

ITEM 5



Office of the
**Police & Crime
Commissioner**
West Yorkshire

WEST YORKSHIRE POLICE AND CRIME PANEL

5 February 2021

PRECEPT PROPOSAL 2021/22

SUMMARY

This paper sets out for the Panel:

1. The legal requirements for notification of the precept proposal;
2. The provisional police grant settlement for 2021/22;
3. The medium term position;
4. The draft budget for 2021/22;
5. The funding strategy;
6. Precept options considered by the PCC;
7. The decision by the PCC;
8. The PCC's recommendation to the Panel.

1. LEGAL REQUIREMENTS FOR NOTIFICATION OF THE PRECEPT PROPOSAL

- 1.1 The Police and Crime Commissioner (PCC) is required under Schedule 5 of the Police Reform and Social Responsibility Act 2011 and associated regulations to notify the Police and Crime Panel of the proposed precept for 2021/22 by 1 February 2021.
- 1.2 The Panel must review the proposed precept by 8 February and make a report to the PCC.
- 1.3 The PCC must have regard to and give the Panel a response to their report. The Panel has a right to veto the proposed precept if at least two thirds of the Panel vote in favour of making that decision. Where this right is not exercised the PCC may issue the precept. If the Commissioner's proposal is vetoed by the Panel, a revised proposal must be notified to the Panel by 15 February.
- 1.4 The Panel must review the revised proposal and make a report to the PCC by 22 February. The PCC must respond to the report and issue his precept by 1 March.

- 1.5 Rejection by the Panel of the revised precept does not prevent the PCC issuing it as his precept for the forthcoming financial year.
- 1.6 The PCC has a statutory duty to set a balanced budget and calculate the Police Council Tax Requirement for the forthcoming financial year. The budget report including the statutory calculations will be considered by the PCC once the Panel has reached the end of its scrutiny process.

2. THE PROVISIONAL POLICE GRANT SETTLEMENT 2021/22

Key Points

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

Ahead of the 2021/22 Police Settlement, the Chancellor announced that Police and Crime Commissioners (PCCs) will be able to raise their council tax precepts by up to £15 (for Band D); this equates to between the lowest 5.4% (Surrey PCC) and highest 10.8% (Northumbria PCC). In West Yorkshire, this would represent 7.64% based on a £15 Band D increase. West Yorkshire is the third lowest Police Band D level in England and Wales.

The key points to note from the statement are:

- A national increase in Government grant for Policing to support the national Police Uplift Programme (6000 additional officers nationally for 2021/22)
- Precept referendum limit of £15 for PCCs
- An element of Local Council Tax Support grant will be paid direct to PCCs to mitigate the impact of a reduced tax base
- Grant to support 75% funding of 2020/21 Collection fund deficits (further detail to be provided by Ministry of Housing, Communities and Local Government on how this will be determined)
- Confirmation for continuing Pension Grant at a flat rate
- Flat capital grant allocation for PCC - £0.45m for West Yorkshire
- The maintenance of police officer number targets
- Continued significant top slices from local budgets to fund national programmes
- There is a decrease in these reallocations (top slices) for national programmes and services, albeit the value is still over £1bn, as shown in the table below:

Police Funding	2021/22 (£m)	2020/21 (£m)
Total Reallocations (top slice) and adjustments, made up of:	1,033.5	1,120.9
PFI	71.6	72.8
Police technology programmes (including the Emergency Services Mobile Communication Programme)	484.7	498.4
Arm's length bodies (HMICFRS, College of Policing, IPCC)	70.5	73.1
Police Uplift Programme	14.5	16.5
Strengthening the response to Organised Crime	146.3	140
Counter Terrorism	32.5	32.4
National Operational Policing Units (including football policing and wildlife crime)	2.9	2.9
Top Ups to NCA and ROCUs (as of 2021/22 this is only top ups to ROCUs)	4.9	56.8
National Capability Programmes	38.7	47
Special Grant	54.8	80.9
Forensics	25.6	28.6
Pre-charge bail	2	2
Serious Violence	38.9	38.9
PRUM (Transition from EU systems)	-	2
HO STAR (Science, Technology and Research)	-	8
Blue Light Commercial	5	3.7
Police Now	7	7
Safer Streets Fund	20	10
Science Technology and Research	5.2	-
International Crime Coordination Centre	5	-
National Policing Capabilities (NPCC)	3.2	-

- Capping criteria was set so that all Police and Crime Commissioners are able to increase the band D equivalent charge by up to £15 a year without triggering a local referendum and it is assumed in the overall Government headline figure for Policing. West Yorkshire remains the 3rd lowest Police Council Tax in England and Wales. See Appendix E.

