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Report of the PCC for Cleveland to the Police and Crime Panel

5th February 2019

Status: For decision

The 2019/20 Precept Proposal

1 Purpose

- 1.1 Legislation requires that I agree my budget and associated precept and basic council tax for the forthcoming year before 1st March each year. However before doing so I must notify this Panel of the precept which I propose to issue for the following year.

2 Recommendations

- 2.1 The Panel is asked to consider my proposal to set the Band D Police Element of the Council Tax within Cleveland for 2019/20 at £250.54. This is an increase of £24, or 10.59% over the 2018/19 level.
- 2.2 The Panel is asked to support this proposal.

3 Reasons

- 3.1 The balance of the cost of the police service not paid for by central government is met by local taxpayers through a precept on their council tax. In Cleveland this will equate to about 27.5% of the overall income that I will receive in 2019/20. It is the responsibility of the four local billing authorities to collect this.
- 3.2 Legislation requires the precept for 2019/20 to be set before 1st March 2019 and that the first step in enabling this to happen is that I am required to

inform this panel of my proposed precept by the 1st February 2019. Which I did by submitting this report prior to that date.

3.3 In making my proposal on the Police precept I have taken into account the following:

- The views of the public of Cleveland
- The financial impact on the people of Cleveland.
- The financial needs of the organisation as currently projected both for 2019/20 and in the future.
- The limits imposed by the Government on a precept increase before a referendum would be triggered in Cleveland.
- I have discussed my proposals with both the Chief Constable and engaged and consulted with the public on the options available to me.

3.4 Police Funding Settlement 2019/20

The Final 2019-20 Police Settlement was announced in a written ministerial statement by the Minister for Policing and the Fire Service Nick Hurd MP on Thursday 24 January 2019 and no changes were made to the Provisional Settlement which was announced on the 13th December . Full details of the settlement can be found on the Home Office pages of the gov.uk website.

3.5 Headlines

The main points within the settlement are a headline of £970m additional funding for the service which includes:

- £161m additional formula funding,
 - £153m of pension grant,
 - £59m additional funding for Counter Terrorism,
 - £90m additional funding to tackle Serious and Organised Crime and
 - £509m as a result of additional council tax flexibilities.
- **Of the £970m approximately £813m is for local policing**
 - £509m precept
 - £143m pension grant
 - £161m additional Funding.
 - **Precept flexibility of up to £24** for all PCCs (or equivalents) in 2019-20. – this was only confirmed on the 29th January
 - **£161m additional grant funding** – made up of primarily £146m increase in core grant.
 - The settlement, including and assuming that each Police Force area increases the Police element of council tax by £24, and pension grant, represents an average cash increase (total funding) of 7.2% between 2018-19 and 2019-20.

- £160m additional Counter Terrorism funding (announced at the 2018 Autumn Budget) equivalent to an annual increase of £59m; an 8% increase on total CT funding.
- New Requirements - The minister's letter refers to the requirement to "drive efficiency, productivity and effectiveness".

3.6 It is important to reflect that this increase in funding does not reflect the significant increased Pension costs that have been passed to Forces to pay from 2019/20 onwards.

3.7 What is expected in return for this Flexibility and improved funding position?
The 2019-20 settlement provides more funding than had been previously expected. A letter to the Home Affairs Select Committee (HASC) outlines the Policing Minister's 4 priority areas to "drive efficiency, productivity and effectiveness next year":

- Continued efficiency savings in 2019-20 through collective procurement and shared services. There will be an expectation that every force contributes substantially to procurement savings and the Home Office will be working with the police to agree the "right force level objectives for 2019-20 and 2020-21".
- Major progress expected to resolve challenges in investigative resource identified by HMICFRS, including recruitment of more detectives to tackle the shortfall.
- Continue to improve productivity, including smarter use of data to deliver £50m of productivity gains in 2019-20.
- Maintain a Serious and Organised Crime response that spans identification and management of local threats as well as support for national priorities.

3.8 What does this mean for Cleveland in 2019/20 in terms of Funding and Costs?

- An increase in Police Grant of £1,753k or 2.1%
- A Pension's Grant of £1,324k

HOWEVER

- The impact of Police Pension changes to Cleveland is £3.3m

Therefore in overall cash terms, before Precept is considered, the organisation has less Cash than it had last year, from the Government, taking into account the additional Pensions Costs that have been passed from the Government to Local Forces.

