

NORTHUMBRIA POLICE AND CRIME PANEL AGENDA

Tuesday, 5 February 2019 at 2.00 pm at the Blaydon Room - Civic Centre

From the Clerk, Sheena Ramsey

Item	Business
1.	2.00pm Apologies
2.	<p>Minutes (Pages 3 - 8)</p> <p>The Panel is asked to approve the minutes of the last meeting held on 15 January 2019 (attached).</p>
3.	Matters Arising from the Minutes
4.	<p>2.10pm Medium Term Financial Strategy 2019/20 - 2022/23 (Pages 9 - 32)</p> <p>Report of the PCC (attached).</p>
5.	<p>2.35pm Proposed Precept 2019/20 (Pages 33 - 56)</p> <p>Reports of the Clerk and PCC (attached).</p>
6.	<p>2.50pm Themed Report - How the local Community Safety Partnerships' plans and priorities are considered in relation to the PCC's Police and Crime Plan priorities (Pages 57 - 64)</p> <p>Report of the PCC (attached).</p>
7.	<p>3.15pm Police and Crime Commissioner - Progress and Update Report (Pages 65 - 82)</p> <p>Report of the PCC (attached)</p>
8.	<p>3.40pm Key Issues in the Next Quarter</p> <p>The PCC will be asked to advise the Panel of the key issues she will be addressing in the next quarter.</p>

9. 3.55pm Date and Time of the Next Meeting

Tuesday, 5 March 2019 at 2.00pm in SafetyWorks, West 15, Wickham View,
Newcastle upon Tyne, NE15 6UN

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NORTHUMBRIA POLICE AND CRIME PANEL

15 January 2019

PRESENT:

Gateshead Council	Councillors A Douglas and S Hawkins
Newcastle City Council	Councillors H Rahman and K Webster
North Tyneside Council	Councillor T Mulvenna
Northumberland County Council	Councillors S Davey and J Riddle
South Tyneside Council	Councillors G Kilgour and J Welsh
Sunderland City Council	Councillor M Mordey
Independent Co-opted Members	Mrs J Guy and Mr S Isaacson

ALSO IN ATTENDANCE:

Office of the Police and Crime Commissioner for Northumbria

Dame V Baird QC	- Police and Crime Commissioner for Northumbria (PCC)
R Durham	- Chief of Staff
M Tait	- Chief Finance Officer
H Murphy	- Business Intelligence Manager, Northumbria Police

Gateshead Council

D Hill	- Legal and Democratic Services
B Wilson	- Democratic Services

APOLOGIES: Councillors C Burdis (North Tyneside Council) and G Miller (Sunderland City Council)

27. MINUTES

RESOLVED - That the minutes of the last meeting held on 23 October 2018 be approved as a correct record.

28. NATIONAL ASSOCIATION OF POLICE FIRE AND CRIME PANELS

The Panel previously agreed its commitment to the National Association of Police Fire and Crime Panels, subject to further information on the National Association's costs being provided, Minute 59 – 2018/19, and that Councillor J Welsh represent the Panel on the National Association.

The National Association has agreed an annual subscription of £500 to support its work, to be funded from the Home Office grant paid to the Police and Crime Panels' host Authorities. Some Police and Crime Panels requested confirmation that this use of the Home Office grant was legitimate and appropriate as the grant agreement states that it can only be applied to "eligible expenditure". Payments that support activity intended to influence or attempt to influence Parliament, Government or political parties, or attempting to influence the awarding or renewal of contracts and grants or attempting to influence legislative or regulatory action are not "eligible expenditure".

The National Association suggested that the Rules of the National Association could be revised to ensure that its activities did not fall outside "eligible expenditure" and this was sent to the Home Office in July 2018.

The Home Office considers that the use of grant to pay the National Association's subscription is not within the scope of the grant agreement. If paid, it would be a breach of the grant agreement and would likely be unlawful and the Home Office would be entitled to refuse to pay expenses claims attributed to the National Association under the grant agreement.

The money paid under the grant agreement must be used to enable the Panel to carry out its statutory functions and responsibilities set out in the Police Reform and Social Responsibility Act 2011. These are focussed on scrutiny of the relevant Police and Crime Commissioner (PCC) and do not extend out of the PCC's police area. There is no statutory function on the Panel to be a member of a representative body such as the one proposed.

The Home Office believes that the functions and services provided to support effective local scrutiny and develop the capability of Panels to scrutinise the decisions and actions of PCCs should be provided by the Local Government Association as the sector body for Panels. To claim Home Office grant for the provision of sector services that should already be the responsibility of the sector body potentially raises issues about double-funding of these functions.

Whilst the Home Office response does not prevent the formation of the National Association, it provides a constraint in respect of if or how some of the Association's agreed terms of reference can be delivered. The National Association considers that the restrictive wording of the 2011 Act should be relaxed in order for Panels to make the best use of the Home Office grant. The Chair of the National Association has asked for Panels' support by writing to the Policing Minister and Home Secretary requesting a change to the current Home Office grant conditions that allows Panels greater flexibility in the use of the grant for Police and Crime Panel related purpose, which may be outside of their respective policing area.

- RESOLVED -
- (i) That the six constituent Councils be asked to pay the Panel's National Association annual subscription of £500.
 - (ii) That details of what the other Members of the National Association have done regarding the annual subscription be sought.

29. FEEDBACK FROM NATIONAL AND REGIONAL EVENTS

Councillor Welsh reported that she had attended the Annual Conference for Police and Crime Panels at the Warwick Conference Centre on 12 November 2018. At the National Association's Annual General Meeting also held at the conference, she was appointed to the Executive Board, the Association's constitution and expense policy were agreed and the subscription funding issue with the Home Office was discussed.

RESOLVED – That the information be noted.

30. DELIVERY OF THE POLICE AND CRIME PLAN – APRIL – NOVEMBER 2018: THRESHOLDS AND PERFORMANCE

The Panel considered thresholds and performance information relating to the delivery of the Police and Crime Plan for April to November 2018.

The Panel raised the following issues:-

The PCC reported that the national charge rates for rape offences had reduced in the last five years. Although the Northumbria charge rate had increased to 7%, it was still under the threshold rate of 9%. The force has redeveloped and improved its rape and serious sexual offences improvement plan.

It was good to see the improved response times for 101 calls with reduced average answer times and increased answer rates and this was very positive.

It was considered that the neighbourhood teams do a fantastic job and should be commended for the work that they do. There was concern about the investigative pressures on the neighbourhood officers and an onus on the victims of crime to provide evidence. It was replied that the force had implemented a programme of work to raise investigative standards and to improve the allocation of crimes for investigation. A number of police officers have been provided with body videos to immediately capture evidence.

It was asked if the cancelled sexual offences affected the victims. It was replied that this was a technicality eg. if it was found that the offence was committed in another force area or the offence had been changed. The information needs to be verified before it can be cancelled. There was no impact on the victims.

There was concern that the police attendance rates at incidents with vulnerable victims were above the threshold. Also, the satisfaction levels for victims of crime was 77% which indicated that 23% were not satisfied. This should be looked at.

Reference was made to the analysis of victim surveys and the identified actions that the police could do to improve the victim's experience. It was hoped that there was an action plan to improve this that the PCC could measure the force against. It was replied that the issues had regularly been raised with police officers and this would continue to be done.

It was considered that the percentage for unpaid work of 46% for out of Court disposals was quite low and action should be taken to try and make this more effective. It was replied that this was part of an independent evaluation which was due to report in March 2019.

The increase in racist and homophobic offences was disappointing and it was asked if the PCC's advisory groups had been consulted on this. The PCC replied that they have not been able to suggest anything that was not already being considered.

It was disappointing that Newcastle and Northumberland local authority areas were ranked 14th out of 15 when compared to the Most Similar Groups and it was asked why the other four local authority areas were doing better. The PCC replied that this should be closely scrutinised.

It was suggested that the hate crime figures should be broken down per race and types of hate crime in the local authority areas so that the Councils can help to address these concerns.

- RESOLVED -
- (i) That the information be noted.
 - (ii) That the force's rape and serious sexual offences improvement plan be suggested as a themed topic for discussion at future Panel meetings.
 - (iii) That the force's programme of work to raise investigative standards be suggested as a themed topic for discussion at future Panel meetings.
 - (iv) That the hate crime figures broken down per race and types of hate crime in the local authority areas be provided.

31. COMPLAINTS AGAINST THE POLICE AND CRIME COMMISSIONER – QUARTERLY REPORT TO DECEMBER 2018

In accordance with the agreed procedure, an update report about the complaints and purported complaints against the PCC and every conduct matter recorded by the Monitoring Officer for the quarter ended December 2018 was submitted.

RESOLVED - That the information be noted.

32. POLICE GRANT SETTLEMENT 2019/20 AND MEDIUM TERM FINANCIAL STRATEGY 2019/20 - 2022/23

The Chief Finance Officer gave a presentation on the police grant settlement 2019/20 and medium term financial strategy 2019/20 - 2022/23 which included: an

overview of the provisional police grant settlement 2019/20, context of the Northumbria precept, context of resourcing level reductions, police grant settlement 2019/20 headlines, efficiencies and key messages and provisional settlement precept considerations.

The Panel raised the following issues:-

It was extremely disappointing that the Government continues to reduce its funding for policing and the north and north east were the worst funded areas.

It was asked if the additional precept flexibility increase of up to £24 for 2019/20 would be used to fund more police officers. The PCC replied that she was asking the public for their support to the increase in the precept as outlined. She would then look to optimise the funding available and this could include the provision of more police officers. The Government has only agreed to fund the additional pension fund costs for one year, so clarity was needed on how it was to be funded in future years.

RESOLVED - That the information be noted.

33. THEMED TOPICS

The following issues have been suggested as possible themed topics for discussion at future Panel meetings:

- (a) How the local Community Safety Partnerships' plans and priorities are considered in relation to the PCC's Police and Crime Plan priorities.
- (b) How the PCC and the police are working with their partners and Councils to tackle environmental crime.
- (c) Details of the police operations being carried out and what they entail.
- (d) The force's rape and serious sexual offences improvement plan.
- (e) The force's programme of work to raise investigative standards.

RESOLVED - (i) That (a) above be agreed as the themed topic for the Panel's next meeting.

(ii) That (b) above be dealt with as a report to the Panel.

34. DATE AND TIME OF NEXT MEETING

Tuesday, 5 February 2019 at 2.00pm

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Police & Crime Commissioner for Northumbria

MEDIUM TERM FINANCIAL STRATEGY

2019/20 – 2022/23

Police & Crime Commissioner for Northumbria

Medium Term Financial Strategy 2019/20 – 2022/23

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1. Purpose of the Medium Term Financial Strategy

- 1.1 This is the Medium Term Financial Strategy (MTFS) of the Police and Crime Commissioner for Northumbria (the Commissioner). It covers a period of four years but will be reviewed annually to reflect the dynamic nature of both policing and changes in funding. It describes the financial direction of the organisation and outlines financial pressures.
- 1.2 The MTFS provides options for delivering a sustainable budget and capital programme over the medium term. It also sets out how the Commissioner can provide the Chief Constable with the resources to deliver the priorities in the Police & Crime Plan within the challenging financial climate.
- 1.3 The MTFS sets the financial context for the Commissioner's revenue budget, capital programme and precepting decisions.
- 1.4 The overall financial strategy seeks to deliver the Commissioner's Police and Crime Plan, support the Northumbria Police Strategy 2025, the mission, vision and values of Northumbria Police and meet the requirements of the National Strategic Policing Requirement.

2. Benefits of the Strategy

- 2.1 The MTFS assists in:
 - Supporting delivery of the Police & Crime Plan.
 - Improving financial planning and the financial management of the Commissioner's resources, both revenue and capital.
 - Maximising the use of resources available to the Commissioner and Chief Constable, both internal and external.
 - Ensuring that the Commissioner and Chief Constable provide value for money and continue to deliver efficiency gains.
 - Allowing the development of longer term budgets and strategic thinking.
 - Reviewing the Commissioner's policy on the use of reserves, ensuring the position continues to be sustainable and there are sufficient resources over the medium term.
 - Responding to external pressures, including changes to funding resulting from the governments annual funding announcements.
 - Developing a sustainable budget over the medium term.

3. Principles of the Strategy

3.1 The key principles underlying the Commissioner's MTFS 2019/20 – 2022/23 are:

- (i) Overall expenditure of the Commissioner will be contained within original estimates each year.
- (ii) The Commissioner will maintain a General Reserve of a minimum of 2% of the net revenue budget to cover any major unforeseen expenditure or loss of funding. A flexible approach will be taken to the use of reserve balances above this level where appropriate, balancing the opportunity costs of maintaining reserves against the benefits of alternative approaches.
- (iii) The Commissioner will maintain earmarked reserves for specific purposes only when appropriate, and which are consistent with achieving objectives.
- (iv) The Commissioner will continue to prioritise the achievement of Value for Money, securing economy, efficiency and effectiveness in the use of resources; in establishing the framework for policing within Northumbria and; in commissioning and procurement decisions.
- (v) The Joint Chief Finance Officer will prepare a rolling programme of four year budget forecasts to inform the Commissioner's budget and precepting decisions.
- (vi) The Commissioner, supported by the Joint Chief Finance Officer and Chief Constable, will continue to contribute to national reviews of police funding and take every opportunity to engage in order to pursue the fair and equitable funding of Northumbria Police.

4. Reviewing the Strategy

4.1 The Commissioner's MTFS review for 2019/20 to 2022/23 has been carried out under the following key themes:

- The financial context in which the Commissioner operates.
- The Commissioner's current financial position.
- The significant impact of the government's failure to resource the increased cost of employers contributions for police officer pensions.
- The future budget pressures and funding cuts which the Commissioner will face over the period of the strategy.
- Budget savings.
- The Commissioner's capital programme.
- Reserves policy.
- Risk assessment.

5. Operational Context

- 5.1 The successful delivery of the Strategy requires the Chief Constable to manage a complex set of resources, demands and priorities whilst reviewing and revising plans to meet changing demand for policing services within the available financial resources.
- 5.2 HMICFRS (Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services) considers that a Force is efficient if it is making the best use of its resources to provide policing services that meet expectation and follow public priorities, and if it is planning and investing wisely for the future.
- 5.3 In the most recent HMICFRS PEEL inspection report (March 2018) '*Police Effectiveness 2017, An Inspection of Northumbria Police*', Northumbria was assessed as GOOD in respect of keeping people safe and reducing crime. The overall summary includes a number of key findings:
- Investigations are generally conducted to an acceptable standard, particularly in more serious and complex cases.
 - Northumbria has a good understanding of the nature and scale of mental health problems and effective arrangements with partner organisations are in place to oversee and monitor the national crisis care arrangement. Extensive training has been delivered facilitating a good level of understanding of the role and responsibilities of the police. The force works jointly with the Northumberland, Tyne and Wear National Health Service Foundation to provide a mental health street triage service that allows for early clinical assessment and rapid access to appropriate treatment.
 - Northumbria has the necessary arrangements in place to fulfil its national responsibilities, and has a good understanding of the potential harm facing the public and has arrangements in place to respond to an attack which requires an armed response.
- 5.4 In January 2018 HMICFRS visited Northumbria Police as part of the National Child Protection Inspection, to assess the overall effectiveness of the force and its response to children who need help and protection. Key findings included:
- Northumbria has demonstrated a strong commitment to improving its services for the protection of vulnerable children and this is visible at all levels of the force – from the Chief Constable to frontline staff.
 - HMICFRS found good engagement with partner safeguarding agencies from across the six local authorities.
 - The force has invested time and resources, both to involve and support children in its services through a number of initiatives. For instance, the Safety Works interactive centre provides advice and education regarding vulnerable situations and the development of the Mini-Police and Cadets programmes are also demonstrable of this ethos.
- 5.5 Police Forces have finite resources with which to do an increasingly complicated job, and therefore must ensure that they deploy and use their resources in the best way possible. It is important that Forces make sophisticated decisions about how to spend and invest their resources in order to achieve the best value for the public.
- 5.6 Policing has changed significantly in recent years and demand on police resources is considerable, growing, and ever changing. Online and cyber-crime are increasing and there is

an emergence of complex and harmful crimes such as child sexual exploitation and human trafficking. Incidents involving people with mental health problems are increasing and more victims are reporting rape and domestic violence.

