

FUTURE LEVELS OF FUNDING FOR POLICE SERVICES

THE PLANNING ENVIRONMENT FOLLOWING CSR15

1. Both the APCC and the NPCC made formal submissions to Home Office during the CSR15 discussions. When the submissions were prepared, it was anticipated that local Police grants would be cut by at least 20% in real terms over 4 years. When the Chancellor announced the results of the CSR, he reported that overall Police spending would be protected in real terms over the CSR period when precept is taken into account. This provided funding to maintain overall police force budgets at current cash levels, again assuming that PCCs raised Council Tax by no more than the referendum threshold. Taking the two parts of the statement together, it meant that local budgets would have to absorb inflation and other new pressures, but funds allocated for nationally managed programmes, in particular the Transformation Fund, would expand over the next four years.
2. That basic position remains unchanged, although there are continuing uncertainties about medium term prospects for the economy and the Government's plans for dealing with the public spending deficit. This submission from PCCs and CCs takes a view on the future environment for policing and community safety, the implications for local policing of increasing concerns around national security, and other demand pressures facing the service. The APCC and the NPCC hope that there will be opportunities to engage with ministers before the details of the Autumn Statement are finally settled.

THE NEED TO MAINTAIN INVESTMENT IN POLICING SERVICES

3. The Police service's submissions for CSR10 and CSR15 have developed a number of themes which highlight the wider impact of a well-resourced Police service.
 - Simply by being there, the Police service helps protect vital parts of the fabric of society and the economy, and thereby **assists the Government to achieve many of its national objectives**. These include social stability, public safety and assurance, community resilience, protection of vulnerable groups within society, the UK's international image, and economic regeneration.
 - By the same token, but at a more localised level, **effective policing creates a safe and stable environment within which other public services** - such as education, support for children and elderly people, and housing - **can operate more successfully**. One way of assessing this is to pose the question 'how would the environment look without the stability and respect for law and order which policing provides?'

- The Police service is seen by many partners and the community as **an effective 'enabler'**. Partly as a result of its core role in law and order, but also its operational culture of getting things done, the service is often one of the first to be invited to join in local social and economic development initiatives.

PRESERVING THE BALANCE BETWEEN SUPPLY AND DEMAND

4. Looking ahead to the next 5 years and beyond, the service sees a world which will become more complex, volatile and risky. Financial resources are more likely to be further stretched than they are to be relaxed, and most of the straightforward opportunities to cut costs and improve efficiency will have been used up. In this scenario compromises may be needed at the margin in some of the service's own aspirations and the expectations of government and the public. That debate needs to start now, so that the service stays in front of the game and is not forced into a defensive position of chasing to fill gaps or to recover failures. Four possible topics for debate are suggested below. APCC and NPCC would welcome opportunities to pursue these in discussions with Ministers and Home Office.
 - Where could or should the Police do more? Where might it do less? What is it doing which it shouldn't be doing? What are the implications and risks of changing its remit? In particular does the service's recognised role as 'first and last resort' limit the scope for change? Would additional investment by other sectors help Police focus on the highest priorities?
 - What are the costs and benefits of maintaining a well-resourced police service? Where might society and the economy gain from a change in allocation of policing resources between its current priorities?
 - How could the service contribute to higher overall benefits for society and the economy by making more effective use of cross sector approaches? Where can public services and other sectors combine better to deliver the Government's objectives?
 - Is Government and the service maximising the scope for utilising volunteer resources to support front line resources? How would this strategy be best developed between government, the Police service, other local and national public services, and the voluntary and community sectors?

POLICE SERVICE RESOURCES

5. There were 124,000 fulltime equivalent police officers at March 2016, a reduction of 3,200 (2.5%) over the previous year. This was the largest single year fall since 2012/13. Officer numbers have fallen each year since 2009/10, and over the whole period police strength has fallen by 19,670 (13.7%). The number of 'frontline' officers also reduced in 2015/16, and now stands at 106,400.

