

ORIGINATOR: CHIEF EXECUTIVE AND CFO

DECISION NUMBER: 9 - 2024

REASON FOR SUBMISSION: FOR DECISION

SUBMITTED TO: POLICE AND CRIME COMMISSIONER

SUBJECT: PRECEPT LEVEL AND COUNCIL TAX REQUIREMENT 2024/25

SUMMARY:

1. This paper provides for a decision on the precept level and council tax requirement for 2024/25 following consideration of the Police and Crime Commissioner's proposal by the Police and Crime Panel on 26 January 2024.
2. This paper also provides for the PCC's response to the report from the Police and Crime Panel upon the PCC's proposed precept.

RECOMMENDATIONS:

It is recommended that:

1. The PCC issues this decision report in response to the Police and Crime Panel's report on the proposed precept.
2. The PCC notes the council tax requirement and issues the 2024/25 precept summarised in Appendix 1 – Option 2.

APPROVAL BY: PCC

The recommendation set out above is agreed.

Signature:



Date: 14 February 2024

DETAIL OF THE SUBMISSION

1. INTRODUCTION

- 1.1 On 12 January 2024 the Police and Crime Commissioner (PCC) considered the draft Medium Term Financial Plan 2024/25 to 2027/28 and approved the recommendations contained therein (Decision 1-2024).
- 1.2 The PCC also considered and approved the recommendations contained in a paper which explained the steps that had been taken in determining his proposed precept level and council tax requirement for 2024/25 (Decision 3-2024). The two recommendations are set out below.
- 1.3 On 12 January 2024 the PCC agreed that:
- (i) The Police and Crime Panel are notified of the PCC's proposal to increase the precept by £12.96 for a Band D property in 2024/25;
 - (ii) This proposal is submitted to the Police and Crime Panel for consideration at its meeting on 26 January 2024.

2. POLICE AND CRIME PANEL MEETING

- 2.1 Eleven members of the Panel were present at the meeting of the Police and Crime Panel held on 26 January 2024. In reviewing the proposed precept, following the PCC's response to several questions from the Panel, the Panel supported the PCC's proposal to increase the precept by £12.96 (4.9%) for a Band D property in 2024/25 (10 votes in favour, 1 against).
- 2.2 A copy of the Panel's written report on the PCC's precept proposal is attached to this paper at Appendix 2.
- 2.3 In addition to supporting the PCC's proposal to increase the precept by £12.96 (4.9%) for a Band D property, the Panel also made the following recommendations:
- i) that the PCC consider the use of reserves to deliver further savings and service improvements;
 - ii) that, once the comments from the PCC's precept survey have been analysed, a summary of responses will be provided to the Panel; and
 - iii) that an item be added to a future Panel workshop agenda to consider the PCC and Constabulary's risk registers.

3. RECOMMENDATIONS FOR DECISION

- 3.1 Accordingly, as a consequence of the PCC's precept proposal and the Police and Crime Panel's response, it is recommended that the PCC:

- (i) Issues this decision report in response to the Police and Crime Panel's report on the proposed precept and notes the recommendations made within the Police and Crime Panel's report;
- (ii) Notes the council tax requirement and issues the 2024/25 precept summarised in Appendix 1 – Option 2.

4. FINANCIAL IMPLICATIONS

- 4.1 The financial implications of the decision are as set out in Appendix 1.

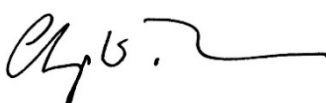
5. OTHER IMPLICATIONS AND RISK

- 5.1 There are no other implications and risks outside of those presented in this report.

ORIGINATOR CHECKLIST (MUST BE COMPLETED)	PLEASE STATE 'YES' OR 'NO'
Has legal advice been sought on this submission?	NO
Has the PCC's Chief Finance Officer been consulted?	YES
Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?	YES
Have human resource implications been considered?	YES
Is the recommendation consistent with the objectives in the Police and Crime Plan?	YES
Has consultation been undertaken with people or agencies likely to be affected by the recommendation?	YES
Has communications advice been sought on areas of likely media interest and how they might be managed?	YES
Have all relevant ethical factors been taken into consideration in developing this submission?	YES

In relation to the above, please ensure that all relevant issues have been highlighted in the 'other implications and risks' section of the submission.

