



CLEVELAND POLICE AND CRIME PANEL

1 FEBRUARY 2022

THE PROPOSED PRECEPT OF THE CLEVELAND POLICE AND CRIME COMMISSIONER FOR THE FINANCIAL YEAR 2022/23

REPORT OF THE PANEL

A review was undertaken by the Cleveland Police and Crime Panel ("the Panel") on Tuesday 1 February 2022 of the proposed precept of the Police and Crime Commissioner for Cleveland ("the Commissioner") for the financial year 2022/23.

Present

Cllr Tony Riordan (Chair), Cllr Barrie Cooper, Cllr Graham Cutler, Cllr Lynn Hall (Substitute for Cllr Stefan Houghton), Cllr Brenda Harrison (substituting for Cllr Amy Prince), Cllr Chris Jones, Paul McGrath, Cllr Steve Nelson, Luigi Salvati, Cllr Norma Stephenson OBE

Apologies

Cllr Stefan Houghton, Cllr Sue Jeffrey, Cllr Stephen Picton, Mayor Andy Preston, Cllr Amy Prince

Officers

Steve Newton and Alison Pearson (Redcar and Cleveland Borough Council)

Also in attendance

Steve Turner (Police and Crime Commissioner) Lisa Oldroyd, Michael Porter and Rachelle Kipling (Commissioner's Office)

Declarations of Interest:

There were no interests declared.

The Review Process

The Chair reminded Panel Members of the procedure to be followed when reviewing a proposed precept, including the timescales for submitting a report to the Commissioner at the conclusion of the review.

The Review

A report from the Commissioner regarding the proposed precept for the financial year 2022/23 was considered by the Panel.

The Commissioner indicated that he had considered the following in making his proposal for the 2022/23 precept:

- The views of the public of Cleveland
- The financial impact on the people of Cleveland and the current financial environment.
- The financial needs of the organisation as currently projected both for 2022/23 and in the future.
- The limits imposed by the Government on a precept increase before a referendum would be triggered in Cleveland.

The Commissioner had also discussed his proposals with both the Chief Constable and engaged and consulted with the public on the options available to him.

The Panel noted that the Police Funding Settlement 2022/23 had been announced on 16 December in a written statement by the Crime and Policing Minister and followed the first three-year spending review for several years.

Key Headlines of the spending review were:

- £10 Precept flexibility for PCCs over the 3 years of the spending review.
- The Home Office settlement provided £4.2 billion over the Parliament, increasing from £12.3bn in 2019-20, (14.6bn in 2021-22) to £16.5bn in 2024-25
- Public Sector pay freeze was to end in 2022

Based on the analysis released by the Government, core funding to PCCs had increased by 5.8% in 2022/23, however this assumed that all PCCs increased their precept by £10 and did not take into account the loss of the additional Local Council Tax Support Grant that PCCs received in 2021/22.

The Government had written to PCCs setting out their expectations of what the additional funding would deliver. They stated that:

“One of our top priorities will be to complete the recruitment of the 20,000 additional officers by March 2023. All forces have continued to deliver through year two of the programme and, working in partnership with you, we have already recruited 11,053 additional officers. We expect the pace of delivery to continue.

For the final year of the Police Uplift Programme, the 8,000 additional officers to be recruited will be allocated based on the forces’ share of the core grant under the police funding formula.

The allocation of 8,000 officers will support the growth of 425 officers into Regional Organised Crime Units to confront serious and organised crime. This continues our investment in to the regional-tier of policing. This investment will support the delivery of our strategic commitments as set out in the Beating Crime Plan, as well

as tackling drug supply, fraud, and online harms. These officers will also allow us to do more to stop the exploitation and abuse of the most vulnerable in our communities.

The Government expects PCCs to continue to take responsibility for crime outcomes both locally and nationally, and we will support PCCs and forces to deliver well-evidenced crime interventions as part of their core business. The Spending Review has provided £150m of Government funding for specific crime reduction programmes, designed to prevent crime and keep our communities safe, in each of the next three years. This funding will be available on a 'matched funding' basis.

Within this Spending Review settlement, we expect to see over £100m of cashable efficiency savings per annum delivered from police force budgets by 2024/25 against the 2020/21 baseline. Following positive engagement across the sector, we have identified three key areas for efficiencies: corporate functions ("back office" including shared services), commercial and procurement, and modern working practices including estates (taking advantage for new technology and innovation). The delivery of efficiencies will be supported and monitored by the Home Office and the Efficiency in Policing Board."

The Panel had regard to the detailed information contained within the Commissioner's report in relation to the overall funding position, and specifically how this related to Cleveland. In determining the budget strategy and LTFP for Cleveland in 2022/23, a number of future funding and planning assumptions had been made:

- Precept increases of £10 per annum throughout the life of the plan.
- Government Grant increase of 1.1% in 23/24 and 1.6% in 24/25, thereafter 2% increases.
- 1.3% increase in Tax Base in 23/24 before returning to 1% increases thereafter.
- £160k collection surplus per annum.
- Pensions Grant continues at current level.
- Pay Awards are 3.5%, (22/23), then 2.5% (23/24), and then 2% thereafter.
- Additional funding is provided to continue the Uplift Programme in future years

The Panel noted that the figures quoted for the precept proposal were based on a Band D Council Tax property. The Commissioner commented that approximately 80% properties in Cleveland were in Band A-C therefore those households would pay a proportionately smaller amount of the precept.

He stated that the effect of proposals would provide Cleveland Police with £55-60m more than it had had previously which would give resources to the incoming Chief Constable to deliver the PCC's Police and Crime Plan for Cleveland 2021-24.

The Panel questioned the fairness of the Government's funding formula which was based on population size rather than need and appeared to disadvantage areas of poverty. They noted the Commissioner's commitment to fight for funding for the area and make representations for a fairer funding formula and acknowledged that there was also a role for local Councillors to make representations to their respective MPs.

With regard to the consultation exercises, the Panel commented that numerical values rather than percentages would be more helpful in both understanding the level of responses and explaining the information to residents.

The Panel noted that the level of response from Hartlepool had been significantly lower than other places within the Force Area and considered whether this may be due to residents feeling the impact of the loss of the Courts and cells in Hartlepool and therefore losing faith in policing and its relevance to them.

The Commissioner explained that the last planned consultation events in Hartlepool had been cancelled due to tightened Covid restrictions. This could account for the variation in representation, however, he had made it a priority to ensure further engagement events were arranged in Hartlepool recognising the issues mentioned by the Panel.

The Panel gave consideration to the report that had been prepared by the Task and Finish Panel and thanked the Members for their time in looking at the budget strategy and precept proposals in greater depth. The Panel had recommended that the proposal to apply the maximum uplift of £10 to the Police Element of the Council Tax within Cleveland for 2022/23 should be endorsed.

Having considered all the information available to it and discussed the funding assumptions and associated issues in detail, the Panel **RESOLVED** to endorse the Task and Finish Panel's recommendation and support the Commissioner's proposal to set the Band D Police Element of the Council Tax within Cleveland for 2022/23 at £275.73, an increase of £10, or 3.76% over the 2021/22 level.