- 3.9 In real terms therefore this is a further cut to Government Funding of circa £2.1m.
- 3.10 Based on the increase in precept being proposed then the overall impact on the Core funding for the organisation, taking into account the additional Pensions costs is set out in the table below:

Funding the Net Budget Requirement	2019/20	2018/19	(Increase)/Reduction	Year on Year Change
	£000s	£000s	£000s	%age
Government Funding				
Police Grant	(46,497)	(45,508)	(990)	2.2%
RSG/National Non Domestic Rate	(38,756)	(37,992)	(764)	2.0%
Council Tax Freeze Grant	(800)	(800)	0	
Council Tax Support Grant	(6,868)	(6,868)	0	
Total Government Funding	(92,921)	(91,168)	(1,753)	1.9%
Additional Police Pensions Grant	(1,324)	0	(1,324)	
Additional Police Pension Contributions	3,315	0	3,315	
Actual Impact of Settlement changes	(90,930)	(91,168)	237	-0.3%
Impact of a £12 increase in Band D Precept - 5.3% increase				
Net Surplus on Collection Funds	(349)	(327)	(22)	
Council Tax Requirement	(38,435)	(34,255)	(4,180)	
Total Local Funding	(38,784)	(34,583)	(4,202)	12.1%
Total Government + Local Funding	(129,715)	(125,750)	(3,964)	3.2%

- 3.11 How does Cleveland compare to the National Picture
Setting aside the additional Pension Costs the government has stated that the settlement, including council tax and pension grant, represents an average cash increase (total funding) of 7.2% between 2018-19 and 2019-20.
- 3.12 **Cleveland has not however seen an average increase in Total Funding; it will only receive an increase of 5.77% which will be the lowest in the Country.**
- 3.13 Had Cleveland received an 'average' 7.2% increase in total funding (before significant additional Pension costs) then the PCC would have received a further £1.8m of additional recurring funding for 2019/20.
- 3.14 The highest increase in total funding, as a result of this settlement, within the country will be 8.48% (before additional Pension costs) and this will occur in Hertfordshire (assuming they increase their precept by £24). This would be 2.71% higher than the settlement for Cleveland. Had Cleveland achieved this settlement this would have equated to an additional £3.4m per annum more funding in 2019/20.
- 3.15 Government Funding for 2020/21 and beyond

There was no further mention of future settlements other than to repeat “this is the last settlement before the next Spending Review, which will set long term police budgets and look at how resources are allocated fairly across police forces. The Home Office is grateful to the police for the good work they are doing to build the evidence base to support that work, and we will also want to see evidence that this year’s investment is being well spent.”

- 3.16 There are no plans to review the Police Allocation Formula until after the Spending Review. The reference to looking at “how resources are allocated fairly across police forces” is likely to refer to the ongoing work between the Home Office and the Police Sector to support the submission to the Spending Review. There are work streams investigating funding streams and funding models – i.e. regional/local arrangements but no plans yet to review the current police allocation formula.
- 3.17 Top-slices/Reallocations totalling £1,029m have been announced for 2019/20. This is £84m, or 9% higher than 2018/19. The areas this funding will now be spent on, instead of being allocated to PCC’s is as follows:

Police Funding	2017/18 (£m)	2018/19 (£m)	2019-20 (£m)
o/w Reallocations and adjustments	812	945	1,029
PFI	73	73	73
Police technology programmes	417	495	495
Arm’s length bodies	54	63	63
Top-ups to NCA and ROCUs			56
Strengthening the response to Organised Crime	28	42	90
Police transformation fund	175	175	175
Special Grant	50	93	73
Pre-charge bail	15	4	4

- 3.18 Legacy Council Tax funding is still separately identifiable and has not changed from 2018/19.
- 3.19 Police Capital Grant that is to be allocated to PCC’s has been increased by £11k (or 2.2%) with the PCC only receiving £526k which won’t even be enough to pay for the replacement of Police vehicles during 2019/20.
- 3.20 Counter Terrorism (CT)

At the Autumn Budget the Chancellor announced an additional £160m for counter terrorism policing, which is a £59m increase (8%) on the 2018-19 CT funding. The Police settlement confirmed these figures saying this additional funding will bring the total CT funding to £816m, including a £24m uplift in armed policing from the Police Transformation Fund.

