

HAMPSHIRE POLICE AND CRIME PANEL

Report

Date:	8 July 2022
Title:	Police and Crime Panel – Financial Monitoring leading to 2023/24 grant budget agreement
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Purpose of this Report

1. The Police Reform and Social Responsibility Act 2011 (“the Act”) requires the Police and Crime Panel (PCP) to make arrangements regarding the manner in which funds paid by the Secretary of State are used to meet the costs of the Panel.
2. The purpose of this paper is to report the final position against the 2021/22 budget, the part year performance against the 2022/23 budget for the Police and Crime Panel, a revised budget for 2022/23 and a proposed budget for the panel for 2023/24. The timing of this annual report was brought forward in 2021/22 to meet the requirements of the Home Office to claim by 31 July the second and final grant relating to the financial year just ended. If required, the Panel will be updated later in the year regarding the financial position for the current year and the proposed budget for next financial year. The grant claim needs to include a performance report, which is presented at item 13 of this agenda as the Panel’s Annual Report.

Recommendations

The Panel is recommended to:

3. Note the final financial position for 2021/22.
4. Note the current performance against the budget for this financial year.
5. Agree the revised budget for 2022/23.
6. Agree the proposed budget for the panel for 2023/24, subject to confirmation of the Government grant for 2023/24.

Contextual Information

7. The Government made available a grant of £71,700 for the full year for 2021/22 (based on 20 Panel members). The total costs of running the Panel were contained within the Government funding.

8. The grant is paid by the Home Office in two instalments over the year. Only spend relating to the two six-month periods can be claimed. Spend in excess of the grant would need to be funded by the authorities in equal shares unless agreed otherwise.
9. The grant value for 2022/23 has not yet been confirmed by the Home Office. For the purposes of this report a budget of £71,700 is assumed to be available for the full year (the same amount as 2021/22). For the purposes of proposing a budget for the Panel for 2023/24 the same amount of grant is assumed for 2023/24.
10. The budget is based on the assumption that there will normally be four meetings of the Panel per year. Any decision to increase the number of Panel meetings will have an impact on the total estimated costs.
11. Another factor which impacts on the cost of supporting the Panel is the number of complaints which the PCP is required to consider.
12. The largest cost to the budget is the officer time spent in support of the PCP and its working groups. An analysis of time spent in prior years together with a view of forward expectations was used to calculate support costs and assist with budget estimates. This information has been used as the basis of the fixed support service charges as explained in section 18.

Final Financial Position for 2021/22

13. Appendix 1 shows the 2021/22 final spend against the budget set for that year. In total £70,335 of the £71,700 available grant was required and has been claimed. This equated to an underspend of £1,365 against the budgeted amount of £71,700.
14. There were budget savings for Members Travel (£778) and Members Training (£525) due to a reduction in members travel post Covid-19. This is expected to continue in future years and is reflected in the revised budget for 2022/23 and proposed budget for 2023/24.
15. A small overspend against the legal and complaints handling budget of £502 is attributable, in part, to an increase in Panel meetings, with seven meetings held in the 2021/22 municipal year instead of the usual four. These three additional meetings were held to confirm senior appointments proposed by the PCC, as required under Schedule 1 Part 10 of the Police Reform and Social Responsibility Act 2011 (Scrutiny of Senior Appointments). In addition, the Panel's Complaints Sub-Committee met in public on four occasions, in comparison with one public meeting during 2020/21. The increased number of meetings, together with the level of complexity of several complaints reviewed, resulted in a significant increase in expenditure on legal and compliance costs in comparison with the previous year.
16. The balance of the overall underspend against the grant related to minor variations against a number of budget lines.

Current Financial Position and Revised Budget for 2022/23

17. Appendix 2 shows the 2022/23 projected spend against the budget set out for the year. It forecasts that all of the £71,700 budgeted available grant will be used.
18. A fixed annual charge for support services has previously been agreed which has greatly simplified the approach to budgeting and forecasting. The fixed charge was calculated using time analysis from prior years together with a view of forward expectations linked to the work programme of the panel. This is kept under review and no significant change in overall officer time is currently anticipated.
19. Legal and Complaints Handling costs predominately arise from work associated with complaints to the Police and Crime Panel. Current costs as at 17th June are £0, however, this is expected as legal charges are raised quarterly. As future levels of complaints cannot be predicted, the projected costs for 2022/23 have remained as per the revised budgeted amount. Additional legal costs may arise from support provided by the legal adviser to meetings of the Panel, including participation in meetings, as well as costs associated with requests made under the Freedom of Information Act 2000 and other compliance matters.
20. Appendix 2 shows a revised budget for 2022/23. In consideration of the Covid impacts noted in sections 23 and 24 below, the legal and complaints handling costs budget will be increased from £10,300 to £11,450 to future proof against potential increases in the number or complexity of complaints, as has been observed in recent years. This has been offset by a reduction of £500 in members travel and £200 in officer travel budgets. In addition, the stationary budget has been reduced by £300 and catering budget by £150. These budget changes are expected to be permanent and have therefore been reflected in the 2023/34 proposed budget.
21. All other areas are projected to be either in line with the agreed budget figures or, where variances against the budgeted amounts occur, the values are minimal.
22. In the event of any additional Special Responsibility Allowances being required at a later date, the level of support services and the associated charge may need to be reviewed to ensure that the overall costs of the PCP do not exceed the funds available.

