

## Cleveland Police and Crime Panel

A meeting of Cleveland Police and Crime Panel was held on Tuesday, 2nd February, 2021.

**Present:** Cllr Tony Riordan (Chair), Cllr Lee Cartwright, Cllr Barrie Cooper, Cllr Graham Cutler, Cllr Lynn Hall (Substitute for Cllr Stefan Houghton), Cllr Chris Jones, Paul McGrath, Cllr Steve Nelson, Mayor Andy Preston, Cllr Carl Quartermain, Luigi Salvati, Cllr Norma Stephenson OBE and Cllr Matthew Storey.

**Officers:** Julie Butcher, Gary Woods, Peter Bell, Nigel Hart, Michael Henderson, Sarah Whaley, Gareth Aungiers (Stockton-on-Tees Borough Council).

**Also in attendance:** Lisa Oldroyd (Acting Police and Crime Commissioner), Elise Pout, Rachelle Kipling, Hannah Smith, Michael Porter, Kimberly Walker (Commissioner's Office), Chief Constable Richard Lewis (Cleveland Police).

**Apologies:** Cllr Stefan Houghton.

### **PCP 46/20**      **Declarations of Interest**

In relation to item 8 (Precept Proposals) the legal adviser advised the Panel, following discussion with all authorities, that all members of the Panel either had a dispensation or their authority relied on government guidance that the matter did not give rise to a disclosable pecuniary interest and therefore all members could participate and vote on the item and did not need to declare individual interests as council tax payers.

### **PCP 47/20**      **Minutes**

Consideration was given to the minutes of the meetings held on 17 November 2020.

RESOLVED that the minutes of the meeting held on 17 November 2020 be agreed as a correct record.

### **PCP 48/20**      **Members' Questions to the Commissioner**

The following question had been submitted by Mayor Preston for response by the Acting PCC:-

"I support the PCC and Cleveland Police 100%. I want the public to play an active role in our force's ongoing improvement. Progress and collaboration requires the setting of easily understood targets that measure performance and success. I want to see our performance assessed vs forces with similar demographic profiles. What metrics and targets do you think we should adopt and readily share with the public?"

The Acting PCC responded with:-

"Thank you for your support of the OPCC and Cleveland Police. In terms of setting targets I'm currently stewarding the delivery of the Police and Crime Plan that was agreed by the Panel last year. As you eluded to specific targets, I'm

unable to set or issue a new Police and Crime Plan, this includes introducing new performance targets. This would be very much a matter for the newly elected PCC in the development of a new Police and Crime Plan. However, from a Force perspective performance is assessed against other similar Forces.”

The Chief Constable added:-

“There are a number of metrics that Cleveland Police were assessed by to ascertain how they were performing. Cleveland Police were also assessed by HMICFRS. I take Mayor Preston’s point about how we translate that to the public for the public to see how well the Force is performing. It is impossible to judge a Force just against just crime figures alone and whether the figures had gone up or down as some many other agencies are involved. I have had many constructive conversations with Mayor Preston over recent weeks about this very issue.

Following the HMICFRS PEEL Inspection Report that was published in September 2019 which reported that Cleveland Police were inadequate across all 3 areas of the inspection, HMICFRS have revisited Cleveland Police and undertaken an integrated vulnerability inspection ,the results which would be published over the next few weeks and this would tell Cleveland Police whether we are improving or not in the area of vulnerability.

Cleveland Police were seeing a drop in crime, but this was also reflected in similar Forces, this may be because of the COVID19 situation and for example burglaries had reduced which would probably be down to the fact that people were working from home. Cleveland Police had increased productivity, including large seizures of drugs, possession of illegal substances and offensive weapons. This was due to Cleveland Police being more proactive using powers such as “stop and search”. Cleveland Police have lots of regular meetings to check on their performance and are outperforming many other Forces.

At this point the public withdrew from the meeting while the Chief Constable gave details of an operational incident.

