

Report from the Office of the Police and Crime Commissioner

Title:	Precept and Council Tax 2024/25
Meeting:	North Wales Police and Crime Panel, 29 January 2024
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1. Introduction

- 1.1 The purpose of this report is to review the financial position of the Police and Crime Commissioner for North Wales and to make recommendations for the 2024/25 precept and council tax.

2. Recommendations

- 2.1 To increase the precept to £106,269,443
- This will increase council tax by 4.97% - this is equivalent to £349.65 per annum, an increase of £16.56 per annum, or 32p per week for a band D property.
 - To note that the Tax Base has increased by 0.99%
 - This is an increase in precept of 6.01% from 2023/24
- 2.2 To note that base Government Grant increased by 5.97%/£5.297m.
- 2.3 To note that total inflationary pressure is 8.61% or £16.270m.
- 2.4 To note that £4.719m was awarded as additional specific grant, but in reality this is to fund the base budget.
- 2.5 To note that £2.166m of unavoidable and structural growth has been included.
- 2.6 To note that £3.171m of savings have been identified for 2024/25.
- 2.7 To note that £0.776m has been included to protect School Liaison Officer and PCSO numbers following withdrawal and reduction of Welsh Government grants.
- 2.8 To note the Medium Term Financial Plan (MTFP), which includes the following assumptions:
- Council Tax increase of £13 per annum in the following years which equate to 3.72% in 2025-26, 3.58% 2026-27, 3.46%% 2027-28 and 3.35% in 2028-29.
 - That policing grants are estimated to increase 1% in the years 2024/25 to 2028-29.
 - That annual pay award will be 2.5% to be applied in September 2024, with an additional 0.5% being earmarked in reserves for 2024-25, and 2.5% to be applied each subsequent September.

3. Summary Budget 2024/25

	£m	
Budget 2023/24	<u>188.959</u>	
Pay and non-pay Inflation	16.270	8.61%
Savings identified	-3.171	-1.68%
Additional Specific Grants	-4.719	-2.50%
Growth	2.166	1.15%
Protection of PCSO and SLO numbers	0.776	0.41%
Budget requirement 2024/25	<u>200.281</u>	5.99%
Estimated total funding 2024/25		
Government Grants	94.012	5.97%
Council Tax	£349.65	4.97%
Multiplied by tax base	303,930.91	0.99%
Precept (funding proportion 53.05%)	106.269	6.01%
Total funding available	<u>200.281</u>	5.99%

4. Statutory Items

4.1 Quality of Information

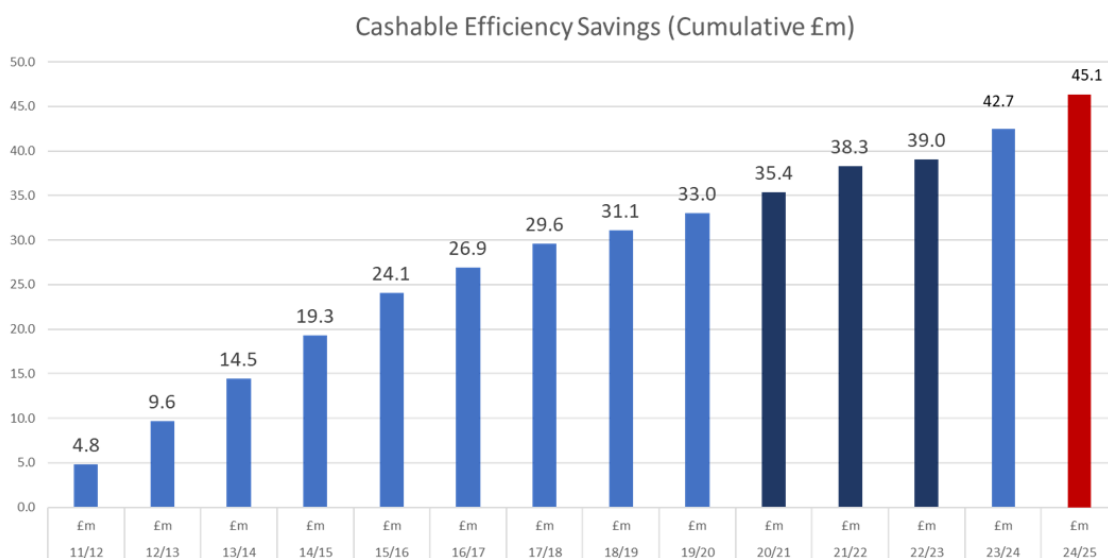
4.1.1 The Chief Finance Officer is required under the Local Government Act 2003 (s5) to comment on the suitability of the information to be used as the basis for budgetary decisions. The Chief Finance Officer confirms that the figures in the various reports are the products of procedures that continue to be operated to the highest professional standards. These systems are audited both internally and externally, and external audit has never issued a qualified audit report. Therefore, in the opinion of the Chief Finance Officer this information is fit for purpose.

4.1.2 The same Act also requires the Chief Finance Officer to comment on the adequacy of reserves to be provided in the budget. In the opinion of the Chief Finance Officer the general reserve will continue to be adequate for the day to day operational needs of the Force. The reserves have been reviewed, and further details are provided in section 9. The Reserves have increased in recent years, the planned use of reserves has been reviewed in detail for the current Medium Term Financial Plan (MTFP). The strong reserve position has been used in a prudent way to manage the additional information costs that have transpired for 2024-25 as well as making the budget resilient to any future shocks; this is explained in more detail in the MTFP.

5. Background

5.1 Since 2010-11, which is considered the pre-austerity base, there was a prolonged period of reduced funding, followed then by a period of targeted growth of Police Officers from 2021-22 to 2023-24. Government funding had been reduced by -25% in real terms (taking inflation into account) by 2021-22. Additional funding has been provided over the last 3 years targeted at increasing Officer numbers as part of Operation Uplift. It was intended to be a new post austerity, post Uplift base, but the situation has been complicated by high inflation and the need to continue to recruit at the higher level.

5.2 The overall effect of the reduced funding available combined with inflationary and other pressures has resulted in £45m of savings being made to budgets over a 12-year period. North Wales Police has an excellent record of delivering planned savings, with a strategy of fully scrutinising planned savings prior to the year of delivery. The cumulative savings are shown in the graph below:



5.3 Prior to the 2020-21 settlement being announced the Government had in place a policy to increase Police Officer numbers by 20,000 (Operation Uplift) over a period of 3 years. The 2020-21 and 2021-22 announcements allocated 12,000 of these additional officers among Forces with North Wales Police being apportioned 124. The funding announcement for 2022-23 distributed the remaining 8,000 additional officers, with North Wales Police receiving a further 82 making a total of 206 (including 8 allocated to Regional Serious and Organised Crime Unit). In addition to these, a further 30 officers were funded from precept in 2020-21, giving an overall increase of 236 over 3 years. These officers were fully recruited by March 2023, although this has been more challenging than expected due to a higher number of officers leaving the service. Recruitment plans have been set for 2024-25 to ensure that the new base of 1,696 officers can be maintained, while allowing for higher attrition.

5.4 Increases in funding since 2020/21 have been focussed on Operation Uplift. Additional grant has been received to fund increased officer numbers; however, the base grant has remained materially at the same level in cash terms (a real-terms reduction) leading to budgetary pressure in other areas, including the incidental costs of supporting an increased number of officers. The final allocation of numbers and funding has informed the plan going forward in terms of both how much budget needs to be allocated to fund the pay costs of officers going forward, and also how much can be allocated to support costs. A pay award of 7% was agreed for Officers and Staff from September 2023 with the Government allocating additional funding toward the increase costs. The Police Officer Pension Employer contribution rate was also expected to increase from April 2023, the Home Office had indicated strongly that the additional cost of this increase would also be funded.

5.5 The January 2023 MTFP had a balanced budget for 2023-24 and 2024-25, however since then several events have affected the overall economic environment, the main events being:

- Continued War in Ukraine
- The Israel Palestine conflict
- Volatile Oil/Energy markets
- Implementation of Brexit
- Global Supply Issues
- High Inflation rates leading to high interest rates
- Higher pay awards than budgeted
- Political uncertainty and change causing financial uncertainties

These events happened as the UK was emerging from the COVID pandemic. The pandemic resulted in many challenges but also in opportunities as working practices changed and the infrastructure to support this was put in place. This context made the basis for financial planning for 2024-25 onwards unusually uncertain. The main inflationary pressures were related to pay awards which were 7% - significantly higher than the 2.5% which had been budgeted. Because officer and staff costs account for circa 80% of total costs, this creates a significant increase in expenditure as a proportion of the overall budget. Prudent assumptions have been made for future years, based on information available at the time of preparing this MTFP, but uncertainty remains high.