Covid-19 Impact

23. Formal meetings will be held in public, including meetings of the Complaints Sub-Committee, however the Panel intends to make use of the flexibility of virtual meetings for other informal briefings and meetings, to generate savings in both Member time and travel expenditure.
24. Savings to members travel and printing continued in 2021/22 despite the move away from Covid 19 restrictions. Therefore, these budgets have been reduced as part of the revised budget for 2022/23 and budgets

going forwards as legacy savings due to Covid 19. These savings will be used to bolster the legal and complaints handling budget as per point 20.

Legal Support to the Panel

25. As part of a regular review process, the contract for legal support was re-tendered for the period from April 2020 in accordance with Hampshire County Council's Contract Standing Orders (acting as the Panel's lead Authority and legal body). The contract was awarded to Portsmouth City Council Legal Services, following a successful bid, and was agreed on the basis of a 12-month rolling contract to be renewed for a maximum of four years.

Proposed budget for 2023/24

26. Appendix 2 also shows a proposed budget for 2023/24 which assumes the Government grant is unchanged and with expenditure likely to remain at similar levels.

Appendix 1**POLICE AND CRIME PANEL****Final Budget Position for 2021/22**

ITEM	2021-22 Budget	2021-22 Actuals	Variance
	£	£	£
Travelling – Members	1,000	222	(778)
<u>Special Responsibility Allowances</u>			
Chair	0	0	0
Co-opted Members	1,400	1,476	76
Members Training	1,800	1,275	(525)
Printing & Stationery	200	640	440
Refreshments	600	165	(435)
Room Hire + other expenses e.g. web costs	1,300	1,155	(145)
Miscellaneous expenses	100	0	(100)
Legal and Complaints Handling Costs	10,300	10,802	502
Communications & Web Team	1,400	1,400	0
Democratic, Policy & Scrutiny	48,000	48,000	0
Finance & Budget Support	5,200	5,200	0
Officer travel	400	0	(400)
Totals	71,700	70,335	(1,365)
Grant	71,700	70,335	(1,365)

Appendix 2

POLICE AND CRIME PANEL

**Original and Revised Budget Position for 2022/23
and Proposed Budget for 2023/24**

ITEM	2022/23 Budget £	2022/23 Revised Budget £	2022/23 Actuals Q1 (April – June) £	2022/23 Projected £	2023/24 Proposed Budget £
Travelling – Members	1,000	500	0	500	500
<u>Special Responsibility Allowances</u>					
Chair	0	0	0	0	0
Co-opted Members	1,400	1,400	396	1,400	1,400
Members Training	1,500	1,500	0	1,500	1,500
Printing & Stationery	500	200	37	200	200
Refreshments	600	450	0	450	450
Room Hire + other expenses e.g. web costs	1,300	1,300	0	1,300	1,300
Miscellaneous expenses	100	100	0	100	100
Legal and Complaints Handling Costs	10,300	11,450	0	11,450	11,450
Communications & Web Team	1,400	1,400	0	1,400	1,400
Democratic, Policy & Scrutiny	48,000	48,000	0	48,000	48,000
Finance & Budget Support	5,200	5,200	0	5,200	5,200
Officer travel	400	200	0	200	200
Totals	71,700	71,700	433	71,700	71,700

Grant	71,700	71,700		71,700	71,700
Shortfall / (Surplus)	0	0		0	0

REQUIRED LEGAL INFORMATION:

Significant Links

Links to previous Member decisions:	
<u>Title</u> Agenda for Hampshire Police and Crime Panel (Statutory Joint Committee) on Friday, 2nd July, 2021, 10.00 am About the Council Hampshire County Council (hants.gov.uk)	<u>Date</u> 2 July 2021
Direct links to specific legislation or Government Directives	
<u>Title</u> Police Reform and Social Responsibility Act 2011 (legislation.gov.uk)	<u>Date</u> 15 September 2011