



THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

DECISION RECORD FORM

REQUEST: For PCC approval.

Title: Precept Proposal 2019/20.

Executive Summary:

Legislation requires that the Police and Crime Commissioner (PCC) agrees their budget and associated precept and basic council tax for the forthcoming year before 1st March each year. However before doing so the PCC must notify the relevant Police and Crime Panel, by the 31st January, of the precept which they propose to issue for the following financial year.

The PCC has been informed by the Home Office that 'We are proposing to double the precept flexibility for locally accountable PCCs. Last year, we provided an additional £12 precept flexibility. This year, we propose giving PCCs the freedom to ask for an additional £2 a month in 2019/20, to increase their Band D precept by £24 in 2019/20 without the need to call a local referendum. It is for locally accountable PCCs to take decisions on local precept and explain to their electorate how this additional investment will help deliver a better police service.'

The results of consultation with the public of Cleveland in relation to the level of precept for 2019/20, which had 1,066 responses to the below question, has resulted in the following:

- 68.3% said that they would be prepared to pay an extra £16.00- £24.00 per year, for Band A to D properties, as part of your Council Tax bill, to help maintain current Policing Services in Cleveland and to provide an additional £1.8m for investment in Community Policing; while
- 31.7% said that they would prefer further cuts to Policing Services in Cleveland.

If the precept is increased by £24 then the Net Budget Requirement is expected to increase in 2019/20, by nearly £6m (or 4.7%) however after taking into account the additional costs of Police Pension increases, that haven't been mitigate by additional grant, the overall funding position would be an increase of just under £4m (or 3.2%). While this is better than the organisation was planning, it is worth noting that this increase will partly be absorbed by unavoidable additional costs to the organisation in 2019/20 primarily from forecast 2% pay awards and more general inflation (CPI is currently 2.1% and RPI 2.7%).

Decision:

With effect from 28 January 2019, the PCC is asked to give approval, based on the financial needs of the organisation and the public consultation to propose, to the Police and Crime Panel, the Police Precept for 2019/20 as £250.54, for a Band D property in Cleveland. This would be an increase of £24.00 per annum (around 46p per week), from the 2018/19 level. However as most properties within Cleveland are in Council Tax band A-C these households would see an increase in their bill of 31-41p per week based on the proposed £24 increase.

In doing so the PCC is asked to agree that:

- The Net Budget Requirement for 2019/20 as £131,706k.
- The Council Tax Requirement as £38,435,016
- The tax base for 2019/20 as 153,480.7 Band D equivalent properties.

The following precepts be levied on the four billing authorities:

Hartlepool	£6,115,932
Middlesbrough	£8,420,148
Redcar	£9,840,460
Stockton	£14,058,476

Agree that council tax be set at the following levels:

Council Tax		£24 increase	
Property Band	Proportion	Council Tax to 2 Decimal Places	Council Tax to 3 Decimal Places
		£	£
A	2/3rds	167.03	167.027
B	7/9ths	194.86	194.864
C	8/9ths	222.70	222.702
D	1	250.54	250.540
E	1&2/9ths	306.22	306.216
F	1&4/9ths	361.89	361.891
G	1&2/3rds	417.57	417.567
H	2	501.08	501.080

OPCC Lead Officer: Michael Porter

Contractor Details (if applicable):

Implications:

Has consideration been taken of the following:	Yes	No
Financial	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Legal	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Equality & Diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Human Rights	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sustainability	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(If yes please provide further details below)

Decision Required – Supporting Information

Financial Implications: (Must include comments of the PCC's Chief Finance Officer where the decision has financial implications)

The financial implications of this Decision are set out in the Executive Summary and/or the attached report. The decision will ensure that the PCC meets their legislative requirements in relation with the Police element of the precept and will also ensure that there is sufficient funding available in 2019/20 to fund the organisation to deliver against the Police and Crime Plan priorities. The decision being requested is in line with the statutory requirements of the PCC and is the first step in enabling the PCC to meet their statutory obligations in relation to Precept and Budget setting.

Legal Implications: (Must include comments of the Monitoring Officer where the decision has legal implication)

Having read this report and having considered such information as has been provided at the time of being asked to express this view, the Chief Executive is satisfied that this report does not ask the PCC to make a decision which would (or would be likely to) give rise to a contravention of the law.

Equality and Diversity Implications

None arise.

Human Rights Implications

None arise.

Sustainability Implications

This report is part of the process required to ensure that the process for proposing a precept to the Police and Crime Panel is open and transparent. It recommends an option that the PCC can consider before proposing a precept to the PCP and is part of the process of establishing sustainable annual and medium term financial plans and maintaining prudent financial management within the organisation.

Risk Management Implications

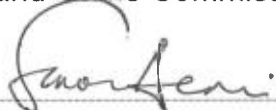
The requirements on the PCC to propose and consult with the PCP on their proposals for Precept are set out in legislation and covered in the attached report. Failure to start the consultation process with the PCP before the end of January 2019 and to conclude this process, including setting a precept before 1st March 2019, would result in an illegal budget.

OFFICER APPROVAL

Monitoring Officer

I have been consulted about the decision and confirm that financial, legal, and equalities advice has been taken into account. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

Signed



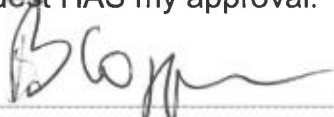
Date

5/2/19

Police and Crime Commissioner:

The above request HAS my approval.

Signed



Date

5/2/19