

For Information and Decision	
Public/Non Public*	Public
Report to:	Police & Crime Panel Audit and Scrutiny Panel – for information
Date of Meeting:	7th February 2019
Report of:	The Chief Finance Officer
Other Contacts:	Head of Finance
Agenda Item:	6

Precept and Budget Reports 2019-20

1. Purpose of the Report

- 1.1 Members are required to make a decision in respect of the Precept Report and the proposed increase to Council Tax for 2019-20.
- 1.2 To assist in this decision making members are provided with budget reports and financial strategies that provide detail on the use of such funding.

2. Recommendations

- 2.1 Members are requested to support the proposed increase in Band D Council Tax by £23.94 to £219.33.
- 2.2 Members are also asked to provide feedback, where appropriate, in respect of the proposed budget and financial strategies.

3. Reasons for Recommendations

- 3.1 Statutory requirement and good financial governance.

4. Summary of Key Points

- 4.1 In providing the provisional settlement for Policing the Minister has assumed that Police & Crime Commissioners will take advantage of the temporary relaxation in the referendum principles in respect of setting a precept.
- 4.2 He had announced in December 2017 that Commissioner can raise the Band D precept by £12 for a second year (2019-20), provided certain efficiencies were met nationally. These efficiencies (mainly procurement related) were exceeded and therefore, when announcing the provisional settlement for 2019-20, further precept freedoms were announced allowing the council tax Band D to increase by up to £24.
- 4.3 The Government grant for policing has also increased to reflect increased pressures and the need to invest in IT.

- 4.4 In last years budget the Commissioner was able to announce an increase in police officers for neighbourhood policing. The additional precept will allow a further 40 police officers to be recruited; with 33 being deployed evenly across all neighbourhood areas and 7 to create a dedicated robbery team, building on the success of the burglary team.
- 4.5 Focus is now being directed on Knife and Hate Crime prevention, building on this work within schools.
- 4.6 The Minister also requires further efficiencies to be met in 2019-20 and these have been set nationally at £50m.
- 4.7 The other reports provided for information are:
- Medium Term Financial Strategy (MTFS)
 - Reserves Strategy
 - Revenue Budget Report 2019-20
 - Capital Programme 2019-24
 - Capital Strategy
 - Treasury Management Strategy
- 4.8 The MTFS provides two scenarios in relation to potential future funding. Under the most likely option the Force will be able to meet all of its commitments, inflation and pay awards and possibly be able to invest. Under the worst case scenario there is a need for further efficiencies to be delivered of at least £20m.
- 4.9 The Reserves Strategy shows that the increase in reserves recently will be utilised to meet significant capital expenditure plans over the medium term.
- 4.10 The Revenue budget is a balanced budget report and builds on recruitment plans in paragraph 4.4 above.
- 4.11 The Capital Programme provides detail on proposals for 2019-20, with specific plans relating to buildings and ensuring they are fit for purpose. An indicative capital programme to 2021-24 is also provided. But the schemes are subject to full business cases being approved.
- 4.12 The Capital Strategy is a new requirement to show how we consider the long term, even life cycle of our most significant assets. This brings together stock condition surveys, asset management plans and the need for continued investment in assets to provide for future needs.
- 4.13 The Treasury Management Strategy provides detail on how the proposed capital programme will be financed.

5. Financial Implications and Budget Provision

5.1 Each of the reports set of the budgetary and financing requirements.

6. Human Resources Implications

6.1 The budget report provides for the recruitment of additional Police Officers.

7. Equality Implications

7.1 None as a direct result of these reports.

8. Risk Management

8.1 These reports set out clear principles to limit any financial or operational risk related to the budget.

9. Policy Implications and links to the Police and Crime Plan Priorities

9.1 This complies with statutory reporting and decision making requirements. These reports also provide evidence of good financial governance.

10. Changes in Legislation or other Legal Considerations

10.1 These reports comply with financial legislation.

11. Details of outcome of consultation

11.1 The details on the consultation with the public on the precept has been included within the Precept Report.

12. Appendices

Report for Decision:

- Precept report 2019-20

Reports for Information:

- Medium Term Financial Strategy
- Reserves Strategy
- Revenue Budget report 2019-20
- Capital Programme 2019-24
- Capital Strategy
- Treasury Management Strategy