Police staff numbers have fallen by 3.5% over the last year (contributing to a 23% reduction since 2009/10). The equivalent figures for PCSOs are 11% in 2015/16 and 35% since 2009/10.

Overall the total Police workforce reduced by 3.3% in 2015/16, and is 17.8% (43,575 posts) lower than in 2009/10.

6. The reduction in staff numbers has occurred over a period when the overall population of England and Wales has continued to expand. The ratio of population per police officer has increased from 387.5 in 2010 to 466.7 in 2015, a change of around 20%.
7. A recent survey of PCCs and Forces predicts further net reductions in staffing between 2016 and 2019.
 - Police officers - 902
 - Staff - 4256
 - PCSOs - 395
8. Within the total, however, a number of Forces are now beginning to reinstate recruitment of police officers. PCCs will be monitoring potential trends in funding to ensure that their strategies are sustainable, and that they are not forced into a stop-go situation on recruitment, or reversal of long term civilianisation plans.

PROSPECTS FOR THE CSR15 PERIOD

9. Like many other public services, local Police budgets are facing a triple combination of pressures:
 - A continuing squeeze on funding
 - Increasing costs
 - Changing patterns of demand

FUNDING PROJECTIONS

10. There is no guarantee that the relatively favourable CSR15 settlement for Police will be maintained, and in its financial modelling the service is incorporating some options which factor in further real cuts in grant funding. To put the figures in perspective, if grant funding was to reduce by 1.3% pa (about 4% over 3 years) it would mean that the gap between estimated costs and assumed funding would increase by around £107m in 2017/18, and the shortfall would rise to nearly £320m in 2019/20. Apart from grant levels, one of the main variables in the modelling is the assumed level of staffing, and local policies on the replacement of natural turnover.
11. Police and Crime Commissioners continue to hold reserves to meet budgetary risks and other specific future liabilities and commitments. In its submission for CSR15 the APCC described how reserves form an important element of the medium term financial strategy. The long term picture is uncertain at present, as most PCCs are reviewing their medium term plans in preparation for the 2017/18 budget round, but recent surveys suggest that reserves levels will fall to less than half their current level by 2019, to a figure of around £800m. Most of the reduction is expected to be on earmarked reserves, as the purposes for which they are earmarked eventually impact on the annual budget.

COST INCREASES

12. Cost reduction and capacity building programmes introduced during CSR10 have enabled the service to balance a contracting resource level with changing patterns of demand. While further improvements have been identified, it is inevitable that future marginal gains will gradually become harder to implement, and take longer to achieve. At the same time, the service faces a range of new and additional cost pressures, some of which cannot be quantified precisely at this stage.

Apprentices levy

The levy will be introduced in 2017/18. The direct cost as a percentage of payroll is relatively straightforward to calculate at around £40m for the service. Many forces expect there to be a net additional cost to budgets but this cannot be calculated until the terms of the scheme are settled, including the level of Government contribution towards approved apprenticeship schemes, and the costs which will be eligible.

Implications of the Bear Scotland ruling

This impacted on budgets from 2016/17. Surveys suggest that the additional cost is around £20m, and will remain at this level across the CSR15 period.

Pensions and pay

The majority of PCCs and Forces anticipate further increases in pension costs. The results of the Local Government Pension Scheme triennial revaluations are awaited. New employer contribution rates will apply from 2017/18; early advice from some actuaries is that employer contribution rates could increase by at least 2% in 2017/18. Other significant uncertainties include the unpredictable level of medical retirements, and the announcement in the 2016 Budget that the discount rate used in valuing unfunded public sector pension schemes will be reduced from 3% to 2.8%, which will lead to increased employer costs from 2019/20.

On other payroll costs, the Apprentices levy has been mentioned. Other potential additional costs noted by the service include the introduction of the national living wage, and payments for specialist skills such as firearms capability.

Other pressures

Many forces expect to face additional local costs flowing from the introduction of the Emergency Services Network.

