

ORIGINATOR: CHIEF EXECUTIVE AND T/CFO

DECISION NUMBER: 6 - 2022

REASON FOR SUBMISSION: FOR DECISION

SUBMITTED TO: POLICE AND CRIME COMMISSIONER

SUBJECT: PRECEPT LEVEL AND COUNCIL TAX REQUIREMENT 2022/23

SUMMARY:

- 1 This paper provides for a decision on the precept level and council tax requirement for 2022/23 following consideration of the Police and Crime Commissioner's proposal by the Police and Crime Panel on 28 January 2022.

RECOMMENDATION:

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 2022/23 precept summarised in Appendix 1 – Option 2.

APPROVAL BY POLICE AND CRIME COMMISSIONER:

The recommendation set out above is agreed.



Signature:

Date: 03.02.2022

DETAIL OF THE SUBMISSION

1. INTRODUCTION

- 1.1 On 17 January 2022 the Police and Crime Commissioner (PCC) considered the draft Medium Term Financial Plan 2022/23 to 2025/26 and approved the recommendations contained therein (Decision 3-2022).
- 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 2022/23 (Decision 4-2022). The two recommendations are set out below.
- 1.3 On 17 January 2022 the PCC agreed that:
 - (i) The Police and Crime Panel are notified of the PCC's proposal to increase the precept by £9.99 for a Band D property in 2022/23;
 - (ii) This proposal is submitted to the Police and Crime Panel for consideration at its meeting on 28 January 2022.

2. POLICE AND CRIME PANEL MEETING

- 2.1 In reviewing the proposed precept, following the PCC's response to a number of questions from the Panel, the Panel supported the PCC's proposal to increase the precept by £9.99 (4.2%) for a Band D property in 2022/23 (9 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.

3. AMENDMENT TO COUNCIL TAX FUNDING

- 3.1 Following the Police and Crime Panel, further information has been received in respect of the tax base, resulting in an increase of £15k in council tax funding for 2022/23. Appendix 1 includes the amended funding levels for options 1 and 2.

4. RECOMMENDATION FOR DECISION

- 4.1 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;
 - (ii) Notes the council tax requirement and issues the 2022/23 precept summarised in Appendix 1 – Option 2.

ORIGINATOR CHECKLIST (MUST BE COMPLETED)	PLEASE STATE 'YES' OR 'NO'
Has legal advice been sought on this submission?	YES
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

Chief Executive

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.



Signature:

Date: 03.02.2022

Option 1 – 2% (£4.68) council tax increase

SUFFOLK MEDIUM TERM FINANCIAL PLAN – 4-YEAR OVERVIEW

	2022/23	2023/24	2024/25	2025/26	Note
	£000	£000	£000	£000	
REVENUE FUNDING					
Home Office Grant	(77,549)	(78,450)	(79,801)	(79,801)	
Legacy Council Tax Grants	(6,786)	(6,786)	(6,786)	(6,786)	
Precept Income	(63,891)	(64,525)	(66,601)	(68,612)	1
TOTAL FUNDING	(148,226)	(149,761)	(153,188)	(155,199)	
BASE REVENUE BUDGET INCLUDING INFLATION					
Constabulary Revenue Budget before Savings	147,701	151,334	154,400	157,498	2
PCC Corporate Budget	875	875	875	875	
PCC Commissioning Budget	2,067	2,067	2,067	2,067	
Revenue Funding of Capital, Minimum Revenue Provision and Interest	3,610	3,610	3,610	3,610	
Total Revenue Income including Specific Grants	(11,442)	(10,309)	(10,377)	(10,444)	
NET REVENUE BUDGET BEFORE KNOWN CHANGES AND SAVINGS	142,811	147,577	150,575	153,606	
REVENUE (SURPLUS) / DEFICIT BEFORE KNOWN CHANGES	(5,415)	(2,184)	(2,613)	(1,593)	
Known/ Expected Changes	6,203	7,487	9,799	8,723	
Planned (Use of)/ Contribution to Reserves	1,213	(1,624)	(2,413)	(1,299)	
REVENUE DEFICIT BEFORE SAVINGS	2,001	3,680	4,773	5,831	
Change Programme Savings	(2,001)	(2,507)	(2,507)	(2,507)	
Total Cumulative Impact of Savings	(2,001)	(2,507)	(2,507)	(2,507)	
REVENUE (SURPLUS)/ DEFICIT AFTER SAVINGS	-	1,173	2,266	3,324	
SURPLUS/ (SAVINGS TO BE IDENTIFIED)	-	(1,173)	(2,266)	(3,324)	
REVENUE DEFICIT/ (SURPLUS)	-	-	-	-	

