

APPENDIX A

Police and Crime Panel Conference

6 November 2017

Richard Britton
Chairman, Wiltshire Police and Crime Panel

Newspaper Headlines

Police crime figures lose official status over claims of fiddling
Statistics Authority withdraws gold-standard status from police crime figures after 'accumulating evidence' of unreliability

Police ignored Rotherham abuse because of target culture, says Home Secretary



Police ignored child sex abuse gangs to chase Labour targets for car theft: Whistleblower says money was directed away from protecting children in order to pursue 'priority crimes'

Police 'failed victims' by chasing targets, says senior officer

Police fail to record one in five of all crimes reported to them, says report



THE ECONOMIST THURSDAY 19 JUNE 2024

Sir Bernard Hogan-Howe: Met crime figures were fiddled

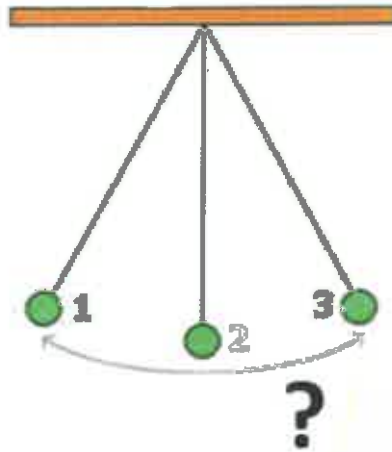

House of Commons
Public Administration Select Committee (PASC)
Caught red-handed: Why we can't count on Police Recorded Crime statistics

Exclusive: police accept targets do exist, despite denials



The Cultural Pendulum Swing

Targets, numbers
focused, perverse
behaviours



No performance focus,
lack of ownership and
accountability, used as
an excuse

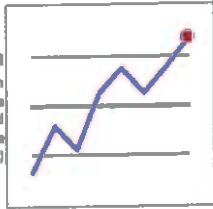
Our Purpose:
To prevent crime and protect the public

www.wiltshire.police.uk

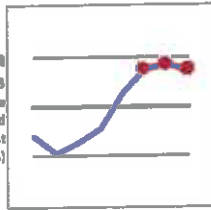
Infographics for the Force Performance Framework

Control Chart Infographics

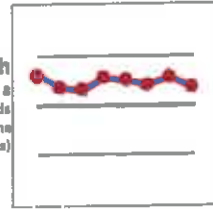
1-point High
(the most recent month point exceeds the Average +2 Standard Deviations from the past 2 years)



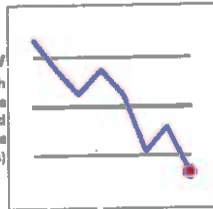
3-point High
(the most recent 3 months exceeds the Average +1 Standard Deviation from the past 2 years)



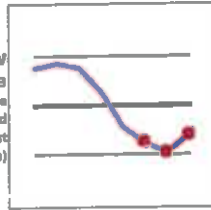
8-point High
(the most recent 8 months point exceeds the Average from the past 2 years)



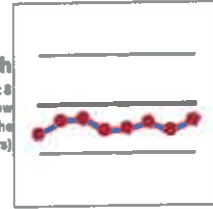
1-point Low
(the most recent month point is below the Average -2 Standard Deviations from the past 2 years)



3-point Low
(the most recent 3 months are below the Average -1 Standard Deviation from the past 2 years)

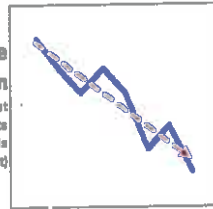


8-point High
(the most recent 8 months point are below the Average from the past 2 years)

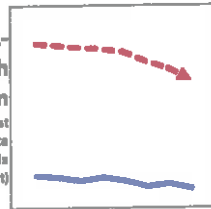


Trend Infographics

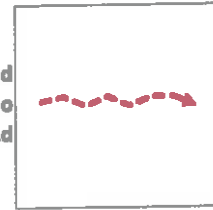
Discrete Reduction
(the trend for the last 12 discrete data points is falling and is significant)



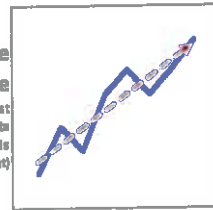
Rolling 12-Month Reduction
(the trend for the last 12 Rolling 12 data points is falling and is significant)



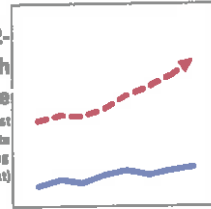
Stable trend or there is no trend



Discrete Increase
(the trend for the last 12 discrete data points is increasing and is significant)

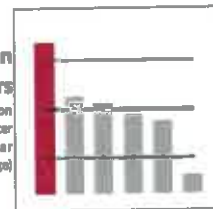


Rolling 12-Month Increase
(the trend for the last 12 Rolling 12 data points is increasing and is significant)

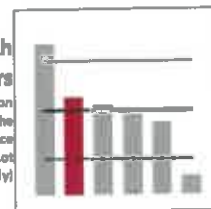


Quantita Position Infographics

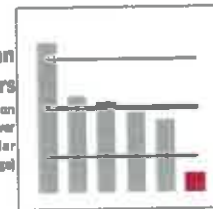
Greater than Peers
(the 12-month position is significantly greater than the Most Similar Force average)



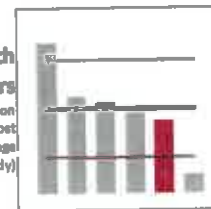
In Line with Peers
(the 12-month position is greater than the Most Similar Force average but not significantly)



Lower than Peers
(the 12-month position is significantly lower than the Most Similar Force average)

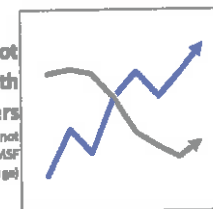


In Line with Peers
(the 12-month position is lower than the Most Similar Force average but not significantly)

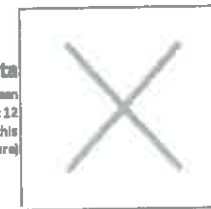


Other

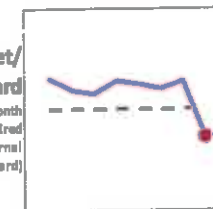
Does Not Trend with Peers
(the trend does not follow that of the MSF Average)



No Data
(no data has been recorded in at least 12 months for this measure)

