



Decision Reference: 2022/23-0026

## THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

### DECISION RECORD FORM

**REQUEST:** For PCC approval

**Title:** Police Precept Proposal 2023-24

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 Police Settlement for 2023/24 has provided the PCC with almost £115.5m of Government funding for 2023/24, an increase of £2.0m or 1.8% from the year before.

This funding includes a Ring-fenced Grant for maintaining Police Officer numbers of £3.3m.

Considering all projected changes in income, other than from a Precept increase, then the overall forecast increase in income is expected to be £6m.

Some of this increased funding is ring-fenced for the following and comes with corresponding additional costs:

- £1.2m has been specifically provided for year 2 of the Violence Reduction Unit
- £0.6m has been provided for additional victim's services and safer streets
- £0.5m for serious violence hotspot work
- £0.3m is an increase in our ring-fenced Special Grant work

The remaining £3.4m needs to cover the following additional costs of £9.8m:

- £4.7m for pay inflation
- £1.7m to increase Police Officer numbers
- £3.4m for non-pay inflation

This takes the overall costs increases and pressures to £12.4m versus £6m of income before precept is considered. So, **a gap of £6.4m**

Each £1 increase in the precept in Cleveland provides just over £160k of additional precept income on a recurring basis – so just over £2.4m per year of additional income would be generated if the precept was increased by the maximum amount allowed of £15.

As such a precept increase of £15 is proposed.

To mitigate the remaining £4.0m shortfall in 2023/24 the following is proposed:

- £2.9m less is going to be provided to the Capital Programme
- £0.3m is going to be used from reserves
- £0.8m of additional staff vacancies are going to be held.

**Decision:**

The PCC is asked to agree that an increase in the precept for 2023/24 of £15, or 5.44%, from the level set in 2022/23, be proposed to the Police and Crime Panel for their consideration. In doing so the Band D level of Precept for Policing within Cleveland would increase by £15 from £275.73 per annum to £290.73

**OPCC Lead Officer: Michael Porter**

**Contractor Details (if applicable):** Not 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 PCC’s Chief Finance Officer has advised that the financial implications of this Decision are set out in the Executive Summary and the report produced to send to the Police and Crime Panel. The decision will ensure that the PCC meets their legislative requirements in relation to the Police element of the precept and will also ensure that there is sufficient funding available in 2023/24 to balance the financial plans of the organisation.

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

There are no legal implications arising from this decision.

Equality and Diversity Implications:

None arising from this decision.

**Human Rights Implications:**

None arising from this decision.

**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. Failure to start the consultation process with the PCP before the end of January 2023 and to conclude this process, including setting a precept before 1st March 2023, would result in an illegal budget.

**OFFICER APPROVAL**

**Monitoring Officer:**

Signed



Date 01.02.2023

**Police and Crime Commissioner:**

Signed



Date 01.02.2023