At this point the public returned to the meeting.

The following question had been submitted by Councillor Lee Cartwright for response by the Acting PCC:-

“I would like to ask if the Council are being charged for floor space in Hartlepool Police Station?”

The Acting PCC responded with:-

“In 2018 as part of the Community Safety Integration Project there was a licence agreed that the Council along with the Fire Service to move staff into the Police Station. This was expected to total around 35 full time equivalent officers. The first payment is expected in February this year as part of that agreement.”

The Chief Constable added:-

“There is a mechanism in which we can charge Hartlepool Council for that floorspace but we haven’t for the last 3 years and that is in the spirit of partnership working and that we are in this for the same reasons and it would seem foolish for us to charge the Council when we are working together.”

Councillor Lee Cartwright asked the following supplementary question:-

“Is it fair to say that we are indicating that if we continue to work in partnership that we won’t be charged? I ask this question as many Council staff are now working from home and may continue to do so, so we may not need the additional floorspace.”

The Acting PCC responded with:-

“We will come back to you in writing regarding this issue.”

The following question had been submitted by Councillor Lee Cartwright for response by the Acting PCC:-

“Is there future plans to reopen Hartlepool custody suite now the force has its new (70) officers? I believe this will drive down associated indirect police hours with travelling time to Middlesbrough and keep the allocation of Hartlepool officers in the town.”

The Acting PCC responded with:-

“This matter has been discussed with the Chief Constable and I understand that the Force are undertaking a review of the current situation with regard to Hartlepool Custody Suite, that is against operation plans and priorities.”

The Chief Constable added:-

“A report has been done and there are recommendations in there about what the future should be for Hartlepool. There will be significant costs attached to several of those proposals. This will be discussed with the Acting PCC over the next few weeks and then be shared with the Panel as a matter of urgency.”

**PCP  
49/20**

### **Commissioner’s Update**

Consideration was given to a report that provided an overview of the activity of the Acting Police and Crime Commissioner (PCC) since the last meeting held on 17 November 2020.

The report highlighted specific updates aligned to the priorities of the Police & Crime Plan, as agreed by the Panel in July 2020.

The report was considered in conjunction with progress detailed in the PCC Scrutiny and Decisions of the PCC reports. Collectively, these reports provided

progress in all areas of the Police & Crime Plan delivery.

The report covered the following key areas:-

COVID19

Investing in Our Police

A Better Deal for Victims and Witnesses

Tackling Offending and Reoffending

Working Together to make Cleveland Safer/Securing the Future of Our Communities

A member asked a question around the control room contact centre and if officers on light duties or amended duties were supporting call centre staff and if they receive additional training. In response it was noted that the specifics were not known as that was an operational issue for the Chief Constable however it was known that there was a mix of police staff and police officers operating in that environment.

A question was asked if additional funding be available to elected members to make bids for to use in their wards. It was noted by Members that there was a round 2 of funding that would be available, and this could be linked in with community safety partnerships. The criteria would be quite strict in that certain levels of crime were taking place in that area.

A member made a comment that front-line police officers should be vaccinated against COVID19 as one of the priority groups.

RESOLVED that the report be noted.

**PCP  
50/20**

### **Decisions of the Commissioner and Forward Plan**

Consideration was given to a report that provided an update on decisions made by the Police and Crime Commissioner (PCC) and the Forward Plan.

The Police and Crime Commissioner made all decisions unless specifically delegated within the Scheme of Consent/Delegation. All decisions demonstrated that they were soundly based on relevant information and that the decision-making process was open and transparent.

In addition, a forward plan was included and published on the PCC website which included items requiring a decision in the future. This was attached to the report.

Each decision made by the PCC was recorded on a decision record form with supporting background information appended. Once approved it was published on the PCC website.

Decisions relating to private/confidential matters would be recorded; although, it may be appropriate that full details were not published.