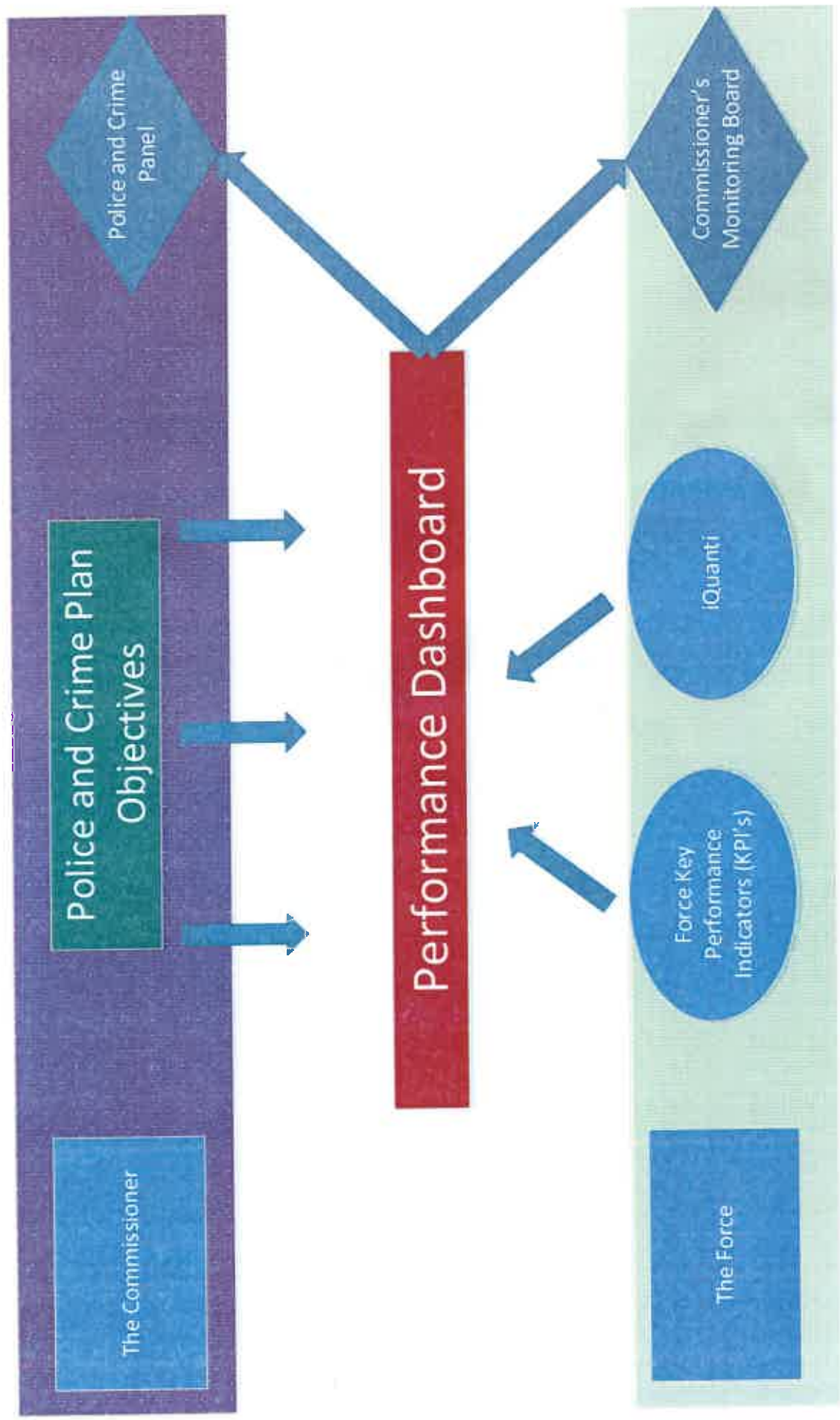


Missed Target/Standard
(the most recent month has not met the desired external target/standard)



2017/18 amended performance dashboard in line with new plan

Priority 1: Improve public safety and reduce harm to the community			Priority 2: Reduce the impact of crime on victims and communities at the heart of Wiltshire and Swindon			Priority 3: Reduce the impact of crime on the economy and the environment					
Measure	Data	Infographic	Context	Measure	Data	Infographic	Context	Measure	Data	Infographic	Context
Crime volume	10,859		Increasing trend but in line with peers	Satisfaction of victims with the whole experience	70.9%		In line with peers	Average time to answer CIB call	5mins 3 sec		Significant increasing trend
Crime recording compliance	90%		Good	Satisfaction with being kept informed				Average time to answer 999 call	5 sec		Stable
Cyber flagged + Key word	394		Stable	Satisfaction with ease of contact				Abandonment rate	22%		Significant increasing trend
Help crime volume	147		Slow increasing trend	Satisfaction with treatment				Immediate response time (999 call)	10mins 37 sec		Improving trend in time it takes
Outcome rate	15.7%		In line with MSG but lower than national average	Conviction rates	92%		Stable and high	Priority response time (999 call)	54mins 6 sec		Improving trend in time it takes
ASB volume	4708		Long term reducing trend with short term increases	% of cracked or ineffective trials due to prosecution	12%		Stable	Complaints cases recorded	163		Stable
Overall confidence with the police in this area	80.40%		Long term stable picture, with recent decline driven by drop in visibility	Number of fines Officers used live links	68		Stable	% Complaints recorded within 10 working days	88%		Stable and high
KSI - Collisions	45		Decreasing trend	Number of fines virtual court used	61		Discrete monthly increases	Complaints average number of days to record	3 days or less		Stable and low
Special Constables hours deployed	17,857		Increasing trend	Restorative Justice level 1	40		New data, no trend available	Percentage of appeals upheld	80%		Long term stable picture with recent increase
Number of Volunteers in post	N/A			Subject to change				Morale of staff - Staff Survey	N/A		
								Number of actual days lost per person	13.7		Long term reducing trend



APPENDIX B

Budget Scrutiny Workshop

Statutory Duties and Powers:

The Panel's statutory functions are set out in the Police Reform and Social Responsibility Act.

There are wider duties in the Act for the panel to make reports and recommendations on matters relating to the PCC and to carry out investigations into decisions made by the PCC

In order to carry out its statutory functions, the panel will need to have a good understanding of policing priorities and community safety issues in the area.

Reviewing the policing precept is one of the Panel's statutory functions

It is a special function which cannot be delegated to a sub-committee of the Panel

The Panel also has a veto over the policing precept

Cleveland Budget Task and Finish Approach

Working on behalf of the full Panel and allowing for in-depth scrutiny and analysis of the PCCs budget and proposed precept before consideration by the Panel.

Facilitates early engagement with the PCC prior to proposals being formally tabled

Break Out Discussion

How would you approach budget scrutiny?

Considerations for Scrutiny

Timescales/ early engagement?

Evidence?

Links to the Police and Crime Plan?

Witnesses?

Attendance by the PCC?

In year monitoring?

Full Group Discussion

- experiences and approaches to PCC budget scrutiny
- what additional support would be useful to help PCPs develop this role?

Useful Links:

Agendas and Minutes for Cleveland PCP -

<http://www.egenda.stockton.gov.uk/aksstockton/users/public/admin/kab71.pl?cmte=CPC>

Cleveland PCC Website -

<http://www.cleveland.pcc.police.uk/Home.aspx>

Police and Crime Panels – A guide to scrutiny (LGA and Centre for Public Scrutiny 2011)

<http://www.cfps.org.uk/wp-content/uploads/Guidance-to-police-and-crime-panels-on-the-panels-scrutiny-role.pdf>



Approach to the Budget Strategy

Task and Finish Group

Final Report

January 2014

Members

Councillor Charles Rooney (Chair)

Councillor Christopher Akers-Belcher

Geoff Baines

Councillor Ian Jeffrey

Councillor Terry Laing

The Group would like to thank the following people for contributing to its work:

Michael Porter, Chief Finance Officer, Office of PCC

Barry Coppinger, Police and Crime Commissioner for Cleveland

Mike Batty, Head of Community Protection, Stockton Council

Steve Hume, Community Safety Manager, Stockton Council

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Introduction

This report outlines the findings of the Task and Finish Group set up by the Cleveland Police and Crime Panel (PCP) to examine the budget strategy of the Police and Crime Commissioner.

Setting of the budget is a key responsibility of the Commissioner and they must notify the Panel of the proposed precept by 1 February. The panel in turn must report its views on the precept to the PCC by 8 February. The Panel may make reports and recommendations for consideration during the budget setting process.

The Task and Finish Group was established to understand the key issues and financial pressures as part of the budget setting process for 2014-15 and beyond, in order to inform the work of the Panel and PCC. This included both the longer term financial planning process and the impact of the 2014/15 Government grant settlement. This settlement was announced on 18 December during the timescale of the Group's work.

This report sets out the findings and recommendations and is intended to assist the Panel by providing assurance on the key issues that have been considered by the PCC.

Overall Findings and Conclusions

- 1.1 The Group has found that there is a strategy in place to balance the overall budget for 2014-15 and 2015-16. However, the level of grant reductions has necessitated additional reductions in the numbers of police officers, PCSOs and staff for the Cleveland area, and important details remain unresolved for 2014-15. Under current forecasts, significant further work is needed for 2016-17 and beyond. It is currently forecast that there will be a budget gap of £11.5m by 2017-18.
- 1.2 The Group recognise the pressure on the 'community safety funding' and the removal of the ring fence. Members believe that the PCC should give full consideration to the importance of the prevention agenda and the wider benefits of such community safety services, including the impact on the success of the Police and Crime Plan, and ensure that partners are fully engaged in discussion before decisions are made.
- 1.3 As of the last meeting of the Group (21 January), decisions had not yet been made on the spending priorities for the majority of the community safety funds for 2014-15. There is therefore very little time to notify organisations and CSPs, and this should be concluded as soon as possible to give certainty to both partners and current providers.
- 1.4 Due to the ever increasing need for effective allocation of scarce resources and competing demands, the Group would support any move to develop objective criteria for the allocation of funding for community safety initiatives in the 2014-15 and future years.
- 1.5 The Group wishes to examine further the potential use of PCC reserves and request that additional information on the reserves held by the PCC be considered at the Panel on 5 February, including the 'Robustness of Estimates and Adequacy of the Financial Reserves' report.

