our money against the outcomes we have specified in our contracts with the relevant council.

The OPCC seeks to strike a balance between funding large scale services which are able to meet the needs of all eligible people across LLR and funding smaller initiatives that only meet the needs of those in specific neighbourhoods. This allows us to ensure certain levels of fair provision across LLR whilst also allowing us to fund smaller, perhaps "grass roots", organisations who are best placed to engage with the relevant people within their locality (taking account of the particular peculiarities of their neighbourhood).

Catch 22 were selected as the provider of Victim First (VF) through a full and fair procurement process which ensured value for money, balancing the achievement of positive outcomes for victims of crime

		<p>against the cost of such provision. We are confident that the VF service will provide a high quality and cost effective service to victims and witnesses across LLR. We will of course be contract managing this service in an appropriate manner to ensure that this is the case. In addition to the VF launch day event, VF will be continuing to raise awareness of the service across partner agencies/LLR residents.</p> <p>The PCC's annual report sets out achievements against the outcomes sought in the Police and Crime Plan. In addition to this, the OPCC has recently produced an Outcomes Framework for our providers which will better enable us to report on outcomes achieved through commissioned services.</p>
--	--	---

This page is intentionally left blank

Appendix C

Equality Impact Assessment Form

Before completing this form please refer to the [EIA Guidance](#)
For further advice and assistance please contact the Equality Unit.

Name of the plan	Commissioning Framework 2015-17 – 16/17 Refresh
Owner of the plan	Simon Down
Person completing the EIA	Simon Down
Date EIA completed	02/11/15

What is the aim of this plan?			
The aim of the Commissioning Framework 2015-17 – 16/17 Refresh is to direct the spend of the commissioning budget for the remainder of 2015/16 and 2016/17. The plan is mainly in relation to unallocated resource and how this can be used to help meet the requirements of the Police and Crime Plan. As such, impacts should be largely positive.			
Which of the protected characteristics is the plan likely to impact upon?			
Age	<input checked="" type="checkbox"/>	Religion or Belief	<input type="checkbox"/>
Disability	<input type="checkbox"/>	Sex	<input checked="" type="checkbox"/>
Gender Reassignment	<input type="checkbox"/>	Sexual Orientation	<input type="checkbox"/>
Pregnancy and Maternity	<input type="checkbox"/>	All protected characteristics	<input type="checkbox"/>
Race	<input type="checkbox"/>	None	<input type="checkbox"/>

Step 1: Collecting the data	What data or statistical information or evidence based research have been used to identify how this plan might affect equality?
	The key data which has been analysed in relation to these decisions is the financial spend on initiatives which may serve specific groups. In addition, the specifications of services (where they already exist) have been considered and IOM cohort data has been analysed to help identify effected groups.
	What gaps in the information or research have been identified?
	The equality aspects (and any observed skewing from an equalities perspective) of otherwise defined groups (i.e people with a mental health problem, victims of crime) have not been assessed against the overall population of LLR. However, as the impacts on these areas is positive it is felt that there is a lesser imperative for this level of detail.
Step 2: Assessing likely impacts	Describe any adverse or positive impact of the plan on any of the equality groups.
	<ul style="list-style-type: none"> To not commit to run a PCC grants process for 2016/17 delivery will mean that fewer PCC grant services will be procured. The PCC grant has historically largely been targeted towards youth prevention/diversion activity so this will mean that there will be a reduction in the availability of funding for this group. The previous round of PCC grant funding allowed groups to bid for up to two years and these commitments will be honoured (pending satisfactory performance in year one). This means that this decision will not mean the cessation of any services but rather a lack of

	<p>an opportunity which had previously been proposed, not being made available. This may have a negative impact on young people in that there will be fewer diversionary opportunities which may lead to increased levels of crime from this cohort, although funding was specifically increased to these areas in the City, County and Rutland in 15/16. However, wider developments within the OPCC (such as the CSE work through the Strategic Partnership Development Fund) are to the benefit of young people so this negative impact should be nullified by other provision.</p> <ul style="list-style-type: none"> • Additionally, the Partnership Locality Fund comments have been incorporated into the Review and PLF partners could seek to identify and request funding for areas they perceive as gaps in their locality and potentially could include Youth Funding. • Project 360 (DAST) provision for DV cases will mainly be provided to women which will lead to a positive impact for women who will be better protected from further domestic abuse. • Voluntary tagging for the IOM cohort will have a positive impact for males as they are overrepresented within the IOM cohort. The voluntary tagging scheme will better enable those volunteering to have the tag to resist offending behaviour.
	<p>What actions can be taken to mitigate any adverse impact</p>
	<p>The new PCC could consider making grants provision available within 16/17. This will be raised with the new PCC once in office. An EIA Action Plan is not required for this action as it is already part of our broader plans.</p>

