

## Council Tax Information 2019/20

### Introduction

I am your elected Police and Crime Commissioner for the Humberside Police Force area. This role includes setting the strategic direction for policing to reflect, as far as possible, the wishes of our communities. I do not lead or manage Humberside Police but hold the Chief Constable to account for delivering an effective and efficient police service. I also have a broader role of trying to improve community safety by working with partners beyond the police. In addition, I have responsibility for the provision of services to victims. I also have to set the level of precept, which is the money raised from Council Tax to supplement grants from central government, to pay for policing and my other responsibilities.

### My Police and Crime Plan

My Police and Crime Plan covering the period 2017 – 2021 was published in March 2017 and full details are available on my website:- [www.humberside-pcc.gov.uk](http://www.humberside-pcc.gov.uk).

The Plan sets out my vision, mission and values which provide the broad direction that I want us to take. Following consultation with key stakeholders, I identified three main aims:-

- To develop increasingly self-sustaining and safe communities in the Humber area;
- To build confidence in the agencies involved in creating safer communities and
- To provide services to victims and the most vulnerable that meet their needs.

Since the Comprehensive Spending Review in 2010, the police service along with other public sector organisations has faced significant financial pressures leading to substantial budget savings at a time when the service was facing increasing demands. Although policing was to some extent protected following announcements by the Government in 2015, top slicing of resources by the Home Office resulted in all PCCs receiving reductions in grant each year. In 2018, the Government confirmed that for 2018/19 all PCCs would receive the same amount of general grant as they had in 2017/18. For a number of years increases in precept had been limited to 2% for all PCCs other than those with the lowest precepts who could increase Council Tax by £5 each year. For 2018/19 however, Ministers indicated that only precepts of more than £12 for a Band D property would require a referendum and that they expected all PCCs to maximise the amount that could be raised from the Council Tax within this figure. This was incorporated into the Government's financial projections of the funding available for policing. After considering comments from the Police and Crime Panel, I set the precept for a Band D property in 2018/19 at £199.32. This represented an increase of £11.99 (6.40%) for a Band D property on the corresponding figure for the previous year.

I have spoken with and listened to members of the public before and since my election. They have been consistently very clear that they want to see more officers in the community. The budget proposals for 2018/19 together with a planned use of reserves enabled me to work with the Chief Constable to recruit significant numbers of extra police officers and I agreed to support proposals to increase the pace of that recruitment during the financial year.

Last year, Ministers indicated that the 2019/20 settlement would provide the same level of grant and that there would be an opportunity to raise the precept by a further £12. These assumptions were factored into our published medium term financial plans. When the Police Grant Report for 2019/20 was announced, Ministers recognised the need for the police to have the right capabilities and resources to respond to the changing nature of crime. They also acknowledged that demand pressures had increased with more resources having to be diverted to high harm crimes such as sexual exploitation and modern slavery. This followed strong lobbying from the service. The Minister also announced that the Government were doubling the flexibility on precept to allow increases of up to £24 for a Band D property. The Government have assumed that if all PCCs increase their precepts by the maximum, this together with an increase in grant would generate an additional £970m for policing. There are serious concerns however that more than 50% of this will come from local taxpayers through higher Council Tax. The situation in 2019/20 has been complicated by a requirement to pay for an unforeseen additional cost of police officer pensions. Although extra grant has been allocated to assist, £300k will have to be found locally toward the cost of this, in addition to the inflationary costs and other growth. Even with the maximum increase in precept therefore, the Force will still have to make savings and efficiencies totalling £2.7m to balance the budget. Having overseen a significant increase in police officer numbers and knowing that this is what the public want to see, whilst recognising that any increased cost is an additional burden on hard pressed families, I was not prepared to reverse the process that we have started and to see police officer numbers start to fall.

For that reason, and once again in line with Government assumptions, I have agreed a precept of £223.31 for 2019/20 for a Band D property, an increase of £23.99 per year (12.04%). 81.90% of houses in the Humberside Force area are in Bands A, B or C, and for taxpayers in those properties the amount will be less. The financial plans are based on assumptions of 1,900 police officers, 178 PCSOs and 1,130 police staff. They were unanimously supported by the Police and Crime Panel at its meeting on 5 February 2019 with the Panel indicating that it would be monitoring progress in achieving savings during 2019/20 in addition to receiving reports on staff numbers.

The Chief Constable and I once again give our assurance that we will do all that we can to deliver the outcomes set out in my Police and Crime Plan, including working with partners, and we will seek to ensure that you receive value for money for the resources invested in local policing and community safety.

**Keith Hunter**

## Money

Details of the budget plans for 2019/20 are set out below and show where the money comes from and how it will be spent. It also shows how much you will pay towards policing and community safety initiatives in the next financial year.

Gross Expenditure in 2019/20 is estimated to be £207.982m (£196.045m in 2018/19) with a Council Tax Requirement £60.488m (£53.079m in 2018/19). The Council Tax in 2019/20 reflects the precept increase and an increase in the taxbase of 4,391 Band D properties (1.65%) compared with 2018/19.