- 1.6 As with previous years, the Government announced the 2014-15 (one year) settlement in mid-December and this reduces the amount of time available to plan for all PCCs. This has been exacerbated by the announcement that the 14-15 council tax precept capping limit will not be confirmed until after PCCs are required to notify the Panel of their intentions. The Group recommends that the Panel and/or PCC lobby the government to express its dissatisfaction with the timescale and highlighting the difficulties caused.
- 1.7 Due to the ongoing need to review the budget strategy, it is recommended that the Panel consider re-constituting the Task Group during 2014-15. This would allow Members to consider both the funding pressures but also the achievement of current savings plans and initiatives.
- 1.8 The Group further recommend that the full Panel receive a mid-year financial update, potentially based on the quarterly PCC monitoring reports, in order that they have early sight of progress on the achievement of saving plans and any emerging issues.

Detail

- 2.1 The Group met three times between October and January to undertake its work. Members heard evidence from the Police and Crime Commissioner and the PCC's Chief Finance Officer, and were supported by representatives of Stockton Council's Community Protection and Democratic Services.
- 2.2 The Group considered the following items during its work:
- Long Term Financial Plan 2014-18 (as of 30 July 2013)
 - 2013-14 Quarters 1 and 2 PCC Budget Monitoring Reports
 - PCC Group Balance Sheet (as of 31 March 2013)
 - Summary of 2013-14 Budget (including non-pay items)
 - Letter from PCC/Chief Constable to stakeholders (5 November 2013)
 - Updates on Police Savings and Transformation Programmes: Agile (Estates/technology); Orbis (organisational structure); Force Sickness Levels; Management of Time off and rest days in Lieu; Transformational Leaderships Programme
 - Summary of 2013-14 Community Safety spending (by Borough)
 - Examples of police force collaboration schemes from elsewhere
- 2.3 The detail of the draft budget for 2014-15 and future projections was considered at the Group's meeting of 21 January. A summary of this information will be included in papers elsewhere on the agenda (for PCP meeting of 5 February) and therefore is not repeated here.

The budget challenge

- 2.4 Police funding is made up of government grant, the police precept on council tax, other specific grants (eg. for PFI schemes), and income (eg. earnings through secondments). Changes in the main Government grant funding to Cleveland Police Authority/PCC between the period 2011-12 to 2013-14 have been as follows:

2011-12	-£5.3m (-5.1%)
2012-13	-£6.5m (-6.7%)
2013-14	-£1.5m (-1.6%)

- 2.5 At the start of the Group's work, taking all factors into account as they known at the time, it was projected that the PCC would be facing a budget gap of £6.7m by 2015-16, and £17.9m by 2017-18.
- 2.6 The final settlement for 2014-15 was announced on 18 December. In the Comprehensive Spending Review (CSR) June 2013, it was announced that the overall police budget was to be reduced by 3.3%. However the national budget was top-sliced for a number of initiatives: £50m for the Innovation Fund; £2m for the National Co-ordination Centre; £18m to fund extra activity by the Independent Police Complaints Commission; £9.4m for a new programme of force inspections; £2.8m for the police Direct Entry Scheme; £2.5m for the Capital City Grant for the City of London. For Cleveland, this equates to an 'extra' reduction of £900k for 2014-15.
- 2.7 The total final grant for 14-15 is being reduced by £4.5m (4.8%). Together with reductions in other grant funding, the overall effect in real terms is to reduce spending power in Cleveland by £28m between 2011 and 2015.
- 2.8 CSR 2013 included a national reduction of 3.2% in police grant for 2015-16. In December it was announced that the Home Office budget would be reduced by an additional £113m and it has been assumed that some of this cut will be passed on to the police grant.
- 2.9 Therefore although the final 15-16 settlement has not yet been confirmed, it is assumed that Cleveland's grant will fall by c.£4.5m (5%). It has further been assumed that grant funding will fall further by -2.5% each year between 2016 and 2018, however this is subject to many variables.
- 2.10 It is important to note that the draft budget for 2014-15 and longer term plan rely on a precept increase of 2% each year. Any change in government policy regarding the capping of Council Tax rises will impact directly upon the overall plan.
- 2.11 Any Council or PCC that chooses to exceed the identified cap for a particular year must put that decision to a local referendum. The Group found that the government would not announce its final determination in relation to the cap limit for 2014-15 until mid-February, which would be after the statutory deadline by which the PCC needs to inform the Police and Crime Panel of his intention regarding the precept.
- 2.12 This creates the situation where the PCC and the Panel are not able to have certainty about the setting of the budget and precept, even at such a late stage in the process. Should the precept limit be set at a figure lower than is notified and/or agreed locally, the PCC may then need to amend the budget prior to another round of consultation with the Panel.
- 2.13 At the time of the Group's last meeting, Members were informed that the PCC was considering the most appropriate way to put forward his proposals to the full Panel. It is recognised that any force-wide council tax referendum and potential re-billing process would be an expensive exercise, the cost of which could potentially negate any agreed rise in precept above the limit.

PCC Expenditure

- 2.14 The PCC's spending falls under the following broad headlines: Office of the PCC, Community Safety/Victims and Witnesses, Corporate Costs, and the Police Force. The Group has considered the approach to meeting the funding gap across these areas.

Office of the PCC

- 2.15 The Group discussed the relative reductions in spending on the running costs of the Office of the PCC. In 2013-14 there was a substantial reduction of 22.6% to £930k. This in large part reflected the shift from the Police Authority structure and associated costs to the focus on supporting one elected official.
- 2.16 It is also now planned to reduce the OPPC budget by 4.8% in 2014-15, followed by 3.4% in 2015-16. It is currently forecast that the running costs will then stabilise at £850k per year.
- 2.17 It is recognised that the Office of the PCC must be sufficiently resourced to enable the effective discharge of the Commissioner's role and policy commitments; however it may be necessary to consider further reductions from 2016-17.

Community Safety Initiatives

- 2.18 The Group was particularly keen to understand the plans for the funding of community safety initiatives. Until 2013-14, a Community Safety Grant was made available to local areas and had been allocated by the Home Office directly to Community Safety Partnerships, Drug and Alcohol Action Teams (DAATs), Youth Offending Teams (YOTs), and other groups.
- 2.19 Since 2013-14, the funding has been controlled by the PCC and has this year continued to be passed through to Community Safety Partnerships, Youth Offending Teams, arrest referral, and a range of smaller initiatives. A breakdown is as follows:

Community Safety Funding Allocations	2013/14
Drugs Intervention/Arrest Referral Scheme	£828,034
Contribution from Hartlepool re:above	-£134,034
Hartlepool Community Safety Partnership	£78,910
Stockton Community Safety Partnership	£228,081
Middlesbrough Community Safety Partnership	£257,376
Redcar and Cleveland Community Safety Partnership	£116,586
Youth Crime Offending and Prevention (see below for allocation)	£250,000
Safer Future Communities	£10,000
Give it a GO	£1,615
Street Triage	£17,000
Contribution to HALO	£15,000
Violence Against Women and Girls Strategy	£7,000
Rural Crime Conference	£300
Total Planned Expenditure	£1,675,868

Total Funding Available	£1,698,000
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Unallocated Funding	£22,132
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Youth Crime Offending and Prevention - Allocations	
Hartlepool	£61,250
South Tees	£128,250
Stockton	£60,500
	£250,000