It is estimated that approximately £20m of this funding is likely to be capital funding but this is subject to an in-year review in consultation with the national counter terrorism policing headquarters.

3.21 Ministry of Justice (MoJ) Funding

3.22 The Ministry of Justice have confirmed the level of the Victims and Witnesses Grant for 2019/20, and while the overall amount allocated to PCC's has remained static at £67,855k, the grant is allocated based on population.

3.23 As the population of Cleveland is not growing as quickly as others areas of the country the amount that will be received by the PCC in 2019/20 will be £1,920 lower than the amount received in 2018/19, with the total grant being £654k.

3.24 LTFP Assumptions

When the 2018/19 budget was set in February 2018 the forecasts were underpinned by the following assumptions:

- Pay Awards: 2% increase per annum
- Precept: Increases of:
 - 2018/19 - £12 or 5.59%
 - 2019/20 - £12 or 5.29%
 - 2020/21 - £4.75 or 1.99%
 - 2021/22 - £4.84 or 1.99%
- Tax Base increases of 1.0% per annum
- Collection Surplus of £250k per annum
- Government Grants: Frozen until 2019/20 and the increases of 2% thereafter
- Impact of Funding Formula Review - Nil

3.25 In line with good planning our assumptions remain under review and are updated with the best information available and it is expected that the LTFP for 2019/20 and beyond will assume the following:

- Pay Awards: 2% increase p.a
- Precept: Increases of:
 - 2019/20 - £24 or 10.59%
 - 2020/21 - £12 or 4.8%
 - 2021/22 - £5.23 or 1.99%
 - 2022/23 - £5.33 or 1.99%
- Tax Base increases 1.0% per annum, Collection Surplus £250k p.a
- Government Grants: Frozen until 2020/21 and the increases of 2% thereafter
- Impact of Funding Formula review – Nil

3.26 Based on these revised assumptions, and the information received and forecast around other areas of funding, then the entire funding expected to be available to me for the next 4 years, in comparison to 2017/18 and 2018/19, is as follows:

	Actual				
	2018/19	2019/20	2020/21	2021/22	2022/23
Funding	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
Government Grant	(83,500)	(85,253)	(85,253)	(86,958)	(88,697)
Council Tax Precept	(34,583)	(38,784)	(40,928)	(42,144)	(43,400)
Council Tax Freeze Grant	(800)	(800)	(800)	(800)	(800)
Council Tax Support Grant	(6,868)	(6,868)	(6,868)	(6,868)	(6,868)
Funding for Net Budget Requirement	(125,751)	(131,706)	(133,850)	(136,770)	(139,766)
%age change in Net Budget Requirement	1.6%	4.7%	1.6%	2.2%	2.2%
Specific Grants	(4,911)	(5,880)	(6,726)	(5,626)	(5,626)
Witness and Victims Funding	(1,246)	(1,411)	(654)	(667)	(680)
Partnership Income/Fees and Charges	(2,737)	(2,893)	(2,965)	(3,147)	(3,199)
Total Funding	(134,644)	(141,890)	(144,195)	(146,210)	(149,270)
%age change in Total Funding	2.2%	5.4%	1.6%	1.4%	2.1%
NBR Forecast - February 2018	(125,751)	(127,805)	(130,576)	(133,380)	(136,315)
Changes to NBR Funding Forecast	0	(3,901)	(3,273)	(3,390)	(3,451)

- 3.27 As a result of the Government Grant settlements being better than expected, and the flexibility to increase precept by more than previously forecast, then the overall funding available to the PCC is higher than projected in February 2018 by £3.9m.
- 3.28 This needs to be viewed in the context of the increased Police Pension contribution requirement that totals £2m per annum, after allowing for an additional pensions grant. In overall terms the PCC will therefore have around £1.9m more income, at the Net Budgetary Requirement level, in 2019/20 than was expected a year ago.
- 3.29 This should therefore provide some opportunity to invest in 2019/20 in priority areas.