Individual PCCs and Forces continue to pick up substantial costs arising from the reopening of historic cases and incidents, and responding to public and media concerns on current investigations.

PATTERNS OF DEMAND

13. The overall pattern of demands continues to change. After a long period of reductions, recent statistics show increases in some of the traditional crime categories. In addition, compared to 10 years ago, the service now faces a much bigger commitment in areas such as cyber and organised crime, fraud, CSE, domestic abuse, protection of other vulnerable people, and threats from terrorism and radicalisation. At the same time, the greater proportion of Police time continues to be allocated to dealing with non-crime demands.
14. The service is researching the net impact of the well-publicised reductions in some categories of volume crime alongside these new pressures. With the information currently available it is not straightforward to evaluate the extent to which one trend has counteracted the other. In this context it is also essential to consider the significance of proactive problem-solving in reducing demand; crime and incident based data only demonstrates the level of responsive demand.

15. Recent trends in recorded crime levels

- The Police recorded 4.6 million offences in the year ending June 2016, an annual rise of 7%. Of the 44 forces including BTP, 38 showed an annual increase, which was largely driven by rises in recording of violence against the person and sexual offences.
- Office for National Statistics (ONS) has noted that recent increases in police recorded crime are likely to have been influenced by changes and improvements in recording. Nevertheless there is evidence that the reduction in the level of violent crime appears to have reversed. Figures from the Crime Survey for England and Wales (CSEW) show a 4% increase in violence, and studies such as the Cardiff University monitoring of hospital emergency departments show no year on year decrease for the first time in seven years. Figures for police recorded homicides - which have not been affected by recording changes and can be compared on a like for like basis - showed a 6% increase for the year to March 2016. Police recorded violent crime increased by 7% in the year ending June 2016, and violence against the person increased by 24%, although these figures have been inflated by the inclusion of two new harassment offences relating to online abuse.
- Separate data from Lancashire shows a significant increase in 999 calls.

| Year | Month | Number of calls | % year on year change | Numerical year on year change |
|------|--------|-----------------|-----------------------|-------------------------------|
| 2015 | June | 16,758 | | |
| | July | 16,983 | | |
| | August | 18,993 | | |
| 2016 | June | 19,157 | + 14.3% | + 2,399 |
| | July | 20,658 | + 21.6% | + 3,675 |
| | August | 21,245 | + 12.2 % | + 2,312 |

- In addition to the increased volume of calls, the complexity of the calls has also impacted on performance. There was also a significant increase in public safety demand, including logs created for welfare concern, together with collapse, illness and injury incidents. Most of these high risk incidents are received via the 999 line, and need to be dealt with systematically by the operator receiving the call. Typically it takes around 20

minutes on the phone to deal with this type of call followed by 20 minutes of checks prior to deployment (for example checking with hospitals on admissions).

- Total theft offences recorded by the Police have remained broadly level, but there have been increases in some of the sub categories which have until recently shown sustained reductions. These include vehicle offences (up 4%), shoplifting (up 3%) and theft from the person (up 5%).
- The CSEW estimated that there were 6.4 million incidents of crime in the last survey year ending June 2016, which was marginally lower than the previous year's figure of 6.5 million. However the new CSEW estimates of fraud and computer misuse are likely to add 3.6 million and 2 million offences respectively. Industry data on financial fraud recorded 1.9 million cases of card fraud. The bulk of the cases were not referred to the Police, but actual referrals showed a 5% increase.
- New types of offence are expanding the number of crimes without any corresponding increase in resources. For example, the classification of on line malicious harassment as a crime has added over 700 cases to Leicestershire's workload.

16. Under-recording of crime

The figures collated by the service and supplemented by the work of the CSEW and the ONS highlight the regular disparity between the official figures for recorded crimes and the overall volume of crime if estimates of unreported incidents are included.

| <u>Under reporting of crime 2015/16</u> | |
|---|-----------|
| <u>Recorded Crimes</u> | |
| Fraud Offences | 3,892,947 |
| Other crimes | 621,017 |
| <u>Office of National Statistics estimates</u> | |
| Fraud offences | 3,800,000 |
| Computer misuse offences | 2,000,000 |
| Other crimes | 6,300,000 |

The estimated level of unreported demand is important for Police resourcing if the context was to change and people or organisations were encouraged to report more crimes. Case studies illustrating in more detail the extent of this unreported potential demand in areas

such as sexual offences and violent crime can be made available by the service and the College of Policing.