Notes:

1. Annual 2% precept increase; 2.9% increase in CT base in 2021/22 and 1% in following years; 2. Excludes capital.

Option 2 – 4.2% (£9.99) council tax increase

SUFFOLK MEDIUM TERM FINANCIAL PLAN – 4-YEAR OVERVIEW

	2022/23	2023/24	2024/25	2025/26	Note
	£000	£000	£000	£000	
REVENUE FUNDING					
Home Office Grant	(77,549)	(78,450)	(79,801)	(79,801)	
Legacy Council Tax Grants	(6,786)	(6,786)	(6,786)	(6,786)	
Precept Income	(65,266)	(65,961)	(68,100)	(70,150)	1
TOTAL FUNDING	(149,601)	(151,197)	(154,687)	(156,737)	
BASE REVENUE BUDGET INCLUDING INFLATION					
Constabulary Revenue Budget before Savings	147,701	151,334	154,400	157,498	2
PCC Corporate Budget	875	875	875	875	
PCC Commissioning Budget	2,067	2,067	2,067	2,067	
Revenue Funding of Capital, Minimum Revenue Provision and Interest	3,610	3,610	3,610	3,610	
Total Revenue Income including Specific Grants	(11,442)	(10,309)	(10,377)	(10,444)	
NET REVENUE BUDGET BEFORE KNOWN CHANGES AND SAVINGS	142,811	147,577	150,575	153,606	
REVENUE SURPLUS BEFORE KNOWN CHANGES	(6,790)	(3,621)	(4,112)	(3,131)	
Known/ Expected Changes	7,578	8,862	11,174	10,098	
Planned (Use of)/ Contribution to Reserves	1,213	(1,624)	(2,413)	(1,299)	
REVENUE DEFICIT BEFORE SAVINGS	2,001	3,618	4,649	5,668	
Change Programme Savings	(2,001)	(2,507)	(2,507)	(2,507)	
Total Cumulative Impact of Savings	(2,001)	(2,507)	(2,507)	(2,507)	
REVENUE (SURPLUS)/ DEFICIT AFTER SAVINGS	-	1,111	2,142	3,161	
SURPLUS/ (SAVINGS TO BE IDENTIFIED)	-	(1,111)	(2,142)	(3,161)	
REVENUE DEFICIT/ (SURPLUS)	-	-	-	-	

Notes:

1. 4.2% (£9.99) precept increase in 2022/23, 2% thereafter; 2.9% increase in CT base in 2022/23 and 1% thereafter; 2. Excludes capital.

Council Tax and Budget Options 2022/23

	Option 1	Option 2
Options for Percentage Increase in Council Tax Bills:	1.96895%	4.20295%
2022/23 Recommended Budget Summary:	£-p	£-p
Operational Costs before Savings	145,999,275.20	145,999,275.20
Specific Grants (excluding Council Tax Freeze Grants)	(6,798,584.00)	(6,798,584.00)
New savings from 2022/23	(2,001,000.00)	(2,001,000.00)
(Savings to be Identified)/ Surplus to be Invested	-	-
Known Changes	4,754,631.00	6,129,631.00
Revenue Funding of Capital	5,058,972.00	5,058,972.00
Appropriations to Reserves	1,212,143.46	1,212,870.05
Total Budget	148,225,437.66	149,601,164.25
Budget financed by:		
Police Grant	50,147,874.00	50,147,874.00
Ex-DCLG Formula Funding	27,401,286.00	27,401,286.00
Operation Uplift Grant	-	-
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)	-	-
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)	-	-
Collection Fund Surplus	1,096,740.00	1,096,740.00
CT Support Funding Allocation	4,890,930.00	4,890,930.00
Council Tax Requirement (based on 259,082 tax base)	62,793,757.66	64,169,484.25
	148,225,437.66	149,601,164.25

	Option 1		Option 2	
	Rate £	Annual Increase £	Rate £	Annual Increase £
Council Tax Bands 2022/23				
A	161.58	3.12	165.12	6.66
B	188.51	3.64	192.64	7.77
C	215.44	4.16	220.16	8.88
D	242.37	4.68	247.68	9.99
E	296.23	5.72	302.72	12.21
F	350.09	6.76	357.76	14.43
G	403.95	7.80	412.80	16.65
H	484.74	9.36	495.36	19.98