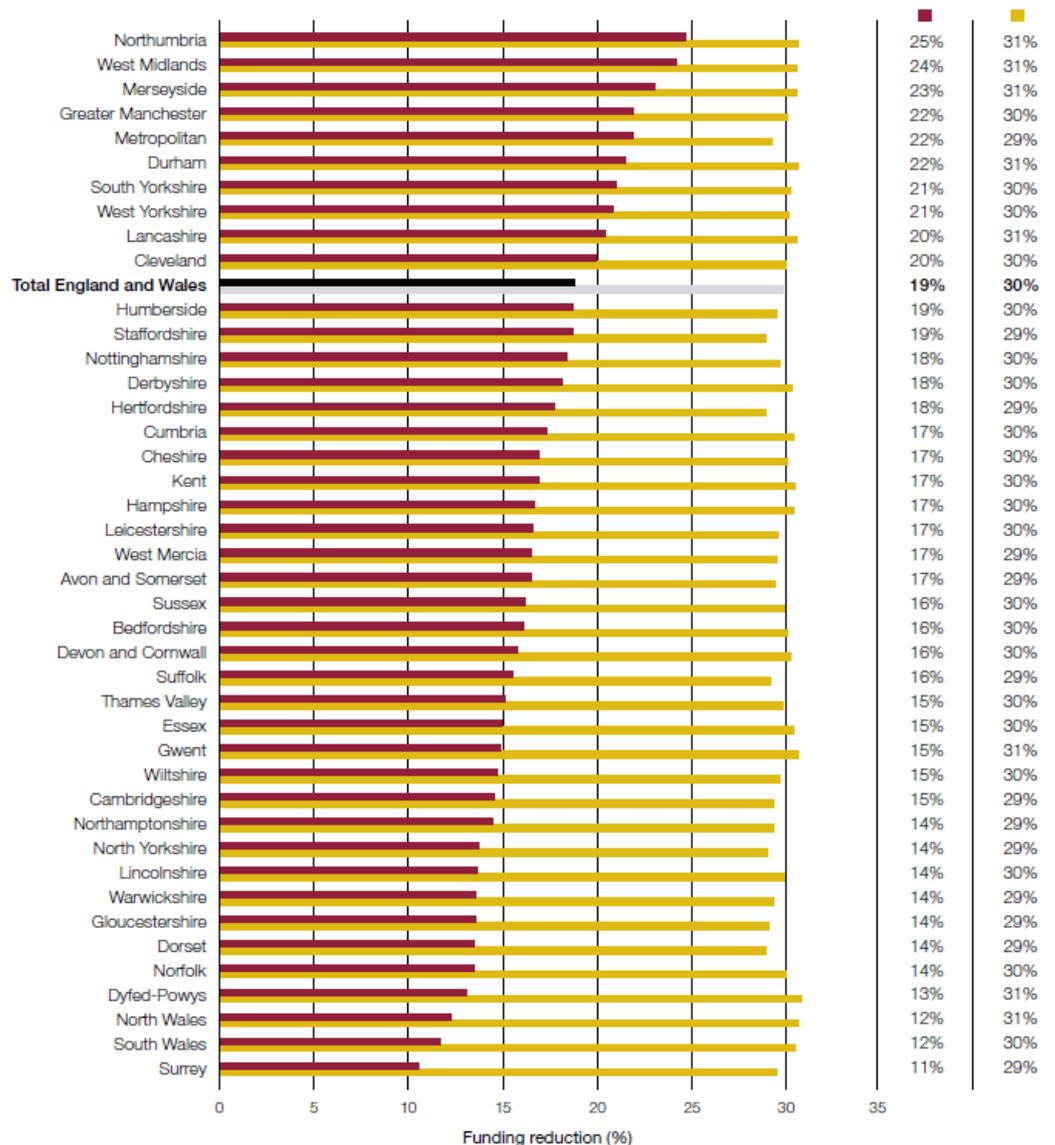
- 5.7 The Force prioritises demand through an analysis of threat, harm and risk, assessing the types of crimes which most threaten communities, as well as the Force's current capability to respond effectively.
- 5.8 The six main priorities are identified in the Commissioner's Police and Crime Plan 2017 - 2021:
- Domestic and sexual abuse.
 - Putting victims first.
 - Effective criminal justice system.
 - Reducing anti-social behavior.
 - Cutting crime.
 - Community confidence.
- 5.9 The Commissioner's MTFs is underpinned by workforce planning and capital programmes which are aligned with the delivery of the Police and Crime Plan priorities and the continued delivery of an efficient and effective police service to the communities of Northumbria.

6. Financial Context

- 6.1 The last 9 years have seen unprecedented cuts to the funding provided by the government for policing. The National Audit Office (NAO) report, '*Financial sustainability of police forces in England and Wales 2018*', identified that central government funding for policing in Northumbria has been reduced by 31% in real terms since 2010/11. Northumbria has had to make £142.3m of cuts and efficiencies to manage the reductions imposed by government over that period.
- 6.2 The structure of funding means those which have a lower council tax precept will suffer more as any cut from government is to the larger proportion of their funding. Northumbria experienced the largest impact of cuts because it receives more in grant in proportion to its council tax; around 84% in 2018/19 was by Home Office grant. In addition, Northumbria has the lowest precept of any PCC in England and Wales and a low yield too.
- 6.3 Northumbria has taken the biggest financial cut of all Forces in England and Wales through both the 2010 and 2015 Comprehensive Spending Review (CSR) periods. The NAO 2018 report shows that total funding for Northumbria, through grant and precept, has fallen by 25% since 2010/11, as set out in the following chart:

Funding reductions by police force, 2010-11 to 2018-19

Police funding fell by 19% in real terms, with wide variation between forces in the level of cuts experienced



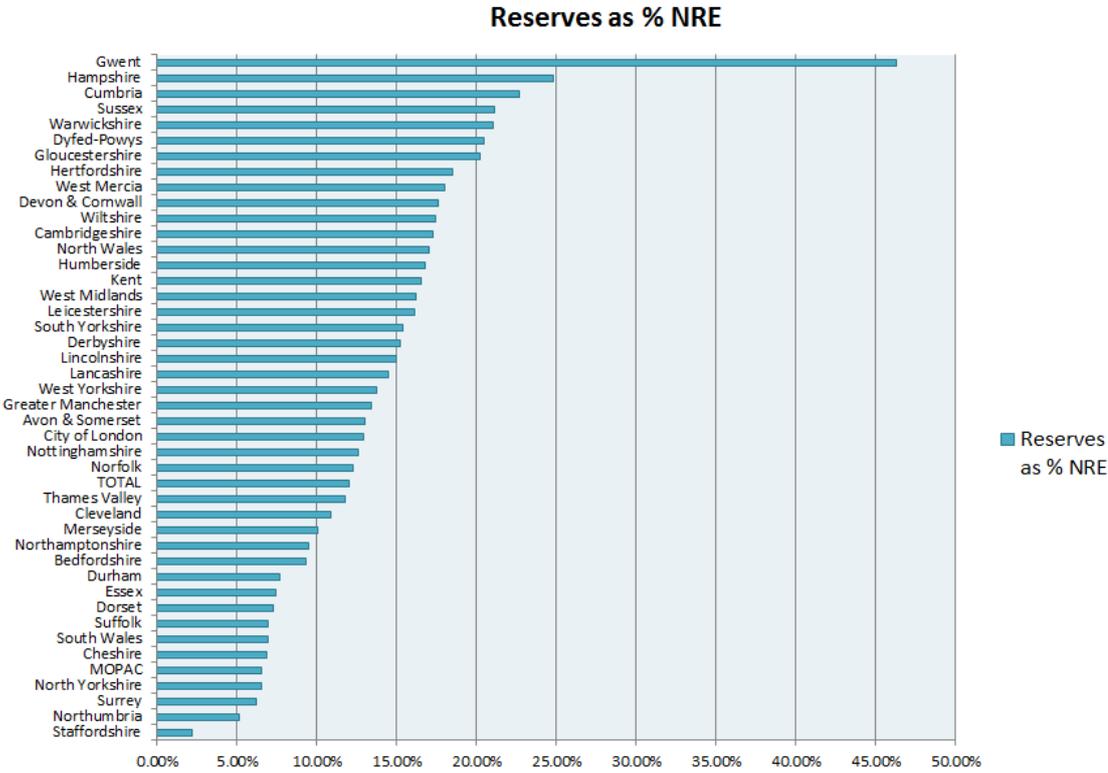
■ Total funding reduction (central government funding, council tax contributions and local council tax support grant)
 ■ Central government funding reduction (excluding local council tax support grant)

6.4 In policing officer and staff employee pay accounts for the majority of the annual revenue budget and therefore the savings delivered to date have been mainly realised through reductions to the workforce (March 2010 to March 2018):

Workforce Reduction	March 2010	March 2018	Reduction	
	FTE	FTE	FTE	%
Police Officers	4,187	3,171	(1,016)	24%
Police Staff and PCSO	2,534	1,655	(879)	35%
Workforce	6,721	4,826	(1,895)	28%

6.5 General reserves have reduced from £71.0m in 2010 to an estimated £8.4m by March 2019, a reduction of 88% over that period through the need to play them in to counteract the otherwise unsustainable depth of cuts. Further use of reserves is not a sustainable option.

6.6 In October 2018 the Police and Crime Commissioners Treasurers Society (PACCTS) technical support team collated a survey of all Police and Crime Commissioners’ reserves positions, based on audited year-end figures for 2017/18. The data shared by PACCTS shows that Northumbria hold the second lowest level of reserves as % of Net Revenue Expenditure (NRE) as at March 2018.



6.7 The force will continue to explore further collaboration and continue our reform in order to structure the force to align available resources with the delivery of Police and Crime Plan priorities and demand for police services.

Funding Formula

6.8 The Home Office failed to implement its proposed new funding formula for 2016/17 after a fundamental error was found in the data it was using for its calculations. During 2016 the government re-launched its review of the Police funding formula which continued into 2017, however, the 2018/19 settlement announcement in December 2017 stated that the formula review would be deferred to the next Comprehensive Spending Review (CSR), this is still to be formally confirmed.

6.9 Further to the CSR, work is to be undertaken on the review of the funding formula and a full consultation period is expected to take place during 2020, there is no change anticipated to the formula used to distribute core grant funding till 2021/22 at the earliest. Therefore the MTFS has made no assumptions in this regard.

Police Pension Valuation Directions

6.10 The final settlement for 2019/20 includes a one-off Special Pension Grant from the government of £3.4m for Northumbria to manage part of the increased costs for 2019/20. As a result of Her Majesty’s Treasury revaluation of, amongst other pensions, the police one the employers contribution has risen by £7.7m per year police pension

- 6.11 Because the government has failed to commit to protecting police budgets against that revaluation of the police pension fund, as PCC I will establish a pensions reserve of £3.4m. If the position does not improve in the 2019 Comprehensive Spending Review (CSR) this reserve will contribute to the management of the inevitable resulting reductions.

Comprehensive Spending Review (CSR) and Police Settlement

- 6.12 The last CSR (2015) set out that overall police funding was to be cut by 1.3% in real terms over four years up to 2019/20.

- 6.13 The government further took into account that PCCs can raise local council tax when determining that this would mean a flat rate settlement for policing as a whole. However PCCs can only increase council tax within the amount allowed by the government.

- 6.14 However, the financial impact for each Force was a reduction in formula grant of 2% over 2016/17 (0.6%) and 2017/18 (1.4%). For 2018/19 grant funding was maintained in flat cash terms, a further reduction in real terms when taking into account employee pay awards and inflation. Police and Crime Commissioners were required by government to increase council tax locally which still did not make up for government cuts. This represented a significant real terms cut to overall funding, with little or no provision to meet inflation and other year-on-year cost pressures.

- 6.15 The provisional national police grant settlement was published on 13 December 2018. The final figures were confirmed on 24 January 2019 and were unchanged against the provisional settlement.

- 6.16 The key headlines from the settlement are:

- Police Core Grant - General police grant allocations to PCCs to be increased by £161m, equivalent to 2.1%.
- One-off Special Pension Grant allocations to PCCs totaling £153m to provide specific funding for part of the increased cost of police officer pensions in 2019/20.
- Council tax Referendum Limits - All Police and Crime Commissioners have been allowed/required to increase the precept by £24 per Band D property.
- Legacy grants relating to council tax and freeze grants for 2011/12 and 2014/15 remain payable.
- Police capital grant maintained in flat cash terms.
- Four priority areas identified to drive efficiency, productivity and effectiveness in 2019/20, ahead of the new CSR.

- 6.17 Top-slice and Reallocations:

- Transformation Fund maintained at £175m.
- Investment of £90m in Serious and Organised Crime (SOC) capabilities at national, regional and local levels. With a significant proportion allocated directly to Police Forces, but no specific details.
- Counter Terrorism funding increased by £59m to £816m (including £24m armed uplift).
- Police Special Grant of £73m (central contingency allocated for specific events).

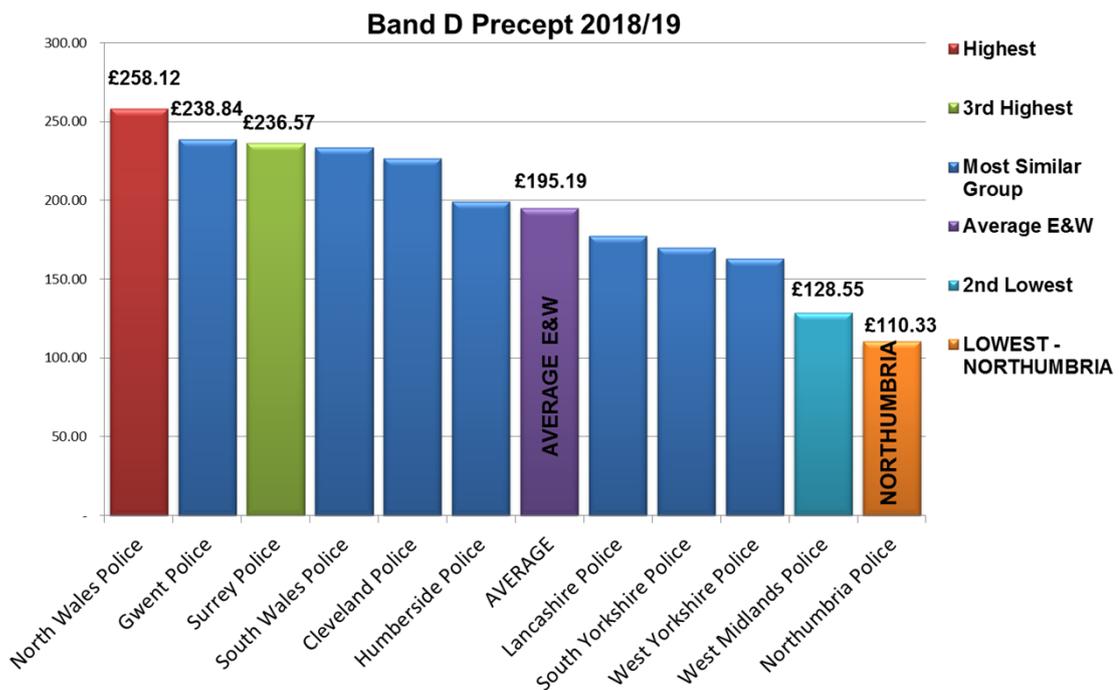
- Police Technology Programmes maintained at £495m (includes: Emergency Services Network, Biometrics, and the National Law Enforcement Data Service).

6.18 For Northumbria the implications of the 2019/20 settlement are as follows:

- Home Office formula grant increased by £4.5m (2.1%) to £219.0m.
- Police Special Pension Grant of £3.4m.
- No change to legacy grants £8.2m.
- PCCs being allowed/required to increase the precept by £24 for a Band D property.
- Capital grant £1.3m maintained in cash terms against 2018/19.

Council Tax

6.19 Together, with cuts in the national grant council tax levels have been limited by the government, meaning a reduction in funding overall. In the last 2 years the government has allowed/required an increase in council tax so that the burden of any further investment in policing is falling on local tax payers not central government. The following graph shows a comparison of Northumbria’s position to other Force areas for the current financial year 2018/19:



6.20 As is clear on the graph the Northumbria Band D precept charge of £110.33 is the lowest of any PCC. Band D precept charge is the contribution paid toward policing by a homeowner in that category. Currently 16% of our core resource funding in 2018/19 is derived from council tax and the government is increasing the percentage paid by local tax payers every year.

6.21 The schedule below sets out the level of Band D council tax over the last 5 years:

Year	Precept (Band D)
2018/19	£110.33
2017/18	£98.33
2016/17	£93.33

2015/16 £88.33

2014/15 £86.61

- 6.22 The Secretary of State can provide what increases can be made by PCCs to council tax without requiring a referendum and in 2019-20 the sum is £24 but the assumption for the two following years is that it will be limited to £5 as it has been in some previous years.
- 6.23 The precept referendum limits for 2019/20 have allowed/required each PCC to increase the precept by £24 per year for a Band D property.
- 6.24 This MTFS as presented includes an increase in the precept of £24 for a Band D property for 2019/20. The assumption regarding future years 2020/21 to 2022/23 is that this limit is reduced to £5 for Northumbria in-line with the limit set for previous years (2016/17 and 2017/18). The MTFS further assumes that the precept is increased to the maximum permitted each year, in-line with the governments approach to total spending power over the CSR period.
- 6.25 The MTFS also includes the following Home Office legacy grants relating to the freeze in the precept (2011/12 and 2014/15) and the localisation of council tax support schemes, in addition to the constituent authorities' net surplus on collection funds:
- Home Office Legacy council tax Freeze Grants totalling £1.301m.
 - Localised Council Tax Support Grant £6.867m.
 - Collection fund surplus £0.762m in total.

Police Transformation Fund

- 6.26 The Police Transformation Fund gives one-off grants for transformative projects and the commissioner has been successful in securing funds totalling 16.506. The Police Transformation Fund (PTF) nationally remains at £175m for 2019/20 in-line with the previous year.
- 6.27 The Police and Crime Commissioner has been successful in securing one off grant funding from PTF and the Home Office national funding streams of £16.506m since 2015/16:
- 2019/20 - £1.280m
 - 2018/19 – £4.553m
 - 2017/18 – £4.078m
 - 2016/17 – £4.623m
 - 2015/16 – £2.618m
- 6.28 Projects funded through national funds have focused on improving victim safety and confidence; multi-agency work to tackle Child Sexual Exploitation (CSE), tackling modern day slavery; safeguarding of serial victims; early youth intervention, tackling domestic abuse; preventing serial perpetrator offending and projects to support the most vulnerable, including children affected by domestic abuse.
- 6.29 The Commissioner will continue to maximise all opportunities to secure funding from within the Police Transformation Fund during 2019/20 and across future years.