Decisions made since the last meeting of the Police and Crime Panel were attached to the report.

RESOLVED that the report be noted.

**PCP**      **Commissioner's Scrutiny Programme**

**51/20**

Consideration was given to a report that provided an update on the PCC's scrutiny programme.

Holding the Chief Constable to account was the key duty of the Police & Crime Commissioner and must encompass all the functions of the Chief Constable and functions of those who were under the Chief Constable's direction and control.

The PCC had a range of scrutiny approaches in place to engage with the Chief Constable and hold Cleveland Police to account. These take place on a daily, weekly and monthly schedule and include a range of meetings, data and feedback from partners and the public.

The processes would continue to develop and it had been made clear that there would be greater use of independent scrutiny approaches such as Internal Audit (Joint Independent Audit Committee), internal scrutiny panels such as the Out of Court Disposals, the Use of Force and Domestic Abuse Scrutiny Panels as well as identifying those services which would benefit from a wider multi agency scrutiny approach.

During 2020/21 the Cleveland Police Service Improvement Programme (SIP) continued to be a key feature of the scrutiny programme, where SIP programme control documents would be routinely reviewed, and progress tracked against the programme stage plan.

Members of the public were invited to submit questions to Chief Constable Richard Lewis for a special scrutiny session on the challenges facing Cleveland Police as they entered 2021. The Scrutiny Programme would be opened up to the public in order to seek their questions to put directly to Mr Lewis at a dedicated session which would be recorded and shared with the public.

During December/January the OPCC collated views from partner agencies across Cleveland who worked with vulnerable clients to gain a partnership insight as to how the Force was engaging with them and whether they felt improvements had been made in protecting vulnerable people, questions on this would be put to the Chief Constable at the Scrutiny, Delivery and Performance meeting in February.

Assurance would also be provided by linking the scrutiny programme to the various internal and external forums and on a quarterly basis. Wider scrutiny arrangements were also in place including (and not limited to):

- Ethics Committee

- Feedback from complaints
- Issues raised at community meetings and focus groups and consultation

Since the previous Police and Crime Panel meeting the following meetings had taken place:

- 2 November 2020
- 7 December 2020

The Acting PCC continues to monitor on a regular basis, the following:

- Force Control Room
- COVID
- The return of Sopra Steria
- Brexit Preparedness

The Acting PCC's Working Together meeting took place on:

- 9 December

In addition to the meetings above, the Commissioner continued to attend the following to complement the scrutiny programme:

- Daily review of the Control Room and Serious Incident Logs;
- Weekly accountability meetings with the Chief Constable;

A member raised an issue around IT capabilities and that because of the COVID19 situation, Councillors were being asked to use conference calling when having meetings with local police officers. It was felt that Teams and Zoom were a lot better medium for holding meetings. In response it was noted that updates were being sought as part of the National Enabling Programme, this would allow a full roll out of the Teams functionality across the Force. On the same point a member pointed out that there was a Task and Finish Group already looking at the communications of the Force so this issue could be included within that review. A member felt that consultation was another area that could be tied in with the communications review.

With regard to the surveys that were included within the report and the low take up, the OPCC had noted the low take up and felt that a lot of this was due to the COVID19 restriction that were in place and the fact that officers could no longer go door to door. This was now a key priority for Communications Strategy for the OPCC to drive forward and increase their digital capability and any other methods.

RESOLVED that the report be noted.

**PCP  
52/20**

### **Task and Finish Group - Budget Setting**

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 Cleveland Police and Crime Panel and the Police and Crime Commissioner.

The Group met on the 18 January 2021 to receive information about the Police and Crime Commissioner's overall budget strategy for 2021-2022. Discussion took place about funding and planning assumptions, total funding projections and funding pressures.

The Group reconvened on the 26th January 2021 to receive further updates from the Chief Finance Officer as well as input from the Acting Police and Crime Commissioner.