17. The complexity of crime

- Using Home Office cost of crime data as a proxy for the complexity of different crime types, the trends suggest that the cost of crime is increasing at a faster rate than the number of recorded crimes. The overall average cost of crime has increased steadily since 2007/8 from £260 to £370, driven largely by the increased number of more serious and costly sexual and violent assault cases.
- Forensic data also confirms the trends. More incidents now have a digital element - CCTV data recovery for example - and the evidence on more serious cases spreads over multiple communications devices.
- Evidence collected by the College of Policing from a typical forensic unit shows that in the two years from 2013/14, the number of requests increased over fivefold, including an 80% increase in the last year. As a measure of complexity, the time taken to fulfil each request once the forensic process has started has increased by nearly 50% in the last year alone, from 10.6 days to 15.6 days.

18. Child sexual exploitation

- There are both off-line and on-line dimensions to the problem.
- There are currently around 70,000 investigations a year, and no evidence to assume that the trend will not continue its recent upward trajectory. Every individual case is different in terms of what is required and the length of time needed to investigate. This makes it almost impossible to place a value on the resource commitment, but it has been argued that it is well over a £billion already.
- It cannot be viewed as the sole responsibility of the Police. By the time the service becomes involved formally it is too late. More needs to be done upstream, by schools - including allocation of funding for education and support - and by the social and healthcare professions. It needs to concentrate particularly on early intervention and family structures; it is estimated that 66% of abuse cases involve people who are familiar with the victim.
- The service is investing resources in schools liaison, but more officers are needed with the right training and ongoing support. It is also essential that other specialist support teams are available to take over from the Police at the appropriate time.
- There is on the ground evidence that technology is fuelling the growth in abuse by providing opportunities for easy access to underground websites and hard core material.

The UK is believed to be one of the more successful countries in dealing with this, but more needs to be invested in skills and investigative technology. In many cases the specialist skills will come from non-uniformed experts.

19. Fraud

- The estimated cost of fraud is £193 billion per annum (Annual Fraud Indicator 2016). During 2015/16, there were 75,884 individual cases referred to forces from the national fraud and cyber reporting centre, an increase of 10% compared to the previous year. There is evidence that fraud is linked to organised crime and terrorism.
- There is a wide range in outcomes locally. The highest performing Forces reported judicial outcomes against 50-60% of the referrals, but there were other areas reporting outcomes as low as 5-6%.
- Overall the ratio of referrals to officers with responsibility for fraud investigation averaged 148:1 in March 2015, and clearly there will be resource implications if the service targets a higher level of successful outcomes.
- Approximately 40% of fraud reports are cyber enabled, requiring specialist capabilities. Some Forces have invested in these capabilities; others have trained officers to deal with volume and priority fraud.
- More investment is needed in specialist skills and in ICT systems to link local intelligence systems with the new Action Fraud/NFIB system. Systems are also needed to harvest and share false identity data - a key enabler of fraud - across the country.
- The service is aiming for more consistency on organisation and planning. Only 50% of Forces had assessed the impact of fraud in their strategic assessments, and only half of those forces featured fraud at a tactical assessment level.
- Victims of fraud suffer financial loss, family breakdown, and impaired physical and mental health. This has a consequential impact on other government programmes for welfare, social services and health. The impact of a loss on a small business can result in closure and loss of employment affecting the economic and social wellbeing of communities. Regionally and nationally coordinated victims support services designed for the unique needs of fraud victims are needed.