4 **Financial Impact of a £24 increase**

4.1 Precept Rise of £24

The Localism Act 2011 includes powers to introduce arrangements for council tax referendums. A referendum would be required in Cleveland if I set a precept increase that exceeds the agreed level. The Ministry for Housing,

Communities and Local Government (MHCLG) published the draft council tax referendum principles alongside the provisional settlement in December. It outlined the plans to allow PCCs to increase Band D bills by as much as £24, although in Wales there remains no referendum principles. The MHCLG have yet to publish the final version, which is now expected in the first week in February. However, the policing minister confirmed the £24 when confirming the Police Settlement as final.

4.2 The results of the referendum would be binding and all costs associated with the referendum would fall to the Office of the PCC to pay for. With this in mind, I have chosen not to propose a precept increase of more than £24 for 2019/20.

4.3 Tax Base Information and Precept Calculations

The four local Councils have notified me of their tax bases for 2019/20 which total 153,480.7 Band D equivalent properties. This is an increase of 2,197.7 Band D equivalent properties from 2018/19. This 1.45% increase in the underlying Tax Base within Cleveland, this has provided an additional £550k of recurring funding to support Policing and Crime services.

4.4 I have also taken into account the balances on each of the council's collection funds in 2018/19, of which a proportion will be paid to me in 2019/20. This is non-recurring funding and the 'Police element' in 2018/19 totalled a surplus of £349k across the 4 councils, this is a similarly level to last year.

4.5 The precept calculations are set out below based on the proposed £24 increase:

Proposed Precepts - £24 Increase			
	Unadjusted Precept	Collection Fund Balance	Council Tax Requirement
	£	£	£
Hartlepool Borough Council	6,120,932	5,000	6,115,932
Middlesbrough Borough Council	8,508,420	88,272	8,420,148
Redcar & Cleveland Borough Council	10,096,460	256,000	9,840,460
Stockton on Tees Borough Council	14,058,476	0	14,058,476
Total Precept	38,784,288	349,272	38,435,016

4.6 The 'basic amount' of council tax is the rate for a Band D property. It is calculated by dividing the Council Tax Requirement by the total tax base i.e. £38,435,016 by 153,408.7 giving a council tax rate for Band D properties of £250.54.

4.7 The proposed council tax rate for each property band is set out below:

Council Tax Increases				
	£24 increase			
Property Band	2019/20	2018/19	Increase per Annum	Increase per Week
	£	£	£	£
A	167.03	151.03	16.00	0.31
B	194.86	176.20	18.67	0.36
C	222.70	201.37	21.33	0.41
D	250.54	226.54	24.00	0.46
E	306.22	276.88	29.33	0.56
F	361.89	327.22	34.67	0.66
G	417.57	377.57	40.00	0.77
H	501.08	453.08	48.00	0.92

- 4.8 As you will see from the table above the impact of my proposal to increase the Police precept by £24 will increase a household council tax bill by 46 pence per week for a Band D property.
- 4.9 Although Band D is set by law as the benchmark for council tax calculations, you will be aware that only a small minority of properties in Cleveland fall into Band D or above. The majority, around 80% are in Bands A-C, and in such properties households will pay less than the Band D tax.
- 4.10 The impact of my proposal to increase the Police precept by £24 for a Band D property will, in the vast majority of cases, equate to an increase of 31-41p per week in a household council tax bill.

5. Consultation with the Public

- 5.1 Since the announcement of the Provisional Finance Settlement, and the limits and options around precept proposals for 2019/20, consultation with the public has taken place on their opinions in relation to an increase of £24 per annum for the 'Police' element of their Council Tax Bill
- 5.2 The information for the survey was undertaken via the PCC website and also via a telephone survey of a representative sample of the people of Cleveland. This consultation was based on the following background information and sought answers to the questions set out below:
- 5.3 The Government have provided Cleveland Police with £3.1m more cash in 2019/20 than in 2018/19, **HOWEVER** they have also increased the amount that Cleveland Police needs to pay into the Police Pension Fund by £3.0m.
- 5.4 So when inflation, pay increases and other rising costs are taken into account this is, in reality, another significant cut to our policing budget next year.

