

Meeting	Police and Crime Panel
Date	3 February 2022
Report Title	Proposed Precept for 2022-23
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PURPOSE OF REPORT

1. This paper notifies the Panel of the precept I am proposing for 2022-23.

INTRODUCTION AND BACKGROUND INFORMATION

2. In January 2022 I presented to the Panel a paper which identified my initial thinking on the 2022-23 budget and my draft MTFs (Medium Term Financial Strategy). This paper identified that whilst overall funding levels had been announced no specific information had been received, this remains the case. This paper assumes the provisional settlement information released generally on the internet is confirmed without any changes.

CENTRAL GRANT

3. As detailed in the January paper the grant for Wiltshire has risen by £3.831m to £76.775m (excluding Pensions Specific Grant). This is Wiltshire's portion of the £550m provided by the government to fund nationally an additional 8,000 officers (the last year of the national uplift to 20,000 officers). After considering the cost of funding the 62 new officers allocated to Wiltshire the amount remaining for inflation or growth pressures is £1.8m (2.3%). Pressure on costs due to the National Insurance increase for the Social Care Tax and Pay awards are expected to exceed this amount.
4. It should be noted that the 5.2% cash increase for Wiltshire reported by the government includes the funding of the 62 new officers and that the precept is increased by £10 for all Band D dwellings (the maximum available to all PCCs without referendum).

THE PRECEPT

5. Local funding is the sum of the precept plus collection funds. Collection funds hold any variances on precept collection in both collecting authorities (Wiltshire Council (WC) and Swindon Borough Council (SBC)). The collecting authorities must estimate the number of equivalent Band D properties, considering their local support scheme and the collection rate to arrive at a council tax base.

6. Pressures still remain on local councils with SBC reporting a deficit of £0.135m. This is cancelled about by the surplus of £0.430m reported by WC leaving a net figure collection fund surplus of £0.295m.
7. The council tax base has recovered this year with a consolidated increase of 1.1% leading to a total base of 266,748.
8. My initial paper identified that I was considering a £10 increase in precept. This would result in a 4.3% increase and would help resolve issues arising from the limited central grant settlement.
9. I am considering the whole funding position. Wiltshire remains the 3rd lowest total funded area per head of population. It has the lowest council tax in the South West (the 2021-22 regional average excluding Wiltshire is £250.86 for a Band D property). Based on this low funding position I am minded to increase the precept by £10 for a Band D property to £241.27 (from £231.27 in 2021-22).
10. This increase will assist in the long term funding of Wiltshire Police as it will impact the base for which all future precepts start from. I am campaigning for fairer funding for Wiltshire. To not increase the precept when the government has specifically given me the option to do this would be a missed opportunity. I have taken into consideration the feedback from the public consultation and I intend explaining to them the benefits that a £10 increase will deliver.

THE FUNDING AVAILABLE

11. The table below outlines the funding available to me based on a £10 increase.

	2021-22	2022-23
Central Grant	£66.909m	£70.428m
Legacy Council Tax Grants	£5.235m	£5.235m
Uplift Grant	£0.800m	£1.112m
Total Central Funding	£72.944m	£76.775m
Precept Income	£61.004m	£64.359m
Council Tax Collection Fund	-	£0.295m
Total Funding Received	£133.948m	£141.429m
Investment Income	£0.079m	£0.079m
Total Funding Available	£134.027m	£141.508m

FUNDING ALLOCATION

12. I am expected to commission services from the funding available. The table below identifies how I intend using these resources.

	2021-22	2022-23
OPCC Office Costs	£2.021m	£2.197m
OPCC Commissioning Costs	£1.646m	£1.728m
OPCC Shared Services Costs	£29.126m	£31.433m
OPCC Capital Contribution	£2.504m	£3.298m
OPCC Chief Constable Allocation	£98.730m	£102.852m
	£134.027m	£141.508m

13. The 2022-23 allocation will allow for 3 new staff in the OPCC commissioning services (funded over 2 years) and an investment in the legal team to ensure the service is fit for purpose.
14. The Shared Service allocation increase surrounds providing the necessary infrastructure required to deliver the Uplift increase and ensuring we are able to obtain the opportunities available from technology. £0.430m of ICT staffing growth is required to enhance services (new O365 developer), ensure systems are stable and secure (Infrastructure posts) and to look to the future (Apprenticeships).

CAPITAL

15. The Capital Financing Strategy is essential in helping me plan future investments in a viable manner. With depleting capital reserves and the removal of capital grants it is essential that I increase the revenue funding in this area (by direct revenue contributions or funding debt).
16. Within the draft MTFS a revised Capital Financing Strategy was reported. This shows a need to increase the revenue funding of capital spend from £3.3m to £7.1m by 2029-30 (this is dependent on the capital plans over the next 9 years). This budget is in line with the strategy and is the next step in making capital plans viable into the future with the approach of smoothing the increase over the life of the strategy.

IMPACT ON THE CHIEF CONSTABLE'S BUDGET

17. The draft MTFS showed the budget requirement increase by £5.271m. When considering cost reductions £4.5m of this is unavoidable costs, these include the funding of the 62 new officers, inflation (including pay awards) and the National Insurance increase.
18. The table in paragraph 12 shows the Chief Constables funding allocation increase by £4.122m with a £10 council tax increase, meaning that £1.149m of savings would be required.
19. The growth requested by the Chief Constable focuses mainly on vulnerability, this is broken down below. All these posts are support staff with Police Officer growth requests funded from within the 62 new officers (detailed later), there is however a line for funding the additional costs involved with new posts requested above the introductory PC rank.