Step 3:	<p>Describe who has been consulted and how this has had influenced the assessment</p>
	<p>Consulting</p> <p>An open consultation has been held on the refreshed Commissioning Framework. No concerns were raised in relation to equalities but concerns were expressed in relation to a proposal to only provide 6 months of Partnership Locality Funding (PLF) to Community Safety Partnerships (CSPs). As a result of consultation responses we have decided to provide a full years funding.</p>

Step 4:	<p>Which of the following decisions has been taken? Please select one of the following options</p>	
	1. Plan to remain unchanged	<input checked="" type="checkbox"/>
	2. Plan to be amended	<input type="checkbox"/>
	3. Stop and remove the Plan	<input type="checkbox"/>

NB. Where any further actions have been identified an [EIA Action Plan](#) will need to be completed.

Step 5: Publishing	Please select one of the following publishing options for the EIA	
	Secret	<input type="checkbox"/>
	Confidential	<input type="checkbox"/>
	Restricted	<input type="checkbox"/>
	Not Protectively Marked	<input checked="" type="checkbox"/>

Step 6: Reviewing	Date of next review	2016/17
	Please provide details of all reviews completed (including date, person completing review and any changes made as a result of the review)	
	During 2016/17, subject to the priorities of the incoming PCC, it is anticipated that a new Police and Crime Plan and aligned commissioning framework will be produced where the equality impact will be assessed.	

This page is intentionally left blank

LEICESTER, LEICESTERSHIRE AND RUTLAND POLICE AND CRIME PANEL - 2 FEBRUARY 2016**APPOINTMENT OF INDEPENDENT CO-OPTED MEMBERS OF THE POLICE AND CRIME PANEL****REPORT OF THE HEAD OF DEMOCRATIC SERVICES****Purpose of Report**

1. To outline the options for the recruitment of co-opted independent members of the Police and Crime Panel, including the possible establishment of a subcommittee to shortlist and interview proposed candidates.

Background

2. The Panel is required to appoint two independent co-opted members as part of its membership.
3. In making co-options, the Police Reform and Social Responsibility Act 2011 requires that the Panel must ensure the overall Panel membership meets the balanced objective in skills, knowledge and experience necessary to discharge its functions effectively.
4. When establishing the PCP in 2012, a sub-committee of councillors including Messrs Pendleton and Slater and former members of the Panel (Cllr. B. Roper, Cllr. S. Russell and Cllr. D. C. Bill) supported by Leicestershire County Council officers led on this process and, following a recruitment exercise, Mrs. Helen Carter and Col. Robert Martin were appointed. Their term of office comes to an end with the termination of the PCC's term of office in May of this year.

Options

5. The Panel has two options with regard to these appointments:
 - (a) Should they be happy to continue to serve, the Panel could elect to allow Mrs. Carter and Col. Martin to continue to serve as the Panel's co-opted members and extend their term of office for the next 4 years, ending in April 2020;
 - (b) The Panel could agree that a new recruitment process be carried out to recruit two co-optees. The present co-optees could if they were minded to re-apply to serve on the Panel.

Process

6. If the Panel were to decide to commence a new recruitment process, an outline timescale for this process is set out below. It should be noted that the next Panel year does not commence until its meeting on 30 June and therefore it may not be deemed necessary to have appointments in place by the end of April though it is recognised

that were new members to be appointed to the Panel a short period of induction would no doubt be required.

Recommended timescale	Activity required
2 February	Panel agrees which members will serve on appointing sub-committee
8 February	Advertisement for applicants is placed in the Leicester Mercury (six week advertising period)
18 March	Deadline for applications
w/c 21 March	Shortlisting
w/c 28 March	Interviews
April	Appointments made
Mid-April	Induction sessions held (should new members be appointed)
5 May	Election of the PCC
30 June	New appointee's and PCC's first Panel meeting

7. The secretariat at Leicestershire County Council would support the recruitment process.
8. LGA Guidance suggests that short-listing, interviewing and selection of the independent co-optees may be delegated to a selection panel or sub-committee of the PCP. It is proposed that, as it did in 2012, the Panel considers appointing a sub-committee at an early stage to enable their full engagement in the process.

Recommendations

- (a) The Panel is asked to consider whether it wishes to extend the term of the current co-opted members for the next four years up to April 2020 or whether it wishes to proceed with a recruitment process;
- (b) Should the Panel be minded to start a recruitment process, it is asked to appoint a subcommittee of three PCP members to shortlist and interview candidates.

Officer to Contact:

Sam Weston, Democratic Services
 Leicestershire County Council
 Tel: 0116 305 6226
 Email: sam.weston@leics.gov.uk