

**RECORD OF DECISION**

**TITLE:** Setting the Budget 2023-2024

**Ref:** PCC/D/2023/13

**EXECUTIVE SUMMARY**

The Commissioner must set an annual budget for the financial year 1 April 2023 to 31 March 2024 in compliance with the Police Reform and Social Responsibility Act 2011 and the Police and Crime Panel (Precept and Chief Constable Appointments) Regulations 2013 made thereunder.

The Commissioner has agreed a 5.94% increase in the precept for 2023/24 (previous Decision Record PCC/D/2023/08) which had been considered by the West Mercia Police and Crime Panel and supported by them.

This paper sets out how the 2023/24 budget will be allocated to meet the priorities in the Safer West Mercia Plan, meet the operational requirements for Policing in West Mercia

**PROPOSAL**

The PCC is recommended to approve:

A Net Revenue Budget for West Mercia of £273.038m as the opening budget for 2023/24 financial year, based on the available funding.

- That the PCC authorises the use of £4.030m of funding from reserves to give a total budget of £277.068m.
- That the Force Revenue Budget is set at £253.901m.
- That the OPCC Revenue Budget is set at £23.167m (incorporating estates, commissioning, and governance).
- That the budget loaded into the Financial Ledger will match the service department spend set out in Appendix Bii of the budget report.
- That the West Mercia Police savings plan, summarised in the budget report and set out in full in part 2 of this decision notice, will be delivered by the Force as an integral part of setting a balanced revenue budget. Regular updates provided through the year on the delivery of the savings plan as part of the Money Matters report.
- Any changes to the revenue budget will require a virement through the appropriate governance framework and processes.

The Chief Constable

- Has committed to recruiting and maintaining a Police Officer FTE establishment of 2,496 and to ensure compliance with Home Office PUP conditions to receive the specific funding as set out by the Home Office in its letter dated 7th March

2023. The Chief Constable will regularly report to the PCC as to the actual West Mercia Police Officer headcount.

- Will report regularly to West Mercia Governance Board on progress against delivery of investment priorities set out in the budget report. The Chief Constable will use best endeavours to establish the new The Safer Neighbourhood Crime Fighting teams by the end of Q1, and in any event by the end of Q2 of 2023/24.
- Will communicate details of allocation of staff and officers quarterly as part of the reporting above, including details of vacancies, absences and sickness levels in teams.
- Will undertake a holistic review of the management and administration of West Mercia police. The scope of this review will be shared/agreed with the PCC by the end of July 2023, with the principal intention to realise savings to the revenue budget, improving efficiency and maintaining effectiveness within West Mercia Police.
- Will continue to review all vacant posts which arise during the year to assess whether the post can be removed/reallocated to contribute to bridging the future MTFS budget gap. Progress against delivery to be reported through the 2024/25 budget setting timetable. The PCC will be kept informed of any proposals to change the Force's operating model, including any proposed de-civilianisation of support functions.
- Will provide all the data to demonstrate the performance against the metrics set out in the budget report, to achieve the PCC timetable for reporting to the Police and Crime Panel.

The Chief Executive of the OPCC

- Has committed to supporting West Mercia Police to rationalise the Police Estate over the medium term, which will realise both capital receipts and revenue savings. The Chief Executive will report on the progress to the PCC on a regular basis.
- Has committed to deliver savings in the estate's revenue budget through effective contract management and ensuring that maintenance routines and repairs are cost effective with the resources available. Delivery of these savings will be monitored through monthly OPCC budget monitoring.
- Provide regular reporting and reassurance to the PCC around the effective and efficient use of commissioning resources.

An annual Capital Budget for 2023/24 of £28.624m.

#### **APPROVAL OF West Mercia Police and Crime Commissioner**

I hereby approve the above proposal.