2.2 Core Funding

	2021/22 £m	2020/21 £m
DCLG/Formula Funding	146.9	139.2
Home Office Police Grant	199.1	186.4
Uplift Grant	4.3	7.2
Total Formula Funding	350.3	332.8
Pensions Grant	5.1	5.1
CT Freeze Grant	16.7	16.7
Total Central Funding	372.1	354.6

2.3 Localised Council Tax Support and Legacy Council Tax Freeze Grant

Payment of localised council tax support and legacy council tax freeze grant is now funded through the Home Office. West Yorkshire's allocation for 2021/22 is **£16.69m**, which is in line in cash terms with the 2020/21 allocation. At this stage we do not know if the legacy council tax freeze grant will be built into the core grant in future years which adds uncertainty.

2.4 Additional Precept Related Grants

The Local Government settlement announcement included two specific funding streams relating to council tax income which will impact on PCCs in England: a 75% income guarantee for irrecoverable losses in local tax income in 2020/21, and a £670m grant for local council tax support pressures in 2021/22 and beyond. The final irrecoverable losses, against which the 75% guarantee applies, will be determined based on outturn data provided by billing authorities after the end of the financial year. To date we have received early indications of the value from four of the five West Yorkshire Billing Authorities.

2.5 The 2021/22 budget includes the Community Safety Fund (CSF), the grant for which was £5.292m in 2013/14 (base line). The PCC has agreed to continue to ring-fence and passport the CSF to local government partners for an additional year continuing his strong commitment to partnership working and joint working through each of the Community Safety Partnerships in each Council district.

Other Grants

2.6 Counter Terrorism Specific Grant

Allocations to Counter Terrorism units will be announced further into the year by Government, but will not be made public. Funding will be reduced £960m to £914m overall nationally.

2.7 Capital Grant

The capital budget provisional settlement is £0.45m which in line with 2020/21, is a 74% cut from 2019/20. This is a continuation of the reduced level of funding for capital which again requires use of phased reserves to help continue to transform the organisation, making it fit for the future.

3. MEDIUM TERM POSITION

The Financial Context

3.1 The Medium Term Financial Forecast presented today shows a balanced position for 2021/22 following the use of £0.9m of revenue reserves and using the £15 precept flexibility. The position for future years, if the significant saving plans in place are met, are as follows:

- 2022/23 £16.6m shortfall
- 2023/24 £20.6m shortfall
- 2024/25 £24m shortfall

Operational Context and Workforce Planning

3.2 The 2021/22 budget is based upon the following numbers at 31 March 2022:

	Officers	Police Staff	PCSOs	Total:
Total FTEs	5,569	3,861	566	9,996
National or Regional Commitments including, NECTU, Regional Crime NPAS, Regional Scientific Support, VIPER and national firearms.	350	841	0	1,246
WY core availability	5,219	3,020	566	8,750

West Yorkshire Police have appointed 301 new student officers this financial year to date and there are plans to appoint a further 132 before the end of March 2021. In addition West Yorkshire Police have appointed 23 transferees since 1 April 2020 and a further 9 are to be appointed by the end of January. This takes the total number of new police officers appointed in 2020/21 to 465 a **net increase of 201 officers** once all retirees and leavers are taken into account (**in addition to the 240 officers that were over-profile as at the 31st March 2020.**)

PCSO recruitment has paused during the year due to the funding position with the anticipated year end position being 539.

The 2021/22 proposed budget allows **additional budgeted posts for West Yorkshire** as at 31/3/2022 of:

- 196 Officers (net) (311 were included in 20/21)
- 73 Police Staff
- Building back the non-partner funded PCSO establishment

The Medium Term Financial Forecast has been prepared alongside current workforce planning. The continuing Programme of Change initiatives also feed into the workforce plan and may result in the re-assessment of the workforce mix going forward to meet the outcomes and priorities included in the Police and Crime Plan.

Workforce planning includes predicting police officer leavers of each rank, PCSO and police staff leavers, workforce modernisation plans and recruitment plans, including probationers and transferees. The national uplift programme is also factored in. Other variables that may impact on the recruitment strategy continue to be monitored i.e. career breaks, and secondee returns.