Ministry of Justice Grant

- 6.30 The Ministry of Justice (MOJ) allocates a grant to the Commissioner each year for local commissioning of victim services. The grant is allocated between Police and Crime Commissioners on the basis of population. A total of £1.679m was allocated to the Police and Crime Commissioner for Northumbria for 2018/19. For 2019/20 the allocation is slightly lower at £1.673m.
- 6.31 The MOJ grant is held outside of the police General Fund and the Commissioner makes decisions on the commissioning of services on an annual basis, within the grant funding available. The commissioning of victim services therefore has no impact on Force budgets.

7. Current 2018/19 Financial Position

- 7.1 The Commissioner's net revenue budget for 2018/19 is £266.245m. The Quarter 3 revenue monitoring report shows a projected budget underspend of £2.214m as at 31 December 2018.

2018/19 Revenue Monitoring - Quarter 3 Position			
	Approved Budget 2018/19	Projected Outturn 2018/19	Variance 2018/19
	£m	£m	£m
Group Position			
Chief Constable	256.801	255.106	(1.695)
Police and Crime Commissioner	2.061	1.858	(0.203)
Capital Financing	7.383	7.067	(0.316)
Net Expenditure	266.245	264.031	(2.214)
Central Government Grant	(222.624)	(222.624)	0.000
Council Tax Precept	(43.621)	(43.621)	0.000
Central Grant and Precept Total	(266.245)	(266.245)	0.000
Appropriations (to) /from reserves	0.000	(2.214)	(2.214)

- 7.2 The group budget is held by the Police and Crime Commissioner who provides financial resources to the Chief Constable to deliver operational policing. The PCC has a small specific budget for the Commissioners Community Fund and the OPCC running costs. The Capital Financing budget comprises the revenue provision for repayment of borrowing, interest costs and investment income.
- 7.3 The overall Group forecast represents an underspend of £2.214m. The underspend against the Chief Constable's revenue budget is primarily attributable to: the receipt of a one-off large value rate rebate for the Ponteland site from the Valuation Office; an underspend against the workforce profile set in January 2018 as part of the MTFs process, primarily due to the re-profiling of recruitment of staff positions until the future funding position was clarified; and a reduction in ICT product support costs, due to the re-profiling of go-live dates of new systems.
- 7.4 For capital financing, savings on interest costs have been achieved in-year mainly due to a reduction in planned capital spend, new long term borrowing secured at preferential rates and deferred to later in the financial year on advice from the Commissioner's external treasury advisers.
- 7.5 The overall Group forecast represents an underspend of £2.214m. £2.0m of this underspend will be used to establish a pensions reserve because the government has failed to commit to

protecting police budgets against the revaluation of the police pension fund, Northumbria's contribution to that cost would be £3.4m each year. If this position does not improve in the 2019 CSR this reserve will contribute to the management of the inevitable resulting reductions

- 7.6 The forecast closing position on the general reserve for 2018/19 is £8.4m, as set out in the table below. This includes the planned transfer to increase the Workforce Reserve to mitigate any future workforce changes:

2018/19 General Reserve - Quarter 3 Position			
	Approved 2018/19	Revised 2018/19	Variance 2018/19
Group Position	£m	£m	£m
Opening Balance (01/04/18)	9.1	9.4	0.3
Planned Transfer to Workforce Reserve	(1.0)	(1.0)	0.0
Forecast Closing Balance (31/03/19)	8.1	8.4	0.3

8. Medium Term Budget Pressures in Northumbria

- 8.1 When calculating the medium term budget projections for Northumbria consideration has been given to a number of budget pressures including:
- i. Pay and price increases.
 - ii. Budget pressures.
 - iii. Revenue implications of the capital programme.
 - iv. Other.

Pay and price increases

- 8.2 **Inflation** - Indicative budget forecasts for 2019/20 to 2022/23 reflect the impact of inflation on budgets wherever possible such as energy, business rates and rent increases along with known contract increases. In addition, estimates for future pay awards at 2% have been included and CPI linked inflation on Injury Pensions. From 2019/20 the significant increase in the cost of employer pension contributions for police officers of £7.7m per year is included within the Chief Constables budget.
- 8.3 Other pay and price and budget pressures - The MTFs also includes estimates of the impact of the annual cost of officer pay progression under police regulations, the triennial review of the Local Government Pension Scheme (LGPS), the police staff pay and grading review, revenue implications of the National Emergency Services Network (ESN) within Northumbria and other budget pressures.

Revenue implications of the capital programme

- 8.4 A revised four year capital programme has been produced, which is summarised in Section 10. The implications of this programme are fully reflected in the MTFs.

9. Medium Term Savings Proposals

- 9.1 As discussed previously, there has been a period of sustained financial pressure throughout the previous CSR and Northumbria has continued to be the hardest hit force financially. The

Commissioner and Chief Constable continue to take tough decisions every day to make ends meet. Following consultation with local residents the Commissioner is recommending an increase in the precept which will invest in policing, including new officers and staff, and the retention of roles that had originally been planned to be lost.

9.2 Throughout the MTFS period savings and efficiencies will continue to be delivered wherever possible, to sustain the investment in policing and to continue to support local policing services in the face of a challenging financial situation, for example:

- Non pay savings.
- Savings through procurement through the continued use of national frameworks.
- Maximising income generation wherever possible.

10. Capital Estimates and Financing

10.1 The following table provides a summary of the 4 year capital programme:

Capital Estimates	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Total £000
Major and Minor Building Schemes	6,301	5,029	3,237	560	15,127
Information Technology	7,579	9,310	7,902	2,575	27,366
Vehicles and Equipment	3,368	3,940	2,926	3,604	13,838
Total	17,248	18,279	14,065	6,739	56,331

10.2 Key areas to note in the proposed programme are:

- **Building Schemes** - Estates refurbishment programme based on operational requirements and 2018 condition surveys; transition and relocation costs associated with the estates rationalisation programme; and co-location with partner agencies.
- **Information Technology** - the Force have a number of Improvement Schemes to deliver change and efficiency through transformation, which includes considerable investment in IT systems. This includes the replacement of all core operating systems and the associated hardware and network equipment, and implementation of the National Emergency Services Network (ESN) within Northumbria.
- **Vehicles and Equipment** - a rolling programme of vehicle replacement and material programmes for upgrading equipment including body-worn video.

Capital Financing

Capital Estimates	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	Total £000
Forecast Expenditure	17,248	18,279	14,065	6,739	56,331
Financed by:					
Grants and Contributions	1,295	1,472	1,063	963	4,793
Capital receipts	7,746	11,208	4,216	0	23,170
Prudential Borrowing	8,207	5,599	8,786	5,776	28,368
Total Financing	17,248	18,279	14,065	6,739	56,331

10.3 The capital financing approach remains to maximise the use of Capital Receipts to support the Capital Programme after the use of grant and also to maximise overall benefit through minimising impact on the revenue budget.

10.4 Through this MTFs it is proposed that the majority of capital spending for short life assets will be financed from capital receipts and grant income. Building works with longer asset lives will be supported by prudential borrowing as this provides the most efficient form of financing.

11. Reserves

Background information on Reserves

11.1 Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when preparing budgets.

11.2 In establishing reserves, the Commissioner must comply with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code). The Chief Finance Officer is required as part of the budget setting process to provide a statement on the adequacy of reserves.

11.3 Chartered Institute of Public Finance and Accountancy (CIPFA) guidance on Reserves and Balances (LAAP Bulletin No 77 November 2008) and the requirements of the Code suggests twice yearly reviews of reserves. By doing this, the visibility of reserves are increased and consideration of their use is placed at the forefront of the decision making process. Reserves are cash backed balances, held on the balance sheet until they are spent or released for other purposes. As such, they can only be spent once, and are not part of the base budget.

11.4 In addition, CIPFA along with the Home Office recommended as good practice that Police and Crime Commissioners publish an Annual Reserve Strategy Statement. Northumbria has published since 2017/18 an Annual Reserves Strategy Statement. The statement provides an explanation for each reserve along with its value. Plus, a narrative explaining whether the current and projected level of reserves is appropriate, and governance arrangements for reserves are adequate and appropriate.

11.5 The Commissioner's balance sheet reserves are summarised as follows:

- **General Reserves** - a contingency for unexpected events or emergencies and a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing.

- **Earmarked Reserves** - to meet known or predicted liabilities, for example workforce management, insurance and capital development reserves.

11.6 CIPFA guidance issued in June 2003 confirms that relevant bodies should make their own judgements on such matters, taking into account relevant local circumstances and an assessment of risk and the advice of the Chief Finance Officer.

Reserves

11.7 The Commissioner must retain adequate reserves so that unexpected budget pressures can be met without adverse impact on the achievement of key objectives and council tax payers. The Commissioner's policy for reserves and balances is based on a thorough understanding of the organisation's needs and risks. Part of this process is to give a clear explanation of the existing and proposed use of reserves and this is addressed in the paragraphs below.

General Reserve

11.8 The expected General Reserve at 1 April 2019 is £8.4m equating to 3.0% of the revenue budget. This meets one of the key MTFS principles to seek to maintain the General Reserve at a minimum of 2.0% of the net revenue budget. The closing General Reserves at 31 March 2023 are estimated to be £9.4m equating to 3.3% of the net revenue budget.

Earmarked Reserves

11.9 Earmarked Reserves represent funds which have been set aside by the Commissioner for specific purposes. The table below shows the overall strategy for use of reserves over the MTFS period.

MTFS Reserves Forecast	At 31 March 2019 £m	At 31 March 2020 £m	At 31 March 2021 £m	At 31 March 2022 £m	At 31 March 2023 £m
Earmarked Reserves					
Insurance Reserve	3.0	3.0	3.0	3.0	3.0
Workforce Development Reserve	1.3	1.3	2.9	0.0	0.0
Police Pension Reserve	2.0	3.4	0.0	0.0	0.0
Emergency Services Network (ESN) Reserve	0.0	2.6	0.0	0.0	0.0
Domestic Violence Reserve - Health Advocates	0.1	0.0	0.0	0.0	0.0
Partnership Working Reserve	0.2	0.1	0.0	0.0	0.0
External Funding Reserve	0.1	0.0	0.0	0.0	0.0
NERSO U Reserve	0.2	0.0	0.0	0.0	0.0
Total Earmarked Reserves	6.9	10.4	5.9	3.0	3.0
General Reserves	8.4	8.4	8.4	9.4	9.4
Total Reserves	15.3	18.8	14.3	12.4	12.4

Insurance Reserve

11.10 The Insurance Reserve is maintained for potential liabilities and costs which fall onto the Commissioner where it is more economical to keep a reserve than seek specific insurance. Potential liabilities include storm damage, business interruption and claims that would fall

within the Commissioner's policy excess limits. The level of this reserve is £3.0m and it is not anticipated that this will change over the period of the MTFS.

Workforce Development Reserve

- 11.11 The Workforce Development Reserve was set up to manage the costs associated with workforce change and was used over the last CSR to manage the workforce reductions required over that period. The reserve has an estimated balance of £2.9m by March 2021 which will be available to manage any workforce change required as a result of the 2019 CSR and any resulting funding reductions.

Police Pension Reserve

- 11.12 The Police Pension Reserve is a planned contingency to manage the increased cost of employer's pension contributions for police officers in 2020/21 if the government fails to address this significant cost implication in full, within the 2019 CSR.

Emergency Services Network (ESN) Reserve

- 11.13 The ESN Reserve holds funds set aside as a contingency to manage increasing future costs associated with the National Emergency Services Network (ESN) implementation in Northumbria.

Domestic Violence Reserve – Health Advocates

- 11.14 This reserve was set up to support work aimed at tackling domestic abuse, specifically to fund the work being undertaken by local authority Health Advocates.

Partnership Working Reserve

- 11.15 This reserve holds funds which have been set aside by the Commissioner to pilot additional support for victims in specialist domestic violence courts.

External Funding Reserve

- 11.16 The External Funding Reserve represents occasional small receipts which are not time limited, which are held between their receipt and being spent. The estimated reserve balance as at 31 March 2019 is expected to be fully used in 2019/20.

NERSOU Reserve

- 11.17 The NERSOU reserve comprises the Northumbria share of the North East Regional Special Operations Unit (NERSOU) reserve. NERSOU is the 3 force collaboration with Durham and Cleveland aimed at tackling serious and organised crime in the region. The NERSOU reserve will be fully utilised in 2019/20 to manage the loss of government funding for Police Transformation Funded (PTF) regional capabilities.

12. Indicative Budget Forecasts 2019/20 to 2022/23

- 12.1 All the budget pressures, budget savings, funding assumptions and proposed use of reserves outlined earlier in this Strategy are summarised below, to show an overall position for the Group representing the combined budget forecasts for the Commissioner and Chief Constable.

Having considered the savings proposals and the availability of reserves to support the MTFS an important consideration is the precept proposal for 2019/20. The MTFS includes a precept increase of £24 built into the funding from 2019/20 going forward, and future increases as set out earlier in this report at section 6.24.

12.2 The group budget forecast position is set out in the following table:

MTFS Group Budget Forecast	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Base budget	266.2	280.1	284.2	284.0
Budget pressures				
Pay and price increases	10.7	3.6	2.1	3.6
Budget pressures	3.2	2.1	1.4	0.1
Revenue impact of capital financing	2.0	(0.4)	0.1	0.1
Total budget pressures	15.9	5.3	3.6	3.8
Proposed budget savings	(2.0)	(1.2)	(0.4)	(0.2)
Savings Requirement	-	-	(3.4)	-
Proposed budget savings	(2.0)	(1.2)	(3.8)	(0.2)
Total Budget	280.1	284.2	284.0	287.6
Police Pension Contingency	1.4	-	-	-
ESN Contingency	2.6	-	-	-
Workforce Contingency	-	1.6	-	-
Maintain General Reserve above 3.0%	-	-	1.0	-
Net Requirement	284.1	285.8	285.0	287.6
Grant Income	219.0	219.0	219.0	219.0
Special Pension Grant	3.4	-	-	-
Council Tax Support Grant	6.9	6.9	6.9	6.9
Council Tax Freeze Grant 11/12	0.9	0.9	0.9	0.9
Council Tax Freeze Grant 14/15	0.4	0.4	0.4	0.4
Council Tax Income (17/18)	42.7	42.7	42.7	42.7
Council Tax - Precept Increase	10.0	12.5	15.1	17.7
Council Tax - Collection Fund surplus / (deficit)	0.8	-	-	-
Total Income	284.1	282.4	285.0	287.6
Funding gap / (surplus) before reserves	-	3.4	-	-
Planned use of reserves:				
Transfer from Pension Reserve	-	3.4	-	-
Funding gap / (surplus) after use of reserves	-	-	-	-

12.3 The Group forecast budget set out above shows how after the planned use of reserves, savings and the precept there is no funding gap for the period of the MTFS, which meets the key principle of the Commissioner's Strategy that overall expenditure will be delivered within a sustainable budget over the medium term.

12.4 The pension reserve of 3.4m which will be in place by March 2020 will fund the pension shortfall in 2020/21. This is a one-off reserve which will support the budget for one year only. If the government do not fund the full cost of the police pensions increase in future years there will be a requirement to deliver savings of £3.4m in 2021/22 and at present these have not yet been identified and are reflected as a savings requirement in the budget forecast table above.

13. Risk Assessment

13.1 The MTFS contains the most up to date information at the time of drafting, but the Commissioner's financial position is dynamic. A comprehensive financial risk assessment is undertaken for the revenue and capital budget setting process to ensure all risks and uncertainties affecting the Commissioner's financial position are identified. The Commissioner faces a number of significant financial pressures that could affect the position over the medium term. An assessment of the likelihood and impact of each risk and the management controls in place are shown in the following table:

Risk	Likelihood	Impact	Risk Management
General Reserve not sufficient to cover future unexpected costs.	Possible	High	Reserve strategy to maintain balance at a minimum of 2% of budget.
Pay awards and price inflation being higher than anticipated.	Possible	Medium	Budget based on best information available and set at a prudent level.
Pensions Special Grant not being included within the 2019 CSR	Likely	High	Mitigated by the creation of a one year equivalent Pension Reserve which can provide one additional year of funding whilst reduction plans are put in place.
Capital financing charges will be higher than forecast.	Unlikely	Low	Revenue implications are considered as part of capital planning and any changes to variable rates will have minimum impact as 100% of existing debt is at fixed rates.
Interest rates on deposits lower than anticipated.	Unlikely	Low	Prudential assumptions on likely interest rates are incorporated into the MTFS and regular review, monitoring and reporting of interest takes place.
Capital programme is understated and funding not available to deliver plans.	Unlikely	Low	Capital monitoring updates are taken quarterly to the Commissioner to provide assurance in the accuracy of forecast and monthly monitoring is undertaken by the Chief Finance Officer and Chief Constable. Prudential borrowing gives flexibility in financing the capital programme.
Failure to deliver planned savings.	Possible	High	Quarterly revenue monitoring updates to the Commissioner and monthly monitoring undertaken by the Chief Finance Officer and

Risk	Likelihood	Impact	Risk Management
			Chief Constable; maintenance of the General Reserve balance above 2% of budget.
Further reductions in funding including unfavourable review of funding formula.	Possible	High	Balance on General Reserve maintained at minimum of 2%; forward planning; regular monitoring.
Future council tax rises limited by excessiveness principles determined by the government.	Likely	Medium	Balance on General Reserve maintained at minimum of 2%; forward planning.
Reduction in council tax collection following the introduction of the localised council tax support scheme.	Unlikely	Low	Balance on General Reserve maintained at minimum of 2%; forward planning; regular monitoring.
Costs associated with the outcome of the national legal challenge to the Police Pension Scheme (2015) transition arrangements are not met centrally by the Home Office.	Possible	Medium	Balance on General Reserve maintained at minimum of 2%; Insurance Reserve maintained at £3.0m; close budget monitoring; annual review of budget and MTFS; existing Police Pension Fund arrangements require the Home Office to balance the deficit on the Fund each year through a top-up grant.
Not all risks have been identified.	Unlikely	Medium	Comprehensive insurance arrangements are in place alongside robust risk management arrangements; balance on General Reserve maintained at a minimum of 2% of budget.