Signed



## **PART 1 – NON-CONFIDENTIAL/EXEMPT FACTS AND FIGURES**

### **SUPPORTING REPORT**

By virtue of the Police Reform and Social Responsibility Act 2011 and the Police and Crime Panel (Precept and Chief Constable Appointments) Regulations 2013 the Commissioner is obliged to issue a Police and Crime precept for the year commencing April 2023. This was done following the Police and Crime Panel (PCP) meeting on the 3<sup>rd</sup> February 2023 and is documented in Decision Notice PCC/D/2023/08. As part of the Decision Notice the Net Revenue Resources for the 23/24 financial year was set at £270 038m.

The revenue budget presented at the PCP was based on draft proposals from the Office of the Police and Crime Commissioner and the Force. At the time of providing the budget report to the PCP, to support the proposed precept increase, there was a recognition that there was a gap between the resources required to continue to deliver services and the funding available. The PCC had requested that the Force produce a detailed savings plan in order to deliver their service requirements within the revenue resources available. The budget gap was initially £13.5m in November 2022 and had been reduced to £10.8m in the budget report produced for the PCP.

Since the Police and Crime Panel meeting further changes to the budget have been identified for 2023/24. Costs which were estimated at that point in time have been confirmed. Other cost pressures and opportunities have also been identified. This has required additional efficiencies and savings to be identified to deliver a balanced budget.

Through February and March, the Force have identified a range of options to deliver the required savings. The Chief Officer Team have reviewed and challenged the plans and made recommendations to the PCC. A savings plan has been shared with the PCC and discussed to ensure that it is robust and enables the delivery of the PCC's Safer West Mercia Plan. The PCC has agreed the detailed plan to be able to approve a balanced budget. The budget report has been updated to reflect the agreed savings to be delivered.

The updated Budget Report prepared by the Treasurer is attached which sets out the total funding available for 2023/24 and how those resources will be allocated. This includes both revenue and capital spend for the financial year. The savings plan has been reviewed and are not considered to require amendment to the statement from the Treasurer on the robustness of the budget and the adequacy of reserves.

Key metrics attached to the budget investment are set out within the budget paper. Some are also set out within the proposal in this notice.

### **STRATEGIC CONSIDERATIONS**

This decision supports the following element(s) of the Safer West Mercia Plan.

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Putting Victims and Survivors First | <input checked="" type="checkbox"/> Building a More Secure West Mercia   |
| <input checked="" type="checkbox"/> Reforming West Mercia               | <input checked="" type="checkbox"/> Reassuring West Mercia's Communities |

The decision supports this/ these objective(s) through the following:

- By setting the precept, and thus raising funds to support policing services
- By setting a budget, and identifying and allocating resources, it supports the delivery of priorities set out in the Safer West Mercia Plan and to ensure the delivery of statutory responsibilities

### **BENEFITS AND THEIR REALISATION**

The investment in services for 2023/24 are set out in the Budget Report. The delivery of outcomes from the investment will be monitored through reporting in 'Money Matters', Holding to Account arrangements, and activity reporting to the Police and Crime Panel.

### **AUTHOR**

Name Paul Benfield

Date 21<sup>st</sup> March 2023

### **FINANCIAL AND TREASURER COMMENTS**

All financial comments are included within the Treasurer's budget report to the Commissioner (Appendix B)



**Treasurer**

Date 27<sup>th</sup> March 23

### **LEGAL CONSIDERATIONS**

By virtue of schedule 11, paragraph 14 of the Police Reform and Social Responsibility Act 2011 the Police and Crime Commissioner may do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of the functions of commissioner. That includes: entering into contracts and other agreements (whether legally binding or not) and acquiring and disposing of property (including land).

## **PUBLIC ACCESS TO INFORMATION**

Information in this form is subject to the Freedom of Information Act 2000 (FOI Act) and other legislation. Part 1 of this form will be made available on the West Mercia Commissioner's website. Any facts and advice that should not be made automatically available on request are not included in Part 1 but instead in a separate Part 2 report.

## **OFFICER APPROVAL**

**Deputy Chief Executive Officer**



Signature

Date 27 March 2023