3.3 Early work on West Yorkshire Police's Force Management Statement 3 (FMS3) outlines a number of positive achievements of West Yorkshire Police over the last 12 months including a reduction in calls for service and improved performance around 101, reductions in total crime, improvements in outcome rates, improvements in victim satisfaction and a stable trend for public confidence. West Yorkshire Police is seen in a positive light by HMICFRS and increased growth over the last few years has been invested in key areas of threat, harm and risk. However, FMS3 also finds that there remains some significant challenges facing West Yorkshire Police set within the context of significant reductions in the police budget over the last ten years, increasing financial pressures over the next few years and increasing complexity of policing demand outlined in the table below:

Responding to the Public	West Yorkshire Police has higher levels of demand and also attends a higher proportion of incidents than similar forces. Calls for service are now stable, however this is not necessarily translating into less demand for Districts as the volume of incident attendance is stable, meaning that rates of attendance are actually increasing.
Anti-Social Behaviour (ASB)	ASB is a key concern for communities and presents high volume demand for West Yorkshire Police. ASB had been on a reducing/stable trend although the 12 months to September 2020 saw an 11% increase, with 50,000 incidents reported. West Yorkshire Police is also second highest in the MSG for perceptions of ASB, although satisfaction is improving. The strong focus on neighbourhood policing and early action given investment over the last few years aims to achieve long term demand and harm reduction through effective problem solving.
Total Crime	Total crime per 1,000 population has been falling in West

	<p>Yorkshire over the last two years and although events as a consequence of COVID19 gave these reductions a further impetus, the long term reductions pre-date COVID19. Good reductions have been achieved in most crime types including burglary, vehicle crime, robbery, sexual offences and violent crime. West Yorkshire Police now has the second highest crime rate nationally, which is an improvement on previous years and is also within the context of West Yorkshire Police being graded as “Outstanding” by HMICFRS for crime recording. Whilst volume may be reducing in traditional crime areas, it is however, becoming increasingly complex and nationally there is a reported shift to virtual crimes such as cyber-crime and fraud. In addition, serious and organised crime and safeguarding still present significant threats to West Yorkshire Police.</p>
Cyber Crime	<p>Nationally the nature and scale of both cyber-enabled and cyber-dependent crime is still not fully understood. However both are predicted to increase given the exponential growth in technology, which is facilitating a broad range of organised crime such as fraud, drugs and online CSEA. ‘Crime-as-a Service’, is enabling technically less adept criminals to hire or purchase the tools to commit cyber-crime. FMS3 predicts an increase in cyber-crime over the next four years.</p>
Fraud/ Economic Crime	<p>Collectively fraud and cyber-crime are estimated to account for around 44% of all crime nationally, although it is acknowledged that fraud is significantly under reported, with an estimated 15% of offences reported and even less in the private sector. In particular FMS3 predicts that online fraud will increase and highlights the link between fraud and vulnerability with young people being used as ‘money mules’ for money laundering and elderly people being befriended and coerced into giving/lending monies. Money laundering remains a cross cutting threat area relied upon to facilitate all serious and organised crime and is therefore an ongoing threat.</p>
Investigative Demand	<p>Whilst reductions in total crime, mean that the volume of investigative demand is reducing, the growth in technology is leading to more complex crime investigations with most investigations having some digital footprint. FMS3 predicts that this complexity will continue given the shift in crime to the virtual sphere and that West Yorkshire Police does not have sufficient capacity and capability to meet this growing demand.</p>
Domestic Abuse	<p>Improved recording, victim confidence and better identification of vulnerability by officers has resulted in a significant increase in domestic abuse incidents over the past five years. Whilst the last 12 months have shown a stable trend (with around 65,000 reported domestic incidents) the proportion that result in a crime being recorded is increasing (63% in 2017 compared to 79% in 2020), which clearly has implications for officer workload. The Domestic Abuse Bill will create a statutory definition of</p>