- 2.20 A breakdown of current schemes funded by each Community Safety Partnership (CSP) and of YOT funding per area is outlined at Appendix 1.
- 2.21 For 2014-15, the funding has been rolled into the main government grant and is no longer ring fenced for 'community safety' activity. The Group note that the responsibilities of the PCC are widening and from 2014-15 the PCC will be allocated £250k for some witness and victim services, with further funding to follow in future years. In the budget process, this money is being grouped with the remaining 'community safety funding'.
- 2.22 During the Group's work the Drug Intervention/Arrest Referral scheme has been subject to an efficiency review and savings of approximately £400k have been identified that will enable the scheme to continue in an amended form. In addition it has been agreed to continue funding of the YOTs, after making a 20% reduction to £200k.
- 2.23 With £250k being allocated for the witness/victim work, the draft budget indicates that there would be approximately £1m of 'community safety funding' for 2014-15.
- 2.24 As this funding is no longer ring fenced there is no requirement for this money to continue to be spent on 'community safety' schemes and therefore it may be reduced over the medium term. The overall funding pressures also means that the PCC is constrained in terms of not being able to make recurring commitments at this stage and so organisations are unlikely to be allocated multi-year funding agreements.
- 2.25 In addition, the Group notes that had the council tax base and collection rates not improved to the extent that they largely neutralised the additional reduction in government grant funding for 2014-15, the 'community safety fund' would have come under severe pressure in the immediate future, due to the difficulty in making further, quick savings from the police budget (particularly as reductions in police officer numbers cannot be accelerated).
- 2.26 Given the situation, the Group queried the impact on providers and were assured that current recipients have been given no guarantees in relation to any continuation of funding. As of the last meeting of the Group (21 January), decisions had not yet been made on the spending priorities for the remaining money for 2014-15. There is therefore very little time to notify organisations and CSPs, which will have various employment implications, and an impact on planning.

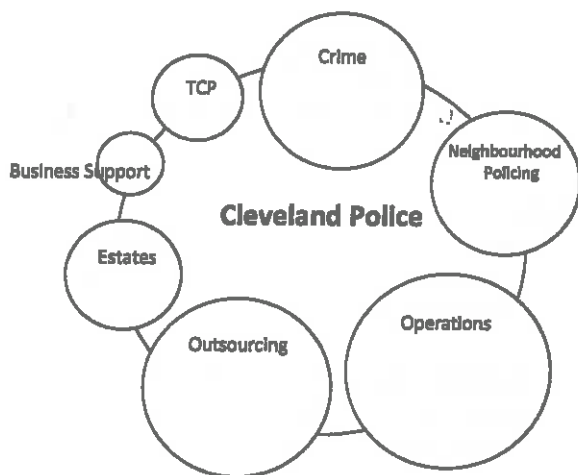
- 2.27 The Group is very keen to stress the importance of these initiatives both in terms of contributing directly to the Police and Crime Plan, and the contribution to the prevention agenda and any reduction in such services may cause increased demand in the limited resources of the police and partners.
- 2.28 These services are particularly relevant to the 2013-16 Police and Crime Plan priorities of 'Diverting people from offending, with a focus on rehabilitation and the prevention of reoffending', and 'Developing better coordination, communication and partnership between agencies to make better use of resources'.
- 2.29 As shown in Appendix 1 current schemes cover a range of key issues, including but not limited to Integrated Offender Management in each Borough, domestic violence, diversionary activities for young people, and young persons' substance misuse.
- 2.30 As the funding is already subject to competing demands, and will no doubt be subject to further pressure, it is increasingly important to effectively and objectively prioritise the use of funds, in line with the Police and Crime Plan. The Group would support any move to develop objective criteria for the allocation of funding for community safety initiatives in the 2014-15 and future years.

Police Force Savings

- 2.31 The majority of the funds available to the PCC are allocated to the police force, and therefore the savings required impact heavily on the service. In response to CSR 2010, a number of measures have already been completed or were being undertaken. This included a freeze on recruitment, the application of the A19 regulation requiring police officers to resign on 30 years service, the outsourcing arrangements with Steria, and reduction in costs at the corporate centre. Other initiatives such as the force restructure and introduction of the force-wide function model continued to be rolled out.
- 2.32 In 2010 the Force had 1727 police officers, and this had reduced to 1391 by November 2013. The Group were informed that the majority of the savings over the next two years would be achieved via further reductions in headcount regarding police officers, Police Community Support Officers (PCSOs), and police staff. These savings on pay will be c. £8m over two years.
- 2.33 The Force now plans to move to a sustainable operating model of 1333 officers to deliver policing in Cleveland. PCSO numbers are due to stabilise at 132 fte, and police support staff at 151fte. A presentation was given to stakeholders including the area's Borough Councils in order to inform Members of this strategy. As the last recruitment took place in March 2010, a period of limited recruitment is planned for 2014-15 in order to ensure that the workforce is refreshed.
- 2.34 A voluntary redundancy scheme will be established to achieve the reductions in PCSOs and staff.
- 2.35 It is important to note that at the level of 1333 officers, Cleveland will have 2.4 officers per 1000 population, above the national average of 1.9. This partly reflects the level of need in the area. In order to attempt to maintain this, there will need to be ever greater focus on savings and efficiency elsewhere.

- 2.36 The Group wanted to understand what alternative ways of making savings were being undertaken by the force/PCC. The Group found the following:
- 2.37 **Organisational structure (Orbis Programme)** – by end of March 2014 the force will operate with a number of force-wide commands: Tasking, Coordination and Performance; Neighbourhoods and Partnership Policing; Crime and Justice Command; Operations Command. The pilot for the integrated Neighbourhood Teams had started in Middlesbrough in November and was reported to be progressing well.
- 2.38 **Sickness absence and levels of Time off in lieu (TOIL) and Rest days in lieu (RDIL)** – the Group requested information on these matters regarding the effectiveness of the organisation. Work is undertaken by management teams to monitor and challenge sickness issues, and support for staff such as health initiatives are in place (eg. 'Healthy Hearts'). Future plans include enabling direct referral to the NHS Time to Talk talking therapies service, and the force will soon be undertaking a 'stress audit' to see how this issue affects staff. As of November 2013, the force was projected to see a reduction in sickness levels for 2013-14 compared to the previous year (9.44 days per officer compared to 10.86).
- 2.39 The levels of outstanding balances of TOIL and RDIL are now monitored by the force Executive, and there has been a significant reduction in the total amount of TOIL and RDIL outstanding, and the number of officers exceeding the agreed limits. For example, the total amount of TOIL hours outstanding has reduced by 52.4% between April 2012 and October 2013 (23374 down to 11130), and the total RDIL days outstanding has reduced by 40.8% over the same period (9733 to 5759).
- 2.40 **Outsourced arrangements** – Cleveland Police already has in place large scale outsourcing of business support functions to Steria and custody functions to Tascor. All police officers are being moved out of Steria and it is planned to further review these contracts in light of recent changes (for example, fewer staff in the organisation) to ensure they remain fit for purpose. As a result of the organisational change process, the proportional distribution of available resources within the force will be as follows:

2013/14 Resource Distribution



2016/17 Resource Distribution



- 2.41 **Better utilisation of estates and ICT (Agile Programme)** - this includes the project to replace the force headquarters. It is the stated intention to dispose of the Ladgate Lane base and options are being reviewed to determine the way forward. The Group noted that a new headquarters was not necessarily guaranteed and options would consider utilisation of existing buildings; however it is acknowledged that certain elements of the current HQ such as the control centre would not be easily replicated in existing provision. The overall cost of the solution was intended to be cost neutral.
- 2.42 To support the Agile programme, in January Cleveland were awarded £650k out of the national Innovation Fund. £350k of this will be used to support mobile information technology. However the Group noted that the government had imposed restrictions on the grant meaning it needed to be spent by the end of March 2014.
- 2.43 **Collaboration with other forces** – Cleveland Police currently undertakes a number of joint/shared arrangements with other police forces. These arrangements are outlined at Appendix 2.
- 2.44 Joint working of this nature can take place either between police forces or with other public sector partners. Numerous examples on collaboration exist. From Cleveland's own partnerships with the national air service, and with Durham for traffic and firearms, to large scale semi-mergers such as the Strategic Alliance between West Mercia and Warwickshire (merged operational services and joint appointments below Deputy Chief Constable level).
- 2.45 As an example, the Group considered the future work being considered in Surrey. Funded via the Government's Public Services Transformation Network, partners on this 'blue light' project include police, ambulance, fire and the County Council. This 'Emergency Services' strand is part of a much wider piece of work that includes public sector assets, young people's skills, and social care. The project is at the early stages but proposed areas of focus include response, contact centre and dispatch, prevention (eg. that aimed at young people and vulnerable adults), civil contingencies, operational support (eg. estates, fuel, occupational health), and support services (IT, HR, etc).
- 2.46 The Group requested that the PCC outline the approach to further joint working. It was recognised that there are greater opportunities for joint working and that early discussions had taken place in some areas, including the fire service, and opportunities may exist in premises and training. It was recognised that each organisation had its own programme of work and governance structures, and the discussions on further collaboration would need to be handled carefully but the potential was there.
- 2.47 £300k of the Innovation Fund award outlined above will be used to strengthen partnership working across boundaries, building on the success of the joint Cleveland and Durham arrangements. The Group would support exploration of further opportunities such as greater collaboration with other police and public sector partners.
- 2.48 A number of savings have been realised or are planned from these areas as a whole, and between 2014-16, non-pay savings (including on contracts and procurement) should total c.£3.7m. In the longer term further savings must be realised by these initiatives if the Force is to minimise the impact on the frontline.

