

# Northamptonshire Police, Fire and Crime Panel

A meeting of the Northamptonshire Police, Fire and Crime Panel will be held at the Jeffrey Room, The Guildhall, St Giles Street, Northampton NN1 1DE on Tuesday 6 February 2024 at 12.30 pm

## Agenda

1.	<b>Apologies for Absence and Notification of Substitute Members</b>
2.	<b>Notification of requests from members of the public to address the meeting</b> Any requests to speak on an item on the agenda should be notified to the Chair (c/o the Committee Manager) by 12 noon two working days before the date of the meeting.
3.	<b>Declarations of Interest</b> Members are asked to declare any interest and the nature of that interest which they may have in any of the items under consideration at this meeting.
4.	<b>Chair's Announcements</b> To receive communications from the Chair.
5.	<b>Minutes</b> (Pages 5 - 16) To confirm the minutes of the Panel meeting held on 30 November 2023.
<b>SCRUTINY OF THE POLICE, FIRE AND CRIME COMMISSIONER</b>	
6.	<b>Police, Fire and Crime Commissioner's proposed Police Precept for 2024/25</b> Guide time: 12.45 – 1.30pm
a)	<b>Police, Fire and Crime Panel statutory responsibilities</b> (Pages 17 - 20)
b)	<b>Proposed Police Precept for 2024/25</b> (Pages 21 - 78)

<b>7.</b>	<b>Police, Fire and Crime Commissioner's proposed Fire Precept for 2024/25</b> Guide time: 1.30 – 2.15pm
<b>a)</b>	<b>Police, Fire and Crime Panel statutory responsibilities</b> (Pages 79 - 82)
<b>b)</b>	<b>Proposed Fire Precept for 2023/24</b> (Pages 83 - 132)
<b>PANEL OPERATION AND DEVELOPMENT</b>	
<b>8.</b>	<b>Police, Fire and Crime Panel Work Programme</b> (Pages 133 - 142) Guide time: 2.15 – 2.30pm
<b>9.</b>	<b>Arrangements to recruit independent co-opted members of the Police, Fire and Crime Panel</b> (Pages 143 - 152) Guide time: 2.30 – 2.45pm
<b>10.</b>	<b>Police, Fire and Crime Panel meeting dates 2024/25</b> (Pages 153 - 156) Guide time: 2.45 – 3.00pm
<b>11.</b>	<b>Urgent Business</b> The Chair to advise whether they have agreed to any items of urgent business being admitted to the agenda.
<b>12.</b>	<b>Exclusion of Press and Public</b> In respect of the following items the Chair may move the resolution set out below, on the grounds that if the public were present it would be likely that exempt information (information regarded as private for the purposes of the Local Government Act 1972) would be disclosed to them: The Panel is requested to resolve: “That under Section 100A of the Local Government Act 1972, the public be excluded from the meeting for the following item(s) of business on the grounds that if the public were present it would be likely that exempt information under Part 1 of Schedule 12A to the Act of the descriptions against each item would be disclosed to them.”

Catherine Whitehead  
Proper Officer  
29 January 2024

## **Northamptonshire Police, Fire and Crime Panel Members:**

Councillor David Smith (Chair)	Councillor Gill Mercer (Vice-Chair)
Councillor Fiona Baker	Councillor Jon-Paul Carr
Councillor André González De Savage	Councillor Dorothy Maxwell
Councillor Zoe McGhee	Councillor Ken Pritchard
Councillor Russell Roberts	Councillor Winston Strachan
Mrs Anita Shields	Miss Pauline Woodhouse

## **Information about this Agenda**

### **Apologies for Absence**

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### **Declarations of Interest**

Members are asked to declare interests at item 3 on the agenda or if arriving after the start of the meeting, at the start of the relevant agenda item

### **Local Government and Finance Act 1992 – Budget Setting, Contracts & Supplementary Estimates**

Members are reminded that any member who is two months in arrears with Council Tax must declare that fact and may speak but not vote on any decision which involves budget setting, extending or agreeing contracts or incurring expenditure not provided for in the agreed budget for a given year and could affect calculations on the level of Council Tax.

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If you have any queries about this agenda please contact James Edmunds, Democratic Services, via the following:

Tel: 07500 605276

Email: [democraticservices@westnorthants.gov.uk](mailto:democraticservices@westnorthants.gov.uk)

Or by writing to:

West Northamptonshire Council  
The Guildhall  
St Giles Street  
Northampton  
NN1 1DE

### **Northamptonshire Police, Fire and Crime Panel**

Minutes of a meeting of the Northamptonshire Police, Fire and Crime Panel held at the Jeffrey Room, The Guildhall, St Giles Street, Northampton NN1 1DE on Thursday 30 November 2023 at 12.30 pm.

**Present:**

Councillor David Smith (Chair)  
 Councillor Gill Mercer (Vice-Chair)  
 Councillor Jon-Paul Carr  
 Councillor André González De Savage  
 Councillor Dorothy Maxwell  
 Councillor Zoe McGhee  
 Councillor Ken Pritchard  
 Councillor Russell Roberts  
 Councillor Winston Strachan  
 Mrs Anita Shields

**Also in Attendance:**

Stephen Mold, Northamptonshire Police, Fire and Crime Commissioner  
 Ann Batom, Chair, Joint independent Audit Committee  
 David Peet, Interim Chief Executive, Office of the Police, Fire and Crime Commissioner  
 Helen King, Chief Finance Officer, Office of the Police, Fire and Crime Commissioner  
 Vaughan Ashcroft, Chief Finance Officer, Northamptonshire Police  
 Stuart McCartney, Governance and Accountability Manager, Office of the Police, Fire and Crime Commissioner  
 Councillor Wendy Randall, West Northamptonshire Council  
 Catherine Whitehead, Director Legal and Democratic and Monitoring Officer, West Northamptonshire Council  
 James Edmunds, Democratic Services Assistant Manager, West Northamptonshire Council  
 Diana Davies, Democratic Services Officer, West Northamptonshire Council  
 Josh West, Labour Group Political Assistant, West Northamptonshire Council  
 Sam Dobbs, Chair, Northamptonshire Police Federation

There were also three members of the public in attendance.

178. **Apologies for Absence and Notification of Substitute Members**

Apologies for non-attendance were received from Councillor Baker and from Miss Woodhouse. Councillor Lunn had been due to substitute for Councillor Baker but had subsequently also given his apologies.

179. **Notification of requests from members of the public to address the meeting**

The Panel was advised that two requests to address the meeting on the Police, Fire and Crime Plan Delivery Update had been received, from Mr Craig Blacha and from Councillor Wendy Randall of West Northamptonshire Council.

180. **Declarations of Interest**

None declared.

181. **Chair's Announcements**

The Chair welcomed all those present to the meeting and made the following points:

- The Chair had written to the Minister for Crime, Policing and Fire about how panels' statutory confirmation hearing functions should apply to interim appointments. The Minister had responded, but only providing clarity regarding Chief Constable and Chief Fire Officer appointments. A further letter could be sent regarding interim appointments of a Chief Executive and Chief Finance Officer of the Office of the Police, Fire and Crime Commissioner (OPFCC).
- Councillor Mercer had attended the Police, Fire and Crime panels annual conference in November 2023 and had circulated a report to Panel members.

182. **Minutes**

RESOLVED that:

- a) The minutes of the Police, Fire and Crime Panel meeting held on 15 June 2023 be approved.
- b) The minutes of the Police, Fire and Crime Panel Confirmation Hearing held in public on 27 July 2023 be approved.
- c) The minutes of the Police, Fire and Crime Panel Confirmation Hearing held in private on 27 July 2023 be approved.
- d) The minutes of the Police, Fire and Crime Panel Confirmation Hearing held in public on 14 August 2023 be approved, subject to the following amendments:
  - Amendment of the list of Panel members present to remove Councillor Zoe McGhee.
  - Amendment of minute 171 (Report and recommendation to the Police, Fire and Crime Commissioner for Northamptonshire on the proposed appointment of an interim Chief Executive) to read "On a vote of 6 members in favour and one against".
- e) The minutes of the Police, Fire and Crime Panel Confirmation Hearing held in private on 14 August 2023 be approved, subject to the following amendments:
  - Amendment of the list of Panel members present to remove Councillor Zoe McGhee.
  - Amendment of minute 171 (Report and recommendation to the Police, Fire and Crime Commissioner for Northamptonshire on the proposed appointment of an interim Chief Executive) to read "On a vote of 6 members in favour and one against".
- f) The minutes of the Police, Fire and Crime Panel meeting held on 7 September 2023 be approved.

183. **Response to recommendations by the Panel resulting from scrutiny of decisions by the Police, Fire and Crime Commissioner connected with the appointment of an interim Chief Fire Officer**

The Police, Fire and Crime Commissioner (PFCC) introduced the report, which provided a considered, point-by-point response to the Panel's recommendations resulting from its scrutiny on 7 September 2023. The PFCC highlighted the following points:

- Clarification had recently been received from the Home Office that the appointment of an interim Chief Constable was not subject to the confirmation hearing process, as set out in guidance included with the report.
- The Panel had agreed to hold a future meeting with the PFCC and the Fire Brigades Union (FBU) but should recognise the need also to include other representative organisations.
- The report represented the action plan requested by the Panel. He could provide further updates on progress achieved in future.
- He reiterated the importance that he placed on the working relationship between the PFCC and the Panel.

The Panel considered the report and members made the following points during the course of discussion:

- The Panel should seek continuing open dialogue with the PFCC and regularly review the response to its recommendations.
- Other relevant representative bodies should be involved in a future meeting with the PFCC and the FBU.
- The Panel should consider co-opting a representative of the FBU as a means of broadening involvement in scrutiny. Northamptonshire County Council (NCC) had adopted a similar approach in the past.
- Members of the public were able to request to speak at regular Panel meetings. The Panel could get external input in this way rather than broadening its membership.
- The approach taken by NCC was not an exact parallel. Any move to broaden the membership of the Panel would also need to consider that the FBU was not the only relevant representative body involved.

The Chair noted that when he had taken up the role he had stated the aim of improving the openness of Panel meetings and engagement in its work. This still stood. However, Panel meetings also needed to be conducted effectively.

RESOLVED that:

- a) The Panel notes the update on actions taken by the Police, Fire and Crime Commissioner in response to the Panel's recommendations.
- b) The Panel agrees to review progress with actions taken in response to its recommendations on a regular basis.

184. **Joint Independent Audit Committee Annual Report 2022/23**

The PFCC introduced the Annual Report and emphasised the role of the Joint Independent Audit Committee (JIAC) in supporting effective governance and in

assisting him to hold to account the Chief Constable and Chief Fire Officer. Presenting the JIAC Annual Report to the Panel provided further assurance of this.

The Chair of the JIAC then presented the Annual Report and provided updates on particular points as follows:

- The JIAC had made an offer to a new member who would be appointed subject to successful vetting. The JIAC would then have a full complement of appointees.
- Two existing members had had their appointments extended for a second term.
- The JIAC had carried out a workshop on the Fire and Rescue Authority accounts in November 2023 and the topic of the external audit of the annual accounts had been considered.
- A workshop would take place in mid-December to consider the Police accounts, to assess the JIAC's performance against its current aims and objectives and set key objectives for 2023/24
- The PFCC and the OPFCC were complemented on their work with the external auditors.
- A new external auditor would be appointed following a procurement exercise.
- The transition to in-house financial systems was successful and progressing.
- The JIAC had also reviewed the capital programme and the Medium Term Financial Plan, the governance framework, and the internal audit assessments.

The Panel considered the Annual Report and members reviewed the following points during the course of their discussion:

- Whether there was the power of redress through a penalty clause in the PSAA contract for external audits not being signed-off sooner.
- The significant increase in costs of the annual audit fees.
- The experience of the transition to in-house financial systems.
- The meeting arrangements for the JIAC, the efficacy of a meeting taking place with two members present and the number of meetings per year.

The Chair of the JIAC made the following additional points during the course of discussion:

- It was not possible to implement sanctions in relation to the PSAA external audit contract. The Chair had made representations to the Head of Audit but had yet to receive a reply.
- PSAA set the scale for the annual audit fees outlined in the contract. The increase from £30K to £95K had been anticipated and incorporated into the budget
- JIAC meetings were public and held quarterly. JIAC members also attended workshops during the year. Meeting attendance was good and the frequency was considered acceptable.

The Chief Finance Officer made the following additional points during the course of the discussion:

- JIAC meeting attendance and frequency was considered acceptable and comparable with other Police and Crime commissioner audit committees
- PSAA would be required to justify the increase in the annual audit fee.



RESOLVED that: the Panel notes the Joint Independent Audit Committee Annual Report 2022/23.

185. **Northamptonshire Police – Acting Chief Constable arrangements**

The PFCC provided the Panel with an assurance of his commitment to informing it about the situation regarding the Chief Constable of Northamptonshire and actions being taken. The PFCC then presented the report and highlighted the following points:

- The report set out the background and process leading to the appointment of Ivan Balhatchet as the Acting Chief Constable.
- It was vital to maintain continuity in the leadership of the force and in the response to the challenges it faced.
- He could not comment on the ongoing investigation into Nick Adderley by the Independent Office for Police Conduct (IOPC).

The Panel considered the report and members sought further information and reassurance on the following points

- The terms of suspension of Mr Adderley and the financial implications of these.
- The support being provided to Mr Adderley and arrangements to keep him informed of the situation.
- Whether it would be appropriate for the Panel to write to the IOPC to request information about the timescale for the investigation.
- The benefit of the Acting Chief Constable coming from within the force.

The Interim Chief Executive provided additional information in response to points raised by members during the course of discussion as follows:

- Mr Adderley was suspended on full pay in line with regulations.
- He was acting as the single point of contact with Mr Adderley on welfare matters, reflecting the decision-making responsibility of the PFCC. Mr Adderley also had access to support through the Chief Police Officers Staff Organisation (CPOSA).

The PFCC made the following points during the course of the discussion:

- A suspended officer had their access to technology and warrant card removed and was not involved in operational discussions. The Acting Chief Constable would take all operational decisions whilst Mr Adderley was suspended.
- He would make appropriate representations to the IOPC to encourage it to expedite the investigation whilst recognising that it needed sufficient time to investigate serious matters.

RESOLVED that: the Panel notes the update.

186. **Police, Fire and Crime Plan Delivery Update**

At the Chair's invitation Mr Craig Blacha addressed the meeting and made the following points:

- The PFCC had been in office for some time, the Council Tax precept for policing had risen and the public were informed that Northamptonshire Police had a record number of officers.

- In these circumstances it was unacceptable that the force had taken 22 minutes to respond to a grade one incident Mr Blacha had experienced in Wellingborough in July 2023 involving threats of violence against him. The OPFCC had subsequently advised that the response time was not unreasonable or disproportionate. The Police, Fire and Crime Plan Delivery Update acknowledged that response times had been slower.
- The PFCC should recognise this was not the public's expectation, take action to improve response times and apologise for the current situation.

The Chair invited the PFCC to comment in response and the PFCC made the following points:

- He was aware of the incident raised by Mr Blacha and did not propose to discuss it in detail at the Panel meeting.
- The OPFCC Customer Service team had provided Mr Blacha with an explanation of the response. The matter had subsequently been the subject of a complaint to the force's Professional Standards Department, which had concluded that the response was reasonable. Mr Blacha had sought a review of the complaint by the OPFCC, which was not upheld. The PFCC believed that a good standard of customer service had been provided to Mr Blacha.
- He took the issue of police response times seriously and pursued any issues about performance with the Chief Constable when this was necessary.

The Chair invited Councillor Wendy Randall to address the meeting but the Panel was advised that she was not yet present.

The PFCC went on to present the Police, Fire and Crime Plan Delivery Update and highlighted recent examples of positive activity as follows:

- The OPFCC had been successful in securing funding in round five of the Safer Streets Fund. This would be used for a forensic property marking and asset recording scheme in Weston, Northampton, and Kingswood, Corby; implementation of new security measures on and around Junction 15A and the Watford Gap services; and various measures to help to protect women and girls using public transport.
- The OPFCC had now secured nearly £4m from the Safer Streets Fund to invest in crime prevention, augmented by a further £1m that the PFCC and partners had committed to community safety.
- Since the launch of the Safer Nights Out (SNO) Van, Northampton Guardians had assisted 12,200 people. A new SNO Van had been provided in Kettering.
- The Early Intervention team continued to carry out valuable work, supporting vulnerable people, preventing entry into the criminal justice system, providing support to the force's missing persons unit and helping to protect and support vulnerable children.
- The Serving with Pride survey of Northamptonshire Fire and Rescue Service (NFRS) staff members formed an important part of work to shape the organisation and culture of the fire service of the future. He could provide fuller information on the outcomes of this consultation to a future Panel meeting.

The Panel considered the report and members raised the following points during the course of discussion:

- It was questioned whether the use of £20K to support a training package for 1,000 students at Northampton College on recognising and addressing harassment was a standard approach and how its impact could be judged.
- The PFCC was challenged about the effectiveness of actions to counter anti-social behaviour by young people, given that this seemed to be an increasing issue.
- It could be useful to carry out a survey of the organisational culture in the OPFCC as well as NFRS.
- The report did not provide information to enable performance in Northamptonshire on issues such as repeat victimisation or referrals to the Sunflower Centre to be compared with that of nearest neighbours and the national average. Attacks against women and girls were also not reducing. The report did not provide reassurance that the PFCC was giving sufficient attention to these issues.
- There were good examples of police officers and Police Community Support Officers (PCSOs) engaging well with local communities and responding to issues in different areas. However, it would still be helpful to re-establish the previous Joint Action Groups, which had been an effective way of discussing and resolving local issues.
- The force's performance against key targets could be affected if mobile crime such as drug dealing that originated in other areas was detected here.
- Good community engagement should be part of work to address the difference between the reality and perceptions of community safety. Northamptonshire Police should be part of service delivery through community hubs.
- PCSOs were effective and an increase in numbers would be welcome.
- There had been a significant increase in retail crime in Northampton and the PFCC was challenged about how this was being addressed.
- A positive local summit on retail crime had been held earlier in November.

The PFCC made the following points during the course of discussion:

- The OPFCC made use of different approaches as part of its work to address violence against women and girls. This included education about what a good environment looked like. The benefit of these approaches should be judged in terms of a reduction in violence.
- Anti-social behaviour by young people was actually reducing. There was a broader challenge around community safety in that performance was improving but people did not feel safer. This needed to be addressed and part of the work being done was about the use of different remedies, such as conditional cautions.
- Performance on issues such as domestic violence needed to be set out in more detail to give the Panel a fully contextualised understanding of the position. It could be helpful for the Panel to have a separate briefing on this.
- Ipsos had been engaged to survey the organisational culture of Northamptonshire Police, NFRS and the OPFCC 10 months' ago. The three organisations were in different places and needed to be clearly understood.
- Doubling the number of ANPR cameras in Northamptonshire had increased the ability to identify and track criminals.

- It would help force representatives to attend parish council meetings if their item could be put at the start of agendas.
- He was aware of good work done by Joint Action Groups and community safety panels in the past. The new serious violence duty gave commissioners a greater role in holding to account partners for delivery. Addressing violence in society was not just a policing issue but one that needed to involve a range of partners.
- PCSOs often did tend to be in a better position than police officers to engage with people in the community. The employment and deployment of PCSOs was the responsibility of the Chief Constable not the PFCC.
- A partnership sponsored action on retail crime in Northamptonshire. He could provide further information to the Panel if required.

At the Chair's invitation Councillor Wendy Randall then addressed the meeting and made the following points:

- Members of the public had raised concerns about the fact that the PFCC had identified a preferred candidate for appointment as Chief Fire Officer who did not have a professional background in the Fire and Rescue service. The Panel was urged to ensure that it asked thorough questions when it carried out a confirmation hearing for the proposed appointment.
- The response to retail crime in Northamptonshire could learn from the Businesses Together Radio Scheme used in Daventry to share information about crime and anti-social behaviour.

The PFCC made the following additional points:

- The identification of the preferred candidate for appointment as Chief Fire Officer had resulted from a robust two day interview process, which included a cross-party stakeholder panel.
- The appointment of a chief fire officer from a different professional background was not new as this approach had already been taken in other areas such as Kent and Buckinghamshire. A chief fire officer's primary role was to run their service, not to attend fires.

RESOLVED that:

- a) The Panel notes the Police, Fire and Crime Plan Delivery Update.
- b) The Panel requests to receive a report from the Police, Fire and Crime Commissioner on the findings of survey work carried out by Ipsos on the organisational culture and values of Northamptonshire Police, Northamptonshire Fire and Rescue Service and the Office of the Police, Fire and Crime Commissioner.
- c) The Panel requests that a briefing session be organised for Panel members on action being taken in Northamptonshire to address domestic violence and the outcomes produced.

#### 187. **Fire and Rescue Authority Finance Update**

The PFCC introduced the report, which set out the latest forecast outturn position for the Fire and Rescue Authority for 2023/24.

The Panel considered the report. The Chief Finance Officer provided additional information in response to points raised by members during the course of discussion as follows:

- The forecast net underspend of £395K had been significantly aided by business rates in 2023/24 being much better than anticipated. However, this was a one-off benefit.
- The Autumn Statement had not provided much information on the draft settlement for 2024/25. The OPFCC was modelling different scenarios as well as continuing to make a case for the best possible funding for Northamptonshire.
- The PFCC aimed to sell the vacant Kettering Police Station and was working with North Northamptonshire Council on this. Discussion was at a crucial stage and it was hoped to have an outcome soon.
- It was anticipated that the final outturn would show a slight surplus. In this case the PFCC would consider requests for carry forwards and also look at how resources might be used for reserves.
- A significant part of the unavoidable and unexpected pressures contributing to the current forecast overspend on the Chief Fire Officer's budgets should be one-off costs, as they related to updating specific vehicles or facilities. A zero-base budgeting exercise was carried out each year.

The PFCC made the following points during the course of discussion:

- Northamptonshire remained in the bottom quartile of fire and rescue authorities for funding and he had pushed for further precept flexibility to reflect this.
- It was likely that he would propose an increase in the Fire and Rescue precept for 2024/25 but would consider the consultation feedback received from Northamptonshire residents when deciding the amount. However, NFRS was also in a stronger position than when governance responsibility had transferred to the PFCC and was approaching the point where it could be asked to look at opportunities to use resources more efficiently.

A Panel member welcomed that the PFCC was challenging services to be more efficient whilst enabling them to retain the benefit of savings that were generated. The PFCC responded that this approach also linked in with other work on developing organisational management and culture.

RESOLVED that: the Panel notes the Fire and Rescue Authority Finance Update.

#### 188. **Policing Finance Update**

The PFCC introduced the report, which set out the latest forecast outturn position for policing for 2023/24. The PFCC went on to highlight that this would be the last report produced by the Chief Finance Officer before her retirement at the end of 2023. He thanked the Chief Finance Officer for the significant support and advice that she had provided over the past six years. This was the foundation for the innovative work now being done in Northamptonshire. The Chief Finance Officer could be very proud of the legacy she would leave.

The Chair expressed thanks on behalf of the Panel to the Chief Finance Officer.

The Chief Finance Officer thanked the PFCC and the Panel and emphasised that she had enjoyed working with both.

The Panel considered the report. The Chief Finance Officer provided additional information in response to points raised by members during the course of discussion as follows:

- The forecast underspend on Early Intervention and Youth provision reflected vacancies during the year that had taken longer to fill than anticipated. Further recruitment had been carried out and only five vacancies now remained, with plans to fill at least three of these.
- A breakdown of all reserves could be provided to the Panel if required. There was expected to be £5.3m in general reserves and £18.96m in specific reserves for policing at the end of 2023/24. The PFCC had never increased the precept to put resources into reserves.
- CIPFA advised that a commissioner's chief finance officer should take a local view about the appropriate level of reserves. Her view was that 3 per cent should be the level for policing. Northamptonshire was at the lower level of reserves for policing nationally.
- It was anticipated that there would be a surplus on the policing budget of approximately £913K at the end of 2023/24.

The PFCC made the following points during the course of discussion:

- He had challenged whether all five vacancies in Early Intervention and Youth provision needed to be filled as the services had operated effectively in the meantime. Recruiting to three further positions seemed the optimum number. These were all additional posts.
- He was willing to look into all opportunities to share facilities if this would achieve better outcomes, including the development of blue light centres. The updated Estates Strategy would set out a clear blueprint.

RESOLVED that:

- a) The Panel notes the Policing Finance Update.
- b) The Panel requests that a breakdown of current reserves be circulated to Panel members.
- c) The Panel records its thanks to Mrs Helen King for her work as Chief Finance Officer in the Office of the Police, Fire and Crime Commissioner.

#### 189. **Police, Fire and Crime Panel Work Programme**

The Democratic Services Assistant Manager presented the report setting out the latest version of the Panel's work programme, highlighting the following points:

- The Panel was asked to consider what action it wished to take regarding scrutiny work on support for early intervention activity that it had begun earlier in 2023. This work had been put into abeyance recently whilst the Panel focussed on matters relating to the appointment of an interim Chief Fire Officer and the context for the work had also changed. The Panel should determine how it now wished to proceed on this matter.
- The Panel was asked to confirm the new date for its final scheduled meeting in 2023/24, which had needed to be moved to avoid conflicting with the pre-election

period for the PFCC election. The proposed date for the meeting was 14 March 2024.

The Panel considered the report. It was questioned whether 14 March 2024 was a practical meeting date given that there was due to be a North Northamptonshire Council Executive meeting that morning. Panel members considered potential alternatives, including meeting on a different day of the week. It was felt that 14 March 2024 could represent the best option if the Panel meeting could start later than usual.

Councillor McGhee, as the Chair of the Early Intervention Working Group, encouraged that the scrutiny work should be completed, provided that the OPFCC was able to support it with necessary information. The interim Chief Executive advised that the OPFCC would assist.

Councillor Mercer made the following additional points during the course of discussion.

- Some panels produced an annual report on their work and also received an end of year report on how Police and Crime grant funding claimed from the Home Office by the host authority had been used.
- It could be necessary to start the recruitment of new independent co-opted members earlier than on previous occasions, to take account of the PFCC election.

RESOLVED that:

- a) The Panel agrees that the final regular Panel meeting in 2023/24 be held on 14 March 2024 at 2.15 pm.
- b) The Panel agrees that a plan to progress and complete task and finish scrutiny work on early intervention activity with young people at risk of becoming involved in criminal activity in Northamptonshire be presented to the Panel meeting on 6 February 2024.

190. **Complaints and Conduct Matters Update**

The Democratic Services Assistant Manager presented the report advising that two complaints had been received during the period from September to November 2023 and had been considered by the Complaints Sub Committee. There were no other outstanding complaints or conduct matters.

The Panel considered the report. In response to a question it was confirmed that the Complaints Sub Committee meeting held on 8 September 2023 had taken a reasonable amount of time to consider the two complaints.

RESOLVED that: the Panel notes the Complaints and Conduct Matters Update.

191. **Urgent Business**

There was none.

The meeting closed at 3.30 pm

Chair: \_\_\_\_\_

Date: \_\_\_\_\_



## NORTHAMPTONSHIRE POLICE, FIRE AND CRIME PANEL

**6 FEBRUARY 2024**

<b>Report Title</b>	<b>Northamptonshire Police, Fire and Crime Panel’s statutory responsibilities relating to scrutiny of the Police, Fire and Crime Commissioner’s proposed Police Precept 2024/25.</b>
<b>Report Author</b>	<b>James Edmunds, Democratic Services Assistant Manager, West Northamptonshire Council</b> <a href="mailto:James.edmunds@westnorthants.gov.uk">James.edmunds@westnorthants.gov.uk</a>

### List of Appendices

**None**

#### **1. Purpose of Report**

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- 1.1. The report is intended to set out the statutory requirements on the Northamptonshire Police, Fire and Crime Panel regarding scrutiny of the proposed Police Precept for 2024/25 produced by the Police, Fire and Crime Commissioner for Northamptonshire.

#### **2. Executive Summary**

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- 2.1 The report summarises the Northamptonshire Police, Fire and Crime Panel’s statutory responsibilities relating to reviewing and making a report on the proposed Police Precept for 2024/25 produced by the Police, Fire and Crime Commissioner for Northamptonshire. The proposed Police Precept appears on the agenda for the current Panel meeting as the next item of business.

#### **3. Recommendations**

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- 3.1 It is recommended that the Northamptonshire Police, Fire and Crime Panel reviews the proposed Police Precept for 2024/25 produced by the Police, Fire and Crime Commissioner for Northamptonshire.
- 3.2 Reasons for Recommendation(s) – The recommendation is intended to enable the Panel to carry out its statutory responsibilities relating to scrutiny of the proposed Police Precept effectively at the current meeting.

## 4. Report Background

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- 4.1 A Police and Crime Commissioner is a major precepting authority under the Local Government Finance Act 1992 as amended by the Police Reform and Social Responsibility Act 2011. A Police and Crime Commissioner may not issue a precept under Section 40 of the 1992 Act until it has been subject to scrutiny by the relevant Police (Fire) and Crime Panel according to the process specified in Schedule 5 of the 2011 Act.
- 4.2 Schedule 5 of the 2011 Act, supporting Regulations, and the Rules of Procedure for the Northamptonshire Police, Fire and Crime Panel require:
- a) The Commissioner to notify the Panel of the Commissioner's proposed precept by 1 February of the relevant financial year
  - b) The Panel to review the proposed precept
  - c) The Panel to resolve to:
    - i) Support the proposed precept without additional qualification or comment; or
    - ii) Support the proposed precept and make additional recommendations on it; or
    - iii) Veto the proposed precept provided that the Panel makes that decision by the required majority, which is that at least two thirds of the persons who are members of the Panel at the time when the decision is made vote for it.
  - d) The Panel to make a report to the Commissioner on the proposed precept, setting out the results of its review, by 8 February of the relevant financial year. If the Panel votes to veto the proposed precept the report must state that the Panel has done so and set out its reasons for doing so.
- 4.3 If the Panel does not veto the proposed precept the Commissioner must:
- a) Have regard to the report made by the Panel
  - b) Give the Panel a response to its report and to any recommendations in the report
  - c) Publish the response in a manner determined by the Panel.
- 4.4 The scrutiny process concludes at this point. The Commissioner may then issue the proposed precept as the precept for the next financial year or issue a different precept but only if it would be in accordance with a recommendation made in the Panel's report.
- 4.5 If the Panel vetoes the proposed precept the Commissioner must not issue it as the precept for the next year. By 15 February of the relevant financial year the Commissioner must:
- a) Have regard to the report by the Panel
  - b) Give the Panel a response to its report setting out the precept that the Commissioner now proposes to issue (referred to as the 'revised precept'). If the Panel vetoed the original proposed precept because it was considered to be too high the revised precept shall be lower; if the Panel vetoed the original proposed precept because it was considered to be too low the revised precept shall be higher.
  - c) Publish the response in a matter determined by the Panel.
- 4.6 The Panel is required to review the revised precept and to make a report on it to the Commissioner (referred to as the 'second report'). The second report may indicate whether the Panel accepts or rejects the revised precept and may make recommendations on it, including

recommendations as to the precept that should be issued for the next year. The Panel must complete these actions by 22 February of the relevant financial year. A reserve meeting of the Panel is scheduled if required for this purpose. The Panel does not have the power to veto the revised precept.

- 4.7 If the Commissioner receives a second report from the Panel, by 1 March of the relevant financial year the Commissioner must:
- a) Have regard to the second report by the Panel
  - b) Give the Panel a response to the second report
  - c) Publish the response.
- 4.8 The scrutiny process concludes at this point. The Commissioner may then issue the revised precept as the precept for the next financial year or issue a different precept but only if in accordance with a recommendation made in the Panel's second report.

## **5. Issues and Choices**

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- 5.1 Reviewing and reporting on the proposed Police Precept is a statutory task for the Panel. Local Government Association guidance for panels on policing and fire governance gives the following advice on good practice in this regard:

*A panel's questioning plan in relation to the commissioner's precept should focus on strategy, not numerical details and be used to seek clarification, test evidence and assumptions and explore options best able to deliver the police and crime plan through the proposed precept. Questions panels might ask their commissioner could include whether the precept enables funding to follow priorities; whether value for money is being secured; and whether there is a robust monitoring framework.*

*Panels have the power of veto over the precept. However, this a longstop, use of which should be very rare and needs to be justified. Panels should also recognise that the veto can only act as a delay; it will not prevent the commissioner from being able to re-present, and enact, a precept that is not materially different from that to which the veto has been applied.*

*If the veto is used, the panel should be prepared to provide detailed reasoning to back up why.*

- 5.2 The Panel should seek to carry out the task of reviewing and reporting on the proposed Police precept in accordance with its overall role of scrutinising and supporting the effective exercise by the Police, Fire and Crime Commissioner of his responsibilities.

## **6. Implications (including financial implications)**

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### **6.1 Resources and Financial**

- 6.1.1 There are no resources or financial implications arising from the proposal.

## 6.2 Legal

6.2.1 There are no legal implications arising from the proposal.

## 6.3 Risk

6.3.1 There are no significant risks arising from the proposed recommendation in this report.

## 7. Background Papers

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Police Reform and Social Responsibility Act 2011

Northamptonshire Police, Fire and Crime Panel Terms of Reference.

Policing and fire governance – Local Government Association guidance for police and crime panels (2019)



**NORTHAMPTONSHIRE POLICE, FIRE & CRIME PANEL**

**6 February 2024**

**REPORT BY THE POLICE, FIRE AND CRIME COMMISSIONER (PFCC)  
AND THE CHIEF FINANCE OFFICER**

**PFCC PROPOSED POLICE PRECEPT 2024/25**

**Purpose of the Report**

1. To propose the 2024/25 Council Tax Precept for Northamptonshire Police.
2. To provide information in respect of the revenue budget, capital programme, reserves and medium-term financial plan (MTFP) to provide context for the precept proposal.