6. The Planning Process

6.1 The attached Medium Term Financial Plan (MTFP) sets out the planning environment. It includes previous years' figures, together with projections for revenue income and expenditure, and plans for capital and reserves.

6.2 The overall purpose of the planning process is to prioritise resources to align spending plans with the Police and Crime Commissioner's priorities and the Chief Constable's vision and as set out in the Financial Strategy (Appendix A of the MTFP). The priorities are set out below and are detailed in the [Police and Crime Plan 2021 \(northwales-pcc.gov.uk\)](https://www.northwales-pcc.gov.uk/pcc-plan-2021)

Police and Crime Plan Priorities

Delivering safer neighbourhoods

- Tackle and prevent rural and wildlife crime
- Improve the efficiency and effectiveness of police officers and police staff
- Improve road safety

Supporting victims and communities

- Tackle and prevent domestic abuse and sexual violence
- Safeguarding vulnerable people including children
- Tackle and prevent cybercrime
- Establish a victims panel
- Tackle and prevent Hate Crime

Fair and effective Criminal Justice System

- Introduce a North Wales Female Offender Strategy
- Increase the use of Restorative Justice
- Support and protect children and young people and divert them away from the Criminal Justice System
- Address the root causes of offending and support the rehabilitation of people who have offended

The national policing priorities are:

- Reduce murder and other homicides
- Reduce serious violence
- Disrupt drugs supply and county lines
- Reduce neighbourhood crime
- Tackle cyber crime
- Improve satisfaction among victims with a particular focus on victims of domestic abuse

6.3 North Wales Chief Constable Amanda Blakeman was appointed on 1 November 2022. CC Blakeman reviewed the Force strategy which is detailed in the North Wales Police Force Strategic Plan 2023 – 2026. The Force vision is:

Making North Wales the SAFEST place to live, work and visit in the UK

The vision, priorities, approach and desired outcomes are summarised on the ‘plan on a page’ below:

Plan on a Page

OUR VISION

Making North Wales the SAFEST place to live, work and visit in the UK

OUR PRIORITIES

Being visible to and engaging with our communities

Focusing on the basics of fighting, preventing and reducing crime

Providing an excellent service to victims

OUR STANDARDS AND VALUES - How we will deliver



OUR APPROACH - Key areas of focus to support successful delivery



OUR OUTCOMES - What we want to achieve



BUILDING ON A FIRM FOUNDATION TO BE SAFE, STRONG AND CONNECTED

- 6.4 CC Blakeman commissioned the Optimisation Programme which commenced its work in January 2023, looking at specific operational areas and how the resources available could be best used. These included specific reviews of response policing, custody, file preparation looking at the processes and the resource levels in those areas. The Optimisation Programme was fully integrated into the planning process.
- 6.5 The planning process for 2024-25 was reviewed by the Strategic Planning Unit, Finance Department, senior leaders, and the chief officers. Each Service and Functional area was asked to review the resources available, consider the Optimisation Review, then identify savings and any gaps in resources identified within the Force Management Plan. Thematic Reviews were commissioned as required.

6.6 The business plans for each area were presented in a template, with each section having structured questions linked to the Force Management Statement (FMS). The FMS considers the following to assess future demand, risk and harm considering current resources allocated:

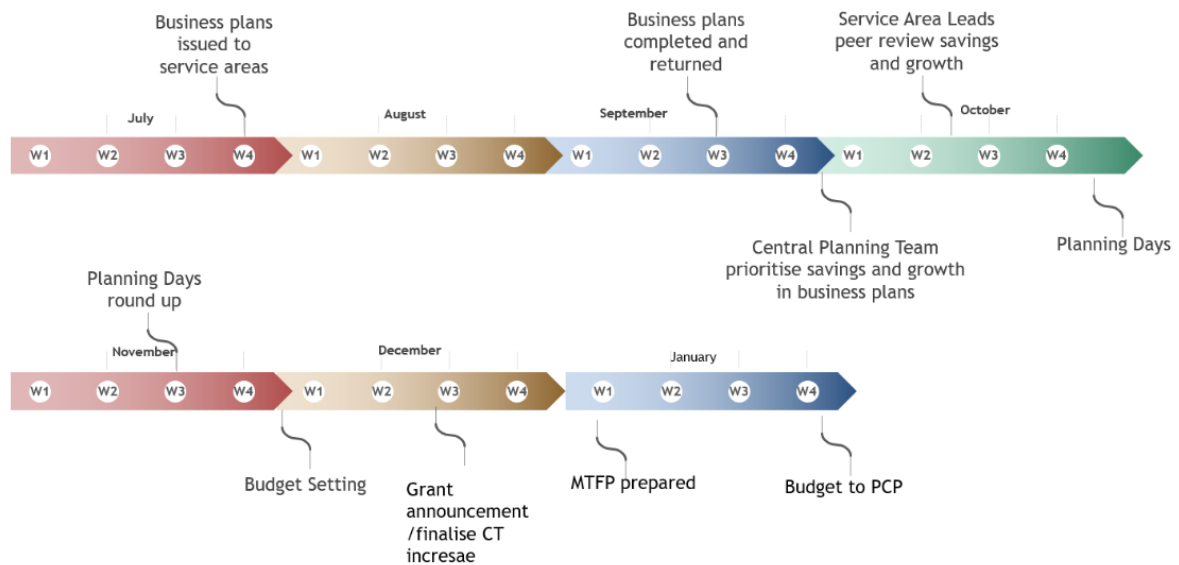
- Current demand
- An understanding of future demand
- Estimate of future demand
- Current capacity: Assets
- Security of supply
- Capability: People
- Capability: Equipment
- Health and wellbeing of officers and staff
- Condition: Equipment
- Current Performance
- Assets: Future demand
- Residual demand gap
- Risk of harm to the public
- Risk of harm to the organisation

6.7 Other area that were specifically considered include:

- Higher pay awards and associated funding
- Increase in Police Officer Employer Pension contribution and associated funding
- Energy costs
- Limited officer numbers due to increase in resignations
- Displaced demand from partner agencies
- Potential reduction in Welsh Government and other partners' (e.g. PCSO) funding
- Reduction in School Liaison funding
- Any available savings in all budgets

6.8 Specific Governance was put in place for the planning process led by the Chief Superintendent Corporate Services. As described below, the process commenced in July 2023 with Business Plans being prepared over the summer. This was followed by peer review of submissions before plans were presented to Chief Officers. The corporate approach with early peer scrutiny resulted in a fully supported plan that will be implemented over the next 12 to 18 months. In addition to this, as events unfolded during the year, additional work was carried out by the Strategic Planning Unit and Corporate Finance Team to examine the additional cost pressures and consider opportunities to utilise the strong balance sheet and re-purpose revenue budgets.

Organisational Planning



6.9 Incorporated in the above, the normal process to develop future budget requirements was undertaken, details of which are included within the Medium Term Financial Plan (MTFP). In developing the submissions by managers, the following were considered:

- Local and National priorities as detailed in the Police and Crime Plan and the Force's Vision
- New and developing pressures
- The strategic planning process
- Force Management Statement
- Other Force strategies
- Current economic climate
- Estimates of resources available to fund the Medium Term Financial Plan
- Budget forecasts for the period, including pay awards
- The current financial position
- The Capital Strategy and Capital Programme, Prudential Code and their effect on the Revenue Budget
- Reserves and Balances
- Income generation, trading activities and grants
- Collaboration
- Efficiencies from investments

6.10 A number of meetings were held with the Chief Officer team to finalise the outcome of the planning process. This allowed known available resources to be applied to priorities and informed the allocation of police officers from the available number of trained officers. The outcome was then discussed at the annual Budget Setting meeting with Service Leads and others, bringing together the recommendation from the Organisational Planning Group, including Savings Plans and all other elements, to build the accompanying MTFP. This then formed the proposal put forward to the PCC and his team.

6.11 A meeting was held between the Commissioner, the Chief Constable, and their representatives on 8 December 2023 to discuss the budget proposals, with final meetings held on 19 and 20 December 2023 after the Home Office and Welsh Government funding announcements had been made.