	<p>domestic abuse which could widen what is included as an offence. The appointment of a Domestic Abuse Commissioner is likely to increase focus on this area and the introduction of new powers, whilst providing real opportunities for policing, will also create more demand. Of concern is that in around 30% of incidents a child is present, which is a recognised Adverse Childhood Experience (ACE) and the ACE most likely to lead to a future violent offence.</p>
Child Sexual Exploitation and Abuse	<p>CSEA remains a key risk for West Yorkshire Police. Whilst offences have stabilised over the last 12 months (and stand at 6,200 offences) this is an area of hidden demand and it is likely that offences will continue to increase. Non-recent offences still account for 30% of offences and are predicted to rise. West Yorkshire Police currently has 47 non-recent investigations which are complex and protracted and have required the abstraction of already stretched safeguarding resources.</p>
Mental Health	<p>Demand associated with mental ill health has increased significantly over the last five years and currently stands at around 25,000 incidents. In line with all other forces, a “one day snapshot” of demand was undertaken which suggested only a third of all mental health incidents were recorded. Mental health cuts across the full range of policing functions from contact (initial calls for service), neighbourhood policing/response (responding to incidents), investigations (victims/offenders with mental health issues), criminal justice/offender management (as many offenders have at least one mental health issue) and Learning and Organisational Development (ensuring officers and staff have good awareness of mental health issues). FMS3 predicts a continuing increase in mental health incidents. In addition to volume there continues to be insufficient beds/specialist beds and lack of capacity within partnerships, leaving policing to deal with the consequences of this area of vulnerability.</p>
Adult Safeguarding	<p>HMICFRS describe Adult Safeguarding as the ‘Poor Relation’ as less focus is given to this, given competing areas of safeguarding demand. Understanding of the scale and threat around adults at risk is limited however, trends would suggest that Adult Safeguarding crime/demand will increase, as the elderly population are growing at the fastest rate and nationally it is expected that 2.8 million people aged over 65 will be in need of nursing and social care by 2025. The potential for neglect and crimes against elderly people is therefore increasing and as more consistent processes and structures are put in place, it is likely that more demand will be identified.</p>
Modern Slavery/Human Trafficking (MSHT)	<p>There has been a slowing down of the rate of increase in relation to MSHT, although it is recognised nationally that the true scale of the threat remains unknown. Criminal Exploitation has now overtaken forced labour as the most common exploitation type and has clear connections with drugs (cannabis grows and county lines). FMS3 predicts</p>

	almost a 13% increase in MSHT offences in the next four years and although numbers are not huge, investigations are complex and time consuming.
Missing Persons	Over the last two years missing persons have been on a downward trend. Whilst volume is reducing, risk levels are increasing with almost 82% graded as high or medium risk, compared to 72% three years ago. For children there are a number of vulnerabilities, including almost 40% being 'looked after' and 16% at risk of CSE (these are also risk factors for child criminal exploitation). For adults there are links with mental health, which is a particular risk for men over 40 who are more at risk of suicide.
Criminal Justice and Integrated Offender Management (IOM)	Significant criminal justice reform is/will create significant demand for policing and in particular around investigations and disclosure. The revised Attorney General Guidelines on Disclosure and Criminal Procedure and Investigations Act will increase demand around disclosure and file build. Other areas such as Digital Case File, Two Way Interface and the strong focus on rape and serious offences, both nationally and locally is impacting on demand. COVID19 has had a particular impact on criminal justice in terms of backlogs on magistrates and crown court, witness care and custody policies/processes. The joint inspection of IOM by HMICFRS and HMI Prisons, found that IOM has 'lost its way' and West Yorkshire Police's internal review has found a fragmented and inconsistent approach across Districts.
Serious and Organised Crime	Serious and organised crime (SOC) presents a significant threat in West Yorkshire and it is predicted that most areas will increase. West Yorkshire Police has been an early adopter of SOC Systems Tasking which allows West Yorkshire Police to map serious and organised crime threats across individuals, locations, vulnerabilities and groups to develop a richer picture of the threat. Drugs is the most prominent activity of Organised Crime Groups (OCGs), followed by county lines and there are strong connections between drugs, gangs, violent crime and vulnerability. Whilst the numbers of firearms discharges has reduced and is low compared to similar forces, there is a connection between firearms and OCGs and offences can therefore be unpredictable given the nature of the threat.
Violent Crime	Most serious violence, knife crime and robbery have all reduced over the last 12 months given the strong investment in Violence Reduction Units, which has included 'surge funding'. However, this funding is temporary in nature and it is recognised that a whole systems/public health approach is needed to reduce violent crime long term, particularly given its links to gangs and serious and organised crime.
Organised Exploitation of	Organised Exploitation of Vulnerable People is illustrative of the complex interplay between gangs, most serious