**Recommendation**

3. The Police Fire and Crime Panel is **RECOMMENDED** to endorse:

**The proposal to increase the 2024/25 Police Precept by £13 per annum for Band D Council Tax to £306.04 (from £293.04 in 2023/24). This equates to an increase of 25 pence per week.**

4. Note the information presented in this report, including:
  - a. The statement of the Section 151, Chief Finance Officer as required by Section 25 of the Local Government Act 2003 regarding the robustness of the budget, the medium-term financial plan and the adequacy of financial reserves (Appendix C).
  - b. A £13 precept increase gives a total 2024/25 net budget envelope of **£182.968m**, taking into account:
    - The intention of the PFCC to set the Band D Council Tax Precept which provides **£79.115m** for Northamptonshire Police in 2024/25.

- The current and future risks, challenges, uncertainties and opportunities included in the precept proposal, together with the financial and operational mitigations and additional considerations identified.
- That any changes required, either by Government grant alterations notified through the final settlement, amended council tax base and surplus/deficit notifications received from the collecting authorities, after the precept has been set, may be balanced either through efficiency savings or through a transfer to or from reserves.
- The current MTFP and the anticipated savings required.
- The capital programme and reserves strategy.

### **Executive Summary**

5. This report and proposal are the culmination of several months' work by the Office of the Police, Fire and Crime Commissioner (OPFCC), the Joint Finance Team and the Chief Constable. It also includes information provided by the two unitary authorities and takes account of public and stakeholder consultation and key government expectations.
6. The PFCC has considered the provisional police grant settlement which sets out government expectations, current and future funding levels, the pre-budget engagement and the outcome of the public survey together with the Autumn Statement 2023.
7. The PFCC has received briefings from the Minister and acknowledges the expectation that PFCCs will increase their Band D Precept locally by £13 (4.44% for Northamptonshire) in 2024/25.
8. The PFCC and the S151 Officer are very appreciative of the updates provided by colleagues in the unitary authorities in respect of the impact on the taxbase and the council tax collection fund receipts for 2024/25 and future years. Furthermore, the PFCC is appreciative of the hard work by unitary staff in achieving a positive level of collection rates.
9. The proposals are set in a context of high inflation levels and the Autumn 2023 statement.
10. Despite these challenges, the budget is balanced for 2024/25 with a funded capital programme and an adequate level of reserves in place.
11. Whilst the 2024/25 budget is balanced, given the continued economic uncertainty and inflation at levels higher than previously assumed, balancing the budget across the medium term will be more challenging. Prudent assumptions of future income streams have been used which identify the need for future efficiencies.

12. The PFCC has conducted, and been informed by, a survey of 1,997 residents of Northamptonshire. The results of the surveys are summarised in this report and will be available on the PFCC website in due course.
13. Following local and national investment to increase Police Officers in Northamptonshire, the budget for 2024/25 and the MTFP include a baselined establishment of 1,500 Police Officers, an increase of 330 over the past six years, the most Northamptonshire have ever had.
14. The PFCC has listened to the views of Northamptonshire residents and has worked with the Chief Constable to ensure a significant number of these officers have been allocated to neighbourhoods.
15. Furthermore, following the responses from the public to the Police, Fire and Crime Plan and the priorities contained within it, in addition to his commitment to increase and retain at least 1,500 Police Officers, the PFCC has ring-fenced funding to target the following areas:
  - Prevention that keeps the county safe
  - Effective and efficient response
  - Protect and support those who are vulnerable
  - Effective justice
  - Modern services that are fit for the future
16. Whilst the PFCC and Chief Constable have prioritised maintaining 1,500 police officers within the 2024/25 budget and the MTFP, some further investment in the budget has been possible and includes:
  - a. The sum of £1.823m for investments requested by the Chief Constable for the following:
    - To increase resources within the Force Control Room, investing in more staff and ensuring communication channels are optimised.
    - To increase training resources and budgets to ensure all officers are equipped with the skills and accreditation they need.
    - To introduce software that manages social media accounts in order to better deal with interactions from the public.
    - To introduce a software solution to support complex IT architecture more efficiently.
    - To implement a retrospective facial recognition solution
17. The PFCC has included the following items of note in his commissioning and delivery plans:
  - a. Continued support for the delivery of the Serious Violence Duty with partners in the county. This includes the continuation of Home Office grant funds for Serious Violence

in line with the county's first Strategic Needs Assessment. The PFCC will also prioritise funds to support healthy relationships and behaviour change activity for children and young people under Violence Against Women and Girls as part of the work to prevent serious violence in the county.

- b. We will begin to prepare the ground for the Victims Bill likely to receive royal assent in 24/25 which will bring significant oversight responsibilities to the OPFCC.
- c. We are now in Safer Streets Round 5, which relates to acquisitive crime and violence against women and girls initiatives. We have been awarded funds for three successful bids, this year. These are:
  - **Stand Up To Crime** – This will see a new and innovative approach to a crime prevention campaign, focused around burglary of people's homes. Two pilot sites have been identified in Northampton and Corby. The initiative is based around the College of Policing 'what works' guide and will see bespoke crime/home crime prevention advice given to almost 3,000 homes across these pilot sites. This will be delivered by local neighbourhood policing teams, Local Authority community Safety Teams, Neighbourhood Watch volunteers and others potentially including Fire and Rescue staff. Each premises will be visited and, as well as receiving relevant crime and home safety advice, will be provided with a range of prevention devices, including a forensic property marking kit. The person undertaking the visit will support the householder by demonstrating how to use this kit to better protect their home and valuables. The visits will demonstrate the effectiveness of a proper security routine, based around three actions of:
    1. Secure It
    2. Mark It
    3. Record it

It is hoped that after the pilot phase we will be able to roll this out more widely across the County, and support it with other initiatives such as the provision of small community based crime prevention kits for rural parishes, whereby councils can support their local residents in making their communities safer.

- **M1 Service Stations** – This initiative recognises the significant percentage of vehicle crime that is committed at service stations on the M1 at Watford Gap and Swan Valley. This is a partnership with RoadChef and will see improved fencing, additional CCTV, installation of ANPR technology, a Crimestoppers campaign and improved lighting at these locations, as well as some redesigning of the car park layout at the lorry park to support these interventions.
- **Violence Against Women and Girls** – This will see a focus on transport hubs and public transport networks. It will utilise the already successful partnership communications 'It only take one' developed locally previously. The initial focus



will be on the train network that runs across the County, with video inputs to support the 'It only takes one' materials for train and railway staff explaining vulnerability, assisting staff in its identification and providing information about how to intervene and signpost victims to support services.

- d. The ASB Action Plan published on 27<sup>th</sup> March 2023 is a key part of HMG's Levelling Up agenda, specifically to improve pride of place and to reduce crime. Immediate Justice is a key policy as part of the wider plan, ensuring ASB is treated with urgency so ASB perpetrators can swiftly clean up their own mess, with communities receiving more of a say over, and more visibility of, reparation. Funded via specific grant, Immediate Justice seeks to increase the speed and visibility of reparative action in response to ASB, primarily through funding additional services to supervise and facilitate reparative activity. Reparative activity may include:
- Litter-picking in public parks and high streets
  - Site clean-up after council funded events
  - Proactive or reactive cleaning of civic memorials
  - Installation of hanging baskets or temporary civic notices
  - Gardening of communal flower beds in town centres
  - Cleaning of graffiti on bus shelters, tram stops or train stations or public signage
  - Cleaning of police cars
  - Basic repairs of damaged public property, or private property with victim/owner consent
18. The PFCC has always endeavoured to ensure that the cost of staffing the OPFCC is no more than 1% of the operational police budget. In 2024/25 OPFCC staffing makes up approximately 0.7% of the total operational police budget for the year.
19. The S151 Officer has reviewed the adequacy and level of reserves to ensure that funds are still available to support investment in innovative solutions and ensure the level is adequate to meet one-off short term funding shortfalls if savings and efficiencies are not identified.
20. The budget and precept recognise the importance of collaborative working with Police and the OPFCC, with enabling services support areas embedded across Fire and Policing under the leadership and direction of the Joint Assistant Chief Officer for Enabling Services.
21. The PFCC requires both services to actively seek opportunities to work together to deliver more efficient and effective public services and in 2024/25 it is intended that opportunities bring together further support services teams will be explored and progressed, and that existing shared arrangements are regularly reviewed and optimised.

22. The policing budget and precept also takes forward the statutory duty for emergency services to collaborate which means the services should be actively seeking opportunities to work together to deliver more efficient and effective public services. As such, both Police and Fire Budget agreements for 2024/25 will again demonstrate the PFCC commitment to collaboration, including greater integration between police and fire and rescue to reinvest in frontline services. It is the PFCC's expectation that, over time, the following areas will be delivered:
- Shared Services
  - Shared estates strategy
  - Shared prevention approaches
  - Operational interoperability
  - Control rooms
23. The PFCC has been briefed on the current and emerging operational and demand challenges and these have informed discussion on the budget allocation to the Chief Constable for 2024/25 and future years.
24. The PFCC believes that Northamptonshire is not served well by the current grant funding formula; that the county is not fairly funded in comparison to both regional and national peers and that local residents should not pay more for their services than other counties. Every year the formula is not updated, Northamptonshire is detrimentally affected. He has and will continue to make national representation in this regard.

**As such, given the current and future financial challenges and uncertainties, this requires the PFCC to propose a precept increase of £13 a year (25 pence per week) to £306.04 for a Band D property.**

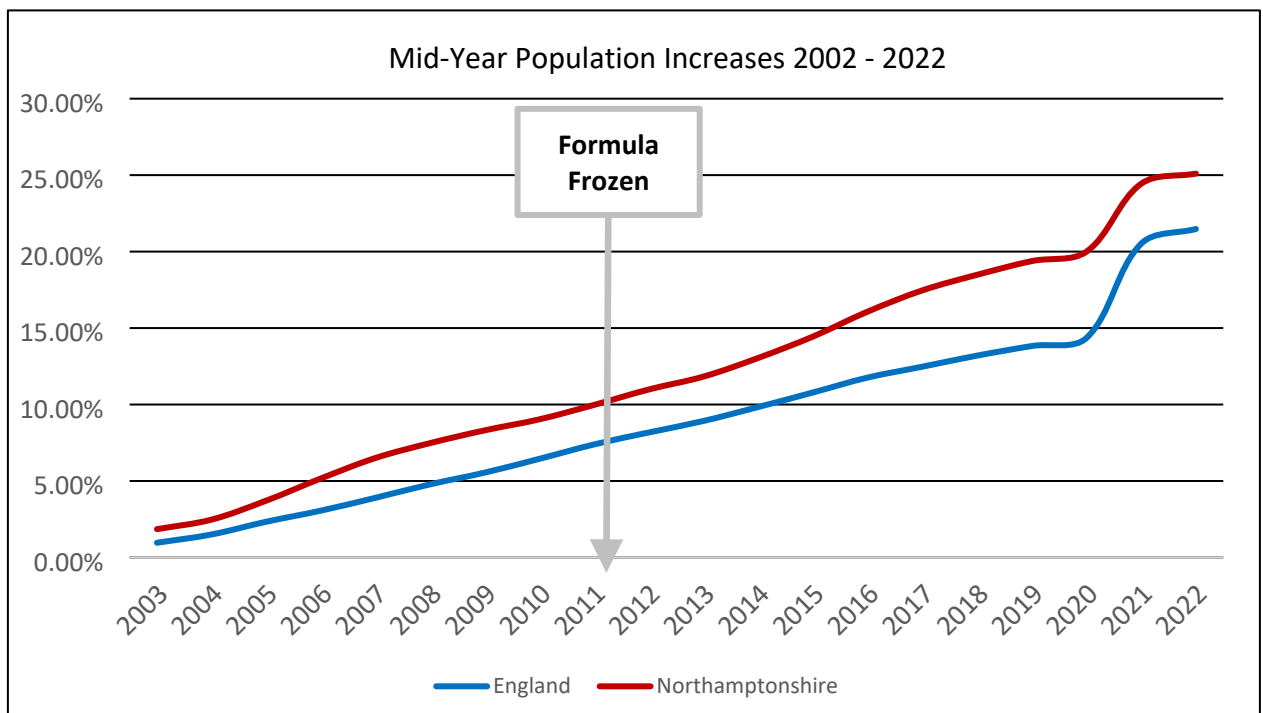
**This will enable Police to maintain the investment in 1,500 police officers, maintain an adequate level of reserves and safeguard policing services in Northamptonshire.**

## Funding Formula and Population

25. The National Police Funding Formula, which accounts for around 56% of Northamptonshire’s funding, includes population as a key factor in the allocations. However, the formula was “frozen” in 2011/12 and annual increases have been on the basis of inflation and additional officers since that time.
26. Work had been underway on a review of the formula with an initial view of implementation in 2018/19 and in his letter to PFCCs on the 19 December 2017 on the Provisional Police Grant Settlement for 2018/19, the then Policing Minister advised:

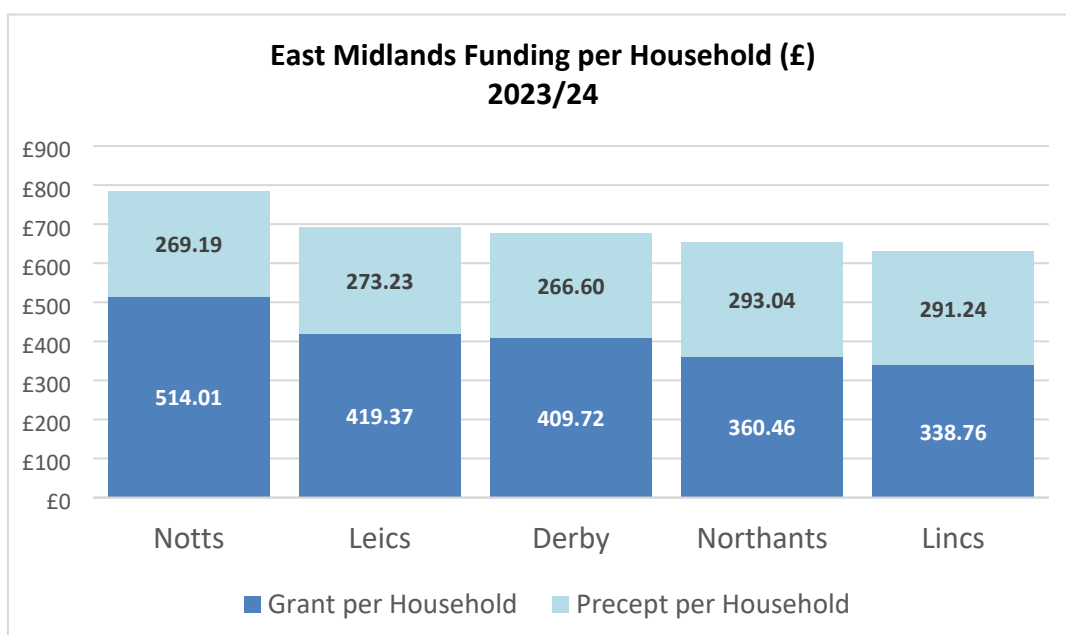
***“In the context of changing demand and following my engagement with Police leaders, providing funding certainty for 2022/23 is my immediate priority. We will revisit the funding formula at the next spending review.”***

27. Whilst the formula has not been reviewed in the current spending review (SR2021) or the Autumn Statement 2023, work on the long-awaited funding formula review is underway.
28. A significant part of the current formula is based on population. In 2002, Northamptonshire’s population growth was around 0.5% more than the national average. By mid-2022, the gap between the county and the national average had increased to 3.62%, with large housing development projects in progress. However, the funding formula population factor in the government settlement has remained static in that time.
29. The graph below demonstrates this population increase for the period 2002 to 2022:



Source: Mid-Year Population - Office of National Statistics

30. Northamptonshire has outstripped national population changes for some decades, as outlined in the Joint Strategic Needs Assessment (JSNA) Demography Insight Pack 2019, Northamptonshire’s population had increased by 29.9% over the 30 years, compared with 17.7% across England. It also estimated this will increase by a further 14% by 2041.
31. Police central funding has not kept pace with this population increase and whilst historical local council taxbase increases have contributed to total funding, central government grants, have not.
32. This means that 56% of Northamptonshire Police’s funding is allocated on the basis of a funding formula which has not been updated for over 10 years; therefore, does not reflect current demands; does not reflect modern policing and does not reflect the significant growth in the county.
33. Analysis undertaken by the PFCC highlights the inequity of the current funding formula in the East Midlands Region and how taxpayers in the smaller forces of Northamptonshire and Lincolnshire are penalised by the lower government grants per household than their regional peers, as follows:



34. For illustrative purposes, the PFCC has calculated that if Northamptonshire received government grant at a similar per household level to Nottinghamshire, the county would receive an additional £39m per annum. Furthermore, Nottinghamshire had around 30% more households than Northamptonshire in 2023/24 but received 85% more in grant.
35. Band D Council Tax levels vary significantly for Police and Crime Commissioners across the country and the PFCC strongly believes that the current funding formula does not best serve

the residents of Northamptonshire, meaning that local residents are required to fund a higher level of the policing bill than they would in other areas.

36. He will continue to engage with the review and lobby to seek a fairer funding settlement on behalf of the residents of Northamptonshire.

#### **Police Grant Settlement – Assessment from the National Technical Support Team**

37. On the day of the settlement, the national Technical Support Team (TST) provided a detailed briefing as follows:

38. *The 2024-25 Provisional Settlement was announced on 14 December in a written ministerial statement by the Minister of State for Crime, Policing and Fire, Chris Philp MP.*

*The Minister said “Today, the Government has set out the provisional police funding settlement...for the forthcoming financial year. For 2024-25 overall funding ... will rise by up to £842.9m compared to the restated 2023-24...This funding settlement demonstrates that the Government remains committed to giving policing the resources they need to keep the public safe...The Home Office was only able to deliver this substantial funding increase by reprioritising funding from other programmes.”*

*Full details of the Settlement can be found on the Home Office gov.uk pages.*

39. *Inflationary pressures have put a significant strain on policing budgets since 2021. However, as of October 2023, the headline Consumer Price Index (CPI) rate has fallen to 4.6%, its lowest level since November 2021. This decrease in the rate of inflation gave the Chancellor some headroom in order to cut taxes in the Autumn Statement, primarily by reducing NI contributions.*

*Past inflation has had an impact on policing spending power. In 2023-24, the PACCTS Budget Survey showed that inflationary pressures amounted to a £639m increase in budgets. This was larger than the £454m increase in total funding given to Forces last year. If other growth pressures were included, then forces faced an almost £1bn increase in costs compared with the year before. That said, pay inflation was recognised by the Government in the provision of an additional £330m in 2023/24 to fund it.*

40. *Police Uplift Grant (PUP)*

*Prior to the publication of today’s provisional settlement, the sector was expecting a continuation of additional PUP funding for the recruitment of the final officers (towards the 20,000 total). The Ministerial Statement confirms ongoing funding of £425m to maintain officer numbers at (148,433 nationwide). Within this funding £67.2m is “additional recruitment top-up grant” for forces that have agreed to recruit additional officers. The remaining £357.8m is ringfenced, allocated via formula funding shares and PCCs will be able to access this funding, as in previous years, by demonstrating that they have maintained their*

officer numbers. The total PUP ringfence grant of £425m has increased by £150m, which was promised in the spending review, and therefore provides an even stronger incentive for officer numbers to be maintained. The actual terms of the grant will be released early next year.

41. *Pay Award*

£515m pay funding has been added to core funding for pay. The ministerial statement highlights that £330m of this was given in-year in 2023-24 with a further £185m awarded for 2024/25. Any comparisons to last year's data now include the additional £330m that was distributed in year. This indicates that this funding is in the baseline for future spending reviews.

42. *Pensions Grant*

There is also additional funding for Police Pensions to mitigate the impact of increased employer pension contributions.

Until the latest settlement, pension grants had remained unchanged, standing at a total of £142.6m. However, today the Minister confirmed that an additional £259m would be added to this grant, as well as a one-off £26.8m admin grant (for implementation pressures), taking the total funding to £428.3m.

43. *Council Tax*

In England the Government sets the level of precept increase above which a referendum is required. In November, it was confirmed in the local government finance policy statement 2024 to 2025 that PCCs would be able to increase the 2024/25 band D precept by up to £13 without triggering a referendum. This actual amount of increase in any area will be a decision for individual PCCs.

Due to historic differences in council tax, the proportion that £13 represents can vary significantly between force areas. The £13 increase means that Northumbria's percentage increase is 8.5% followed by the West Midlands at 7.2% and Essex at 6.3%. Conversely, £13 represents a 4.4% increase for North Wales and a 4.5% increase for South Wales and Gwent.

**In Northamptonshire the £13 increase is 4.44%.**

44. *The proportion of funding raised through council tax differs significantly between forces. Northumbria's Council Tax makes up 19% of their total funding, followed by West Midlands at 20.3% and Merseyside at 22.9%. Conversely, Surrey has 54.6% of their funding coming from Council tax, followed by Dyfed Powys at 51.3% and North Wales at 50.2%. On average 34.3% of budgets are made up from Council tax, down slightly from 34.4% last year.*

**In Northamptonshire approximately 44% of the funding comes from Council tax.**

45. Reallocations (top slices) are taken from the grant before it is allocated to PCCs in line with the funding formula. The table shows the difference between reallocations between years:

<b>Top Slice</b>	<b>2023/24 £m</b>	<b>2024/25 £m</b>	<b>Change £m</b>
Special Grant	50.0	34.0	-16.0
PFI	71.6	71.2	-0.4
Arm's Length Bodies	74.7	65.7	-9.0
Police Technology Programmes	526.4	500.9	-25.5
National Policing Capabilities	69.3	49.8	-19.5
Forensics	20.6	13.0	-7.6
Crime Reduction Capabilities	18.4	0.0	-18.4
Fraud	18.1	18.1	0.0
Regional and Organised Crime Units	39.5	31.6	-7.9
Serious Violence	45.6	45.6	0.0
Drugs/County Lines	30.0	30.0	0.0
NPCC Programmes	9.5	7.7	-1.8
Capital Reallocations	104.9	128.7	23.8
Cyber Crime	14.1	13.1	-1.0
Tackling Exploitation and Abuse	21.3	17.6	-3.7
Police Productivity and Innovation	0.0	11.0	11.0
<b>Total Reallocations and adjustments</b>	<b>1,114.0</b>	<b>1,038.0</b>	<b>-76.0</b>

46. Currently, PCCs have no visibility of these top slices, nor can they influence the scale or scope of national reallocations prior in informing the provisional settlement. It is important to highlight that these reallocations do impact at a local level as resources are being allocated to meet nationally determined priorities rather than based on local needs and requirements.
47. As part of the response to the consultation, PCCs have asked again for details of what is covered in the top slices and for visibility and engagement with the Home Office on them.
48. A summary of the final settlement for Northamptonshire assuming that the maximum precept increase is to be levied, compared to the 2024/25 actual position is as follows:

<b>2023/24 £m</b>	<b>Funding</b>	<b>2024/25 £m</b>
81.905	Main Police Grant	86.809
2.600	Main Officer Uplift Grant	4.054
-	Additional Officer Uplift Grant	1.008
6.644	Legacy Grants	6.644
1.272	Pension Grant	4.079
<b>92.421</b>	<b>Total Grant Funding</b>	<b>102.594</b>
75.118	Precept	79.115
1.039	Collection Fund Surplus	1.259
<b>76.157</b>	<b>Total Precept and Collection Fund</b>	<b>80.374</b>
<b>168.578</b>	<b>TOTAL FUNDING</b>	<b>182.968</b>

### **Police Officer Recruitment and Police Uplift Programme (PUP)**

49. In September 2019, the Government launched the national recruitment of 20,000 Police Officers, referred to as the Police Uplift Programme (PUP). This was in addition to the 83 officers already provided by the PFCC in that year along with additional officers recruited in previous years.
50. The PFCC has also listened to the views of Northamptonshire residents and has worked closely with the Chief Constable to increase Police Officers wherever possible and affordable.
51. The PFCC funded 83 additional officers and the force has grown from 1,170 police officers to 1,500 by March 2023. This is an increase of 330 officers (over 28%) and the most officers the force has ever had.

### **Pensions**

52. The Government introduced reforms to public service pensions in 2015 which resulted in most public sector workers being moved into new pension schemes. In December 2018, the Court of Appeal ruled that the 'transitional protection' offered to some members gave rise to unlawful discrimination on the basis of age. In July 2019, the Chief Secretary to the Treasury made a written ministerial statement confirming that as 'transitional protection' was offered to members of all the main public service pension schemes, the difference in treatment will need to be removed across all those schemes for members with relevant service.
53. As expected, the on-going cost of higher pension benefits has resulted in an increase to employer contribution rates following the scheme actuarial valuation for 2024/25. The contribution rate will increase from 31.8% to 36.2% resulting in an additional budget



requirement of around £2.5m. The impact on police staff pensions had already been taken into account.

54. As promised by the Minister previously, the provisional settlement includes additional pension grant intended to cover the cost of this increase. It also includes a one-off amount to help pay for administration and systems costs that are being incurred to implement the pension remedy.

### Council Taxbase and Council Tax Precept Income

55. The Council Tax and the level of precept is a fundamental part of the local government finance settlement.
56. Income generated from the precept depends on both the level of the Band D precept and the taxbase – the latter being the average number of properties required to pay Council Tax.
57. In Policing, the precept and the surplus on the collection fund accounts for around 44% of funding, therefore any variations can have a significant impact.
58. The North and West Unitary Councils have advised the PFCC of their proposed taxbases for 2024/25.
59. A comparison of the 2023/24 and 2024/25 figures reflects an average 0.85% taxbase increase (compared to 1.46% in 2023/24) as follows:

Authority	2023/24 (number)	2024/25 (number)	Increase (number)	Increase %
North	114,279.00	115,847.00	1,568.00	1.37%
West	142,060.80	142,664.60	603.80	0.43%
<b>TOTAL</b>	<b>256,339.80</b>	<b>258,511.60</b>	<b>2,171.80</b>	<b>0.85%</b>

60. Whilst the increase is lower than seen in previous years, it is still more than that used by the Home Office of 0.70% for the Policing settlement.
61. The MTFP assumes average but prudent increases in the taxbase and the S151 officers will continue to link in with West Northamptonshire and North Northamptonshire S151 colleagues to ensure future forecasts align.
62. The total precept funding is a combination of the taxbase increase and the precept increase as follows:

2023/24 £		2024/25 £
342,545	<u>Tax base changes:</u>	459,487
683,078	- North	176,938
<b>1,025,623</b>	- West	<b>636,424</b>
	<u>Precept Increase</u>	
1,714,185	- North	1,506,011
2,130,912	- West	1,854,640
<b>3,845,097</b>		<b>3,360,651</b>
<b>4,870,720</b>	<b>Total Precept Change</b>	<b>3,997,075</b>

63. The 2024/25 proposed precept increase of £13, together with the increased taxbase will generate an additional £3.997m on the base budget.

#### Council Tax Collection Fund

64. Each year the billing authorities estimate how much of the total potential Council Tax income liability of taxpayers they will collect. They advise precepting authorities of any projected surplus or deficit on the Collection Fund in January of each year.
65. The PFCC is very appreciative of the hard work undertaken by the North and West Northamptonshire Unitary Authorities in ensuring high collection rates and in providing the information to enable their inclusion in his budget and precept considerations.
66. In previous years, despite high collection rates within Northamptonshire, COVID-19 impacted on these levels which resulted in deficits in both 2021/22 and 2022/23. Some government support was provided which included grants and enabling the deficit to be spread across three financial years. These measures helped to mitigate the impact and then in 2023/24, the collection funds provided a surplus.
67. The Unitary Authorities have advised the PFCC of their estimated collection fund positions for 2024/25 for Police which have resulted in surpluses from both authorities.

2023/24 £m		2024/25 £m
0.335	- North	0.338
0.704	- West	0.922
<b>1.039</b>	<b>Collection Fund Surplus</b>	<b>1.259</b>

68. Due to statutory timescales, notification of the final collection fund surplus figures is received after the draft budgets are finalised. If this surplus results in a one-year benefit, it will be

transferred to reserves in order to replenish some of the one-off use of reserves planned as part of the agreed balanced budget.

69. The S151 Officer will work closely with the Unitary Authorities throughout the year to monitor and understand any impact on the collection fund position for 2024/25 and future years.

#### **Public Consultation on the Level of the Precept**

70. Each year following the provisional settlement, the PFCC undertakes a precept consultation with residents of Northamptonshire to gather their views which help to inform his precept intentions.
71. The PFCC is very mindful of the impact that inflation and the cost of living is having on the residents of Northamptonshire. As such, for 2024/25, and ahead of his precept consultation in December, the PFCC and officers undertook pre-budget engagement to inform his considerations. Of note are the following:
  - a. The PFCC, Chief Fire Officer and Chief Constable attended a meeting with Northamptonshire MPs and briefed them on the current financial position for Police and Fire and outlined the current financial context for both services.
  - b. The PFCC and the Chief Finance Officer attended local meetings with representative groups to have conversations around the current financial position and hear their thoughts on the levels of precept, budget challenges and services. The PFCC found these conversations and discussions invaluable, and the office is now on the circulation list for many of these meetings.
72. For this year's precept, over the period 5<sup>th</sup> December 2023 to 16<sup>th</sup> January 2024, the PFCC undertook an online survey which was carried out with the intention of reaching as many people as possible to obtain the views of a demographically representative group of the county's population.
73. The survey was sent out to a wide range of contacts and using many different approaches. Appendix A sets out the consultation on the precept further.
74. This wide reach is set within the challenges of the limited timescale of the government funding settlement, the current cost of living climate and the fact that it was held over the festive season.
75. The online survey was targeted specifically in relation to the precept and to understand confidence in policing and fire and rescue services within Northamptonshire. It was communicated to as many stakeholders as possible, to enable any resident to share their views on the level of the precept.

76. Interim reviews were taken on the survey to assess the reach and where appropriate, additional communications were made to key areas of the county to ensure those who wished to contribute to the survey were able to do so.
77. The precept online consultation has formed part of a wider public consultation, conducted across all areas of Northamptonshire to understand how people feel about policing in the county and their levels of trust and confidence in their local police force. Qualitative, face-to-face consultation is being undertaken with communities across Northamptonshire to capture views and feedback.
78. As part of this qualitative consultation, two 'reflector sessions' are being carried out with stakeholders representing support organisations, commissioned services and individuals and groups within the wider community safety partnerships.
79. The PFCC would like to give particular appreciation to the commitment and engagement of the Chair and members of the Police, Fire and Crime Panel, local Councillors MPs, forum members and teams within the unitary authorities as he recognises that they have been contacted multiple times during the survey period and asked to disseminate the survey amongst their local residents and contacts.
80. The online survey received 1,997 responses. This is classed as a statistically relevant sample size for the County based on a 95% level of confidence. The PFCC has considered the results of the online survey which were:
- **49.6% of residents were prepared to pay £15 or more if they were able to for Police services.**
  - 45.2% were not prepared to pay any more than they do now; and
  - 5.2% said they did not know.
81. Respondents were also given the opportunity to comment on how good a job the Police and the Fire and Rescue Service did. For Police, 1,944 residents replied:
- **33.8% of residents thought Police were doing a good or excellent job.**
  - 32.9% of residents thought they were doing a fair job.
  - 25.4% of residents thought they were doing a poor or very poor job.
  - 8.0% did not know.
82. The PFCC will consider the narrative comments in the survey as part of the wider Precept and Confidence Consultation findings which will be published on the PFCC website in due course.
83. Furthermore, two in-person budget and precept meetings were held in January with key stakeholders, with one taking place after the provisional settlement when more information was available. The meetings took place as follows:

- a. A Councillor Budget and Precept meeting was held on the 16<sup>th</sup> January 2024. All 318 local Councillors and representatives were invited. 32 Councillors attended and received a high-level briefing on the provisional funding settlement for both Fire and Policing. The PFCC is grateful to those who attended.
- b. The PFCC held a Police Fire and Crime Panel workshop on the 26<sup>th</sup> January regarding the budget and precept considerations for 2024/25, which was attended by five representatives. The annual workshops commenced in January 2021 and the PFCC has again found this approach and member input invaluable. The PFCC is grateful to all Panel members who attended, and subject to the views of the Panel will continue to offer the budget workshop as an annual event.

### **The Financial Challenge – Future Risks, Challenges and Uncertainties**

84. The impact of a different inflation assumptions to that estimated in the MTFP are as follows:
  - Every 1% reduction in grant equates to circa £1.0m per annum
  - Every 1% in Council Tax (£3.06) equates to circa £0.8m per annum
  - Every £1 in Council Tax equates to £0.259m per annum
  - Every 1% in Pay equates to circa £1.5m in a full year
  - Every 1% non-pay inflation equates to £0.3m per annum
85. Prudent forecasts have been included where information which has not yet been finalised. Any variations between the provisional and final police settlement, council tax or the collection fund will be balanced with reserves.
86. There are some further financial and operational risks and challenges which are as follows:
  - a. The unknown impact of the Police Funding Formula Review on Future Funding Settlements.
  - b. There is a national move to consider the charging of costs in line with a Net Revenue Expenditure (NRE) rather than a funding formula methodology. This disproportionately affects forces such as Northamptonshire who have a lower-than-average grant allocation and it bears no correlation to increasing population or households as can be seen earlier in the report. Any movement of national charging to NRE will result in cost increases to Northamptonshire.
  - c. The impact of a different core grant assumption to that estimated in the MTFP for the years after 2024/25.

- d. The operational and financial impact of new, emerging and increasing areas of threat and demand, including, but not limited to, child sexual exploitation, adult and child sexual and domestic violence crimes and increasing cybercrime. It is anticipated that the additional officers recruited will assist in the challenge of meeting such demands.
- e. It is anticipated that the impact of national grants reducing or ceasing for regional developments and activities would have a significant impact.
- f. The capital programme requirements and the investment required to take any business as usual, innovative or collaborative work forward in advance of the timings of savings. The removal of capital grants has had an impact on the revenue costs of the capital programme, which are now built into the MTFP.
- g. Strategies for: estates, fleet, digital and operational equipment are in place which inform the capital programme and revenue budgets. The Estates Strategy is currently being reviewed to develop a new masterplan and once updated will inform future capital programme and MTFP updates.
- h. The impact of partners' spending decisions which may affect services provided by the Force or PFCC.
- i. Inflation uncertainty:
  - The uncertainty of future pay awards.
  - Future non-pay inflationary challenges.