7. Funding Allocations

7.1 No Provisional Government Funding Allocations for 2024-25 were given at Force level as part of the 2023-24 settlement. However, from the indicative increases in the Home Office budgets for 2024-25, an increase of 1.68% (£1.5m) could be reasonably expected. Announcements were made during 2023-24 to confirm the Government's continued commitment to Operation Uplift and increasing Police Officers numbers by 20,000 nationally, and also maintaining that increase going forward. Pay awards of 7% were given to Police Officers and Police Staff from September 2023, the Home Office announced an additional £515m funding towards the pay award, this equated to £5.3m for North Wales Police. It was also announced that Police Officer Pensions Employer Rates would increase by 4.4% and that this increase would be funded by the Treasury/Home Office, although no figures had been announced.

7.2 The 2024-25 Provisional Settlement was announced on 14 December in a written ministerial statement by the Minister of State for Crime, Policing and Fire, Chris Philp MP. Past inflation has had an impact on policing spending power. In 2023-24, the PACCTS Budget Survey showed that inflationary pressures amounted to a £639m increase in budgets. This was larger than the £454m increase in total funding given to Forces last year. If other growth pressures were included, then forces would face an almost £1bn increase in costs compared with the year before. Pay inflation was recognised by the Government and an additional £330m in 2023/24 to was provided. A summary is given below:

- Part of the increase awarded as an increase in the Uplift specific grant with Terms and Conditions to be confirmed but expected to be based on maintaining Officer numbers.
- Pay Award – additional amount awarded to reflect the 7% pay award
- Pensions Grant – increase in specific Pension Grant to reflect increase in employer contribution rate of 4.3%
- Home office reallocations or 'top slice' of total Police allocation reduced by £76m

7.3 The overall announcement was for an increase of 5.97% in Home Office base grant funding. In addition to this the PUP Grant has been increased by £1.545m which at some point should be consolidated into the main grant, taking both amounts together this is an increase of 7.5% in Home Office funding which reflects the 7% pay award from September 2023. A further increase of £3.173m has been made in the Specific Police Pension Grant, this reflects the increase in costs due to the increase in the Police Pension employer rate. Overall, the expected recurring funding increased by 10.75%. The overall total was £0.290m more than assumed in the final planning figures. These grants are summarised below.

	MTFP January 2023	MTFP January 2023 plus expected increases	HO Announcement December 2023	Increase from 2023-24	Difference from expected
	2023-24	2024-25	2024-25	2024-25	2024-25
Grant	£88,714,919	£95,520,705	£94,011,691	£5,296,772	-£1,509,014
Uplift	£2,833,187	£2,833,187	£4,378,561	£1,545,374	£1,545,374
Pension Grant	£1,582,031	£4,502,051	£4,755,540	£3,173,509	£253,489
Total	£93,130,137	£102,855,943	£103,145,792	£10,015,655	£289,849

7.4 Policing policy is not devolved to the Welsh Government and funding for the four Welsh police forces is delivered through a three-way arrangement involving the Home Office, the Welsh Government and council tax. Although part of the main grant is paid by the Welsh Government this is a pass-through amount with the total amount being determined by the Home Office formula meaning that the Policing areas in England and Wales receive the same increase in base grant. However, the Welsh Government have provided specific grants for Police Community Safety Officers (PCSOs) and School Liaison Officers. Discussions have been on-going for a number of months on the PCSO funding with a significant reduction expected. It was also confirmed that the School Liaison Officer funding will cease in 2024-25 which will be a reduction of £0.388m funding for North Wales.

7.5 There is a high level of uncertainty around future funding with a general election likely to be held during 2024.

8. Budget for 2024-25 and Planned Budget for 2025-26 to 2028-29

8.1 The detail of the Budget and changes for 2024-25 and future years are shown in Appendix A.

8.2 The main assumptions and changes from January 2023 MTFP are as follows:

- Annual pay inflation of 7% applied from September 2023 to August 2024, previous assumption was 2.5%
- Pay award of 2.5% per annum increase from September 2024 onwards, with equivalent of 0.5% earmarked in reserves to mitigate risk of higher award in September 2024
- Higher increment increases included as Uplift Officers progress through the grades, this has reduced in 2024-25 to reflect increased resignations.
- General Inflation calculated line by line for 2024-25, the overall average is around 5.5%, a rate of 7% used if there is no specific figure. Assumed a 2% increase in 2025-26 onwards where amount not known.

- Energy increases looked at over a 3 year period to deal with variability. Amount funded by reserve removed from the budget, but reserve still in place. Budget based on estimated cost calculated with energy consultants.
- Council Tax increase of 4.97% in 2024-25 (£16.56) and £13 per annum in the following years which equate to 3.72% in 2025-26, 3.58% in 2026-27, 3.46% in 2027-28 and 3.35% in 2028-29. Increased from £12 in January 2023 MTFP to reflect cost pressures.
- General Government Grants increase of 5.97% in 2024-25, and 1% for the following years.
- That the base grant incorporates Uplift and all other increases (that is there will be no additional funding for future Uplift Officers increment increases).
- Police Officer Employer Rate increased by 4.3% and funded by additional specific grant.
- That the Capital Grant has been withdrawn, capital investment will have to be funded from a combination of direct funding, reserves and borrowing, all of which originate from the revenue budget.
- Increase of 0.99% in the tax base for 2024-25. A 0.25% increase in tax base from 2025-26 onwards. There may be further increases in second home premium but there may also be a reduction in the number of second homes which would reduce the base.
- The Emergency Service Network (ESN) will now not be implemented during the period covered by this MTFP, and therefore has been removed from the revenue estimates. The reserve remains in place.
- Contributions to General Reserve to ensure the balance does not fall below the minimum of 3% of Net Revenue Budget value. £0.125m is included in the budget from 2027-28.
- Specific grants for School Liaison Officers will be withdrawn, grant for PCSOs will be reduced.

This gives an overall position of:

	Annual	Annual	Annual	Annual	Annual
	Budget	Budget	Budget	Budget	Budget
	2024-25	2025-26	2026-27	2027-28	2028-29
	£'000	£'000	£'000	£'000	£'000
Baseline	188,959	200,281	206,720	214,611	221,667
Inflation Pay	11,154	5,237	6,595	5,632	5,821
Police Officer Employer increase in rate	2,880				
Inflation Non pay	2,236	1,202	1,296	1,424	1,231
Uplift Specific Grant increase	-1,545				
Pension Grant increase	-3,174				
Savings	-3,171				
Structural Growth	927				
Growth	1,239				
Loss of PCSO and SLO grants	776				
Budget Requirement	200,281	206,720	214,611	221,667	228,719
Total Grant	-94,012	-94,952	-95,901	-96,860	-97,829
Precept from Council Tax	-106,269	-110,496	-114,743	-119,011	-123,299
Total	-200,281	-205,448	-210,644	-215,871	-221,128
Budget Gap	0	1,272	3,967	5,796	7,591
Savings to be found in year (not yet identified)	0	1,272	2,695	1,829	1,795
Council Tax % increase	4.97%	3.72%	3.58%	3.46%	3.35%
Council Tax £ increase	16.56	13	13	13	13

8.3 The planning cycle focused on aligning resources to priorities while setting a balanced budget and providing value for money to local taxpayers over the medium term as set out in the Financial Strategy. Based on the assumptions set out the outputs and specific issues dealt with as part of the cycle were:

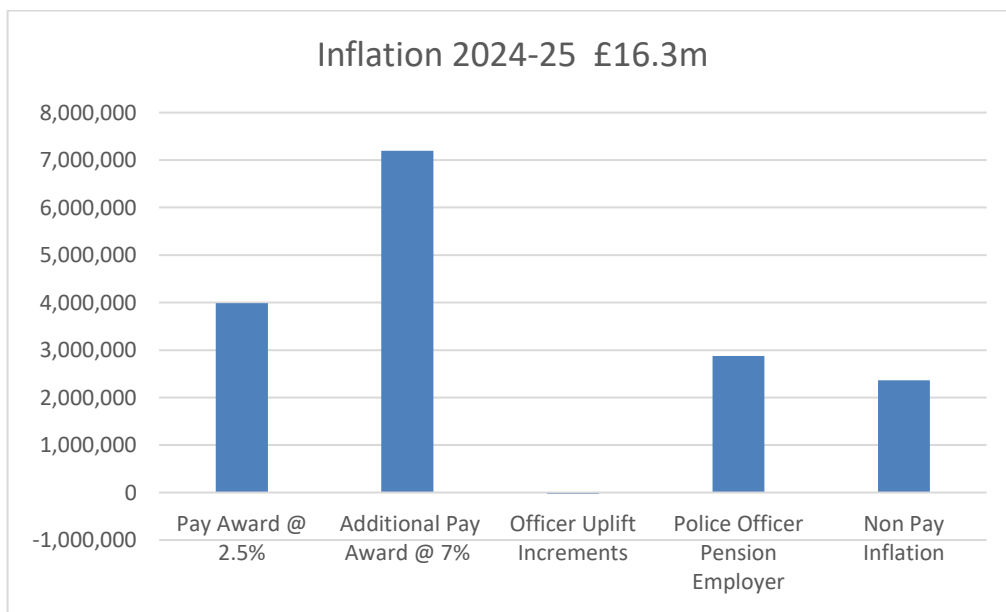
- **Inflation –**
 - high pay inflation
 - high non-pay inflation
 - increase in Police Officer Pension Employer rate
- **Savings -**
 - Service area savings
 - Functional and Corporate savings
- **Growth -**

