



Chair of Panel: Councillor Tony Riordan

Redcar and Cleveland House | Kirkleatham Street | Redcar | TS10 1RT

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CLEVELAND POLICE AND CRIME PANEL

7 FEBRUARY 2023

THE PROPOSED PRECEPT OF THE CLEVELAND POLICE AND CRIME COMMISSIONER FOR THE FINANCIAL YEAR 2023/24

REPORT OF THE PANEL

A review was undertaken by the Cleveland Police and Crime Panel ("the Panel") on Tuesday 7 February 2023 of the proposed precept of the Police and Crime Commissioner for Cleveland ("the Commissioner") for the financial year 2023/24.

Present

Cllr Tony Riordan (Chair), Cllr Barrie Cooper, Cllr Graham Cutler, Cllr Stefan Houghton, Paul McGrath, Cllr Steve Nelson, Cllr Carrie Richardson, Luigi Salvati, Cllr Norma Stephenson OBE, Cllr Carole Thompson

Apologies

Cllr Chris Jones, Cllr Tom Mawston, Cllr Shane Moore and Mayor Andy Preston

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 2023/24 was considered by the Panel. The proposal was to set the Band D Police Element of the Council Tax within Cleveland for 2023/24 at £290.73, an increase of £15, or 5.44%, over the 2022/23 level.

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 2023/24 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 the Chief Constable and engaged and consulted with the public on the options available to him.

The Panel noted that the Police Funding Settlement 2023/24 had been announced on 14 December 2022 in a written statement by the Crime and Policing Minister and that nationally, the overall funding for policing would rise by up to £287 million compared to the 2022/23 funding settlement, bringing the total up to £17.2 billion for the policing system.

The settlement also confirmed that PCCs would be empowered to raise additional funding through their Band D precept flexibility by up to £15 in 2023/24 without the need to call a local referendum, returning to £10 in subsequent years.

The Government stated that: "... they have provided significant investment into policing over the previous four years, and so now it is only right that we hold forces to account on delivery. We therefore expect policing to approach the 2023-24 financial year with a focus on this Government's key priorities:

- Ensuring overall police officer numbers are maintained at the agreed Police Uplift baseline plus force level allocations of the 20,000 additional officers.
- Deploying these additional officers to reduce crime and honour this Government's commitment to keep the public safe.
- Delivering improvements in productivity and driving forward efficiencies, maximising the value of the Government's investment."

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 2023/24, a number of future funding and planning assumptions had been made:

- Pay awards budgeted for a 4% increase in 2023/23 returning to 2% in subsequent years
- A precept increase of £15 (5.44%) in 2023/24, returning to £10 in subsequent years.

- Tax Base Growth of 1.39% in 2023/24, returning to 1.2% in subsequent years
- Government Grants increases of 1.7% in 2024/25, returning to 2% in subsequent years.
- Impact of Funding Formula review – Nil

The plan included a specific grant of £3,298,000 to maintain the Government targets for Police Officer increases. In Cleveland, this equated to at least 1443 officers by the end of March 2024. The Panel noted the Commissioner's plan to recruit 1500 officers and exceed this target.

As in previous years, 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. 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. The Panel noted the Commissioner's commitment to fight for funding for the area and make representations for a fairer funding formula.

The Panel sought assurance on the level of reserves which reduced from £21m to £11m over the life of the plan. The Commissioner assured the Panel that total reserves would be maintained at a level that was appropriate to the size of the overall budget and that general reserves would remain a minimum of £5m – 3.2% of the net budget requirement in 23/24.

With one of the measures to achieve a balanced position being to hold staff vacancies at around 11% of the workforce, the Panel asked whether there was a risk that front line officers would be used to fill back-office roles and were concerned this would reduce the intended impact of the officer uplift targets.

The Commissioner assured the Panel that an analysis of the vacant posts had been undertaken and the Chief Constable was reviewing structures. It was not felt that there was a risk in holding these vacancies and delivery of front-line services remained a priority.

In respect of the consultation exercises Members discussed the differences in responses based on whether the consultation had been on line or face to face. The variations were acknowledged but it was recognised that it was also important to provide a range of methods to enable people to engage with consultation.

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 £15 to the Police Element of the Council Tax within Cleveland for 2023/24 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 2023/24 at £290.73, an increase of £15, or 5.44%, over the 2022/23 level.