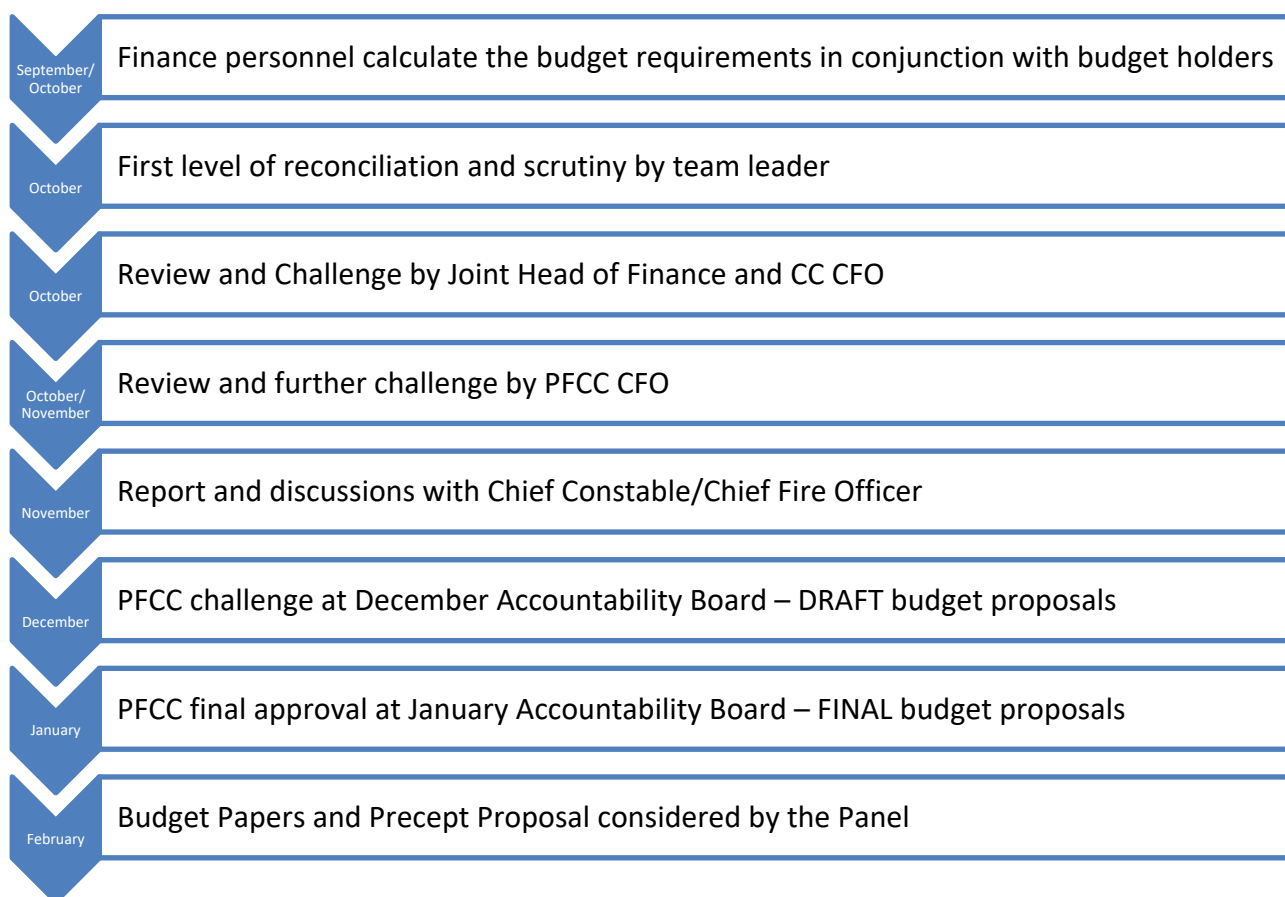
### **Budget Strategy**

- 87. Since being elected into office, the PFCC has sought to maximise the allocation provided to the police budget from within his funding envelope. This is balanced with maintaining sufficient resources to fund the capital programme, maintain the Office of the PFCC and provide over £5m in commissioning and delivery activities for the public of Northamptonshire.
- 88. In 2024/25, before investments, the PFCC will allocate over 95% of funding available to the Force.
- 89. In 2024/25, the Force budget will increase by over £15m on the previous year; a cash increase of around £64m since 2016/17.

### **2024/25 – Base Budget preparation, approach and scrutiny**

- 90. The budget is the fourth budget prepared under the Joint Finance Team using an approach which provides consistency across both Fire and Police. This has enabled comparability of assumptions and principles, together with best practice, resilience and a more efficient process applied to budgeting for all services.

91. The budget has been prepared on a zero-base where possible, in full consultation with budget holders, aligned to the Police, Fire and Crime Plan and tested against the MTFP.
92. The zero-based approach ensures that efficiencies are taken from this process where possible that only approved increases, inflation and unavoidable pressures are built in. Detailed workings are prepared, and the format of the budget models are consistent and contain built in checks and balances to ensure the correct information is fed through. This approach also enables resilience within the finance team.
93. Following the preparation of the budget strategy and approach in September, briefing sessions took place with all budget holders and the strategy was shared with the Joint Independent Audit Committee (JIAC) for further scrutiny and review.
94. The table below sets out the preparation and scrutiny elements of the budgeting process:



95. At the December Accountability Board, the PFCC commended the work on proposed budgets and approved investments in principle whilst final funding information was still awaited. The PFCC subsequently approved the budget subject to agreement on the precept and the sum of £1.823m for investments requested by the Chief Constable.
96. Thus, the PFCC has set the following budget for policing:

<b>2023/24 £m</b>	<b>Budget Breakdown</b>	<b>2024/25 £m</b>
133.344	Force	144.471
27.245	Enabling Services	31.799
<b>160.589</b>	<b>Indicative Police Budget</b>	<b>176.270</b>
1.288	OPFCC (Office)	1.314
5.018	Commissioning and Delivery (OPFCC)	5.353
<b>6.306</b>	<b>Budgets managed by the PFCC</b>	<b>6.667</b>
2.798	Capital Financing Costs	4.463
(1.561)	Transfers to/(from) Reserves	(5.452)
0.946	Investment	1.823
(0.500)	Savings to be identified	(0.803)
<b>168.578</b>	<b>TOTAL BUDGET</b>	<b>182.968</b>

### Harmonisation and Efficiencies

97. Since 2019, Police and Fire have incrementally moved to shared support services under Enabling Services and will be sharing HR and Payroll systems from April 2024.
98. The Fire governance transfer did not include funding for support services, but affordable resilient joint teams have been established providing essential professional skills and capacity. Efficiencies have been made from areas such as robust procurement and economies of scale from sharing buildings and services.
99. As part of the response to the police finance settlement consultation, the PFCC was required to highlight some of the efficiencies realised in Policing, these include (but are not limited to):
- a. Joint Digital Team have delivered £0.3m of efficiencies so far, realised from Police budgets.
  - b. Joint Commercial Team now embedded, moving away from an outsourced arrangement, providing better quality of service, diligence and efficiencies of over £0.8m. This includes establishing commercial frameworks and ensuring full cost recovery from Special Police Services. Of particular note is the newly established estates framework which gives opportunities for local businesses.

### 2024/25 Budget Consented to the Chief Constable – the Police Budget

100. As described above, there has been a significant amount of scrutiny and challenge on the police budget for 2024/25, and as part of these discussions and negotiations, the PFCC has sought and received assurances on how the assumptions and budgets have been calculated.



101. The operational police budget allocated to the Chief Constable for 2024/25 is **£176.270m**, an increase of over £15m from 2023/24 and is broken down as follows:

<b>2023/24 £m</b>	<b>Police Budget Breakdown</b>	<b>2024/25 £m</b>
86.570	Police Officers	97.537
29.997	Police Staff	32.072
3.978	PCSOs	3.973
1.049	Other Pension Costs	1.235
0.665	Other Employee Expenses	0.616
1.513	National ICT Charges (inc. PNC)	1.814
9.353	Third Party/Collaborative Arrangements	10.361
7.972	Other Non-Pay (excl. Enabling Services)	7.485
(7.753)	Income	(10.622)
<b>133.344</b>		<b>144.471</b>
27.245	Enabling Services	31.799
<b>160.589</b>	<b>TOTAL BUDGET</b>	<b>176.270</b>

102. Key headlines are as follows:

- a. The budget for 2024/25 provides for maintenance of police officer numbers at establishment of 1,501.
- b. The police officer budget requested by the Chief Constable follows a zero-based review and reflects the planned retirement and recruitment profile.
- c. Other non-pay costs cover equipment, uniforms and forensic and pathology costs.
- d. Enabling services include the costs of joint shared teams with Fire and reviewed inflationary pressures for 2024/25 including utilities, fuel and insurance costs.

103. The Chief Constable will also continue to embed the investments made in previous years and invest in further areas which include (but are not limited to):

- Vetting, professional standards and records management
- Establishment of the roads policing team
- Prioritising investigation of residential burglaries
- Occupational Health and Wellbeing including clinical supervision
- Additional resources in Protecting Vulnerable People (PVP) teams
- Investment in drone capability

- Innovation and research
- Investment in Control Room technology and people, growing the establishment of call handling staff by at least 16.
- Investment in a software solution to handle social media accounts and interact with the public as effectively as possible.

## 2024/25 Police, Fire and Crime Commissioner – Office Budget

104. The PFCC manages two separate budget areas:

- The cost of running his office, the OPFCC, and
- Commissioning and Delivery areas - which directly provide services to Northamptonshire residents and/or with other services.

105. The office budget for 2024/25 has an increase of £29k, of which £63k relates to staff pay inflation offset by miscellaneous non-pay budget reductions of £34k.

2023/24 £m	Budget Breakdown	2024/25 £m
0.961	Staff Costs	1.024
0.327	Other Office Costs	0.293
<b>1.288</b>	<b>Indicative Police Budget</b>	<b>1.317</b>

106. The PFCC has always endeavoured to ensure that the cost of staffing his office is less than 1% of the police budget. His 2024/25 budget continues with that commitment and OPFCC staffing equates to approximately 0.7% of the total police budget.

107. The OPFCC provides statutory governance services to NCFRA and has a costing methodology in place to ensure NCFRA contributes an appropriate amount. In-keeping with the updated Home Office Financial Management Code of Practice; where Fire costs can be reasonably estimated, they have been. Otherwise, a pro-rata funding allocation has been used, to ensure integrity and transparency of both fire and policing funds in line with the Treasury's "Managing Public Money" requirements.

## 2024/25 Police, Fire and Crime Commissioner – Commissioning and Delivery Budgets

108. The OPFCC undertake a wide range of delivery activities, providing services directly to residents of Northamptonshire. Furthermore, the OPFCC commissions services from partners and other organisations.

109. Commissioning and Delivery budgets are set out below and the sum of £330k will be drawn down from the PFCC initiatives reserve to meet one-year initiatives.

2023/24			Delivery and Commissioning Budgets	2024/25		
Budget £m	Grants/ Income £m	Net £m		Budget £m	Grants/ Income £m	Net £m
0.100	(0.075)	0.025	Commissioning	0.100	(0.100)	0.000
2.233	(1.321)	0.912	Victims, Witnesses, DV Support & Vulnerability	3.050	(1.440)	1.610
0.133		0.133	Joint Communications Team with Fire	0.099		0.099
2.455		2.455	Early Intervention and Youth	2.426		2.426
0.716		0.716	Reducing Reoffending	0.432		0.432
0.086		0.086	Delivery and Accountability	0.089		0.089
0.260		0.260	Crime Prevention	0.255		0.255
0.181		0.181	Customer Services - Complaints	0.192		0.192
0.250		0.250	Police, Fire and Crime Plan Delivery Fund	0.250		0.250
<b>6.414</b>	<b>(1.396)</b>	<b>5.018</b>	<b>Total Commissioning and Delivery</b>	<b>6.893</b>	<b>(1.540)</b>	<b>5.353</b>

110. The PFCC undertook star chambers with OPFCC budget holders to review all budgets and consider them holistically.
111. Additional investment built into Youth Work and Early intervention has been embedded with some savings enabling pay awards to be mainly subsumed.
112. Within the Police, Fire and Crime Plan Delivery Fund, the PFCC supports initiatives which are in the early stages of planning, or which arise during the year, which have not been specifically included within 2024/25 budgets. The sum of £0.250m has been ring-fenced along with funding for the grant schemes already in place.
113. A further sum of £0.500m has been ring-fenced for work to look at vulnerability, serious violence in young people and behavioural change.
114. The OPFCC Commissioning and Delivery budgets continue to embed the investments made in previous years, which:
- Prioritise work to support victims and the vulnerable.
  - Take forward initiatives to reduce domestic violence.
  - Work with partners to take forward initiatives to reduce re-offending.
  - Prioritise early intervention and engagement work.
  - Prioritise targeted youth intervention and engagement work.
  - Continue to take forward work on crime prevention.
  - Continue to embed the investments made in Automatic Number Plate Recognition (ANPR) and CCTV.
  - Continue to take forward work with the Road Safety Alliance.

## Medium Term Financial Plan (MTFP)

115. The current MTFP covers a five-year period and is included in more detail at Appendix B.
116. The impact of high inflation during 2022/23 affected the costs in the MTFP at this point last year and we continue to use prudent forecasts with no guarantee of future funding to meet those increases.
117. Whilst the MTFP does include 0.5% cashable efficiency savings each year, these will not be sufficient to meet the shortfalls identified. Efficiencies will continue to be sought from sharing buildings, robust and shared procurement practices and sharing of resources/assets where it makes sense to do so. The Chief Constable is conscious to this challenge and has already started work to look at a comprehensive savings plan.
118. Whilst reserves are being used as expected in 2024/25 to maintain police officer strength, these are one-off funds and there have been no assumptions that similar monies will be available in future years. If the force is successful in bidding for any additional uplift funding, the PFCC is committing to using this to maintain officer numbers for as long as is affordable.
119. Despite future shortfalls forecast in the MTFP, in the unlikely event that further efficiencies could not be found, the budget can be balanced in the short term by the use of reserves. However, the use of reserves is not a permanent solution, and the PFCC and Chief Constable will continue to seek efficiencies to ensure the budgets are balanced.
120. The key assumptions that have been used to estimate the financial challenge for the medium term are:
  - a. Precept will increase by £13 in 2024/25, and 1.99% each year thereafter. No information is yet available about referendum limits beyond 2024/25.
  - b. Prudent funding assumptions have been made in respect of government funding, taxbase levels, and council tax deficits (source: professional assumptions).
  - c. Prudent pay increase estimates are assumed at 2.5% in 2024/25 and an average of 2% per year thereafter. As part of the Ministers statement, he stated verbally an intention that any police pay award above 2.5% could be met by additional grant funding (as was the case in 2023/24). However, this is not guaranteed and merely an indication at this stage.
  - d. Investment requirements can be prioritised and met from within the revenue budget or capital programme. Where appropriate, the PFCC will use reserves to pump prime investment initiatives. Any multi-year investments will be subject to review each year and may require additional savings to embed in the base budget longer term.

- e. Further borrowing beyond the capital programme is not required.
- f. Funding for regional collaborations will remain consistent, allowing for a reasonable level of general inflation.

121. It is assumed that no additional unfunded priorities or responsibilities will be given to the PFCC and Chief Constable to deliver.

122. The MTFP based on key assumptions detailed below, is attached at Appendix B and summarised as follows:

<b>2023/24 £m</b>		<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>
169.078	Expenditure	183.771	194.738	198.645	203.032	207.196
(0.500)	Efficiencies agreed	(0.803)	(1.684)	(2.591)	(3.513)	(4.455)
-	Efficiencies to be identified	-	(1.678)	(1.678)	(1.678)	(1.088)
<b>168.578</b>		<b>182.968</b>	<b>191.376</b>	<b>194.376</b>	<b>197.841</b>	<b>201.653</b>
(168.578)	Funding	(182.968)	(185.033)	(189.298)	(193.686)	(198.199)
-	<b>Shortfall</b>	-	<b>6.343</b>	<b>5.079</b>	<b>4.155</b>	<b>3.454</b>

### Capital Programme

123. A Capital Programme has been approved as part of the budget setting process, which identifies the requirements across fleet, estates, ICT and operational equipment.

124. The approved Capital Programme is as follows:

<b>Programme</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>
Estates	6.1	5.7	4.8	4.8	12.3
ICT	6.7	3.2	3.3	8.6	4.4
Vehicles & Operational Equipment	1.9	1.3	1.4	1.3	1.4
<b>TOTAL</b>	<b>14.7</b>	<b>10.1</b>	<b>9.6</b>	<b>14.8</b>	<b>18.1</b>

125. The PFCC is currently reviewing the latest estates masterplan. Whilst formal decisions are yet to be made, the latest iterations have been considered by the Chief Fire Officer and Chief Constable. The above capital programme includes an amount for potential capital investment in estate and will be updated with more accurate projections when the masterplan has been formally approved by the PFCC with advice from the S151 and Monitoring Officer.

126. Costs are often occurred ahead of any efficiencies or disposals, therefore, the PFCC will continue to push to ensure that any disposals included in the plans are made in a timely and efficient manner to ensure the full benefits can be realised.

127. The Commissioner is required to approve a 'Treasury Management Strategy' each year, setting out the detail of his policy and approach to managing investments, borrowing and cash management.
128. This is required by the Prudential Code and the Code of Treasury Management published by the Chartered Institute of Public Finance and Accountancy (CIPFA). This ensures, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. A further key objective is to ensure that treasury management decisions are taken in accordance with good professional practice.
129. The Treasury Management Strategy will be considered by the PFCC alongside an updated capital strategy. The Joint Independent Audit Committee (JIAC) will consider this key document at their March meeting prior to being placed on the OPFCC website.

### **Use of Reserves**

130. In considering the budget, the MTFP and level of precept options, it is important to look closely at the size, level and type of reserves held by the PFCC to ensure that they are adequate to cover the purposes for which they are held and to provide some safeguards against the future risks identified within the budget.
131. There is also a need to ensure they are not excessive. In 2018 the Home Office announced the intention to review reserves and provide greater transparency for the public. In meeting this requirement, the updated Reserves Strategy is attached at Appendix D, and will be published on the PFCC's website for transparency.
132. Two types of reserve are held, as follows:

### **General Reserve**

133. There is a general reserve which is estimated at 31<sup>st</sup> March 24 at **£5.3m**. This represents around 3% of total funding for 2024/25 and is in keeping with the PFCC's guideline level. On current forecasts the general reserve will remain within guideline minimum levels over the MTFP. It is prudent to have such a reserve at this level to enable the organisation to withstand unexpected events which may have financial implications.

### **Earmarked Reserves**

134. As at the 31<sup>st</sup> March 2024 it is estimated that the PFCC will hold **£19.1m** in earmarked reserves. These are detailed in the reserves strategy included at Appendix D.
135. The PFCC will continue to review the reserves held and determine whether they are still required.

## **Precept proposal**

136. After careful consideration of the factors included within this report, the PFCC is proposing a precept increase of £13 (4.44%) for the 2024/25 financial year in order to continue to invest in police officers, build a sustainable base budget to maintain and safeguard policing services across the force area, together with additional investment into essential and evolving demand areas for policing.
137. The PFCC appreciates the impact on the taxpayer at this time.
138. Whilst this is a pressure on households, it reflects current inflation levels and the PFCC needs to ensure that Policing has the resources it needs to meet the current and future spending challenges, but also reflects the current financial climate and the views of those who took part in the precept surveys.
139. The PFCC is grateful to all those who took part in the survey and their willingness to pay more in order to safeguard and develop policing in the county and he will continue to push the government for a fairer funding position for Northamptonshire.

## **Robustness of the Budget – Statement of the S151 Chief Finance Officer**

140. Section 25 of the Local Government Act 2003, places a duty on the S151 Officer to make a report to the authority on:
  - a. The robustness of the estimates included within the budget.
  - b. The adequacy of the reserves and balances.
141. The PFCC must have regard to this when considering the budget and the report must be shared with the Police, Fire and Crime Panel.
142. In their considerations, the S151 Officer is mindful of other associated statutory safeguards designed to support the authority:
  - a. Section 151 of the Local Government Act 1972 which requires the authority to make arrangements for the proper administration of its financial affairs and that the Chief Financial Officer has personal responsibility for such administration.
  - b. Sections 32, 43 & 93 of the Local Government Finance Act 1992 which requires the authority to set a balanced budget.
  - c. The Prudential Code introduced as part of the Local Government Act 2003 which sets out the framework within which the authority must manage its investments, including adequate planning and budget estimates.

- d. The external auditor's duty to assess the adequacy of the authority's proper arrangements to secure economy, efficiency and effectiveness ('value for money')
143. To reinforce these obligations, Section 114 of the Local Government Finance Act 1988 requires the S151 Officer to report in consultation with the Monitoring Officer if there is or is likely to be unlawful expenditure or an unbalanced budget.
144. This report has set out the robust budget setting process that has taken place and the work undertaken to ensure the budget is as realistic, deliverable and achievable as possible.
145. The Chief Constable's Section 151 Officer has worked closely with the Chief Constable's Executive team, budget holders and the finance team to deliver the draft budget and savings plan, ensuring that effective scrutiny and challenge has taken place throughout. The S151 Officers have worked closely throughout the process. The PFCC has undertaken scrutiny and strategic review of the proposals on two occasions and has been updated regularly throughout the budget cycle as appropriate.
146. The estimates and assumptions are based on the best information available at the time of formulating the budget in line with the fundamental accounting concepts and are reasonable and prudent.
147. The Section 25 Statement of the S151 Chief Finance Officer for Northamptonshire Police, Fire and Crime Commissioner is included at Appendix C.



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**EQUALITY, DIVERSITY AND HUMAN RIGHTS IMPLICATIONS**

The budget and proposed precept provide the resources for the delivery of the Police, Fire and Crime Plan. Additionally, the survey is comprised of a representative sample of Northamptonshire residents.

**HUMAN RESOURCES IMPLICATIONS**

None

**ENVIRONMENTAL IMPLICATIONS**

None

**RISK MANAGEMENT IMPLICATIONS**

Risks and mitigations have been highlighted in the report.

**LEGAL IMPLICATIONS**

The PFCC is required to notify a precept to the billing authorities by the 1<sup>st</sup> March each year. In doing so, he must set a realistic revenue budget, informed by the report of the Chief Finance Officer

**List of Appendices**

Appendix A - Consultation on the Precept

Appendix B - Medium Term Financial Plan

Appendix C - Section 25 Report of the Section 151 Chief Finance Officer

Appendix D - Reserves Strategy

**Persons to Contact**

Mr V Ashcroft, Chief Finance Officer,

Office of the Police, Fire and Crime Commissioner

## **Appendix A**

### **Survey on the Precept**

#### **Context**

Embarking on the 2024/25 precept survey at the end of 2023, at a time when increased financial challenges are being faced by people across the country, has required a significant amount of input from a communications perspective.

An online survey launched on 5<sup>th</sup> December 2023 asking questions relating to the precept and to understand confidence in policing and fire and rescue services within Northamptonshire. It was communicated widely to stakeholders across the county with a request to share, to ensure a demographically representative group of the county's population was reached.

Due to the statutory timeframes, there was no option but to run the survey over the Christmas period. We wanted to ensure that the public had sufficient time and numerous opportunities to see and complete the survey, so a decision was taken to launch the campaign prior to the Government releasing their financial settlement and proposed council tax levels.

The survey was open for eight days longer than last year, closing on 16<sup>th</sup> January 2024. It received a total of 1,997 responses, which is an increase of 15% from the 2022/2023 survey and more completions than ever before. We benchmarked our survey with other PCC/PFCCs and found that completion rates were broadly falling, and public engagement was a communication challenge experienced right across the country.

To help encourage engagement, it was imperative to have a strong narrative and rationale to explain the difficult decision the PFCC must make in asking for additional funds to continue with the investments being made in both Police and Fire and ensure that the priorities of both services can be delivered.

#### **Communications Activity**

Five main communications channels were used to raise awareness of the survey, seek public views and encourage people to take part. These were:

- Mainstream media
- Partners and stakeholders
- Digital and social
- Paid-for social media advertising
- Internal communications for OPFCC, Police and Fire

We contacted our extensive stakeholder database to reach local councillors at all levels, local authority partners, businesses, community and charity groups, various panels and volunteers as well as different policing divisions and police liaison officers.

Leaflets outlining the PFCCs priorities were created with a bespoke QR code directing people to the online survey. These were distributed across the county via community engagement teams, colleagues and partners. We also provided all our public-facing Police Stations with leaflets so officers could encourage visitors to complete the survey.

By monitoring response rates daily, we were able to target further communications to specific areas where completion rates were particularly low. These areas were sent reminders via Northamptonshire Talking (formerly Neighbourhood Alert) and via parish or town councillors and the relevant police liaison officer.

Social media was used to remind followers to take part in the survey and share key information about the PFCC priorities, the context for an increase of funding and the closing date.

We used the Nextdoor channel which has an estimated reach of 90,000 county residents and is a popular alternative to Facebook, for the first time. More than 10% of our total responses came from this channel.

We carried out pre-budget engagement with the county’s MPs so that they could understand the financial position and advocate for Northamptonshire Police and Northamptonshire Fire and Rescue Service both at Westminster and in their constituencies.

Audience	Reach
<p><b>Stakeholders</b></p> <ul style="list-style-type: none"> <li>• Northamptonshire Talking (formerly known as Neighbourhood Alert)</li> <li>• Parish Councils and Town Councils</li> <li>• Councillors in North Northamptonshire and West Northamptonshire</li> <li>• Police, Fire and Crime Panel members</li> <li>• MPs</li> <li>• Chief Executives and Leaders of Local Authorities</li> <li>• Neighbourhood Watch Management Committee</li> <li>• Community Safety Managers for Northamptonshire North and Northamptonshire West</li> <li>• Diversity Forums of West Northamptonshire Council</li> <li>• Northamptonshire Police Community Engagement team</li> </ul>	<p>The survey was sent to more than 25,000 stakeholders, with a request that they further cascade.</p> <p>A message on Northamptonshire Talking was sent to residents across the county, while further targeted communications were sent to the following areas where a lower response rate had been identified: Corby, Wellingborough and Daventry.</p> <p>More than 38,000 people opened the email we sent via this channel.</p>

<ul style="list-style-type: none"> <li>• Independent Advisory Group members</li> <li>• Independent Custody Visitors</li> <li>• Businesses via the Chamber of Commerce, Northampton BID and the Northamptonshire Business Forums</li> <li>• Secondary Schools and colleges</li> <li>• Joint Action Groups</li> <li>• Northamptonshire Association of Local Councils</li> <li>• Various voluntary and third sector organisations</li> <li>• Rural interest groups</li> <li>• The Police Liaison Representatives on every parish and town council</li> <li>• All local criminal justice boards</li> </ul>	
<p><b>Internal</b></p> <ul style="list-style-type: none"> <li>• News item on ForceNet – The Northamptonshire Police intranet viewed by all officers and staff – repeated twice during survey period</li> <li>• All staff email to OPFCC</li> <li>• News item on Northamptonshire Fire and Rescue Service intranet for Firefighters and staff – repeated twice during the survey period</li> <li>• Daily Orders – link to item on ForceNet directing police staff to survey</li> <li>• Chief Officer Vlogs in both Northamptonshire Police and Northamptonshire Fire and Rescue Service</li> <li>• Message and link displayed on December payslip and portal for Northamptonshire Police officers and staff and Northamptonshire Fire and Rescue Service Firefighters and staff, and OPFCC staff</li> <li>• Splash screen survey message on every computer across OPFCC, Fire and Police</li> <li>• Repeated messaging during bi-weekly Pacesetter meetings for senior firefighters with requests to cascade through the Fire Community Risk Group (CRG)</li> </ul>	<p>The survey potentially reached over 2,500 people (including police officers, firefighters, staff, and volunteers), with a request that they further cascade.</p>

<p><b>Key Internal Stakeholders</b></p> <ul style="list-style-type: none"> <li>• Northamptonshire Police Chief Officers</li> <li>• Northamptonshire Fire and Rescue Service (NFRS) Senior Fire Officers</li> <li>• Directors in the Office of the Police, Fire and Crime Commissioner (OPFCC)</li> <li>• OPFCC Customer Service team</li> <li>• Police Federation</li> <li>• Unison</li> <li>• Police Superintendents' Association</li> <li>• Voice</li> </ul>	<p>Email request to cascade to their members/contacts</p>
<p><b>Mainstream media</b></p> <ul style="list-style-type: none"> <li>• A news release was issued to all local and regional media across Northamptonshire.</li> <li>• News release was sent to hyper local publications.</li> <li>• The survey was trailed in the December edition of the PFCC newsletter.</li> <li>• Further targeted news release to areas where response rate had been lower.</li> </ul>	<p>The news release went to over 60 newsrooms (print and broadcast including the Northampton Chronicle and Echo and BBC Radio Northampton), plus individual reporters and other local news sites.</p> <p>Coverage on Northampton Chronicle, Northamptonshire Telegraph and Daventry Express on December 12.</p> <p>A further targeted news release to encourage more residents in Wellingborough and Corby to fill in the survey was sent to Northamptonshire Telegraph and published on January 9.</p>
<p><b>Digital and Social</b></p> <p>X (formerly Twitter) OPFCC account (native)</p> <p>X (formerly Twitter) NFRS account</p> <p>Meta (Facebook/Instagram) account native</p>	<p>34,380 impressions 520 engagements</p> <p>2,748 impressions 32 engagements</p> <p>12,931 impressions 37 engagements</p>

Meta adverts including Facebook (paid, £72.07)	10,375 reach
Google ads including YouTube (paid, £75.70)	479 impressions 29 engagements
OPFCC & Fire Website views - 4 different pages / news stories	745 hits
LinkedIn – OPFCC and NFRS	185 impressions
Northamptonshire Talking (formerly Neighbourhood Alert) for OPFCC	37,668 emails read 1,471 clicks to survey
Next Door	90,340 reach

**Future consideration: WNC and NNC council tax survey**

Both West and North Northamptonshire Council also consulted on their council tax at the same time as the Commissioner is consulting on his precept.

We are actively engaging with our colleagues in the unitary authorities to see how we can work together more effectively to maximise the opportunity for residents to have their say and increase the numbers who respond still further.

The full report will be published on the PFCC website when all the analysis has been completed.