- Police Officer reprioritisation
- Optimisation Programme
- Structural Growth
- Demand and priority growth
- Displaced demand

Inflation

8.4 The biggest issue that became apparent and developed over the planning period was the additional cost of pay inflation. This together with high non pay inflation resulted in a net increase of £16.3m due to inflation. This is explained below:

Category	£
Pay Award budgeted @ 2.5%	3,988,535
Additional Pay Award @ 7%	7,197,774
Officer Uplift Increments	-31,200
Police Officer Pension Employer	2,878,616
Non Pay Inflation	2,236,340
Total inflationary increases	16,270,065
Additional Grant toward 7% increase in base	-3,796,772
Additional Grant toward 7% increase in Uplift	-1,545,374
Additional Grant towards Pension increase	-3,171,000
Total additional funding	-8,513,146
Net inflation	7,756,919



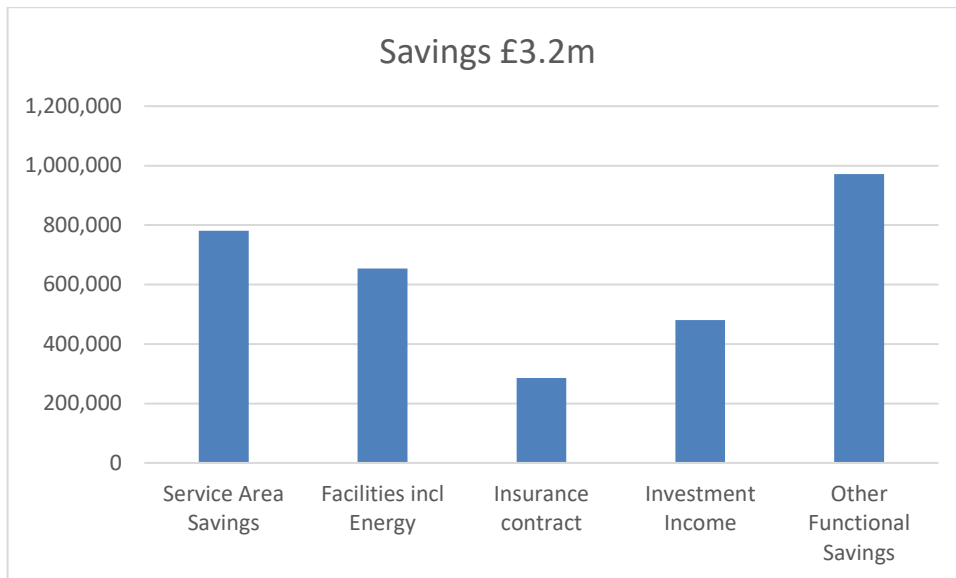
- 8.5 Pay award** - The January 2023 MTFP included an assumption of a 2.5% increase in Officer and Staff pay awards from September 2023, which amounted to a budgeted £3.988m. The final award was for a 7% increase, which increased the pay inflation by £7.198m to a total of £11.186m. The Home Office announced that they would provide additional grant towards the unexpectedly high pay award. A total of £5.342m additional grant was allocated to North Wales, with £3.797m of this is the base grant and £1.545m included in the Uplift Specific grant. This resulted in an unbudgeted gap of £1.856m.
- 8.6 Increments** – additional increment cost of £0.569m was expected as additional Officers from Uplift work their way through the pay points, however due to the increase in resignations this was not required in the updated pay budget with a small reduction of £0.031m included. Future increments costs have been included as the costs increase from year 5 onwards.
- 8.7 Police Officer Employer Rate** – The Home Office and the Government Actuary Department announced that the Police Pension Employer rate would increase from 31% to 35.3% from April 2024. This results in an increase of £2.878m. The Police Pension Scheme is an unfunded scheme which is underwritten by the Treasury, additional funding of £3.171m was allocated to North Wales Police.
- 8.8 Non Pay Inflation** – the overall increase of £2.236m is circa 3.6% of the non-staff budget of £62.5m. However, this includes some reductions in areas such as energy where although costs are much higher than two years ago, they are lower than the expectation this time last year. The budget lines were reviewed line by line and specific inflation used where available. We have some contracts with an annual CPI-based increase being applied at a point in time, resulting in the 2023 high inflation rates feeding into 2024-25 costs.
- **General non pay inflation MTFP** – this is the base inflation at 7% included in the January 2023 MTFP.
 - **Injury Pensions** – this is the only element of Police Pensions that remain in the Revenue Budget. Increases are based on September 2023 inflation figures, which resulted in a 7% overall increase.
 - **Insurance** – Insurance cost for Police Forces have increased over recent years, partially due to the limited number of companies in the market and partially due to the costs of settlements. Inflationary increase of 7% included. However, contract negotiations resulted in savings overall.
 - **Energy** – Energy prices, gas and electricity, have been volatile over the last two years. North Wales Police has moved to a variable pricing contract where gas and electricity are purchased on a quarterly basis; over the medium term this will enable gas and electricity to be bought at lower prices. The 2023-24 budget included £1.3m which was to be funded from reserves, this has been removed and the base budget has been set at £2.7m based on estimates from the Energy consultants. Energy costs remain volatile with the risk being managed through the purchasing strategy and the earmarked reserve.

- **Estate costs** – Overall inflation at 4%
- **Fuel** – as with energy, fuel prices have been highly volatile, which has been the case for a few years. However as with energy costs, fuel increases are lower than expected in the 2023 MTFP. A fuel reserve is already in place and if the higher prices transpire they will be offset by use of the reserve.
- **Fleet** – other Fleet costs reviewed for additional expected inflation.
- **ICT** – IT software and maintenance contracts normally have an annual increase linked to inflation; Inflation is around 7% but some overall savings taken from the new sourcing contract.
- **Other** – this relates to other contracts that have annual increases linked to inflation, such as Officer Pensions, various medical provisions, various Collaborations and other smaller contracts.

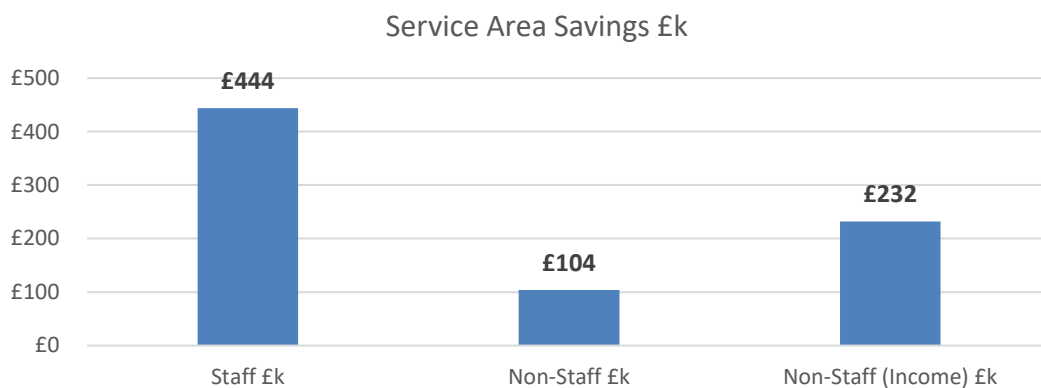
Savings

8.9 North Wales Police has an excellent track record of identifying and delivering savings with over £6.1m of these being delivered over the last 2 years through the planning process. However, the efficiency savings identified by service areas become harder to identify over time. Due to the current circumstances other corporate level savings and opportunities were identified, with the strong balance sheet enabling some of these additional savings. A summary is shown in the table and graph below with details below:

Category	£
Service Area Savings	-780,516
Facilities including Energy	-653,559
Insurance contract	-286,125
Investment Income	-480,669
Other Functional Savings	-970,969
	-3,171,837



- Service Area Savings** – Service Areas were asked to look at savings totalling £0.960m, proposals amounting to the total were submitted, on scrutiny the final amount taken was £0.761m. These were a combination of staff, non-staff and additional income. The impact of the savings, their deliverability and whether they conflicted with the priorities were assessed. These are summarised below:



Functional Area and Corporate savings

- Facilities (including Energy)** – Energy costs were assessed as part of the 2023MTFP with significant increases projected in 2023-24 and 2025-26. The energy markets have settled since last year, and the benefits of the new purchasing strategy are being seen. Based on forecast at the beginning of the year it was estimated that £0.596m can be taken from the energy budget in 2025-26. The risk of further increases is mitigated by an earmarked reserve. The balance of the saving was due to increased income.

