

**MANAGEMENT BOARD**

**DECISION NO. 2017/11**

**DATE: 31 JANUARY 2017**

**2017/18 BUDGET AND COUNCIL TAX PRECEPT**

**Executive Summary:**

The Commissioner is required to set an annual budget and precept (the Commissioner's element of council tax) taking into account Government funding, precept regulations and organisational demands. The purpose of this report is to enable the Commissioner to finalise the budget. The detailed 2017/18 budget is contained in the report attached at Appendix 1.

**Recommendation:**

- (1) the Police & Crime Panel be notified that it is proposed to increase the police element of council tax by 1.99% for a Band D equivalent property for 2017/18, from £161.23 to £164.44;
- (2) the net budget requirement for the financial year commencing 1 April 2017 be set at £164,909,868 (£192,985,506 gross budget), based on no change to Government grant allocations in the final settlement and, subject to review by the Police & Crime Panel, a Band D council tax increase of 1.99%;
- (3) the proposed 2017/18 precepts be as follows:-

	Number of Band D equivalent houses	Precept on Collection Fund £
Cheshire East	144,201.5	23,712,496
Cheshire West and Chester	116,329.0	19,129,141
Halton	33,818.0	5,561,032
Warrington	66,527.0	10,939,700
<b>Total</b>	<b>360,875.5</b>	<b>59,342,369</b>

- (4) the provisional surplus of collection funds allocated to the Commissioner of £804,920 included in the budget be noted and the accounting for any amendments to this amount through the Medium Term Financial Strategy reserve, be approved;
- (5) the provision of £2,019,471 for pay and price increases, as set out in Table 2 of the budget report, be approved;
- (6) net commitments of £2,433,698 as set out in Table 3 of the report, be approved;
- (7) the priority developments and growth totalling £2,926,519 as set out in paragraph 16 of the report, be approved;

- (8) the savings proposals for 2017/18, totalling £5,403,622, as set out in paragraphs 21 to 27 of the budget report, be approved for implementation;
- (9) the total estimated number of police officers, PCSOs and staff be agreed as follows as at 31 March 2018:

Police Officers	2003.3
PCSOs	210.0
Police Staff	<u>1231.2</u>
	<u><b>3444.5</b></u>

- (10) the Community Safety Fund be approved at £1,019,983 for 2017/18, as set out in paragraph 34;
- (11) the Safer Communities Fund be maintained at £60,000 for 2017/18 as set out in paragraph 35;
- (12) the financial health targets for monitoring purposes as set out below, be approved:-
- (i) *Reserves*  
That the level of general reserves, after allowing for potential financial risks be maintained, at no lower than 3% of the net budget and that this be monitored by the Commissioner on a quarterly basis.
  - (ii) *Revenue Spending*  
That the Chief Constable maintains revenue spending within 1% of the net budget and that this is monitored by the Commissioner on a quarterly basis.
  - (iii) *Capital Programme Management*  
That the Chief Constable maintains the projected capital outturn at a level that does not vary from the original capital programme by more than 20%. The total capital programme includes the new schemes for 2017/18 and those schemes brought forward from previous years. This target is to be monitored by the Commissioner on a quarterly basis.
  - (iv) *Debt*  
That the Chief Constable collects at least 50% of debtor income within one month of the invoice being raised.
  - (v) *Prudential Indicators*  
That the actual prudential indicators be monitored by the Commissioner on an annual basis against the indicators set in the budget.
- (13) the proposed use of reserves as set out at Appendix 4, be approved;
- (14) the 2017/18 capital programme of £11,252,000 and financing as set out in paragraphs 36 to 38 of the report, be approved;
- (15) those capital schemes annotated as starred items at Part 2, Appendix 7, be submitted in full detail to the Management Board before expenditure is committed; and
- (16) the detailed list of priority developments and growth together with savings as set out in the Part 2, Appendices 5 and 6, be approved together with the list of departmental revenue budgets used for in-year monitoring, in Appendix 8.

I submit this recommendation for approval:-

**Signature**

**Date 31 January 2017**

**Chief Constable**

I have reached the following decision:-

My rationale for this decision is:-

**Signature**

**Date 31 January 2017**

**Police & Crime Commissioner**

## ***PART 1 – NON-CONFIDENTIAL FACTS AND ADVICE***

### **INTRODUCTION AND BACKGROUND**

1. The attached 2017/18 Revenue Budget and Council Tax report sets out the proposals for the forthcoming year to enable the Commissioner to approve the budget and propose a precept and notify the Police & Crime Panel of these proposals for their meeting on 3 February 2017.
2. The Police & Crime Panel will then consider the proposed 2017/18 precept and either accept or veto it by 8 February 2017 in line with the statutory timetable. If the proposal is accepted by the Panel, the Commissioner will issue the precept. Should the Panel veto the precept, the Commissioner will consider their report and propose a revised precept by 15 February 2017. The Panel will then review the Commissioner's response and report back to him by 22 February 2017, at which point the Commissioner will finalise the budget and issue the precept by 1 March 2017.

### **IMPACT ASSESSMENTS/IMPLICATIONS/RISKS**

3. Full impact details and comments are included in the appendices to this report.

### **FINANCIAL COMMENTS**

4. Full financial details and comments are included in the appendices to this report.

## LEGAL COMMENTS

5. The recommendations in this report, if approved will fulfill the Commissioner's duties under the Police Reform and Social Responsibility Act 2011 to decide the budget, allocate assets and funds to the Chief Constable, and propose the police element of the precept for the force area.

## EQUALITY COMMENTS

6. Equality impact assessments have been completed and taken account of at earlier stages of budget proposals, for example as part of the Priority Based Budgeting exercise carried out in 2016. Further equality impact assessments will be completed, as required, in advance of the implementation of various elements of the budget.

Document Titles
Autumn Statement 2016
Provisional 2017/18 Grant Settlement
Medium Term Financial Strategy 2017-22

### Public access to information

*Information in this form is subject to the Freedom of Information Act 2000 and other legislation. Part 1 of this form will be made available on the PCC website within 3 working days of approval. Any facts/advice/recommendations that should not be made available on request should not be included in Part 1 but instead on the separate Part 2 form.*

Is there a Part 2 form – YES

Commercial Interests - Section 43

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### CHIEF OFFICER DECLARATION:

*I have reviewed the proposal and I am satisfied it is correct, all relevant internal checks have been undertaken and it is consistent with the PCC's Police & Crime Plan and priorities.*



Signature

Date 27 January 2017

### CHIEF FINANCE OFFICER DECLARATION:

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

Signature Liz Lunn

Date 27 January 2017