Operation Sacristy

- 2.49 The Group found that the costs of the Sacristy investigation to date were being met via a special government grant and therefore was not being met through the PCC's total budget, and that should this work have continued into 2014-15, Cleveland Police would apply for additional government support. In early January it was announced that this investigation had concluded.

Use of Reserves

- 2.50 It is planned that the general fund balance for 2014-15 will be c.£7m and to hold it at this level in future years. The Group found that in a more certain financial situation, it may have been recommended that reserves be held at a level of 3% of the total budget. Due to the level of financial uncertainty in future years, it has been deemed prudent to hold reserves at a level of c. 5%. There was no statutory guidance on this issue however the PCC needed to give due reference to the opinion of the Chief Finance Officer.
- 2.51 Members understand the need for caution due to the uncertain financial climate, however the Group would welcome further consideration as to what may be considered an adequate level of reserves. It was noted that anti-social behaviour has risen across the force and some crime types have increased; it was considered that it may reach a point where reserves may be released to address the issues in some way.
- 2.52 The 'Robustness of Estimates and Adequacy of the Financial Reserves' report was not available during the Group's work but will be considered by the PCC as part of the budget process. The Group recommend that this report and any other relevant information on use of the reserves be brought to the Panel on 5 February.

Future cuts in funding

- 2.53 Due to the measures outlined in the draft budget and planned work, the Group is assured that there is a plan in place to achieve the savings required up to 2016. It should be noted that there is a continuing impact on the frontline as witnessed by the additional reductions in police officers and PCSOs, on top of the reductions that were introduced as a result of CSR2010.
- 2.54 It is being assumed that the police service will face future central government cuts in line with the wider public sector beyond 2015-16. For Cleveland, it is clear that from 2016-17, there are significant challenges. The budget gap is projected to be £6.3m in that year, and reach £11.5m by 2017-18.
- 2.55 The Group considered whether further lobbying of the government and others was being undertaken. The PCC has confirmed that lobbying has taken place, including in conjunction with the National Association of PCCs. However the Group agree that it is prudent to assume future grant reductions of 2.5% per year.
- 2.56 There are a number of risks with the overall strategy; particularly the potential for increased demand on services, larger grant cuts than expected, and a failure to deliver the current savings proposals on time and to target.

- 2.57 Due to the ongoing need to review the budget strategy, it is therefore recommended that the Panel consider re-constituting the Task Group during 2014-15. This would allow Members to consider both the funding pressures but also the achievement of current savings plans and initiatives.
- 2.58 The Group further recommend that the full Panel receive a financial update mid-2014-15, potentially based on the quarterly PCC monitoring reports, in order that they have early sight of the achievement of saving plans and any emerging issues.

Appendices

Appendix 1 Funding allocated to YOTs and via Community Safety Partnerships

YOT allocations 2013/14	£
Hartlepool	61,250
South Tees	128,250
Stockton	<u>60,500</u>
	250,000
Community Safety Partnerships 2013/14	
HARTLEPOOL	
Independent Domestic Violence Advisor	20,000
Integrated Offender Management	25,910
Neighbourhood Safety (JAGs and annual ASB Awareness Day)	<u>33,000</u>
	78,910
MIDDLESBROUGH	
Integrated Offender Management	136,000
DV Co-ordination	14,639
Young person's substance misuse service	56,736
Integrated Youth Support Service	<u>50,001</u>
	257,376
REDCAR & CLEVELAND	
CSP Support team and campaigns	85,471
Integrated Offender Management	<u>31,115</u>
	116,586
STOCKTON	
Integrated Offender Management	55,000
Domestic violence service delivery	46,397
Rapid access to drug treatment services for offenders	53,485
Young people's substance misuse service	18,378
Youth engagement / diversion from offending	<u>54,821</u>
	228,081

Appendix 2

Current Collaboration Initiatives

Collaboration	Parties Involved	Scope / Terms of Reference
Specialist Operations Unit	Cleveland and Durham	<p>The unit comprises the following business areas:</p> <ul style="list-style-type: none"> ▪ Firearms Operations ▪ Firearms Training (Urray Nook) ▪ Armed Response Vehicles (ARV) ▪ Road Policing Unit (RPU) ▪ Motorcycles ▪ Collision Investigation ▪ Casualty Reduction ▪ Traffic Management ▪ Camera Enforcement
Tactical Training Centre Urray Nook	Cleveland and Durham	Recognised nationally as a centre of excellence, ensuring high calibre training but requiring fewer officers because of the collaboration arrangement
North East Regional Organised Crime Unit	Cleveland, Durham & Northumbria	The collaboration facilitates access to additional Home Office funding and assists in fulfilling the strategic policing requirement
Regional Intelligence Unit	Cleveland, Durham & Northumbria	Acknowledges the need to share and collate intelligence on criminal activity across the region.
Forensic Science Services (FSS)	Cleveland, Durham, Northumbria & 4 Yorks/Humbria Forces	This enables a single contract to be awarded, ensuring unit costs are lower than could be achieved by Forces acting individually.
Air support	National service with flying hours per force allocated annually	West Yorks lead



Review of the Overall Budget Strategy

Task and Finish Group

Final Report

January 2017

Members

Councillor Charles Rooney (Chair) (Middlesbrough Council)

Councillor Dave Hunter.....(Hartlepool Council)

Councillor Alec Brown.....(Redcar and Cleveland Council)

Councillor David Wilburn.....(Stockton Borough Council)

The Group would like to thank the following for contributing to its work:

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Summary

1. The Task and Finish Group was established to understand the key issues and financial pressures as part of the budget setting process in order to inform the work of the Panel and PCC. This included both the longer term financial planning process and the impact of the Government grant settlement. This settlement was announced in December during the timescale of the Group's work.
2. The Task and Finish Group met on 5 January 2017 to receive information about the Police and Crime Commissioner's overall budget strategy for 2017/18. Discussion took place about current funding assumptions, total funding projections, the precept, PCC priorities, well as taking recognition of local policing towards 2020.
3. This report provides detail of the evidence considered and questions that were raised for discussion with the PCC at the Police and Crime Panel Meeting on 2 February 2017.

Recommendation

4. The Task and Finish Group support the increase to the PCC precept of 1.99%.

DETAIL

2017/18 Funding/Planning Assumptions

5. The settlement from Government was received just before Christmas 2016 and has been analyzed by the Chief Finance Officer (CFO) of the PCC, the PCC's professional adviser on financial matters in order to understand what the implications are for this and future years.
6. In terms of financial planning, assumptions were undertaken in the same way as in previous years to increase the precept by 1.99%. Information provided just before Christmas was for a larger grant reduction than was expected so Cleveland's budget received a 1.4% reduction equal to £1.2m.
7. Members were informed that the Government had slightly changed its calculations in terms of the reduction in the grant for Cleveland. Last year there was a 0.6% reduction in grant and a confirmation of a flat cash settlement over the next 3 or 4 years so the expectations were to continue with the 0.6% reduction. The Government has since looked at the fact that across the country there has been an increase in the underlying tax bases. As a result it is suggested that as more funding is coming from precepts as a result of the tax base increase there is now capacity to reduce the amount of funding from the Government. Flat cash is still given but the local tax base is supporting that now. Higher reductions have resulted and the capital grant has been reduced by a further

15% this time. Cleveland subsequently will receive £600,000 this year but in recent years it used to receive several million pounds.