14. Conclusion

- 14.1 The overall financial context for Northumbria Police remains extremely challenging. The government continue to provide no certainty or assurance on funding over the medium term.
- 14.2 The approach set out in this MTFS intends to deliver a balanced budget. It sets out how all four years will be financed and general reserves can be maintained at or above 3.0% of the revenue budget, estimated at £9.4m at March 2023, and this is greater than the minimum set out in the reserve strategy. The management of this position has been achieved as far as possible but there remains a £3.4m cost in the event of a further pension grant not being received from the government. In this situation savings of this level will be required and are not yet identified.
- 14.3 The MTFS does indicate that a sustainable financial position can be achieved over the period 2019/20 to 2022/23 and the Commissioner is fully committed to taking the necessary decisions to achieve this outcome.

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NORTHUMBRIA POLICE AND CRIME PANEL

PANEL MEETING ON 5 FEBRUARY 2019

SUBJECT - PROPOSED PRECEPT FOR 2019/20

REPORT OF THE CLERK TO THE PANEL

1. Purpose of Report

- 1.1 The Panel is asked to consider the Police and Crime Commissioner's (PCC's) proposed precept for 2019/20.

2. Background

- 2.1 The PCC has provided the attached report setting out her proposed precept for policing in Northumbria for 2019/20.
- 2.2 The Panel must review the proposed precept and make a report to PCC on the proposed precept by 8 February 2019. The report may include recommendations, including recommendations as to the precept that should be issued for the financial year.

Next steps if there is no veto

- 2.3 If the Panel decides not to veto the precept then the PCC will:

- have regard to the report referred to in 2.2 above and any recommendations made by the Panel;
- respond to the Panel;
- publish the response; and
- issue the proposed precept or a different precept if this is in accordance with the Panel's recommendation

Next steps if there is a veto

- 2.4 The Panel can only veto the proposed precept if it has the agreement of at least two thirds of the Panel's members (that is 9 members).

- 2.5 If the precept is vetoed by the Panel then the PCC cannot issue the precept and by 15 February 2019 will:

- have regard to the report;
- respond to the Panel with a revised precept; and

- publish the response.

The revised precept must reflect the Panel's recommendation ie if the Panel states that the precept is:

- too high, then the revised precept must be lower; or
- too low, then the revised precept must be higher.

2.6 By 22 February 2019 the Panel must:

- review the revised precept;
- make a second report to the PCC, accepting or rejecting the revised precept (rejection does not prevent the PCC from issuing the revised precept);
- make recommendations, including recommendations as to the precept that should be issued.

Failure to report by this date will end the scrutiny process and the PCC may issue the revised precept.

2.7 By 1 March 2019 the PCC shall:

- have regard to the second report, including any recommendations;
- give the Panel a response to the second report; and
- publish the response.

2.8 The PCC may now issue the revised precept or a different precept. The different precept must still be higher or lower than the vetoed precept as detailed above, unless the second report recommends a different level of precept.

3. Recommendation

3.1 The Panel is asked to

- (i) consider the PCC's proposed precept; and
- (ii) decide whether it wishes to accept or reject the proposed precept and whether it wishes to make any recommendations in its report to the PCC.



Report of Police and Crime Commissioner for Northumbria

Report on Proposed Precept for 2019/20

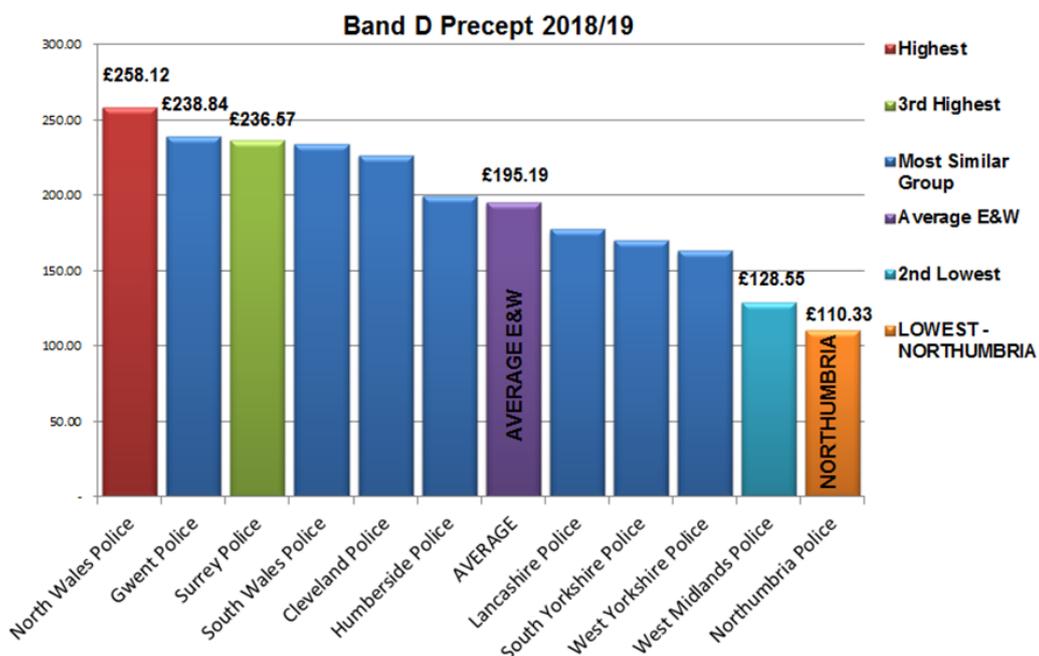
1. Purpose of Report

1.1 This report sets out my proposed Council Tax Precept for the policing area covered by the Police and Crime Commissioner (PCC) for Northumbria for the 2019/20 financial year, with a recommendation to agree to the proposal.

2. Background

2.1 The Police Reform and Social Responsibility Act 2011 Schedule 5 states that “A Police and Crime Commissioner may not issue a precept under section 40 of the Local Government Finance Act 1992 for a financial year until the end of the scrutiny process is reached.” The first stage of the scrutiny process is that I must notify you of the precept I am proposing to issue for the financial year 2019/20.

2.2 The Council Tax Precept is a source of revenue for policing in Northumbria, the following graph shows a comparison of Northumbria’s position to other Force areas for the current financial year 2018/19:



As is clear on the graph the Northumbria Band D precept charge of £110.33 is the lowest of any PCC. Band D precept charge is the contribution paid toward policing by homeowners in that category.

Currently 16% of our core resource funding in 2018/19, is derived from Council Tax and the government is increasing the percentage paid by local tax payers every year.

3. The Budget and Settlement

3.1 In summary, the main elements of the 2019/20 Home Office settlement included:

- Core Police grants would be increased by 2.1%.
- The precept referendum limits for 2019/20 have been increased so that all PCCS are allowed/required to increase the precept by £24 per Band D property.
- Allocated funding to pay part of the increased cost of police pension contributions in 2019/20 via a specific one off special grant.

3.2 Northumbria has already taken the largest financial cut of all Forces in England and Wales through both the 2010 and 2015 Comprehensive Spending Review (CSR) periods, as reported by the National Audit office (NAO, 2018). Central Government formula funding for policing in Northumbria has been reduced by 31% in real terms since 2010.

3.3 The current financial climate remains a difficult and challenging one. The last 9 years have seen unprecedented cuts to the funding provided by the Government to Police and Crime Commissioners (PCCs) in England and Wales. By the end of 2018/19 Northumbria will have made £142.3m of cuts and efficiencies to manage the reductions imposed by government over that period.

3.4 The severe restrictions on funding from Central Government are being delivered with the continued expectation that the shortfall is met locally by tax payers through the precept. Local precept income is therefore essential to maintain spending power and preserve the high standards of policing that we have in Northumbria.

3.5 The Government has recognised that the local precept is a rich seam that it can use to further transfer the burden of funding Policing onto local taxpayers. The Council Tax Precept raised £42.7m towards the total funding requirement for the PCC in 2018/19.

3.6 The attached report at **Appendix 1** sets out the proposed revenue budget and capital programme for 2019/20 including my precept proposal, together with a review of the current year's budget position and future funding, and is fully aligned with the Medium Term Financial Strategy 2019/20 to 2022/23.

4. Precept Options

4.1 There are no Council Tax Freeze grants available for 2019/20.

- 4.2 The funding available through the maximum permissible precept increase of £24 on the tax base would provide an additional £9.4m in 2019/20. It would also increase the underlying precept base and would therefore provide continued financial benefit in future years.
- 4.3 For context, an increase of £24.00 per year for a Band D property equates to approximately 46p per week. For a large proportion of the residents in Northumbria, those in Band A property, the actual increase will be approximately 31p per week (£16.00 per year).
- 4.4 Following the announcement by the government on Northumbria's funding settlement, I launched a consultation with the public on the precept. A press release was issued to all local media for publication. The article featured in newspapers such as the Morpeth Herald, Evening Chronicle and Sunderland Echo.
- 4.5 Use of social media ensured that over 23,000 people saw the tweets relating to the police precept consultation. Over 8,000 people were reached on Facebook.
- 4.6 Information and a direct invitation to complete the on-line survey was also shared with the Office of the Police and Crime Commissioner (OPCC) contact lists. These lists included the advisory groups and scrutiny panels and other interested stakeholders. There are over 1,000 contacts on the lists held.
- 4.7 The on-line survey was active from 03 January 2019 until 21 January 2019, in which three simple questions were asked:
- Do you agree that policing, regardless of where the money comes from, needs more investment.
 - If you live in a Band A property are you willing to pay 31p per week more for policing or 46p per week more for a Band D property.
 - Do you have any further comments.

Of the responses received from the on-line survey 56% were supportive of the proposed precept.

- 4.8 Between the 07 and 13 January 2019, over 600 people were contacted by phone by the Public Insight team at Northumbria Police (100 in each local authority area) to find out their thoughts on the police precept. The questions asked were those asked on-line (4.7). Of the responses received from the telephone survey 71.0% were supportive of the proposed precept increase.
- 4.9 Staff from the OPCC visited shopping areas in each of the local authority areas to find out local views on the precept. Of the response received from face to face interviews, 87.3% were supportive of the proposed precept.
- 4.10 The responses show that Northumbria Police is held in high regard by many residents and they appreciate that policing needs more investment. There continues to be a

sense of pride in our local policing service and it is clear that people want to ensure the services of the police are available if they ever need them.

- 4.11 I have considered the options available to me and have taken into consideration the consultation feedback. My primary consideration is to ensure the effective delivery of the Police and Crime Plan, protecting communities and the most vulnerable, and maintaining the provision of neighbourhood based policing services as far as possible and to keep police officers 'on the beat'. Reluctantly, I believe it is the right decision to recommend an increase in the precept of £16 per year per a Band A household or £24 per year for a Band D household, to continue to support local policing services in the face of a challenging financial situation. Even with the proposed increase, Northumbria still has the lowest police precept in England and Wales by a very long way.
- 4.12 The Chief Constable and I continue to take tough decisions every day to make ends meet. We have listened carefully to local residents and we will invest the money into policing, including new officers and staff, and the retention of roles that had originally been planned to be lost.

5 Proposals

- 5.1 I propose that the precept is increased by £24 per year, which equates to approximately 31p for a Band A property or 46p for a Band D property.
- 5.2 The impact of this decision in 2019/20 will allow for an additional and recurring £9.4m contribution to resources.
- 5.3 This proposal is made in the context of the budget needed to maintain my spending power and balance reducing resources, with essential expenditure to deliver the Police and Crime Plan.

6. Recommendation

The Police and Crime Panel are asked to:

- I. Review the recommended precept proposal.
- II. Make a report to the Commissioner on the proposed precept for the forthcoming financial year.



Proposed Council Tax and Revenue & Capital Budgets 2019/20

1. Summary of Proposed Council Tax and Revenue & Capital Budgets 2019/20:
 - A proposed revenue budget of £280.082m for policing and crime reduction that includes:
 - Provision for increases in pay and prices of £10.7m; and budget pressures of £3.2m;
 - A net increase in revenue costs of £2.0m to support capital investment; and
 - Budget savings of £2.0m in 2019/20.
 - A contingency of £1.4m set aside to mitigate the potential loss of funding as a result of the forthcoming Comprehensive Spending Review (CSR) not meeting the increase in police pension costs in 2020/21.
 - A contingency of £2.6m set aside to manage increasing future costs associated with the national Emergency Services Network (ESN).
 - Capital investment in buildings, vehicles and new technology of £17.248m.
 - Agree an increase of £24 on the Council Tax Precept in 2019/20 to raise an additional £9.428m income.

Considerations

2. In preparing the Revenue and Capital Budgets for 2019/20 the Commissioner has considered the following issues:
 - The key principles underlying the 4 year MTFS 2019/20 to 2022/23.
 - The final Police Grant settlement for 2019/20.
 - The likely revenue and capital outturn for 2018/19.
 - The significant impact of the Government's failure to resource the increased cost of employer contributions for police officer pensions.
 - The budget pressures in 2019/20.
 - Delivery of the Police and Crime Plan.
 - Budget savings and efficiencies.
 - Options for the Council Tax Precept.
 - Reserves.
 - Risk assessment.
 - The Prudential Code for Capital Finance in Local Authorities.

Financial Strategy

3. The 2019/20 budget is part of the four year Medium Term Financial Strategy (MTFS).
4. The overall financial strategy seeks to deliver the Commissioner's Police and Crime Plan, support the Police 2025 Strategy, the mission, vision and values of Northumbria Police and meet the requirements of the National Strategic Policing Requirement.

5. It sets out the service developments; responses to changes in crime and demand; and how it will work in partnership with other agencies to maximise effectiveness.
6. Underpinning the 2019/20 budget and MTFS is a workforce strategy that includes recruitment, training and development of officers and police staff whilst continuing to manage planned change through the prudent use of reserves.

National Police Finance Settlement

7. The provisional national police grant settlement was published on 13 December 2018 for consultation. The final figures were confirmed on 24 January 2019 and were unchanged against the provisional settlement.
8. The key headlines from the settlement are:
 - Police Core Grant - General police grant allocations to PCCs to be increased by £161m, equivalent to 2.1%.
 - One-off Special Pension Grant allocations to PCCs totaling £153m to provide specific funding for part of the increased cost of police officer pensions in 2019/20.
 - Council Tax Referendum Limits - All Police and Crime Commissioners have been allowed/required to increase the precept by £24 per Band D property.
 - Legacy grants relating to Council Tax and freeze grants for 2011/12 and 2014/15 remain payable.
 - Police capital grant maintained in flat cash terms.
 - Four priority areas identified to drive efficiency, productivity and effectiveness in 2019/20, ahead of the new Comprehensive Spending Review (CSR).

Northumbria Revenue

9. **Police Grant** - The one year settlement announcement confirmed that government grants would be increased by 2.1% for 2019/20. The increase in police grant for Northumbria is £4.5m.
10. **Northumbria Budget Pressures** - Including pay and price increases totaling £13.9m in 2019/20.
11. **Northumbria Budget Savings** - Plans to make £2.0m savings from:
 - Non pay savings.
 - Maximising income generation.
12. **Council Tax Precept** - The Council Tax referendum limits for 2019/20 mean that all Police and Crime Commissioners are expected to increase their precept by up to £24. No government Council Tax Freeze grants are available in 2019/20. In Northumbria without the £24 increase the policing budget will be reduced by £9.4m.
13. **Reserves** - The General Reserve will be maintained at £8.4m over 2019/20. This level represents 3.0% of the net revenue budget.

Capital

14. Capital expenditure of £17.248m to be financed by a combination of government grants, capital receipts and prudential borrowing.

Funding Formula

15. The Home Office failed to implement its proposed new funding formula for 2016/17 after a fundamental error was found in the data it was using for its calculations. During 2016 the Government re-launched its review of the Police funding formula which continued into 2017, however, the 2018/19 settlement announcement in December 2017 stated that the formula review would be deferred to the next Spending Review, this is still to be formally confirmed.
16. Allowing for the Spending Review, work undertaken on the review and the full consultation period expected during 2020, there is no change anticipated to the formula used to distribute core grant funding till 2021/22 at the earliest. Therefore the MTFS has made no assumptions in this regard.

Capital Programme 2018/19

17. The Commissioner has an approved revised capital budget for 2018/19 of £16.419m. The third quarter capital monitoring report outlined a revised capital estimate of £10.991m as at 31 December 2018. The reduction in the revised estimate for the year mainly reflects changes in the phasing and timing of capital schemes which will roll forward into 2019/20.