Children and Vulnerable Adults and County Lines	violence and vulnerability manifested in county lines and criminal exploitation. County lines is now the second most prominent activity of OCGs and criminal exploitation is the most common exploitation type in MSHT. A number of Regional Pilots will be developing the approach to TOEX (Tackling Organised Exploitation) to join the dots between organised crime, violence and vulnerability.
National Threats (SPR)	SPR threats are predicted to increase. The threat level for terrorism has increased to Severe with increasing threat from the extreme right wing and online radicalisation. Intelligence, investigations and prevent referrals are also increasing. The Public Order Threat Assessment identifies key threats from the extreme right wing, however there is also the threat of counter protest from the extreme left wing and Extinction Rebellion. Civil emergency threats such as cyber-attacks, severe weather and seasonal flu are now threats which require active management.
COVID19	FMS3 has included narrative about COVID19 for each area of demand. Overall, during the initial lockdown period (March to June) crime reduced by 18.1% (compared to 20.5% nationally) and immediately after the lockdown crime started to increase (though the long term reductions in crime pre-pandemic were maintained). Demand on 999 and priority calls reduced but online increased. Some areas of demand did increase during the lockdown including drug offences (as dealers were more visible in communities) fraud and cyber-crime. There are also a number of potential threats that may come to fruition later down the line such as online CSEA (as more children and potentially offenders spent more time on-line), child neglect/abuse (as children spent more time at home and were less visible to professionals) and domestic abuse (calls to refuge increased by 80% in June 2020 and access to sheltered accommodation increased by 54%). There are also longer term socio-economic implications associated with COVID, which may lead to an increase in crime and demand, particular in those areas of multiple disadvantage which already have higher levels of crime and harm. COVID is also likely to worsen mental health. ONS figures report that the number of people with depression has doubled with almost one in five experiencing symptoms.

- 3.4 The longer term position needs to ensure that the West Yorkshire Police operating model remains fit for purpose for the future, so that the Force has the capacity and capability to deal with the growing and changing operational challenges highlighted above. This includes the role that technology is having as an enabler of crime and the impact this then has on investigative capabilities, the complex relationship between serious and organised crime, violent crime and vulnerability (organised exploitation of vulnerable people) and the connection/interdependency between many areas of vulnerability.
- 3.5 Policing is operating in a complex environment in which civil emergency threats such as cyber-attacks, severe weather and flu/pandemic all require

active management with partners concurrently and there is also a need to take into account our responsibilities under the Strategic Policing Requirement (which covers organised crime, public order, civil contingencies, terrorism, CSEA and a major cyber incident).

3.6 The above threats and risks are reflected in the budget through increased resources being allocated to:

- **Neighbourhood Policing Teams** - HMICFRS assess West Yorkshire Police (WYP) as 'Good' for preventing crime. Investment in Neighbourhood Policing over the last two years has strengthened the Neighbourhood Policing model and enabled WYP to focus more on problem solving and community engagement. However, the Neighbourhood Policing preventive model is threatened due to financial pressures on policing and Local Authority partners (e.g. PCSO funding and prevention/early action programmes) in addition to the time lag that new student officers can be deployed to the front line because of the length of time spent in the new national training and qualification framework.
- **Digital Forensics Investment (DFU)** – investment in this area is ensuring West Yorkshire Police improves its capacity and capability to respond to the changing nature of crime/investigations. The DFU backlog is reducing as staffing has increased in this area, but this still remains a huge challenge in building the appropriate investigative skills and capacity, in order to achieve better criminal justice outcomes for victims of crime.
- **Critical Communications Infrastructure** - Investment in Digital Policing recognises the importance of digital transformation to improve the efficiency and effectiveness of policing and enables the Force to better respond to the large number of local and national digital programmes. Some of our critical communications infrastructure has now reached end of life or is not compatible with upcoming national digital programmes (for example the Emergency Services Network rollout) and therefore requires replacement. In addition, there is also an opportunity to further improve the way the Customer Contact Environment manages demand with the introduction of a Customer Relationship Management system (CRM) by providing a more informed and personalised response to incoming calls from the public and increasing public satisfaction.
- Other key demand pressure areas that will see increased investment are safeguarding teams, forensics and specialist collision investigations

3.8 In addition to this investment the PCC will continue to set aside £5.2m of key additional funding for community safety projects with our CSP partners in each of the five districts covering areas such as preventing anti-social behaviour, road safety and domestic violence amongst others.