A final meeting of the Group took place on the 29th January 2021 to consider potential alternative options to the proposed 1.99% precept increase.

The report provided details of the evidence considered and questions that were raised for discussion prior to consideration of the proposals by the Police and Crime Panel on the 2nd February 2021, when the precept would be set for 2021-2022.

Key Findings and Conclusions were:

- Police settlement for 2021-2022 was a good one, though there was an expectation that certain elements had to be addressed within the 5.3% (£413.6m) core grant increase.
- However, the capital grant remains cash flat, and there would be a need to earmark some funding to support capital requirements around the maintenance of buildings, provision of equipment, etc.
- A significant deficit in Council Tax collections was expected due to the ongoing impact of the COVID-19 pandemic. Coupled with the lack of growth in the underlying tax base, this could lead to a deficit pressure against original plans of around £1.9m.
- Expected that the financial plans would balance based on a 1.99% increase in precept, and that future years would also balance (based on a number of assumptions that carry risk). A 1.99% (£5.19) precept increase (in line with previous plans) would equate to around 10p extra per week for a Band D property in 2021-2022.
- A £15 precept increase (maximum level without triggering a referendum) would equate to around 29p extra per week for a Band D property in 2021-2022 – this would provide £1.5m additional funding (in comparison to a 1.99% increase) to invest in additional policing services on a recurring basis.
- Pay awards could have a significant impact on expenditure – suggested figures noted for the next few years are indicative only as there was no firm information available.
- There were no significant levels of reserves available. Prudent not to go below 3% of Net Budget Requirement – projected to be 3.6% in 2021-2022, so no scope within reserves to provide additional support.
- Close to achieving the required Officer uplift in Cleveland (72) by March 2021. Expect the Government to continue funding the Officer uplift programme as it was a key aspect of their election manifesto.
- OPCC challenged this year in not being able to get out into the community to

ascertain what the public is thinking around funding for the Force. Only 181 responses to the online survey, with over 50% supporting an increase in the precept (of 1.99% or more), and around 20% supporting the maximum £15 increase.

- OPCC acknowledged the need to look at the way it conducted the consultation on the precept to ensure more robust representation from across the Cleveland area.
- The plan inherited by the Acting PCC was on the basis of a 1.99% precept increase for 2021-2022. Without having a currently elected PCC, the OPCC were trying to stick to the previous plan.
- Significant current demands on the Force, not just due to COVID-19 but also in response to the agreed actions following the 2019 HMICFRS report.

The Group concluded that Cleveland Police had made very good progress under the current Chief Constable and were keen to support the Force in meeting demand, as well as helping to ensure that service improvements were maintained and further strengthened. However, concerns remained as to the allocation of resources across the whole of Cleveland, in particular Hartlepool and East Cleveland. The Group strongly urge the Force to ensure, as far as possible, that any additional funding made available through a precept rise benefits all four Local Authority areas, and that the public can see tangible evidence of a return on their investment.

The recommendation from the Task and Finish Group to the Panel was therefore as follows:-

That the proposal of the Police and Crime Commissioner to set the Band D Police Element of the Council Tax within Cleveland for 2021-2022 at £265.73 (an increase of £5.19, or 1.99%, over the 2020-2021 level) should be endorsed.

## **PCP 53/20 Precept Proposals for 2021/22**

A report from the Acting Commissioner regarding the proposed precept for the financial year 2021/22 was considered by the Panel.

The Commissioner indicated that she had considered the following in making her proposal on the precept for 2021/22:-

- The plans that the Acting Commissioner was Stewarding through to the next PCC elections.
- The views of the public of Cleveland
- The financial impact on the people of Cleveland and the current financial environment.
- The financial needs of the organisation as currently projected both for 2021/22 and in the future.
- The limits imposed by the Government on a precept increase before a referendum would be triggered in Cleveland.

The Commissioner also indicated that she had discussed her proposals with the



Chief Constable and had engaged and consulted with the public on the options available to her.