- 5.5 The Government has announced additional flexibility for PCCs around the police precept - the policing element of the council tax - which means that I can increase the amount paid by a Band D property by up to £24 a year.
- 5.6 I understand that this means more people, who are already struggling in Cleveland, would need to pay more and the burden for trying to maintain services falls to local taxpayers instead of being addressed nationally.
- 5.7 I am therefore consulting on whether people are prepared to pay more - to maintain policing within Cleveland through an increase in the police element of their council tax.
- 5.8 Increasing the Band D 'Police Precept' by £24 per year (or an extra £2 per month) would see the Band D Police Precept set at £250.54 for 2019/20 and would result in the following amounts being paid for Policing within Cleveland
- 5.9 I want to listen to public and stakeholder views before reaching my final view, but I am minded to take the option of maximising police funding by proposing a £24 increase, which would raise around £3.6m in additional precept (above the amount raised in 2018/19). This will enable me to firstly maintain current services and then provide some scope to invest in Community Policing.
- 5.10 It is important to recognise that without the proposed £2 per month increase in precept, Cleveland Police will need to make significant further cuts on top of those that have already been imposed through reduced Government Funding over the last eight years.
- 5.11 The Government has acknowledged the significant increase in demand on the police to tackle domestic abuse, modern slavery, child sex exploitation and cyber-crime but has not made any extra resources available locally. I will continue to do everything I can to help to protect community policing, including driving out maximum value from procurement savings, digital technology and investing in the development and wellbeing of our highly-valued workforce.
- 5.12 However, unlike many Forces we have already reduced our one-off reserves to their lowest possible level, and I cannot protect and improve vital community policing services through improvements in effectiveness and efficiency alone.
- 5.13 I am therefore asking whether you are prepared to pay an extra £2 per month, or an increase of £16 - £24 per year for Band A-D properties, to support Policing Services in Cleveland.
- 5.14 Consultation Results
The consultation ran from the 21st December until the 21st January and 1,085 people completed the survey (in comparison to 284 last year). Of those 1,085, 400 were contacted by telephone, via an independent company who asked a

representative sample of people from across all 4 boroughs within Cleveland the same questions as those asked on the PCC's website.

5.15 Questions 1 to 3 of the survey asked for information about where the individual lived within Cleveland and then asked about gender and age.

5.16 Question 4 then asked: Do you think the Government should provide more money to help deliver policing services in Cleveland?

94% (or 1,019 out of the 1,085) answered yes to this question.

5.17 Question 5 was: As the Government hasn't provided any real increases in funding for Policing in Cleveland would you:

- Be prepared to pay an extra £16.00- £24.00 per year, for Band A to D properties, as part of your Council Tax bill, to help maintain current Policing Services in Cleveland and to provide an additional £1.8m for investment in Community Policing?
- Prefer further cuts to Policing Services in Cleveland?

5.18 **68% (or 728) of the 1,066 people who answered this question said they would be prepared to pay more.**

5.19 Full details of the results of the precept consultation are included at Appendix C.

5.20 In addition to the consultation with the public I have held briefing session with each of 4 individual local authorities and 6 MPs for the area.

6. Conclusion

I have considered various options and various factors in deliberating on my proposal for precept in 2019/20. I have taken into account the needs for the continued delivery of Policing and Crime services within Cleveland. I have spoken with the Chief Constable and have consulted with the public. Based on these views and the financial needs of the organisation over the medium term I formally propose a precept increase of £24 on a Band D property for 2019/20 and ask that this panel considers my proposal.

To aid the Panel in considering my proposal on Precept I attach to this report:

- Appendix A – Draft Budget based on a £24 Precept Increase
- Appendix B – Draft Capital Budget
- Appendix C – Full details of the Precept Consultation