8. The revenue grants have reduced by £25.5m in cash terms since 2010/11 which has created significant strains on how services are delivered.

Future Funding/Planning Assumptions

9. There is planned continuation for a 1.99% increase. An increase of 2.0% or above would trigger a referendum so the increase is in line with Government assumptions. It is expected that to have flat cash across the life of the PCC plan then it is necessary to maximise the amount the precept is raised.
10. Previously review discussions informed Members that if the precept is frozen there was access to freeze grants but these are now no longer available. Cleveland continue to get the freeze grants for previous decisions but there will be no additional freeze grants for decisions made from 2016/7 onwards.
11. One of the benefits Cleveland has is the underlying tax base with the contingency to increase it. The CFO was working to a 1.4% estimate but was waiting for information from all of the local authorities so this might increase slightly.
12. The four local authorities' (Hartlepool, Middlesbrough, Redcar and Cleveland, and Stockton) Council Tax collection rate continues to be good and the non-recurring surplus from 2016/17, due to PCC, is estimated at £362k.
13. Cleveland also has recurring grant reductions of 1.3% per annum based on the information provided to the CFO which is also included, and this is an increase from previous years, a recurring 1.0% increase in the overall tax base within Cleveland. That is supported from previous intelligence of the past three years and is also supported by information from local councils for what their financial planning assumptions are.

Funding Formula

14. The Government has been clear that current funding formula needs to be reformed. The CFO highlighted to Members this comes with potential risks as well as possible benefits for forthcoming years.
15. The funding formula review was taking place between October 2016 and February 2017 and contains five key principles and three building blocks. These are:
16. 5 Key Principles –
 - Stability,
 - Fairness,
 - Transparency,
 - Incentivizing Efficiency and Effectiveness, and

- Alignment with Risk

17. 3 building blocks:

- Relative needs and demands
- Relative costs and needs
- Variation in local tax raising powers

18. Members were informed that the Government started to look at the funding formula 2-3 years ago but ran into problems when it was realised that there was a miscalculation in the original formula.

19. The principles and building blocks in the current review are similar to the previous review and if that funding formula had been put in place the funding in Cleveland to the PCC would have increased by between 3 and 5 million pounds. However there was a significant lobby from those forces that would have lost monies based on changed formula. The rural areas would have been particularly hard hit and the Metropolitan Police would have lost more than the entire Cleveland budget.

20. PCC plans assume that there would be no change to the budget from the current review.

Total Funding Projections

	Actual	Actual	Forecasts			
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Funding	£000s	£000s	£000s	£000s	£000s	£000s
Government Grant	(85,170)	(84,684)	(83,500)	(82,331)	(81,178)	(82,802)
Council Tax Precept	(30,590)	(31,642)	(32,294)	(33,150)	(34,150)	(35,150)
Council Tax Freeze Grant	(800)	(800)	(800)	(800)	(800)	(800)
Council Tax Support Grant	(6,868)	(6,868)	(6,868)	(6,868)	(6,868)	(6,868)
Funding for Net Budget Requirement	(123,428)	(123,994)	(123,462)	(123,149)	(122,996)	(125,620)
%age change In Net Budget Requirement	-1.8%	0.5%	-0.4%	-0.3%	-0.1%	2.1%
Specific Grants	(5,640)	(5,843)	(4,578)	(4,761)	(4,286)	(5,286)
Witness and Victims Funding	(599)	(663)	(663)	(663)	(663)	(676)
Partnership Income/Fees and Charges	(2,153)	(2,760)	(2,797)	(2,812)	(2,885)	(2,907)
Total Funding	(131,820)	(133,260)	(131,500)	(131,385)	(130,830)	(134,489)
%age change In Total Funding	-1.4%	1.1%	-1.3%	-0.1%	-0.4%	2.8%

21. There is an expectation for the funding for net budget requirement to remain fairly static in the next 4 or 5 years. Any change would be due to variations in the collection surplus.

22. If Cleveland does end up with flat cash then some significant cuts are expected with resulting additional pressures. Costs are increasing with pay nationally set and

increasing by 1% per annum. There is an apprentice levy which will cost £400,000. Changes to national insurance are to be absorbed which the CFO showed that costs are rising but the budget isn't being increased.

Precept Increase for 2017/18

23. In terms of the current precept level Band D is £214.54 which equates to £4.11 per week or 59 pence per day. The impact of an increase of a 1.99% in 2017/18 would equate to approximately 8 pence per week for a Band D property.
24. The vast majority of houses in Cleveland do not achieve a Band D level as the majority of properties are within the lower A to C bands. The vast majority of households would therefore pay 5-7 pence per week more.
25. The Cleveland Police force area doesn't have a significantly large overall tax base in comparison to some areas and the proportion of funding from council tax is one of the lowest in the country. Approximately 75% of police funding comes from the government and 25% from local council tax payers. As a result a 2% increase to the council tax precept would provide funding of £623k per annum on a recurring basis across the financial plan.
26. The CFO informed Members that he performs a similar role within North Yorkshire and their tax base is such that they get 45% of funding from the local precept and 55% from government. Of the 55% it is reducing by 1.4% whereas Cleveland lose 1.4% of 75%. 45% of North Yorkshire's budget is increasing by 3.5% when taking into account the increase in tax base and precept rise. Cleveland has 25% which can increase as shown above. It puts a significant strain on Cleveland's finances although it is not the worst as Northumberland has an 80:20 split between government grant and precept. Surrey are the 'best' with more money coming from the precept than the government. The CFO emphasized the disproportionate impact that generally occurs on those more reliant on government grants which it might be argued are more in need of funding.

PCC Priorities

27. The Group considered the priorities of the PCC who was re-elected in 2016 which are as follows:
 - Investing in Our Police
 - A Better Deal for Victims and Witnesses
 - Tackling Re-Offending
 - Working Together to make Cleveland Safer
 - Securing the Future of Our Communities
28. The CFO gave assurances that the budget supports the PCC's objectives to the best of its ability.

Financial Summary

29. The Chief Finance Officer provided the Group with a draft Revenue Summary and draft Capital Budget (see appendices A and B).
30. The CFO also provided Members with a summary of financial reserves which showed that General Reserves are to reduce from £7.7m to £3.2m over next 4 years whilst Earmarked Reserves are to reduce from £6.6m to £1.7m over the same period. £3.2m is equal to 3% of total budget in terms of reserves.
31. The CFO recognizes the additional benefit should it arise from changes to the funding formula and the exceptional difficulty to try to absorb any further reductions if the PCC didn't get the increase in the precept that is proposed. Without the additional £600,000 further cuts would be inevitable.
32. Members asked the CFO whether there was a minimum amount to be held in reserve and were told that there isn't, as it is a judgement the CFO makes with the PCC taking into account the risks to the organization and the potential for future litigation, any types of major incidents, and if the organisation was not able to deliver some of the savings plans. He stressed that for an organisation with a £125m budget, £3.2m of reserves is not a significant cushion to which Members concurred expressing a level of concern.
33. Further enquiry was made as to whether the costs of recent litigation have any effects on front line service delivery? Members were told that ultimately any payments that have to be made have an impact on the amount held in reserves and as has been shown the reserves are being reduced.
34. The vast majority of capital expenditure will be regarding the sale of the Ladgate Lane site and the new Community Safety Hub build at Hemlington. The purchase of the land and the contract for the builder has recently been signed and it is expected that the programme of work would start early in 2017.
35. Members enquired whether the new headquarters would save money on energy costs and was that factored anywhere? They were told that there would be a £250,000 saving by moving which includes all costs but more will be known when the move has been made. The current Ladgate Lane building costs almost £1m to run so a conservative estimate of what savings will result has been applied. Further discussions will take place with the builders to determine what future savings can be achieved. The expected savings have been factored into the financial plans.
36. Members asked if there was any income generation possible as a community safety hub, and if the community would also be able to use it? The CFO informed them that the PCC was keen not to charge for using the hub. There will be a locally owned/run café that will provide services to the people in the building but it could provide an outlet for people in the community. The PCC is keen to get as many partners to use the building as possible.