APPROVAL TO SUBMIT TO THE DECISION-MAKER

<p>Chief Executive</p> <p>I am satisfied that relevant advice has been taken into account in the preparation of the report and that this is an appropriate request to be submitted to the PCC.</p> <p>Signature:  Date: 14 February 2024</p>
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Option 1 – 3.8% (£9.99) council tax increase

SUFFOLK MEDIUM TERM FINANCIAL PLAN – 4-YEAR OVERVIEW

	2024/25	2025/26	2026/27	2027/28	Note
	£000	£000	£000	£000	
REVENUE FUNDING					
Core Grant	(82,448)	(82,448)	(82,448)	(82,448)	
Legacy Council Tax Grants	(6,786)	(6,786)	(6,786)	(6,786)	
Precept Income	(72,961)	(74,764)	(77,003)	(79,329)	1
TOTAL FUNDING	(162,195)	(163,999)	(166,237)	(168,563)	
BASE REVENUE BUDGET INCLUDING INFLATION					
Constabulary Revenue Budget before savings	175,759	179,589	182,838	186,525	2
PCC Corporate Budget	1,040	1,040	1,040	1,040	
PCC Commissioning Budget	2,529	2,529	2,529	2,529	
Revenue Funding of Capital, Minimum Revenue Provision and Interest	3,642	3,642	3,642	3,642	
Total Revenue Income including Specific Grants	(20,255)	(19,273)	(19,349)	(19,426)	
NET REVENUE BUDGET BEFORE KNOWN CHANGES AND SAVINGS	162,715	167,528	170,701	174,311	
REVENUE DEFICIT BEFORE KNOWN CHANGES	520	3,529	4,463	5,747	
Known/ Expected Changes	3,311	4,075	4,485	3,400	
Planned Use of Reserves	(1,710)	(2,721)	(2,714)	(1,774)	
REVENUE DEFICIT BEFORE SAVINGS	2,122	4,884	6,235	7,374	
Change Programme Savings	(1,331)	(1,331)	(1,331)	(1,331)	
Total Cumulative Impact of Savings	(1,331)	(1,331)	(1,331)	(1,331)	
DEFICIT AFTER SAVINGS	791	3,553	4,904	6,043	
SAVINGS TO BE IDENTIFIED	(791)	(3,553)	(4,904)	(6,043)	
REVENUE DEFICIT/ (SURPLUS)	-	-	-	-	

Notes: 1. 3.8% (£9.99) precept increase in 2024/25, 2% thereafter; 1.22% increase in CT base in 2024/25 and 1% in following years; 2. Excludes capital

Option 2 – 4.9% (£12.96) council tax increase

SUFFOLK MEDIUM TERM FINANCIAL PLAN – 4-YEAR OVERVIEW

	2024/25	2025/26	2026/27	2027/28	Note
	£000	£000	£000	£000	
REVENUE FUNDING					
Core Grant	(82,448)	(82,448)	(82,448)	(82,448)	
Legacy Council Tax Grants	(6,786)	(6,786)	(6,786)	(6,786)	
Precept Income	(73,751)	(75,587)	(77,859)	(80,193)	1
TOTAL FUNDING	(162,986)	(164,822)	(167,093)	(169,427)	
BASE REVENUE BUDGET INCLUDING INFLATION					
Constabulary Revenue Budget before savings	175,759	179,589	182,838	186,525	2
PCC Corporate Budget	1,040	1,040	1,040	1,040	
PCC Commissioning Budget	2,529	2,529	2,529	2,529	
Revenue Funding of Capital, Minimum Revenue Provision and Interest	3,642	3,642	3,642	3,642	
Total Revenue Income including Specific Grants	(20,255)	(19,273)	(19,349)	(19,426)	
NET REVENUE BUDGET BEFORE KNOWN CHANGES AND SAVINGS	162,715	167,528	170,701	174,310	
REVENUE (SURPLUS)/ DEFICIT BEFORE KNOWN CHANGES	(271)	2,706	3,608	4,883	
Known/ Expected Changes	3,311	4,075	4,485	3,400	
Planned Use of Reserves	(1,710)	(2,721)	(2,714)	(1,774)	
REVENUE DEFICIT BEFORE SAVINGS	1,331	4,060	5,379	6,509	
Change Programme Savings	(1,331)	(1,331)	(1,331)	(1,331)	
Total Cumulative Impact of Savings	(1,331)	(1,331)	(1,331)	(1,331)	
REVENUE DEFICIT AFTER SAVINGS	-	2,729	4,048	5,178	
SAVINGS TO BE IDENTIFIED	-	(2,729)	(4,048)	(5,178)	
REVENUE DEFICIT/ (SURPLUS)	-	-	-	-	

Notes:

1. 4.9% (£12.96) precept increase in 2024/25, 2% thereafter; 1.22% increase in CT base in 2024/25 and 1% thereafter; 2. Excludes capital