The 2021-22 Police Finance Settlement was announced on 17 December 2020 in a written statement by the Policing Minister, Kit Malthouse.

Unlike last year, the Home Office had opted to do a provisional settlement rather than proceeding straight to final settlement in order to obtain feedback from stakeholders. The deadline for submissions to the provisional was 15 January.

This settlement followed the one-year SR and took place with a backdrop of severe economic difficulties due to the ongoing Coronavirus Pandemic as well as uncertainty around Brexit. GDP for the year was down 11.3%, the largest recession recorded.

Prior to the publication of settlement, the sector was expecting an additional £400m for the recruitment of 6,000 officers (towards the 20,000 total). Kit Malthouse confirmed that there would be an increase of £415m for PCCs to continue to recruit officers. The document went on to state that “to ensure...progress in recruitment is maintained, and to track the use of this investment efficiently, the Government will continue to ringfence £100 million of the additional funding”. This ring-fenced grant would be akin to the previous settlement grant of £168m and would be split according to funding formula allocation.

Part of this funding allocation would go to the recruitment of Regional Organised Crime Unit officers through the same mechanism.

Additionally, the sector was expecting last year’s Police Uplift Programme (PUP) funding (£700m) to be rolled into the baseline.

However, the Written Ministerial Statement stated that in total PCCs would get an increase of £703m assuming that the full precept flexibility was taken. As confirmed in SR2020, the council tax referendum principles would be £15 per PCC, which, assuming every PCC maximised the increase, meant an extra £288m for policing in 2021-22.

Furthermore more, PCCs would receive a portion of the £670m additional grant funding announced for the local council tax support as part of SR2020.

Given the recent publication of the 2020 spending review (published much later in the year than previous Spending Review’s), some of the settlement was already known. The headlines below build upon headlines from SR2020:

- Core Grant (including the PUP grant) increases from £7.8bn to £8.2bn, a difference of £413.6m an increase of 5.3%.
- £15 precept flexibility for all PCCs, or equivalent.
- 75% of council tax losses (due to Covid-19) to be compensated.
- £87.4m (8%) decrease in reallocations from £1.1bn in 2020-21 to £1.03bn in 2021-22.
- Flat cash pension grant allocations compared to 2020-21.

- Capital grant remains cash flat for PCCs at £12.3m
- £52.3m capital funding for national priorities and infrastructure

According to the statement, the Government expected the police to continue to build on the progress that had been made in terms of efficiency and productivity. The statement laid out three targets:

- Forces to recruit another 6,000 officers by the end of March 2022 (some of these officers are expected to go into Counter Terrorism Policing, ROCUs and the National Fraud Intelligence Bureau).
- £120m efficiency savings from across the law enforcement sector (reflected as part of this funding settlement). These are expected to be delivered through a combination of improved procurement practises as well as savings in areas such as estates, agile working and shared services. They were broken down as follows:
  - £95m against core grant
  - £8m against CT policing
  - £2.8m from the NCA
  - £14.2 programmes within reallocations.
  - High quality data should be collected and used to support local delivery, identify efficiencies and support the National Policing Board's drive to deliver the best possible outcomes within policing.

This mean for Cleveland in 2021/22:

- An increase in of Core Police Grant plus Police Uplift Grant of £4,961k or 5.3%
- This includes up to £1,199k from the ring-fenced grant for the officer uplift – linked to the recruitment of 70 additional FTE Police Officers by the end of March 2022.
- Police Pension Grant remains at £1,324k
- Capital Grant remains at only £138k
- A challenge to deliver £1,065k of savings and efficiencies during 2021/22, towards the £95m of savings that have been factored into the National Core Grant allocations.

Based on the precept being proposed, of £265.73 for a Band D property, then the overall impact on the Core funding for the organisation was set to increase by 4.5%, or nearly £6.5m.