Violence and Women (11 posts)	£0.438m
Above PC rank Uplift Growth	£0.235m
CAB Data Assurance Guardian (post)	£0.033m
Domestic Abuse Training	£0.087m
CIET Researcher (post)	£0.033m
Coroners Officers (2 posts)	£0.066m
Clinical Governance (0.5 post)	£0.019m
Total Growth Requirement	£0.911m

20. The requirement to increase staffing is based on the outcome of the Force Management Statement (FMS) and the Risk Register. The draft MTFS includes information from the FMS which identifies the key threats. The table above shows an increase of 15.5 staff.
21. Year 3 of Uplift funding has provided me with 62 additional officers (excluding 4 I am required to provide to regional units for Serious and Organised Crime). The table below shows the impact on the Chief Constables workforce and where he has advised me to place the officers to best reduce threat and harm. The increase in Neighbourhood Policing Officers is aligned to the proposed Police and Crime Police Plan. It is important to note that these officers have to

be employed and trained before they can be released to target these areas. With intakes planned across the financial year some officers will not join until March 2023, with a 9 month training plan this means they will not be available for independent duty until December 2023.

	Officers
Starting Position	1096
In Year 2021-22 adjustments (Uplift Infra, etc.)	7
VAWG (Violence against Women and Girls)	5
CIET (Child Internet Exploitation Team)	4
CAIT (Child Abuse Investigation Team)	7
Authorised Firearms Teams	5
Roads Policing and Collision Investigation	10
Student Officers Assessors	2
Training Posts	2
Rural Crime	3
Drone Capability Post	1
Protest Intelligence Officer	1
Neighbourhood Policing Teams	22
Total	1165

SAVINGS

22. To finance the growth requested requires for savings of £1.392m to be identified across the various budgets. The table below shows how some of these savings will be achieved;

Description	Budget Impacted	Saving
Reduced inflation budgeting	All	£0.202m
Increase Mutual Aid Income	Chief Constable	£0.100m
Increase Staff Vacancy level from 3% to 4%	All	£0.300m
Reduce Budgeted PCSOs by 10	Chief Constable	£0.339m
Total		£0.941m

23. This would leave £0.451m of savings still to be identified. I have asked the Chief Constable to look at current structures and identify areas where efficiencies can be made to save these savings, I am not expecting this to impact front line delivery.

24. I have considered the additional savings required if I decided not to increase the precept. The savings target would increase by £2.668m to £4.060m. With officers ringfenced due to the Uplift programme the savings would need to come from staff and other costs. Due to my low level of funding Wiltshire's costs are low when reviewed against the HMIC Value For Money profiles. There is therefore no 'easy' option but the areas I would need to consider include;

Option	Impact	Savings
Removing all VAWG staff growth proposed in the budget	Unable to respond as expected to the national VAWG strategy leaving vulnerability	£0.438m
Removing all ICT growth proposed in the budget	Unable to improve stability of critical systems and invest in future service opportunities	£0.430m
Reduce the Commissioning part of the budget by 25%	Unable to fund essential prevention initiatives	£0.432m

Reduce the Revenue contribution to capital increase by 50%	Would need to reduce capital plans or fund bigger increases in future years	£0.397m
Fund new officers at 50% of budget	Would require the 2023-24 budget to be increased by this level	£0.930m
Reduce Police Staff Local Crime Investigators by 10% (8 posts)	Would impact investigation success and require officers to fill the roles	£0.320m
Reduce Finance, HR, Professional Stds, Communications and Business Improvement staff by 5%	Would result in recruitment issues, more risk, less change, less assurance and reduced engagement.	£0.278m
Reduce Call Handlers by 5% (8 posts)	Would reduce capacity to answer calls impacting service to the public	£0.200m

25. It should not be forgotten that the MTFs shows a savings requirement of £1.5m in 2023-24, some of the changes above would increase this requirement significantly (specifically the 50% funding of new officers).

26. It should also be noted that once the opportunity to increase the base budget has not been taken it can never be recovered and will impact the base budget for the long term. A zero increase would widen the funding gap between Wiltshire and other South West Forces. Based on all these factors I am minded to set the precept increase at £10.

RISK

27. To deliver an increase of 62 police officers and replace leavers the Chief Constable will need to recruit and train 146 officers in 2022-23. This is 20 more than 2021-22, currently we are on plan to deliver in March but it is close. Options are currently being considered as to how we will recruit and train the additional 20 officers. Failure to recruit and maintain officer numbers would result in me not securing the additional service for the public and could lead to me not being able to claim the full specific grant available.

28. Precept and budget increases will increase public expectations of an immediate, visible, policing impact. With the timelines surrounding recruitment and training outlined in the paper this immediate impact will not be seen.

29. It should be noted that at the time of writing this is a provisional central grant settlement and could change.

30. Reserves exist to help manage risk. The review of reserves, as part of the MTFs, provides me assurance that overall these are adequate.

LEGAL

31. I am required to receive advice from my Chief Financial Officer surrounding the budget and my reserves. The Chief Financial Officer is content that with a £10 increase my budget and the Chief Constable's budget are sound and deliverable. The Chief Financial Officer has also confirmed to me that he believes my reserves are adequate to manage risk.

RECOMMENDATION

32. After carrying out the necessary consultation I am minded to set a precept of £64.359m. This will require council tax to be set on all property bands based on £241.27 for a Band D property. This represents a £10 (4.3%) increase on the 2021-22 level.