Council Tax and Budget Options 2024/25

	Option 1 £9.99	Option 2 £12.96
Options for Percentage Increase in Council Tax Bills:	3.80398%	4.93489%
2024/25 Recommended Budget Summary:	£-p	£-p
Operational Costs before Savings	173,190,114.68	173,190,114.68
Specific Grants (excluding Council Tax Freeze Grants)	(14,117,543.00)	(14,117,543.00)
New savings from 2024/25	(1,331,000.00)	(1,331,000.00)
(Savings to be Identified)/ Surplus to be Invested	(790,184.74)	(0.00)
Known Changes	1,316,000.00	1,316,000.00
Revenue Funding of Capital	5,637,338.35	5,637,338.35
Appropriations to Reserves	(1,710,849.80)	(1,710,239.40)
Total Budget	162,193,875.48	162,984,670.62
Budget financed by:		
Police Grant	55,047,156.00	55,047,156.00
Ex-DCLG Formula Funding	27,401,286.00	27,401,286.00
Council Tax Freeze Grant (for no precept increase in 2011/12)	1,030,300.00	1,030,300.00
Council Tax Freeze Grant (for no precept increase in 2012/13)	0.00	0.00
Council Tax Freeze Grant (for no precept increase in 2013/14)	430,720.00	430,720.00
Council Tax Freeze Grant (for no precept increase in 2014/15)	433,830.00	433,830.00
Council Tax Freeze Grant (for no precept increase in 2015/16)	0.00	0.00
Collection Fund Surplus	374,245.00	374,245.00
CT Support Funding Allocation	4,890,930.00	4,890,930.00
Council Tax Requirement (based on 266,261 tax base)	72,585,408.48	73,376,203.62
	162,193,875.48	162,984,670.62

Council Tax Bands 2024/25	Option 1 £9.99		Option 2 £12.96	
	Rate £	Annual Increase £	Rate £	Annual Increase £
A	181.74	6.66	183.72	8.64
B	212.03	7.77	214.34	10.08
C	242.32	8.88	244.96	11.52
D	272.61	9.99	275.58	12.96
E	333.19	12.21	336.82	15.84
F	393.77	14.43	398.06	18.72
G	454.35	16.65	459.30	21.60
H	545.22	19.98	551.16	25.92



Suffolk Police and Crime Panel Outcomes of Consideration of the Police and Crime Commissioner's Proposed Policing Precept for 2024/25

1. On 26 January 2024 the Suffolk Police and Crime Panel considered a recommendation of the Police and Crime Commissioner (PCC) for Suffolk regarding the proposed precept level and Council Tax requirement for 2024/25 for policing in Suffolk.
2. The agenda and papers for the meeting are available on the [Suffolk County Council website](#).
3. On 14 December 2023, the Home Office published the [Provisional Police Grant report 2024 to 2025 for England and Wales](#). This set out the total money going into policing for 2024/25, and how much each individual PCC was likely to receive. For 2024/25 the Home Office also gave PCCs in England the flexibility to increase local funding by setting a maximum £13 precept increase for a typical 'Band D' property.
4. 11 members of the Panel were present at the meeting. The PCC was accompanied by his Chief Executive and Monitoring Officer, Head of Communications and Engagement and Chief Finance Officer. Suffolk Constabulary's Chief Constable was also present.
5. The Panel reviewed the PCC's detailed precept report and the associated Medium Term Financial Plan (MTFP) 2024/25 to 2027/28, which included his proposal to increase the precept by **£12.96 (4.9%)** per annum for a 'Band D' property.
6. The PCC's decision papers in this regard are available on the [PCC's website](#), decision references [1-2024](#) and [3-2024](#).
7. The MTFP was prepared following notification of the provisional 2024/25 settlements from the Home Office and in conjunction with a range of assumptions summarised within the report.
8. The Panel noted that two options had been considered by the PCC in determining the precept. The detail and rationale for each option are set out in the PCC's decision papers referred to above.
9. In summary, Option 1 (an increase of £9.99 [3.80%] per annum) would result in the Constabulary incurring a budget deficit of £0.8m in 2024/25. Option 2 (an increase of £12.96 [4.9%] per annum) would result in the Constabulary delivering a balanced budget in 2024/25. However, further savings of £5.2m would need to be identified in the period 2024/25 to 2027/28 to achieve a balanced budget over the MTFP period.
10. In introducing his report, the PCC outlined the rationale behind his decision to recommend an increase of 4.9% (£12.96pa) in the policing element of the

Council Tax, and the need to address challenges faced by Suffolk being the fourth lowest funded force per resident in the country. Despite Suffolk being one of the safest counties, the force needed to maintain an efficient and effective presence to reduce and solve crime, keep public order and keep Suffolk safe, and not lose sight of the evolving pattern of crime in the county. He advised that Suffolk being a largely rural county brought additional challenges.