20. Organised crime

- Action against serious and organised crime is an increasing priority both nationally and regionally. There is increasing evidence of links between Organised Crime Groups (OCGs) and the growth in fraud and cyber enabled crime.
- OCGs are estimated to be associated with at least £9 billion and possibly up to £19 billion of fraud each year, and it is believed that there are over 25 OCGs active nationally on cybercrime.

- Using the service's MoRiLE (Management of risk in law enforcement) Index, current risk, harm and threat assessments are allocating the highest priority to three areas:
 - Cyber crime
 - CSE – child abuse and indecent images
 - Foreign national offenders
- Medium level risks include drugs supply and importation, firearms, illicit tobacco and corruption
- Many OCGs are now extending their involvement into multiple areas of criminal activity. A recent analysis for one region which has identified the existence of 188 OCGs is summarised on the table below.

| <u>Organised Crime</u> |
|--|
| Criminal activities in a single region with a total of 188 OCGs |
| - Drugs 83 |
| - Specialist money laundering 50 |
| - Organised theft 35 |
| - Firearms related 24 |
| - Public sector fraud 23 |
| - Human trafficking 8 |
| - Cybercrime 3 |
| - CSE and child prostitution 1 |
| - Tobacco importation 1 |

21. Counter terrorism

- Regional units continue to assess the highest threat to be linked to the current conflicts in Syria and Iraq. The conflicts have energised communities, and while the majority of activity is lawful and for humanitarian purposes, there are ever present risks of small groups of extremists. The ongoing events have created a more complex environment where UK individuals are involved in activities - which can include attempts to travel to the Middle East - relating to both sides in the conflict. This increases the domestic level of risk, particularly where individuals return to the UK after periods in the conflict areas.

- The risk of radicalisation spreading through contacts within the prison system is being monitored. Even closer working between the Police and other agencies will be required, and in this context, concerns are beginning to arise about Forces being in a position to release or allocate the required numbers of specialist officers - particularly detectives - to work with regional and national units
- Cuts in local neighbourhood policing resources also risk weakening the vital thread between grass roots intelligence and national strategies

22. Non crime demands

- Uses of Section 136 of the Mental Health Act have increased by 37.5% over the last 5 years, from 14,111 in 2010/11 to 19,403 in 2014/15. Alongside this, 57% of Clinical Commissioning Groups who responded to a recent FOI request indicated that they intended to cut the amount they will be spending on mental health in 2016/17.
- Nearly 250,000 missing persons investigations were undertaken by Forces in England and Wales during 2015/16. The average cost of a single investigation has been assessed at £2,500, although the range varies widely. Using this figure suggests that the annual resource value of missing persons investigations amounts to over £620m. Further investigations are needed into the resource commitments, and this figure may well be understated.
- The number of MAPPA eligible offenders continues to increase, and there was a 20% increase in cases seen at Multi-Agency Risk Assessment Conferences during 2015/16; the total for the year was 81,764
- There is increasing evidence of the use of police vehicles in place of ambulance transportation. Data is incomplete in some areas, but a FOI request relating to just 9 Forces revealed that in the 12 months to March 2016, Police vehicles had been used over 2,000 times. The commitment does not always end with the arrival at hospital. One Force reported that average waiting times in A & E units were around 3 hours 20 minutes. This did not apply in every case, but officers see themselves at risk if the handover is not handled securely and safely. Overall there is a very substantial opportunity cost of Police officer time, very often at the times of day when frontline resources are most stretched by other activities.
- The number of 101 calls has also increased. Nationally there were 30 million calls to 101 in 2015. Again drawing specifically on data from Lancashire, the last 12 months shows a significant year on year change.

| Year | Month | Number of calls | % year on year change | Numerical year on year change |
|------|--------|-----------------|-----------------------|-------------------------------|
| 2015 | June | 69,359 | | |
| | July | 66,926 | | |
| | August | 69,019 | | |
| 2016 | June | 72,984 | + 5.2% | + 3,625 |
| | July | 72,115 | + 7.8% | + 5,189 |
| | August | 73,459 | + 6.4% | + 4,440 |

- In addition to the increase in volume, there has been a steady increase in the average call length in recent years due to the complexity of the issues raised. There are also increased requirements to conduct relevant checks to assess risk, threat and harm in order to allocate resources appropriately to manage the incident. Forces often face a dilemma between dealing with as many calls as possible quickly, or spending more time on each call in order to establish all the evidence. There are risks on both options in terms of caller satisfaction and the quality of the response.

