

Gwent Police
and Crime Panel

Panel Heddlu
α Throseddu Gwent

REPORT ON THE GWENT POLICE AND CRIME COMMISSIONER'S PROPOSED PRECEPT FOR 2021/22

Background

This report is made in accordance with the Gwent Police and Crime Panel's statutory duty contained in Paragraph 3(2), Schedule 5 of the Police Reform and Social Responsibility Act 2011.

Review of Proposed Precept

The Gwent Police and Crime Commissioner notified the Panel on 22nd January 2021 of his proposed Police and Crime Budget and Precept for 2021/22.

The Panel considered a detailed report outlining the proposed precept for 2021/22 at their meeting held remotely on Microsoft Teams on 29th January 2021. A copy of the report is available on the Panel's website www.Gwentpcp.org.uk

The following Members of the Panel were present:

Mrs Gillian Howells, Chair (Co-opted Member)
Councillor Colin Mann Vice-Chair (Caerphilly County Borough Council)
Councillor Clive Meredith (Blaenau Gwent County Borough Council)
Councillor Mrs Lisa Winnett (Blaenau Gwent County Borough Council)
Councillor Mrs Christine Forehead (Caerphilly County Borough Council)
Councillor Tony Easson (Monmouthshire County Borough Council)
Councillor Jason Jordan (Newport City Council)
Councillor Bill Routley (Newport City Council)
Councillor Mark Spencer (Newport City Council)
Mr P. Nuttall (Co-opted Member)

The Gwent Police and Crime Commissioner recommended a 5.49% increase in the 2021/22 precept and a budget requirement of £147,554,856. The Panel debated the proposed increase and considered the impact on the residents and communities of Gwent who are under increasing financial pressures due to the current pandemic.

The Panel acknowledged that the Commissioner has identified planned efficiency savings in 2021/22 of £676k and proposed utilisation of reserves and committed funds.

Panel members sought detail on the increase and challenges faced with combating cyber crime and whether the £70k cybercrime grant income was sufficient. The Panel were advised that the cost of dealing with cyber enabled crime is a significant amount and that the grant has very little impact on covering the actual costs incurred.

The Panel asked if the surplus budget achieved in 2020/21 (achieved due to the impact of Covid-19 and alternative ways of working, such as less external training, office and stationery costs) was considered when drafting the budget need for 2021/22. Panel members were advised that it was taken into account and where it is certain these savings will re-occur, they have been removed from the budget. However, some, are less certain and will need to be monitored for the 2021/22 year to see if the budget can be permanently reduced and reports will be available during the year for the Panel to monitor.

The Panel sought assurance that the expected savings from Procurement over the next 5 years of £200k per annum are achievable given potential disruption and price changes due to Brexit and whether, the reduction for demand for some items under procurement contracts due to Covid restrictions, been factored into the savings. Members were informed that the Gwent OPCC were involved with the joint strategic procurement arrangements across Wales and the National arrangements to procure significant requirements such as vehicles. Potential savings are calculated through these purchasing mechanisms and factored into the estimated budget savings. It was suggested that the Panel finance sub-group monitor this during the year ahead.

Panel Members sought clarification of the Band D council tax equivalence across Gwent, and the increase proposed for 2021/22 when compared to 2020/21, and it was explained that it is the same amount across all 5 local authority areas.

The Panel enquired how Gwent Police Force receives remuneration from other Force areas where they have been asked to provide support to police large events. It was explained that 'Mutual Aid' is a long standing arrangement across England and Wales, whereby assistance is provided for both planned and unplanned events. The Panel were assured that Gwent Police are reimbursed where officers provide support to other Forces. The report refers to the consequential impacts upon Gwent because it neighbours Cardiff, (which often holds large events) with traffic using the route through Gwent to travel to the venues. The position of Cardiff which is considered to be the same as other Forces, despite its status as a capital city and host to many international events, has been raised on a number of occasions with the Home Office.

Panel members sought clarification on the £1m set aside previously to deal with potential demands arising from the previously proposed M4 relief road and if that money has now been allocated elsewhere. The Panel were informed that the £1m has been transferred to Revenue contribution to Capital. This will mean that there is no need to borrow thereby saving £80k in

interest and costs. However, if the £1m is needed in the future it can be switched back but then the need to borrow would have to be considered. The Panel were reminded that the Capital grant is only £120k but there is a need for £15m, sources from Capital are either Capital receipts (Gwent has few to sell) or reserves and committed funds but these are finite and have reduced in the last few years to 1/4 .

The Panel asked for more detail on how much of reserves are committed and were advised there are £33m in Reserves and Committed funds. This includes the £5m legally required for the Operational Reserve. The remaining £28m is required for several purposes, a large amount is to deliver the Capital programme, which is the HQ and the Hub and Spoke Estates model. A smaller amount is needed to manage potential budget deficit and ICT. The budget is also used to pump prime 'invest to save' projects which aims to reduce future budget requirements. If reserves were used to reduce the budget precept requirements this is a one off but will have an ongoing budget impact. An example of a 5% precept was given which would reduce the precept by £300k but this would then impact on the MTFP over the next 5 years by £1.5m. The Panel were advised that it is better to use the reserve to invest in recurrent savings and reduce future precepts.

Following a detailed discussion with the Deputy Police and Crime Commissioner, Chief Constable and the Chief Finance Officer, the Panel considered the Commissioners proposal to a 5.49% increase in the policing precept

The Panel wished to place on record their thanks to Mr Darren Garwood-Pask, Chief Finance Officer, for engaging the Finance Sub Committee and Panel in early discussions about the Commissioner's Medium-Term Financial Plan and the detailed budget and precept report, also for his detailed and comprehensive answers.

Recommendation

Following a full debate about the proposed Precept, Gwent Police and Crime Panel unanimously made the following recommendation to the Gwent Police and Crime Commissioner:

The Panel would not veto the proposed precept proposal of 5.49% for 2021/22 however the Panel would like the Police and Crime Commissioner to review the budget proposal to look for any additional savings which could be achieved whilst retaining existing and planned extra frontline staff.

Recommended to the Gwent Police and Crime Commissioner:

29 January 2021