## Appendix B

### Medium Term Financial Plan 2024/25 - 2028/29

#### Medium Term Financial Plan

		MTFP - £13 Precept				
		2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
<b>2023/24</b>						
<b>£'000</b>						
86,570	Police Officers	97,537	101,076	103,125	105,061	106,547
29,997	Police Staff	32,072	32,806	33,489	34,187	34,689
3,978	PCSOs	3,973	4,044	4,108	4,172	4,219
1,049	Other Pension Costs	1,235	1,248	1,270	1,294	1,310
665	Other Employee Expenses	616	625	638	651	661
1,513	National ICT Charges (inc. PNC)	1,814	1,925	2,038	2,154	2,272
9,353	Third Party/Collaboration	10,361	10,568	10,779	10,995	11,215
7,972	Other Non-Pay (excl. Enabling Services)	7,485	8,682	9,637	10,734	12,444
(7,753)	Income	(10,622)	(11,011)	(11,434)	(12,826)	(13,888)
<b>133,344</b>	<b>CHIEF CONSTABLE - OPERATIONAL</b>	<b>144,471</b>	<b>149,963</b>	<b>153,650</b>	<b>156,422</b>	<b>159,469</b>
27,245	<b>ENABLING SERVICES</b>	31,799	31,337	30,825	32,021	31,936
<b>160,589</b>	<b>TOTAL CHIEF CONSTABLE BUDGET</b>	<b>176,270</b>	<b>181,300</b>	<b>184,475</b>	<b>188,443</b>	<b>191,405</b>
1,288	OPFCC (Office)	1,314	1,344	1,374	1,404	1,404
5,018	OPFCC (Commissioning & Delivery)	5,353	4,953	4,723	4,823	4,823
2,102	Capital Financing - MRP	2,681	3,637	3,807	4,137	5,702
496	Capital Financing - Interest	782	1,269	1,488	1,448	1,675
200	Capital Financing - RCCO	1,000	1,000	1,000	1,000	1,000
1,010	Specific Transfers to Reserves	-	100	100	100	100
(2,571)	Specific Transfers from Reserves	(5,452)	(542)	-	-	-
<b>7,543</b>	<b>OTHER (Inc. OPFCC &amp; Capital Financing)</b>	<b>5,678</b>	<b>11,761</b>	<b>12,492</b>	<b>12,912</b>	<b>14,704</b>
946	New Investment Proposals	1,823	1,678	1,678	1,678	1,088
(500)	Minimum Savings Target	(803)	(1,684)	(2,591)	(3,513)	(4,455)
-	Further Savings/Efficiencies Requirement	-	(1,678)	(1,678)	(1,678)	(1,088)
<b>168,578</b>	<b>TOTAL GROUP</b>	<b>182,968</b>	<b>191,376</b>	<b>194,376</b>	<b>197,841</b>	<b>201,653</b>

PTO

### FUNDING

(81,905)	Main Police Grant	(86,809)	(92,165)	(93,547)	(94,950)	(96,375)
(1,272)	Pension Grant	(4,079)	(3,825)	(3,825)	(3,825)	(3,825)
(2,600)	Ringfenced Officer Uplift Grant	(4,054)	-	-	-	-
(6,644)	Legacy Grants	(6,644)	(6,644)	(6,644)	(6,644)	(6,644)
-	Additional Uplift Grant	(1,008)	-	-	-	-
(75,118)	Precept	(79,115)	(81,900)	(84,782)	(87,767)	(90,856)
(1,039)	Collection Fund Deficit/(Surplus)	(1,259)	(500)	(500)	(500)	(500)

<b>(168,578)</b>	<b>TOTAL FUNDING</b>	<b>(182,968)</b>	<b>(185,033)</b>	<b>(189,298)</b>	<b>(193,686)</b>	<b>(198,199)</b>
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-	<b>FUNDING (SURPLUS) / DEFICIT</b>	-	<b>6,343</b>	<b>5,079</b>	<b>4,155</b>	<b>3,454</b>
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### PRECEPT

£293.04	Band D Council Tax	£306.04	£312.13	£318.34	£324.68	£331.14
256,339.80	Tax Base	258,511.60	262,389.27	266,325.11	270,319.99	274,374.79

### ASSUMPTIONS

Home Office Grants	11.01%	1.50%	1.50%	1.50%	1.50%
Precept (%)	4.44%	1.99%	1.99%	1.99%	1.99%
Precept (£)	£13.00	£6.09	£6.21	£6.33	£6.46
Tax Base Change - Increase/(Decrease)	0.85%	1.50%	1.50%	1.50%	1.50%
Inflation Contingency	0.00%	0.00%	0.00%	0.00%	0.00%
Pay Awards	2.50%	2.00%	2.00%	2.00%	2.00%

*Note: Figures may not sum due to rounding*



## **Appendix C**

### **Section 25 Report of the Section 151 PFCC Chief Finance Officer**

*"I have worked closely with the Force S151 Officer and the Joint Finance Team and have been assured by their robust and diligent approach to the 2024/25 budget setting process. I am grateful for their hard work, scrutiny and challenge throughout, and am impressed by how they continue to take ownership and make improvements every year.*

*I have been fully briefed on the progress of the budget by Enabling Services colleagues prior to and throughout the budget process and development of the capital programme, ensuring I have been party to all key assumptions and decisions. Prudent evidence-based estimates and assumptions included have been based on professional estimates, peer knowledge and benchmarking. Where possible, I have aligned these with national Fire, Police, local authority and national technical team colleagues.*

*I have reviewed the detailed calculations in arriving at the budget requirement and Council Tax precept and options and find these to be robust. I also have sought and received authorisations from billing authorities in relation to taxbase and Council Tax surplus/deficits and I am grateful to all partners for their support in doing so.*

*The PFCC's precept intention of £13 takes into account public consultation alongside prudent assumptions based on the best information available, the MTFP and the reserves position, and still enables an element to be ring-fenced for investment.*

*The Chief Constable and his team have been fully involved in the budget discussions and have discussed revenue and capital requirements for 2024/25 and future years with the PFCC.*

*The budget for 2024/25 has been created through a zero-based budget approach and only previously agreed growth, contractual commitments or unavoidable pressures have been built in. It is a structured and consistent process and I have received informative responses to queries and/or points of clarification. Where I have sought changes, they have been incorporated.*

*I have worked with the PFCC to agree or require changes to base budget pressures proposed by the Force.*

*As part of the budget proposals, the PFCC has agreed to investment proposals put forward by the Chief Constable. I will support the PFCC in monitoring these agreed investments to ensure they are delivered in accordance with the timescales and financial envelopes agreed.*

*In preparing the MTFP, working with the Force S151 Officer, we modelled scenarios across council taxbase assumptions and precept increases ranging from 1.99% to £15 to help inform the PFCC considerations in determining his precept proposal for 2024/25. As the information from the settlement and taxbase became clearer, we continued to review and refine the MTFP.*

*Whilst Police grant allocations were slightly higher than forecast, they still do not reflect the pressures of inflation being experienced since 2022/23 and, as very little indicative funding information is available beyond 2024/25, there is a high level of uncertainty around affordability of the current MTFP in the future.*

*It is my recommendation that financially, it is essential to take forward the £13 precept flexibility afforded to Northamptonshire for 2024/25. This will be built into the base budget and help provide the most resilient position possible for the medium term.*

*The MTFP does require efficiencies to be made and assumes efficiencies will be delivered in 2024/25 and each year thereafter. However, even after these efficiencies, there are shortfalls in the MTFP. I am assured that the Chief Constable will work to identify efficiencies and ways of working which will address these challenges over the medium term. I will support the PFCC in ensuring the Chief Constable and Force S151 Chief Finance Officer provide regular updates to the Accountability Board.*

*It has been possible for the PFCC to develop a budget that supports most of the Force operational pressures and demands, balances the views of the public from the consultation and gives the opportunity for further investment to support the delivery of the priorities set out in the Police, Fire and Crime Plan.*

*There is an operational contingency available to the Chief Constable, and sufficient general reserves available should operational demands require access to these. Earmarked reserves are in place for specific requirements and in his budget the PFCC has identified further priority areas for earmarked reserves, in line with Police Fire and Crime Plan priorities.*

*The detail within the above report highlights significant unknowns in the medium term. The continuing impact of inflationary pressures, the impact of a future funding formula and the future economic climate are currently uncertain. Where possible forecasts and estimates are included within the MTFP and all opportunities for government funding are pursued to ensure any financial impact on Policing is minimised.*

*In coming to my conclusion on the robustness of the budget, I have also reviewed the capital programme and reserves strategy.*

*The capital programme is regularly updated, and all opportunities are taken to rephase the programme, seek external funding and apply for grants. All of these would assist in mitigating costs on the revenue budget.*

*General reserves are established at £5.3m which is above the guideline minimum level and as at the 31 March 2025, it is estimated that there will be almost £18.5m of revenue reserves in total available to support the budget and mitigate challenges if required.*

*Whilst a balanced budget is possible for the next three years, after that time, the landscape is less certain, and it is reasonable to assume that the operational and financial challenges will continue, and these are reflected as best estimates in the MTFP.*

*I conclude, therefore, that the budget for 2024/25:*

- 1. Has been prepared on a robust basis.*
- 2. Continues with the intention to maintain additional police officers in line with the national uplift, at to over 1500.*
- 3. Includes investment to help manage demand and increase efficiency and/or capacity.*
- 4. The budget can be balanced for the next three financial years, with a savings plan and work is already underway by the Chief Constable to identify the balance after that time. Furthermore, reserves are adequate to mitigate the impact of the shortfalls in the MTFP over the five-year period if full savings are not forthcoming.*
- 5. The financial landscape after 2024/25 is less certain and the PFCC will continue to push for certainty. The MTFP will be under regular review as savings plans progress.*

**Vaughan Ashcroft**  
**Section 151 and Chief Finance Officer**  
**Office for the Police, Fire and Crime Commissioner for Northamptonshire**

## Appendix D Reserves Strategy



### NORTHAMPTONSHIRE POLICE, FIRE AND CRIME COMMISSIONER RESERVES STRATEGY (UPDATED JANUARY 2024)

#### 1. Reserves Strategy

- 1.1. Reserves are a key part of medium-term financial planning with other components including revenue spending plans, income forecasts, potential liabilities, capital investment plans, borrowing and council tax levels. Decisions on these are inter-linked. Consequently, some organisations will need to maintain reserves at higher levels than others.
- 1.2. All publicly funded organisations should have a reserves strategy to demonstrate transparency and accountability, to comply with best practice financial management and to justify the levels of reserves held.
- 1.3. The PFCC maintains reserves to provide a measure of protection against risk. Without this protection, any unforeseen expenditure would have to be met either by increases in Council Tax or immediate savings (potentially through reductions in service levels).
- 1.4. The term "reserves" has a variety of technical and everyday meanings, depending on the context in which it is used. In this strategy, it is taken to mean funds set-aside at the PFCC's discretion for general or specific future purposes.
- 1.5. Reserves are required to protect and enhance the financial viability and in particular:
  - To maintain a degree of in-year financial flexibility.
  - To enable the PFCC to deal with unforeseen circumstances and incidents.
  - To set aside monies to fund major developments in future years.
  - To enable the PFCC to invest to transform and achieve improved service effectiveness and efficiency.
  - To set aside sums for known and potential liabilities.

- To provide an operational contingency at service level.

1.6. Reserves should not be held to fund ongoing revenue expenditure as this is unsustainable in the long term. However, they may be important in smoothing a major financial imbalance (revenue or capital) over a longer timescale. CIPFA Bulletin 13 – Local Authority Reserves and Balances (Updated) published March 2023 states:

*“Balancing the annual budget by drawing on general reserves may be viewed as a legitimate short-term option. However, it is not normally prudent for reserves to be deployed to finance recurrent expenditure. CIPFA has commented that councils should be particularly wary about using one off reserves to deal with shortfalls in current funding. Where such action is to be taken, this should be made explicit, and an explanation given as to how such expenditure will be funded in the medium to long term.”*

1.7. The reserves strategy assumes that the Medium-Term Financial Plan (MTFP) is broadly balanced on a sustainable basis across the five year planning period. If the financial impact of current economic conditions continues to impact on taxbase and council tax levels over the medium term, then this could impact on those assumptions.

1.8. Reserves should reflect the agreed financial strategy and should represent the quantified impact of risks and opportunities over the planning period, weighted for their probability.

## **2. National Guidance and Compliance with Home Office Guidance on Police Reserves**

2.1. The CIPFA Bulletin includes guidance on the establishment and maintenance of local authority reserves and balances, setting out the key factors that should be taken into account locally in making an assessment of the appropriate level of reserves and balances to be held.

2.2. In the written statement that accompanied the Provisional Police Grant report on 19<sup>th</sup> December 2017, the then Policing Minister stated:

*“you may be aware that police reserves currently stand at around £1.6bn, which compares to £1.4bn in 2011. We will be changing guidance to PFCCs to ensure that police officers and the public have access to more detailed information on how PFCCs intend to use this public money.”*

This strategy complies with the Ministerial requirement.

2.3. On 31 March 2018, the Minister for Policing and the Fire Service published new guidance on the information that each PFCC must publish in terms of police reserves which is still relevant today. One of the key requirements is that the information on each reserve should make clear how much of the funding falls into each of the following three categories:

- Funding for planned expenditure on projects and programmes over the period of the current medium term financial plan.

- Funding for specific projects and programmes beyond the current planning period.
- As a general contingency to meet other expenditure needs held in accordance with sound principles of good financial management.

2.4. This information is summarised across the Home Office headings as at 31/3/24, together with the proposed use of the reserves held at that date as follows:

Reserve	Forecast Balance as at 31/3/2024	Funding for planned expenditure on projects and programmes over the MTFP (24/25-28/29)	Total Forecast Revenue and Capital Reserves as at 31 March 2029	Funding for specific projects and programmes beyond the current planning period	As a general contingency to meet other expenditure needs
	£m	£m	£m	£m	£m
<b>General Fund</b>	<b>5.300</b>		<b>5.300</b>		<b>5.300</b>
<b>Earmarked Revenue:</b>					
Insurance	3.624		3.624		3.624
Operational Equipment	0.400	(0.200)	0.200		0.200
Carry Forwards	0.200	(0.200)	0.000		0.000
Pensions	0.215		0.215		0.215
Smoothing	3.028	(0.889)	2.139		2.139
PFCC Initiatives	3.908	(1.240)	2.668	(2.668)	0.000
Transformation	2.458	(1.582)	0.876	(0.876)	0.000
Safer Roads	0.501	(0.330)	0.171	(0.171)	0.000
Neighbourhood	3.937	(2.363)	1.574		1.574
<b>Total Earmarked</b>	<b>18.271</b>	<b>(6.804)</b>	<b>11.467</b>	<b>(3.715)</b>	<b>7.752</b>
Collaboration	0.575		0.575	(0.575)	0.000
<b>Total Revenue</b>	<b>18.846</b>	<b>(6.804)</b>	<b>12.042</b>	<b>(4.290)</b>	<b>7.752</b>
<b>Capital:</b>					
Capital Reserve	0.077		0.077	(0.077)	0.000
S106 Developer Contributions	0.191	(0.191)	0.000		0.000
<b>Total Capital</b>	<b>0.268</b>	<b>(0.191)</b>	<b>0.077</b>	<b>(0.077)</b>	<b>0.000</b>
<b>Total Reserves</b>	<b>24.414</b>	<b>(6.995)</b>	<b>17.419</b>	<b>(4.367)</b>	<b>13.052</b>

*Note: numbers may not sum due to rounding*

### 3. General Reserve

- 3.1. In order to assess the adequacy of the unallocated general reserve when setting the budget, the PFCC, on the advice of the two Chief Finance Officers, should take account of the strategic, operational and financial risks facing the authority. This assessment of risk should include external risks, as well as internal risks, for example the ability to deliver planned efficiency savings.
- 3.2. Whilst there is no prescribed level of reserves that PFCCs should hold; it is influenced by individual discretion, local circumstances, advice from external auditors, risk management arrangements and risk appetite. CIPFA guidance specifically cautions against prescriptive national guidance for a minimum or maximum level of reserves and states:

*“The many factors involved when considering appropriate levels of reserves can only be assessed properly at a local level. A considerable degree of professional judgement is required. The chief finance officer may choose to express advice on the level of balances in cash and/or as a percentage of budget (to aid understanding) so long as that advice is tailored to the circumstances of the authority.”*

- 3.3. However, the minimum level of reserves may be set for the authority by the Ministers in England and Wales where an authority does not act prudently, disregards the advice of its chief finance officer or is heading for financial difficulties.
- 3.4. CIPFA indicate a minimum general reserve level is typically between 2% and 3% of net budget requirement.
- 3.5. In Policing, average general reserves are around 5% whilst in the Fire sector there are a higher level of both general and earmarked reserves held.
- 3.6. In December 2022, prior to the provisional Local Government Settlement, the Department of Levelling Up, Housing and Communities (DLUHC) issued a policy statement. The statement included specific mention of the level of reserves built up during the pandemic and which applies to Fire and Police as follows:

*“The government notes the significant increase in some local authority reserves over the 2 years of the pandemic. We encourage local authorities to consider how they can use their reserves to maintain services in the face of immediate inflationary pressures., taking account, of course, of the need to maintain appropriate levels of reserves to support councils’ financial sustainability and future investment. In order to support council members and local electorates to understand the reserves that their local authorities are holding and what they are used for, we will also explore releasing a user-friendly publication of the reserves data currently collected in the Local Authority Revenue Expenditure and Financing Outturn Statistics. We will consult with trusted partners, including the Local Government Association, about doing this”.*

- 3.7. The PFCC has considered his reserves strategy and wishes to hold a sufficient but not excessive level of reserves. In determining this position, Annexe 1 outlines how the PFCC complies with the 7 key CIPFA principles which can be used to assess the adequacy of reserves.
- 3.8. Given that the PFCC is required to meet the first 1% of any special grant requirement, and the level and range of earmarked reserves available to the PFCC, it seems prudent that the current policy is to maintain general reserves at a guideline level of around 3% of annual net revenue expenditure, with a minimum of 2.5%.
- 3.9. At present, there are no plans to use the general reserve during the period of the MTFP. However, with forecast budget increases, there is a need to ensure the level of general reserves keeps pace to ensure minimum and guideline levels are achieved as follows:

Year	£m	%
2024/25	<b>5.300</b>	2.9%
2025/26	<b>5.300</b>	2.8%
2026/27	<b>5.300</b>	2.7%
2027/28	<b>5.300</b>	2.7%
2028/29	<b>5.300</b>	2.6%

- 3.10. Where appropriate and if budget levels are higher than those forecast in the MTFP, the PFCC will endeavour to increase general reserves from 2025/26. Based on current forecasts, an additional £0.7m would increase levels to above 3% throughout the life of the MTFP.

#### 4. Earmarked Reserves

- 4.1. In addition to the general reserve, the PFCC holds a number of reserves which are earmarked for specific purposes.
- 4.2. The predicted position for each earmarked reserve as at 31/3/2024, together with an outline of its specific purpose is attached at Annexe 2.
- 4.3. At the 31/3/2024, it is estimated that the PFCC will hold £19.114m in earmarked reserves which are as follows and detailed in Annexe 3:
- **Insurance** – To hold funds set aside if considered prudent for civil claims (Public and Employer liability) in line with professional advice.
  - **Operational Equipment** – To smooth the impact on the revenue budget in respect of the cost of replacing operational equipment, rather than impacting disproportionately on the budget in any one year.
  - **Earmarked (Carry-Forwards)** – To hold previous years underspends which are ring-fenced and carried forward for specific purposes in the medium term.



- **Pensions** – To smooth the impact of ill-health retirements and to meet the costs of any unexpected pension-related pressures in excess of budget provision where the timing of such pressures are uncertain.
- **Smoothing** – To enable the savings generated to be earmarked and released over future years as needed, smoothing the impact of uncertain variations and timing of savings programmes on the revenue budget.
- **PFCC Initiatives** – To deliver funding towards the specific initiatives of the PFCC arising from the Police, Fire and Crime Plan.
- **Transformation** – To support initiatives and transformative activities such as investments in technology and other innovation.
- **Safer Roads** – To use in line with specific criteria for equipment or road safety initiatives. Following the 2018/19 budget initiatives, a Road Safety Alliance was set up with partners to produce priorities and the PFCC’s reserve is used to fund specific road safety grants and is used to fund the policing priorities from this.
- **Neighbourhood** – To capture any underspends from the in-year Police Officer and Police Community Support Officers (PCSO) budgets. It is intended that the PCSO proceeds of this reserve will be specifically used to support neighbourhoods, and that Police Officer funds are used to maintain officer strength where needed.
- **Developer Contributions (S106)** – To collect the drawn down developer contributions awarded to the PFCC in line with S106 planning arrangements. These funds will be released in accordance with the terms of the agreements, usually to fund capital expenditure. The reserve only accounts for funds once they have been drawn down.
- **Capital** – To hold capital financing underspends or disposal proceeds. These are to be used to fund the capital programme and minimise borrowing in line with the Treasury Management Strategy.
- **Collaboration** – To hold previous years underspends on regional collaboration to fund regional asset replacements. Each PCC holds their share of the regional reserves, set aside to meet future regional costs.

4.4. The forecast balance on the reserves, taking into account a prudent estimate of timings for proposals which are currently being developed is detailed within Annexe 3.

## 5. Provisions

5.1. The CIPFA Statement of Recommended Practice is prescriptive about when provisions are required (and when they are not permitted). A provision must be established for any material liabilities of uncertain timings or amount, to be settled by the transfer of economic benefits. In accordance with this statutory guidance, the Force hold an established ‘Insurance Provision’ which is reviewed as part of the closedown process for each year.

**6. Procedures for management and control**

- 6.1. Any drawdown from reserves is subject to the approval of the PFCC, on advice from the PFCC's Chief Finance Officer (OPFCC CFO); or under the delegated authority of the OPFCC CFO.
- 6.2. The Local Government Act 2003 requires the S151 officer to report annually on the adequacy of the reserves and this is included within the statement on the robustness of the estimates used for the budget and the adequacy of the proposed financial reserves.
- 6.3. The Strategy will be reviewed annually by the OPFCC CFO as part of the Budget and Precept process.

**Annexe 1**

**Northamptonshire OPFCC - Compliance with the 7 Key CIPFA Principles to assess the adequacy of reserves**

<b>Budget Assumptions (CIPFA Principles)</b>	<b>2024/25 Situation in Northamptonshire</b>
<p><b>The treatment of inflation and interest rates</b></p>	<p>Northamptonshire makes full and appropriate provision for pay and price increases, informed by benchmarking with peers.</p> <p>An informed assessment is made in the Treasury Management Strategy of interest rate movements.</p> <p>All income and expenditure in the budget is prepared and published at outturn prices.</p> <p>Additionally, there are operational and inflation contingencies to mitigate any volatility during the year.</p>
<p><b>Estimates of the level and timing of capital receipts</b></p>	<p>Northamptonshire has recently reviewed its estates strategy as a fundamental part of the capital programme and has made a prudent assumption of future capital receipts across the programme which are being used to fund capital expenditure and minimise the impact of borrowing on the budget.</p>
<p><b>The treatment of demand led pressures</b></p>	<p>The Force is required to operate and manage within its annual budget allocation. Overtime budgets are devolved within the Force to enable operational leaders to make decisions and the Chief Constable retains an operational contingency to support additional major incidents.</p> <p>On an exceptional basis, agreement is sought from the PFCC to utilise carry forwards to meet one off demand led pressures and demand led pressures are scrutinised and built into the budget set by the PFCC.</p> <p>Northamptonshire have identified savings in previous years which mean that opportunities for efficiencies are less than in previous years.</p>

	<p>The PFCC is keen to ensure the Force continue to identify efficiencies where it makes sense to do so, and a 1% efficiency target (of which half is expected to be cashable) is set as part of the budget and MTFP and detailed within the annual strategic outcomes agreed with the Chief Constable.</p> <p>Depending on funding availability, the PFCC has and will continue to support investment in areas that reduce demand, or which increase efficiency/capacity to deal with demand.</p> <p>General reserves are only used as a last resort to manage and fund demand led pressures.</p>
<p><b>The treatment of Planned Efficiency Savings/Productivity Gains</b></p>	<p>The Force have met all financial savings and challenges sought in previous years and in addition to realising efficiencies, have set a £0.8m efficiency target as part of the 2024/25 budget.</p> <p>The Force undertake budget challenge meetings and have identified a range of efficiencies to take forward which they will discuss with the Chief Constable and PFCC as they are refined.</p> <p>The Force operates a Strategic Planning Board which monitors investments, savings and efficiencies and is attended by OPFCC representatives.</p> <p>There are efficiency requirements aligned to the MTFP and any identified savings and efficiencies will be monitored and reviewed regularly by the service and are only included as achieved in budgets when confirmed and verified.</p>
<p><b>The financial risks inherent in any significant new funding partnerships, collaboration, major outsourcing arrangements or major capital developments.</b></p>	<p>The financial consequences of partnership collaboration working outsourcing arrangements or capital investment are reported to the PFCC as part of the medium-term planning process. Where relevant, any additional costs are incorporated into the annual revenue budget and/or capital programme.</p>

	<p>There is a risk that partners will withdraw funding as their own budgets are squeezed, or that the continued viability of private sector commercial partners will be exposed to risk in the face of an economic recession.</p>
<p><b>The availability of reserves, government grants and other funds to deal with major contingencies and the adequacy of provisions.</b></p>	<p>Northamptonshire OPFCC have created earmarked reserves and provisions to meet specific expenditure items and have added to these further in this strategy. Their use and balances are detailed in Annexe 3.</p> <p>Northamptonshire maintains an insurance provision, the adequacy of which is monitored in detail by the legal services insurance advisors, together with our insurance advisors. The access criteria for special grants state that PFCCS may be required to fund up to 1% of their net budget requirement themselves before the Government considers grant aid. This applies on an annual basis.</p> <p>Northamptonshire’s general reserve provides sufficient scope to cover this eventuality.</p>
<p><b>The general financial climate to which the Authority is subject</b></p>	<p>It is anticipated that the financial climate will continue to be challenging and the medium-term financial plan reflects the “best estimate” of future inflation rates and increases in government grants and contributions.</p> <p>The Commercial team keep the authority updated on matters/risks affecting large contracts and supply chain.</p> <p>The MTFP will be regularly reviewed and updated to support operational decision making.</p>

Annexe 2

**RESERVES OF THE NORTHAMPTONSHIRE PFCC  
2024/25 to 2028/29**

	<b>Rationale</b>	<b>How and when used</b>	<b>Level</b>	<b>Risk If Reserve Not Held</b>	<b>Management and control</b>	<b>Review</b>
<b>GENERAL RESERVE</b>	<p>To maintain a degree of in-year financial flexibility;</p> <p>To enable the PFCC to deal with unforeseen circumstances and incidents;</p> <p>To set aside sums for known and potential liabilities;</p> <p>To support the operational contingency held at service level if demands on them exceed the contingency levels held.</p>	<p>To meet exceptional spending needs or overspends which are unable to be otherwise financed at the year end.</p> <p>To smooth the profile of funding revenue over a medium term financial period</p> <p>To allow higher spending without raising council tax on a one-off basis</p>	<p>General principle of 3% of net budget requirement, with a minimum level of 2.5%</p>	<p>The general reserve is held at a level which reflects risk, uncertainties, and volatility.</p> <p>If no reserve is held there may be insufficient resources available for major catastrophe, which could jeopardise financial status and reputation of the PFCC.</p> <p>The PFCC would have recourse to Home Office discretionary special grant if costs exceed 1% of budget or CLG Bellwin scheme for natural disasters</p>	<p>PFCC, on advice from PFCC CFO</p>	<p>Annual</p>

	<b>Rationale</b>	<b>How and when used</b>	<b>Level</b>	<b>Risk If Reserve Not Held</b>	<b>Management and control</b>	<b>Review</b>
<b>EARMARKED - INSURANCE</b>	To cover the potential and contingent liabilities of uninsured risks as assessed annually by our insurers based on claims outstanding.	Balance will increase or reduce annually dependent on the PFCC's outstanding claims record.  Reviewed/scrutinised by the Joint Finance team and by legal and claims handling experts. Annual actuarial assessment determines the level of the reserve.	Will vary according to annual risk assessment	The reserve is held to cover potential uninsured risks.  If no reserve is held the PFCC is potentially open to significant excess and claims payments in year beyond available revenue budgets.  Assessment by insurers needs to be realistic not unduly pessimistic.	PFCC, on advice from PFCC CFO	Annual
<b>EARMARKED - OPERATIONAL EQUIPMENT</b>	To smooth the impact of operational equipment purchases on the revenue budget	To access the funds a costed request has to be provided.	Will vary according to usage and annual risk assessment.	The reserve is held to smooth the impact of operational equipment replacement rather than have significant variations in the budget.  If no reserve is held, the risk is that equipment would have to be replaced from the current year's budget or capital programme.	PFCC, on advice from PFCC CFO	Annual
<b>EARMARKED – CARRY FORWARDS</b>	To fund specific expenditure requested by the force from previous year underspends or earmarked funding received.	Business cases provided as part of the outturn report or specific funding conditions.	Will vary according to financial outturn.	Establishing a reserve enables an incentive and an opportunity to utilise year end underspends in a manner which will provide additionality and benefit for the service in future years, rather than finding resources from in-year or reserves.	PFCC, on advice from PFCC CFO	Annual

	<b>Rationale</b>	<b>How and when used</b>	<b>Level</b>	<b>Risk If Reserve Not Held</b>	<b>Management and control</b>	<b>Review</b>
<b>EARMARKED - PENSIONS</b>	<p>To meet the costs of any ill-health or injury retirements which are unbudgeted and fall directly on the PFCC.</p> <p>To cover any significant overspend on the employer contributions to the Pension Account.</p> <p>To cover costs in excess of budget relating to the administration of pension remedy, following changes to regulations.</p>	<p>Annually as required.</p> <p>Transfers out depend on the amount resulted from successful claims during the year.</p> <p>Historically there has been budget provided within the Force revenue budget for approximately 6 claims in a year. Any unused budget within a year would represent transfers in.</p>	<p>Will vary according to annual risk assessment</p>	<p>The reserve is held to collect any underspend from ill health pensions in the budget and provides an opportunity to smooth the impact of a financial pressure or overspend in subsequent years.</p> <p>The reserve enables a flat and realistic annual budget to be set for ill-health pensions rather than being subject to annual variances.</p> <p>If no reserve is held, significant pension costs beyond normal budgeted profile could create pressure on the revenue budget or general reserves.</p>	<p>PFCC, on advice from PFCC CFO</p>	<p>Annual</p>



	<b>Rationale</b>	<b>How and when used</b>	<b>Level</b>	<b>Risk If Reserve Not Held</b>	<b>Management and control</b>	<b>Review</b>
<b>EARMARKED - SMOOTHING</b>	<p>To smooth the impact of fluctuations in the funding receipts from the collection fund if provided after the budget has been set.</p> <p>To collect efficiency savings realised to smooth the impact on future years budgets.</p>	Balance will increase or reduce annually dependent on budget levels and the savings programme.	Will vary according to usage and annual risk assessment.	<p>The reserve is held to receive any efficiencies and funding in excess of the budget set and to utilise to ensure any variations are smoothed where appropriate. Also use to smooth budget fluctuations.</p> <p>If funds were not maintained the PFCC and the Force could be required to balance the budget or funding shortfalls by in year savings.</p> <p>There can be significant variations each year in the revenue budget whilst the timing of efficiency savings occur – this smoothing reserve will assist in mitigating that.</p>	PFCC, on advice from PFCC CFO	Annual
<b>EARMARKED - PFCC INITIATIVES</b>	<p>To deliver funding to for specific initiatives of the PFCC arising from the Police, Fire and Crime Plan</p> <p>To provide funding to deliver radical solutions to support the Police, Fire and Crime Plan</p>	As required – typically informed by approved business cases for bids on the Fund.	Will vary according to outturn and annual risk assessment.	<p>The reserve is held and was established from a PFCC reserve and has been increased by in-year underspends to support initiatives identified by the PFCC to support the Police, Fire and Crime Plan.</p> <p>It is used to pump prime initiatives or one-off requirements, and supports the budgeted Police, Fire and Crime Plan Initiatives within the revenue budget and local grant initiatives.</p> <p>If the reserve was not held initiatives would be funded either from the revenue budget or from other earmarked policing reserves.</p>	PFCC, on advice from PFCC CFO	Annual

	<b>Rationale</b>	<b>How and when used</b>	<b>Level</b>	<b>Risk If Reserve Not Held</b>	<b>Management and control</b>	<b>Review</b>
<b>EARMARKED - TRANSFORMATION</b>	To fund transformative activities and opportunities and meet initial and upfront costs of enabling services projects.	To access the funds a costed request has to be provided.	Will vary according to outturn and annual risk assessment.	<p>The reserve was established to fund the transformative activities of bringing in house support services and developing shared systems for Police and to bring Fire onstream in future years.</p> <p>If funds were not provided, the risk is that equipment or services and resources required to bring in the systems and activities would have to be replaced from the current year's budget or other reserves.</p> <p>If no funds were available, it may be that innovative activity is hindered.</p>	PFCC, on advice from PFCC CFO	Annual
<b>EARMARKED - SAFER ROADS</b>	<p>For surpluses of fines and speed awareness course income over expenditure that is reinvested in replacement equipment and road safety initiatives.</p> <p>The reserve is influenced by the work of the Road Safety Alliance formed in 2018/19</p>	As required – typically informed by approved business cases for bids on the Fund.	Will vary according to outturn and annual risk assessment.	<p>The reserve is held to provide an opportunity for supporting local road safety related grants and to fund initiatives in the county identified locally and by the Road Safety Alliance.</p> <p>If reserve was not held then safety initiatives would have to be funded from the revenue budget, other reserves or not implemented.</p> <p>This reserve can only be used in accordance with the legislation for its use of road safety related activities.</p>	PFCC, on advice from PFCC CFO	Annual

	<b>Rationale</b>	<b>How and when used</b>	<b>Level</b>	<b>Risk If Reserve Not Held</b>	<b>Management and control</b>	<b>Review</b>
<b>EARMARKED - NEIGHBOURHOOD</b>	<p>For underspends in the Police Community Support Officers (PCSO) budget to be held to be used towards prioritising those resources and used in neighbourhoods or other associated requirements.</p> <p>For underspends in Police Officer Pay to be earmarked to support officer strength in the future.</p>	As required – typically informed by approved business cases for bids on the Fund.	Will vary according to outturn and annual risk assessment.	<p>The reserve is held to provide an opportunity for underspends to be ring-fenced and retained on funding neighbourhood resources and activities.</p> <p>The reserve also provides an opportunity to overrecruit PCSOs or to use on other neighbourhood associated activities or requirements.</p> <p>If Police Officer funds were not earmarked, it is possible that officer numbers would not be able to be maintained.</p>	PFCC, on advice from PFCC CFO	Annual
<b>EARMARKED - COLLABORATION</b>	Transfers in relate to underspend on regional collaboration. Transfers out represent contribution towards regional decisions	<p>Upon requirement on decision made to contribute towards projects in relation to regional collaborations.</p> <p>Decisions made on East Midlands PFCC and CC Boards</p>	Will vary according to usage and annual risk assessment.	If funds were not maintained, there would be a risk of regional projects not being supported.	PFCC, on advice from PFCC CFO	Annual

	<b>Rationale</b>	<b>How and when used</b>	<b>Level</b>	<b>Risk If Reserve Not Held</b>	<b>Management and control</b>	<b>Review</b>
<b>EARMARKED - CAPITAL</b>	To hold capital financing underspends or disposal proceeds. These are to be used to fund the capital programme and minimise borrowing.	Released to fund capital projects where deemed the most cost efficient way to do so, in line with the Treasury Management Strategy.	Will vary according to outturn, usage and annual risk assessment.	If unavailable, the cost of financing capital expenditure could adversely impact revenue budgets into the future.  Capital projects may be deemed unaffordable.	PFCC, on advice from PFCC CFO	Annual
<b>EARMARKED - DEVELOPER CONTRIBUTIONS (S106)</b>	To meet the additional cost of operational requirements	To access the funds a costed request has to be provided which is consistent with the conditions of the developer contribution.	Will vary according to usage and annual risk assessment.	The reserve is held for funds allocated to the PFCC from developers towards the cost of infrastructure developments for Policing.  If funds were not provided, the risk is that the additional costs would have to be factored into the capital programme.	PFCC, on advice from PFCC CFO	Annual

### Annexe 3

#### Summary of Revenue and Capital Reserves 2023/24 to 2028/29

	Forecast Balance at 31 March 2024 £m	Forecast Balance at 31 March 2025 £m	Forecast Balance at 31 March 2026 £m	Forecast Balance at 31 March 2027 £m	Forecast Balance at 31 March 2028 £m	Forecast Balance at 31 March 2029 £m
<b><u>Held to meet budgetary risks</u></b>						
Insurance	3.624	3.624	3.624	3.624	3.624	3.624
Operational Equipment	0.400	0.200	0.200	0.200	0.200	0.200
	<b>4.024</b>	<b>3.824</b>	<b>3.824</b>	<b>3.824</b>	<b>3.824</b>	<b>3.824</b>
<b><u>Held to support the medium term budget</u></b>						
Earmarked - Carry Forwards	0.200	0.000	0.000	0.000	0.000	0.000
Victims	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	0.215	0.215	0.215	0.215	0.215	0.215
Smoothing	3.028	2.592	2.139	2.139	2.139	2.139
	<b>3.443</b>	<b>2.807</b>	<b>2.354</b>	<b>2.354</b>	<b>2.354</b>	<b>2.354</b>
<b><u>Held to facilitate change programmes</u></b>						
PFCC Initiatives Reserve	3.908	2.998	2.668	2.668	2.668	2.668
Transformation Reserve	2.458	0.635	0.876	0.876	0.876	0.876
Safer Roads Reserve	0.501	0.435	0.369	0.303	0.237	0.171
Neighbourhood Reserve	3.937	1.574	1.574	1.574	1.574	1.574
	<b>10.804</b>	<b>5.642</b>	<b>5.487</b>	<b>5.421</b>	<b>5.355</b>	<b>5.289</b>
<b><u>Capital Reserves</u></b>						
S106 Developer Contributions	0.191	0.233	0.133	0.033	0.000	0.000
Capital Reserves	0.077	0.077	0.077	0.077	0.077	0.077
	<b>0.268</b>	<b>0.310</b>	<b>0.210</b>	<b>0.110</b>	<b>0.077</b>	<b>0.077</b>
<b>Total PFCC Earmarked Reserves</b>	<b>18.539</b>	<b>12.583</b>	<b>11.875</b>	<b>11.709</b>	<b>11.610</b>	<b>11.544</b>
Collaboration Reserves - Held locally	0.575	0.575	0.575	0.575	0.575	0.575
<b>Total Earmarked Reserves</b>	<b>19.114</b>	<b>13.158</b>	<b>12.450</b>	<b>12.284</b>	<b>12.185</b>	<b>12.119</b>
General Fund	5.300	5.300	5.300	5.300	5.300	5.300
<b>Total Reserves</b>	<b>24.414</b>	<b>18.458</b>	<b>17.750</b>	<b>17.584</b>	<b>17.485</b>	<b>17.419</b>

*Note: numbers may not sum due to rounding*

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## NORTHAMPTONSHIRE POLICE, FIRE AND CRIME PANEL

**6 FEBRUARY 2024**

<b>Report Title</b>	<b>Northamptonshire Police, Fire and Crime Panel’s statutory responsibilities relating to scrutiny of the Police, Fire and Crime Commissioner’s proposed Fire Precept 2024/25.</b>
<b>Report Author</b>	<b>James Edmunds, Democratic Services Assistant Manager, West Northamptonshire Council</b> <a href="mailto:James.edmunds@westnorthants.gov.uk">James.edmunds@westnorthants.gov.uk</a>

### List of Appendices

None

#### **1. Purpose of Report**

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- 1.1. The report is intended to set out the statutory requirements on the Northamptonshire Police, Fire and Crime Panel regarding scrutiny of the proposed Fire Precept for 2024/25 produced by the Police, Fire and Crime Commissioner for Northamptonshire.