37. They enquired whether any more land was available to the police that could possibly be sold to assist the PCC budget but very little beyond Ladgate Lane is held.

38. Members presumed that there was some payback on the shared service arrangements that have been entered into (i.e. loss of helicopter, dogs, horses, motorbikes). The CFO responded by giving the example of the helicopter, when it was a standalone service the running costs were in the region of £1.8m to £2.1m per annum. It is expected that the bill for 2017/18 now that it is a national service shared with all northern forces to be approximately £6-700k. Another example was West Yorkshire Police which have retained a horse section so they can be called in when required and forces pay for the service provided.

Conclusion

39. The Task and Finish Group works on behalf of the full Police and Crime Panel to allow for in-depth scrutiny and analysis of the PCC's budget and the proposed precept for 2017/18 before consideration by the Panel.

40. Based on the evidence provided by the PCC and the PCC's Chief Finance Officer and the settlement from Government the Members of the Task and Finish Group agree that the increase to the precept proposed by the PCC should be 1.99%. This will enable investment where needed and ensure the financial stability of Cleveland Police until the results and impact of the review of police funding is known.

APPENDIX 1

PCC Summary Long Term Financial Plan Position - December 2016

	Actual	Forecasts			
	2016/17	2017/18	2018/19	2019/20	2020/21
Funding	£000s	£000s	£000s	£000s	£000s
Total Funding	(133,260)	(131,500)	(131,385)	(130,830)	(134,489)
%age Change in Funding	1.1%	-1.3%	-0.1%	-0.4%	2.8%
Office of the PCC Planned Expenditure	£000s	£000s	£000s	£000s	£000s
Total Planned Expenditure	850	850	850	850	870
%age Change in Expenditure	8.6%	0.0%	0.0%	0.0%	2.3%
Community Safety/Victims and Witness	£000s	£000s	£000s	£000s	£000s
Community Safety Initiatives	1,345	978	978	978	978
Service Improvement and Development	750	1,260	1,300	1,350	1,420
Victims and Witnesses Services	715	1,072	1,072	1,072	1,072
Total Planned Expenditure	2,810	3,310	3,350	3,400	3,470
Corporate Services	£000s	£000s	£000s	£000s	£000s
Staff Pay	295	315	320	321	310
Non Pay Expenditure	40	40	40	40	40
Police Action Stations	5,120	5,120	5,190	5,275	5,340
Police Utility Hook	1,770	1,760	1,795	1,850	1,905
Asset Management	1,625	1,625	1,650	1,650	1,625
Total Corporate Costs	8,850	8,860	9,195	9,640	9,760
Police Force Planned Expenditure	£000s	£000s	£000s	£000s	£000s
Police Pay	66,552	66,121	66,012	66,168	66,527
Police Overtime	1,792	2,125	1,845	1,125	1,125
Police Community Support Officer Pay	4,877	3,967	4,054	4,143	4,218
Staff Pay	7,945	10,235	10,472	10,741	10,944
Pay Total	80,966	81,651	81,383	82,177	82,814
Other Contracts Total	21,583	19,910	20,212	20,286	19,936
Other Pay and Training	287	381	375	375	275
Injury and Medical Police Pensions	2,771	2,273	2,433	1,812	1,532
Premises	3,748	3,743	3,653	3,481	3,584
Supplies and Services	6,423	7,841	7,074	1,743	1,161
Transport	1,835	1,683	1,883	1,583	1,583
External Support	2,595	2,317	2,219	2,321	2,321
Non-Pay Total	17,053	18,239	16,827	16,437	17,681
Total Planned Force Expenditure	119,419	119,890	118,210	119,210	120,099
%age Change in Expenditure	1.5%	0.3%	-1.3%	0.6%	1.0%
(Surplus)/ Deficit	£000s	£000s	£000s	£000s	£000s
Planned Transfers to/(from) General Fund	(1,340)	1,320	510	2,260	(440)
Contribution to Capital Programme	2,225	800	0	0	400
Planned Transfers to/(from) Emarked Reserves	655	40	40	40	40
Net (Surplus)/Deficit After Reserves	0	(0)	0	0	0
General Reserves	£000s	£000s	£000s	£000s	£000s
General Fund Balance b/f	8,627	7,702	6,042	5,492	3,192
General Fund Movements	(1,550)	(2,160)	(550)	(2,300)	0
In Year General Fund movements	625	500	0	0	0
General Fund Balance c/f	7,702	6,042	5,492	3,192	3,192
Base Wages					
Staff Pay Increases	1.0%	1.0%	1.0%	1.0%	2.8%
Police Pay Increases	1.0%	1.0%	1.0%	1.0%	2.0%
Non Pay Inflation	1.1%	1.0%	1.0%	1.3%	2.0%
RPI	2.0%	2.5%	2.5%	3.0%	3.0%
Precept Increases	2.0%	2.0%	2.0%	2.0%	2.0%
Government Grant Movements (Cash Basis)	-0.6%	-1.4%	-1.4%	-1.4%	2.0%

PCC Summary Long Term Capital Plan Position - December 2016

	2016/17	2017/18	2018/19	2019/20	2020/21
Future Funding Levels	£000s	£000s	£000s	£000s	£000s
Earmarked Reserve/Funding b/f	3,698	1,753	513	593	114
Capital Grant	606	515	500	500	500
ESMCP Grant	274	280	0	0	
Contribution from Revenue	2,104	800	0	0	400
PIF Bids	38				
Capital Receipts (from Vehicle sales)	100	100	100	100	100
Capital Receipts (from Property sales)	3,236		2,542		3,109
Apply Capital Receipts to reduce Debt					
New Prudential Borrowing		11,000	3,500		-3,272
Supported Capital Borrowing	760	760	760	760	760
Projected in-year funding Available	7,118	13,455	7,402	1,380	1,597
Carry Forwards from previous years	1,005				
Community Safety Hub	2,303	10,000	2,956		
Collaboration		1,000			
IT Replacement programme/Data Centre move	1,179				
Police Force New Capital Schemes	4,477	3,694	4,366	1,839	1,081
Total Capital Programme	8,963	14,694	7,321	1,839	1,081
Earmarked Capital Reserve/Funding c/f	1,753	513	593	114	631

Police and Crime Panels – Scrutiny of Precepts

This guidance note explains the process for the police and crime panel's (PCP) scrutiny of the police and crime commissioner's (PCC) proposed precept and should be read alongside:

- Schedule 5 of the Police Reform and Social Responsibility Act 2011 ("the Act")
- Part 2 of the Police and Crime Panels (Precepts and Chief Constable Appointments) Regulations 2012 ("the Regulations")

A separate guidance note setting out the scrutiny of chief constable appointments has been published alongside this guidance note.

Background

Schedule 5 of the Act sets out the process for issuing a precept, including the panel's role in reviewing the proposed precept, their power to veto the precept and the steps to be taken if they do veto the proposed precept.

The Regulations provide greater detail to the Act, including time limits applicable to the stages of the process and the process for reviewing and issuing a revised precept.

Schedule 5 requires:

- the PCC to notify the panel of his/her proposed precept;
- the panel to review the proposed precept;
- the panel to make a report to the PCC on the proposed precept (this may include recommendations);
- the panel's report (if they veto the proposed precept) to include a statement that they have vetoed it;
- a decision of veto to be agreed by two-thirds of the panel members;
- the PCC to have regard to the report made by the panel (including any recommendations in the report);
- the PCC to give the panel a response to their report (and any such recommendations);
- the PCC to publish the response.

It is for the panel to determine how a response to a report or recommendations is to be published.

If there is no veto and the PCC has published his/her response to the panel's report, the PCC may then issue the proposed precept - or a different precept (but only if in accordance with a recommendation in the panel's report to do so).

