

POLICE AND CRIME PANEL
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NORTH WALES POLICE AND CRIME PANEL

REPORT ON THE COMMISSIONER'S PROPOSED PRECEPT FOR 2018/19

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 2018/19 on 16 January 2018, in accordance with Paragraph 2, Schedule 5 of the Act.

The PCP considered the PCC's report outlining the proposed precept and budget for 2018/19 at its meeting held in Bodlondeb, Conwy on Monday, 22 January 2018.

Members of the PCP reviewed the proposed increase of the precept to £74,739,488 (an increase of 4.55% from the 2017/18 precept) which would increase Council Tax by 3.58% (equivalent to £258.12 per annum, an increase of £8.91 per annum or 17p per week for a Band D property).

The PCP also received a presentation from the Chief Finance Officer, which highlighted:

- Police Funding for England and Wales
- Central Allocations (top slicing)
- Proposed Budget for 2018/19
- Risks

In scrutinising the proposed precept, the PCP raised a number of questions in relation to the funding formula, anticipated growth in staffing numbers, planned investment, collaboration, commissioning and the savings plan.

The PCP also reiterated its concerns regarding the Apprenticeship Levy and the inability to access this funding in Wales to fund the new Police Education Qualification Framework from 2019/20. .

The PCP acknowledged that whilst the Force would receive the same amount of core grants as in 2017/18, in real terms it was a reduction as it did not cater for any inflation or additional demands. It was also acknowledged that the settlement gave additional flexibility to PCCs in England to increase their Band D Council Tax by £12; in Wales it was up to the Welsh Government to define any Council Tax cap and they had not defined a cap. The Home Office assumed that all Forces would increase the Council Tax by £12 in calculating the potential additional amount available to Forces of £450m.

However, the PCC proposed an increase of £8.91 for North Wales to take account of inflation and additional pressures.

RECOMMENDATIONS:

(a) That the precept be increased to £74,739,488.

- **This will increase Council Tax by 3.58% - this is equivalent to £258.12 per annum, an increase of £8.91 per annum, or 17p per week for a band D property.**
- **This is an increase in precept of 4.55% from 2017/18.**

(b) That the PCP notes that £1.479m of cuts have been identified for 2018/19.

(c) That the PCP notes that £0.717m of the cuts will be reinvested in front line activities.

(d) That the PCP notes that a further £0.762m will be invested in front line posts from the additional increase in precept.

(e) That the PCP notes that the higher than expected grant settlement (equivalent to £0.696m) has been used to mitigate proposed cuts, thus protecting 15 front line Officer posts.

(f) That the PCP notes that the proposed Council Tax increase is significantly below the Home Office's planning assumption of £12.

(g) That the PCP notes the Medium Term Financial Plan, which includes the following assumptions:

- **That Council Tax will increase by an estimated 3.58% in 2018/19, and 3.44% in 2019/20, 4.18% in to 2020/21 and 4.19% in 2021/22 and 3.44% in 2022/23.**

- **That policing grants will be frozen at current levels in 2019/20 and a cut of 1% each year from 2020-21.**
- **That annual pay awards will be 2% from September 2018.**
- **That there will be additional costs relating to the new Police Education Qualification Framework (PEQF) from 2019-20 which will not be funded by the Apprenticeship Levy IN Wales.**

26 January 2018