

**Report for Information to the 'Policy, Planning & Performance' (Level 1)
Meeting on 18 January 2016**

**Title: Revenue Estimates 2016/17 & Medium Term Financial Plan 2016/17 to
2019/20**

Executive Summary

This report provides information on the provisional police funding settlement for 2016/17 and then recommends a revenue budget and council tax for the Police and Crime Commissioner (PCC) to approve.

The recommended net revenue budget for 2016/17 is £386.396m which represents an annual increase of £3.723m or 0.97%. The revenue budget is fully balanced in 2016/17 with the delivery of £15.61m of savings and a 1.99% increase in council tax.

The budget for 2016/17 protects and provides some increases, for priority service areas and specialist capabilities in response to the increasing level of complex crime and the current threat levels. This supports the delivery of the Police and Crime Plan including the Chief Constable's annual delivery plan objectives.

The medium term financial plan (MTFP) is balanced in all four years. This has only been possible through the identification of £36.02m of budget cuts.

The Force will continue working on its Productivity Strategy and in particular the Priority Based Budget review, to ensure resources are directed to priority areas and that services are delivered in the most effective manner. This work will continue to release savings in future years in order to balance the budget and provide additional resource to reinvest in priority policing areas.

The MTFP requires revenue savings of at least £36.02m over the next four years, with £15.61m in 2016/17. This is over and above the £73m of cash savings already removed from the base budget in the last five years (i.e. 2011/12 to 2015/16) meaning that, over the nine year period 2011/12 to 2019/20, in excess of £109m will have been taken out of the base revenue budget.

The impact on police officer and staff numbers next year (2016/17) is a net reduction of 95 police officer posts and a reduction of 212 police staff/PCSO posts.

Recommendation:

The PCC is asked to RECOMMEND to the Police and Crime Panel:

- That, subject to final taxbase notifications, the council tax requirement for 2016/17 be set at £143,326,979
- The revenue estimates for 2016/17 as set out in Appendix 2
- That the police element of the council tax for 2016/17 be set at £166.96 for properties in Band D, with the charge for other bands as set out in Table 1.

Property Band	Relevant Proportion	PCC element of the Council Tax
A	6/9	111.31
B	7/9	129.86
C	8/9	148.41
D	9/9	166.96
E	11/9	204.06
F	13/9	241.16
G	15/9	278.27
H	18/9	333.92

Police and Crime Commissioner

I hereby approve the recommendation above.

Signature

Date

PART 1 – NON-CONFIDENTIAL**1 Introduction and background**

- 1.1 The 2016/17 draft budget and proposed precept provides the necessary resources for the PCC to continue to deliver his five year Police and Crime Plan.
- 1.2 Full details regarding the provisional police funding settlement for 2016/17, the draft revenue budget proposals for 2016/17 and the medium term financial plan for the period 2016/17 to 2019/20 are provided in the Annex 1.
- 1.3 The PCC is required to notify the Thames Valley Police and Crime Panel of the council tax precept he is proposing to issue for 2016/17 financial year. The Police and Crime Panel is due to review the proposed precept at its meeting on 29th January 2016.

2 Issues for consideration

- 2.1 The draft budget for 2016/17 protects and provides some increases, for priority service areas and specialist capabilities in response to the increasing level of complex crime and the current threat levels. This supports the delivery of the Police and Crime Plan including the Chief Constable's annual delivery plan objectives.

- 2.2 The draft budget requires £15.61m of productivity strategy savings in 2016/17 with a further £20.41m in the following three years. This is over and above the £73m of cash savings already removed from the base budget in the last five years (i.e. 2011/12 to 2015/16) meaning that, over the nine year period 2011/12 to 2019/20, in excess of £109m will have been taken out of the base revenue budget
- 2.3 The draft budget is predicated on a recommended 1.99% increase in council tax in 2016/17.
- 2.4 Confirmation of the final taxbase and surplus on collection fund is still awaited from the 16 billing authorities. Any last minute adjustments will be made via an appropriation to/from general balances.

3 Financial comments

- 3.1 The draft net revenue budget requirement for 2016/17 is £386.396m, which requires an increase in council tax of 1.99%. The medium term financial plan is currently balanced in all 4 years.

4 Legal comments

- 4.1 The PCC is required to set a net revenue budget that is fully financed by government grants and income from local council taxpayers.
- 4.2 The PCC has to notify the Police and Crime Panel of his proposed council tax precept for its review as set out in paragraphs 3 to 5 of Annex 1.

5 Equality comments

- 5.1 No specific implications arising from this report

6 Background papers

Provisional local authority finance settlement 2016/17

<p>Public access to information Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website within 1 working day of approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.</p>
<p>Is the publication of this form to be deferred? No</p>
<p>Is there a Part 2 form? No</p>

Name & Role	Officer
<p>Head of Unit The proposed budget for 2016/17 supports the delivery of the Chief Constables strategic objectives as outlined in his annual delivery plan. Financially, this is achieved through the identification of £15.6m of Productivity Strategy savings to help fund the imposed increases in national insurance and other commitments.</p>	<p>Director of Finance</p>
<p>Legal Advice Under the Police Reform and Social Responsibility Act 2011 the PCC is required to notify the Thames Valley Police and Crime Panel of his proposed precept for 2016/17 by 1st February 2016. The council tax requirement, precept and council tax levels are to be finally determined by the end of February.</p>	<p>Chief Executive</p>
<p>Financial Advice The draft budget for 2016/17 requires an increase in council tax of 1.99%. This is below the Government's council tax referendum threshold of 2%, The medium term financial plan is fully funded in all four years</p>	<p>PCC Chief Finance Officer</p>
<p>Equalities & Diversity No specific implications arising from this report</p>	<p>Chief Executive</p>

OFFICER'S APPROVAL

We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.

We are satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

PCC Chief Finance Officer

Date: 11 January 2016

Director of Finance

Date: 11 January 2016