		Base Budget	Projection April 23	Variance
FY24-25	Electricity	£2,513,466	£2,117,150	-£396,316
	Gas	£762,098	£562,122	-£199,976
	Total	£3,275,564	£2,679,272	-£596,292
FY25-26	Electricity	£2,685,790	£1,999,383	-£686,407
	Gas	£715,041	£505,058	-£209,983
	Total	£3,400,831	£2,504,441	-£896,390

- **Insurance Contract** – the insurance contract was expected to increase by 25% as part of the 2023MTFP. Work by the Procurement Department eventually resulted in a change of supplier and the costs being reduced. The saving taken takes account of expected inflation of around 15% going into 2024-25. The saving for 2024-25 is £0.286m.
- **Investment Income** – interest rates have increased over the last 12 months; however they are projected to decrease over the next two years. A projection has been made based on cash flow forecasts and interest rate projections provided by the Treasury Management advisors. The amount to be built into budget on permanent basis is based on risk appetite, an overly aggressive approach could lead to a need for cuts in future years, but an overly cautious approach would lead to cuts elsewhere this financial year. The approach of the Financial Strategy is to be cautious, with treasury management strategy to be risk averse. The amount of investment income budgeted needs to be sustainable. An increase of £0.481m has been included in the revenue budget on a permanent basis, over the next two years an estimated one-off amount of £1.5m and £1m will also be allocated to Capital funding from additional interest income.
- **Other functional savings** – this includes amounts already included as part of the 2023 MTFP of £0.454m from the IT sourcing contract and £0.157m other savings. Additional savings of £0.159m from the IT budget, NPAS reduction of £0.077m with the balance of £0.123m coming from smaller savings from Fleet, Legal, Training and HR.

The total savings identified (£3.172m) is a significant amount - the equivalent of a £10.43 reduction in Band D Council Tax. Some of the savings increase the risk within the annual budget but this risk is mitigated using the strong balance sheet.

Growth

8.10 Growth and Investment to meet changing and new demand fairly complex this year. These can be split into four categories as below, with details of each one following:

- **Police Officers** – maximising the available officers mainly through Optimisation, limitation on savings due to Uplift requirements and growth due to recruitments being maximised. No additional cost.
- **Structural Growth** – Items identified where there are no other viable options. £0.927m

- Growth identified through the **planning process**. £1.239m
- **Displaced demand** – included in this figure is £0.776m specifically to fund PCSOs and School Liaison Officers.

8.11 **Police Officer allocation** – The increase in officer numbers from 206 Uplift and the 30 funded from Precept pre Uplift has resulted in an establishment of 1696 full time equivalents. This is therefore the number of budgeted posts which must include the Probationer officers in their first year non-deployable period.

- There has been a significant increase in attrition during the last 2 years, due to increased resignations of short service officers. Increased from 1-2 per month to 3-4 per month.
- This has resulted in the need to continue with a high level of recruitment (4 intakes of 33 per year, rather than 4 intakes of 18).
- There are now 99 non-deployable recruits in training at any given point, 45 more than the previously planned 54, and this will be the case for at least 2 years.
- No capacity to increase recruitment.
- Therefore, the number available of operational posts is 1597.

8.12 The Optimisation Programme had done considerable work in optimising officer roles and had also identified where it would be more efficient to do things differently and where some growth was required. Some further growth was identified during the planning process. An exercise was also carried out by Service areas to identify posts that could be reallocated, this resulted in 26 posts being identified in addition to the 12 Uplift posts which were available (equivalent to a saving of £1.430m). This resulted in 38 new Officer posts as shown below:

Officer Growth



Delivering safer neighbourhoods

- Sgt Patrol x 2
- Professional Development Unit x 10



Supporting victims and communities

- DS MOSOVO x 1
- DS CRU x 1
- Diversity Officer x 1



Fair and effective Criminal Justice System

- Sgt Audit and Inspection Team x 1
- Driving Instructor x 2
- PSD DC Investigator x 2
- PSD DC ACU x1
- PSD DI x 1
- Domestic Abuse Case Team x 16

8.13 Structural Growth – These are costs that have either been identified as part of normal business or through the planning process where there are no other viable options. Options were considered with the costs originally estimated to be £1.6m, but this was reduced to £0.927m by identifying other funding, mitigating through the balance sheet, or reducing the costs. Details of the growth are shown below:

Description	Agreed Funding	Comment
Wrexham FC OT - PSU and NPT	£150,000	Increased overtime costs
OHU Medical	£150,000	Costs relating to maintaining high recruitment
SARC - children and young people services	£140,000	BCUHB given notice on contract
Control Room Solutions - Agreed April 24	£112,470	Data storage requirements
National/Regional Collaboration	£67,824	Increase in both existing together with new
NW Armed Policing Collaboration	£62,766	Due to GMP withdrawal
Other Contractual Price Increases	£49,356	Various other Contractual Price Increases
Mobile Phone Costs	£44,613	Increase data requirements
Dog Kennelling	£40,069	Increased demand
ICT Azure Costs	£40,000	Linked to data storage requirements
Microsoft Licenses Year 3 costs	£38,491	Contractual
On Call Public Order Public Safety Advisor	£16,900	Overtime increase
NWP Technology Call Out	£15,000	NWP Technology Call Out
	£927,489	

8.14 Growth from the planning round – A thorough process was followed as part of the planning process with growth request scrutinised against the FMS, available data and matched against priorities. Further scrutiny was applied through peer review before presenting to Chief Officers. The original revenue bids amounted to £2m staff and £0.760m non staff. This was matched to available potential available resources prior to the funding announcements on the 14 of December. The final agreement amounted to 18 Staff Posts at £0.873m and £0.283m non-staff growth. These are summarised under the priority categories below:

Permanent Growth



Delivering safer neighbourhoods

- SOCU Analyst x 1
- WBDC Analyst x 1
- WBDC Consumables
- Force Mapping System
- Firearms Licensing
- AI Platform (via Innovation Fund)



Supporting victims and communities

- 5.6 x Cold Case Team Staff
- 1 x MARAC Administrator
- 1 x Assistant Solicitor



Fair and effective Criminal Justice System

- Pronto Administrator x 1
- Vetting Staff PSD x 2
- Complaints Manager PSD x 1
- Recruitment Manager x 1
- HR Officer (HRTSO) x 1
- IT Trainer x 1
- Systems Administrator (BSU) x 1
- Resource Management Administrator x 1
- HR Case Management System

18.1 FTE Staff

£873k Staff

£283k Non-Staff

Total Growth = £1,156k

- **OPCC growth** – the planning process also identified £0.083m of growth in the OPCC budgets. This mainly reflects increases and new contributions to national and regional partners in the areas of road victim support; Violence Against Women and Girls, Domestic Abuse and Sexual Violence; Regional Anti-Racism Board; Community Safety and other bodies.

8.15 Displaced Demand

Displaced Demand – a feature of this year's planning round has been a landscape of partners withdrawing partially or fully from funding agreements as budgets are cut within the public sector, as well as an increase in general demand. This includes withdrawal of funding from all local areas of the public sector including Coroner's Office, LA funded PCSOs, SARC funding from the Health Board, and collaboration agreements with other policing bodies; as well as increased demand such as for policing football matches. These are reflected within the growth above. Two areas that had to be considered specifically, late in the planning cycle, are the reduction in PCSO funding and the total withdrawal of School Liaison Officer funding.