4. DRAFT BUDGET 2021/22

4.1 The Medium Term Financial Forecast includes the following main assumptions/pressures:

- Increase in Government funding assumed at flat grant for 2021/22 (not including uplift funding) and beyond
- Pay inflation assumed at 0% from 2021/22, although includes the full year effect of September 2020 2.5% increase with 2% each year thereafter, in line with other forces
- Precept has been included as £15 on the Band D for 2021/22 then £5 on the Band D thereafter subject to CSR precept flexibility guidelines
- Non-pay inflation included at 1% for 2021/22 and 2% thereafter
- There remains uncertainty around the impact of EU Exit in terms of operational, interest rates, exchange rates and inflation impact but continues to be monitored

4.2 While the budget balances in the short term there are significant savings required to achieve this and a very uncertain funding landscape beyond 2021/22.

Savings on both pay and non pay items have been built into the 2021/22 budget, including police staff pay, overtime and allowances, transport and travel, estates, and savings that are anticipated through ongoing Programme of Change reviews.

In addition a comprehensive savings programme has been running since July 2020 that has enabled significant savings to be made within almost all districts and departments.

At this point it is unclear what the settlement will be for Policing in the next Comprehensive Spending Review (CSR). Significant work is being undertaken to highlight the pressures on Policing, but additional funding is by no means guaranteed.

It is still intended that there will be a funding formula change impacting the allocation of Police Grant to PCCs, this adds to the uncertain position on the medium to long term funding, given that around 72% of funding in West Yorkshire is made up of core police grant on which we are heavily reliant.

4.3 Referendum Limit

Capping criteria enables all PCCs to raise the policing element of local taxation to increase the Band D equivalent charge by £15. The PCC intends to use the precept flexibility to increase the Band D equivalent charge by £15 (7.64%) to invest in and sustain key front line policing services. Within West Yorkshire, around 71% of Council Tax payers are in bands A, B and C which in reality will mean a less than 29 pence per week increase for most Council Tax Payers.

Our budget Survey currently shows that 80% of respondents across West Yorkshire would support a police council tax increase of £15. The detailed results of the survey are shown at **Appendix A**.

The survey commenced on the 23rd of December and closed on the 16th of January 2021. Due to current COVID19 restrictions, the survey was entirely completed online.

5. FUNDING STRATEGY

Reserves and Balances

- 5.1 An analysis of the reserves position is set out at **Appendix B**.
- 5.2 The focus of the financial strategy is on sustainability and affordability. Whilst again an element of revenue reserves (£0.9m) will be used to fund spending plans, this is to further ensure the “front-line” numbers do not reduce further while organisational transformation continues that will reduce costs in future years.

The Reserves Strategy reflects significant investment in transformation over the short to medium term with reserves held for risk, in line with the CIPFA 2014 guidance, and PFI costs only by the end of financial year 2024/25. If the Home Office capital funding position does not change for the next CSR period (currently it is £0.45m per year) this strategy will need to be revisited to ensure that there is sufficient funding to continue to refresh vital digital capabilities that help to maximise front line visibility and efficiency.

The current level of general balances is around 2.5% of the net revenue budget.

- 5.3 The Chief Constable of West Yorkshire Police continues to implement the Programme of Change to help transform the organisation and achieve the required savings and meet the challenging and changing policing requirements in West Yorkshire. Work on digital transformation continues with enhancements to the handheld devices, further ensuring an improved central IT operating system, and platform capability. Investment to enhance digital forensic capability is crucial and will be a significant area of growth for West Yorkshire Police in the coming years.
- 5.4 The investment in the future of policing and community safety is of paramount importance to all of us as we have faced unprecedented cuts and austerity in recent years of around £140m or 30% in real terms between 2010 and 2020, as we work towards the shared vision of making sure West Yorkshire is safe and feels safe.

6. PRECEPT OPTIONS CONSIDERED BY THE PCC

6.1 Two options have been considered by the PCC in relation to the precept:

- 1) Increasing the Police Precept by £15 on the Band D equivalent to exercise the up to £15 flexibility given to all PCCs for 2021/22
- 2) Increasing the Police Precept by 4.99% (£9.79)

Key to the discussions was the consideration of future demands on West Yorkshire Police, feedback from the public budget survey and the uncertainty that remains over funding for West Yorkshire in the medium to long term, set out within this report.