Capital Programme 2019/20

18. The following table sets out a summary of the capital programme for 2019/20:

2019/20 Capital Programme	Total £000
Major and Minor Building Schemes	6,301
Information Technology	7,579
Vehicles and Equipment	3,368
Total	17,248

19. Key areas to note in the proposed programme are:
 - **Major and Minor Building Schemes** - Estates refurbishment programme based on operational requirements and 2018 condition surveys; transition and relocation costs associated with the estates rationalisation programme; and co-location with partner agencies.
 - **Information Technology** - The Force have a number of Improvement Schemes to deliver change and efficiency through transformation which includes considerable investment in IT systems. This includes the replacement of all core operating systems and the associated hardware and network equipment, and future implementation of the National Emergency Services Network (ESN) within Northumbria.
 - **Vehicles and Equipment** - A rolling programme of vehicle replacement and material programmes for upgrading equipment including body-worn video.

Revenue Budget 2018/19

20. The Commissioner's net revenue budget for 2018/19 is £266.245m. The Quarter 3 revenue monitoring report shows a projected budget underspend of £2.214m as at 31 December 2018.

2018/19 Revenue Monitoring - Quarter 3 Position			
	Approved Budget 2018/19 £m	Projected O utturn 2018/19 £m	Variance 2018/19 £m
Group Position			
Chief Constable	256.801	255.106	(1.695)
Police and Crime Commissioner	2.061	1.858	(0.203)
Capital Financing	7.383	7.067	(0.316)
Net Expenditure	266.245	264.031	(2.214)
Central Government Grant	(222.624)	(222.624)	0.000
Council Tax Precept	(43.621)	(43.621)	0.000
Central Grant and Precept Total	(266.245)	(266.245)	0.000
Appropriations (to) /from reserves	0.000	(2.214)	(2.214)

21. The overall Group forecast represents an underspend of £2.214m. The underspend against the Chief Constable's revenue budget is primarily attributable to: The receipt of a one-off large value rate rebate for the Ponteland site from the Valuation Office; an underspend against the workforce profile set in January 2018 as part of the MTFs process, primarily due to the re-profiling of recruitment of staff positions until the future funding position was clarified; and a reduction in ICT product support costs, due to the re-profiling of go-live dates of new systems.
22. For Capital financing, savings on interest costs have been achieved in-year mainly due to a reduction in planned capital spend, new long term borrowing secured at preferential rates and deferred to later in the financial year on advice from the Commissioner's external treasury advisers.
23. The overall Group forecast represents an underspend of £2.214m. £2.0m of this underspend will be used to establish a pensions reserve because the government has failed to commit to protecting police budgets against the revaluation of the police pension fund, Northumbria's contribution to that cost would be £3.4m each year. If this position does not improve in the 2019 Comprehensive Spending Review (CSR) this reserve will contribute to the management of the inevitable resulting reductions.
24. The forecast closing position on the general reserve for 2018/19 is £8.4m, as set out in the table below. This includes the planned transfer to increase the Workforce Reserve to mitigate against any future workforce changes, as set out within the current MTFs:

2018/19 General Reserve - Quarter 3 Position			
	Approved 2018/19 £m	Revised 2018/19 £m	Variance 2018/19 £m
Group Position			
Opening Balance (01/04/18)	9.1	9.4	0.3
Planned Transfer to Workforce Reserve	(1.0)	(1.0)	0.0
Forecast Closing Balance (31/03/19)	8.1	8.4	0.3

Revenue Budget 2019/20

25. For the financial year 2019/20, the proposed total net revenue budget is £280.082m.
26. The proposed budget includes £10.7m in relation to pay and price increases including an estimated 2% pay award for officers and staff; an increase of £7.7m in the cost of employer pension contributions for police officers as a result of pension 'directions' issued by the government; provision for police officer pay progression under regulations, known contract increases and other inflation costs associated with rates, rents, utilities and force contracts.
27. Budget pressures of £3.2m have also been incorporated, which include ICT revenue costs associated with capital schemes, known operational budget pressures, and other non-pay pressures.
28. A net increase in capital financing costs of £2.0m to support capital investment is included which reflects the planned profile of interest costs, investment income and the principal repayment of borrowing.
29. The revenue budget 2019/20 includes the investment of the money generated into policing, including new officers and staff and the retention of roles that had originally planned to be lost.

Budget Savings

30. Force budget savings in 2019/20 of £2.0m have been identified relating to non-pay budget areas, mainly estates costs, ICT contracts and officer allowances.

Budget Summary - 2019/20

31. A summary of the 2018/19 forecast outturn position and proposed 2019/20 Revenue Budget is set out below:

2019/20 Group Revenue Budget				
	Original Estimate	Revised Estimate	Projected Outturn	Original Estimate
<u>Group Revenue Budget</u>	2018/19	2018/19	2018/19	2019/20
	£m	£m	£m	£m
Chief Constable	256.801	256.801	255.106	268.581
Police and Crime Commissioner	2.061	2.061	1.858	2.098
Capital Financing	7.383	7.383	7.067	9.403
Net Revenue Expenditure	266.245	266.245	264.031	280.082

32. The group budget is held by the Police and Crime Commissioner who provides financial resources to the Chief Constable to deliver operational policing. The PCC has a small specific budget for the Commissioners Community Fund and the OPCC running costs. The Capital Financing budget comprises the revenue provision for repayment of borrowing, interest costs and investment income.

Council Tax Options

33. The Localism Act 2011 introduced a power for the Secretary of State for Communities and Local Government to issue principles that define what should be considered excessive Council Tax, including proposed limits. From 2013 onwards, any PCC that wishes to raise its Council Tax above the limits that apply to them will have to hold a referendum.

34. The excessiveness limit for 2019/20 is £24 per Band D property. In calculating the overall settlement for policing in 2019/20 the Government has assumed that each PCC will raise the precept by the maximum amount.
35. During 2018/19 the Council Tax base in the Northumbria force area increased by an average 1.45% to 392,830 (Band D equivalent).
36. The proposal is to increase the Band D precept by £24 per year to raise an additional £9.428m over 2019/20.
37. The anticipated receipts of £52.769m from the precept are included in the MTFS that sets out the main assumptions and provides further detail to demonstrate that this decision provides affordability over the medium term.
38. In addition, all six billing authorities will pay a collection fund surplus in 2019/20 which will deliver a total of £0.762m.

Reserves

39. The Commissioner's reserves policy is set out in the MTFS and is subject to regular review.
40. A full analysis of the Commissioner's revenue reserves and their planned use in 2019/20 taking into account the proposals outlined is set out below.

	Estimated at 31 March 2019	Planned Transfer to Reserves 2019/20	Planned use of Reserves 2019/20	Estimated at 31 March 2020
Revenue Reserves	£m	£m	£m	£m
Earmarked Reserves				
Insurance Reserve	3.0	0.0	0.0	3.0
Workforce Development Reserve	1.3	0.0	0.0	1.3
Pensions Reserve	2.0	1.4	0.0	3.4
Emergency Services Network (ESN) Reserve	0.0	2.6	0.0	2.6
Domestic Violence Reserve - Health Advocates	0.1	0.0	(0.1)	0.0
Partnership Working Reserve	0.2	0.0	(0.1)	0.1
External Funding Reserve	0.1	0.0	(0.1)	0.0
NERSOU Reserve	0.2	0.0	(0.2)	0.0
Total Earmarked Reserves	6.9	4.0	(0.5)	10.4
General Reserves	8.4	0.0	0.0	8.4
Total Reserves	15.3	4.0	(0.5)	18.8

41. The MTFS sets out the Commissioner's reserves strategy which is to maintain the general reserve at a minimum of 2% of the net revenue budget for the year. As at 31 March 2020 the balance is estimated to be £8.4m which equates to 3.0%.

Adequacy of Reserves and Robustness of Budget Estimates

42. The Local Government Act 2003 requires the Joint Chief Finance Officer to undertake an assessment of the robustness of the budget estimates and the adequacy of reserves.
43. The budget and MTFS allows the Commissioner to consider the prudent use of reserves in the context of the future spending pressures and risks arising from potential changes to the funding formula without having a detrimental effect on policing.

44. In assessing the robustness of the budget, the Joint Chief Finance Officer has considered the following issues:
- The general financial standing of the group made up of the OPCC and Northumbria Police.
 - The underlying budget assumptions, including an assessment of the estimates for pay and price increases.
 - A risk assessment of expenditure and income estimates.
 - The future budget pressures identified in the MTFS.
 - The adequacy of the budget monitoring and financial reporting arrangements.
 - The adequacy of the Commissioner's governance arrangements and internal control system.
 - The adequacy of general reserves to cover any potential financial risks faced by the Commissioner.
 - The impact of funding cuts and the uncertainty around future budget pressures, 2019 CSR and the levels of grant support beyond 2019/20.
45. At 31 March 2019, the Commissioner's General Reserve is estimated at £8.4m (3.0% of revenue expenditure), in addition to other reserves which are earmarked for specific purposes. The Commissioner's reserves policy will result in a General Reserve of £9.4m (3.3% of revenue expenditure) by the end of 2022/23. In estimating the level of reserves the Joint Chief Finance Officer has taken account of known commitments and the financial risks faced by the Commissioner which could impact on the level of reserves over the MTFS period.
46. The Joint Chief Finance Officer confirms that, after taking account of these issues, the revenue and capital estimates contained in this report are considered robust and that the level of reserves proposed in the review set out earlier is considered adequate to cover the financial risks faced by the Commissioner in 2019/20.

Council Tax Requirement

47. The Localism Act requires the Commissioner to set a Council Tax Requirement. The calculation of the Council Tax Requirement, based on the proposed revenue budget and contribution from reserves is set out below:

	£m	£m
Total Revenue Expenditure		280.082
Add: Appropriations to Reserves		4.000
Budget Requirement		284.082
Less:		
Police Grant	110.950	
Ex-DCLG Grant	108.010	
Special Pension Grant	3.423	
Localised Council Tax Support Grant	6.867	
Council Tax Freeze Grant 11/12	0.912	
Council Tax Freeze Grant 14/15	0.389	230.551
Balance to be raised locally		53.531
Less: Estimated net surplus on collection funds		0.762
Council Tax Requirement		52.769

48. The proportion of collection funds' net surplus due to Northumbria Police from its constituent billing authorities is £0.762m for 2019/20 (£0.899m in 2018/19).
49. The notified Council Tax base figure is 392,830 which is an increase of 5,610 over the previous year (1.45%).

The Prudential Code for Capital Finance in Local Authorities

50. The CIPFA Prudential Code is a professional code of practice to support local authorities in taking decisions relating to capital investment in fixed assets. Local authorities, including Police and Crime Commissioners and Fire Authorities, are required to have regard to the Code under Part 1 of the Local Government Act 2003. The basic principle of the system is that local authorities will be free to invest so long as their capital spending plans are affordable, sustainable and prudent.
51. In order to demonstrate that they have fulfilled the objectives of the Code, authorities must produce a range of key Prudential Indicators. The Code does not suggest indicative limits or ratios for these indicators, which are designed to support and record local decision making, and are not intended to be used for comparative purposes.
52. These key indicators can be split into two broad categories, affordability indicators and prudence indicators. Affordability indicators concentrate upon the level of capital investment over the period 2019/20 to 2022/23. Prudential indicators concentrate on the level and composition of external debt, and are therefore very closely linked to the Commissioner's Treasury Management Strategy.
53. The Commissioner's proposed Prudential Indicators are shown at Annex A to this report.

Minimum Revenue Provision (MRP)

54. Regulations came into effect from March 2008 with regard to preparing an Annual MRP Statement. MRP is the amount that needs to be set aside to reflect the depreciation of capital assets. There are no proposed changes to the method used to calculate MRP and the Annual MRP statement for 2019/20 is attached at Annex B.

Financial Considerations

55. Financial implications are considered throughout the report.

Risk Management

56. Associated risks have been considered and recorded as appropriate, set out in Annex C

Recommendations (Proposed)

57. The Commissioner is requested to:

- I. Approve the capital programme and authorise the Joint Chief Finance Officer (Treasurer) to undertake the appropriate financing.
- II. Approve the revenue budget.
- III. Agree the review of the reserves policy.
- IV. Note the recommendations of the Joint Chief Finance Officer (Treasurer) in respect of the robustness of the budget and the adequacy of reserves.

58. Note the Council Tax Base of 392,830 for the year 2019/20 as notified by the billing authorities within Tyne and Wear and Northumberland (item T in the formula in Section 42B of the Local Government Finance Act 1992, as amended).

59. Approve the following amounts for the year 2018/19 in accordance with Sections 42A, 42B and 45 to 47 of the Local Government Finance Act 1992, as amended:

(a) £296.918m Being the aggregate of the amounts which the Police and Crime Commissioner estimates for the items set out in Section 42A (2) (a) to (d) of the Act.

(b) £244.149m Being the aggregate of the amounts which the Police and Crime Commissioner estimates for the items set out in Section 42A (3) (a) to (b) adjusted for the item set out in S42A (10) of the Act.

(c) £52.769m Being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Police and Crime Commissioner in accordance with Section 42A (4) of the Act, as it's Council Tax Requirement for the year (item R in the formula is Section 42B of the Act).

(d) £134.33 Being the amount at (c) above (item R) divided by the amount noted in Recommendation 2 above (item T), calculated by the Police and Crime Commissioner in accordance with Section 42B (1) of the Act, as the basic amount of its Council Tax for the year.

(e) Valuation bands

A	£89.55	Being the amounts given by multiplying the amount of (d) above by the number which, in the proportion set out in Section 5 (1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Police and Crime Commissioner in accordance with Section 47 (1) of the Act, as the amounts to be taken into account for the year in respect of the categories of dwelling listed in different valuation bands.
B	£104.48	
C	£119.40	
D	£134.33	
E	£164.18	
F	£194.03	
G	£223.55	
H	£268.66	

60. Resolve that under Section 52ZB of the Local Government Finance Act, the Commissioner's relevant basic amount of Council Tax for 2019/20 is not excessive in accordance with the principles determined under Section 52ZC (1) of the Act for 2019/20.

61. Resolve that in accordance with Section 40 of the Local Government Finance Act 1992, as amended, the billing authorities within the area of this authority be issued with precepts in the amount of £52,768,815 for the financial year beginning 1 April 2019, the amount of the retrospective precepts to be issued to each billing authority's area in accordance with the Sections 42A, 42B and 45 to 48 of the 1992 Act, as amended.

62. Approve the Prudential Indicators as outlined in Annex A to this report.

63. Accept the recommendation of the Joint Chief Finance Officer (Treasurer) for the method of calculating MRP for 2019/20 as set out in the Annual MRP statement at Annex B to this report.

Prudential Indicators

In line with the requirements of the CIPFA Prudential Code for Capital Finance, the various indicators that inform whether capital investment plans are affordable, prudent and sustainable, are set out below.

Authorised Limit for External Debt

There are two limits on external debt: the 'Operational Boundary' and the 'Authorised Limit'. Both are consistent with the current commitments, existing plans and the proposals in the budget report for capital expenditure and financing, and with approved treasury management policy statement and practices.

Authorised Limit - this represents a limit beyond which external debt is prohibited. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

Operational Boundary - this is the limit beyond which external debt is not normally expected to exceed. In most cases this would be a similar figure to the Capital Financing Requirement (CFR), but may be lower or higher depending on the levels of actual debt.

The key difference between the two limits is that the Authorised Limit cannot be breached without prior approval of the PCC. It therefore includes more headroom to take account of eventualities such as delays in generating capital receipts, forward borrowing to take advantage of attractive interest rates, use of borrowing in place of operational leasing, "invest to save" projects, occasional short term borrowing to cover temporary revenue cash flow shortfalls, as well as an assessment of risks involved in managing cash flows. The Operational Boundary is a more realistic indicator of the likely position.

Authorised Limit for External Debt

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Borrowing	175,000	175,000	180,000	175,000
Other Long Term Liabilities	0	0	0	0
Total	170,000	180,000	180,000	180,000

Operational Boundary for External Debt

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Borrowing	150,000	150,000	155,000	150,000
Other Long Term Liabilities	0	0	0	0
Total	145,000	155,000	155,000	155,000

The latest forecast for external debt indicates that it will be within both the authorised borrowing limit and the operational boundary set to 2022/23. The maturity structure of debt is within the indicators set.

Upper and Lower Limits for the Maturity Structure of Borrowing

The upper and lower limits for the maturity structure of borrowing are calculated to provide a framework within which the Commissioner can manage the maturity of new and existing borrowing to ensure that debt repayments are affordable in coming years.

Maturity structure of borrowing – these gross limits are set to reduce the Commissioner’s exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

Following the changes in guidance issued by CIPFA the maturity structure of borrowing is required to cover variable as well as fixed rate debt. The maturity structure of borrowing set out below applies to all borrowing by the Police and Crime Commissioner, both fixed and variable.

	Upper Limit	Lower Limit
Under 12 months	60%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	40%	0%
10 years and above	80%	0%

Upper Limit on Principal Amounts Invested Beyond 365 Days

The purpose of the upper limit on principal amounts invested beyond 365 days is for the Commissioner to contain the exposure to the possibility of loss that might arise as a result of having to seek early repayment or redemption of principal sums invested.

Upper Limit on Principal Amounts Invested Beyond 365 Days

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
Investments	15,000	15,000	15,000	15,000

Gross Debt and Capital Financing Requirement (CFR)

In order to ensure that over the medium term debt will only be for a capital purpose, the Police and Crime Commissioner should ensure that debt does not, except in the short term, exceed the total of capital financing in the previous year plus the estimates of any additional capital financing requirement for the current and next two financial years.