#### **2. Executive Summary**

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- 2.1 The report summarises the Northamptonshire Police, Fire and Crime Panel’s statutory responsibilities relating to reviewing and making a report on the proposed Fire Precept for 2024/25 produced by the Police, Fire and Crime Commissioner for Northamptonshire. The proposed Fire Precept appears on the agenda for the current Panel meeting as the next item of business.

#### **3. Recommendations**

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- 3.1 It is recommended that the Northamptonshire Police, Fire and Crime Panel reviews the proposed Fire Precept for 2024/25 produced by the Police, Fire and Crime Commissioner for Northamptonshire.
- 3.2 Reasons for Recommendation(s) – The recommendation is intended to enable the Panel to carry out its statutory responsibilities relating to scrutiny of the proposed Fire Precept effectively at the current meeting.

## 4. Report Background

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- 4.1 A fire and rescue authority is a major precepting authority under the Local Government Finance Act 1992. The Northamptonshire Police, Fire and Crime Commissioner is the fire and rescue authority for the county under the Police, Fire and Crime Commissioner for Northamptonshire (Fire and Rescue Authority) Order 2018. A Police, Fire and Crime Commissioner may not issue a precept under Section 40 of the 1992 Act until it has been subject to scrutiny by the relevant Police, Fire and Crime Panel according to the process specified in Schedule 5 of the Police Reform and Social Responsibility Act 2011, as amended by the Policing and Crime Act 2017.
- 4.2 Schedule 5 of the 2011 Act, supporting Regulations, and the Rules of Procedure for the Northamptonshire Police, Fire and Crime Panel require:
- a) The Commissioner to notify the Panel of the Commissioner's proposed precept by 1 February of the relevant financial year
  - b) The Panel to review the proposed precept
  - c) The Panel to resolve to:
    - i) Support the proposed precept without additional qualification or comment; or
    - ii) Support the proposed precept and make additional recommendations on it; or
    - iii) Veto the proposed precept provided that the Panel makes that decision by the required majority, which is that at least two thirds of the persons who are members of the Panel at the time when the decision is made vote for it.
  - d) The Panel to make a report to the Commissioner on the proposed precept, setting out the results of its review, by 8 February of the relevant financial year. If the Panel votes to veto the proposed precept the report must state that the Panel has done so and set out its reasons for doing so.
- 4.3 If the Panel does not veto the proposed precept the Commissioner must:
- a) Have regard to the report made by the Panel
  - b) Give the Panel a response to its report and to any recommendations in the report
  - c) Publish the response in a manner determined by the Panel.
- 4.4 The scrutiny process concludes at this point. The Commissioner may then issue the proposed precept as the precept for the next financial year or issue a different precept but only if it would be in accordance with a recommendation made in the Panel's report.
- 4.5 If the Panel vetoes the proposed precept the Commissioner must not issue it as the precept for the next year. By 15 February of the relevant financial year the Commissioner must:
- a) Have regard to the report by the Panel
  - b) Give the Panel a response to its report setting out the precept that the Commissioner now proposes to issue (referred to as the 'revised precept'). If the Panel vetoed the original proposed precept because it was considered to be too high the revised precept shall be lower; if the Panel vetoed the original proposed precept because it was considered to be too low the revised precept shall be higher.
  - c) Publish the response in a matter determined by the Panel.



- 4.6 The Panel is required to review the revised precept and to make a report on it to the Commissioner (referred to as the 'second report'). The second report may indicate whether the Panel accepts or rejects the revised precept and may make recommendations on it, including recommendations as to the precept that should be issued for the next year. The Panel must complete these actions by 22 February of the relevant financial year. A reserve meeting of the Panel is scheduled if required for this purpose. The Panel does not have the power to veto the revised precept.
- 4.7 If the Commissioner receives a second report from the Panel, by 1 March of the relevant financial year the Commissioner must:
- a) Have regard to the second report by the Panel
  - b) Give the Panel a response to the second report
  - c) Publish the response.
- 4.8 The scrutiny process concludes at this point. The Commissioner may then issue the revised precept as the precept for the next financial year or issue a different precept but only if in accordance with a recommendation made in the Panel's second report.

## **5. Issues and Choices**

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- 5.1 Reviewing and reporting on the proposed Fire Precept is a statutory task for the Panel. The Panel should seek to carry it out in accordance with its overall role of scrutinising and supporting the effective exercise by the Police, Fire and Crime Commissioner of his responsibilities.
- 5.2 Local Government Association guidance for panels on policing and fire governance gives advice on good practice in relation to scrutiny of a proposed Police Precept that is also applicable to scrutiny of the proposed Fire Precept:

*A panel's questioning plan in relation to the commissioner's precept should focus on strategy, not numerical details and be used to seek clarification, test evidence and assumptions and explore options best able to deliver [the fire and rescue plan] through the proposed precept. Questions panels might ask their commissioner could include whether the precept enables funding to follow priorities; whether value for money is being secured; and whether there is a robust monitoring framework.*

*Panels have the power of veto over the precept. However, this a longstop, use of which should be very rare and needs to be justified. Panels should also recognise that the veto can only act as a delay; it will not prevent the commissioner from being able to re-present, and enact, a precept that is not materially different from that to which the veto has been applied.*

*If the veto is used, the panel should be prepared to provide detailed reasoning to back up why.*

## **6. Implications (including financial implications)**

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### **6.1 Resources and Financial**

6.1.1 There are no resources or financial implications arising from the proposal.

### **6.2 Legal**

6.2.1 There are no legal implications arising from the proposal.

### **6.3 Risk**

6.3.1 There are no significant risks arising from the proposed recommendation in this report.

## **7. Background Papers**

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Police Reform and Social Responsibility Act 2011

Northamptonshire Police, Fire and Crime Panel Terms of Reference.

Policing and fire governance – Local Government Association guidance for police and crime panels (2019)



**NORTHAMPTONSHIRE POLICE, FIRE & CRIME PANEL**

**6 February 2024**

**REPORT BY THE POLICE, FIRE AND CRIME COMMISSIONER (PFCC)**

**AND THE CHIEF FINANCE OFFICER**

**PFCC PROPOSED FIRE PRECEPT 2024/25**

**Purpose of the Report**

1. To propose the 2024/25 Council Tax Precept for Northamptonshire Commissioner Fire and Rescue Authority (NCFRA).
2. To provide information in respect of the revenue budget, capital programme, reserves and medium-term financial plan (MTFP) to provide context for the precept proposal.

**Recommendation**

3. The Police, Fire and Crime Panel is **RECOMMENDED** to endorse:

**The proposal to increase the 2024/25 Fire Precept by 2.99% per annum to £75.39 for Band D Council Tax (from £73.20 in 2023/24). This £2.19 annual increase equates to around 4 pence per week.**

4. Note the information presented in this report, including:
  - a. The statement of the Section 151, Chief Finance Officer as required by Section 25 of the Local Government Act 2003 regarding the robustness of the budget, the medium-term financial plan (MTFP) and the adequacy of financial reserves (Appendix C).
  - b. A 2.99% precept increase gives a total 2024/25 net budget envelope of **£31.434m**, taking into account:

- The intention of the PFCC to set the Band D Council Tax Precept which provides **£19.489m** for Northamptonshire Commissioner, Fire and Rescue Authority in 2024/25.
- The current and future risks, challenges, uncertainties and opportunities included in the precept proposal, together with the financial and operational mitigations and additional considerations identified.
- That any changes required, either by Government grant alterations notified through the final settlement, amended council tax base and surplus/deficit notifications received from the collecting authorities, after the precept has been set, may be balanced by efficiency savings or through a transfer to or from reserves.
- That when received, any variations from business rates notified by the unitary authorities will be balanced by the smoothing reserve.
- The current MTFP and the anticipated savings required.
- The capital programme and reserves strategy.

### **Executive Summary**

5. This report details the 2024/25 precept proposal for the Northamptonshire Commissioner Fire and Rescue Authority (NCFRA) which was established on 1 January 2019.
6. The report and proposal are the culmination of several months' work by the Office of the Police, Fire and Crime Commissioner (OPFCC), the Joint Finance Team and Fire colleagues. It also includes information provided by the two unitary authorities and takes account of public and stakeholder consultation and key government expectations.
7. The Northamptonshire Commissioner Fire and Rescue Authority (NCFRA) has considered the local government provisional settlement which set out government expectations, current and future funding levels, the pre-budget engagement and the outcome of the public survey together with the Autumn Statement 2023.
8. The PFCC and the S151 Officer are very appreciative of the updates provided by colleagues in the unitary authorities in respect of the impact on the taxbase and the council tax collection fund receipts for 2024/25 and future years. Furthermore, the PFCC is appreciative of the hard work by unitary staff in achieving a positive level of collection rates.
9. The proposals are set in a context of high inflation levels and the Autumn 2023 statement.
10. Despite these challenges, the budget is balanced for 2024/25 with a funded capital programme and an adequate level of reserves in place.

11. The budget includes the progress made in the service since the governance transfer of increased firefighters and investment in essential fire equipment and appliances, together with additional investments which include:
  - a. Transferring Fire onto joint shared HR and Payroll systems with the Police and realising the vision set out in the governance transfer business case.
  - b. Adding good-value capability by tapping into shared police resources for Culture, Data Security, Performance, Insight and Demand.
  - c. Baselining the piloted Youth Engagement Officer post.
  - d. Continuation of funding for enhanced home fire safety visits.
12. Whilst the 2024/25 budget is balanced, given the national cost of living challenges and inflation at levels significantly higher than previously assumed, balancing the budget across the medium term will be more challenging. Prudent assumptions of future income streams have been used which identify the need for future efficiencies.
13. The service had previously reviewed the findings of the Grenfell inquiry and investment requirements and priorities will continue to be considered as part of the capital programme and essential investment requirements.
14. The S151 officer has reviewed the adequacy and level of reserves following the work undertaken since the governance transfer and has concluded that at the current time, reserves are currently at an adequate level to manage risk. If future inflation levels and/or costs are higher than forecast and reserves are required, then there will be a need to rebuild them in the future.
15. The sum of £1m is ring-fenced in reserves to enable the Chief Fire Officer to facilitate future transformation and innovation.
16. Given the legacy of under-investment prior to 2019, the capital programme investment requirements are significant. With the current cost of borrowing, £300k to support the capital programme has been allocated annually to support funding the investment in the shorter life assets in the capital programme and minimise the impact of capital financing costs on the revenue budget.
17. In considering the Fire budget and proposed precept for 2024/25, the PFCC considered the national context and NCFRA's lower precept, core spending power and reserves position relative to other Fire and Rescue Authorities.
18. Furthermore, the PFCC has conducted, and been informed by, a survey of Northamptonshire residents, of whom 1,997 responded. The results of the surveys are summarised in this report and will be available on the PFCC website in due course.

19. The budget and precept recognise the importance of collaborative working with Police and the OPFCC, with enabling services support areas embedded across Fire and Policing under the leadership and direction of the Joint Assistant Chief Officer for Enabling Services.
20. The PFCC requires both services to actively seek opportunities to work together to deliver more efficient and effective public services and in 2024/25 it is intended that opportunities bring together further support services teams will be explored and progressed, and that existing shared arrangements are regularly reviewed and optimised.
21. The fire budget and precept also take forward the statutory duty for emergency services to collaborate which means the services should be actively seeking opportunities to work together to deliver more efficient and effective public services. As such, both Fire and Police Budget agreements for 2024/25 will again demonstrate the PFCC commitment to collaboration, including greater integration between police and fire and rescue to enable reinvestment in frontline services. It is the PFCC's expectation that, over time, the following areas will be delivered:
  - Shared Services
  - Shared estates strategy
  - Shared prevention approaches
  - Operational interoperability
  - Control rooms
22. As there is only a one year settlement and minimal indication of future funding for Fire and Rescue Authorities, the MTFP has been prepared on prudent funding assumptions and shows that even with a 2.99% precept increase there are financial challenges ahead in future years. The Chief Fire Officer will continue to work with the PFCC on plans to meet these shortfalls.
23. After careful consideration of the factors included within this report, the PFCC is very much aware of the financial impact on households in the current time. However, he is extremely grateful for the support Northamptonshire residents have demonstrated for these proposals.

**As such, given the current and future financial challenges and uncertainties, this requires the PFCC to propose a Fire precept increase of 2.99%/£2.19 (4 pence per week) for a Band D property.**

**This will enable Fire to have a sustainable base budget, maintain an adequate level of reserves and will go some way to maintain and safeguard Fire and Rescue Services in Northamptonshire.**

## National Context

24. Fire governance transferred to the Northamptonshire PFCC on the 1 January 2019. The PFCC is currently one of five in the country and is now one of only two to transfer governance from a county council. This follows the second County Council transfer of Cumbria in April 2023.
25. The Fire Governance Business Case was predicated on a three year financial stability plan to establish a sustainable revenue budget, develop an affordable capital programme and build reserves to an adequate and resilient level. Whilst COVID-19 impacted adversely on the financial environment facing the new Authority, these plans were achieved.
26. No additional funding or precept flexibility has been afforded to Northamptonshire or the other lowest funded Authorities which makes balancing budgets more challenging. As evidenced in the MTFP, there is still a need for some efficiencies over the medium term.
27. The PFCC has continued to lobby central government and has spoken to the Minister in person to voice his concerns.

## Provisional Local Government Finance Settlement

28. The provisional Local Government Finance Settlement was announced by the Secretary of State for Levelling Up, Housing and Communities, Michael Gove MP in a written ministerial statement on 18 December 2023. The announcement set out provisional allocations for 2024/25.
29. The provisional settlement publication marked the start of a four-week consultation which closed on 15 January 2024. At the time of writing, the date of the final settlement is unknown.
30. In early December, civil servants from the Department of Levelling Up Housing and Communities (DLUHC) shared a “policy statement” which contained some indications of the provisional local government funding settlement, but not enough information was included to provide us with a provisional settlement figure.
31. The national Technical Support Team undertook an analysis of the day’s main announcements and provided an ‘on the day’ briefing including the following:
  - a. *Fire and Rescue Authorities’ precept flexibility remains at 3%.*
  - b. *On average Core Spending Power [across all local government] is increasing by 6.5% (almost £4bn), for FRAs (second table below) the change is 4.6%, £85m. The increase in CSP has come from £1.825bn of additional grant and £2.078bn in additional council tax (assuming all LAs levy the maximum precept allowed). Standalone FRAs see smallest Core Spending Power increase of all classes – 4.6%. This is due to the roll in of the Fire Pensions Grant which is flat cash for 2024-25, lower council tax flexibilities and a focus on social care.*

- c. *3% Funding Guarantee continues in 2024-25 - ensures councils get at least 3% increase in CSP, before council tax or decisions on use of reserves. 31 out of the 44 FRAs hit the Funding Guarantee threshold for 2024-25. This includes NCFRA at £0.231m.*
  - d. *Fire and Rescue Pensions Grant (£115m) now included within Core Spending Power. This was £1.186m for NCFRA.*
  - e. *Last year's Services Grant was described as "one off" but is continuing in today's announcement. In 2022-23 the Services Grant was £822m and in 2023-24 it was £483m. Today's 2024-25 provisional settlement announcement indicates the grant is falling further to just £77m – a reduction of £406m. The impact on NCFRA is a fall from £0.210m in 2023/24 to £0.034m in 2024/25.*
32. Northamptonshire have responded to the provisional settlement consultation, welcoming the settlement, but highlighting the lack of precept flexibility and requesting consideration of a capital grant, longer term financial settlements, consideration of the population demographic profile affecting FRAs and recognition of future inflation in future settlements.
33. A summary of the provisional settlement for Fire in the table demonstrates that funding has increased £1.876m (6.3%) from 2023/24.
34. The 2024/25 budget will be around £8.8m more than the budget transferred as part of the governance arrangements. This equates to a revenue budget increase of over 39% since 2018/19. Whilst future savings are still required, the NCFRA revenue budget and the service are on a much more resilient footing.

<b>2023/24 £m</b>	<b>Funding</b>	<b>2024/25 £m</b>
2.587	Revenue Support Grant	3.944
1.186	Pensions Grant	-
2.563	Top Up Grant	2.665
0.210	Services Grant	0.034
-	Funding Guarantee	0.231
0.954	S31 Grant	1.089
3.039	Business Rates	3.686
<b>10.539</b>	<b>Total Grant Funding</b>	<b>11.649</b>
18.764	Precept	19.489
0.255	Collection Fund Surplus	0.296
<b>19.019</b>	<b>Total Precept and Collection Fund</b>	<b>19.785</b>
<b>29.558</b>	<b>TOTAL FUNDING</b>	<b>31.434</b>

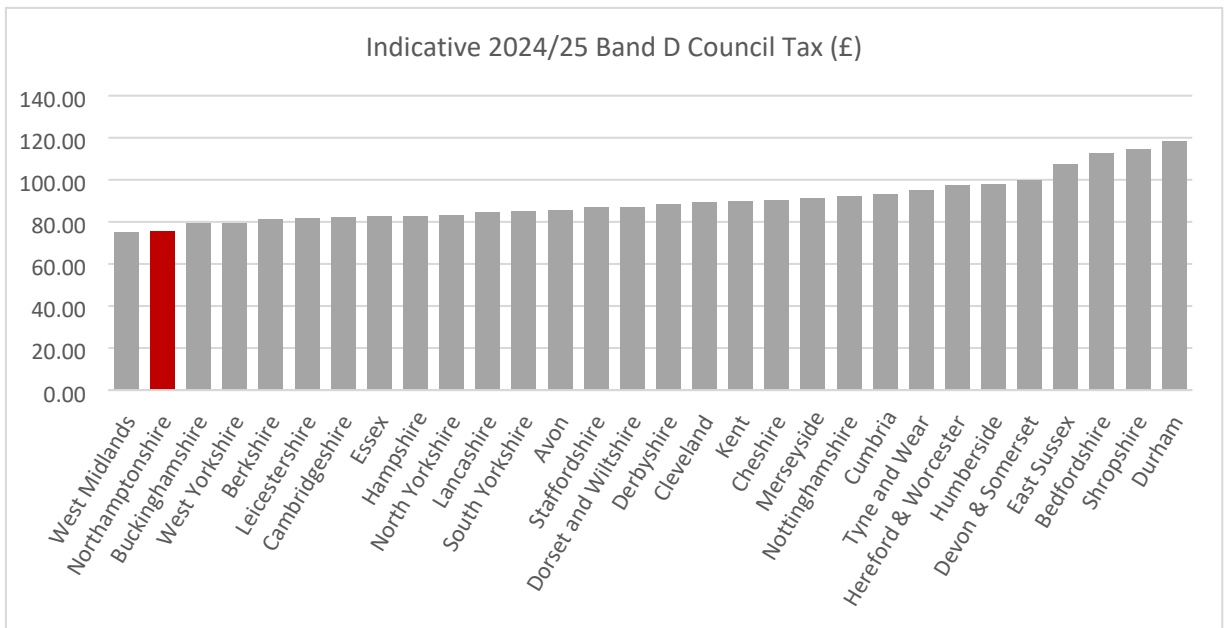
NB: Estimated Business Rates – At the time of writing, statutory deadlines are not yet due.



35. A review of other Fire and Rescue Authorities has highlighted the following:

**Comparative Council Tax Levels**

36. If all take up the precept flexibility, Band D Council Tax levels for Fire and Rescue Authorities will range between £75.20 in the West Midlands and £118.12 in Durham, with an average of £90.32 per standalone Band D property (as compared to £87.66 in 2023/24).

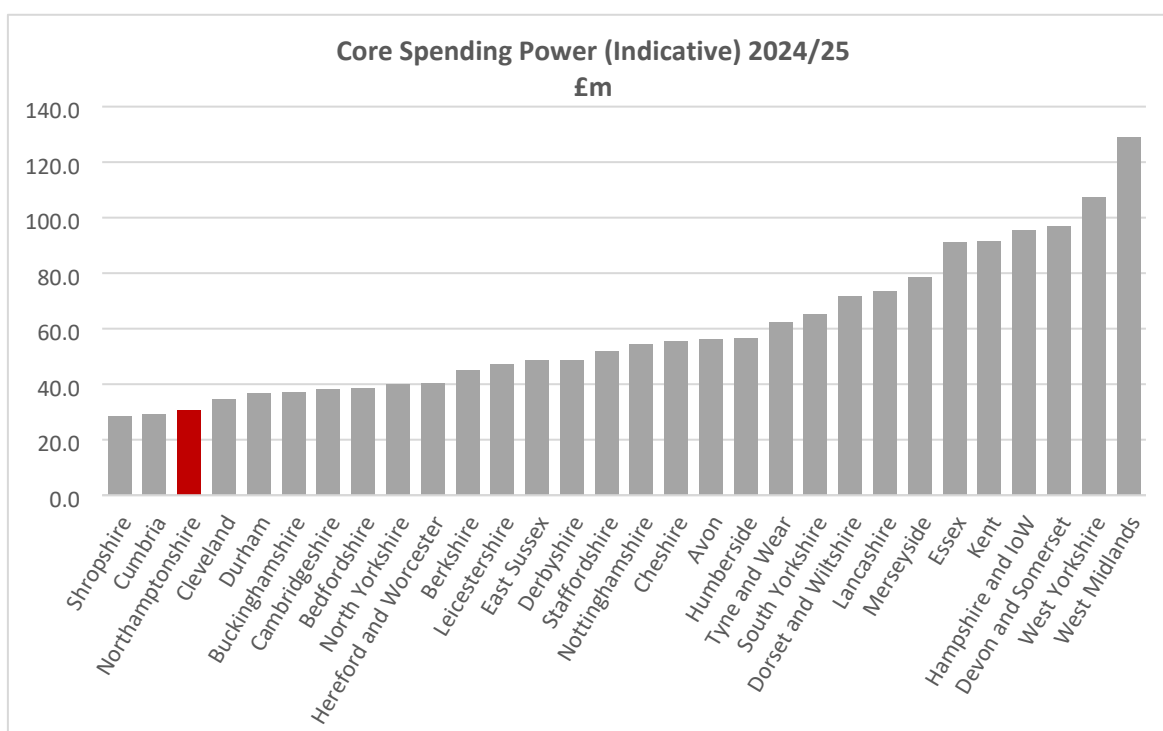


37. At £75.39 Northamptonshire will still be the second lowest Fire preceptor in 2024/25 and will be 17% below the average precept in England and Wales. This is the same as the 2023/24 position.

**Comparative Core Spending Power**

38. Core Spending Power is a measure of the resources available to local authorities to fund service delivery. It sets out the money that has been made available to local authorities through the Local Government Finance Settlement. It includes central settlements as well as business rates and assumed council tax receipts at DLUHC estimated levels.

39. According to the CSP projections, Northamptonshire has the third lowest core spending power of all standalone authorities. The authorities with the lowest and second lowest CSP are Shropshire and Cumbria.



40. It is important to note that the CSP figures includes estimated, rather than the actual taxbases for authorities and does not include collection fund surplus or deficits.

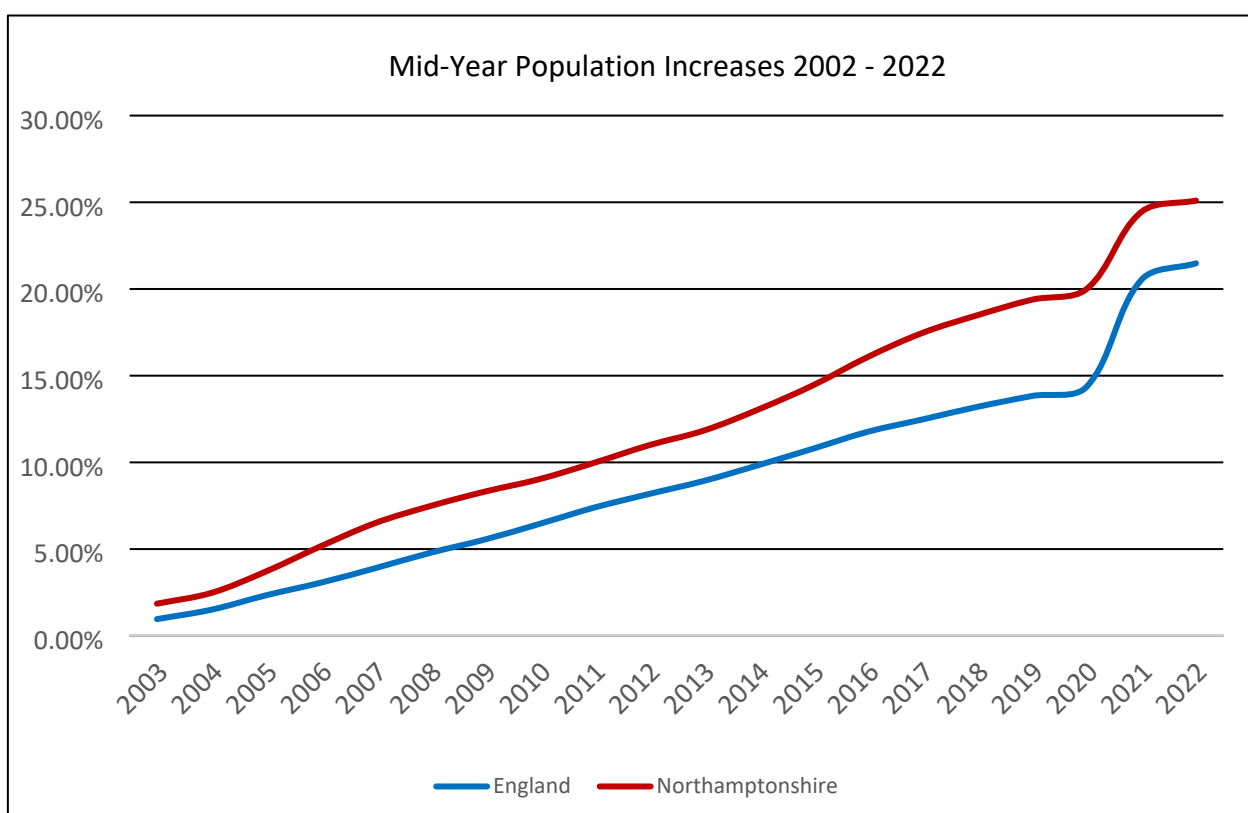
### Comparative Level of Reserves

41. The Home Office analysis of the reserve levels for Fire and Rescue Authorities as at 31/3/2021 (based on the audited accounts for 2020/21) is set out below and highlights that total revenue and capital reserves ranged from £5.4m in Northamptonshire to £49.8m in Kent. This data is yet to be formally refreshed.
42. Whilst there is still the desire to increase resilience in reserves further, the PFCC has been able to build them to a currently sufficient level in line with the three year plan as set out at the time of the governance transfer.

### Funding Formula and Population

43. Fire funding for revenue support and service grants is provided to the Home Office from DLUHC and is allocated via a national formula as part of the local authority funding settlements.
44. The current formula was updated in 2013/14 and is based on population and subject to a series of adjustments to allocate funding by both risk of incidents and the costs associated with providing fire service cover. Fire revenue support and services grants are allocated under this formula which accounts for just under 10% of total Fire funding in Northamptonshire.

45. A Fair Funding review has been discussed by the Ministry, Housing, Communities and Local Government (MHCLG) and more recently DLUHC for some years, however, in the DLUHC Policy statement issued prior to the provisional local settlement, the government advised that *“The review of Relative Needs and Resources (Fair Funding Review) and a reset of Business Rates growth would not be implemented in 2023/24 or 2024/25.”*
46. In 2002, Northamptonshire’s population growth was around 0.5% more than the national average. By mid-2022, the gap between the county and the national average had increased to 3.62%, with large housing development projects in progress.
47. The graph below demonstrates this population increase for the period 2002 to 2022.



48. Northamptonshire has outstripped national population changes for some decades, as outlined in the Joint Strategic Needs Assessment (JSNA) Demography Insight Pack 2019, Northamptonshire’s population has increased by 29.9% over the 30 years, compared with 17.7% across England. It also estimated this will increase by a further 14% by 2041.
49. This means that around 10% of Northamptonshire Fire’s funding is allocated on the basis of a funding formula which has not been updated for many years and therefore, does not reflect current demands or risk and does not reflect the significant growth in the county.
50. Therefore, with a higher increase in population in Northamptonshire compared to national levels, and in particular the aging population, the current formula does not reflect these

challenges faced in the county. The PFCC and the Chief Fire Officer will continue to seek a fairer national settlement for Northamptonshire Fire & Rescue.

### Council Taxbase and Council Tax Precept Income

51. The Council Tax and the level of precept is a fundamental part of the local government finance settlement and depends on both the level of the Band D precept and the taxbase – the latter being the number of properties required to pay council tax.
52. In Fire, the precept and the surplus on the collection fund accounts for around 63% of funding, so any variations can have a significant impact.
53. Both unitary councils have advised the PFCC of their proposed taxbases for 2024/25.
54. A comparison of the 2023/24 and 2024/25 figures reflects an average 0.85% taxbase increase (compared to 1.46% in 2023/24) as follows:

Authority	2023/24 (number)	2024/25 (number)	Increase (number)	Increase %
North	114,279.00	115,847.00	1,568.00	1.37%
West	142,060.80	142,664.60	603.80	0.43%
<b>TOTAL</b>	<b>256,339.80</b>	<b>258,511.60</b>	<b>2,171.80</b>	<b>0.85%</b>

55. The Medium Term Financial Plan (MTFP) assumes average but prudent increases in the taxbase and the S151 officers will continue to link in with West Northamptonshire and North Northamptonshire S151 colleagues to ensure future forecasts align.
56. The total precept funding is a combination of the taxbase increase and the precept increase as follows:

2023/24 £		2024/25 £
	<u>Tax base changes:</u>	
84,022	- North	114,778
167,551	- West	44,198
<b>251,573</b>		<b>158,976</b>
	<u>Precept Increase</u>	
571,395	- North	253,705
710,304	- West	312,435
<b>1,281,699</b>		<b>566,140</b>
<b>1,533,272</b>	<b>Total Precept Change</b>	<b>725,116</b>

64. The 2024/25 proposed precept increase of 2.99%, together with the increased taxbase will generate an additional £0.725m on the base budget.

### Council Tax Collection Fund

57. Each year the billing authorities estimate how much of the total potential Council Tax income liability of taxpayers they will collect. They advise precepting authorities of any projected surplus or deficit on the Collection Fund in January of each year.
58. The PFCC is very appreciative of the hard work undertaken by the North and West Northamptonshire Unitary Authorities in ensuring high collection rates and in providing the information to enable their inclusion in his budget and precept considerations.
59. In previous years, despite high collection rates within Northamptonshire, COVID-19 impacted on these levels which resulted in deficits in both 2021/22 and 2022/23. Some government support was provided which included grants and enabling the deficit to be spread across three financial years. These measures helped to mitigate the impact and then in 2023/24, the collection funds provided a surplus.
60. The Unitary Authorities have advised the PFCC of their estimated collection fund positions for 2024/25 for Police which have resulted in surpluses from both authorities.

<b>2023/24 £m</b>		<b>2024/25 £m</b>
0.082	- North	0.084
0.173	- West	0.230
<b>0.255</b>	<b>Collection Fund Surplus</b>	<b>0.315</b>

61. Due to statutory timescales, notification of the final collection fund surplus figures is received after the draft budgets are finalised. If this surplus results in a one-year benefit, it will be transferred to reserves in order to replenish some of the one-off use of reserves planned as part of the agreed balanced budget.
62. The S151 Officer will work closely with the Unitary Authorities throughout the year to monitor and understand any impact on the collection fund position for 2024/25 and future years.

