



**To:** Business Co-ordination Board

**From:** Head of Finance, OPCC

**Date:** 24th January 2019

## **PRECEPT REPORT 2019/20 AND MEDIUM TERM FINANCIAL STRATEGY**

### **1. Introduction**

- 1.1 This report provides BCB (the “Board”) with the Precept report and draft Medium Term Financial Strategy (MTFS) to note the submission to the Police and Crime Panel (the “Panel”).
- 1.2 This cover report also seeks the Board’s view on future business planning and working arrangements.

### **2. Recommendations**

- 2.1 Note the Precept Report and the draft MTFS have been submitted to the Panel.
- 2.2 Agree how the actions and recommendations arising from the MTFS are taken forward.
- 2.3 Agree the commitment to the re-configured FSG (Finance Working Group)

### **3. Precept and MTFS – timetable**

- 3.1 The Precept report (attached at Appendix 1), along with MTFS (attached at Appendix 2) was submitted to the Panel Secretariat on the 18<sup>th</sup> January 2019. The draft MTFS is being submitted to the Panel for information only and in support of the reasoning for the precept proposal. The Panel will consider the Precept report at their meeting on the 30<sup>th</sup> January and provide a report by the 8<sup>th</sup> February. Should the Panel not agree to the proposal, then another Panel meeting is scheduled for the 20<sup>th</sup> February for consideration of the revised precept proposal.
- 3.2 The final MTFS will be submitted to BCB on the 28<sup>th</sup> February and to the Panel (for their information) on the 13<sup>th</sup> March. The consequential variation to the Finance section (p18) and the Appendix in the Police and Crime Plan will also be submitted to the Panel at this time for their consideration. This provides an opportunity to amend

the Forewords of the Police and Crime Commissioner and Chief Constable to reflect the appointment of the new Chief Constable and submit these to the Panel.

#### **4. Future business planning and working arrangements**

4.1 The MTFS is 'owned by' both the Constabulary and the OPCC. It is a 'living and evolving' document to look at the financial strategic management and forecasting and is pivotal in giving a focus to the future implications of delivering the objectives in the Police and Crime Plan. It should therefore inform decision making and be linked to the development of the Force Management Statement.

4.2 Within the MTFS there are a number of actions to develop our business processes, including:

- Closer linking of the MTFS and Force Management Statement increasing the ability of the Commissioner and Chief Constable to base resourcing decisions on an understanding of demand.
- Ongoing review of the benefits delivered to Cambridgeshire of existing and future collaboration.
- Ensuring emerging risks associated with changes in partners' financial planning are understood, mitigated and appropriately linked to the Commissioner's Grant Strategy.
- Creation of a productivity strategy which considers workforce, digitalisation and fixed assets.
- Monitoring of the Constabulary's saving plan covering local policing, estates and collaboration.

4.3 Under the new arrangements for the BCB, the FSG will cease, with the strategic business aspects of FSG being considered at BCB. This rationalisation will enable a more holistic strategic consideration of operational planning/delivery and the financial management that supports it. The BCB will both monitor on-going finances and the business development actions from the MTFS.

4.4 At the December 2018 BCB meeting, BCB agreed that the OPCC and Constabulary's finance team work more closely together in order to continue to give assurance on financial matters to the Commissioner, but also develop business planning processes. FSG will be re-configured as Finance Working Group (FWG) and it is currently proposed that the Group meets monthly. It is proposed that the FWG ensures the appropriate level of finance reporting to the BCB and monitoring of the business development actions arising from the MTFS.

#### **5. Recommendation**

5.1 Note the Precept Report and the draft MTFS have been submitted to the Panel.

5.2 Agree how the actions and recommendations arising from the MTFS are taken forward.

5.3 Agree the commitment to the re-configured FSG (Finance Working Group)