All Police Force Areas had received the same Headline increase in Core funding of 5.3%. However, the increases in precept, in percentage terms, were determined by the current level.

If each PCC increased their precept by £15, combined with tax base assumptions, there would be an additional £288m of resources for policing from council tax alone. Due to historic differences in council tax, increases for individual PCCs range from 5.4% in Surrey to 10.8% in Northumbria. The unweighted average for all PCCs is 6.6%.

A £15 increase in Cleveland would have equated to an increase of 5.76%. This would be the fifth lowest percentage increase in England, which results from Cleveland having the fifth highest Policing Precept level in England and a current Precept level that was over 15% higher than the National average.

If each PCC took the £15 precept, the average band D police precept in England and Wales would be £240.92 (in Cleveland this would be £275.54) with an average of 38% (in Cleveland this would be 26% of total funding coming from council tax (including precept grant and legacy council tax support grants).

The funding position for 2022/23 would be set out and determined as part of the Spending Review that will be undertaken in 2021.

Given the expected financial challenges that were likely to result from the costs incurred during the pandemic then the assumptions within the revised MTFP was that Core Government Grant would be frozen for the next 2 years.

The plan did however assume that the Police Uplift Programme would continue to be fully funded to deliver the 20,000 National Uplift.

There were no references within the settlement to the Funding Formula and any review of this.

At the same time as reassessing the projections on Government Grant increases the 2021/22 MTFP also reflected on the financial landscape for future pay awards. The previous plan assumed that pay awards would be at 2.5% throughout the plan, which was in line with the pay award that was expected, and ultimately paid, in September 2020.

Since then the Government had indicated that it intended to freeze the majority of public sector pay for 2021-22. Exceptions apply to NHS doctors, nurses and others and those who earn less than £24,000 (who will receive a pay rise of at least £250).

The MTFP assumed that this was delivered in 2021/22 and thereafter assumed a gradual increase in pay awards as follows:

- 2022/23 – 1%
- 2023/24 – 1.5%
- 2024/25 – 2%

It was however important to recognise that neither the PCC nor the Chief Constable had any control over the level of pay awards. These were determined at a national level.

The impact of pay settlements that vary from those forecasted within the MTFP would have a significant impact on the finances of the organisation and would need to be closely monitored.

Based on these revised assumptions, and the information received and forecast around other areas of funding, then the entire funding expected to be available

for the next 4 years, in comparison to 2020/21.

To be able to receive the £1,199k specific grant that was included within these financial plans, for the additional Uplift of Police Officers, Cleveland would need to have recruited 142 additional FTEs, as part of the National Uplift programme, by the end of March 2022 and have at least 1,388 FTEs by this point (including 50 FTEs that are funded by a Specific Grant and working in the Historical Investigation Unit).

The PCC continued to challenge and fund the Chief Constable to recruit Police Officers more quickly than the national targets and had worked with the Force to develop plans that should deliver 1,453 FTE Police Officers within 2021/22.

If achieved this would mean that the Force would have delivered all the expected additional Uplift Police Officers, and slightly more, a year earlier than expected. It would also mean that the number of Police Officers within the Force would have increased by over 250 FTEs in 3 years, which was an increase of over 20%.

In addition to this the Force had been undertaking detailed analysis of their demand and assessing and quantifying the Police Officer resources to be able to meet the expected levels of demand within the Force. This resourcing level was expected to be achievable within the medium term of the financial plan, based on current assumptions and based on the proposed 1.99% increase in precept in 2021/22.

The Force was well positioned to deliver the Police Officer recruitment with expectations that it would start 2021/22 with around 40 FTE more Officers in Force than its National target.

This was clearly both a significant challenge and opportunity however the Force had done an excellent job in delivering against their Police Officer recruitment plans over the last 2 years.

While the focus of Operation Uplift was the increase in Police Officers there was recognition that 'just' funding the salary costs of the Officers won't be sufficient.