### Public Consultation on the Level of the Precept

63. Each year following the provisional settlement, the PFCC undertakes a precept consultation with residents of Northamptonshire to gather their views which help to inform his precept intentions.
64. The PFCC is very mindful of the impact that inflation and the cost of living is having on the residents of Northamptonshire. As such, for 2024/25, and ahead of his precept consultation

in December 2023, the PFCC and officers undertook pre-budget engagement to inform his considerations. Of note are the following:

- a. The PFCC, Chief Fire Officer and Chief Constable attended a meeting with Northamptonshire MPs and briefed them on the current financial position for Police and Fire and outlined the current financial context for both services.
  - b. The PFCC and the Chief Finance Officer attended local meetings with representative groups to have conversations around the current financial position and hear their thoughts on the levels of precept, budget challenges and services. The PFCC found these conversations and discussions invaluable, and the office is now on the circulation list for many of these meetings.
65. For this year's precept, over the period 5<sup>th</sup> December 2023 to 16<sup>th</sup> January 2024, the PFCC undertook an online survey which was carried out with the intention of reaching as many people as possible to obtain the views of a demographically representative group of the county's population.
66. The survey was sent out to a wide range of contacts and using many different approaches. Appendix A sets out the consultation on the precept further.
67. This wide reach is set within the challenges of the limited timescale of the government funding settlement, the current cost of living climate and the fact that it was held over the festive season.
68. The online survey was targeted specifically in relation to the precept and to understand confidence in policing and fire and rescue services within Northamptonshire. It was communicated to as many stakeholders as possible, to enable any resident to share their views on the level of the precept.
69. Interim reviews were taken on the survey to assess the reach and where appropriate, additional communications were made to key areas of the county to ensure those who wished to contribute to the survey were able to do so.
70. Furthermore, two in-person budget and precept meetings were held in January with key stakeholders, with one taking place after the provisional settlement when more information was available. The meetings took place as follows:
- a. A Councillor Budget and Precept meeting was held on the 16<sup>th</sup> January 2024. All 318 local Councillors and representatives were invited. 32 Councillors attended and received a high-level briefing on the provisional funding settlement for both Fire and Policing. The PFCC is grateful to those who attended the meeting and found their engagement extremely useful.

- b. The PFCC held a Police Fire and Crime Panel workshop on the 26<sup>th</sup> January regarding the budget and precept considerations for 2024/25, which was attended by five representatives. The annual workshops commenced in January 2021 and the PFCC has again found this approach and member input invaluable. The PFCC is grateful to all Panel members who attended, and subject to the views of the Panel will continue to offer the budget workshop as an annual event.
71. The precept online consultation has formed part of a wider public consultation, conducted across all areas of Northamptonshire to understand how people feel about policing and fire and rescue services in the county. Qualitative, face-to-face consultation is being undertaken with communities across Northamptonshire to capture views and feedback with regards to Northamptonshire Fire and Rescue Services in relation to community safety and increasing partnership working.
72. As part of this qualitative consultation, two 'reflector sessions' are being carried out with stakeholders representing support organisations, commissioned services and individuals and groups within the wider community safety partnerships.
73. The PFCC would like to give particular appreciation to the commitment and engagement of the Chair and members of the Police, Fire and Crime Panel, local Councillors, MPs, forum members and teams within the unitary authorities as he recognises they have been contacted multiple times during the survey period and asked to disseminate the survey amongst their local residents and contacts.
74. The online survey received 1,997 responses, of which 1,870 completed it for Fire. This is classed as a statistically relevant sample size for the County based on a 95% level of confidence.
75. The PFCC has considered the results of the online survey which were:
- **57.8% of residents were prepared to pay £5 or more if they were able to for Fire services.**
  - 36.3% were not prepared to pay any more than they do now.
  - 5.9% said they did not know.
76. Respondents were also given the opportunity to comment on how good a job the Police and the Fire and Rescue Service did. For Fire, 1,863 residents replied:
- **58.9% of residents thought Fire were doing a good or excellent job.**
  - 17.8% of residents thought they were doing a fair job.
  - 4.5% of residents thought they were doing a poor or very poor job.
  - 18.9% did not know.

77. The PFCC will consider the narrative comments in the survey as part of the wider Precept and Confidence Consultation findings which will be published on the PFCC website in due course.

### **The Financial Challenge – Future Risks, Challenges and Uncertainties**

78. The impact of a different inflation assumptions to that estimated in the MTFP are as follows:

- Every 1% reduction in grant equates to circa £0.116m per annum
- Every 1% in Council Tax (£0.75) equates to circa £0.198m per annum
- Every £1 in Council Tax equates to £0.259m per annum
- Every 1% in Pay equates to circa £0.3m in a full year
- Every 1% non-pay inflation equates to £0.1m per annum

79. Prudent forecasts have been included where information which has not yet been finalised. Any variations between the provisional and final police settlement, council tax or the collection fund will be balanced with reserves.

80. Each year since the governance transfer, a better understanding has been developed in respect of the operational and budgetary pressures facing NCFRA. Many of these pressures required investment to ensure resources, premises and equipment are at an appropriate level.

81. These challenges, where known, are built into the revenue budget and capital programmes to enable Fire to have a base budget which reflects its business requirements and takes account of current and future demands and opportunities.

82. Pressures have been significant and in preparation of the budget, a number of risks have been considered:

- a. Inflation uncertainty including pay awards. Mindful of this, the PFCC has set aside an inflation contingency for the Chief Fire Officer and holds a further £120k to meet other inflationary pressures.
- b. In 2024/25 Fire will be moving on to the Joint Payroll and HR systems and the first year costs of these arrangements reflect the costs of moving from existing to new systems.
- c. Strategies for: estates, fleet, digital and operational equipment are in place which inform the capital programme and revenue budgets. The Estates Strategy is currently being reviewed to develop a new masterplan and once updated will inform future capital programme and MTFP updates.
- d. Condition surveys for the Fire estate have also informed the production of maintenance and repair programmes for all Fire sites and these works are now underway.



- e. Ensuring all relevant factors are considered when making decisions and supporting procurement processes to ensure that they are informed and evidenced based. The Joint Commercial Team, working across Fire and Police have brought high levels of diligence and continue to refine processes to ensure efficient procurement and best value.
  - f. Existing and new joint support services with Police and managed by a Joint Assistant Chief Officer have continued to be embedded within the service to ensure that the Authority has the right range and resilience of skills and expertise to build capacity and support transformative as well as business as usual activities.
83. Any potential for industrial action requires contingency arrangements which have previously been managed within year or from reserves. That position remains and any alternative options will be costed, and funding set aside from within the General Reserve.

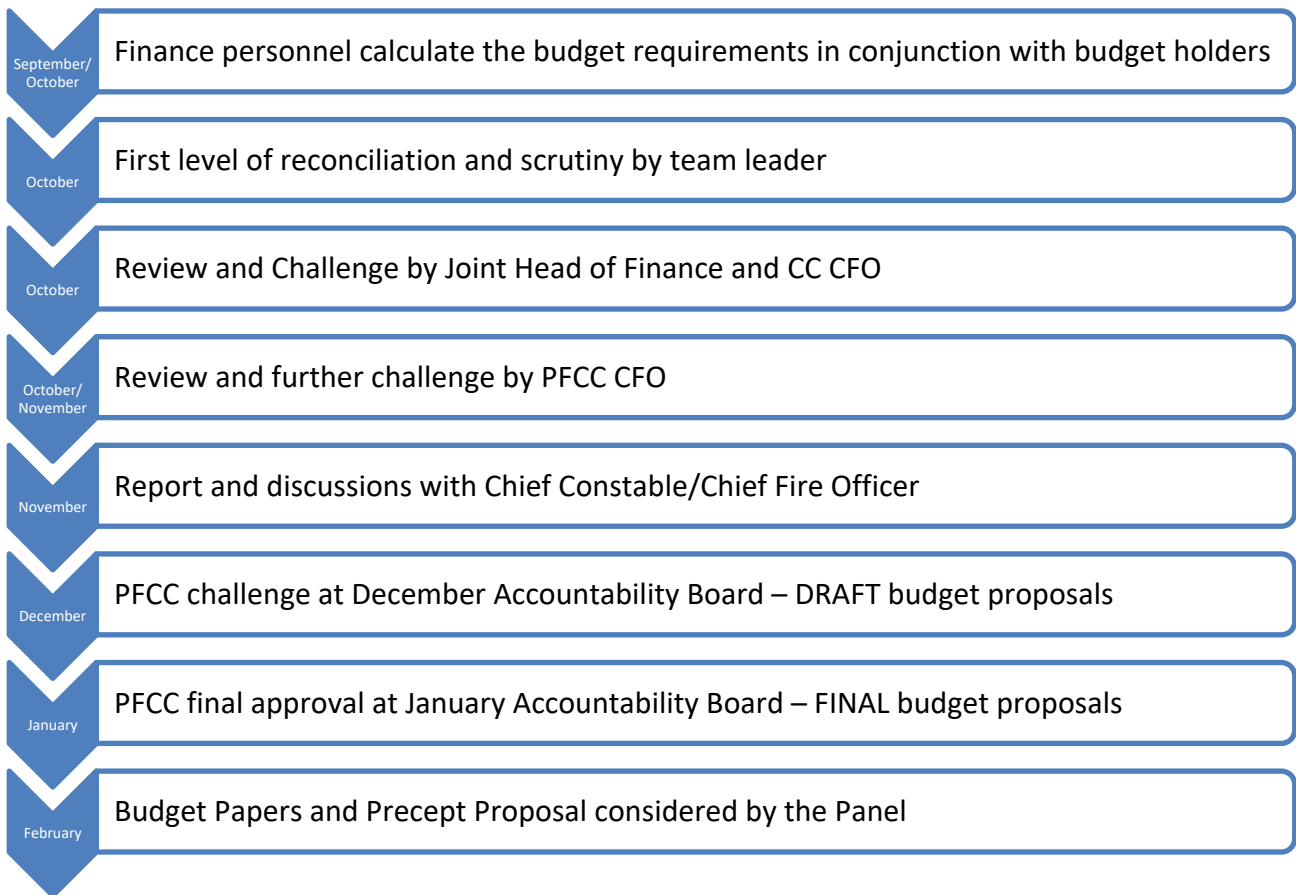
#### **Other Financial Risks and Uncertainties - Pensions**

84. The Government introduced reforms to public service pensions in 2015 which resulted in most public sector workers being moved into new pension schemes. In December 2018, the Court of Appeal ruled that the 'transitional protection' offered to some members gave rise to unlawful discrimination on the basis of age. In July 2019, the Chief Secretary to the Treasury made a written ministerial statement confirming that, as 'transitional protection' was offered to members of all the main public service pension schemes, the difference in treatment will need to be removed across all those schemes for members with relevant service.

#### **2024/25 – Base Budget preparation, approach and scrutiny**

85. The budget is the fourth budget prepared under the Joint Finance Team using an approach which provides consistency across both Fire and Police. This has enabled comparability of assumptions and principles, together with best practice, resilience and a more efficient process applied to budgeting for all services.
86. The budget has been prepared on a zero-base where possible, in full consultation with budget holders, aligned to the Police, Fire and Crime Plan and tested against the MTFP.
87. The zero-based approach ensures that efficiencies are taken from this process where possible that only approved increases, inflation and unavoidable pressures are built in. Detailed workings are prepared, and the format of the budget models are consistent and contain built in checks and balances to ensure the correct information is fed through. This approach also enables resilience within the finance team.
88. Following the preparation of the budget strategy and approach in September, briefing sessions took place with all budget holders and the strategy was shared with the Joint Independent Audit Committee (JIAC) for further scrutiny and review.

89. The table below sets out the preparation and scrutiny elements of the budgeting process:



90. This process has resulted in the PFCC setting the following budget for NCFRA:

<b>2023/24 £m</b>	<b>Budget Breakdown</b>	<b>2024/25 £m</b>
17.052	Fire Fighters	18.484
2.900	Staff	3.068
1.077	Other Employee Expenses & Contingencies	1.472
5.490	Other Costs	6.399
(1.016)	Income	(1.204)
3.484	Governance/Support Services	3.920
<b>28.987</b>	<b>OPERATIONAL BUDGET</b>	<b>32.139</b>
0.444	Capital Financing	0.618
0.120	Inflation Contingency	0.120
0.525	Transfer to Reserves	0.119
(0.518)	Transfer from Reserves	(0.184)
<b>0.571</b>	<b>BUDGETS MANAGED BY THE PFCC</b>	<b>0.673</b>
-	New investment proposals	0.126
-	Efficiencies agreed	(1.155)
-	Efficiencies to be identified	(0.329)
<b>29.558</b>	<b>TOTAL BUDGET</b>	<b>31.454</b>

91. A detailed breakdown is set out in Appendix B. Key Headlines are as follows:

- The firefighter budget reflects the planned retirement and recruitment profile.
- Staff posts include roles such as Home Safety Advisers, Prevention, Protection, Control and some support staff. Four additional Home Fire Safety Officers are still included into the budget.
- Other employee costs include the pay contingency, staff training, occupational health.
- Other non-pay budgets are based on a zero-based budget review which reflects inflationary increases and include estates, ICT, fleet, equipment and clothing.
- Interest income has been reviewed to reflect current interest rates.
- Governance and support reflect the final part years costs of support services provided by West Northamptonshire which are being transferred in house during 2024/25.
- Reserves transfers reflect agreed one off drawdowns and contributions to capital, operational equipment and smoothing reserves.

## **Harmonisation and Efficiencies**

92. Both Fire and Police Budget agreements for 2024/25 will continue to demonstrate the PFCC commitment to collaboration, particularly highlighted in greater integration between police and fire and rescue to enable reinvestment in frontline services. The Joint Estates Strategy across Police and Fire will drive efficiencies for both services by sharing buildings where it makes sense to do so.
93. The shared support teams are continuing to identify efficiencies from through robust procurement and economies of scale.
94. A shared post leads on ensuring that police and fire requirements are considered and recognised in new building developments, working with partners and the local authorities to ensure police and fire are fairly included in S106 considerations.

## **Medium Term Financial Plan (MTFP)**

95. The current MTFP covers a five-year period and is included in more detail at Appendix B.
96. The impact of high inflation during 2022/23 affected the costs in the MTFP at this point last year and we continue to use prudent forecasts with no guarantee of future funding to meet those increases.
97. Whilst the MTFP does include efficiency savings per annum over years 2025/26 and 2026/27, these will not be sufficient to meet the shortfalls identified. Efficiencies will continue to be sought from sharing buildings, driving efficiencies from robust and shared procurement practices and sharing of staff and services where it makes sense to do so. The Chief Fire Officer will also consider this as part of the operational review.
98. Despite future shortfalls forecast in the MTFP, in the unlikely event that further efficiencies could not be found, the budget can be balanced in the short term by the use of reserves. However, the use of reserves is not a permanent solution, and the PFCC and Chief Constable will continue to seek efficiencies to ensure the budgets are balanced.
99. It is assumed that no additional unfunded priorities or responsibilities will be given to the PFCC and Chief Fire Officer to deliver.
100. The MTFP is attached at Appendix B and summarised as follows:

<b>2023/24</b> <b>£m</b>		<b>2024/25</b> <b>£m</b>	<b>2025/26</b> <b>£m</b>	<b>2026/27</b> <b>£m</b>	<b>2027/28</b> <b>£m</b>	<b>2028/29</b> <b>£m</b>
29.558	Expenditure	32.938	34.223	35.464	36.512	37.419
-	- Efficiencies agreed	(1.155)	(0.866)	(0.888)	(0.935)	(0.951)
-	- Efficiencies to be identified	(0.329)	(0.665)	(0.665)	(0.665)	(0.665)
<b>29.558</b>		<b>31.454</b>	<b>32.692</b>	<b>33.911</b>	<b>34.912</b>	<b>35.803</b>
(29.558)	Funding	(31.454)	(32.023)	(32.875)	(33.754)	(34.661)
-	<b>Shortfall</b>	<b>0.000</b>	<b>0.669</b>	<b>1.036</b>	<b>1.158</b>	<b>1.142</b>

101. Key assumptions that have been included in seeking to outline the financial challenge for the medium term are:

- a. Precept will increase by £2.19 (2.99%) in 2024/25 and 1.99% each year thereafter. No information is yet available about referendum limits beyond 2024/25.
- b. Prudent funding assumptions have been made in respect of government funding, business rates, taxbase levels and council tax deficits (source: professional assumptions).
- c. Prudent pay increase estimates are assumed at an average of 2% (3% in 24/25), supported by appropriate inflation contingencies (source: National professional assumptions).
- d. Investment requirements can be prioritised and met from within the revenue budget or capital programme.
- e. Further borrowing beyond the capital programme is not required.

102. As set out earlier in the report, the MTFP also models a potential impact of increased pension contributions and if some grant funding were provided.

### **Capital Programme**

103. The capital programme is now an integral part of Fire's operational and financial plans and organisational awareness. Governance arrangements are in place to ensure that appropriate scrutiny and challenge of investment proposals takes place, and that the affordability and deliverability of them is fully considered.

104. The approved capital programme is as follows:

<b>Programme</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>
Estates	3.2	3.0	3.0	3.0	1.1
ICT	0.6	0.6	0.4	0.4	0.7
Vehicles & Operational Equipment	2.5	1.1	1.3	0.8	0.7
<b>TOTAL</b>	<b>6.2</b>	<b>4.7</b>	<b>4.7</b>	<b>4.2</b>	<b>2.5</b>

105. Estates costs include essential condition survey refurbishments and ensuring appropriate welfare facilities in Fire buildings. The PFCC is currently reviewing the latest estates masterplan. Whilst formal decisions are yet to be made, the latest iterations have been considered by the Chief Fire Officer and Chief Constable. The above capital programme includes an amount for potential capital investment in estate and will be updated with more accurate projections when the masterplan has been formally approved by the PFCC with advice from the S151 and Monitoring Officer.
106. Since the governance transfer, good progress has been made on the legacy capital programme requirements and has seen us replace fire tenders, purchase a new aerial appliance and replace some essential operational equipment and ICT systems. This work continues.
107. Costs are often occurred ahead of any efficiencies or disposals, therefore, the PFCC will continue to push to ensure that any disposals included in the plans are made in a timely an efficient manner to ensure the full benefits can be realised.
108. The Commissioner is required to approve a 'Treasury Management Strategy' each year, setting out the detail of his policy and approach to managing investments, borrowing and cash management.
109. This is required by the Prudential Code and the Code of Treasury Management published by the Chartered Institute of Public Finance and Accountancy (CIPFA). This ensures, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. A further key objective is to ensure that treasury management decisions are taken in accordance with good professional practice.
110. The Treasury Management Strategy will be considered by the PFCC alongside an updated capital strategy. The Joint Independent Audit Committee (JIAC) will consider this key document at their March meeting prior to being placed on the OPFCC website.

### **Use of Reserves**

111. In considering the budget, the MTFP and level of precept options, it is important to look closely at the size, level and type of reserves held by the PFCC to ensure that they are adequate to cover the purposes for which they are held and to provide some safeguards against the future risks identified within the budget.

112. NCFRA transferred on the 1<sup>st</sup> January 2019 with no reserves and set in place a three year financial stability plan to build reserves and made good progress in doing so. By 2022/23 they had exceeded the minimum level of general reserves as set out in the financial plans forecast at the time of the governance transfer.
113. The Reserves Strategy attached at Appendix D and sets out the types and planned use of reserves across the MTFP.
114. Two types of reserve are held, as follows:

#### **General reserve**

115. General reserves are above the minimum level and are stabilised at a level of £2m or 5% (whichever is the higher). This level reflects both the current uncertain environment, the historic volatility of the Fire revenue budget and the minimal levels of earmarked reserves held to meet other purposes. It is the view of the S151 Officer that general reserves are adequate but not excessive.

#### **Earmarked reserves**

116. As at 31<sup>st</sup> March 2024, the balance on the earmarked capital reserves amount to £0.9m and revenue reserves at £2.3m.
117. NCFRA has made good progress in establishing reserves and it is the view of the S151 officer that whilst general reserves are now at an adequate level, it is prudent to increase earmarked reserves where appropriate for additional resilience. This will assist in smoothing potential funding impacts and to support the funding of equipment and transformation activities.

#### **Robustness of the Budget – Statement of the S151 Chief Finance Officer**

118. Section 25 of the Local Government Act 2003, places a duty on the S151 to make a report to the authority on:
- a. The robustness of the estimates included within the budget.
  - b. The adequacy of the reserves and balances.
119. The PFCC must have regard to this when considering the budget and the report must be shared with the Police, Fire and Crime Panel.
120. In their considerations, the S151 Officer is mindful of other associated statutory safeguards designed to support the authority:
- a. Section 151 of the Local Government Act 1972 which requires the authority to make arrangements for the proper administration of its financial affairs and that the Chief Financial Officer has personal responsibility for such administration.

- b. Sections 32, 43 & 93 of the Local Government Finance Act 1992 which requires the authority to set a balanced budget.
  - c. The Prudential Code introduced as part of the Local Government Act 2003 which sets out the framework within which the authority must manage its investments, including adequate planning and budget estimates.
  - d. The external auditor's duty to assess the adequacy of the authority's proper arrangements to secure economy, efficiency and effectiveness ('value for money')
121. To reinforce these obligations, section 114 of the Local Government Finance Act 1988 requires the S151 Officer to report in consultation with the Monitoring Officer if there is or is likely to be unlawful expenditure or an unbalanced budget.
122. This report has set out the detailed budget setting process that has taken place and the work undertaken to ensure the budget is as realistic, deliverable and achievable as possible.
123. The Fire Joint Head of Finance has worked closely with the Fire Executive team, budget holders and the finance team to deliver the draft budget and savings plan, ensuring that effective scrutiny and challenge has taken place throughout. The S151 Officer has worked closely with the Joint Head of Finance and the PFCC has undertaken scrutiny and strategic review of the proposals on two occasions and has been updated regularly throughout the budget cycle as appropriate.
124. The estimates and assumptions are based on the best information available at the time of formulating the budget in line with the fundamental accounting concepts and are reasonable and prudent.
125. The Section 25 Statement of the S151 Chief Finance Officer for Northamptonshire Fire and Rescue Authority is included at Appendix C.



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**EQUALITY, DIVERSITY AND HUMAN RIGHTS IMPLICATIONS**

The budget and proposed precept provide the resources for the delivery of the Police, Fire and Crime Plan. Additionally, the survey is comprised of a representative sample of Northamptonshire residents.

**HUMAN RESOURCES IMPLICATIONS**

None

**ENVIRONMENTAL IMPLICATIONS**

None

**RISK MANAGEMENT IMPLICATIONS**

Risks and mitigations have been highlighted in the report.

**LEGAL IMPLICATIONS**

The PFCC is required to notify a precept to the billing authorities by the 1<sup>st</sup> March each year. In doing so, he must set a realistic revenue budget, informed by the report of the Chief Finance Officer

**List of Appendices**

Appendix A - Consultation on the Precept

Appendix B - Medium Term Financial Plan

Appendix C - Section 25 Report of the Section 151 Chief Finance Officer

Appendix D - Reserves Strategy

**Persons to Contact**

Mr V Ashcroft, Chief Finance Officer,

**Office of the Police, Fire and Crime Commissioner**

**Northamptonshire Commissioner Fire and Rescue Authority**

## **Appendix A**

### **Survey on the Precept**

#### **Context**

Embarking on the 2024/25 precept survey at the end of 2023, at a time when increased financial challenges are being faced by people across the country, has required a significant amount of input from a communications perspective.

An online survey launched on 5<sup>th</sup> December 2023 asking questions relating to the precept and to understand confidence in policing and fire and rescue services within Northamptonshire. It was communicated widely to stakeholders across the county with a request to share, to ensure a demographically representative group of the county's population was reached.

Due to the statutory timeframes, there was no option but to run the survey over the Christmas period. We wanted to ensure that the public had sufficient time and numerous opportunities to see and complete the survey, so a decision was taken to launch the campaign prior to the Government releasing their financial settlement and proposed council tax levels.

The survey was open for eight days longer than last year, closing on 16<sup>th</sup> January 2024. It received a total of 1,997 responses, which is an increase of 15% from the 2022/2023 survey and more completions than ever before. We benchmarked our survey with other PCC/PFCCs and found that completion rates were broadly falling, and public engagement was a communication challenge experienced right across the country.

To help encourage engagement, it was imperative to have a strong narrative and rationale to explain the difficult decision the PFCC must make in asking for additional funds to continue with the investments being made in both Police and Fire and ensure that the priorities of both services can be delivered.

#### **Communications Activity**

Five main communications channels were used to raise awareness of the survey, seek public views and encourage people to take part. These were:

- Mainstream media
- Partners and stakeholders
- Digital and social
- Paid-for social media advertising
- Internal communications for OPFCC, Police and Fire

We contacted our extensive stakeholder database to reach local councillors at all levels, local authority partners, businesses, community and charity groups, various panels and volunteers as well as different policing divisions and police liaison officers.

Leaflets outlining the PFCCs priorities were created with a bespoke QR code directing people to the online survey. These were distributed across the county via community engagement teams, colleagues and partners. We also provided all our public-facing Police Stations with leaflets so officers could encourage visitors to complete the survey.

By monitoring response rates daily, we were able to target further communications to specific areas where completion rates were particularly low. These areas were sent reminders via Northamptonshire Talking (formerly Neighbourhood Alert) and via parish or town councillors and the relevant police liaison officer.

Social media was used to remind followers to take part in the survey and share key information about the PFCC priorities, the context for an increase of funding and the closing date.

We used the Nextdoor channel which has an estimated reach of 90,000 county residents and is a popular alternative to Facebook, for the first time. More than 10% of our total responses came from this channel.

We carried out pre-budget engagement with the county’s MPs so that they could understand the financial position and advocate for Northamptonshire Police and Northamptonshire Fire and Rescue Service both at Westminster and in their constituencies.

Audience	Reach
<p><b>Stakeholders</b></p> <ul style="list-style-type: none"> <li>• Northamptonshire Talking (formerly known as Neighbourhood Alert)</li> <li>• Parish Councils and Town Councils</li> <li>• Councillors in North Northamptonshire and West Northamptonshire</li> <li>• Police, Fire and Crime Panel members</li> <li>• MPs</li> <li>• Chief Executives and Leaders of Local Authorities</li> <li>• Neighbourhood Watch Management Committee</li> <li>• Community Safety Managers for Northamptonshire North and Northamptonshire West</li> <li>• Diversity Forums of West Northamptonshire Council</li> <li>• Northamptonshire Police Community Engagement team</li> </ul>	<p>The survey was sent to more than 25,000 stakeholders, with a request that they further cascade.</p> <p>A message on Northamptonshire Talking was sent to residents across the county, while further targeted communications were sent to the following areas where a lower response rate had been identified: Corby, Wellingborough and Daventry.</p> <p>More than 38,000 people opened the email we sent via this channel.</p>

<ul style="list-style-type: none"> <li>• Independent Advisory Group members</li> <li>• Independent Custody Visitors</li> <li>• Businesses via the Chamber of Commerce, Northampton BID and the Northamptonshire Business Forums</li> <li>• Secondary Schools and colleges</li> <li>• Joint Action Groups</li> <li>• Northamptonshire Association of Local Councils</li> <li>• Various voluntary and third sector organisations</li> <li>• Rural interest groups</li> <li>• The Police Liaison Representatives on every parish and town council</li> <li>• All local criminal justice boards</li> </ul>	
<p><b>Internal</b></p> <ul style="list-style-type: none"> <li>• News item on Forcenet – The Northamptonshire Police intranet viewed by all officers and staff – repeated twice during survey period</li> <li>• All staff email to OPFCC</li> <li>• News item on Northamptonshire Fire and Rescue Service intranet for Firefighters and staff – repeated twice during the survey period</li> <li>• Daily Orders – link to item on Forcenet directing police staff to survey</li> <li>• Chief Officer Vlogs in both Northamptonshire Police and Northamptonshire Fire and Rescue Service</li> <li>• Message and link displayed on December payslip and portal for Northamptonshire Police officers and staff and Northamptonshire Fire and Rescue Service Firefighters and staff, and OPFCC staff</li> <li>• Splash screen survey message on every computer across OPFCC, Fire and Police</li> <li>• Repeated messaging during bi-weekly Pacesetter meetings for senior firefighters with</li> </ul>	<p>The survey potentially reached over 2,500 people (including police officers, firefighters, staff, and volunteers), with a request that they further cascade.</p>

<p>requests to cascade through the Fire Community Risk Group (CRG)</p>	
<p><b>Key Internal Stakeholders</b></p> <ul style="list-style-type: none"> <li>• Northamptonshire Police Chief Officers</li> <li>• Northamptonshire Fire and Rescue Service (NFRS) Senior Fire Officers</li> <li>• Directors in the Office of the Police, Fire and Crime Commissioner (OPFCC)</li> <li>• OPFCC Customer Service team</li> <li>• Police Federation</li> <li>• Unison</li> <li>• Police Superintendents' Association</li> <li>• Voice</li> </ul>	<p>Email request to cascade to their members/contacts</p>
<p><b>Mainstream media</b></p> <ul style="list-style-type: none"> <li>• A news release was issued to all local and regional media across Northamptonshire.</li> <li>• News release was sent to hyper local publications.</li> <li>• The survey was trailed in the December edition of the PFCC newsletter.</li> <li>• Further targeted news release to areas where response rate had been lower.</li> </ul>	<p>The news release went to over 60 newsrooms (print and broadcast including the Northampton Chronicle and Echo and BBC Radio Northampton), plus individual reporters and other local news sites.</p> <p>Coverage on Northampton Chronicle, Northamptonshire Telegraph and Daventry Express on December 12.</p> <p>A further targeted news release to encourage more residents in Wellingborough and Corby to fill in the survey was sent to Northamptonshire Telegraph and published on January 9.</p>
<p><b>Digital and Social</b></p> <p>X (formerly Twitter) OPFCC account (native)</p> <p>X (formerly Twitter) NFRS account</p>	<p>34,380 impressions 520 engagements</p> <p>2,748 impressions 32 engagements</p>

Meta (Facebook/Instagram) account native	12,931 impressions 37 engagements
Meta adverts including Facebook (paid, £72.07)	10,375 reach
Google ads including YouTube (paid, £75.70)	479 impressions 29 engagements
OPFCC & Fire Website views - 4 different pages / news stories	745 hits
LinkedIn – OPFCC and NFRS	185 impressions
Northamptonshire Talking (formerly Neighbourhood Alert) for OPFCC	37,668 emails read 1,471 clicks to survey
Next Door	90,340 reach

**Future consideration: WNC and NNC council tax survey**

Both West and North Northamptonshire Council also consulted on their council tax at the same time as the Commissioner is consulting on his precept.

We are actively engaging with our colleagues in the unitary authorities to see how we can work together more effectively to maximise the opportunity for residents to have their say and increase the numbers who respond still further.

The full report will be published on the PFCC website when all the analysis has been completed.

## Appendix B

### Medium Term Financial Plan 2024/25 - 2028/29

		<i>MTFP - 2.99% Precept</i>				
2023/24 £'000		2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
17,052	Fire Fighters	18,484	19,471	20,165	20,757	21,103
2,900	Staff	3,068	3,145	3,225	3,298	3,372
94	Other Pension Costs	101	104	108	111	114
983	Other Employee Costs/Contingencies	1,371	1,382	1,394	1,406	1,416
1,559	Estates	2,088	1,944	1,986	2,024	2,089
1,699	ICT	1,911	2,012	2,150	2,191	2,212
536	Vehicles	609	622	634	679	889
899	Equipment and Clothing	1,001	1,021	1,027	1,034	1,041
797	Other Non-Pay	790	658	663	669	681
(1,016)	Income	(1,204)	(1,164)	(1,122)	(1,081)	(1,105)
3,484	Governance/Support Services	3,920	3,918	4,055	4,138	4,221
<b>28,987</b>	<b>OPERATIONAL BUDGET</b>	<b>32,139</b>	<b>33,113</b>	<b>34,285</b>	<b>35,226</b>	<b>36,033</b>

384	Capital Financing - MRP	259	370	426	521	609
60	Capital Financing - Interest	59	86	93	98	103
-	Capital Financing - RCCO	300	300	300	300	300
120	Inflation contingency	120	124	128	132	136
525	Transfer to Reserves	119	100	100	100	100
(518)	Transfer from Reserves	(184)	-	-	-	-
<b>571</b>	<b>OTHER (Budgets managed by the OPFCC)</b>	<b>673</b>	<b>980</b>	<b>1,047</b>	<b>1,151</b>	<b>1,248</b>

-	New Investment Proposals	126	130	132	135	138
-	Efficiencies to be identified	(329)	(665)	(665)	(665)	(665)
-	Efficiencies already identified	(1,155)	(866)	(888)	(935)	(951)

<b>29,558</b>	<b>TOTAL</b>	<b>31,454</b>	<b>32,692</b>	<b>33,911</b>	<b>34,912</b>	<b>35,803</b>
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PTO

**FUNDING**

(2,563)	Top Up Grant	(2,665)	(2,692)	(2,719)	(2,746)	(2,773)
(1,186)	Pension Grant		-	-	-	-
(2,587)	Revenue Support Grant	(3,944)	(3,984)	(4,024)	(4,064)	(4,105)
(3,039)	Business Rates	(3,686)	(3,760)	(3,835)	(3,912)	(3,990)
-	Funding Guarantee	(231)	(231)	(231)	(231)	(231)
(954)	S31 Grant - Compensation	(1,089)	(1,089)	(1,089)	(1,089)	(1,089)
(210)	Services Grant	(34)	-	-	-	-
(18,764)	Precept	(19,489)	(20,175)	(20,885)	(21,620)	(22,381)
(255)	Collection Fund (Surplus)/Deficit	(315)	(92)	(92)	(92)	(92)

<b>(29,558)</b>	<b>TOTAL FUNDING</b>	<b>(31,454)</b>	<b>(32,023)</b>	<b>(32,875)</b>	<b>(33,754)</b>	<b>(34,661)</b>
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-	<b>FUNDING (SURPLUS) / DEFICIT</b>	<b>0</b>	<b>669</b>	<b>1,036</b>	<b>1,158</b>	<b>1,142</b>
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**PRECEPT**

£73.20	Band D Council Tax	£75.39	£76.89	£78.42	£79.98	£81.57
256,339.80	Total	258,511.60	262,389.28	266,325.12	270,320.00	274,374.80

**ASSUMPTIONS**

Other Grants	0.00%	0.00%	0.00%	0.00%	0.00%
Revenue Support Grant	4.54%	1.00%	1.00%	1.00%	1.00%
Business Rates	10.10%	2.00%	2.00%	2.00%	2.00%
Precept (%)	2.99%	1.99%	1.99%	1.99%	1.99%
Precept (£)	£2.19	£1.50	£1.53	£1.56	£1.59
Tax Base Increase	0.85%	1.50%	1.50%	1.50%	1.50%
Pay Awards	3.00%	2.00%	2.00%	2.00%	1.00%
Inflation Contingency	1.00%	1.00%	1.00%	1.00%	1.00%

*Note: Totals may not sum due to rounding*



## Appendix C

### Section 25 Statement of the S151 Chief Finance Officer for Northamptonshire Fire and Rescue Authority:

*"I have worked closely with the Force S151 Officer and the Joint Finance Team and have been assured by their robust and diligent approach to the 2024/25 budget setting process. I am grateful for their hard work, scrutiny and challenge throughout, and am impressed by how they continue to take ownership and make improvements every year.*

*I have been fully briefed on the progress of the budget by Enabling Services colleagues prior to and throughout the budget process and development of the capital programme, ensuring I have been party to all key assumptions and decisions. Prudent evidence-based estimates and assumptions included have been based on professional estimates, peer knowledge and benchmarking. Where possible, I have aligned these with national Fire, Police, local authority and national technical team colleagues.*

*I have reviewed the detailed calculations in arriving at the budget requirement and Council Tax precept and options and find these to be robust. I also have sought and received authorisations from billing authorities in relation to taxbase and Council Tax surplus/deficits and I am grateful to all partners for their support in doing so.*

*The PFCC's precept intention of 2.99% takes into account public consultation alongside prudent assumptions based on the best information available, the MTFP and the reserves position, and still enables an element to be ring-fenced for investment.*

*The Chief Fire Officer and his Executive team have been fully involved in the budget discussions and have worked hard to propose a balanced budget for 2024/25 to the PFCC. I am grateful for their engagement and commitment in this process.*

*It is my recommendation that financially it is essential to take forward the 2.99% precept flexibility afforded to Northamptonshire for 2024/25. This will be built into the base budget and help provide a resilient position for the medium term. Whilst Northamptonshire Fire will still be funded relatively lower than its national peers, its revenue budget for 2024/25 will be substantially higher than that transferred at the time of the governance change, and is supported by a currently adequate level of reserves and a funded capital programme.*

*However, the new Chief Fire Officer will need to review their operational requirements and it is possible that essential and transformative investment will be required. These will be built into plans and strategies as the work progresses. Furthermore, there are still efficiency savings needed to ensure the budget is balanced and any investment requirements will need to be considered within the medium term financial plan. It is essential that significant operational changes and investment proposals are fully costed and considered prior to implementation to consider affordability and the*

wider impact of any decisions. I will continue to work with the Chief Fire Officer and Joint Finance Team to ensure this is undertaken.

