**DECISION NUMBER: PCCG-2024-030**

**OFFICE OF POLICE AND CRIME COMMISSIONER**

**LEAD CHIEF OFFICER: Chief Finance Officer**

**TITLE: Police and Crime Commissioner for Gwent’s Budget Requirement and Council Tax Precept Proposal 2025/26**

**DATE: 31st January 2025**

**TIMING: Routine**

**PURPOSE: For Decision**

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| **1.** | **RECOMMENDATION**  The Police and Crime Panel considers the Police and Crime Commissioner’s Budget Requirement and Council Tax Precept proposal 2025/26, as supported by the Chief Finance Officer’s appended report, which confirms:   1. A budget requirement for 2025/26 of £183,840,524 (Appendix 2b, supported by Appendices 3, 4, and 5); 2. The initial Capital Programme as described in Appendices 6a and 6b; 3. The planned efficiency savings in 2025/26 of £360k and further planned efficiency savings of £1.340m (totalling £1.700m) detailed in Appendix 7b; 4. A further proposed underwriting of the remaining deficit with Reserves and Committed Funds of £1.679m to balance the 2025/26 budget (Appendix 8); and 5. The 2025/26 proposed Council Tax Precept to be levied in respect of general expenses of £86,492,507. This reflects an annual increase in Band D of 7.95% or £27.79 on the 2024/25 Council Tax Precept level, thereby proposing a 2025/26 Band D Council Tax Precept of £377.31. This overall Council Tax Precept sum will be apportioned to each Unitary Authority according to the following table:  |  |  |  |  | | --- | --- | --- | --- | | **Unitary authorities** | **£** | **Council Tax Base Band D equivalent** | | | Blaenau Gwent Caerphilly  Monmouthshire  Newport  Torfaen  **Total** | 7,998,210  23,648,168  18,324,800  23,474,081  13,047,248  **86,492,507** | 21,197.98  62,675.70  48,566.96  62,214.31  34,579.65  **229,234.60** |  |   The Council Tax Precept shown in the above table generates the following amounts of Council Tax Precept for the various bands:   |  |  | | --- | --- | | **Council tax band** | **£** | | A  B  C  D  E  F  G  H  I | |  | | --- | | 251.54 | | 293.46 | | 335.39 | | 377.31 | | 461.16 | | 545.00 | | 628.85 | | 754.62 | | 880.39 | | |
| **2.** | **INTRODUCTION & BACKGROUND**  Section 25 of the Local Government Act 2003 requires the Commissioner’s Chief Finance Officer to report on:   1. The robustness of the estimates made for calculating the Council Tax Precept; and 2. The adequacy of the proposed financial reserves.   The same section requires the Commissioner to have regard to their Chief Finance Officer’s report when making decisions about Council Tax Precept.  The Chief Finance Officer’s report and Appendices is appended to this report, and at page 54 confirms that they are content with both the robustness of the estimates and the adequacy of the proposed financial reserves. |
| **3.** | **ISSUES FOR CONSIDERATION**  1. One of the most important responsibilities of the Police and Crime Commissioner is to set the police and crime budget every year, to ensure that the OPCC and Gwent Police have the resources to deliver an effective and efficient service to protect and safeguard the people of Gwent. From tackling serious violence, child exploitation, and reducing offending, to preventing crime, improving services for victims and investigating crime; policing delivers across all communities in Gwent each and every day. It is essential that the need to run an efficient and effective service is met, whilst also setting a Council Tax Precept that is affordable for residents. Times are incredibly tough for many people and, at the same time, rising costs are placing an immense pressure on all aspects of public service. The continuing cost of living crisis, coupled with legacy of the Covid-19 pandemic, war in Ukraine and conflicts in the Middle East, and national financial turmoil since 2022, continue to exacerbate the challenges faced by communities and public services. Policing is not immune to these challenges.  2. The Police and Crime Commissioner for Gwent (Commissioner) is required to publish a four-year Police and Crime Plan and, on an annual basis, the Annual Budget Requirement, including the Police Precept element of the Council Tax (Council Tax Precept). Since taking Office in May 2024, I have been engaging with the citizens of Gwent; my Office of the Police and Crime Commissioner (OPCC); Gwent Police; and key partners to help shape my new Police, Crime and Justice Plan 2025-2029. The emerging strategic ‘pillars’ of my Plan are sufficiently mature to bear influence on the Strategic and Financial Planning process; and are therefore considered in this Budget Requirement and Council Tax Precept Proposal.  3. The 2025-2029 Police, Crime and Justice Plan identifies five strategic pillars:  a) Preventing Crime and Anti-Social Behaviour  b) Making our Communities Safer  c) Protecting the Vulnerable  d) Putting Victims First; and  e) Reducing Reoffending.  4. The Plan is underpinned by firm foundations:  a) Evidence-led, Data Driven  b) Ethics and Standards  c) Financial and Environmental Sustainability  d) Working in Partnership  e) Transparency and Accountability, and  f) Equality, Diversity and Inclusion.  5. The increased complexity and evolving nature of demand has placed growing financial pressures on the OPCC and Gwent Police to be able to deliver for communities. As Commissioner I know how much the public values visible policing in their communities through local Police Officers and Police Community Support Officers (PCSOs). Historically, Gwent OPCC has invested significantly in this area, increasing the number of Police Officers by more than 350. In recent years Gwent has also benefitted from the UK Government’s Police Uplift Programme for 20,000 more Police Officers (Operation Uplift); however, the responsibility for meeting the increasing annual costs of these Police Officers, including their ongoing training and equipment now sits with local Police and Crime Commissioners. These issues, combined with rising costs and a reduction in ‘real-term’ funding from UK and Welsh Governments, put the OPCC and Gwent Police in an increasingly challenging financial position.  