The national work that was overseeing this project were clear that to enable this to happen would require funding to support the following areas:

- It was estimated that 6,500 FTE staff would be required to enable initial recruitment and then deal with the extra work generated from having 20,000 additional officers.
- More Officers would require more capital expenditure in terms of vehicles, IT (laptops, phones, body worn video etc) and having 26,500 additional staff would require more estate.
- All of these capital assets would incur revenue running costs.
- More officers would require uniforms, they would work overtime and un-social hours, they would need training and would generate additional costs in areas such as custody and forensics, while also increasing general costs of 'doing business' and employing people, such as insurances.

The Force had assessed their needs within these areas and funds had been allocated within the Capital Programme to meet the additional IT equipment and the additional vehicles required for a larger Force, while the staff requirements had been assessed and posts created and funded to meet the additional demands here too.

Clearly a key area of focus of the Force would be the continued journey on their 'Towards 2025' improvement plan, addressing the 6 causes of concern raised by the HMICFRS and striving to deliver outstanding policing for the communities of Cleveland.

The Force would also continue to invest and develop many areas during 2021/22, many of which would be in line with the Minister's priorities identified in the last couple of years around IT and data quality.

The investment should then help to better understand demand, inform future ways of resourcing and working and really underpin the Towards 2025 journey.

To further inform the decision around the proposed precept for 2021/22 consultation had been undertaken with the public to ascertain their feedback and thoughts on this subject.

The consultation was conducted via an online survey and in total 181 responses were received via the open online survey. The open survey was published on the PCC website and promoted widely via social media. Regarding the quality / reach of the survey, the OPCC recognised that some work needed to be done in this area to increase participation.

The four local Councils had notified the Acting Commissioner of their tax bases for 2021/22 which totalled 156,110 Band D equivalent properties. This was a decrease of 8 Band D equivalent properties from 2020/21.

A reduction in the overall tax base was highly unusual and was completely unexpected. This had therefore had an impact on the finances of the organisation. This small reduction, versus an expected 1% increase, equates to an overall reduction in precept income of nearly £415k. This impact had however been compensated for by an increase in the Local Council Tax Support Grant of £1,395k from the Government.

This funding was expected to be a one-off grant as it was hoped/assumed that the Tax Base would recover over the next 2/3 years. The financial plans assume quicker tax base growth of 1.5% next year and then 1.25% in each of the next 2 years. This would however be dependent on many factors which were clearly outside of the control of the organisation

As expected, the biggest financial challenge, resulting from COVID-19, for the organisation was likely to materialise in 2021/22 with a likely recurring, but smaller impact in the years thereafter. The impact was expected to result from less Council Tax than planned to be collected during 2020/21 and a further impact on the overall tax base in future years in comparison to previous plans.

The Government recognised this challenge and had provided the flexibility to all billing and major precepting authorities (including police and fire authorities) to phase the deficit over a fixed period of three years.

- The phased amount would be the entire collection fund deficit for 2020-21 as estimated on the 15 January 2021 for council tax and in the 2021-22 NNDR1 for business rates.
- The deficit would be phased in three equal and fixed amounts across the financial years 2021-22, 2022-23 and 2023-24.
- The amounts to be paid off during 2021-22 will therefore be only 1/3rd of each authority's share of the estimated 2020-21 deficit.

The Councils had indicated an overall deficit on their collection funds, of which £1,325k related to Policing.

Of this overall deficit of £1,325k, there was a £142k deficit that related to years prior to 2020/21 and was therefore treated normally. Of the £1,182k deficit that related purely to 2020/21 this would be phased across 3 years in line with the changed legislation. This would result in a £394k charge in each of the next 3 years.

The precept calculation needed to take account of the net surplus and deficit on the billing authority collection funds. Projected surplus/deficits on the individual funds were shown within the report.

The deficit that had arisen needed to be returned through the precept. The final precept to be levied would reflect the position on each council's collection fund.