If in any of these years there is a reduction in the capital financing requirement, this reduction is ignored in estimating the cumulative increase in the capital financing requirement which is used for comparison with external debt.

This is a key indicator of prudence. Where the gross debt is greater than the capital financing requirement the reasons for this should be clearly stated in the annual treasury management strategy.

Gross Debt and CFR	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
Forecast Borrowing as at 31 March	93,713	102,237	111,362	110,637
Capital Financing Requirement as at 31 March	108,744	108,435	111,444	110,719
Amount of borrowing (over) / under CFR	15,031	6,198	82	82

Forecast borrowing is within the CFR estimates for 2019/20 to 2022/23.

Affordability

The impact of the capital programme on the revenue budget is shown in the table below:

Affordability	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
Revenue Budget	280,082	284,200	284,000	287,600
Capital Expenditure	17,248	18,279	14,065	6,739
Capital Financing Requirement as at 31 March	108,744	108,435	111,444	110,719
Interest Cost	3,270	3,415	3,664	3,764
Minimum Revenue Provision	6,422	5,908	5,777	5,801
Revenue Financing Costs	9,692	9,323	9,441	9,565
Ratio of financing cost to revenue stream %	3.46%	3.28%	3.32%	3.33%

Police and Crime Commissioner for Northumbria Minimum Revenue Provision (MRP) Statement 2019/20

The MRP charge for 2019/20 for capital expenditure incurred before 01 April 2008 (prior to the new regulations) or which has subsequently been financed by supported borrowing will be based on the previous regulatory method of Capital Financing Requirement at a minimum of 4% of the opening balance less prescribed adjustments.

For all unsupported borrowing, exercised under the Prudential Code, the MRP Policy is based on the Asset Life Method. The minimum revenue provision will be at equal annual instalments over the life of the asset. The first charge will not be made until the year after the asset becomes operational.

The estates rationalisation programme will see £23.2m capital receipts generated through the sale of assets over the period of the MTFS. The receipts will be used to finance capital expenditure and reduce the overall capital financing requirement.

NORTHUMBRIA POLICE AND CRIME COMMISSIONER FINANCIAL RISK ANALYSIS**General Balances**

The risk is that the General Reserve balance is not sufficient. This is mitigated by:

- The General Reserve will be kept at a minimum of 2% of revenue expenditure.
- The projected balance on the General Reserve at the 1 April 2019 of £8.4m is 3.0% of the revenue expenditure budget.
- The projected balance on the General Reserve at the 1 April 2020 of £8.4m is 3.0% of the revenue expenditure budget.
- Strong financial controls have resulted in a consistent trend of the revenue outturn being delivered within budget in recent years.

Pay Increases

The risk is that pay increases may exceed the levels provided for within the budget. Estimates for future pay awards have been fully included.

Price Increases

The risk is that price increases may exceed the levels provided for within the budget. This is mitigated by applying inflation on an individual basis to provide for contractual commitments and premises related expenditure. All other inflation will be managed within existing budgets reflecting the current economic climate. The risk that prices may rise is mitigated by budget monitoring arrangements and the Force's current approach to efficiency in challenging and managing spend pressures.

Capital Financing

The risk is that Capital Financing Charges will be greater than budgeted. This is mitigated by:

- Revenue implications are considered as part of the capital planning process and taken in to account in the MTFs.
- Advice is taken from the Commissioner's external treasury management advisers Link Asset Services (LAS) in relation to revenue estimates for borrowing and investment interest.
- The principal repayment in respect of debt is the MRP, calculated on an asset by asset basis as part of the capital planning process. Any change in interest rates will not have an effect as 100% of debt is at fixed rates and any refinancing of existing debt will only take place if it will lead to a long term saving in interest charges.

Financial Planning

The risk is that a major liability or commitment is currently known but has not been taken into account in the Police and Crime Commissioner's financial planning. This is mitigated by:

- The Medium Term Financial Strategy includes an assessment of spending pressures, to be assessed for inclusion in the Commissioner's budget, identified by the Chief Constable by reference amongst other sources to the Local Policing Plan.
- In addition, regular liaison by senior officers of the Force and the Commissioner's Office help to strengthen and coordinate the financial planning of the Commissioner.

Savings

Budget savings of £2.0m have been included in the revenue budget for 2019/20. The risk is that the budget savings will not be delivered. This is mitigated by:

- The strong record of delivering the budget within targets.
- Robust monitoring process for budget management throughout the year.
- Adequacy of the General Reserve and the overall reserves policy.

Loss of Deposit

The risk is that funds deposited by the Commissioner are lost due to the collapse of the financial institution with whom the deposit is placed. The risk is limited by the controls in the Treasury Management Strategy which focuses on control of deposits rather than returns. The potential impact is limited by the strategy of a diverse portfolio with top rated institutions which are either part nationalised or have credit guarantees.

Interest Rates on Deposits

The risk is that interest rates will be lower than expected and prudent assumptions on likely interest rates for 2019/20 have been incorporated into the budget. Advice has been taken from the Commissioner's external treasury management advisers Link Asset Services (LAS) on appropriate budget rates for borrowing and investment interest.

Budgetary Control

The risk is that the budget will overspend. This is mitigated by:

- Monthly budget monitoring in place.
- Quarterly monitoring reports to the Commissioner.

Council Tax

The risk following the localisation of Council Tax support is that collection rates could be affected which would impact on billing authorities' collection fund balances and any surpluses payable to the Commissioner. To mitigate this risk, local billing authorities have factored in prudent collection rates.

Capital Programme Implications

The risk is that the capital programme may be understated, funding will not be available as planned or that over spending may occur. This is mitigated by:

- Regular review of Estates Strategy and the decision to focus on key priority schemes only; together with quarterly updates of progress will provide assurance in the accuracy of forecasts.
- Quarterly capital monitoring reports to the Commissioner.

Risk Management

The risk is that all risks have not been identified when the budget has been set and that major financial consequences may result. This is mitigated by:

- Risk management arrangements.
- Comprehensive self and external insurance arrangements in place.
- Adequacy of the insurance reserve.
- Adequacy of the general balances and the overall reserves policy.



VERA BAIRD_{QC}
POLICE & CRIME COMMISSIONER

POLICE AND CRIME PANEL

5th February 2018

REPORT OF THE POLICE AND CRIME COMMISSIONER

HOW THE LOCAL COMMUNITY SAFETY PARTNERSHIPS' PLANS AND PRIORITIES ARE CONSIDERED IN RELATION TO THE PCC'S POLICE AND CRIME PLAN PRIORITIES

1 Purpose of the Report

- 1.1 As one of the themed report subjects, panel members asked how the local Community Safety Partnerships (CSP) plans and priorities are considered in relation to my Police and Crime Plan priorities.
- 1.2 When the 2017-2021 Police and Crime Plan was published, it was informed by a strong engagement process with communities and stakeholders including CSPs and the first part of this report reiterates this approach, which may be of value to new members of the panel. In addition, the report will provide members with a high level overview of how Northumbria Police and the Office of the Police and Crime Commissioner work with local authorities, and in particular, CSPs.

2 Shaping the Plan

- 2.1 The Police and Crime Plan was shaped by a wide range of consultation, as detailed below, the priorities and concerns raised were subsequently reflected in the six priorities included in the plan:

- Putting victims first
 - Effective criminal justice system
 - Reducing anti-social behaviour
 - Tackling crime
 - Domestic and sexual abuse
 - Community confidence
- a) **CSPs strategic assessments**
All CSPs shared with us their latest thinking about community safety and policing priorities and we ensured that the strong messages around domestic abuse, anti-social behaviour and alcohol related crime are incorporated into the draft plan.
- b) **Consultation meetings with key strategic partners**
CSPs, local health bodies and Children and Adult Safeguarding Boards met with the Police and Crime Commissioner to discuss existing and emerging priorities for Northumbria Police and wider partnerships. This engagement

demonstrated that sexual exploitation and alcohol related crime continue to be of great importance locally and should be prioritised within the Police and Crime Plan.

c) **Police and Crime Panel consultation**

The Police and Crime Panel were consulted about their priorities for the Police and Crime Plan 2017-2021. The main areas of importance to panel members was firstly, to ensure that I consider CSP priorities in the development of the plan, and secondly, that young people and diverse communities are included in consultation plans. These considerations were taken into account in the development of the plan.

Other engagement also informed the plan:

d) **Public consultation**

To ensure we fully understood what local people thought about policing and community safety a range of engagements were held, including public meetings in every local authority (two in Northumberland due to its geographical size), attendance at community groups, faith groups and a wide range of other local groups and associations. It is appreciated that not everyone could attend meetings, so an on-line and telephone survey was set up which was completed by more than 3,000 people. The surveys and events were promoted on social media, posters in doctor's surgeries and community venues, websites including local councils and in all secondary schools.

The survey findings were clear that adults see tackling domestic and sexual abuse, support for victims, reducing crime and ensuring an effective criminal justice system as their top priorities. Young people surveyed identified that tackling domestic and sexual abuse was a top policing priority as well as work to tackle drug and alcohol abuse, hate crime and cyber related crime.

The public meetings raised a wide range of concerns, some that we must tackle in partnership with others and some that were very discrete and personal to the individuals present. The key policing themes that were identified as important to local people were:

- Dangerous driving and mobile phone use behind the wheel
- Hate crime and the impact of BREXIT
- Neighbourhood policing and visibility of the police in local communities
- Tackling anti-social behaviour and signal crimes
- A more effective criminal justice system

e) **Northumbria Police performance**

Emerging priority areas that need further focus in the plan include work to support an effective criminal justice system and to secure convictions at court, improved victim satisfaction in cases of anti-social behaviour, reduce repeat victimisation, increased visibility and high standards of police conduct.

f) **Her Majesty's Inspectorate of Constabulary Fire and Rescue Services (HMICFRS) inspection findings**

Overall Northumbria Police was recognised as a 'good' police force, however in a recent Police Effectiveness Efficiency and Legitimacy (PEEL) Inspection Leadership report at the time it was felt that Northumbria Police must do more

to address concerns around legitimacy and the imperative “how well does the force ensure that’s its workforce behaves ethically and lawfully”. We acknowledged that this is of great importance to the overall integrity of Northumbria Police and building public confidence and clearly made this a commitment in the Police and Crime Plan 2017-21.

g) Northumbria Police strategic assessment

Northumbria Police carry out an annual assessment of the current and medium term issues affecting or likely to affect them which is used to help them plan for the likely impact on demand and resources. The key findings from the most recent strategic assessment highlight that cyber-crime, fraud, modern slavery and trafficking are all emerging crime types that need a specialist response and consideration.

h) National Policing Vision and Strategic Policing Requirement

In November 2016, Police and Crime Commissioners and Police Chief Constables launched a vision for policing in 2025 that makes far better use of digital technology, is integrated with other agencies to focus on preventing crime and is delivering effective services to provide best value for money for the public. The Police and Crime Commissioner is focused on ensuring that transformational change in policing is delivered, with local policing and accountability to the public very much at the core.

The Strategic Policing Requirement (SPR) sets out the threats that require a national policing capability to ensure they are tackled effectively. This requirement is placed on all police forces across the country and we must ensure that here in Northumbria we give the right level of acknowledgement to these demands and prepare accordingly to ensure the safety of the public. Key threats in the most recent SPR include terrorism, serious and organised crime, and national cyber security as well as arrange of other issues of national importance. Many of these challenges can only be tackled by collaborating with other forces, and for this reason as well as others, collaboration runs as a theme throughout the draft plan.

i) Advisory Groups and Victims Panel

As you are aware I have well-established advisory groups that are drawn from the communities which are protected by the Equality Act 2010 and that help shape my thinking about a wide range of policing and community safety issues. All of the groups including the Victims Panel were consulted about the priorities they feel are important for the next four years and all groups were clear that more of a focus should be given to building an effective and efficient criminal justice system that not only supports victims to recover from their experience of crime, but also rehabilitates offenders to stop crime from happening in the first place.

j) Students Consultation

We have spoken at length to our student population across Northumbria and have held events to bring student unions together to tell us about their priorities for policing. Key priorities were highlighted as tackling sexual violence, improving confidence in the police and fighting hate crime and racial abuse.

3 Delivering the Plan

3.1 Joint Working

Since the publication of the plan, engagement and work with the CSPs continues and Northumbria Police and the Office of the Police and Crime Commissioner continue to engage and work to deliver services with CSPs. This section provides an overview of this work and some examples of specific projects.

3.2 Safer Communities Survey

A joint telephone survey of five thousand residents is conducted by Police and Community Safety Partners throughout each year. The survey provides a common platform to help identify public priorities, gauge trust and confidence in police and partners, and understand levels of community safety across the six Local Authority areas within the force. Quarterly results are shared within the partnership and used to inform the priorities of police and partners, and those within the Police and Crime Plan. The survey was developed by police and CSPs through a steering group which is attended by Community Safety Managers.

3.3 Overview of Area Command Partnership meetings

A number of standard partnership meetings are held in all area commands which are summarised in the table below, along with the Police and Crime Plan priority they support.

Partnership Meetings	P&CP Priority
Youth Offending Team (YOT) Partnership Board	Effective Criminal Justice
Out of Court Disposal Scrutiny Multi-Agency Panel	Effective Criminal Justice, Putting Victims First
CSP Meeting	Reducing Anti-social behaviour, Community Confidence, Cutting Crime
Licensing	Reducing Anti-social behaviour, Community Confidence, Cutting Crime
Independent Advisory Group	Community Confidence
Strategic Partnership Board	Reducing Anti-social behaviour, Community Confidence, Cutting Crime
Drug and Alcohol Strategic Partnership	Reducing Anti-social behaviour, Community Confidence, Cutting Crime
Pre-Trial Performance Management Meeting	Effective Criminal Justice
Children's Strategic Partnership	All priorities

More specifically, each of the three area commands has a tailored approach that reflects local priorities.

a) Northern Area Command

Northumberland hold Victim Location Offender (VOL) meetings, chaired by Local Authority Community Safety Managers and Housing. They also have an ASBRAC (Anti-Social Behaviour Risk Assessment Conference), chaired by

the Local Authority, it is a multi-agency meeting to discuss problem solving around individuals causing ASB that cannot be resolved in the VOL. There are also a number of strategic partnership meetings such as the Crime and ASB Partnership Board and the new Hate Crime Board. These meetings feed into the safer Northumberland Partnership (attended by Chief Superintendent, Northern). Minutes of all of the above are held by the local authority.

In North Tyneside the Neighbourhood Policing Teams attend Safer Estates which is chaired by the Local Authority. Chief Inspector (Communities), Northern attends the 'Addresses Causing Concern' quarterly strategic meeting which focuses on location problem solving. North Tyneside have also held problem solving Tasking and Finish Groups for emerging problems such as North Shields ASB (requested by the Deputy Mayor) and the Meadowell disorder (requested by T/Superintendent, Northern). T/Superintendent Northern attends the CSP, chaired by Councillor Burdis to address the priorities in the North Tyneside Community Safety Strategy (focussing on domestic abuse, public health, prevent, hate crime, organised crime groups etc.). T/Superintendent, Northern also attends the Children and Young People Partnership, both of which feed into the Safer North Tyneside Partnership Board, chaired by the Mayor and attended by Chief Superintendent, Northern. The Local Authority, Nexus, Fire and Police are represented at all the partnership boards.

b) Central Area Command

In Gateshead Superintendent, Central is Vice Chair of the Community Safety Board (CSB) and Chief Inspector Communities), Central is chair of the Crime, ASB and Confidence sub group which reports into the CSB. Chief Inspector (Communities), Central chairs a quarterly meeting of the Crime, ASB and Confidence Group and underneath this is a weekly operational tasking meeting where all three Neighbourhood Inspectors and partners attend and utilise shared data to agree tasking and a problem solving/partnership approach. All activity is recorded and tracked. Gateshead holds exceptional Tasking and Finishing Groups for larger emerging problems and all partners are involved in the approach.

In Newcastle, similar to Gateshead, there is a routine Community Safety Board which is regularly held with partners to deal with issues affecting local communities. The previous tasking meetings were called Safer Neighbourhood Action Panel (SNAPS) and these were disbanded; however, Northumbria now have two full time community safety workers who work alongside the Neighbourhood Policing Teams (NPTs) and work from the NPT offices in Newcastle. To support these processes, there are partnership meetings that oversee youth intervention and victims of ASB. Again all tasking and partnership work is agreed and accountability assigned to the lead organisation.

c) Southern Area Command

In Sunderland, Chief Inspector (Communities), Southern attends monthly Community Cohesion Meetings with the Local Authority and partnership leads which focusses on ongoing issues within the local community. Ten weekly Local Multi-Agency Problem Solving Meetings (LMAPS) are attended by Neighbourhood Inspectors, with the attendance of Community Chief Inspector

(when necessary); these meetings discuss geographical problems which require attendance by all key partners and agree financial commitments to assist in problem solving (environment, Tyne and Wear Fire Service, Police, Together for Children, ASB, housing providers). Extra Ordinary partnership meetings are held as required and have been adopted as “normal” working practice in Southern. These meetings have been used effectively for Operation Asteroid (significant emerging gang violence / ASB), the asylum community and cohesion issues, and Operation Orion (Rape series). A new meeting structure is planned to launch in January 2019 to address emerging issues. Area meetings will be chaired by the Local Authority and discuss Vulnerability, Investigations and Problem Solving where single agency intervention has been unsuccessful.