Although the capital programme is approved and funded, with some transformation included, given the legacy investments within it, it is still a significant value, especially with regard to short life assets. Therefore, there is an impact of both deliverability and financial cost on the revenue budget. Whilst the costs are included within the MTFP, any changes in specifications or slippage in timescales can have an impact and could affect the deliverability of other priorities within the programme.

Consequently, it is essential that disposals and activities are undertaken in a timely manner to enable benefits and savings to be realised. I am assured by the arrangements put in place that the programme is regularly reviewed. Under the oversight of the Assistant Joint Chief Officer for Enabling Services, proposed expenditure is taken forward on the basis of evidence based business cases and that delivery timescales are realistic, in full recognition of other competing priorities. The capital programme is based on approved investments and best professional assumptions of realistic delivery timescales. When the Estates Masterplan is completed, the capital programme will be updated and the cost implications considered as part of the MTFP.

I have reviewed the detailed calculations in arriving at the budget requirement and Council Tax precept and options and find these to be robust. I also have sought and received information from both Unitary authorities in relation to taxbase and Council Tax deficits and I am grateful to all partners for their support in doing so.

I have highlighted some uncertainties within this report and the PFCC is aware of these and their potential impact and as such has ring-fenced contingencies within the revenue budget to mitigate risk. The PFCC currently has adequate levels of general and earmarked to mitigate any in year or medium term risks and unforeseen financial pressures.

I conclude, therefore, that the budget for 2023/24:

1. Has been prepared on a robust basis.
2. In 2024/25, the budget is balanced with agreed efficiencies which have been identified by the Chief Fire Officer and built into the budget.
3. General reserves are currently adequate and sufficient to meet essential risks and challenges. If possible, general and earmarked reserves will continue to be built where it is appropriate and prudent to do so.
4. The Fire revenue budget and reserves are now more resilient, and it is important that the budget is managed within the funding envelope each year and earmarked reserves are used where appropriate to support unforeseen issues or additional investment, not to balance the annual budget.

5. *The future financial landscape is uncertain and whilst the MTFP is balanced for three years, it does require the identified efficiencies to be taken forward. The MTFP will continue to be kept under regular review as the efficiency savings plan progresses.”*

**Vaughan Ashcroft**  
**Section 151 and Chief Finance Officer**  
**Northamptonshire Commissioner Fire and Rescue Authority**

## Appendix D Reserves Strategy



### NORTHAMPTONSHIRE COMMISSIONER FIRE AND RESCUE AUTHORITY RESERVES STRATEGY (REVISED JANUARY 2024)

#### 1. Reserves Strategy

- 1.1. Reserves are a key part of medium-term financial planning with other components including revenue spending plans, income forecasts, potential liabilities, capital investment plans, borrowing and council tax levels. Decisions on these are inter-linked. Consequently, some organisations will need to maintain reserves at higher levels than others.
- 1.2. All publicly funded organisations should have a reserves strategy to demonstrate transparency and accountability, to comply with best practice financial management and to justify the levels of reserves held.
- 1.3. The PFCC maintains reserves to provide a measure of protection against risk. Without this protection, any unforeseen expenditure would have to be met either by increases in Council Tax or immediate savings (potentially through reductions in service levels).
- 1.4. The term "reserves" has a variety of technical and everyday meanings, depending on the context in which it is used. In this strategy, it is taken to mean funds set-aside at the PFCC's discretion for general or specific future purposes.
- 1.5. Reserves are required to protect and enhance the financial viability and in particular:
  - To maintain a degree of in-year financial flexibility.
  - To enable the PFCC to deal with unforeseen circumstances and incidents.
  - To set aside monies to fund major developments in future years.
  - To enable the PFCC to invest to transform and achieve improved service effectiveness and efficiency.
  - To set aside sums for known and potential liabilities.

- To provide an operational contingency at service level.
- 1.6. Reserves should not be held to fund ongoing revenue expenditure as this is unsustainable in the long term. However, they may be important in smoothing a major financial imbalance (revenue or capital) over a longer timescale. CIPFA Bulletin 13 – Local Authority Reserves and Balances (Updated) published March 2023 states:

“Balancing the annual budget by drawing on general reserves may be viewed as a legitimate short-term option. However, it is not normally prudent for reserves to be deployed to finance recurrent expenditure. CIPFA has commented that councils should be particularly wary about using one off reserves to deal with shortfalls in current funding. Where such action is to be taken, this should be made explicit, and an explanation given as to how such expenditure will be funded in the medium to long term.”
  - 1.7. The Northamptonshire Commissioner Fire and Rescue Authority (NCFRA) was established on the 1 January 2019 with no transfer of reserves agreed as part of the business case. As such, a three year financial stability period was set to establish a more stable budget position, supported by a sufficient level of reserves.
  - 1.8. Tight financial planning, together with assistance from the Home Office has enabled a sufficient reserves position to be sufficient currently. However, work on the budget and Medium-Term Financial Plan has identified that the financial risks from inflation and other pressures are still forecast to be higher than funding available to the service. Despite annual efficiency targets, funding deficits are identified in future years.
  - 1.9. The reserves strategy assumes that the Medium-Term Financial Plan (MTFP) is broadly balanced on a sustainable basis across the five year planning period. If the financial impact of current economic conditions continues to impact on taxbase and council tax levels over the medium term, then this could impact on those assumptions.
  - 1.10. This is recognised as a risk as when taking into account the projected shortfalls on the MTFP where savings will need to be achieved to facilitate balancing budgets in future years.
  - 1.11. If savings cannot bridge the full gap, based on current estimates, as a worst case scenario, revenue reserves can balance the gap over the five year MTFP, but this would use almost all available reserves and would impact funding available for investment.
  - 1.12. Due to the lack of investment by Northamptonshire County Council over many years, NCFRA have a significant Capital programme requirement. This is continually reviewed to ensure it is both operationally deliverable and affordable. Previously, the PFCC made successful representation to the Home Office and obtained £0.5m funding to support historic capital programme investment.
  - 1.13. Reserves should reflect the agreed financial strategy and should represent the quantified impact of risks and opportunities over the planning period, weighted for their probability.

## **2. National Guidance and Compliance with Home Office Guidance on Police Reserves**

- 2.1. The CIPFA Bulletin includes guidance on the establishment and maintenance of local authority reserves and balances, setting out the key factors that should be taken into account locally in making an assessment of the appropriate level of reserves and balances to be held.
- 2.2. On 31 March 2018, the Minister for Policing and the Fire Service published new guidance on the information that each PFCC must publish in terms of police reserves which is still relevant today. This guidance has been adopted for NCFRA to ensure consistency across PFCC governed Fire and Police services in Northamptonshire. The NCFRA reserves strategy is published annually on the PFCC website.
- 2.3. One of the key requirements is that the information on each reserve should make clear how much of the funding falls into each of the following three categories:
  - Funding for planned expenditure on projects and programmes over the period of the current medium term financial plan.
  - Funding for specific projects and programmes beyond the current planning period.
  - As a general contingency to meet other expenditure needs held in accordance with sound principles of good financial management.
- 2.4. This information is summarised across the Home Office headings as at 31/3/24, together with the proposed use of the reserves held at that date as follows:

Reserve	Forecast Balance as at 31/3/2024	Funding for planned expenditure on projects and programmes over the MTFP (24/25-28/29)	Total Forecast Revenue and Capital Reserves as at 31 March 2029	Funding for specific projects and programmes beyond the current planning period	As a general contingency to meet other expenditure needs
	£m	£m	£m	£m	£m
<b>General</b>	<b>2.000</b>		<b>2.000</b>		<b>2.000</b>
<b>Earmarked Revenue:</b>					
Insurance	<b>0.250</b>		<b>0.250</b>		<b>0.250</b>
Operational Equipment	<b>0.070</b>	0.340	<b>0.410</b>		<b>0.410</b>
Carry Forwards	<b>0.012</b>	(0.012)	<b>0.000</b>		<b>0.000</b>
Smoothing	<b>0.977</b>	(0.747)	<b>0.230</b>		<b>0.230</b>
Transformation	<b>1.000</b>		<b>1.000</b>	(1.000)	<b>0.000</b>
<b>Total Earmarked</b>	<b>2.309</b>	<b>(0.419)</b>	<b>1.890</b>	<b>(1.000)</b>	<b>0.890</b>
<b>Total Revenue</b>	<b>4.309</b>	<b>(0.419)</b>	<b>3.890</b>	<b>(1.000)</b>	<b>2.890</b>
<b>Capital:</b>					
Capital Receipts	<b>0.442</b>	(0.400)	<b>0.042</b>	(0.042)	<b>0.000</b>
Capital and ESN Reserve	<b>0.063</b>		<b>0.063</b>	(0.063)	<b>0.000</b>
S106 Developer Contributions	<b>0.000</b>		<b>0.000</b>		<b>0.000</b>
Capital Grants Unapplied	<b>0.417</b>		<b>0.417</b>	(0.417)	<b>0.000</b>
<b>Total Capital</b>	<b>0.922</b>	<b>(0.400)</b>	<b>0.522</b>	<b>(0.522)</b>	<b>0.000</b>
<b>Total Reserves</b>	<b>5.231</b>	<b>(0.819)</b>	<b>4.412</b>	<b>(1.522)</b>	<b>2.890</b>

*Note: numbers may not sum due to rounding*

- 2.5. Once the Chief Fire Officer has completed their consideration of the operational requirements of the service, plans will be put in place to drawdown from the transformation reserve, which was set aside for this purpose.
- 2.6. Given the adequate but low level of revenue reserves held by NCFRA, the above table reflects the strategy intention to maintain them at a relatively stable level. However, it is acknowledged that this will be reduced once the Chief Fire Officer's plans take shape.
- 2.7. Capital reserves will be used to ensure that the capital programme is funded in the most appropriate and prudent manner.

### 3. General Reserve

3.1. In order to assess the adequacy of the unallocated general reserve when setting the budget, the PFCC, on the advice of the two Chief Finance Officers, should take account of the strategic, operational and financial risks facing the authority. This assessment of risk should include external risks, as well as internal risks, for example the ability to deliver planned efficiency savings.

3.2. Whilst there is no prescribed level of reserves that PFCCs should hold; it is influenced by individual discretion, local circumstances, advice from external auditors, risk management arrangements and risk appetite. CIPFA guidance specifically cautions against prescriptive national guidance for a minimum or maximum level of reserves and states:

*“The many factors involved when considering appropriate levels of reserves can only be assessed properly at a local level. A considerable degree of professional judgement is required. The chief finance officer may choose to express advice on the level of balances in cash and/or as a percentage of budget (to aid understanding) so long as that advice is tailored to the circumstances of the authority.”*

3.3. However, the minimum level of reserves may be set for the authority by the Ministers in England and Wales where an authority does not act prudently, disregards the advice of its chief finance officer or is heading for financial difficulties.

3.4. CIPFA indicate a minimum general reserve level is typically between 2% and 3% of net budget requirement.

3.5. In Policing, average general reserves are around 5%. However, in Fire, there are even higher levels of general and earmarked reserves held. Home Office publications in recent years reflect that despite progress in building reserves, NCFRA still have the lowest level of reserves per core spending power across all Fire and Rescue Authorities in England and Wales.

3.6. In December 2022, prior to the provisional Local Government Settlement, the Department of Levelling Up, Housing and Communities (DLUHC) issued a policy statement. The statement included specific mention of the level of reserves built up during the pandemic and which applies to Fire and Police as follows:

*“The government notes the significant increase in some local authority reserves over the 2 years of the pandemic. We encourage local authorities to consider how they can use their reserves to maintain services in the face of immediate inflationary pressures., taking account, of course, of the need to maintain appropriate levels of reserves to support councils’ financial sustainability and future investment. In order to support council members and local electorates to understand the reserves that their local authorities are holding and what they are used for, we will also explore releasing a user-friendly publication of the reserves data currently collected in the Local Authority Revenue Expenditure and Financing Outturn Statistics. We will consult with trusted partners, including the Local Government Association, about doing this”.*



- 3.7. The PFCC has considered his reserves strategy and wishes to hold a sufficient but not excessive level of reserves. In determining this position, Annexe 1 outlines how the PFCC complies with the 7 key CIPFA principles which can be used to assess the adequacy of reserves.
- 3.8. NCFRA have also considered the following factors:
- NCFRA are required to meet the first 1% of any special grant requirement.
  - NCFRA was established without the transfer of any reserves.
  - Local funding accounts for some 75% of NCFRA’s funding streams, which can be affected by local taxpayers and business’ ability to pay and can subject to volatility.
- 3.9. Given the above, it remains prudent to hold reserves at a reasonable level to provide a realistic and comfortable buffer to meet any eventualities, and to mitigate against any unplanned in-year changes being required. It is, therefore, imperative that the General Reserve is held at a sufficient level to mitigate such financial risks alongside any earmarked reserves.
- 3.10. The Chief Finance Officer advises that it would be prudent to maintain a sustainable and resilient level of general reserves at £2.0m or 5% (whichever is the higher).
- 3.11. The general reserve also holds the financial risk of any potential industrial action requirements should they arise.
- 3.12. At present, there are no plans to use the general reserve during the period of the MTFP. They are currently stabilised above 5% of revenue budget in each year of the MTFP as follows:

Year	£m	%
2024/25	<b>2.000</b>	6.4%
2025/26	<b>2.000</b>	6.2%
2026/27	<b>2.000</b>	6.1%
2027/28	<b>2.000</b>	5.9%
2028/29	<b>2.000</b>	5.8%

#### 4. Earmarked Reserves

- 4.1. In addition to the general reserve, the PFCC holds a number of reserves which are earmarked for specific purposes.
- 4.2. At the 31/3/2024, it is estimated that the PFCC will hold £3.231m for Fire in earmarked reserves. The predicted position for each earmarked reserve as at 31/3/2024, together with further details is attached in Annexe 2 and 3.
- 4.3. The purposes of the different earmarked reserves are as follows:

- **Insurance** – To hold funds set aside where considered prudent for civil claims (Public and Employer liability) in line with professional advice.
- **Operational Equipment** – Given the age and condition of equipment transferred as part of the governance transfer, an annual operational equipment reserve contribution was established to smooth the impact and mitigate the costs of essential operational equipment replacement.
- **Carry Forwards** – To hold previous years underspends which are ring-fenced and carried forward for specific purposes in the medium term.
- **Smoothing** – To enable the savings generated to be earmarked and released over future years as needed, smoothing the impact of uncertain variations and timing of savings programmes on the revenue budget.
- **Transformation** – To support initiatives and transformative activities such as investments in technology and other innovation, and in line with operational priorities.
- **Capital Receipts** – To earmark receipts for disposal of capital assets for use as deemed appropriate to minimise the cost of future capital financing.
- **Capital and ESN Reserve** – To hold amounts set aside for capital investment, applied to the capital programme as deemed appropriate to minimise the cost of future capital financing.
- **Developer Contributions (S106)** – To collect the drawn down developer contributions awarded to the PFCC in line with S106 planning arrangements. These funds will be released in accordance with the terms of the agreements, usually to fund capital expenditure. The reserve only accounts for funds once they have been drawn down.
- **Capital Grants Unapplied** – To hold amounts grants received for specific capital investment, to be applied to the capital programme in line with the grant terms and as deemed appropriate to minimise the cost of future capital financing.

4.4. The forecast balance on the reserves, taking into account a prudent estimate of timings for proposals which are currently being developed is detailed within Annexe 2.

4.5. These reserves will be reviewed on a regular basis and any further opportunities to set aside earmarked reserves to support targeted expenditure and investment will be taken where appropriate.

## 5. Provisions

5.1. The CIPFA Statement of Recommended Practice is prescriptive about when provisions are required (and when they are not permitted). A provision must be established for any material liabilities of uncertain timings or amount, to be settled by the transfer of economic benefits. In accordance with this statutory guidance, the Force hold an established 'Insurance Provision' which is reviewed as part of the closedown process for each year.

**6. Procedures for management and control**

- 6.1. Any drawdown from reserves is subject to the approval of the PFCC, on advice from the PFCC's Chief Finance Officer (OPFCC CFO); or under the delegated authority of the OPFCC CFO.
- 6.2. The Local Government Act 2003 requires the S151 officer to report annually on the adequacy of the reserves and this is included within the statement on the robustness of the estimates used for the budget and the adequacy of the proposed financial reserves.
- 6.3. The Strategy will be reviewed annually by the OPFCC CFO as part of the Budget and Precept process.

**Annexe 1**

**NCFRA - Compliance with the 7 Key CIPFA Principles to assess the adequacy of reserves**

Budget Assumptions (CIPFA Principles)	2024/25 Situation in Northamptonshire
<p><b>The treatment of inflation and interest rates</b></p>	<p>NCFRA makes full and appropriate provision for pay and price increases, informed by benchmarking with peers.</p> <p>There are also pay and inflation contingencies held in the Fire budgets to mitigate such eventualities.</p> <p>An informed assessment is made in the Treasury Management Strategy of interest rate movements.</p> <p>All income and expenditure in the budget is prepared and published at outturn prices.</p>
<p><b>Estimates of the level and timing of capital receipts</b></p>	<p>NCFRA has reviewed its estates strategy as a fundamental part of the capital programme and has made assumptions of future capital receipts.</p> <p>The capital programme considerations require significant investment and until this has been concluded, only essential capital investment has been approved.</p> <p>The achievement of capital receipts in line with the proposed timings is essential to ensuring that prioritised capital investments can be progressed.</p>
<p><b>The treatment of demand led pressures</b></p>	<p>NCFRA is required to operate and manage within its annual budget allocation.</p> <p>All budgets except firefighters are devolved and managed by trained budget holders.</p> <p>On an exceptional basis, agreement of the PFCC is given to utilise carry forwards to meet one off demand led pressures.</p> <p>Demand led pressures are scrutinised and built into the budget on zero based budget principles. An agreed budget for Fire is set by the PFCC.</p>

	<p>The PFCC is keen to ensure that NCFRA continue to identify efficiencies where it makes sense to do so, and an efficiency target is set as part of the budget and MTFP and detailed within the annual strategic outcomes agreed with the Chief Fire Officer.</p> <p>Depending on funding availability, the PFCC has and will continue to support investment in areas that reduce demand, or which increase efficiency/capacity to deal with demand.</p> <p>General reserves are used as a last resort to manage and fund demand led pressures.</p>
<p><b>The treatment of Planned Efficiency Savings/Productivity Gains</b></p>	<p>NCFRA met all financial savings and challenges required by NCC in previous years.</p> <p>In the years post transfer, NCFRA has underspent each year and used the opportunity to increase reserves as a result. Each financial year is more challenging, but it is forecast the budget will be balanced with a minimal use of reserves.</p> <p>There is a savings plan aligned to the MTFP and any identified savings and efficiencies from service or governance transfers will be monitored and reviewed regularly by the service and are only included as achieved in budgets when confirmed and verified.</p>
<p><b>The financial risks inherent in any significant new funding partnerships, collaboration, major outsourcing arrangements or major capital developments.</b></p>	<p>The financial consequences of partnership collaboration working, outsourcing arrangements or capital investment will be reported to the PFCC as part of the medium term planning process. Where relevant, any additional costs are incorporated into the annual revenue budget and/or capital programme.</p> <p>There is a risk that partners will withdraw funding as their own budgets are squeezed, or that the continued viability of private sector commercial partners will be exposed to risk in the face of an economic recession.</p>

<p><b>The availability of reserves, government grants and other funds to deal with major contingencies and the adequacy of provisions.</b></p>	<p>NCFRA have built up appropriate reserves from a zero base to build a stable range earmarked reserves and provisions to meet specific expenditure items. Their use and balances are detailed in the attached annexe.</p> <p>NCFRA maintain an insurance provision, the adequacy of which is reviewed and monitored in detail by the legal services insurance advisors.</p> <p>NCFRA continue to build a general reserve to cover any major unforeseen circumstances, supported by earmarked reserves where appropriate to meet targeted investment in a planned manner which does not disproportionately impact on the revenue budget each year.</p>
<p><b>The general financial climate to which the Authority is subject</b></p>	<p>It is anticipated that the financial climate will continue to be challenging and the medium-term financial plan reflects the “best estimate” of future inflation rates and increases in government grants and contributions.</p> <p>The Commercial team keep the authority updated on matters/risks affecting large contracts and supply chain.</p> <p>The MTFP will be regularly reviewed and updated to support operational decision making.</p>

Annexe 2

**RESERVES OF THE NORTHAMPTONSHIRE COMMISSIONER FIRE AND RESCUE AUTHORITY  
2024/25 to 2028/29**

	<b>Rationale</b>	<b>How and when used</b>	<b>Level</b>	<b>Risk If Reserve Not Held</b>	<b>Management and control</b>	<b>Review</b>
<b>GENERAL RESERVE</b>	<p>To maintain a degree of in-year financial flexibility</p> <p>To enable NCFRA to deal with unforeseen circumstances and incidents.</p> <p>To manage and meet financial risks of any industrial action requirements.</p> <p>To set aside sums for known and potential liabilities.</p>	<p>To meet exceptional spending needs or overspends which are unable to be otherwise financed at the year end.</p> <p>To smooth the profile of revenue over a medium term financial period.</p> <p>To allow higher spending without raising council tax on a one-off basis.</p>	<p>To maintain a sustainable level of £2.0m of 5% (whichever is the higher)</p>	<p>The general reserve is held at a level which reflects risk, uncertainties and volatility.</p> <p>If no reserve is held there may be insufficient resources available for major catastrophe, which could jeopardise financial status and reputation of NCFRA.</p> <p>The PFCC would have recourse to discretionary special grant if costs exceed 1% of budget or CLG Bellwin scheme for natural disasters.</p>	<p>PFCC, on advice from PFCC CFO</p>	<p>Annual</p>
<b>EARMARKED - INSURANCE</b>	<p>To cover the potential and contingent liabilities of uninsured risks as assessed annually by our insurers based on claims outstanding.</p>	<p>Balance will increase or reduce annually dependent on the NCFRA outstanding claims record. Established in 2018/19 following advice from legal service advisors. Level of reserve reviewed annually with the legal services advisers.</p>	<p>Will vary according to annual risk assessment.</p>	<p>The reserve is held to cover potential uninsured risks.</p> <p>If no reserve is held the NCFRA is potentially open to significant excess and claims payments in year beyond available revenue budgets which would fall on the general reserve.</p> <p>Assessment by insurers needs to be realistic not unduly pessimistic.</p>	<p>PFCC, on advice from PFCC CFO</p>	<p>Annual</p>

	<b>Rationale</b>	<b>How and when used</b>	<b>Level</b>	<b>Risk If Reserve Not Held</b>	<b>Management and control</b>	<b>Review</b>
<b>EARMARKED - OPERATIONAL EQUIPMENT</b>	To smooth the impact of operational equipment purchases on the revenue budget	To access the funds a costed request has to be provided.	Will vary according to usage and annual risk assessment.	<p>The reserve is held to smooth the impact of operational equipment replacement rather than have significant variations in the budget.</p> <p>If no reserve is held, the risk is that equipment would have to be replaced from the current year's budget or capital programme.</p>	PFCC, on advice from PFCC CFO	Annual
<b>EARMARKED – CARRY FORWARDS</b>	For an underspend in one financial year to be set aside and ring fenced to meet any one off unbudgeted costs or new initiatives in a future year.	Balance will increase or reduce annually dependent on the workforce planning requirements.	Will vary according to year end outturn and usage.	Establishing a reserve enables an incentive and opportunity to utilise year end underspends in a manner which will provide additionality or benefit for the service in future years, rather than finding resources from in-year or reserves.	PFCC, on advice from PFCC CFO	Annual
<b>EARMARKED – SMOOTHING</b>	<p>To smooth the impact of fluctuations in the funding receipts from council tax and business rates as Business Rate levels are determined after the budget has been set.</p> <p>To collect efficiency savings realised to smooth the impact on future years budgets.</p> <p>To smooth the impact of budget fluctuations.</p>	Balance will increase or decrease annually, dependent on council tax and business rate receipts.	Will vary according to annual risk assessment.	<p>The reserve is held to receive any funding received in excess of the budget set and to utilise to ensure any variations are smoothed where appropriate.</p> <p>If no reserve is held, NCFRA are required to balance the budget through savings, contingencies and reserves.</p> <p>This reserve enables short term fluctuations to be managed more smoothly.</p>	PFCC, on advice from PFCC CFO	Annual



	<b>Rationale</b>	<b>How and when used</b>	<b>Level</b>	<b>Risk If Reserve Not Held</b>	<b>Management and control</b>	<b>Review</b>
<b>EARMARKED - TRANSFORMATION</b>	To build and maintain a reserve sufficient to support invest to save initiatives and provide initial funding to set up transformational activities.	To undertake initiatives and transformation without needing to use the annual operational budget.	Will vary according to activities.	<p>The reserve is held to support the cost of transformation and investment without utilising the general reserve.</p> <p>If no reserve is held, PFCC could find it difficult to invest in transformational activities or savings would have to be made from operational budgets before any initiatives could be undertaken.</p> <p>If no funds were available, it may be that innovative activity is hindered.</p>	PFCC, on advice from PFCC CFO	Annual
<b>EARMARKED - CAPITAL RECEIPTS</b>	From sales of equipment above the capital de-minimis level and used to support the capital programme funding requirements.	Used to support funding the capital programme to minimise the cost of external borrowing on NCFRA and the taxpayer.	Will vary according to activities.	<p>The reserve is held when equipment over a certain value is sold.</p> <p>This enables funds to be used in the most appropriate manner to meet capital expenditure and minimise the cost of borrowing.</p>	PFCC, on advice from PFCC CFO	Annual

	<b>Rationale</b>	<b>How and when used</b>	<b>Level</b>	<b>Risk If Reserve Not Held</b>	<b>Management and control</b>	<b>Review</b>
<b>EARMARKED - ESN AND CAPITAL RESERVE</b>	To meet the costs of ESN and other capital requirements to support the funding of the capital programme.	Used to support funding the capital programme to minimise the cost of external borrowing on NCFRA and the taxpayer.	Will vary according to activities.	<p>The reserve is held from specific ESN funding or revenue underspends in previous years set aside to meet the revenue costs of capital expenditure.</p> <p>This enables funds to be used in the most appropriate manner to meet capital expenditure and minimise the cost of borrowing.</p>	PFCC, on advice from PFCC CFO	Annual
<b>EARMARKED - DEVELOPER CONTRIBUTIONS (S106)</b>	To meet the additional infrastructure and other requirements of new developments.	To implement new infrastructure required as a result of developments without needing to use the annual operational budget.	Will vary according to activities.	<p>The reserve is held for funds allocated to NCFRA from developers towards the cost of NCFRA infrastructure developments.</p> <p>This enables funds to be used in the most appropriate manner to meet capital expenditure and minimise the cost of borrowing.</p>	PFCC, on advice from PFCC CFO	Annual
<b>EARMARKED - CAPITAL GRANTS UNAPPLIED</b>	Unapplied grants brought forward from the Governance Transfer with Northamptonshire County Council and additional one off grant received from the Home Office.	Used to support funding in accordance with the grant requirements to minimise the cost of external borrowing on NCFRA and the taxpayer if purchased from capital.	Will vary according to activities.	<p>The reserve is held for grants awarded for a specific capital purpose.</p> <p>This enables funds to be used in the most appropriate manner to meet capital expenditure and minimise the cost of borrowing.</p>	PFCC, on advice from PFCC CFO	Annual

## Annexe 3

## Summary of Reserves 2023/24 to 2028/2029

	Forecast Balance at 31 March 2024 £m	Forecast Balance at 31 March 2025 £m	Forecast Balance at 31 March 2026 £m	Forecast Balance at 31 March 2027 £m	Forecast Balance at 31 March 2028 £m	Forecast Balance at 31 March 2029 £m
<b><u>Held to meet budgetary risks</u></b>						
Insurance	0.250	0.250	0.250	0.250	0.250	0.250
Operational Equipment	0.070	0.110	0.210	0.310	0.410	0.410
	<b>0.320</b>	<b>0.360</b>	<b>0.460</b>	<b>0.560</b>	<b>0.660</b>	<b>0.660</b>
<b><u>Held to support the medium term budget</u></b>						
Carry Forwards	0.012	0.000	0.000	0.000	0.000	0.000
Smoothing Reserve	0.977	0.230	0.230	0.230	0.230	0.230
	<b>0.989</b>	<b>0.230</b>	<b>0.230</b>	<b>0.230</b>	<b>0.230</b>	<b>0.230</b>
<b><u>Held to facilitate change programmes</u></b>						
Transformation Reserve	1.000	1.000	1.000	1.000	1.000	1.000
	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
<b><u>Committed to future capital programmes</u></b>						
Capital Receipts	0.442	0.042	0.042	0.042	0.042	0.042
Capital and ESN Reserve	0.063	0.063	0.063	0.063	0.063	0.063
S106 Developer Contributions	0.000	0.000	0.000	0.000	0.000	0.000
Capital Grants Unapplied	0.417	0.417	0.417	0.417	0.417	0.417
	<b>0.922</b>	<b>0.522</b>	<b>0.522</b>	<b>0.522</b>	<b>0.522</b>	<b>0.522</b>
<b>Total Earmarked Reserves</b>	<b>3.231</b>	<b>2.112</b>	<b>2.212</b>	<b>2.312</b>	<b>2.412</b>	<b>2.412</b>
General Fund	2.000	2.000	2.000	2.000	2.000	2.000
<b>Total Reserves</b>	<b>5.231</b>	<b>4.112</b>	<b>4.212</b>	<b>4.312</b>	<b>4.412</b>	<b>4.412</b>

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## NORTHAMPTONSHIRE POLICE, FIRE AND CRIME PANEL

**6 FEBRUARY 2024**

<b>Report Title</b>	<b>Northamptonshire Police, Fire and Crime Panel Work Programme</b>
<b>Report Author</b>	<b>James Edmunds, Democratic Services Assistant Manager, West Northamptonshire Council</b> <a href="mailto:James.edmunds@westnorthants.gov.uk">James.edmunds@westnorthants.gov.uk</a>

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### List of Appendices

#### **Appendix A – Outline Work Programme**

#### **Appendix B – Updated terms of reference for task and finish scrutiny work of early intervention activity with children and young people at risk of becoming involved in criminal activity in Northamptonshire**

#### **1. Purpose of Report**

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- 1.1. The report is intended to enable the Northamptonshire Police, Fire and Crime Panel to review overall progress with the development and delivery of its 2023/24 work programme and to consider specific related matters.

#### **2. Executive Summary**

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- 2.1. The report invites the Panel to review the latest version of its outline work programme for 2023/24 and to endorse this subject to any changes that the Panel considers to be necessary.
- 2.2. The report also invites the Panel to consider and agree updated terms of reference for task and finish scrutiny work of early intervention activity with children and young people at risk of becoming involved in criminal activity in Northamptonshire.

### **3. Recommendations**

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- 3.1 It is recommended that the Northamptonshire Police, Fire and Crime Panel:
- a) Endorses the latest version of its outline work programme for 2023/24, subject to any changes that the Panel considers to be necessary.
  - b) Agrees the updated terms of reference for task and finish scrutiny work of early intervention activity with children and young people at risk of becoming involved in criminal activity in Northamptonshire.

### **4. Reasons for Recommendations**

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- 4.1 The recommendations are intended to support the effective operation of the Panel and the delivery of its statutory responsibilities during 2023/24.