6. Despite the challenges outlined above, Gwent remains one of the safest places in the UK. The Chief Constable and I are rightly incredibly proud of this and have a shared commitment to ensuring that this remains the case. It is essential that Gwent Police and the OPCC have the resources they need, in the right place, to manage the growing demands on its Police Officers and Police Staff, and to keep communities safe.  7. Over the last few months, the OPCC has undertaken substantial work to fully analyse the budgetary pressures facing Gwent Police and develop sound financial budget proposals based on all current evidence. This includes the robust operational and financial case put forward by the (then Temporary) Chief Constable, Mark Hobrough, at the Commissioner’s Strategy and Performance Board in November and Police and Crime Panel in December.  8. Furthermore, I have undertaken an initial review of the Commissioned Services and grants awarded by the OPCC to organisations with a view as to how they will support my emerging Police, Crime and Justice Plan 2025-2029, and which currently complement the work of Gwent Police. There is a need for increased investment in Commissioned Services in relation to delivering safer communities through early intervention and prevention initiatives; and tackling Violence against Women and Girls, in particular tackling domestic violence.  9. One of the key foundations of the new Police, Crime and Justice Plan 2025-2029 for Gwent is to be financially and environmentally sustainable, which will mean ensuring value for money - i.e. how limited financial resources are used to provide an efficient and effective policing and crime service is critical. The Chief Constable has committed to a significant programme of change to deliver service improvements and value for money through the new Operational Policing Model, but the reality is that making significant cuts, year on year, is not a sustainable solution for the future. This is coming into sharper focus with the new Government’s ‘Safer Streets Mission’ which aims to reduce serious harm and increase public confidence in policing, and in the criminal justice system. Integral to deliver the Safer Streets Mission is the Government’s ambition to:  a) Halve knife crime and halve Violence Against Women and Girls (VAWG) within a decade  b) Taking determined action to overhaul the policing response to domestic abuse and introducing stronger measures to tackle stalking and spiking  c) On knife crime, banning lethal weapons and working to ensure dangerous blades do not end up in the wrong hands, and  d) Neighbourhood Policing Guarantee - Reliable and effective local policing is the bedrock for the safer streets mission to succeed. The Government will deliver the Neighbourhood Policing Guarantee and put 13,000 additional Police Officers, PCSOs and Special Constables into neighbourhood policing roles. This will ensure that the police are visible in every community, deterring and preventing crime as well as responding to emergencies.  10. The Government is clear that this mission will not be achieved through further investment alone. As such, the safer streets mission will include a programme of police reform – to raise standards, harness technology, increase efficiency and improve accountability.  11. There remains a need for greater investment from UK Government in policing, particularly in relation to capital. To this end, my Police and Crime Commissioner colleagues and I lobby the UK and Welsh Parliament/Senedd for this vital financial support. However, there is currently only one direct variable that I can control in terms of funding, and that is the amount of Council Tax Precept paid by local people.  12. I know from extensive public engagement throughout 2024 that most people are prepared to pay a little more for essential services. The increase to the Council Tax Precept proposed in this report presents a balance between affordability for residents in order to deliver against their priorities and what is needed to continue to run an efficient and effective policing service as set out in my new Police, Crime and Justice Plan 2025-2029 for Gwent.  13. Ultimately, I have a duty to ensure that the OPCC and Gwent Police receive the financial support necessary to overcome the many challenges it faces both now and in the future; and it is within this context that I commend this report to you. |
| **4.** | **NEXT STEPS**  The Police and Crime Panel are required to review the proposed Council Tax Precept and make a report to the Commissioner on the proposed Council Tax Precept by 8th February 2025. |
| **5.** | **FINANCIAL CONSIDERATIONS**  This is a major financial report with clear financial implications. These are fully articulated within the appended report. |
| **6.** | **PERSONNEL CONSIDERATIONS**  The majority of the Policing and Crime Budget covers Police Officer and Police Staff salaries and employer’s contributions. This report articulates how personnel considerations arising from the setting of the annual budget will be managed in a sensible and timely manner. |
| **7.** | **LEGAL IMPLICATIONS**  Setting the budget requirement and Council Tax Precept are statutory responsibilities of the Commissioner. The Commissioner must notify the Police and Crime Panel of their proposed Council Tax Precept by the 1st February in any given financial year. |
| **8.** | **EQUALITIES AND HUMAN RIGHTS CONSIDERATIONS**  This report has been considered against the general duty to promote equality, as stipulated under the Strategic Equality Plan and has been assessed not to discriminate against any particular group.    Consideration has been given to requirements of the Articles contained in the European Convention on Human Rights and the Human Rights Act 1998 in preparing this report. |
| **9.** | **RISK**  A timely decision on the Council Tax Precept will minimise the risk of failing to achieve the statutory deadline. |
| **10.** | **PUBLIC INTEREST**  This report is suitable for publication and will be placed on the website of both the Commissioner and the Police and Crime Panel. |
| **11.** | **CONTACT OFFICER**  Darren Garwood-Pask, Chief Finance Officer. |
| **12.** | **APPENDICES**   1. Letter of Support from Chief Constable Hobrough; and 2. Chief Finance Officer’s report to the Police and Crime Commissioner. |

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| Jane Mudd, Police and Crime Commissioner for Gwent |
| I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with my code of conduct.  Any such interests are recorded below.  The above request has my approval. |
| Signed |
| Date  10.02.2025 |

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| Contact Officer |  |
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| Background papers | None |