In South Tyneside, the Safer Neighbourhood meetings are held monthly which identify problem issues with the fire service and Local Authority which require partnership interventions. The meeting is chaired by the Local Authority and both Neighbourhood Inspectors for South Tyneside attend. A Blue Light meeting is held to discuss individuals who are impacting on a number of services. It is chaired by Health and actions are agreed and allocated to all partnership representatives. Agencies involved include Health, Options, Police, Charities, housing and local authority.

3.4 Victim services funding priorities

Extensive mapping and consultation work has taken place over the last two years to inform my commissioning of services and understand the victim services landscape in Northumbria, and more recently work has been undertaken to develop victim’s service funding priorities for 2017-18. This gives us an understanding and insight into the needs of the most vulnerable victims of crime in Northumbria. CSPs were provided with an opportunity to influence our funding priorities for 2019-20, an identified a specific need for long term emotional support for victims of Child Sexual Exploitation.

3.5 Joint working to deliver priorities

Joint working to deliver the police and crime plan priorities is in place and a number of projects are ongoing funded by external funding or funded by myself as PCC.

a) Anti-Social Behaviour Volunteer Network

In 2014-15, North Tyneside Council was financially supported to launch their ‘volunteer victim support group’ to support victims of anti-social behaviour to cope and recover following an incident or sustained attacks. The project proved successful with a high demand for the service and 16 ASB Volunteers fully trained to support those in need. Since then, on an annual basis I have supported all CSPs to introduce similar schemes to strengthen the support available for victims of ASB, and in 2018/19 the funding continued and a grant of £5,000 was again awarded to each of the five local authorities who take part in the scheme. Unfortunately, Northumberland is unable to continue with the project.

b) Health Based Domestic Abuse (DA) Advocates

Both myself and the CSPs are aware of the research highlighting the benefits of locating DA specialists in hospital and GP settings in terms of enhancing the identification of victims (particularly those who, by virtue of age, disability, mental ill health or other vulnerability, may not readily present to/engage with other services) and in terms of enhancing the confidence and skills set of health staff.

Since April 2017, I have made £300,000 available over 3 years to the 6 CSPs to work with Health partners to fund specialist DA advocates to train and work alongside health staff in either GP or hospital settings (two areas chose the former, 4 the latter) in providing both short-term support (in the form of information, risk assessment and safety planning activities) and onward referral to longer-term specialist intervention

c) The Domestic Abuse Practitioners Standard

In summer 2015, I met with local CSPs to discuss the extremely high caseloads being experienced by local DA services and the consequent dilution of the service they were able to offer. Addressing these issues was seen to require either (a) further funding to train more specialist staff, who were currently required to travel outside the region to receive this training and/or (b) further funding to enhance the capacity of wider, non-specialist services to meet the early support needs of DA victims.

To progress both these options, I bid for and secured 3 years funding from the VAWG Transformation Fund (beginning in April 2017) to employ a part-time Training Development Worker who is working with partner agencies on the development of the 'Northumbria Domestic Abuse Practitioners Standard'; an accredited package of local training across all six CSPs which includes:

- Basic Awareness Training – for all multi-agency professionals;
- 'Ask and Act' Training – for those in roles where they can gain or be expected to facilitate DA disclosures;
- 'Trusted Professional' Training – for those whose workloads contain a significant proportion of DA victims and who might be trained to support these victims during the early stages of help-seeking;
- Locally-provided Specialist Training – for those working (in refuges and IDVA services) with the highest risk victims and those with more complex support needs.

d) Specialist Domestic Abuse Court Advisors

Both I and the CSPs are aware of a range of issues undermining the effectiveness of the Specialist Domestic Violence Courts (SDVCs) in Northumbria. These include:

- Court rationalisation – whereby the move from 6 local authority based SDVCs to just 2 has impacted on the attendance of IDVA services.
- Information sharing changes – where a recent decision to reduce the level of information shared with IDVA services has further reduced their ability to identify the victims linked to SDVC proceedings.
- An increase in remand court hearings for DA cases – which has meant many cases are proceeding quickly, without the input of IDVA services and with few opportunities to confirm a victim's needs or wishes.

To address these issues, I have funded a 12 month pilot of 2 new Specialist Domestic Abuse Court Advisors, employed by the police, to work with the courts and local specialist services to better identify the needs of DA victims and better advocate for them within SDVC and remand court hearings.

e) **Domestic Homicide Review Chairs**

Training for Chairs of Domestic Homicide Reviews was commissioned by me to ensure that the six CSPs had a 'pool' of trained Chairs to work on these reviews if needed. This was to ensure that there were skilled Chairs locally available for partnerships to prevent bringing in Chairs from outside the area at a high cost.

f) **Domestic Abuse Prevention Programmes (DAPPs)**

One element of the Home Office funded project, 'Domestic Abuse: A Whole System Approach' was to fund DAPPs which are behaviour change programmes for people who use violence and abuse against their partners and ex-partners to try and change that behaviour whilst supporting families impacted by it. The DAPPs funding ensured that programmes were available across all six CSPs for the duration of the project. Alongside the 26 week group work programmes for men, a one to one work programme was commissioned for those perpetrators not suitable for group work (women, those in same sex relationships, young offenders or not suitable for other lifestyle reasons such as mental health issues being a barrier, substance misuse issues or just very chaotic behaviour).



VERA BAIRD^{QC}
POLICE & CRIME COMMISSIONER

Northumbria Police & Crime Panel
Report

February 2018

Panel members

Since the turn of the year, I've been working with my team to consult with local residents about the Police Precept, I will mention this more in my report, however, I stand by my belief that government should properly fund policing, by implementing a fair and transparent funding package that addresses the needs of individual forces it is wrong that the burden continues to be moved on to council tax payers. Other work I have been focusing on has included reviewing the applications for grants from those who provide victims services – all in all it has been a busy start to the year.

Section 1 - How is the PCC making commissioning decisions, and what are her future intentions?

1.1 Supporting Victims Fund 2019-20

Background

My fifth 'Supporting Victims Fund' was launched in early December to strengthen and enhance victim services across Northumbria. The aim of my Supporting Victims Fund is to build capacity and maximise the potential of organisations to help ensure the improved provision of vital services to support victims of crime and help them cope and recover from the impact of crime.

In early 2015, a comprehensive mapping and consultation exercise was undertaken to identify the services needed for victims of crime in Northumbria. Funding priorities each year are refreshed to ensure that we continue to target funding in the areas that are needed.

Extensive mapping and consultation work has taken place over the last two years to inform my commissioning and understand the victim services landscape in Northumbria and more recently work has been undertaken to develop victim's service funding priorities for 2017-18. This understanding and insight into the needs of the most vulnerable victims of crime in Northumbria has been used to shape priorities and aims in relation to victims, and most specifically, the need for Northumbria Police to continue to provide timely and comprehensive information to victims about their individual cases and to enhance safeguarding and protection of vulnerable people.

When pulling together the priorities, I consider a wide range of information including but not exhaustively:

- Police and partner data with regards to levels of crime, crime type and emerging crimes
- Numbers of personal victims and victimology such as geographic location, age, gender, ethnicity
- Victims Code of Practice with regards to vulnerable and repeat victims
- Victim Satisfaction surveys and the Safer Communities Survey
- 'Victims Voice' consultation, Victims Advisory Group and service user feedback

In addition to this, Community Safety Partnerships were also provided with an opportunity to influence my funding priorities for 2019-20.

Each year we prioritise services and projects that directly support victims to cope and recover from their experience of crime - this is in line with the strict grant conditions that are attached to our main source of funding from the Ministry of Justice.

National funding

The national picture with regards to funding victim services remains complex and continues to change at a pace. Local organisations are vulnerable to different funders taking decisions without understanding the impact on local services.

Whilst additional investment from the Government is welcome, competitive bidding rounds like recent opportunities for disabled victims of domestic abuse does complicate matters further. Parallel to this investment we continue to see the reduction in mainstream budgets for statutory services, often many of whom provide vital services to people who have been victims of crime.

The introduction of grant programmes in place of mainstream funding further puts fragile victim resources at risk due to the competitive and unknown nature of funding.

Local funding

As the financial landscape continues to change at a national level this has significant ramifications for local budgets and provision. Local government has already delivered savings targets, following cuts of 40% in funding since 2010. Reductions on this scale have created huge financial challenges for councils and local services in Northumbria and puts vital services such as refuge and domestic abuse provision at risk. Furthermore, evidence suggests that central Government grant reductions have disproportionately hit the areas with the highest need the hardest, such as the North East.

Victim services budgets continue to be provided to the PCC by the Ministry of Justice on a one year basis, despite calls to provide the budget over a three year period, which would help to build, grow and sustain vital local services. One year settlements from Government mean that services in Northumbria will continue to be grant funded on an annual cycle for the 2019-20 period.

Purpose of the fund

Victims of crime can be of any age, gender, race or sexual orientation and can be vulnerable due to these characteristics or other factors such as a disability, their mental health, religion/belief or the type and nature of the crime committed. In Northumbria we are striving to ensure that victims with the greatest need have access to support that is tailored to meet their needs and help them to best cope and recover.

We want to ensure that victims of crime feel confident to seek help when they need it and when they do, the right type of support is available to them.

Victims First has been established in Northumbria to deliver a coordinated approach to victim care and the PCC Supporting Victims Fund has been established to enhance and strengthen our overall offer to victims in Northumbria.

The fund is managed by the Office of the Police and Crime Commissioner for Northumbria and is in place to support work across the Northumbria area, including

the local authority areas of Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland.

Funding is available for organisations providing support to victims of crime to help them cope in the aftermath of a crime and to help their long-term recovery.

The Supporting Victims Fund will support delivery of the Police and Crime Plan priority “Putting Victims First” and will help to achieve the following:

- More victims encouraged to come forward
- A specific tailored approach to victims of personal crimes like sexual and domestic violence burglary and hate crime
- Increased opportunities for restorative justice
- Improved victims and witnesses experience at court
- The most vulnerable victims of crime are identified and provided with personal support and firm action
- Victims have access to appropriate advice and a high quality practical and emotional support service tailored to their needs.
- Victims have access to specialist services where these are needed to help victims to cope and recover from their experiences.

Organisations can apply for funding individually or in partnership with other organisations.

Grant themes and funding priorities

To help us identify the victim services we require in Northumbria we have analysed information from a wide range of sources including crime trends and victimology, public and partner priorities, demands on existing victim services and demand for services where need is unmet.

Understanding the victim landscape in Northumbria allows us to best provide services that fulfil our vision “to ensure that victims of crime feel confident to seek help and when they do, they are provided with a choice of high quality support tailored to meet their individual needs”.

We particularly welcome applications that provide support to those most vulnerable in our society and who under the Victims Code of Practice are entitled to enhanced support. Taking this into consideration with what we know about our vulnerable victims in Northumbria we have identified the following grant themes:

Domestic abuse

- Specialist support for male and female victims of all levels of risk of domestic abuse
- Enhanced outreach provision for minority ethnic victims including support for honour based abuse and FGM victims
- Emotional and practical support for victims of stalking and harassment
- Support for isolated/marginalised victims of domestic abuse for example victims 55 plus, LGBT, rural victims and those with a disability

- Emotional and practical support for parents who are subject to domestic abuse by their adolescent children

Sexual assault and abuse

- Specialist trauma informed support for male and female victims of sexual assault and abuse, providing opportunities for victims and survivors to recover, heal and rebuild their lives
- Swift access to counselling for victims and survivors
- Specialist support for male and female adults who have experienced historic child sexual abuse
- Specialist support and counselling for victims of sexual exploitation leading to long-term recovery
- Initiatives to support implementation of the six core priorities of the Strategic Direction for Sexual Assault and Abuse Services – Lifelong care for victims and survivors: 2018-2023

Young people under 18

- Therapeutic and advocacy support for young people following a crime
- Support for young victims of domestic abuse
- Support for young victims of child sexual abuse and sexual exploitation, providing opportunities for victims and survivors to recover, heal and rebuild their lives
- Therapeutic support for children who are living with or who have witnessed domestic abuse
- Emotional and practical support for young victims who experience cyber related crime, exploitation and harassment

Victims of hate crime

- Personal emotional support for victims and repeat victims of all hate crime with a specific focus on race, disability and LGBT hate crime
- Building community cohesion and support for victims of race hate crime
- Peer-based support to assist victims cope and recover
- Therapeutic or counselling support for victims of hate crime

Victims with mental health needs

- Specialist support and counselling for those victims of crime who are vulnerable due to a mental health need

Victims with other vulnerabilities

- Specialist and trauma informed support for victims of trafficking, modern slavery and labour exploitation
- Support for victims of cyber-crime and fraud including those at risk of exploitation and support for older people
- Specialist support and practical guidance for victims of crime with regards to criminal injuries compensation and understanding the criminal justice system

Strengthening services

Grants are available to cover any costs relating to work which builds the capacity and maximises the potential of organisations working to support victims of crime. This could include a range of activities including:

- Widening geographical coverage
- Enhanced provision through the increase in training
- Strengthening operating procedures and referral routes to maximise victim engagement
- Recruitment and training of volunteers
- Changes to operating practices to meet victim demand
- New and innovative approaches and techniques to supporting victims

Key dates

The deadline for applications was 10th January 2019. Assessments took place immediately after this date and organisations will be informed of the outcome at the earliest opportunity. All services and projects must be in place and be ready to deliver from 1st April 2019.

Section 2 - How is the PCC building effective partnerships?

2.1 Collaborative budgeting with NHS England

This year we are collaborating with NHS England to ensure the right services are in place to support the long-term recovery of victims of sexual assault and abuse. Earlier this year NHS England published their 'Strategic direction for sexual assault and abuse services - Lifelong care for victims and survivors: 2018 – 2023'. This document acknowledged this priority and their own role in support for victims of sexual assault and abuse, something that has not previously been acknowledged or taken on in this way. I welcomed this commitment by NHS England and by working together at a local level we can offer an effective and efficient service that places victims and survivors of sexual assault and abuse at the centre, which in turn will enable us to offer the support and care when and where it is needed. This is a new and innovative approach to victim services commissioning and we are seen nationally as leading the way on joint working.

Commissioned services for sexual assault and abuse must deliver against our victim service priorities as well as NHS England's six core priorities within their new Strategic Direction for Sexual Assault and Abuse Services – Lifelong care for victims and survivors: 2018-2023:

- Strengthen prevention
- Promote safeguarding and the safety, protection and welfare of victims and survivors
- Involve victims and survivors in the development and improvement of services
- Introduce or adhere to consistent quality standards
- Ensure an appropriately trained workforce
- Drive collaboration and reduce fragmentation

This strategic document outlines how services for victims and survivors of sexual assault and abuse, in all settings of the health and care system, need to evolve between now and 2023.

NHS England have also recently talked to PCCs in the North East about future commissioning for Sexual Assault Referral Centres (SARCs). NHS took over responsibility for commissioning SARCs in April 2013 and they provide:

- a small but significant part of the overall pathway of care for survivors of sexual assault and abuse
- one stop access to immediate and short term medical care and counselling for male and female victims of recent sexual assault or abuse
- an environment/framework which can assist police investigation which includes forensic examination.

They have identified that across the north east region there is a lack of consistency in regards to what and how services are commissioned, and by who across the force areas. NHS England have sought PCC views and future engagement on the way forward for commissioning and it has been agreed that they will develop options for an integrated regional service which include SARC management, clinical governance, forensic examinations and crisis support within one service to ensure that there is a consistent approach to service provision across the North East.

2.2 Funding Opportunities

In the last report we told the Panel about four applications for funding. We are pleased to inform the Panel that two of our applications for funding were successful. Both projects will be delivered in partnership with Local Authorities and voluntary organisations

:

1. **Home Office Early Intervention Youth Fund** (£91,575 in 18/19 and £280,057 in 19/20) – we will use a collaborative approach with Youth Offending Team partners in the 6 local authority areas to provide purposeful intervention at the first presented opportunity to young people who are identified as being on the periphery of becoming involved in serious violent crime. We will connect young people to the right intervention either via Street Doctors group work or one to one mentoring provided by the Newcastle United Foundation and the Foundation of Light.
2. **Operation Encompass - The Next Step Bid** (£745,000) - Working with the founders of the national organisation Operation Encompass builds on the extremely successful and valuable work of Operation Encompass and takes the next step providing early intervention for children living with domestic abuse, and giving them the best possible chance to cope and recover from being exposed to this harmful and damaging behaviour. Working with local authorities Northumbria Police and all six local authorities in the force area have worked closely to ensure that Operation Encompass is in place in all schools. We want to build on successes to date and create new roles of

'School Safeguarding Liaison Officers' (SSLOs), who between them will be responsible for all 584 schools within the Northumbria police force area.

Project plans are currently being developed with partners for both projects and involvement of the six local authorities is vital to ensure delivery of agreed project outcomes. We will bring a further report to the Panel once our projects are more developed and are having an impact locally.

Section 3 - How is the PCC scrutinising the force's performance against the police and crime objectives of the plan

3.1 HMICFRS - Policing and Mental Health – Picking up the Pieces

In 2017, as part of the PEEL (Police Effectiveness, Efficiency and Legitimacy) inspection programme, HMICFRS carried out a thematic inspection of how effective police forces are at protecting and helping those with mental health problems. Northumbria were not one of the forces inspected, however as with all thematic reports, the force will provide the PCC with a report on their self-assessment against the findings of the report and compliance with force specific recommendations and will produce an action plan.