MAINTAINING LAW AND ORDER: THE ROLE OF THE POLICE AND OTHER PUBLIC SERVICES

23. The primary role of the police is to maintain law and order. The concept of 'order' is at the heart of civilised society, and the maintenance of an effective police service is one of the most important ways in which respect for order is preserved. It is a fragile balance, which will be weakened if the police service loses the respect of the community or fails to maintain its effectiveness. However, responsibility for order does not rest solely with the police. Community safety and assurance is also the responsibility of local Councils, Health, Fire and Rescue, and the voluntary sector. It is significant however that all of these other sectors are facing their own financial and demand pressures and - particularly in the case of the Health service and Councils - are increasingly looking to the Police to fill the gaps.
24. The cuts to partners' budgets are already having an impact, especially on drug and alcohol services. Local estimates suggest that the time spent on calls for assistance has increased by 30%, partly due to the complexity of cases but also due to the absence of partner support. The Police service has a duty of care to those who are threatened and at risk. It cannot ignore this simply because other services are unable to respond. Shortfalls now will impact most seriously in a few years' time, and recovering confidence will be harder if the momentum has been lost.

25. Police and Crime Commissioners have expanded their role on supporting victims, and again this will only achieve its full impact in the longer term through joint partnerships and cross sector initiatives

LONGER TERM PROSPECTS FOR POLICING

26. Core public services such as Police must take a view beyond the current planning horizon. Over the next 20 years, demands on policing will be influenced by further demographic changes including global population growth, its inter-continental distribution and the desire for migration, greater urbanisation, and an increasingly elderly population; these factors will mean that 'standstill' is not an option for a service such as Police. Continuing shift in the balance between religious faiths could change the shape of societies such as the UK. Developments such as nano-technology and biometrics will continue to create opportunities for efficiency and growth but the Police must work with the industries to ensure that controls and security keep pace with the new world, and the Police is on a par or ahead of the criminals. Devolution, and a predicted narrowing of the role of the state, may change what people can realistically expect from public services. As the service with responsibilities for maintaining order in society, the Police must adapt accordingly. All of these potential changes mean that the service must invest in the skills, training and technology, and begin the process of forging stronger cross sector alliances.

CAPACITY AND RESILIENCE

27. The main challenge of the last spending round was to absorb the real reduction in funding through efficiency improvements, cost cutting, and enhancing the capacity of the workforce. Looking ahead, managing the service during a period of further changes in workload and potentially reducing resources means keeping supply and demand in balance. Both measures are complex and interlinking.
28. Upward pressure on demands will continue to flow from new legislation, changes in crime trends, and the expectations of ministers, the public and media. Demand can be managed to some extent through prevention and education programmes, joint initiatives with other public services, and refinements to the role of the police.
29. The supply side is mostly shaped by the amount of frontline resources that the available funding will buy. This can be expanded by cost efficiencies achieved from collaboration and procurement, although the Home Office estimates of potential procurement savings are in excess of what the service considers achievable. It will also be enhanced by streamlining of processes, accompanied by improved ICT and scientific support functions.