### **5. Report Background**

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- 5.1 The Police Reform and Social Responsibility Act 2011, the Policing and Crime Act 2017 and supporting legislation give various specific responsibilities to the Northamptonshire Police, Fire and Crime Panel (“the Panel”). These are principally as follows:
- Scrutinising and reporting on the Police, Fire and Crime Commissioner (PFCC)’s proposed Police and Fire and Rescue precepts
  - Scrutinising and reporting on the PFCC’s Police and Crime Plan and Fire and Rescue Plan
  - Scrutinising and reporting on the PFCC’s Annual Report on the delivery of Police and Crime Plan objectives and on the annual Fire and Rescue Statement reporting compliance with the Fire and Rescue National Framework
  - Scrutinising and reporting on proposed appointments by the PFCC to certain positions (: Deputy PFCC; Chief Executive; Chief Finance Officer; Chief Constable of Northamptonshire Police; and Chief Fire Officer of Northamptonshire Fire and Rescue Service)
  - Dealing with complaints from members of the public about the conduct of the PFCC.
- 5.2 In addition, the legislation referred to in paragraph 5.1 above gives the Panel the general responsibility to review and scrutinise decisions made, or other action taken, by the PFCC in connection with the discharge of his functions and to make reports or recommendations to the PFCC with respect to these matters. The Panel is required to carry out its role with a view to supporting the PFCC in effectively exercising his functions.
- 5.3 It is standard practice for the Panel to set an annual work programme to provide a framework within which it carries out its functions and the practical tasks these involve. The work programme is made up of a combination of statutory and discretionary scrutiny work; matters relating to the operation of the Panel; and any supporting activities such as briefings or training. The work programme covers a rolling 12-month period. The work programme is considered at the first Panel meeting in the municipal year. It is then kept under regular review by the Panel and modified or updated as necessary, with a view to ensuring that it is focussed on the aim of using available capacity to best effect.

- 5.4 It should be noted that the work programme does not represent the sum total of activity that the Panel may carry out during that period. The work programme focusses on the regular meetings of the Panel and on the functions that it must carry out at set points during the year, such as scrutiny of the PFCC's proposed precepts and Annual Report. The Panel carries out other functions when the need to do so arises, which must then be added to the planned work programme. Scrutiny of a proposed senior appointment by the PFCC is a case in point as the need for the Panel to do this may arise at any time, it is one of the Panel's statutory functions, and it requires the Panel to hold a meeting to carry out a confirmation hearing with the candidate in order to make a recommendation on the proposed appointment.

## **6. Issues and Choices**

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### Work programme – general

- 6.1 The Panel considered its outline work programme at its meeting on 15 June 2023 and identified items of business that it wished to consider during the year ahead alongside its mandatory tasks. The resulting outline work programme is included with this report (at Appendix A).
- 6.2 The work programme should not be seen as fixed and it is open to the Panel to review and modify it at any time as the municipal year progresses. The work programme can be informed by input from a range of sources, including suggestions from individual Panel members and from the PFCC. The Panel should consider suggested business from all sources on its merits, with a view to maintaining a work programme that reflects the Panel's remit, has the support of Panel members, is realistically deliverable within available resources and has the potential to produce the most worthwhile outcomes.

### Scrutiny of support for early intervention activity

- 6.3 The Panel agreed in 2022/23 to carry out a piece of task-and-finish scrutiny work on early intervention activity with young people at risk of becoming involved in criminal activity in Northamptonshire. A working group was appointed for this purpose and met three times during the first half of 2023, although it was still at an early stage of information-gathering. The Panel agreed at its meeting on 15 June 2023 that the work should be progressed in order to produce a report back to the Panel as soon as possible.
- 6.4 The Panel subsequently needed to give its overriding attention to matters relating to, and arising from, the appointment of an interim Chief Fire Officer by the PFCC in July 2023. This meant that the scrutiny work on early intervention was in abeyance during the second half of 2023 and there were also related changes to the context for the work. In light of this situation the Panel was asked to confirm at its meeting on 30 November 2023 whether the work should be resumed. The Panel agreed that a plan to progress and complete the work should be presented to the current meeting.
- 6.5 An updated version of the original terms of reference for the scrutiny work on early intervention is included with this report (at Appendix B). The updated terms of reference aim to represent a

viable plan to progress the work, taking account of what has already been done by the working group and other relevant factors.

## **7. Implications (including financial implications)**

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### **7.1 Resources and Financial**

7.1.1 There are no specific resources or financial implications associated with this report. The normal operation of the Panel is supported by grant funding that the Panel's host authority can claim from the Home Office for the purpose of maintaining a panel for the Northamptonshire Police area.

### **7.2 Legal**

7.2.1 There are no legal implications arising from the proposal.

### **7.3 Risk**

7.3.1 The Panel should ensure that its work programme enables it to carry out its statutory role and functions effectively. Factors that might represent a risk to this could include setting a work programme that did not reflect the Panel's statutory functions; that was unfocussed or included too much business to be realistically deliverable; or that was fixed at the start of the year and did not allow the flexibility to respond to issues that might subsequently arise. These risks should be mitigated by the Panel reviewing its work programme and any associated matters at each of its normal meetings during the municipal year. This will enable the Panel to consider any changes to existing arrangements that may seem necessary, with a view to ensuring that the work programme and the specific activities contained within it remain deliverable within the Panel's overall capacity and the resources available to support it.

## **8. Background Papers**

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Police Reform and Social Responsibility Act 2011

Policing and Crime Act 2017

Northamptonshire Police, Fire and Crime Panel Rules of Procedure



Northamptonshire Police, Fire and Crime Panel – Outline Work Programme

MEETING DATE	STATUTORY BUSINESS	DISCRETIONARY BUSINESS	BUSINESS RELATING TO PANEL OPERATION	OTHER BUSINESS
6 February 2024	<ul style="list-style-type: none"> <li>- PFCC’s proposed Police precept for 2024/25</li> <li>- PFCC’s proposed Fire and Rescue precept for 2024/25</li> </ul>		<ul style="list-style-type: none"> <li>- Work programme</li> <li>- 2024/25 meeting dates</li> <li>- Arrangements for recruitment of independent co-opted Panel members</li> </ul>	
20 February 2024 (Reserve meeting)	<ul style="list-style-type: none"> <li>- PFCC’s revised Police precept for 2024/25 [if required] and/or</li> <li>- PFCC’s revised Fire and Rescue precept for 2024/25 [if required]</li> </ul>			
14 March 2024		<ul style="list-style-type: none"> <li>- PFCC’s Delivery update</li> <li>- PFCC’s Finance updates</li> </ul>	<ul style="list-style-type: none"> <li>- Work programme</li> <li>- Complaints and conduct matters update</li> </ul>	
13 June 2024 (proposed date)		<ul style="list-style-type: none"> <li>- Introduction to the PFCC elected in May 2024 and their priorities</li> </ul>	<ul style="list-style-type: none"> <li>- Appointment of Panel Chair and Deputy Chair</li> <li>- Appointment of independent co-opted members</li> <li>- Work programme</li> <li>- Appointment of Complaints Sub Committee members</li> </ul>	

5 September 2024 (proposed date)			- Work programme - Complaints and conduct matters update	
5 December 2024 (proposed date)			- Work programme	

**Additional topics not yet scheduled**

The Panel agreed at previous meetings that its work programme should include reports from the PFCC on the following matters:

Topics identified at the Panel meeting on 15 June 2023

- (A) Action plans developed to address areas for improvement in service delivery by Northamptonshire Fire and Rescue Service as identified in the HMICFRS 2021/22 inspection.
- (B) The outcomes of the IPSOS Mori public consultation exercise on community safety in Northamptonshire carried out in 2022/23
- (C) The latest version of the PFCC’s full Estates Strategy
- (D) The local impact of implementing the Serious Violence Duty under the Police, Crime, Sentencing and Courts Act 2022
- (E) The local impact of delays in the Criminal Justice System

Topic identified at the Panel meeting on 30 November 2023

- (F) Findings of survey work carried out by Ipsos on the organisational culture and values of Northamptonshire Police, Northamptonshire Fire and Rescue Service and the Office of the PFCC.

The Panel also agreed at its meeting on 30 November to review on a regular basis the progress with actions taken in response to its recommendations resulting from scrutiny of decisions by the Police, Fire and Crime Commissioner connected with the appointment of an interim Chief Fire Officer.

**Briefings / Training (open to all Panel members)**

(A) Briefing sessions with the Chief Constable and with the Chief Fire Officer

The Panel generally includes in its work programme briefing sessions, held at least annually, with the Chief Constable of Northamptonshire Police and the Chief Fire Officer of Northamptonshire Fire and Rescue Service. These sessions are intended to give an overview of the operating environment for the two organisations and their key priorities and challenges, to help to inform the Panel in carrying out its role of scrutinising and supporting the PFCC. The Panel last met with both chiefs on 27 May 2022 and again with the Chief Constable on 1 December 2022. The Panel agreed at its meeting on 15 June 2023 to continue this approach. The ability to organise a briefing session has since been affected by issues relating to each position.

(B) A workshop session on the development of the PFCC's proposed precepts for 2024/25 in January 2024

The Panel usually holds a workshop session with the PFCC and the OPFCC Chief Finance Officer in January of each year to consider the financial environment and key factors informing the development of the PFCC's budget and precept proposals. This session feeds into scrutiny of the final proposals by the whole Panel at its formal meeting in February. The Panel agreed at its meeting on 15 June 2023 to continue this approach. The budget workshop session was held on 26 January 2024.

(C) A briefing session on action being taken in Northamptonshire to address domestic violence and the outcomes produced

The Panel agreed at its meeting 30 November 2023 to request that a briefing session on this topic be organised.

(D) Training for Panel members

The Panel discussed the potential to organise more training for Panel members at its meeting on 15 June 2023. The Panel agreed that training should be organised for members on effective scrutiny by Police, Fire and Crime panels. A training session on this topic was held on 22 November 2023.

### Further Information

(A) Statutory Business

**PFCC's Annual Report and Fire and Rescue Statement** – The Police, Fire and Crime Commissioner (PFCC) is required to produce an Annual Report on the exercise of the PFCC's police and crime functions during the previous financial year and the progress made in meeting objectives set out in the PFCC's Police and Crime Plan. The PFCC is also required to publish an annual statement of assurance of compliance with the priorities set out in the Fire and Rescue National Framework for England. The Panel must review and report on both the Annual Report and Fire and Rescue Statement as soon as practicable after they are received.

**PFCC's proposed Police and Fire and Rescue precepts** – The PFCC's proposed precepts must be reviewed and reported on by the Panel before they can be issued. The Panel has the power to veto a proposed precept, in which case the PFCC is required to produce a revised proposal that must also be reviewed by the Panel at the reserve meeting included in the outline work programme (if the Panel does not veto either of the proposed precepts the reserve meeting will not be held). The steps involved in this process must take place by specific deadlines set in legislation.

(B) Discretionary Business

**PFCC's Delivery Update** – This is a regular report setting out actions by the PFCC supporting progress towards the delivery of the strategic outcomes set out in his Police, Fire and Crime Plan. The Delivery Update also includes contextual information about Northamptonshire Police and Northamptonshire Fire and Rescue Service performance.

**PFCC's Finance Updates** – These are two regular reports setting out the latest in-year position for the budgets for policing and the Office of the PFCC and for the budget for the Northamptonshire Commissioner Fire and Rescue Authority.

**Joint Independent Audit Committee Annual Report** – The Joint Independent Audit Committee (JIAC) is responsible for providing independent assurance of the corporate governance, risk management and financial control arrangements operated by the PFCC and the Chief Constable. The JIAC's Annual Report is customarily presented by its Chair to the Panel, to reflect the complementary roles of the two bodies.

(C) Business relating to Panel operation

**Complaints and conduct matters update** – The Panel has adopted specific arrangements to carry out its responsibilities for dealing with complaints and conduct matters relating to the PFCC. These include the provision by the host authority Monitoring Officer of a half-yearly monitoring report about all matters dealt with in the preceding period. In this way the Panel is able to monitor the operation of the arrangements it has made to deliver this aspect of its statutory responsibilities.

**Recruitment of independent co-opted members** – The Panel is required to include a minimum of two independent co-opted members in its membership and has previously secured approval from the Home Secretary to increase this to three. The co-option of independent members is intended to assist in supporting the aim that the membership of the Panel, when taken as a whole, has the skills, knowledge and experience necessary to enable it to carry out its functions effectively. Independent co-opted members should be drawn from the local community through an open recruitment and selection process. The sitting independent co-opted members of the Panel were appointed in 2020 for a four-year term running until the day before the date of the first Panel meeting in the 2024/25 municipal year. The Panel will need to consider and confirm arrangements to recruit independent co-opted members to join the Panel from this point.

# TASK AND FINISH SCRUTINY REVIEW – TERMS OF REFERENCE [UPDATED]

## 1. Topic

Early intervention with children and young people at risk of becoming involved in criminal activity in Northamptonshire

## 2. Purpose of the scrutiny review

To examine the provision in Northamptonshire of targeted early intervention services for children and young people who, without some support, are likely to come into contact with the police and ultimately may enter the criminal justice system.

Scrutiny of this topic by the Police, Fire and Crime Panel is intended to reflect that the Panel's role is to scrutinise and support the Police, Fire and Crime Commissioner (PFCC) for the way in which he carries out his responsibilities. The PFCC's Police, Fire and Crime Plan 2021-26 includes the strategic priority to "Protect and support those who are vulnerable", with the supporting action to "Work with all partners to ensure that our approach to and delivery of early intervention services are joined up and effective."

### Key lines of enquiry

- What early intervention support is currently provided in Northamptonshire by the PFCC and what positive outcomes is it producing? What is the cost of this support and what resources are available for it? How is support directed, including between different areas in the county? How sustainable is current provision and what demands on capacity are likely to occur in the near future?
- What early intervention support is provided by other organisations in Northamptonshire? How effectively does this link up with the support provided by the PFCC? Are there opportunities to improve how the overall resources available in the county for this purpose are used?
- What are service users' and their families' perceptions of the early intervention support provided in Northamptonshire and the outcomes it is producing?
- Are there examples of good practice relating to early intervention support in other areas from which Northamptonshire could learn?

## 3. Outcomes

To make evidence-based recommendations for consideration by the PFCC intended to contribute to the provision of effective and sustainable early intervention support in Northamptonshire.

## 4. Approach

The scrutiny review will be carried out by a task and finish working group made up of the following Police, Fire and Crime Panel members:

1. Councillor Zoe McGhee (Chair)
2. Councillor Andre Gonzalez De Savage
3. Councillor Dorothy Maxwell
4. Councillor Gill Mercer
5. Mrs Anita Shields
6. Mrs Pauline Woodhouse

## 5. Information required

- A baseline overview of the early intervention support currently provided by the PFCC, from appropriate OPFCC representatives
- Relevant local policies and strategies
- Relevant national and local research
- Examples of good practice from other areas
- Views / case studies about service users' and their families' experiences
- Views from local partner organisations, for example, the two Northamptonshire local authorities; relevant voluntary and community sector organisations.

The working group may invite partner organisations and similar stakeholders to provide information to the scrutiny review where relevant to the purpose but this would be on a voluntary basis, with no power to compel the provision of information.

## 6. Resources and support

Secretariat officer support for evidence-gathering and for production of the report by the working group.

## 7. Timetable and key dates

Confirmation of updated scope by the Panel	6 February 2024
Evidence-gathering (specific dates for meetings and other activity to be set by the working group)	February – May 2024
Approval of draft report by working group	May 2024
Agreement of final report by Police, Fire and Crime Panel	13 June 2024
Presentation of final report to PFC Commissioner	June 2024

(This timetable is based on an assumption that the working group must complete its work within the 2023/24 municipal year. This represents a tight timescale and it should be recognised that the amount of time available to the working group will therefore be a key factor in determining its remaining activity).

## NORTHAMPTONSHIRE POLICE, FIRE AND CRIME PANEL

**6 FEBRUARY 2024**

<b>Report Title</b>	<b>Arrangements to recruit independent co-opted members of the Northamptonshire Police, Fire and Crime Panel</b>
<b>Report Author</b>	<b>James Edmunds, Democratic Services Assistant Manager, West Northamptonshire Council</b> <a href="mailto:James.edmunds@westnorthants.gov.uk">James.edmunds@westnorthants.gov.uk</a>

Contributors/Checkers/Approvers		
<b>West MO (for West and joint papers)</b>	Catherine Whitehead	29/01/2024

**List of Appendices**

**Appendix A – Northamptonshire Police, Fire and Crime Panel independent co-opted member person specification and role description**

**1. Purpose of Report**

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1.1. The report is intended to enable the Northamptonshire Police, Fire and Crime Panel to consider and agree proposed arrangements to recruit independent co-opted members to serve on the Panel from 2024 to 2028.

**2. Executive Summary**

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2.1. The membership of the Northamptonshire Police, Fire and Crime Panel consists of 10 councillor members and up to three independent co-opted members recruited from the community. The two serving independent co-opted members of the Panel were appointed in 2020 for a four-year term. It is therefore necessary for arrangements to be made to recruit new independent co-opted members to join the Panel from the start of 2024/25. The report invites the Panel to consider and agree proposed arrangements for this purpose, including identifying a sub group of three councillor members of the Panel to participate in the selection process.

### **3. Recommendations**

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- 3.1 It is recommended that the Northamptonshire Police, Fire and Crime Panel:
- a) Endorses the proposed approach to the recruitment of independent co-opted members to serve on the Panel from 2024/25 set out in the report.
  - b) Identifies three councillor members of the Panel to make up a sub group to participate in the recruitment of independent co-opted members to serve on the Panel from 2024/25.
- 3.2 Reasons for Recommendation(s) – The recommendations are intended to support the recruitment of independent co-opted members to serve on the Panel from 2024 to 2028, in accordance with statutory requirements relating to the membership of the Panel.

### **4. Report Background**

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- 4.1 The Police Reform and Social Responsibility Act 2011 Schedule 6 Part 2 Paragraph 4 requires that the membership of the Northamptonshire Police, Fire and Crime Panel (the Panel) must consist of:
- a) 10 councillors drawn from the local authorities in the Northamptonshire Police area; and
  - b) 2 independent members co-opted by the Panel
- 4.2 Panels may increase their number of independent co-opted members provided that this is approved by the Secretary of State. The Panel agreed in July 2016 that it would be beneficial to increase the number of independent co-opted members to three. It received the necessary approval to do so and the Panel has since operated on this basis.
- 4.3 The co-option of independent members is intended to assist in supporting the aim that the membership of a Police, Fire and Crime panel, when taken as a whole, has the skills, knowledge and experience necessary to enable the panel to carry out its functions effectively.
- 4.4 The existing Panel Arrangements for the Panel include the following provisions concerning the appointment of independent members:

*Independent members shall be co-opted to the Panel to serve for a term of four years.*

*The Panel shall put in place arrangements to ensure that appointments of co-opted members are undertaken following public advertisement in accordance with the following principles:*

- a) *Appointments will be made on merit of candidates whose competencies, skills, knowledge and experience are considered the best match to a role profile intended to support the Panel in discharging its functions effectively;*
- b) *The appointment process must be fair, objective, impartial and consistently applied to all candidates who will be assessed against the same pre-determined criteria; and,*
- c) *The appointment process will be conducted transparently with information about the requirements for the appointment and the process being publicly advertised and made available with a view to attracting a strong field of candidates.*



*Co-opted members who have been appointed to the Panel may seek re-appointment for a second term of four years.*

4.5 The serving independent co-opted members of the Panel are Mrs Anita Shields and Miss Pauline Woodhouse (a third independent co-opted member who was appointed at the same time subsequently resigned). Both were appointed to the Panel on 16 July 2020 to serve for a four-year term: formally their appointments run to the day before the date of the first Panel meeting in the 2024/25 municipal year. Mrs Shields served a previous term on the Panel from 2016 to 2020; Miss Woodhouse was newly appointed in 2020. The forthcoming completion of their terms therefore requires the Panel to carry out a recruitment exercise, to enable the Panel to co-opt independent members to serve from 2024 to 2028.

## **5. Issues and Choices**

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5.1 The Panel has carried out recruitment exercises for independent co-opted members on five previous occasions: in 2012, when the Panel was first established; in 2016 and 2020 at the scheduled completion of serving members' four year terms; and in 2014 and 2019 when individual resignations created vacancies that needed to be filled.

5.2 It is proposed that the recruitment process used in 2024 will largely be based on that used in the past, which has produced good results and which reflects the requirements in the Panel Arrangements set out in paragraph 4.4 above. The recruitment process should also take account of guidance on independent member recruitment published by the Home Office in 2023.

5.3 On this basis, the recruitment process will involve advertisement of the independent co-opted member roles, provision of application packs to potential applicants and a two-stage selection process using an application form to shortlist candidates to be invited to attend an interview. A sub group of the Panel, supported by the Panel Secretariat, will shortlist and interview candidates and recommend proposed appointments for agreement by the full Panel.

5.4 The independent co-opted member person specification and role description that will form the basis for the recruitment process is included with this report (at Appendix A). The person specification and role description were agreed by the Panel when it was first established and have subsequently been reviewed and updated when necessary.

5.5 The application pack to be provided to potential applicants will include the following types of information:

- Application form
- Independent co-opted member person specification and role description
- Northamptonshire Police, Fire and Crime Panel scheme of expenses
- Links to Panel agenda papers, webcasts and further information on the role of Police, Fire and Crime commissioners and panels
- Examples of reports considered and produced by the Panel

- 5.6 Advertisement of the independent co-opted member roles will run for approximately a month and use the following methods:
- Press release by the host authority Communications Team
  - Public notice on the host authority website
  - Posts on host authority social media channel(s)
  - Requests to publicise the role sent to relevant local volunteer organisations
  - Public notice on the Office of the Police, Fire and Crime Commissioner website
  - Posts on Office of the Police, Fire and Crime Commissioner social media channel(s)
  - Requests to pass on information about the role sent to all Panel members and to councillors at North Northamptonshire and West Northamptonshire councils
- 5.7 For reference, when recruitment was carried out in 2020 using the broad approach set out above the Panel Secretariat sent out 33 application packs; 8 applications were received; 5 applicants were interviewed; and 3 appointments were made.
- 5.8 It is anticipated that a recruitment process conducted on this basis would be carried out over two to three months in the first half of 2024 to enable recommended appointments to be presented to the Panel at its first meeting in 2024/25 (proposed to be held on 13 June 2024).

## **6. Implications (including financial implications)**

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### **6.1 Resources and Financial**

- 6.1.1 There are no specific resources or financial implications associated with this report. The scheduled recruitment of independent co-opted members forms part of the normal operation of the Panel. This is supported by West Northamptonshire Council, using grant funding that the Panel's host authority can claim from the Home Office for the purpose of maintaining a panel for the Northamptonshire Police area.

### **6.2 Legal**

- 6.2.1 There are no legal implications associated with this report. The proposed arrangements for recruiting independent co-opted members are intended to reflect statutory requirements relating to the composition of panels and related guidance.

### **6.3 Risk**

- 6.3.1 Risks could arise in connection with the recruitment of independent co-opted members of the Panel if the process followed is not open and well-managed and if it results in recommendations that do not seem justified or objective. The proposed approach set out in this report is intended to mitigate these risks by using methods that have worked effectively in the past; taking account of relevant guidance; and allowing sufficient time to run the process effectively whilst also enabling the Panel to make appointments by the necessary deadline.

## **7. Background Papers**

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Police Reform and Social Responsibility Act 2011

Policing and Crime Act 2017

Police, fire and crime panels: independent member recruitment – Home Office guidance

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## **Northamptonshire Police, Fire and Crime Panel**

### **Independent Members Person Specification and Role Description**

Candidates for appointment as independent members of the Panel will be assessed against the following person specification. The means of assessment will be by application and interview by a sub group of Panel members appointed for that purpose.

#### **Person Specification**

##### **Competencies**

Independent members of the Panel will have:

- The ability to think strategically: to have breadth of vision, to rise above detail, and to see problems and issues from a wider, forward-looking perspective.
- The ability to make good judgements: to take a balanced, open-minded and objective approach, for example, in evaluating the priorities of the Police, Fire and Crime Commissioner (PFCC), assessing candidates' suitability for top level appointments or considering complaints against the PFCC.
- The ability to be supportive: to be able to support the PFCC and the other members of the Panel in delivering their duties.
- The ability to scrutinise and challenge: to be able to scrutinise rigorously and challenge constructively without becoming confrontational, using appropriate data, evidence and resources.
- The ability to be analytical: to interpret and question written material, including financial and statistical information and other data such as performance measures and identify the salient points.
- The ability to communicate effectively: to be able to communicate effectively both verbally and in writing and to interact positively with other members of the Panel, the PFCC, representatives of partner organisations and members of the public.

##### **Personal Qualities**

- Team working: the ability to play an effective role in meetings through listening, persuading and showing respect for the views of others, and the ability to do so as the chair of a meeting.
- Self-confidence: the skill to challenge accepted views constructively without becoming confrontational and show resilience even in challenging circumstances, remaining calm and confident and able to make difficult decisions.
- Enthusiasm and drive: the ability to be proactive in seeking out learning and developmental opportunities to enhance knowledge and understanding.
- Respect for others: the capacity to treat all people fairly and with respect, to value diversity and respond sensitively to difference.
- Integrity: the necessity to embrace high standards of conduct and ethics and be committed to upholding human rights and equality of opportunity for all.

## **Desirable additional criteria**

Independent members of the Panel will have:

- Knowledge / experience in the fields of policing, the criminal justice system, Fire and Rescue or community safety.
- Knowledge / experience that will assist the Panel to represent and work on behalf of people from all parts of the community in Northamptonshire.

## **Requirements of the role**

Independent members of the Panel:

- Must be able to attend Panel meetings at least 5 times a year, as well as attend other meetings and training sessions as required throughout the year. Panel meetings are normally held during office hours in Northampton, although other Panel activities may be held at different locations in Northamptonshire.
- Should have the time, energy and commitment to prepare for and attend regular meetings.
- Should have a willingness to learn.
- Must be prepared to commit to carry out their role in accordance with the 7 Nolan principles of public life:
  - Selflessness: holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.
  - Integrity: holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
  - Objectivity: in carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
  - Accountability: holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
  - Openness: holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
  - Honesty: holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
  - Leadership: holders of public office should promote and support these principles by leadership and example.

## **Eligibility for Appointment**

Candidates must be eligible for appointment as an independent member of the Panel. People in the following positions cannot be considered for appointment:

- Anyone under 18 years of age
- Anyone who does not live or work in the Northamptonshire Police force area
- The Northamptonshire Police, Fire and Crime Commissioner or members of their staff
- Police officers
- Northamptonshire Fire and Rescue Service officers
- Members of the civilian staff of Northamptonshire Police or of Northamptonshire Fire and Rescue Service
- Members of Parliament
- Members of the National Assembly for Wales
- Members of the Scottish Parliament
- Members of the European Parliament
- Members of North Northamptonshire Council or West Northamptonshire Council

## **Role Description**

Independent co-opted members will be treated equally to other councillor members on the Panel and therefore have the same responsibilities and duties.

All independent co-opted members have full voting rights and will have access to the same level of support and information as councillor members on the Panel.

The core role of both councillor members and independent co-opted members on the Panel is to:

- Scrutinise and support the work of the Police, Fire and Crime Commissioner (PFCC) to ensure that the PFCC is discharging their functions effectively.
- Bring any specialist knowledge, skills, experience and expertise that they may have to the scrutiny work of the Panel.
- Act as a critical friend to the PFCC, offering a balance of support and constructive challenge using appropriate data, evidence and resources. r role.

Independent co-opted members will also act as a non-party-political voice for those who live and/or work in Northamptonshire.

## **Responsibilities**

An independent co-opted member of the Panel is expected to:

- Attend all formal meetings of the Panel (approximately 5 per year).
- Establish good relations with other Panel members and members of staff supporting the work of the Panel
- Attend additional meetings, for example working groups, as required.
- Prepare for meetings by reading the agenda papers and additional information to familiarise themselves with the issues to be covered during the meeting. Prior to the meeting consider the questions they may wish to put to the PFCC or other expert witnesses attending.
- At meetings to listen carefully, ask questions in a way which is non-judgmental, respects confidentiality and that helps the Panel to make practical suggestions for improvements in services.
- Assist in the preparation of reports and the formulation of recommendations by the Panel. This may involve volunteering to participate in a working group to conduct a scrutiny review investigation.
- Attend training and development events as needed.
- Abide by the Panel Arrangements and Rules of Procedure that set out how the Northamptonshire Police, Fire and Crime Panel operates.
- Keep abreast of key issues in relation to the responsibilities of the PFCC and the priorities within their Police and Crime Plan and Fire and Rescue Plan.
- Contribute to achieving an open, accountable and transparent decision-making process in relation to policing, Fire and Rescue and community safety issues in Northamptonshire.



## NORTHAMPTONSHIRE POLICE, FIRE AND CRIME PANEL

**6 FEBRUARY 2024**

<b>Report Title</b>	<b>Northamptonshire Police, Fire and Crime Panel meeting dates for 2024/25</b>
<b>Report Author</b>	<b>James Edmunds, Democratic Services Assistant Manager, West Northamptonshire Council</b> <a href="mailto:James.edmunds@westnorthants.gov.uk">James.edmunds@westnorthants.gov.uk</a>

Contributors/Checkers/Approvers		
<b>West MO (for West and joint papers)</b>	Catherine Whitehead	29/01/2024

### List of Appendices

**None**

#### **1. Purpose of Report**

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- 1.1. The report is intended to enable the Northamptonshire Police, Fire and Crime Panel to agree its meeting dates for the 2024/25 civic year.

#### **2. Executive Summary**

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- 2.1. The report invites the Panel to consider a proposed schedule of meeting dates for 2024/25 and to agree this subject to any changes that the Panel considers to be necessary.

#### **3. Recommendations**

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- 3.1 It is recommended that the Northamptonshire Police, Fire and Crime Panel agrees the following meeting dates for 2024/25:
- 13 June 2024
  - 5 September 2024
  - 5 December 2024
  - 5 February 2025
  - 19 February 2025 (Reserve)
  - 13 March 2025

All meetings to start at 12.30pm. All meetings to take place at local authority venues in Northampton.

- 3.2 Reasons for Recommendation(s) – The recommendations are intended to support the effective operation of the Panel during 2024/25 and the delivery of its statutory responsibilities.

#### **4. Report Background**

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4.1 The Police Reform and Social Responsibility Act 2011, the Policing and Crime Act 2017 and supporting legislation give various specific responsibilities to the Northamptonshire Police, Fire and Crime Panel (“the Panel”). These are principally as follows:

- Scrutinising and reporting on the Police, Fire and Crime Commissioner (PFCC)’s proposed Police and Fire and Rescue precepts
- Scrutinising and reporting on the PFCC’s Police and Crime Plan and Fire and Rescue Plan
- Scrutinising and reporting on the PFCC’s Annual Report on the delivery of Police and Crime Plan objectives and on the annual Fire and Rescue Statement reporting compliance with the Fire and Rescue National Framework
- Scrutinising and reporting on proposed appointments by the PFCC to certain positions (: Deputy PFCC; Chief Executive; Chief Finance Officer; Chief Constable of Northamptonshire Police; and Chief Fire Officer of Northamptonshire Fire and Rescue Service)
- Dealing with complaints from members of the public about the conduct of the PFCC.

4.2 In addition, the legislation referred to in paragraph 4.1 above gives the Panel the general responsibility to review and scrutinise decisions made, or other action taken, by the PFCC in connection with the discharge of his functions and to make reports or recommendations to the PFCC with respect to these matters. The Panel is required to carry out its role with a view to supporting the PFCC in effectively exercising his functions.

4.3 It is good practice for the Panel to agree an annual schedule of meetings before the start of the relevant civic year. This assists with the planning and delivery of the tasks that the Panel is required or chooses to undertake and therefore supports the Panel in carrying out its formal responsibilities as effectively as possible.

#### **5. Issues and Choices**

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5.1 The Panel Secretariat has taken account of various factors in drawing up the proposed meeting dates and associated arrangements set out in paragraph 3.1 above, as follows:

- The proposed scheduling of Panel meetings through the civic year, the day of the week used and the start time for meetings reflects previous practice.
- The proposed meeting dates seek to take account of local authority meetings in Northamptonshire and other relevant events and avoid clashes as far as possible.
- The dates for the meetings in February 2025 reflect the statutory requirements on the Panel concerning scrutiny of the Police, Fire and Crime Commissioner’s proposed policing and Fire and Rescue precepts: the Panel must scrutinise and make a report on the proposed precepts

by 8 February and, if necessary following a veto of the proposed precepts, scrutinise and make a report on revised precepts by 22 February.

- The date for the meeting in March 2025 is earlier than normal for the final regular Panel meeting in the civic year to reflect the elections to North Northamptonshire and West Northamptonshire councils on 1 May 2025. The pre-election period for these elections must start by 25 March 2025.
- The Panel agreed in 2021/22 that local authority venues in Northampton should be the normal location for its meetings. The Panel considered that this was most conducive to supporting its stated priorities relating to meetings, which were a location that offers the ability to webcast and that is central in Northamptonshire and accessible to participants.

5.2 It is open to the Panel to consider amending the proposed schedule should it identify the need to do so at this point. The Panel will also be able to maintain an overview of its meeting schedule as it moves through 2024/25 and to respond to any issues that arise that may require it to consider amending planned meeting dates.

## **6. Implications (including financial implications)**

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### **6.1 Resources and Financial**

6.1.1 There are no specific resources or financial implications associated with this report. The normal operation of the Panel is supported by grant funding that the Panel's host authority can claim from the Home Office for the purpose of maintaining a panel for the Northamptonshire Police area.

### **6.2 Legal**

6.2.1 There are no legal implications arising from the proposal.

### **6.3 Risk**

6.3.1 The Panel should ensure that it agrees meeting dates for 2024/25 that can be delivered within available resources and that will enable it to carry out its role. It is proposed that the prospective meeting dates set out in this report do not involve any specific risks in this regard, as they represent a realistic schedule of meetings for 2024/25 that builds on previous practice and that reflects priorities that the Panel has identified.

## **7. Background Papers**

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Police Reform and Social Responsibility Act 2011

Policing and Crime Act 2017

Northamptonshire Police, Fire and Crime Panel Rules of Procedure

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