11. The PCC outlined the planned savings programme and the need to save around £5m across the life of the MTFP based on the assumptions of no further increase in government funding, and continued delay in the expected review of the funding formula. There were also some unavoidable costs over the life of the MTFP, including £360,000 on the refresh of the national ICT scheme, increases of up to 70% on College of Policing fees, and ISO accreditation for digital forensics. Uncertainty around future interest rates and the geopolitical situation also affected budgeting.
12. Finally, the PCC expressed his regret at having to propose an increase in the policing precept, and acknowledged the challenges faced by those on lower incomes. However, during difficult economic times it was even more important to address crime levels, as escalating crime would be likely to disproportionately impact those on lower incomes.
13. The Panel received an update from members of the PCC's staff on his [survey](#) to capture the views of Suffolk residents on the proposal for the precept increase. The survey had been open for responses between 3 and 25 January 2024 and asked: "*As a council tax payer in Suffolk, do you agree with my proposal to increase the policing element of the council tax for 2024/25 by 25p a week [for a Band D property]?*". There had been over 1,500 responses to the survey, 59% of which supported the proposal.
14. Members questioned the PCC on his proposals, expressing concern at the cost-of-living pressures that householders were facing. The PCC responded that he took this extremely seriously, and would prefer not to propose any increase in the precept. However, government had only increased funding to the force by 2.1% for 2024/25, whilst inflation would continue to exceed that and demand on the police would continue to increase. The benefits system would help those most in need, and the PCC could best support those people by doing what was necessary to ensure that crime rates did not increase, as well as through his grant schemes, partnership working and the Constabulary's new local policing operating model.
15. The Panel requested detail of the £1.33m of savings which were planned during 2024/25 in order to balance the budget, and asked whether these included further savings through collaboration with Norfolk Constabulary. The PCC responded that the savings would be found from a number of areas, including not replacing staff leavers where this would not affect front line services, and further collaboration opportunities.
16. Turning to reserves, members asked why there was no planned expenditure against earmarked reserves for the period of the MTFP, and whether consideration had been given to use of these reserves in the short term to generate efficiencies. The PCC responded that as these reserves were

earmarked for specific purposes he would not wish to see these contingency sums reduced.

17. Members asked the PCC about his and the force's Risk Registers, and in particular managing the risks around inflation and pay increases, as well as other strategic risks. The PCC outlined the main risks considered when setting the MTFP, which included major projects, future funding, supply chain difficulties and inflation.
18. In response to a question on how the proposed increase in precept would deliver value for money, the PCC advised that the increase would largely enable the Constabulary to maintain current standards, and prevent having to use officers on work which could be undertaken by civilians. The increase in police numbers also needed to be supported, and training would take time.
19. The Panel expressed frustration on behalf of the PCC around the government funding formula for policing, and Suffolk's low funding position, which had not improved despite significant lobbying by the PCC. When asked what else could be done to alleviate the position, the PCC gave examples of areas where the Constabulary could gain additional income, however these too would require the agreement of central government.
20. Members questioned the PCC on a number of other matters including the assumptions used in planning the MTFP, slippage in the capital programme, the recent HMICFRS (His Majesty's Inspectorate of Constabulary and Fire & Rescue Services) report on Suffolk Constabulary, the projects which had been funded from previous precept increases, and the potential to increase the reach of the PCC's annual precept survey.
21. The Chief Constable was also present at the meeting, and gave additional context to members' questions on areas including her new local policing operating model, improvements in the control room and progress on the implementation of the "Right Care, Right Person" model.
22. In conclusion, the Panel understood that the government's funding settlement assumed full use of the maximum allowable £13 increase in the precept. Whilst it was clear that people were suffering from the cost-of-living crisis, those in most need would be protected from the increase by council tax reduction schemes. Additionally, any reduction in police resource and subsequent increase in crime levels would be likely to make that situation worse, and indeed disproportionately affect the more vulnerable sectors of society. Finally, not to agree the precept would mean the PCC and the Constabulary would not be in a position to balance the police budget, a situation which would not be acceptable.
23. Members thanked the PCC for his attendance, and Suffolk Constabulary for the continued excellent level of service delivered to the residents of Suffolk against a difficult background of increasing demand on the service, and continued financial pressures.

The Decisions of the Panel

Following consideration of the information provided, the Panel:

- a) **supported** the PCC's proposal to increase the policing precept by £12.96 (4.9%) per annum in 2024/25 (10 votes in favour and 1 against).
- b) **agreed** that the Panel Chair would make a formal report on behalf of the Panel on the PCC's precept, by the statutory deadline of 8 February 2024; and
- c) made the following **recommendations**:
 - i) that the PCC consider the use of reserves to deliver further savings and service improvements;
 - ii) that, once the comments from the PCC's precept survey have been analysed, a summary of responses received be provided to the Panel; and
 - iii) that an item be added to a future Panel workshop agenda to consider the PCC's and the Constabulary's Risk Registers.

A copy of this report will be uploaded onto the County Council's [website](#).



Councillor Sarah Mansel

Chair of the Suffolk Police and Crime Panel

26 January 2024