The Regulations require:

- the PCC to notify the panel of his/her proposed precept by **1 February**;
- the panel to review and make a report to the PCC on the proposed precept (whether it vetoes the precept or not) by **8 February**;
- where the panel vetoes the precept, the PCC to have regard to and respond to the Panel's report, and publish his/her response, including the revised precept, by **15 February**;

- the panel, on receipt of a response from the PCC notifying them of his/her revised precept, to review the revised precept and make a second report to the PCC by 22 February;
- the PCC to have regard to and respond to the Panel's second report and publish his/her response, by 1 March.

Panel's report on the proposed precept

If the panel fails to report to the PCC by 8 February the scrutiny process comes to an end, even if the panel have voted to veto the proposed precept, and the PCC may issue the proposed precept.

PCC's response to a veto

Where the panel vetoes the proposed precept, the PCC must have regard to the report made by the panel, give the panel a response to the report and publish the response, by 15 February. In his/her response, the PCC must notify the panel of the revised precept that he intends to issue.

Where the panel's report indicates that they vetoed the precept because it was:

- too high, the revised precept must be lower than the previously proposed precept.
- too low, the revised precept must be higher than the previously proposed precept.

The PCP may only veto the first proposed precept. Such a veto must be agreed by two-thirds of PCP members (the full membership rather than those present at a meeting). Where a veto occurs, the report to the PCC must include a statement to that effect.

Panel's review of the revised precept

On receipt of a response from the PCC notifying them of the revised precept proposal, the panel must review the revised precept proposal and make a second report to the PCC on the revised precept by 22 February. This report may:

- indicate whether the panel accepts or rejects the revised precept (although rejection does not prevent the PCC from issuing the revised precept); and
- make recommendations, including recommendations on the precept that should be issued.

If the panel fails to make a second report to the PCC by 22 February, the PCC may issue the revised precept.

Issuing the precept

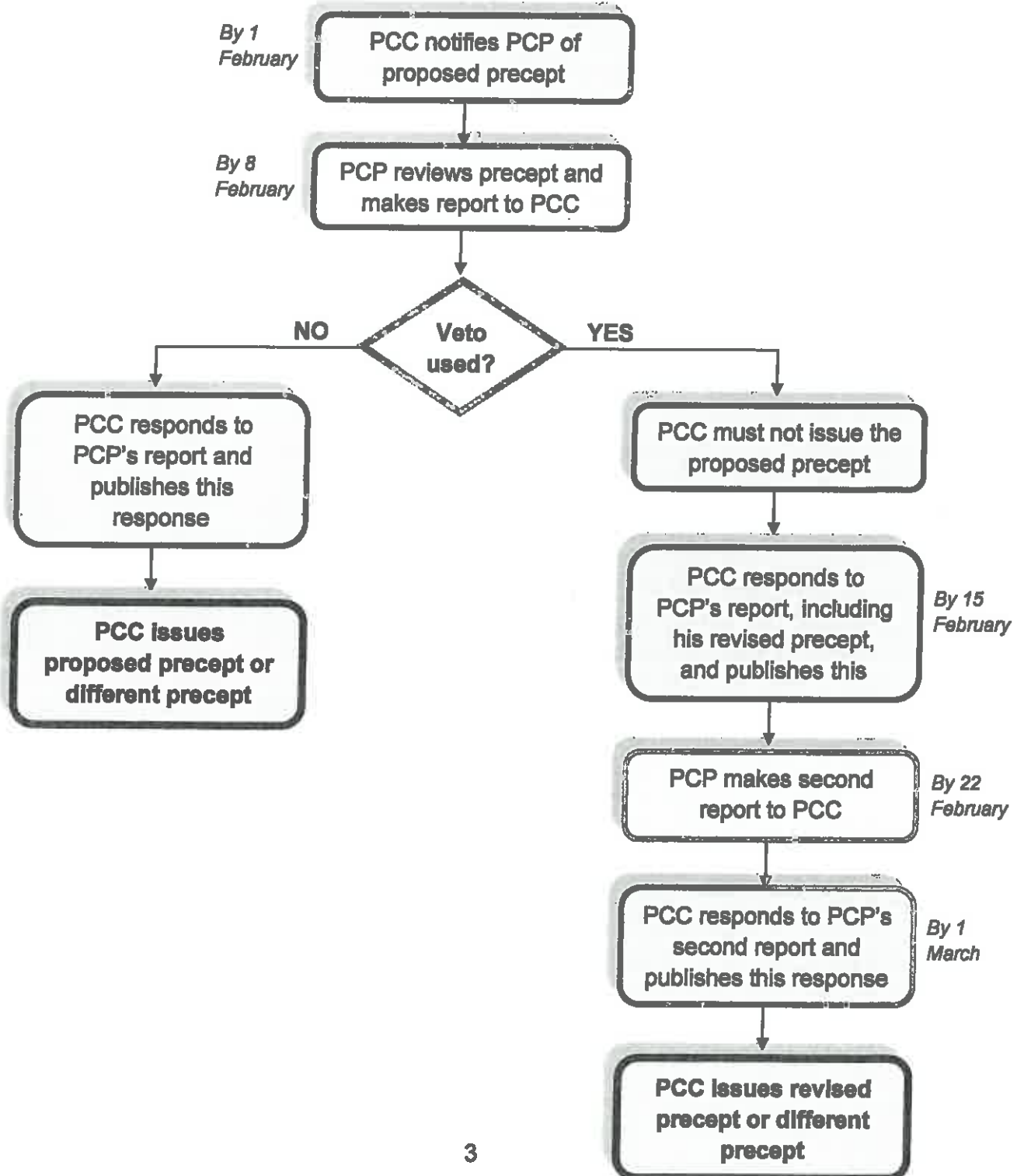
Excluding where the panel fails to report on the proposed precept by 8 February or make a second report on the revised precept by 22 February, the scrutiny process ends when the PCC gives the panel his/her response to their second report.

The PCC may then:

- issue the revised precept; or
- issue a different precept, although:

- they must not issue a precept that is higher than the revised precept if the revised precept was lowered following the panel's initial report on the first proposed precept indicating it was vetoed because it was too high;
- they must not issue a precept which is lower than the revised precept if the revised precept was raised following the panel's initial report on the first proposed precept indicating it was vetoed because it was too low.

Process for PCP scrutiny of PCC's proposed precept



Police and Crime Panel - Task and Finish Group
Review of Overall Budget Strategy
Outline Scope

Task Group Chair (Project Director):	Contact details:
Scrutiny Officer (Project Manager):	Contact details:
Departmental and Finance Link Officer:	Contact details:
Which strategic corporate objectives does this topic address?	
What are the main issues and overall aim of this review?	
The Task Group will undertake the following key lines of enquiry:	
Who will the Task Group be trying to influence as part of its work?	
Police and Crime Commissioner for Cleveland	
Expected duration of review and key milestones:	

What Information do we need?

Existing information (background information, existing reports, legislation, central government documents, etc.):

New information:

Who can provide us with further relevant evidence? (Cabinet Member, officer, service user, general public, expert witness, etc.)

What specific areas do we want them to cover when they give evidence?

How will this information be gathered? (eg. Financial baselining and analysis, benchmarking, site visits, face-to-face questioning, telephone survey, survey)

How will key partners and the public be involved in the review?

Provide an initial view as to how this review could lead to efficiencies, improvements and/or transformation:

Project Plan

Key Task	Details/Activities	Date	Responsibility
Scoping of Review	Information gathering		Scrutiny Officer Link Officer
Agree Project Plan	Scope and Project Plan agreed by Group		Task Group
Obtaining Evidence			Task Group Task Group
Members decide recommendations and findings	Review summary of findings and formulate draft recommendations		Task Group
Circulate Draft Report to Stakeholders	Circulation of Report		Scrutiny Officer
Final Agreement of Report	Approval of final report by Group		Task Group
Report to Police and Crime Panel	Presentation of final report with recommendations for approval to Panel		Chair / Police and Crime Panel
Report to Police and Crime Commissioner	[To Inform Panel discussion at Budget meeting]		Police and Crime Panel / Police and Crime Commissioner

