



HUMBERSIDE POLICE AND CRIME PANEL

RESPONSE TO THE HUMBERSIDE POLICE AND CRIME COMMISSIONER'S PRECEPT PROPOSALS FOR 2023-24

PURPOSE OF THE REPORT

The purpose of this report was to set out the Humberside Police and Crime Panel's formal response to the Humberside Police and Crime Commissioner's precept proposals for 2023-24.

INTRODUCTION

The Police and Crime Commissioner had a statutory requirement to set an annual Police and Crime budget and, as part of that process, to consult with the Police and Crime Panel regarding any proposals in relation to the council tax precept.

At the meeting of the Police and Crime Panel on 8 February 2023, the Commissioner set out his proposed Police precept for 2023-24 and the Medium-Term Resource Strategy for 2023-24 to 2027-28.

ROLE OF THE POLICE AND CRIME PANEL

Schedule 5 of the Police Reform and Social Responsibility Act (2011) stated that the Commissioner must notify the Police and Crime Panel, by 1 February, of the precept which the Commissioner was proposing to issue for the financial year 2023-24.

Under the requirements of the Act, the Police and Crime Panel must review the proposed precept notified to it and must make a report to the Commissioner on the proposed precept. The report may include recommendations, including recommendations as to the precept that should be issued for the financial year.

The Police and Crime Panel had the power to veto the proposed precept if at least two-thirds of the Police and Crime Panel members (the full membership rather than those present at a meeting) vote in favour of making that decision.

If the Panel vetoed the proposed precept, the report made to the Commissioner must include a statement that the panel has vetoed it.

POLICING ELEMENT OF COUNCIL TAX

As part of the budget setting process, the Commissioner was required to consider whether or not to propose any changes to council tax. The amount of the council tax precept was a decision for the Commissioner who would take account of the views of the Police and Crime Panel and the Government's Council Tax increase limit in making that decision.

The Commissioner had proposed a precept increase of 5.9%. The financial implications for residents are that the Band D Council Tax amount would increase to £268.19 for 2023-24, an increase of £14.99.

MEDIUM TERM RESOURCE STRATEGY

The panel considered the Medium-Term Resource Strategy (MTRS) of the Police and Crime Commissioner for Humberside, which covered a period of five years. It described the financial direction of the organisation and outlined financial pressures.

The MTRS provided options for delivering a sustainable budget and capital programme over the medium term. It also sets out how the Commissioner could provide the Chief Constable with the resources to deliver the priorities in the Police and Crime Plan within the challenging financial climate.

The MTRS sets the financial context for the Commissioner's revenue budget, capital programme and precepting decisions.

The overall financial strategy sought to deliver the Commissioner's Police and Crime Plan, 2021 - 2025 and meet the requirements of the National Strategic Policing Requirement.

FINANCIAL CONTEXT

Funding Formula - The Funding formula used to distribute Grant between Forces (Police Allocation Formula (PAF)) was introduced in 2006-07 and much of the data used had not been updated. Members heard that there had been recognition for many years that the formula no longer reflected needs, but previous attempts at reform of the PAF had not come to fruition due to various technical/political considerations. No change was anticipated to the PAF formula until at least 2024-25 at the earliest and therefore, the MTRS had made no assumptions in this regard.

Operation Uplift – Members were informed that the Government had made a commitment to increase police officer numbers nationally by 20,000 by March 2023. The profile for Humberside Police was as follows:

2020-21 - 97 Officers.

2021-22 - 96 Officers.

2022-23 - 129 Officers.

Funding had been allocated towards the costs of police officer salaries, additional police staff to facilitate the recruitment and training of officers and the necessary kit and equipment they needed.

Police Finance Settlement and Council Tax Precept - The Provisional Police Finance Settlement for 2023-24 was announced on 14 December 2022. The final Police Finance Settlement would be released in February 2023.

Members were informed of the following headlines from the Police Finance Settlement for Humberside:

- Police core grants of £139.1m
- Legacy grants of £10m
- Ring-fenced grant of £4.4m relating to achievement of Operation Uplift targets

Members were reminded that the Secretary of State determined the maximum increase PCCs could make to the council tax precept without requiring a referendum and in 2023-24, was more than £15 per year on a Band D property. The Band D council tax precept set by the Commissioner for the year 2023-24 was £268.19.

The Commissioner had also run a public consultation on the level of the council tax precept for 2023-24. There had been 1,590 responses to the consultation. 69% of these responses agreed with a £9.99 increase or more in a Band D council tax precept.

The MTRS included an increase in the precept of £14.99 for a Band D property for 2023-24 and an increase of £9.99 in future years. A final decision on the actual precept would be made each year by the Police and Crime Commissioner based on the financial circumstances at the time.