	Actual Budget	Actual Budget				
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Government Grant	(83,500)	(83,500)	(85,253)	(85,253)	(86,958)	(88,697)
Council Tax Precept	(32,656)	(34,583)	(38,784)	(40,928)	(42,144)	(43,400)
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	(123,824)	(125,751)	(131,706)	(133,850)	(136,770)	(139,766)
%age Change in Net Budgetary Requirement	-0.1%	1.6%	4.7%	1.6%	2.2%	2.2%
Specific Grants	(4,558)	(4,911)	(5,880)	(6,726)	(5,626)	(5,626)
Witness and Victims Funding	(659)	(1,246)	(1,411)	(654)	(667)	(680)
Partnership Income/Fees and Charges	(2,664)	(2,737)	(2,893)	(2,965)	(3,147)	(3,199)
Total Core Funding	(131,705)	(134,644)	(141,890)	(144,195)	(146,210)	(149,270)
Special Grant			(3,475)	(3,500)	0	0
Total Overall Funding	(131,705)	(134,644)	(145,365)	(147,695)	(146,210)	(149,270)
Office of the PCC Planned Expenditure	£000s	£000s	£000s	£000s	£000s	£000s
Staff Pay	645	660	743	760	780	800
Non Pay Expenditure	205	200	137	140	140	140
Total Planned Expenditure	850	860	880	900	920	940
Community Safety/Victims and Witness	£000s	£000s	£000s	£000s	£000s	£000s
Community Safety Initiatives	986	982	1,146	1,002	1,002	1,003
Service Improvement and Development	1,250	1,450	2,430	2,900	3,050	3,200
Victims and Witnesses Services	1,009	1,508	1,864	1,164	1,172	1,178
Total Planned Expenditure	3,245	3,939	5,440	5,065	5,225	5,380
Corporate Services	£000s	£000s	£000s	£000s	£000s	£000s
Staff Pay	330	465	600	470	480	490
Non Pay Expenditure	100	95	115	100	100	100
PFI Action Stations	5,145	5,240	5,325	5,410	5,500	5,590
PFI Urlay Nook	1,770	1,820	1,830	1,870	1,910	1,950
Asset Management	1,605	1,855	2,050	1,935	1,550	1,450
Total Corporate Costs	8,950	9,475	9,920	9,785	9,540	9,580
Police Force Planned Expenditure	£000s	£000s	£000s	£000s	£000s	£000s
Pay						
Police Pay	66,740	64,043	67,662	68,652	69,672	71,491
Police Overtime	1,375	1,402	1,468	1,538	1,668	1,589
Police Community Support Officer Pay	4,255	4,360	4,055	4,180	4,280	4,365
Staff Pay	9,755	10,525	14,550	14,670	13,993	14,381
Pay Total	82,125	80,330	87,735	89,040	89,613	91,826
Major Contracts						
Custody and Medical Contract	2,523	2,466	2,471	2,521	2,571	2,621
Outsourcing Contract	17,139	17,900	18,490	17,500	16,500	16,850
Major Contracts Total	19,662	20,366	20,961	20,021	19,071	19,471
Non-Pay Budgets						
Other Pay and Training	380	756	744	759	776	789
Injury and Medical Police Pensions	2,435	2,787	2,993	3,093	3,193	3,293
Premises	3,620	3,662	3,501	3,577	3,655	3,733
Supplies and Services	7,035	7,455	7,599	7,709	7,707	7,708
Transport	1,576	1,456	1,471	1,471	1,491	1,501
External Support	2,587	2,958	3,212	3,416	3,416	3,416
Non-Pay Total	17,633	19,074	19,519	20,024	20,237	20,439
Total Planned Force Expenditure	119,420	119,770	128,215	129,085	128,920	131,735
%age Change in Expenditure	0.0%	0.3%	7.1%	0.7%	-0.1%	2.2%
(Surplus)/ Deficit	£000s	£000s	£000s	£000s	£000s	£000s
Planned Transfers to/(from) General Fund	(2,000)	(950)	(950)	0	0	(1,635)
Contribution to Capital Programme	1,165	1,400	2,120	2,710	1,455	1,485
Planned Transfers to/(from) Earmarked Reserves	75	150	(260)	150	150	150
Net (Surplus)/ Deficit After Reserves	(0)	(0)	(0)	(0)	(0)	(0)
General Reserves	£000s	£000s	£000s	£000s	£000s	£000s
General Fund Balance b/f	8,016	6,074	5,974	5,024	5,024	5,024
General Fund Movements	(2,000)	(950)	(950)	0	0	0
In Year General Fund movements	58	850	0	0	0	0
General Fund Balance c/f	6,074	5,974	5,024	5,024	5,024	5,024
Employee Numbers (Average per year)	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs
Police Officers	1,280	1,236	1,239	1,239	1,239	1,239
PCSOs	148	147	131	131	131	131
Police Staff - Police Force	285	318	423	423	423	423
PCC/Corporate Staff	14	14	14	14	14	14
Assumptions						
Pay Awards	1.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Non Pay Inflation	1.6%	2.0%	2.0%	2.0%	2.0%	2.0%
RPI	3.0%	3.5%	3.0%	3.0%	3.0%	3.0%
Precept Increases	2.0%	5.6%	10.6%	4.8%	2.0%	2.0%
Government Grant Movements (Cash Basis)	-1.4%	0.0%	2.1%	0.0%	2.0%	2.0%

