



Report for Information to the level 1 meeting on 23rd January 2018

Title: Revenue Estimates 2018/19 & Medium Term Financial Plan 2019/20 to 2020/21

Executive Summary

This report provides information on the provisional police finance settlement for 2018/19 and then recommends a revenue budget and council tax for the Police and Crime Commissioner (PCC) to approve.

The provisional police grant settlement for 2018/19 provided a flat cash grant settlement and enabled PCCs to increase council tax by £12 for a band D property in both 2018/19 and 2019/20.

The PCC has undertaken a short public consultation exercise on the proposed increase in council tax and 84.3% of the 5,600 that voted supported the increase.

The revenue budget is fully balanced in all 3 years 2018/19 to 2020/21, with a £12 increase in council tax precept in 2018/19 and 2019/20.

The Medium Term Financial Plan (MTFP) provides for inflationary increases, limited growth to mitigate increasing demand and complexity in priority areas, as well as essential investment in technology to support transforming service delivery to meet future expectations. This supports the delivery of the Police and Crime Plan and the Force Commitment.

The Force continues to prioritise its work on the Productivity Strategy to ensure resources are directed to priority areas and that services are delivered in the most effective and efficient manner. This work focuses the drive for continuous improvement, improved efficiency and alignment of resources with demand. It will continue to release savings in future years in order to address future unquantified demands and provide additional resource to reinvest in priority policing areas.

The MTFP requires revenue savings of at least £14.3m over the next three years. This is over and above the £99m of cash savings already removed from the base budget in the last seven years (i.e. 2011/12 to 2017/18) meaning that, over the ten year period 2011/12 to 2020/21, in excess of £113m will have been taken out of the base revenue budget.

The impact on police officer and staff numbers over the next three years is a net increase of 47 police officer and 46 police staff budgets, but a slight reduction of 14 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 2018/19 be set at £162,164,471.
- That any variation in the final amount of council tax income be appropriated to General Balances
- The revenue estimates for 2018/19 as set out in Appendix 2
- That the police element of the council tax for 2017/18 be set at £182.28 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	$\frac{6}{9}$	121.52
B	$\frac{7}{9}$	141.77
C	$\frac{8}{9}$	162.03
D	$\frac{9}{9}$	182.28
E	$\frac{11}{9}$	222.79
F	$\frac{13}{9}$	263.29
G	$\frac{15}{9}$	303.80
H	$\frac{18}{9}$	364.56

Police and Crime Commissioner

I hereby approve the recommendation above.

Signature

Date

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

- 1.1 The 2018/19 budget and proposed precept optimises the resources available for the PCC to deliver his new Police and Crime Plan.
- 1.2 Full details regarding the provisional police finance settlement for 2018/19, the revenue budget proposals for 2018/19 and the medium term financial plan for the period 2018/19 to 2020/21 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 2018/19 financial year. The Police and Crime Panel is due to review the proposed precept at its meeting on 2nd February 2018.

2 Issues for consideration

- 2.1 Due to the proposed increase in council tax the budget for 2018/19 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 and the Force Commitment, including the Chief Constable's annual delivery plan objectives.

- 2.2 The medium term financial plan is balanced in all three years, assuming a £12 increase in council tax in both 2018/19 and 2019/20.
- 2.3 The MTFP requires further budget cuts of £14.3m over the next three years. This means that over the ten year 2011/12 to 2020/21 over £113m of annual savings will have been removed from the base revenue budget.
- 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 2018/19 is £405.735m, which requires an increase in council tax of 7.00% or £12 for a band D property.
- 3.2 The medium term financial plan is currently balanced in all 3 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 2018/19.

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.
Is the publication of this form to be deferred? No
Is there a Part 2 form? No

Name & Role	Officer
<p>Head of Unit The proposed budget for 2018/19 supports the delivery of the PCC's Police & Crime Plan and the Force Commitment. Financially, this is achieved through a 7% increase in council tax and the identification of £2.56m of Productivity Strategy savings.</p>	Director of Finance
<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 2018/19 by 1st February 2018. The council tax requirement, precept and council tax levels are to be finally determined by the end of February.</p>	Chief Executive
<p>Financial Advice The draft budget for 2018/19 requires an increase in council tax of 7.00% or £12 for a band D property, which accords with the Government's council tax referendum principles for 2018/19. The medium term financial plan is fully funded in all three years</p>	PCC Chief Finance Officer
<p>Equalities & Diversity No specific implications arising from this report</p>	Chief Executive

OFFICER'S APPROVAL

<p>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.</p>	
<p>We are satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.</p>	
PCC Chief Finance Officer	Date: 12 January 2018
Director of Finance	Date: 12 January 2018