

**GREATER MANCHESTER COMBINED AUTHORITY
POLICE, FIRE AND CRIME PANEL**

Date: **29th January 2021**

Subject: **ADDENDUM TO 2021/22 PCC BUDGET AND PCC COMPONENT OF
THE MAYORAL PRECEPT PROPOSALS FOLLOWING PUBLIC
CONSULTATION RESPONSE**

Report of: **MAYOR OF GREATER MANCHESTER**

PURPOSE OF ADDENDUM

This paper has been produced as an addendum to the proposed Greater Manchester Police and Crime budget and precept proposals for 2021/22.

The addendum seeks to amend the proposed Police and Crime precept proposals in response to the results of the public consultation which closed on 28th January 2021.

RECOMMENDATIONS

1. Note that the Mayor has considered his proposed increase to the police precept in light of the responses by members of the public to the proposals set out in the consultation which concluded on the 28th January 2021
2. Note that the Mayor proposes to reduce the proposed precept increase of £15 per year for a band D property to an increase of £10 per year for a band D property with effect from 1 April 2021. This will take the Band D police precept to £218.30 per year (£169.78 for a Band B property).

The Panel are asked to consider the content of this report, and either

- a) propose that the precept level can be issued, or
 - b) make recommendations regarding the precept level, or
 - c) veto the proposal and require the Mayor to submit a revised proposed precept.
3. Note that the budget assumptions relating to the budgets for 2021/22, including the proposals for the Community Safety Fund remain as proposed in the original paper

CONTACT OFFICERS

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1. INTRODUCTION

- 1.1 In line with the statutory duty to notify the Police and Crime Panel of the Police and Crime Commissioners (PCC) Precept proposal by 1st February each year, the Mayor of Greater Manchester submitted a proposal to the Police, Crime & Fire Panel to increase the precept by the maximum allowed by the Government which is £15 per year for a Band D property.
- 1.2 Following the results of a public consultation on the proposals which closed at midnight on 28th January 2021, the proposed increase has been reviewed and in response to the issues raised by the public in the consultation the proposed increase in the precept has been reduced to £10 per year for a Band D property (£7.77 for a band B property)
- 1.3 The proposal to the Police and Crime Panel for Greater Manchester is therefore to set the PCC element of the Mayoral precept for a Band D property at £218.30 (£169.78 for a Band B property).

2. RESULTS OF PUBLIC CONSULTATION

- 2.1 The panel will receive a verbal update on the results of the public consultation which concluded at midnight on the 28th January 2021. However it is clear from those results that there is less support for the application of the proposed maximum precept increase of £15 per year than there was in 2020 for the proposed increase of £10 which was the maximum allowed that year.
- 2.2 In response to reduced support for the maximum precept increase the proposal has been reviewed and a revised increase of £10 for a band D property is now proposed for the panel to approve.
- 2.3 The revised proposal of an increase of £10 is absolutely essential for the delivery of the operational plans for GMP in 2021/22 including the recruitment of 325 new frontline officers for Greater Manchester.

3. IMPACT OF REVISED PRECEPT PROPOSAL ON POLICE FUNDING

- 3.1 The impact of reducing the proposed precept increase to £10 for a band D property will be a reduction in the income raised through the precept of £3.8m against the original proposed increase of £15.
- 3.2 This would set total funding for police and crime in 2021/22 at £671m. This is an increase of £25.8m on the 2020/21 funding. This level is, however, lower than the level of funding anticipated by the Home Office who assume all areas will implement the maxim precept rise when consider the increase in police funding as a whole.
- 3.3 The table shown in paragraph 1.7 of the original report has been updated below to show the impact of the revised precept proposals alongside the other changes in Police and Crime funding for GM which remain the same as set out in the original proposals.

Description	2020/21 £m	Original 2021/22 Proposal £m	Revised 2021/22 Proposal £m	Change from 2020/21 £m	Impact of revised Precept £m
Core Grant	467.2	495.0	495.0	27.8	0.0
Precept	158.9	168.3	164.5	5.6	-3.8
Collection Fund Surplus	2.8	-0.9	-0.9	-3.7	0.0
Total Funding	628.9	662.4	658.6	29.7	-3.8
Ring Fenced Grant Uplift	9.7	5.8	5.8	-3.9	0.0
Pension Grant	6.6	6.6	6.6	0.0	0.0
Overall Total	645.2	674.8	671.0	25.8	-3.8

4. IMPACT ON THE POLICE BUDGET FOR 2021/22

- 4.1 The original budget proposals described how GMP would deliver the second year of the national expansion programme of 20,000 police officers being delivered over three years. The increased funding provided by the uplift to the Government Grant and the proposed increase in the precept would deliver an additional 325 Police Officers in Greater Manchester plus funding for 16 additional officers to support the NW Regional Crime Unit (ROCU).
- 4.2 The reduction in the potential increase in precept funding of £3.8m resulting from a rise of £10 rather than the original proposal of £15 will present financial challenges for GMP in 2021/22 and beyond. It should be noted that any increase in precept funding is effectively recurrent and therefore to not increase by the full £15 will have a recurrent impact on police and crime funding from 2021/22 onwards
- 4.3 To enable GMP to manage their finances within the proposed envelope savings will need to be identified within the service. The proposals for neighbourhood policing, the number of officers to be recruited and the major deliverables described in the original budget proposal are not expected be affected by this change.

5. UPDATED PRECEPT PROPOSALS

- 5.1 Taking into consideration both the factors outlined in the Mayor's original budget proposals to the panel and the results of the public consultation exercise, Mayor and Deputy Mayor are now proposing a £10 increase to the PCC component of the Mayoral precept for Band D properties for 2021/22.
- 5.2 The table below shows the impact for each Council Tax band of a £10 increase

	COUNCIL TAX BANDS							
	A	B	C	D	E	F	G	H
2021/22 proposed precept	145.53	169.78	194.04	218.30	266.81	315.32	363.83	436.60
2020/21 PCC precept	138.86	162.01	185.15	208.30	254.58	300.87	347.16	416.60
Change (£ per year)	6.67	7.77	8.89	10.00	12.23	14.45	16.67	20.00

- 5.3 The police precept, on average, represents 11.32% of the overall council tax bill. The impact of a £10 increase is a 4.8% increase on 2020/21, for band D properties, an increase of just 19 pence per week.
- 5.4 45% of Greater Manchester properties fall into the band A category, for these properties the annual increase will be £6.67, an increase of just 13 pence per week. For Band B the annual increase will be £7.77, an increase of just 15 pence per week.

6 RECOMMENDATION

- 6.1 Recommendations are set out on the front of the paper.