Where the money comes from	£'m 2018/19	£'m 2019/20	Where the money goes to	£'m 2018/19	£'m 2019/20
Police Grant	66.306	67.748	Police Officers	76.758	79.640
CLG Formula Funding	45.917	46.832	Police Staff	39.606	40.804
Council Tax	53.079	60.448	PCSO's	9.161	7.235
Council Tax Collection Fund Surplus	0.944	0.674	Police Officer Pensions	16.630	21730
Legacy Grants	10.041	10.041	Other Employee Costs	1.185	1.932
Pensions Grant	-	1.904	Premises	6.285	7.789
Income / Other Grants	9.543	12.401	Transport	2.015	2.081
Use of Reserves	9.137	6.860	Supplies and Services	8.670	9.370
Victims Services Grant	1.078	1.074	Other Services	4.455	5.183
			Special Constables	0.030	0.075
			Collaboration with Other Police Forces*	19.956	20.535
			Capital Financing Charges	4.646	5.933
			Community Safety Initiatives	5.570	4.601
			Victim Services Initiatives	1.078	1.074
<b>TOTAL</b>	<b>196.045</b>	<b>207.982</b>	<b>TOTAL</b>	<b>196.045</b>	<b>207.983</b>

When compiling the budget for 2018/19, it was assumed that the Government would maintain grant levels at a cash standstill and that the precept would be increased by just short of the maximum level of £12 for a Band D property. At that time, Ministers accepted that there was a need for certainty to aid longer term financial planning and they indicated that the same arrangements would apply in 2019/20. These assumptions were used in our financial plans at that time.

During the year a number of issues arose which led to the Government having to change its plans. In the autumn, changes to the level of employers' contributions in police officer pensions were identified. This was unanticipated by all forces including Humberside. As a result, an additional grant was approved and allocated to PCCs. This was announced at the same time as the Police Grant settlement for 2019/20 when the referendum limit in relation to precepts was increased from £12 to £24. The increase in grant for the PCC for Humberside in 2019/20 of £4.260m is made up of £1.904m pension grant and £2.356m in general grant. This needs to be compared with the actual level of extra pension costs which are estimated to be £4.571m for the Humberside Force. The increase in precept will therefore have to cover the excess costs on pensions in addition to the normal budget pressures including inflation, with provision for pay awards at 2% per annum, as well as servicing the extra demands upon the service. The precept proposals were supported by a Medium Term Resource Strategy (MTRS) covering the period 2019/20 – 2023/24 which incorporated the latest information from Government. It provides for updated estimates of spending, including the cost of capital to improve and maintain the estate. This incorporates the costs of the recently completed custody suite at Birchin Way in Grimsby and proposals to consolidate infrastructure at a site adjacent to the current facilities at Melton. These investments will provide opportunities for service improvements and efficiencies and further rationalisation of police buildings.

In return for the flexibility to have access to funding the Government expects continued savings and efficiencies to be delivered, improvements in investigative resources, improved productivity and smarter use of data as well as maintaining the response to serious and organised crime and national priorities.

It has long been recognised that addressing crime and community safety issues is not something that can be dealt with by the police alone and so the budget for 2019/20 includes provision which will allow me to continue to support local community safety partnerships, to help pay for substance misuse and other programmes and initiatives in addition to discharging my responsibilities in providing services to victims with support from the Ministry of Justice.

The conditions applied to Government support in 2018/19 included the need for greater transparency in respect of reserves. In response, I have reviewed my reserves strategy. The use of reserves over the period of our MTRS has been modelled. This showed that based on current assumptions, the total reserves held at 1 April 2019 which were estimated to be £19.819m are expected to fall to £6.349m by the end of 2023/24. This is a figure which is very close to what is regarded as the minimum level necessary to allow the organisation to continue to operate effectively.

## Capital Expenditure

In addition to the day to day expenditure above, a capital programme of £15.487m for 2019/20 has been approved. This will be financed principally from borrowing, after fully utilising the capital grant from the Home Office of £713k.

<b>Council Tax</b> The amount of Council Tax that you pay depends on your property band.			<b>People</b> Humberside Police has a workforce of 3,280 people performing a variety of functions made up of the following:-  Police Officers (FTE) 1,907 Police Staff (FTE) 1,149 Police Community Support Officers (PCSOs) 224  Special Constables (Headcount) 158 Cadets (Headcount) 78  <b>Volunteers</b> 137 volunteers are also engaged in supporting the activities of the Force.
Property Band	2018/19 £	2019/20 £	
A	132.88	148.87	
B	155.03	173.69	
C	177.17	198.50	
<b>D</b>	<b>199.32</b>	<b>223.31</b>	
E	243.61	272.93	
F	287.91	322.56	
G	332.20	372.18	
H	398.64	446.62	

<b>Further Information</b>	<b>Useful information</b>
<p>If after reading this document you require any further clarification of the information contained within it or you require a printed version then please contact:-</p> <p>John Bates FCPFA Deputy Chief Executive and Treasurer The Office of the Police and Crime Commissioner for Humberside The Lawns Harland Way Cottingham East Riding of Yorkshire HU16 5SN</p> <p>Tel: 01482 220785 Fax: 01482 220794 E-mail: <a href="mailto:pcc@humberside.pnn.police.uk">pcc@humberside.pnn.police.uk</a></p>	<p><b>Police and Crime Commissioner</b></p> <p>Web: <a href="http://www.humberside-pcc.gov.uk">www.humberside-pcc.gov.uk</a> Twitter: <a href="https://twitter.com/Humbersidepcc">@Humbersidepcc</a></p> <p><b>Humberside Police</b> Emergencies only: 999 Non- Emergency Number*: 101 *This number should be used to:-</p> <ul style="list-style-type: none"> <li>• Report a crime</li> <li>• For information and advice</li> <li>• To contact a member of your local neighbourhood policing team</li> </ul> <p>Web: <a href="http://www.humberside.police.uk">www.humberside.police.uk</a> Twitter: <a href="https://twitter.com/Humberbeat">@Humberbeat</a></p> <p><b>Crimestoppers</b></p> <p>Tel: 0800555111</p>