- 8.16 **PCSOs** – The number of PCSOs funded from the Welsh Government has been discussed throughout the year. The 2023MTFP included an aspirational target of 222 PCSOs with 121 of these being funded by the Welsh Government, although the actual number was projected to be between 175 and 200 based on two recruitment periods in the year (a number of PCSOs

are recruited as Police Officers annually, making turnover high). During the year it was indicated that a planning assumption of 81 Welsh Government PCSOs should be assumed. Based on previous work and a review as part of the planning process it was assessed that 194 PCSOs are required. A plan was put in place to increase precepts to fund 5 PCSOs, and to support this from the earmarked reserve as needed. As part of the funding announcements in December it became clear that the Welsh Government figure was more likely to be 61, the funding plan was further reviewed with an additional 5 PCSOs being funded from precepts. The figures are summarised below.

	2023 MTFP	2024 Modelling	2024 Final
WG Original Funded	101	81	61
WG Additional	20	0	0
Wrexham BC	4	0	0
NWP base budget	86	91	91
2024-25 Growth	0	5	10
Reserves or other grants	11	17	32
Total	222	194	194

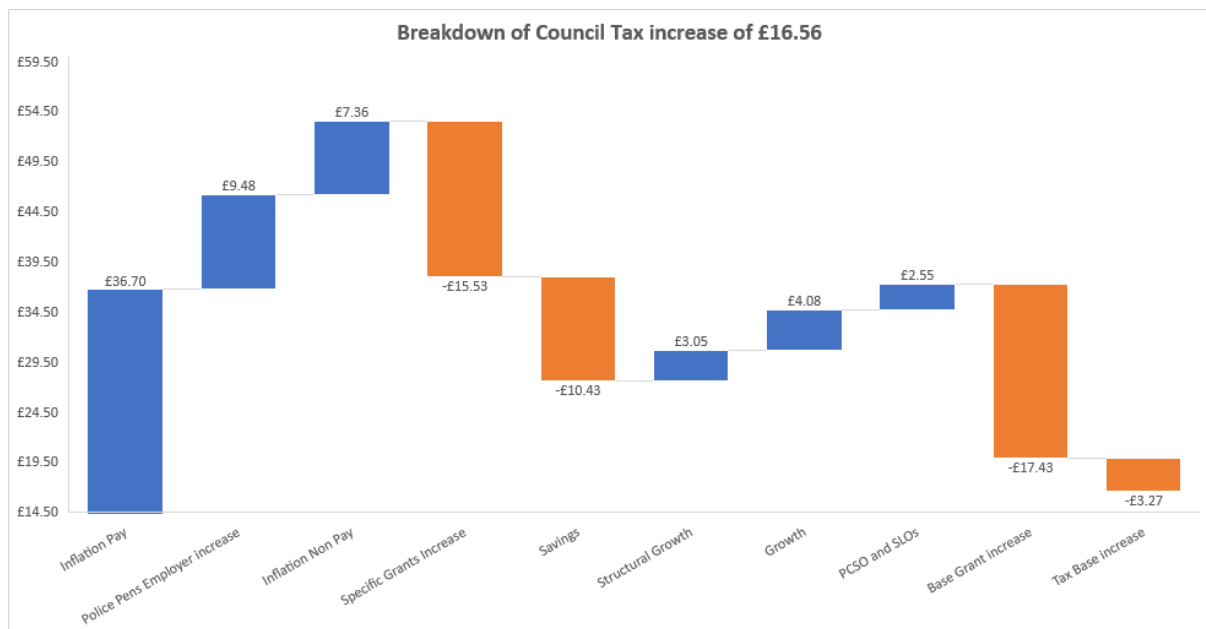
The funding is based on the assumption of 61 being agreed by Welsh Government (still to be confirmed). The original assumption was that North Wales Police was to fund 81 PCSOs from base budget; however, in 2022/23 the PCC agreed to fund an additional 10 PCSOs, bringing the starting position for 2024/25 to 91 PCSOs in the base budget. Adding a further 10 to the base budget in 2024/25 leaves 32 to be funded by other means. The likely number of PCSOs in 2024/25 is in the range of 180-190, so it is unlikely that funding will be needed for all of the 32 PCSOs during this financial year. Additional funding will be found from the reserve (£1.3m available) or potential new grants (see section 4.8). It will be necessary to look at more sustainable financial arrangements during the next planning round.

The additional 10 PCSOs funded from precept amounts to £0.388m and which is a £1.28 annual increase on the Council Tax.

- 8.17 **School Liaison Officers** – The All Wales School Liaison Programme has been running since 2004-05. The Programme currently has 16 Police School Liaison Officers and 1 Police Staff Coordinator, the Welsh Government provided funding of £0.388m which was expected to continue in 2024-25. This equates to 6 Police School Liaison Officers, with the remaining officers and staff being funded in the base budget. As part of the funding announcements in December, the budget which funds the Programme was withdrawn by the Welsh Government. Following discussions between the PCC and CC it was agreed that the Programme be supported locally and the £0.388m would be funded from the base budget. This is an

equivalent additional increase of a further £1.28 on the Council Tax. Due to Uplift constraints the Officers would need to be funded regardless, in these or other roles, unless agreement from the Home Office were obtained to reduce the Uplift Officer target.

- 8.18 The plan summarised above sets a new base for future years: full implementation of the Uplift officer increases; the support required to support the additional officers and staff; and investments in the capital programme and equipment. Additional challenges were presented late in the cycle, while some announcements were helpful, for example slightly better overall Home Office funding than expected. Savings of £3.171m were identified which were £1.448m higher than the original target set of £1.723m, and equate to 1.7% of the 2023-24 budget. The Optimisation Review and Planning Process re-prioritised Police Officer posts with a further equivalent non-cashable saving of £1.4m. This allowed for resources to be prioritised and to protect the PCSOs and SLOs with the PCC’s support, and set a sustainable, balanced budget.
- 8.19 The increases required in the 2024-25 base budget are based on assumptions set out above. These are reasonable, based on information available and in line with national Policing assumptions. However, as has been seen during 2023-24 the level of uncertainty is still high especially with 2024 being an election year.
- 8.20 The budget proposal results in a Council Tax increase of £16.56 or 32 per week on a Band D Council Tax of £349.65 which is a 4.97% increase and results in an overall precept of £106.269m. A £15 increase was the planning assumption from the 2023MTFP, the Council Tax could have been set at £14 Band D increase but to protect PCSO numbers and SLO posts an additional £2.56 increase is required. The effect of the increases and reductions on the Council Tax are shown in the chart below.



8.21 Based on the assumptions set out in 8.2 with a £13 increase in Council Tax, 1% increase in grants and 2.5% increase in pay there is a projected gap of £7.591m over the MTFP period. This works out at less than 1% per year. There is an increase in 2026-27 due to the reserve funding for PCSOs being fully utilised. The amounts are within normal expectations that continuous improvements should provide efficiencies.

	2024-25	2025-26	2026-27	2027-28	2028-29
Budget Gap cumulative	0	1,272	3,967	5,796	7,591
As a % of Net Budget	0	0.62%	1.88%	2.68%	3.43%
Savings to be found in year	0	1,272	2,695	1,829	1,795
As a % of Net Budget	0	0.62%	1.28%	0.85%	0.81%

9. Resilience and Reserves

9.1 The Commissioner has a duty to ensure that he holds adequate financial reserves to manage risks. In addition to the funding and forecasting risks detailed above, the Commissioner needs to allow for expenditure risk (spending over budget), as well as unforeseen events such as costly major incidents, natural disasters, or other unexpected events. An element of this risk is through the in-year budgets, using the contingency budgets. However, these contingency budgets are being reduced, with a greater proportion of that risk being transferred to Reserves.

9.2 The Reserves are reviewed as part of the budget setting process and again as part of producing the Statement of Accounts at the end of the financial year when the final outturn position is known.

9.3 A detailed review was carried out as part of the planning process to assess how the reserves and the projected underspend of circa £3m could be used to manage expenditure and risk to enable a balanced budget and support the continuation of service. The main changes were:

- Allocate from the projected underspend £3m to the Capital Reserve (£2m) and Management of Change Reserve (£1m).
- Other earmarked commitments reviewed.
- £0.750m earmarked in Management of Change Reserve for temporary costs stemming from the planning process
- £0.750m earmarked in Management of Change Reserve to mitigate potential additional 0.5% pay increase in 2024-25
- Capital Receipts reserve used to fund increase costs in Estates Projects
- The amount in the General Reserve was increased at the end of 2022-23 so that it can be maintained at a level of 3% of net budget, without further contributions, until 2026-27.