PCC Summary Long Term Capital Plan Position -January 2019**APPENDIX B**

	2018/19	2019/20	2020/21	2021/22	2022/23
Future Funding Levels	£000s	£000s	£000s	£000s	£000s
Earmarked Reserve/Funding b/f	2,656	3,164	714	1,606	782
Capital Grant	515	526	535	545	555
Contribution to/from Revenue	2,007	2,120	2,710	1,455	1,485
Capital Receipts (from Vehicle sales)	100	100	100	100	100
Capital Receipts (from Property sales)	2,542	0	5,259	2,988	3,109
New Prudential Borrowing	3,000	1,750	-3,859	-2,988	-3,109
Projected In-year funding Available	8,163	4,496	4,745	2,100	2,140
Schemes Carried Forward from previous year		811			
Digital Strategy		3,239	3,162	2,060	2,000
Estates Strategy		1,855	25	25	50
Fleet Replacement Programme		633	496	757	662
Other Schemes		407	171	82	25
Total Capital Programme	7,656	6,945	3,854	2,924	2,737
Earmarked Capital Reserve/Funding c/f	3,164	714	1,606	782	184

Which area of Cleveland do you live in?

	Online	Telephone	Total
Hartlepool	149 (21.72%)	100 (25%)	249 (22.9%)
Middlesbrough	167 (24.34%)	100 (25%)	267 (24.5%)
Redcar and East Cleveland	148 (21.57%)	100 (25%)	248 (22.8%)
Stockton-On-Tees	222 (32.36%)	100 (25%)	322 (29.6%)
	686	400	1086

What is your age?

	Online	Telephone	Total
18-24	14 (2.04%)	61 (15.25%)	75 (6.9%)
25-34	78 (11.37%)	61 (15.25%)	139 (12.7%)
35-44	125 (18.22%)	63 (15.75%)	188 (17.3%)
45-54	137 (19.97%)	66 (16.5%)	203 (18.69%)
55-64	154 (22.45%)	64 (16%)	218 (20.07%)
65-74	135 (19.68%)	44 (11%)	179 (16.48%)
75 or older	37 (5.39%)	41 (10.25%)	78 (7.1%)
Prefer not to say	6 (0.87%)	0 (0%)	6 (0.5%)
	686	400	1086

What is your gender?

	Online	Telephone	Total
Male	416 (60.91%)	194 (48.5%)	610 (56.3%)
Female	248 (36.31%)	206 (51.5%)	454 (41.9%)
Other	2 (0.29%)	0	2 (0.18%)
Prefer not to say	17 (2.49%)	0	17 (1.5%)
	683	400	1083

Do you think the Government should provide more money to help deliver policing services in Cleveland?

	Online	Telephone	Total
Yes	638 (93.14%)	381 (95.25%)	1019 (93.9%)
No	47 (6.86%)	19 (4.75%)	66 (6.08%)
	685	400	1085

As the Government hasn't provided any real increases in funding for Policing in Cleveland would you:

	Online	Telephone	Total
Support increase	442 (66.37)	286 (71.5%)	728 (68.29%)
Prefer cuts	224 (33.63%)	114 (28.49%)	338 (31.7%)
	666	400	1066

Glossary

Band D council tax - This is the council tax payable on a Band D dwelling occupied as a main residence by two adults, before any reductions due to discounts, exemptions or council tax benefit. This definition is widely regarded as a benchmark when comparing council tax levels in different areas or over time.

Billing Authorities - Billing authorities are the authorities that are empowered to set and collect council taxes, and manage a Collection Fund, on behalf of themselves and other local authorities in their area.

Budget requirement – This is an amount calculated, in advance of each year, by each billing authority, by each major precepting authority and by each local precepting authority (primarily parish councils). It is broadly the authority's net revenue expenditure allowing for movement in reserves. It is therefore, the amount to be met from revenue support grant, redistributed non-domestic rates, principal formula police grant, GLA general grant and council tax.