The precept calculations were set out within the report based on the proposed 1.99% increase.

The 'basic amount' of council tax was the rate for a Band D property. It was calculated by dividing the Council Tax Requirement by the total tax base i.e. £41,483,110 by 156,110 giving a council tax rate for Band D properties of £265.73.

The proposed council tax rate for each property band was determined in accordance with the statutory proportions and was set out within the report, it also showed the increases for each Band in comparison to 2020/21. It was advised that the tax rates should be calculated to more than 2 decimal places.

The proposal to increase the Police precept by 1.99% would increase a household council tax bill by 10 pence per week for a Band D property.

Although Band D was set by law as the benchmark for council tax calculations, Members were aware that only a small minority of properties in Cleveland fall into Band D or above. The majority, around 80%, were in Bands A-C, and in such properties, households would pay less than the Band D tax.

The impact of the proposal to increase the Police precept by 1.99% for a Band D property would, in the vast majority of cases, equate to an increase of 7-9p

per week in a household council tax bill.

In conclusion the Acting Commissioner had considered various options and various factors in deliberating on her proposal for precept in 2021/22. The Acting Commissioner had reflected on the financial plans that she was stewarding through in her role as Acting Commissioner and she had considered the needs for the continued delivery of Policing and Crime services within Cleveland. The Acting Commissioner had spoken with the Chief Constable and had consulted with the public. Based on these views and the financial needs of the organisation over the medium term the Acting Commissioner formally proposed a precept increase of 1.99% or £5.19 on a Band D property for 2021/22.

The option for an increase was supported by just over half of people who responded to the consultation on the proposed increase. This option should provide sufficient funding to underpin the financial needs of the organisation for 2021/22 and continue the accelerated recruitment of Police Officers into the Force, in comparison to the Governments timeframes, with 65 FTE more Police Officers being recruited by the end of 2021/22 than the Government were initially funding.

The proposed precept increase would enable the Acting Commissioner, amongst other things, to provide sufficient levels of funding to the Chief Constable to support the plans and structures that the Force had articulated to her that they need through their analysis of demand and to support the delivery of the Police and Crime Plan, this included all of the posts that the Chief Constable had indicated as required to provide the necessary support and resilience to address the concerns raised within the HMICFRS report.

To aid the Panel in considering the proposal on Precept the following were attached to the report:

- Draft Budget based on a 1.99% of £5.19 Precept Increase
- Draft Capital Budget

The Panel had already considered a report from its Task and Finish Group. 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 Acting Commissioner.

The Task and Finish Group supported the proposal of the Acting Commissioner to set the Band D Police Element of the Council Tax within Cleveland for 2021-2022 at £265.73 (an increase of £5.19, or 1.99%, over the 2020-2021 level).

Members considered the precept report regarding the Commissioner's proposal and following a vote the Panel concluded by agreeing unanimously that the proposal should be supported.

RESOLVED that the Panel supports the Commissioner's proposal to set the

Band D Police Element of the Council Tax within Cleveland for 2021/22 at £265.73. This is an increase of £5.19, or 1.99% over the 2020/21 level.

**PCP  
54/20**      **Public Questions**

Members were informed that there were no Public Questions.

**PCP  
55/20**      **Forward Plan**

Members were presented with the Forward Plan. It was noted that a special meeting of the Panel had been arranged for 4 March 2021 to consider an update on the HAT Programme. As there was quite a long gap before the meeting of the Panel that was scheduled for July 2021, the APCC agreed that further scrutiny work could take place at 4 March 2021 meeting.

The Chief Constable took the opportunity to thank Lisa Oldroyd as Acting PCC for her stewardship over recent months and for helping to stabilise Cleveland Police. This was echoed by members of the Panel.

RESOLVED that the Forward Plan be noted.

**PCP  
56/20**      **Minute's Silence**

The Panel held a minute's silence as a mark of respect for the recent passing of Captain Sir Tom Moore.