



THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

DECISION RECORD FORM

REQUEST: For PCC approval.

Title: Precept Proposal 2021/22

Executive Summary:

Legislation requires that the Police and Crime Commissioner (PCC) agrees their budget and associated precept and basic council tax for the forthcoming year before 1st March each year. However before doing so the PCC must notify the relevant Police and Crime Panel, by the 31st January, of the precept which they propose to issue for the following financial year.

The PCC has been informed by the Home Office that "This settlement provides a total of up to £15.8 billion for policing in 2021/22, an increase of £636 million on the 2020/21 funding settlement. Available funding to Police and Crime Commissioners (PCCs) will increase by up to an additional £703 million in 2021/22, including local flexibility to increase council tax precept.

This increase is broken down as follows:

- A £415 million increase in Government grant funding to PCCs. This additional funding will support year 2 of the Police Uplift Programme. £100 million of this funding will be ring-fenced and allocated according to funding formula shares, and will be paid in line with progress on recruitment.
- Up to £288 million additional funding from council tax precept, if all PCCs maximise their precept flexibility. We are enabling PCCs to increase precept by up to £15 for a Band D equivalent property. Furthermore, PCCs will receive a portion of the £670million of additional grant funding announced for local council tax support as part of the Spending Review 2020.
- This precept flexibility is that PCC's have been provided with is the option to increase their Band D precept by £15 in 2021/22, without the need to call a local referendum. In Cleveland this equates to an increase of 5.74%.

The results of consultation with the public of Cleveland, in relation to the level of precept for 2021/22, which had 181 responses, has resulted in the following:

- 52% (94) stated that they would be willing to pay more Council Tax to support policing. This figure rose to 58% (105) if the alternative meant cutting police services.
- Just over 20% indicated that they would be willing to pay an increase of £15.

If the precept is increased by 1.99% then the Net Budget Requirement is expected to increase in 2021/22, by nearly £7.3m (or 5.2%), and after taking into account the additional grant that will be provided if the Force deliver against the Governments recruitment targets for Police Officers, the total funding available in 2021/22, in comparison to 2020/21, is forecast to increase by £6.4m.

The funding will support the continued accelerated increase in Police Officer numbers within in

the Force and will ensure that National Target are delivered a year earlier than expected. It would also mean that the number of Police Officers within the Force will have increased by over 250 FTEs in 3 years, which is an increase of over 20%.

Decision:

The PCC is asked to give approval, based on the financial needs of the organisation and the public consultation to propose, to the Police and Crime Panel, the Police Precept for 2021/22 as £265.73, for a Band D property in Cleveland. This would be an increase of £5.19 per annum (around 10p per week), from the 2020/21 level. However as most properties within Cleveland are in Council Tax band A-C these households would see an increase in their bill of 7-9p per week based on the proposed 1.99% increase.

OPCC Lead Officer: Michael Porter

Contractor Details (if applicable):

Implications:

Has consideration been taken of the following:	Yes	No	
Financial	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Legal	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Equality & Diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Human Rights	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Sustainability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

(If yes please provide further details below)

Decision Required – Supporting Information

Financial Implications: (Must include comments of the PCC’s Chief Finance Officer where the decision has financial implications)

The financial implications of this Decision are set out in the Executive Summary and/or the attached report. This decision should provide sufficient funding to underpin the financial needs of the organisation for 2021/22 and accelerate the recruitment of Police Officers into the Force, in comparison to the Governments timeframes, with 65 FTE more Police Officers being recruited by the end of 2021/22 than the Government are initially funding.

The proposed precept increase will enable the PCC, amongst other things, to provide sufficient levels of funding to the Chief Constable to support the plans and structures that the Force have articulated that they need through their analysis of demand and to support the delivery of the Police and Crime Plan, this includes all of the posts that the Chief Constable has indicated as required to provide the necessary support and resilience to address the concerns raised within the HMICFRS report.

The decision will ensure that the PCC meets their legislative requirements in relation with the Police element of the Council Tax. The decision being requested is in line with the statutory requirements of the PCC, it is within the limits set by the Government before a referendum would be triggered and is the first step in enabling the PCC to meet their statutory obligations in relation to Precept and Budget setting.

Legal Implications: (Must include comments of the Monitoring Officer where the decision has legal implication)

None arise

Equality and Diversity Implications

None arise

Human Rights Implications

None arise

Sustainability Implications

This report is part of the process required to ensure that the process for proposing a precept to the Police and Crime Panel is open and transparent. It recommends an option that the PCC can consider before proposing a precept to the PCP and is part of the process of establishing sustainable annual and medium term financial plans and maintaining prudent financial management within the organisation.

Risk Management Implications

The requirements on the PCC to propose and consult with the PCP on their proposals for Precept are set out in legislation and covered in the attached report. Failure to start the consultation process with the PCP before the end of January 2021 and to conclude this process, including setting a precept before 1st March 2021, would result in an illegal budget.

OFFICER APPROVAL

Monitoring Officer

I have been consulted about the decision and confirm that financial, legal, and equalities advice has been taken into account. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

Signed



Date 29/01/2021

Police and Crime Commissioner:

The above request HAS my approval.

Signed



Date 29/01/2021