30. Capacity improvements, including both the volume of work which can be handled and its effectiveness, are other ways of maintaining the balance. Training and deployment arrangements have a role to play in capacity improvement, as does the service's ability to use volunteers or voluntary sector organisations
31. The service is taking a broad view on the balancing of demand and supply, and it is no longer realistic to translate funding reductions simply into potential cuts in officer numbers. Concerted action needs to be taken across the whole spectrum of demand and supply factors, and Commissioners and Chief Constables are looking to the Government to use mechanisms such as the Transformation Fund to support these processes.
32. There has been a long debate between the service, Home Office and HMIC about resilience and the ability to continue absorbing funding reductions without failures or unacceptable levels of risk. There is no scientific measure of sustainability; it cannot be measured simply in terms of money or predicted funding gaps. Inadequate management, lack of training and investment, overambitious plans, or external events which place individual Forces under pressure, will all play a part. The recent increase in long term sickness absence (2429 officers in March 2016, representing a 30% increase since 2013) might be a symptom of increasing pressures and will be affecting resilience at the margin. Local culture and morale are important factors in helping individual Forces maintain resilience. The 2014/15 work undertaken by HMIC needs to be updated, and new indicators of declining performance identified. Some Forces have assessed the minimum numbers of officers and staff for different assumptions on the level of demand.
33. The service urgently needs better measures of workload and activity levels. While the old Activity Based Costing data had its faults, the loss of the activity element of the system has been felt increasingly in discussions on both the CSR and the funding formula over the last few years. The service must monitor the current development of new workload information using mobile and electronic devices to ensure that it generates consistent and relevant information for both local and national management purposes.

OPENING UP AN ONGOING DIALOGUE WITH MINISTERS

34. Irrespective of whether the government reviews its CSR15 plans, PCCs and Chief Constables hope that there will be opportunity over the next few months to open up a new dialogue with Home Office ministers around medium term prospects for Police workload and funding. Before focusing on specific policy options, it may be helpful in establishing this dialogue if the service offered a view on some of the principles.

- The value of having a degree of confidence in the level of medium term resources should never be underestimated. Shortened time horizons undermine the processes of planning and resource allocation, and make it more difficult to design effective solutions. PCCs hope that the protection of Police resource levels in CSR15 will be maintained in the years ahead. There is a danger of stop-start approaches as Forces shift from reductions in establishment to recruitment and potentially back again; this weakens long term strategies.
- Early indication of future funding levels is important. The timetable for the Autumn Statement and the Provisional Grant Settlement is extremely tight and leaves PCCs and Chief Constables very little time between the announcements and the formal engagement with the Police and Crime Panel. This has been compounded in recent years by late announcement of funding for victims services, and the lack of clarity about these funding levels beyond the next year. PCCs are effectively supporting the employment of significant numbers of staff through their commissioning plans, and it is frustrating for all sides when it is impossible to make firm commitments for more than a single year ahead.
- Grant distribution is an entirely separate process from the CSR, but it is significant that the Home Office review of funding arrangements is also focusing on the factors which shape demands for policing, and it will be important to maintain the links between the two processes as the funding review progresses.
- Within the total settlement, the sums top sliced or allocated to centrally managed programmes are expanding. It is acknowledged that in the right circumstances this can be an effective use of scarce resources, but the system must be supported by governance arrangements which provide for full involvement from PCCs and CCs together, and plans which recognise the variations in local circumstances across the 43 forces.
- Silo approaches to public spending plans still dominate in many areas. PCCs' partnership and commissioning strategies have already demonstrated the value of taking a cross-sector approach to problems. A positive national commitment to this approach by the Government would benefit the public by facilitating the ways that services and sectors work in support of one another. This submission has already made reference to the extent to which other local services are increasingly looking to the Police to support them. This is partly the result of funding cuts affecting those other services, but more formalised and planned arrangements might make best use of the available resources.
- The pattern of demand is continuing to change, and new risks have emerged. The public has a right to expect the service to respond to their concerns. At the same time there

has been a huge rise in the public's expectations around standards of integrity and quality of performance by public services. PCCs and CCs are keen to ensure that a meaningful dialogue takes place between government, public services and the wider community about achieving the best balance between expectations and capabilities.

- Long term transformation of public services such as Police requires coordinated approaches from Government, the service itself, and its partners. While some of the impetus will be internally driven, raising levels of capability in areas such as digitisation will need substantial investment in both technology and the skills to make effective use of that technology.