During the inspection, HMICFRS examined how well forces: identified people with mental health problems when they first contact the force; identified and recorded the number of cases involving people with mental health problems to provide the right support; and make sure expert help is available from other organisations, in particular, health professionals.

The findings indicated that the police approach to people with mental health problems is generally supportive, considerate and compassionate. However, concern was raised that too many aspects of the broader mental health system were broken and that the police were being left to pick up the pieces and responsible for the safety and welfare of people that other professionals would be better placed to deal with.

Areas were identified where the police could do better, although it was recognised that the recommendations only go so far and that a longer-term solution was required. HMICFRS felt that when it came to mental ill-health, the police should be the last resort, not the first port of call. A public survey commissioned by HMICFRS found that only two percent of those surveyed felt it was the police's responsibility to respond to mental health-related calls.

Significant concerns were highlighted regarding the degree to which police are involved in responding to mental health problems and HMICFRS suggested that police forces had an inadequate picture of the extent and nature of the demand they faced. HMICFRS noted some of the areas that will ensure the best service provision:

- Better identification of people with mental health problems at first contact
- Providing the right response when the police arrive – in the report the

- Forces must be sure they are identifying, safeguarding and protecting vulnerable victims of crime with mental health problems
- Forces need to have a clear picture of mental health demand, patterns and repeat callers
- Making sure expert help is available from other organisations
- Use of Mental health triage, or street triage
- Effective Leadership and communication
- In terms of the workforce, recognising how police work can negatively affect mental health and make a positive investment in keeping the workforce healthy

Northumbria Police will carry out a self-assessment against the recommendations made in this report and an action plan will be agreed and delivery subject to scrutiny.

3.2 HMICFRS National Child Protection Inspection update

Members were advised in July 2018 about the findings of this HMICFRS report in respect of Northumbria Police. To allow inspectors to assess the progress each force is making to improve services for the safety and protection of children, HMICFRS are carrying out post inspection reviews. This review was undertaken in January and a further report will be produced by HMICFRS. Members will be updated when the report is received.

3.3 HMICFRS Integrated Police Effectiveness, Efficiency and Legitimacy (PEEL) Assessment - 2018/19

Members will be aware that in previous years HMICFRS have conducted their PEEL inspections over the course of a year looking at four different aspects Efficiency, Effectiveness, Legitimacy and Leadership.

From 18/19, whilst the scope of the PEEL inspection will still be considering effectiveness, efficiency and legitimacy, HMICFRS will assess forces against all three pillars of PEEL together in a single, risk-based, Integrated PEEL Assessment (IPA). The integrated approach is intended to allow a focus on those aspects of forces' work that HMICFRS assess as presenting the greatest risks to the public. Assessment involves: information from continuous monitoring; more regular data collection; other evidence collected outside the main inspection fieldwork; and the self-assessments provided by forces in their force management statements. HMICFRS hoped that this risk-based approach would result in a lighter feeling inspection footprint in many forces.

The headline questions for 2018/19 are:

- a) Effectiveness: How effective is the force at reducing crime and keeping people safe?
- b) Efficiency: How efficiently does the force operate now, and how sustainable are services to the public? and
- c) Legitimacy: How legitimately does the force treat the public and its workforce?

As with last year, HMICFRS will publish graded judgments (outstanding, good, requires improvement and inadequate) against nine core questions and have one overall graded judgment each for effectiveness, efficiency and legitimacy.

Northumbria Police will be inspected over the next couple of months and an update will be provided when the final report is received.

Section 4 - How is the PCC improving communication/consultation with the public?

4.1 Engagement with Communities

We continue to engage with communities across the force area. I continue to meet local groups, I was delighted to recently meet with the South Tyneside charity, Bright Futures, who are working on an initiative to support homeless people across the North East. The charity is providing 'winter homeless packs' to help vulnerable young people during the harsh weather.

I have also worked closely with Rape Crisis Tyneside and Northumberland (RCTN), a charity that provides services to women and girls who live, work or study in Tyneside and Northumberland, this year they will have been operating in the area for 40 years. I supported them during 2018 with their ambitious target to raise £40,000 in a year to mark their 40th year. I recently visited their new premises and agreed to provide a special grant – an amount of £2,150 to reach the £40,000 target.

Over the course of year, RCTN played host to a range of fundraising events, including a Cabaret on International Women's Day; two hugely-successful Comedy Nights; an exhibition in collaboration with students at Northumbria University, and the Her Story conference, which centred on sharing the success stories of women across a range of industries. Not to mention the members of the public who got behind the campaign, going to extraordinary lengths to show support for the charity, such as one supporter who cycled 5,000km from Canada to Mexico, raising over £5,000 in the process.

Although, of course, I wish there was no need for such a service - I hope they are able to continue this vital work for another 40 years or more.

4.2 Precept Consultation

Our police precept consultation has been the focal point of our engagement over the last 6 weeks or so. The engagement has included – on the first day alone - nearly 7500 people reached on Facebook and on Twitter more than 23,000 people saw the tweets urging local residents to take part in the survey. Local media also supported the survey by providing the details to their readers and across the area the Berwick Advertiser through to the Sunderland Echo covered the survey.

We also connected with over 600 local residents by telephone to find out their thoughts. The telephone survey isn't as easy as it sounds, as some people are unable to talk so it takes far more than 600 calls to deliver the results. It's important

to note that once 500 surveys are complete that gives the same indications as if 1000 or 2000 calls were made.

Local Authority	Surveys Completed
Sunderland	108
South Tyneside	108
Gateshead	100
North Tyneside	100
Newcastle	100
Northumberland	104
Force	620

Our consultation also took us to each local authority to meet and chat with nearly 650 local residents to find out their thoughts on policing.

Local Authority	Location	Contact
South Tyneside	The Nook, Prince Edward Road.	103 people
North Tyneside	Killingworth Centre.	106 people
Sunderland	The Bridges	125 people
Gateshead	Trinity Square.	98 people
Newcastle	West Road.	110 people
Northumberland	Morpeth High Street	105 people
Total		647 people

It was really good to get out and about and I will discuss the findings at the meeting.

Section 5 – How is the PCC improving confidence in the police across the area?

5.1 Hate Crime Action Plan

At the beginning of January, the Chief Officer team provided me with an updated action plan in response to the internal hate crime inspection that took place in December 2017, with a number of recommendations and an action plan. The force have been robust in addressing the issues raised and developed significantly further their work in this area.

- Hate crime flags are in place for all the protected characteristics and Community Engagement Teams within each area command quality assure hate crimes and incidents and provide feedback on any issues identified.
- Online hate is monitored through the application of a cyber-enabled crime flag and this is regularly reviewed to ensure accuracy.
- The Force works with partners such as Victims First Northumbria to try and gain a better understanding of the issues facing hate crime victims and to identify further how improvements in reporting can be made.

Northumbria have also used the findings of the HMICFRS thematic inspection into the initial response to hate crime from forces across the country, though not specific to Northumbria, these recommendations have been reviewed and built upon and form part of the comprehensive action plan. A lot of good work has taken place by Assistant Chief Constable, Debbie Ford and her team in ensuring the recommendations from the internal review and the thematic review allow Northumbria to remain “ahead of the game” in delivering the best service possible for victims of hate crime.

5.2 Raising Investigative Standards

In the 2017 PEEL ‘Effectiveness’ inspection by Her Majesty’s Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS), they identified that Northumbria Police should ensure that all investigations are completed to a consistently good standard and that victims’ receive regular and meaningful updates. I challenged the Chief Constable and his senior team to drive this change and I am pleased that they have been working hard with officers and staff to deliver focused activity to improve overall standards.

Some of the improvements that have occurred are:

- The need for training for communications staff in order to improve the recognition of vulnerability. THRIVE training has been delivered to all Communications and Front Office staff during 2018. The October audit identified a significant improvement of the application of THRIVE, with a 92% compliance rate against expected standards. I now want Northumbria Police to aspire to an ever higher compliance rate.
- There has been development of the force’s understanding of Evidence Led and Victim Focused investigations – they have used effectively the Through the Eyes of a Child video.
- Ongoing work is being undertaken between Northumbria Police and the CPS to improve referral rates to the CPS by understanding the reasons for cases failing after charge. The CPS has indicated an increase in the referral rates from Northumbria police and the force are working closely with the CPS to ensure a robust challenge of CPS decision making where appropriate.
- CDD have developed a performance framework to improve the file quality measures to provide supervisory oversight of performance.
- To further improve standards around disclosure, appropriate officers and staff have received additional training in order to take on the role of disclosure champions. These roles are to support their colleagues around disclosure and to act as disclosure champions.

The above is just a snapshot of some of the work that has been taking place to improve investigative standards. If panel members wish, I can arrange for a presentation to be given that covers all the areas that have been worked on by Northumbria Police to drive up further the force’s work in this area.

5.3 Complaints Legislation

Members will be aware that the government are planning to change legislation so complaints appeals that would normally be undertaken by the Chief Constable in relation to complaints dealt with initially by Northumbria Police will now come to the Office of the Police and Crime Commissioner to strengthen independence in the process. Some PCCs have created a new role, to save money I have added the role to the remit of the Director of Governance and Communication, as it's the most appropriate place for this role to be and the member of staff currently manages the Triage team and deals with complaints that are sent to the Office of the Police and Crime Commissioner.

The OPCC are working closely with Northumbria Police Professional Standards Department to ensure a smooth transition. However, it is likely that Brexit will delay the legislation being placed before the House of Commons – we are ready to get started whenever the time comes. Members will know that the new legislative changes that are affecting how police forces deal with complaints originated here in Northumbria, we set up the Triage scheme in 2013 and it has become the new model that the government are implementing – this is great news, it reinforces that our passion to deliver outstanding customer service is the right thing to do and it also gives Northumbria Police the opportunity to learn from any issues that may be raised.

5.4 Brexit Update

The Brexit bandwagon continues to rumble on and due to no agreement in Parliament, we see the problems that a no deal will cause, however it is crucial that a deal is sorted or we could see irreparable harm to the UK's ability to prevent and detect crime, in particular, cross-border offending like human traffickers, drug smugglers, organised sex offenders and those involved in terrorism. These are now frequently thwarted by exchange of intelligence, joint investigation, speedy evidence collection and the European Arrest Warrant, all shaped, practised and integrated EU-wide over the past 30 years – a shield for our security which is effective.

What is in place works. With just a matter of days until we leave Europe, there is nothing to replace it.

The European Arrest Warrant (EAW) has transformed the extradition of suspects both from the UK to other EU countries and, importantly, into the UK from across the EU so that they can be put on trial for crimes committed here. An example is when Husain Osman, suspected of a failed attack on at Shepherds Bush underground on 21st July 2005, fled to Italy. His data was put onto the Schengen Information System, a warrant issued for his arrest and in less than two months he had been seized in Rome and returned to the UK.

The EAW is underpinned by that information system - SIS2 - by which real time wanted alerts are loaded immediately onto the central database. Closely linked are the Prum decisions, which deal with the fast track exchange of DNA, fingerprint and vehicle data for combatting terrorism and serious crime.

Prior to EU Joint Investigation Teams, police in the UK had to issue a letter of request in a local court to ask a foreign court to authorise police to obtain material abroad. Now one officer will ring up an EU counterpart to use his local powers in pursuit of evidence for the UK inquiry. Europol is supported by the US and other non-EU governments but it is nonetheless governed by European Union countries. From 2013 it has hosted the European Cybercrime Centre - EC3 - responding both to cyber-criminals and to attacks by terrorists and foreign intelligence agencies.

It is important that wanted criminals should not be at large, endangering the European public for a single extra day yet prior to the EAW, extradition processes was irregular. Some states who now fully operate the EAW would simply not, before its implementation, extradite their residents. They included Germany, France and Poland, meaning that if someone was seriously assaulted in the UK and their assailant went home there could be no justice for the victim of a German, French or Polish person in this country.

Once we are no longer signatories to the Treaties, without a deal that underpins agreements there will be uncertainty as to what intelligence, which evidence and what processes could and could not be shared with us in this inevitably legalistic territory around public protection. Norway has been trying to negotiate its way into the European Arrest Warrant, from outside the EU for more than ten years. Despite what others may say, there is absolutely nothing in place if we leave with a “no deal”.

Meanwhile, the UK would be exposed to risk, unable to reach suspects we need urgently to apprehend or to remove from the UK and this in turn will be letting down victims. Ironically the then Home Secretary Theresa May, told the Home Affairs Select Committee, on 10th May 2016, that these provisions make the UK “Safer and more secure in the EU than out”.

Northumbria Police are working with partners to discuss the effects on policing after leaving Brexit; the National Police Chiefs Council is also engaging in active conversations as are Police and Crime Commissioners.

6 National Consultations and Inquiries

I continue to respond and provide evidence to government consultations and inquiries to ensure the views of Northumbria are considered at both a national policy and decision-making level. It's important that I continue to influence to bring about change for the benefit of the people of Northumbria. In the last three months I have responded to the following requests for views.

- **Home Office Stop and Search Consultation**

The Home Office consulted on how effective and proportionate it would be to extend the power of reasonable grounds to 'stop and search' the criminal misuse of drones, laser pointers and corrosive substances.

We strongly agree that police officers should be allowed to investigate and prevent the misuse of drones, the new offence of using a laser pointer to

dazzle or distract a person in control of a vehicle, and also the possession of a corrosive substances in a public place. I am committed to ensuring the use of stop and search in Northumbria is based on evidence and intelligence in order to support force priorities and any disparities are minimised. The force has an established system of independent scrutiny which enables issues and concerns to be highlighted at an early stage and we envisage this would continue in regard to new powers.

- **Crown Prosecution Service (CPS) Consultation on the Crimes Against Older People Policy Guidance**

The CPS are publishing revised policy guidance on crimes against older people which comprehensively sets out how these crimes are approached. This policy guidance was developed with input from National Scrutiny Panels, which consists of members with experience and expertise from the community and academic perspective. This consultation was launched to gather the views of complainants and witnesses, as well as the general public, on the policy guidance to be confident that the CPS understand the serious nature of these crimes.

We welcome the CPS policy in its ability to set out clearly the recognition of crimes against older people, the process and considerations to be taken in prosecution and the support available. Though the policy broadly meets its aims, we suggested it may benefit from some additional explanation. We recommended that the CPS should work with key partners, such as police forces, to increase understanding of crimes against older people – patterns, motivations, dynamics and barriers to reporting.

- **Department for Education (DfE) Consultation on the Draft Statutory Guidance and Regulations of Relationships Education (RE), Relationships and Sex Education (RSE) and Personal Health and Social Education (PHSE).**

This consultation follows on from a consultation we responded to in February 2018, where the DfE gathered views and suggestions on statutory guidance and regulations that would make RE and RSE compulsory in schools. The findings gathered from stakeholders and the public in February 2018 informed the draft statutory guidance, regulations and the regulatory impact assessment. This consultation was to gain views on these draft documents, which we provided with input from some local stakeholders.

Overall, the draft statutory guidance is age-appropriate and would provide children in primary and secondary school with sufficient relationships and sex education, and also sufficient knowledge to help pupils lead a healthy lifestyle. However, there was some areas that were missed. We feel primary school children need to be aware of the dangers of keeping secrets regarding someone who maybe is causing them harm, and also provided with education on the dynamics of healthy and unhealthy relationships. Regarding secondary schools, when providing education on domestic and sexual abuse, reference should be made to imbalance of male sexual aggression towards and against young women, girls, and other men, and also how coercive and controlling

behaviour can often be exercised by males that may not identify/be identifiable as intimate partners, as well as by people of their own age. It is very important to effectively consult and educate parents on the proposed content on the RE, SRE & PHSE curricula, so we recommended that publishing all the content of the lessons online for parents to view could further aid their understanding.

- **Independent Office for Police Conduct (IOPC) Consultation on the Police Complaints System Statutory Guidance**

This consultation sought views on the draft guidance that has been produced to support the reformed police complaints system, based on regulations from the Home Office and the input of policing and non-policing bodies.

A key recommendation we made was that the guidance should consider a complainant's vulnerabilities and the potential to provide additional support outside of the complaints process, as many complainants may have been a victim of crime or could identify as vulnerable. This would provide a more holistic customer service approach, where complaints handlers could assist/facilitate additional support where possible.

- **Home Office Consultation on Preventing and Tackling Forced Marriage**

This consultation aimed to explore two ways in which the Government might increase reporting of forced marriage, identify potential perpetrators and improve protection for victims. Consideration was given to the possibility of:

- a) Introducing a legal duty requiring professionals to report cases –
Mandatory Reporting on Forced Marriage
- b) Updating the guidance that was published in 2014 – Guidance on Forced Marriage

We support the introduction of a mandatory reporting duty, and it should increase vigilance, raise awareness amongst safe-guarding professionals and as a consequence improve both the recognition of and coordinated response to forced marriage. However, we advised that there is a risk with introducing mandatory reporting, as there could be a risk of forcing victims 'underground' if changes are poorly implemented, and it may lead to victims of forced marriage and honour based violence being at an increased risk of harm from family members, community and perpetrators.

Regarding the 2014 guidance on forced marriage, we suggested that amendments should include awareness raising, access to culturally competent support, support from specialist services included in safe-guarding hubs (such as Multi Agency Safeguarding Hubs), assessment and systems training for statutory agencies particularly police and CPS, and recovery support that deters repeat victimisation and promotes safe networks. Due to the direct links between forced marriage and honour-based violence, we also advised that the forced marriage guidance should be broadened to include information on honour-based abuse.

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