

# **POLICE AND CRIME PANEL**

## **PANEL HEDDLU A THROSEDD**



## **NORTH WALES POLICE AND CRIME PANEL**

### **REPORT ON THE COMMISSIONER'S PROPOSED PRECEPT FOR 2022/2023**

#### **Background**

This report is made in accordance with the Police and Crime Panel's (PCP) statutory duty contained in Paragraph 3(2), Schedule 5 of the Police Reform and Social Responsibility Act 2011 (Act).

#### **Review of Proposed Precept**

The North Wales PCP was notified of the Police and Crime Commissioner's (PCC) proposed precept for 2022/2023 on 13 January 2022, in accordance with Paragraph 2, Schedule 5 of the Act.

The PCP considered the PCC's report outlining the proposed precept and budget for 2022/2023, together with the Medium Term Financial Plan at its meeting held on Monday, 31 January 2022, in Bodlonddeb, Conwy

The PCC proposed to increase the precept to £93,861,247 (an increase of 4.65% from the 2021/2022 precept), which would increase Council Tax by 3.68% (equivalent to £316.80 per annum, an increase of £11.25 per annum, or 22p per week for a Band D property).

The PCP also received a presentation from the Chief Finance Officer (Office of the Police and Crime Commissioner), which highlighted the following:

- The proposed precept.
- Changes in national funding allocations between 2021/22 and 2022/23
- Central Allocations (top slicing)
- Government Grant for 2022/23
- Comparison of budget versus actual officers
- Planning process
- Structural pressures
- Police Officer increments
- Savings

- Reinvestment and growth
- Proposed budget 2022/2023
- How the proposed Council Tax increase would be spent
- Surveys
- Risks

In scrutinising the proposed precept, the PCP acknowledged that the settlement exceeded expectations as the allocation of Operational Uplift was higher than expected and funding in 2022/2023 was higher. However, the additional Officers would come with additional costs, and these costs would increase over future years as the Officers' pay increases with increments and annual pay awards. The funding provided was also intended to cover all costs including the Health and Social Care Levy (increase in National Insurance), Uplift setup and future costs, as well as pay and non-pay inflation. It was noted that any deficit would need to be funded from savings or precept increases.

A number of issues were raised as follows:

- The impact of the Health and Social Care Levy
- The increase in Central Allocations or top slicing
- The impact of the withdrawal of the Capital Grant and the need for the deficit in the capital funding to be funded from the general grant.
- Risks associated with inflation and new responsibilities; new funding formula; future funding and the delivery of savings in future years.
- The level of reserves
- The Estates Strategy

The PCP acknowledged that the Council Tax increase of 3.68% (£11.25) matched the Home Office assumed increase of £10.00, covered the cost of inflation and stand-still increases, Uplift implementation, and supported growth to fund 10 additional PCSOs.

The PCP also acknowledged that the PCC had considered all the options within the resources available and recognised the extensive work carried out by the Organisation Planning Process. Therefore, taking these factors in account, the PCP felt they could support the proposed increase, in order to provide a sufficient budget to enable the operational delivery of the policing service in North Wales for 2022/2023.

## **RECOMMENDATIONS:**

**(a) That the precept be increased for 2022/2023 to £93,861,247.**

- **This will increase Council Tax by 3.68% - this is equivalent to £316.80 per annum, an increase of £11.25 per annum, or 22p per week for a Band D property.**
- **This increase matches the Home Office assumed increase of £10.00 plus £1.25 to fund 10 additional PCSOs**
- **This increases the Tax Base by 0.94%.**

- This is an increase in precept of 4.65% from 2021/2022.
  
- (b) That it be noted that £0.755mm of savings have been identified for 2022/2023.
  
- (c) That it be noted that there will be a further increase of 82 Police Officers, of which 78 are a result of North Wales Police's allocation of the Government programme to increase police officer numbers (Operation Uplift). In addition, 4 ROCU (Regional Organised Crime Unit) Officers from North Wales are to be funded from Operation Uplift in 2022/23.
  
- (d) That the Medium Term Financial Plan (MTFP) be noted, which includes the following assumptions:
  - That Council Tax will increase by an estimated 3.68% in 2022/23, 3.79% in 2023/24, 3.65% in 2024/25, 3.52% in 2025/26 and 3.40% in 2026/27.
  - That policing grants are estimated to increase by 1.13% in 2023/24; 1.68% in 2024/25 and 1% for the following two years.
  - That annual pay awards will be 3% to be applied in September 2022 and 2.5% to be applied each subsequent September.
  - To note that the increase in grant has been awarded in support of Operation Uplift (recurring and set up costs), which has been earmarked for these purposes; and these commitments have been included in the budget.

01 February 2022