Ministry of Justice Grant – Members were informed that the Ministry of Justice (MOJ) allocated a grant to the Commissioner each year for local commissioning of victim services. The grant was allocated between Police and Crime Commissioners on the basis of population. A total of £1.090m was allocated to the Police and Crime Commissioner for Humberside for 2022-23. The amount for 2023-24 was yet to be confirmed.

The MOJ grant was held outside of the Police General Fund and the Commissioner made decisions on the commissioning of services on an annual basis, within the grant funding available. The commissioning of victim services therefore had no impact on Force budgets.

MEDIUM TERM BUDGET PRESSURES IN HUMBERSIDE

Members were informed of the following pressures -

Pay and price increases - Indicative budget forecasts for 2023-24 to 2027-28 reflected the impact of inflation on budgets wherever possible such as energy,

business rates and rent increases along with known contract increases. In addition, estimates for future pay awards at 3% for 2023-24 and 2% for the following years.

Budget pressures - The MTRS also included estimates of the impact of the annual cost of officer pay progression under police regulations and the triennial review of the Local Government Pension Scheme (LGPS), this review was completed for 2023-24 and the following two years and an increase in contributions was not required. Humberside Police would also face financial pressures due to the additional costs incurred following the recruitment of additional Police Officers and Police Staff as a result of Operation Uplift.

Revenue implications of the capital programme - A revised five-year capital programme had been produced. The implications of this programme were fully reflected in the MTRS.

In considering the rationale behind the proposed increase in the police precept, the Commissioner had committed to the following –

1. Humberside Police would continue its programme of placing 24-hour response teams in every town in the force area – including the return of 24-hour policing teams in Driffield and Brigg.
2. This growth would be in addition to preserving existing bases and protecting officer numbers in Hull, Grimsby, Scunthorpe, Epworth, Beverley, Bridlington, Withernsea, Pocklington, Goole and Hedon (which were at their highest in ten years)
3. Humberside Police would be able to afford to keep 148 dedicated PCSO's embedded in every ward in East Riding, Hull, North and North East Lincolnshire
4. Humberside Police would be able to increase the number of dedicated community police officers working alongside PCSO colleagues
5. The force also recognised that rural communities want an increase in dedicated rural policing, and the continued support and development of dedicated Rural Task Force teams in the East Riding and in North and North East Lincolnshire would be achievable.
6. The dedicated Rural Task Force would be enhanced to 1 Sergeant and 8 Constables, based in the East Riding and Northern Lincolnshire
7. Humberside Police were also asked by local communities to invest more resources in tackling dangerous driving, illegal and uninsured drivers and driving that was leading to death and serious injury across the whole region.
8. Humberside Police would increase the number of police officers in its Roads Policing Unit to increase patrols, visibility and capability to proactively target offenders who continue to reduce safety on the roads for other users
9. Humberside Police had a key role to play in ensuring that victims of domestic abuse were protected and offenders were brought to justice. The impact such behaviour had on victims and children was generational and nothing other than providing an outstanding response every time should be accepted.
10. Ensure that the new dedicated Domestic Abuse Investigation and Safeguarding Teams could be fully resourced in 2023 whilst not reducing officer numbers elsewhere

11. Invest the additional officers as planned into local CID teams, to further improve the force's ability to investigate more crimes and provide a service that increased public trust and confidence in their local force

DECISION

The Police and Crime Panel considered the Commissioner's proposal to increase the precept for 2023-24, by 5.9% (from £253.20 to £268.19 for a Band D property, an increase of £14.99).

Having considered the evidence submitted by the Commissioner and Mr Wilson, Chief Finance Officer at the Office of the Police and Crime Commissioner, and their responses to questions from members, it was unanimously agreed that the Humberside Police and Crime Panel support the precept without qualification or comment.

However, with rising inflation and the impact of the cost of living crisis, the Panel was acutely aware of the impact the increase in the precept may have on some residents in Humberside. Despite funding from central Government and local tax payers, a further £6.2m would be required from police financial reserves next year to allow the Commissioner to proceed with current plans and cover increased costs in the present financial climate.

Humberside Police had made great progress in improving the service it provided to local communities, resulting in last November's announcement from His Majesty's independent Inspectorate that the force had been graded Outstanding in most areas of its operations. The Panel agreed with the Commissioner that this was not the time to reduce the resources available to Humberside Police, instead investing in further developments to drive the force forward.

In supporting the precept proposal, the Panel respectfully asks that the members be provided with an update in six months' time on the implementation/continuation of the eleven commitments made by the Commissioner.