Chargeable dwellings - Those domestic dwellings in an area for which council tax is payable. It excludes dwellings on the valuation list which are exempt from paying council tax. Each chargeable dwelling is counted as one dwelling, whether or not a full council tax bill is payable for it. The total number of chargeable dwellings in an area is the denominator used to calculate the average council tax per dwelling. In April 2013 council tax exemptions for short term empty properties and properties undergoing major structural repairs were abolished and replaced with a flexible discount rate for all empty properties. This change significantly increased the number of chargeable dwellings in England,

Collection Fund - The fund administered by a billing authority into which council taxes are paid, and from which payments were made to the general fund of billing and precepting authorities.

Council tax - This is a local charge (or charges) set by the billing authority in order to collect sufficient revenue to meet their demand on the collection fund and the precepts issued by the precepting authorities. It replaced the community charge on 1 April 1993 and is calculated based on the council tax band assigned to the dwelling. The Valuation Office Agency assesses the properties in each district area and assigns each dwelling to one of eight valuation bands; A to H. Council tax is set on the basis of the number of Band D equivalent properties. Tax levels for dwellings in other bands are set relative to the Band D baseline.

Council Tax Band - There are eight council tax bands, A to H. Each domestic dwelling is as-signed a council tax band by the Valuation Office Agency (VOA). Council tax bands are based on the value of the dwelling as at 1 April 1991. Any dwelling built after this date is given a notional 1991 value for council tax purposes.

Council Tax Freeze Grant – a scheme introduced in 2011-12 to pay a grant to local authorities that froze or reduced their council tax in that year. Further schemes have been offered to authorities that froze or reduced their council tax in subsequent years.

Council Tax Referendums - The Localism Act 2011 abolished central government capping and made provision for binding referendums to be held on excessive council tax increases. A referendum must be held where an authority's council tax increase is higher than the principles proposed annually by the Secretary of State and approved by the House of Commons.

Council tax requirement - This is an amount calculated, in advance of each year, by each billing authority and by each major precepting authority. It is the amount of revenue to be met from council tax, and is equivalent to an authority's Band D council tax multiplied by its council tax base.

Localisation of council tax support – From 1 April 2013 council tax benefit, the means of helping people on low incomes meet their council tax obligations, was replaced by new localised support schemes. This means that, at least for working age people, local councils are now free to design almost any scheme they wish to provide help with council tax.

Local precepting authority – parish / town councils, chairmen of parish meetings, charter trustees and the treasurers of the Inner and Middle Temples are all local precepting authorities. These local authorities make a precept on the billing authority's general fund.

Major precepting authority - These are county councils in two-tier areas, police and crime commissioners, fire and rescue authorities and the Greater London Authority. These local authorities make a precept on the billing authority's Collection Fund.

Precept - The amount of money (council tax) that a local or major precepting authority has instructed the billing authority to collect and pay over to it in order to finance its net expenditure.

Relevant basic amount of council tax – It is used as the basis for deciding if a referendum is required to approve or reject a local authority's level of council tax for the year.

Tax base - This is the number of Band D equivalent dwellings in a local authority area. To calculate the tax base for an area, the number of dwellings in each council tax band is reduced to take account of discounts and exemptions. The resulting figure for each band is then multiplied by its proportion relative to Band D (from 6/9 for Band A to 18/9 for Band H) and the total across all eight bands is calculated. An adjustment is then made for the collection rate. The tax base figure that is used by a local authority when it sets its council tax uses an adjustment for the collection rate, the actual discount for second homes and any premium applicable to empty homes.

Budget - A statement of an organisation's plans in financial terms. A budget is prepared and approved before the start of each financial year and is used to monitor actual expenditure throughout the year.

Government Grants - Assistance by government and inter-government agencies and similar bodies, whether local, national or international, in the form of cash or transfers of assets to an authority in return for past or future compliance with certain conditions relating to the activities of the authority.

National Non-Domestic Rate (NNDR) - The business rate in the pound is the same for all non-domestic ratepayers and is set annually by the government. Income from business rates goes into a central government pool that is then distributed according to resident population.

Police Grant - A grant paid by the government to Police and Crime Commissioners as a proportion of the Formula Spending Share or FSS.

Precept - The income which the Police and Crime Commissioner requires the District Council to raise from Council Tax on behalf of the Police and Crime Commissioner.

Revenue Support Grant (RSG) - General government grant support towards expenditure.