The PCC continues to work closely with partners to look at how we can work better together to make the best use of available resources and continue to provide improved community safety outcomes and sustainable policing services to the people of West Yorkshire with Neighbourhood Policing at its core.

6.2 Budget Survey

The PCC has recently undertaken a 'Budget Survey' to gain views from members of the public around policing. The survey results provide a clear indication on the part of the majority of respondents that they support the PCC in raising the band D equivalent of the policing element of Council Tax by £15 (29p per week) to provide vital investment into West Yorkshire Police. **80% of respondents said they would be prepared to increase their contribution on the proposal set out.**

6.3 The results are shown at **Appendix A** and summarised by band below:

Q: Respondents' Council Tax Band	% of all respondents	No. of respondents	% supporting precept increase
A	15%	281	81%
B	13%	241	76%
C	16%	303	82%
D	23%	434	80%
E	9%	162	81%
F	5%	86	85%
G	3%	50	84%
H	1%	13	85%
Don't know / not specified	15%	283	79%
<i>Total</i>	100%	1853	80%

6.4 A £15 increase would take the Band D police council tax for 2021/22 to £211.28 a year. Approximately 61% of households in West Yorkshire are in Bands A and B, and would pay £140.85 and £164.32 a year

respectively, an increase of approximately 19 pence per week for band A, 22 pence per week for band B and 29 pence per week for band D.

7. DECISION BY THE PCC

7.1 Relevant considerations for the PCC in making his decision included:

- Police and Crime Plan consultation feedback
- Operational resilience
- Public views obtained from the Budget Survey
- The impact on frontline policing and the potential for recruitment of police officers in 2021/22 and beyond
- The impact on council taxpayers
- Future financial health, including the adequacy and utilisation of reserves and balances
- The robustness of financial and organisational management processes in place
- Savings made to date and the capacity for future savings
- The uncertainty of future funding for the change in pensions costs
- The uncertainty of funding in the next Comprehensive Spending Review (CSR)
- The uncertainty of the outcome to a change in the police funding formula which accounts for around 72% of the West Yorkshire budget

7.2 The PCC was conscious of the current level of the police council tax which is the third lowest in England and Wales, the current difficult economic climate facing the public, and the longer term requirement to make significant additional savings in the budget.

7.3 Continuing the recruitment of police officers and specialist staff, protecting the current number of non-partner funded PCSOs to support the frontline as far as possible are priorities for the PCC, they were his election pledges and require a sustainable source of revenue funding underpinned by the Special Constables and police volunteers strategy going forward.

This has been a challenge given the current economic climate and ongoing impact of COVID19, and the PCC is acutely aware of the potential financial impact on individuals within the community, but also takes note of the wider public views and feedback who see policing as a priority with a majority (80%) supporting the level of increase proposed.

The PCC feels that, despite personal impacts in communities, maintaining and rebuilding core front line operational resilience is imperative in order to keep the communities of West Yorkshire safe and feeling safe and this view is supported by the majority of the survey respondents and other key stakeholders in protecting key police staff jobs.

- 7.4 The PCC has therefore decided to support Option 1, and the MTFF and summary movement statement from 2020/21 to 2021/22 are attached at **Appendices C and D**.
- 7.5 The PCC notifies the Panel of his intention to increase the police precept by £15 on Band D. Each 1% on the police precept generates around £1.28m based on the 2021/22 tax base and would be built into the base budget going forward to provide more certainty around resources.
- 7.6 The PCC's proposal would result in a budget of £501.289m. Alongside the savings made through the Programme of Change, this will allow non partner-funded **PCSO numbers to be built back at 566** and recruitment of an additional 251 officers.

8. RECOMMENDATIONS

- 8.1 **The PCC recommends that the Panel agrees his proposed Police precept figure of £138m which would result in an increase to the police council tax of £8m.**

This would increase the council tax for band D households from £196.28 to £211.28. However, approximately 61% of households in West Yorkshire are in Bands A and B, which would increase from £130.85 to £140.85 and from £152.66 to £164.32 respectively per year.

The proposed increase in police precept would amount to less than £15 per annum for most households in West Yorkshire, an increase of less than 29 pence per week, to help secure extra investment into front-line policing.

Appendices:

- A Budget Survey Results.
- B Reserves and Balances.
- C Medium Term Financial Forecast
- D Movement Statement 2020/21 to 2021/22
- E Chart showing Band D Police Precept levels in England and Wales
- F Operational Benefit of the Investments