9.3 There is a planned reduction in reserves from £51.189m to £26.913m between 31 March 2023 and 31 March 2032.

9.4 It is considered prudent to maintain General Reserves at between 3% and 5% of Net Revenue Expenditure (NRE). As there are earmarked reserves to mitigate risk, the General Reserve has been maintained at just above 3%. However, as the NRE increases it will become necessary to increase the General Reserve to maintain the balance at 3%, this has been included in future and is reflected in the summary below:

Reserve Position	Balance	plan	Balance	plan	Balance	plan	Balance	plan	Balance	plan	Balance	plan	Balance	plan	Balance	plan	Balance	plan	Balance
<i>Usable Reserves at</i>	31.3.23		31.3.24		31.3.25		31.3.26		31.3.27		31.3.28		31.3.29		31.3.30		31.3.31		31.3.32
	Balance	Plan	Balance	Plan	Balance	Plan	Balance	Plan	Balance	Plan	Balance	Plan	Balance	Plan	Balance	Plan	Balance	Plan	Balance
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
General Fund Balance	6.120	0.000	6.120	0.000	6.120	0.000	6.120	0.123	6.243	0.126	6.369	0.127	6.496	0.128	6.624	0.129	6.753	0.130	6.883
Earmarked General Fund Reserves	41.493	-2.667	38.826	-7.632	31.194	-1.902	29.292	-1.750	27.542	-1.128	26.414	-0.543	25.871	-5.577	19.232	0.000	19.232	0.000	19.232
Capital Receipts Reserve	3.576	-0.080	3.496	-2.523	0.973	-0.750	0.223	0.575	0.798	0.000	0.798	0.000	0.798	0.000	0.798	0.000	0.798	0.000	0.798
Total Usable Reserves	51.189	-2.747	48.442	-10.155	38.287	-2.652	35.635	-1.052	34.583	-1.002	33.581	-0.416	33.165	-5.449	26.654	0.129	26.783	0.130	26.913

9.5 Details of each earmarked reserve are to be found in the MTFP together with their intended use.

9.6 Over recent years the financial resilience of Local Authorities (including Policing bodies, which are legally Local Authorities) has become of greater concern. This is a complex area: a Local Authority does not become insolvent in the same way as a private company - the private company will go out of existence, whereas the Local Authority would not have the resources to deliver the services it is legally obliged to provide. It is clear that weak financial resilience, especially if combined with not having a stable and sustainable budget, ultimately leads to reduced and potentially failing service delivery.

9.7 Two national surveys and analysis of Policing areas financial resilience were conducted in 2023-24. In the first by PACCTS and NPCC, North Wales were within a group of higher ranking areas which were considered to be medium to low risk. In the second by CIPFA's Achieving Finance Excellence in Policing network a resilience score was calculated with North Wales being the second highest scoring area. More details are included in the MTFP.

9.8 Both these surveys give a positive result, but it is something that can change quickly. The annual MTFP supporting the Financial Strategy is a corner stone of maintaining financial resilience, which in turn enables a high level of service and performance to be maintained, as well as being one of the opportunities to regularly assess financial resilience.

10. Capital

10.1 The PCC's assets and infrastructure need continual investment to ensure an efficient and modern working environment. The Capital Programme as a whole needs to be affordable, provide value for money, be deliverable, and reflect the overall strategy of having an infrastructure that is fit for the future. The Capital Programme reflects the implementation of the Estates, IT and Fleet Strategies. As part of the planning process for 2024-25 new requirements have been highlighted, the current programme has been reviewed highlighting some slippage into 2024-25 and the future Programme has been reviewed in light of the new

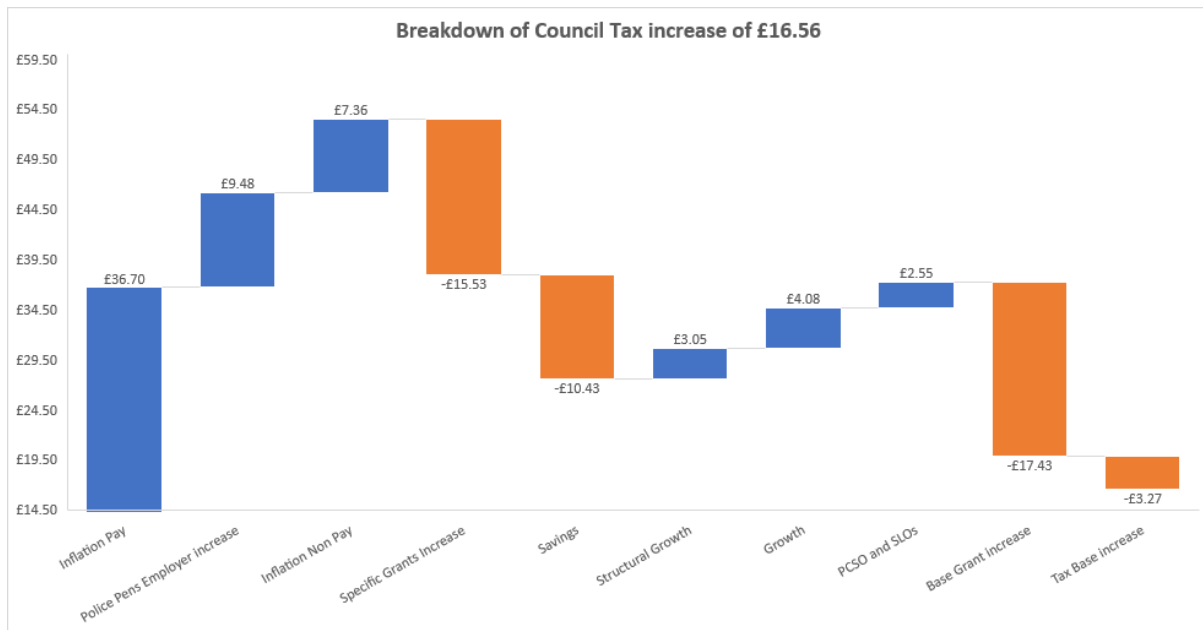
requirements and the slippage. Overall affordability has been assessed and the Programme is affordable within the resources currently allocated to capital investment. Details of the Programme are contained in the MTFP.

- 10.2 **Estates** – A detailed review of the current Programme and new requirements was carried out. The major investment in 2024-25 will be the new Police Station in Holyhead. New or additional investments were agreed for a Prestatyn Town Centre facility, refurbishment of Abergele Police Station, Firearms Range Welfare facilities and purchasing of a facility to house the Archive Store. All these projects are subject to agreeing Business Cases and confirmation of details through the appropriate governance.
- 10.3 **Fleet** – The Fleet strategy was also reviewed at the Strategic Finance & Resources board in 2022 with the aim to provide a fit for purpose, safe, reliable, and cost-effective vehicle fleet that can support the force’s needs of flexibility, agility and for transition to a lower carbon emission fleet model. No changes have been made to the Fleet replacement programme budget; provision has been made within the Sustainability budget for development of Vehicle charging points.
- 10.4 **IT and Communication** - The Technology strategy for the Force is currently under review as part of the Fit for the Future strategy reviews. The new Technology structure and contractual arrangements were put in place from April 2023 and the transition period is nearing completion. The new structure has created greater capacity and capability within the technology team, but supporting all of the change events at Force, Regional and National level remains challenging for the team. The Digital Strategy for the Force was also reviewed earlier in 2023 with the need to ensure alignment to the Fit for the Future strategy. Progress in a number of areas has been made in 2023-24 although not all instances have been capital intensive as digital and software costs increasingly follow a revenue-intensive spend profile. Projects planned or expected to be completed in 2024-25 are upgrading servers, significant laptop replacements, Airwave replacement, Body Worn Video replacement and the upgrade of the Command and Control system.
- 10.5 Capital funding has been reviewed to include additional funding included for new projects and increased costs. The Programme is affordable based on current estimates of costs and funding that will be available. The final detailed plan will be formally approved by the PCC as part of the Capital Strategy before the end of March 2024. This is a statutory requirement and incorporates the Treasury Management and Prudential Code Strategies. A summary of the Programme and funding is given below, details can be found in the MTFP:

	2023-24	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Revised					
Description	Est Q2	Est Q3	Est	Est	Est	Est	Est
	£000	£000	£000	£000	£000	£000	£000
Total Building Works	2,209	2,209	8,588	5,787	4,530	2,480	2,180
Total Vehicles and Other Equipment	2,467	2,467	3,071	1,797	1,341	1,883	1,580
Total Information Technology and Communication	4,960	2,980	5,635	1,736	1,699	1,520	6,450
Total Capital Expenditure	9,636	7,656	17,294	9,320	7,570	5,883	10,210
Funding							
Home Office Grant	620	620	0	0	0	0	0
Revenue Contribution	3,327	3,447	4,507	3,447	2,786	2,480	2,710
Earmarked Reserves	2,791	1,791	2,615	1,180	180	180	2,350
Capital Receipts	200	200	2,700	0	650	0	0
Borrowing for Estates	1,366	1,366	4,063	3,505	3,700	2,300	2,000
Borrowing for replacement programme	1,332	232	3,409	1,188	254	923	3,150
Total Funding	9,636	7,656	17,294	9,320	7,570	5,883	10,210
External sources	620	620	0	0	0	0	0
Own resources	6,318	5,438	9,822	4,627	3,616	2,660	5,060
Debt	2,698	1,598	7,472	4,693	3,954	3,223	5,150
TOTAL	9,636	7,656	17,294	9,320	7,570	5,883	10,210

11. Consideration of Options

11.1 The Commissioner has considered all the options available within the resources available. Extensive work was carried out by the Organisational Planning Process to identify savings and move resources within the organisation. As detailed above during planning process significant increases were identified due to high pay inflation. The effect on the various movements on council tax is shown below. Inflation (Structural Growth) would have increased council tax by 11+% on its own. This was mitigated as far as possible from savings, temporary funding, higher increases in tax base and only essential growth.



Category	£	FY24/25
Inflation Pay	11,154,000	£36.70
Police Pens Employer increase	2,880,000	£9.48
Inflation Non Pay	2,236,000	£7.36
Specific Grants Increase	-4,719,000	-£15.53
Savings	-3,171,000	-£10.43
Structural Growth	927,000	£3.05
Growth	1,239,000	£4.08
PCSO and SLO'S	776,000	£2.55
Base Grant increase	-5,296,772	-£17.43
Tax Base increase	-993,380	-£3.27
Council Tax Increase	5,031,848	£16.56

11.2 The Commissioner held discussions with the Chief Constable who confirmed that the council tax increase of 4.97% provides sufficient budget to enable the operational delivery of the policing service in 2024/25. However, due to future uncertainty over the level of grant allocation, pay awards, and changes in operational pressures, it is not possible to comment at this stage as to the accuracy of planning assumptions for later financial years, and it must be understood that a significant reduction in the grant allocation or a higher than expected pay award would necessitate increased cuts and/or higher council tax increases in future years. However, the assumptions made are prudent and in line with those made within the Policing sector.

11.3 Increasing the Council Tax by 4.97% the valuations for each property band are:

Tax Band	A	B	C	D	E	F	G	H	I
Council Tax £	233.10	271.95	310.80	349.65	427.35	505.05	582.75	699.30	815.85

11.4 The precept for each billing area will be:

Billing Authority	2024-25 Tax Base	Precept £
Anglesey County Council	33,170.03	11,597,901
Gwynedd Council	56,109.27	19,618,606
Conwy County Borough Council	52,442.55	18,336,538
Denbighshire County Council	41,868.06	14,639,167
Flintshire County Council	66,081.00	23,105,222
Wrexham County Borough Council	54,260.00	18,972,009
	303,930.91	106,269,443

12. Implications

Diversity	The report's recommendations will affect the Force's employee numbers in future years.
Financial	The purpose of this report is to recommend the Precept and Council Tax for 2024/25, and to explain the factors taken into account in making this recommendation. Although the recommendation is for a single financial year, it is important to consider the medium to long term position in reaching a decision. Adequate financial resources are vital to the delivery of the Police and Crime Plan and to fulfil our legal requirements.
Legal	This report, in conjunction with the Medium Term Financial Plan, provides sufficient information for the Police and Crime Panel to make a decision that could stand future legal challenge.
Risk	The report identifies and evaluates the risks from the recommendations.
Police and Crime	No separate police and crime implications.

Revenue Budget 2023-25 to 2028-29

Appendix A

Ref	Description <u>Budget 2023-24 to 2028-29</u>	Annual	+'Inc	Annual	Annual	Annual	Annual	Annual
		Budget	Redn	Budget	Budget	Budget	Budget	Budget
		2023- 24	2024- 25	2024- 25	2025- 26	2026- 27	2027- 28	2028- 29
	Expenditure	£000	£000	£000	£000	£000	£000	£000
1	Police Officer Pay Establishment	99,535	10,118	109,653	113,100	116,920	120,815	124,855
2	Police Staff Pay	65,627	3,309	61,123	62,827	65,513	67,159	68,847
3	Police Officer Overtime	2,501	192	2,693	2,760	2,829	2,900	2,972
4	Police Staff Overtime	707	65	772	791	811	831	852
5	Allowances	1,275	12	1,287	1,287	1,288	1,315	1,347
6	Training	1,718	20	1,738	1,773	1,808	1,845	1,882
7	Other Employee	819	27	846	863	880	897	915
8	Direct Pension Payments	3,728	261	3,989	4,084	4,182	4,283	4,385
9	Energy Costs	4,030	-1,351	2,679	2,679	2,760	2,842	2,928
10	Building Running Costs	7,124	255	7,379	7,527	7,677	7,831	7,987
11	Repairs & Maintenance of Vehicles	608	10	618	631	643	656	669
12	Vehicle Running Costs	2,412	-283	2,129	2,185	2,242	2,300	2,361
13	Car & Travelling Allowances	443	-12	431	440	448	457	467
14	Air Support Unit	492	-42	450	461	473	485	497
15	Equipment	1,257	109	1,366	1,394	1,421	1,450	1,479
16	Clothing and Uniforms	549	-4	545	555	567	578	589
17	Printing and Stationery	299	57	356	363	370	377	385
18	IT and Communications	13,522	442	13,964	14,297	14,888	15,437	15,904
19	Subsistence	263	19	282	288	293	299	305
20	Other Supplies and Services	3,116	300	3,416	3,480	3,546	3,612	3,681
21	Collaboration and Partnerships	8,421	1,161	9,582	9,494	9,732	9,975	10,224
22	Forensics	1,002	65	1,067	1,089	1,110	1,133	1,155
23	Debt Charges & Contribution to Capital	4,949	1,050	5,999	5,432	5,156	5,165	5,165
24	Special Situations Contingency	400	150	550	550	550	550	550
25	Inflation and General Contingency	666	-116	550	550	550	550	550
26	Community Safety Fund	4,699	174	4,873	4,996	5,096	5,197	5,301
	Gross Expenditure	222,349	15,988	238,337	243,896	251,753	258,939	266,252

	Annual Budget 2023-24	+ 'Inc -' Redn 2024-25	Annual Budget 2024-25	Annual Budget 2025-26	Annual Budget 2026-27	Annual Budget 2027-28	Annual Budget 2028-29
	£000	£000	£000	£000	£000	£000	£000
Income							
27 Secondments	-8,776	-764	-9,540	-9,775	-10,016	-10,263	-10,516
28 Interest on Balances	-1,000	-718	-1,718	-915	-631	-631	-631
29 Income	-3,041	9	-3,032	-3,032	-3,032	-3,032	-3,032
30 Specific Grants	-20,280	-3,140	-23,420	-23,056	-23,012	-22,967	-22,923
Total Income	-33,097	-4,613	-37,710	-36,778	-36,691	-36,893	-37,102
31 PFI Reserve	-293	-53	-346	-398	-451	-504	-556
Contribution to ESN							
32 Reserve	0	0	0	0	0	0	0
Contribution to General							
33 Reserve	0	0	0	0	0	125	125
Net Expenditure	188,959	11,322	200,281	206,720	214,611	221,667	228,719
34 Total Grants	-88,715	-5,297	-94,012	-94,952	-95,901	-96,860	-97,829
35 Precept	-100,244	-6,025	-106,269	-110,496	-114,743	-119,011	-123,299
Funding	-188,959	-11,322	-200,281	-205,448	-210,644	-215,871	-221,128
Annual Balance	0	0	0	1,272	3,967	5,796	7,591
BASE CASE - Cumulative	0		0	1,272	3,967	5,796	7,591