

## HAMPSHIRE POLICE AND CRIME PANEL

### Report

<b>Date considered:</b>	2 July 2021		
<b>Title:</b>	Police and Crime Panel – Financial Monitoring leading to 2022/23 grant budget agreement		
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#### 1. Executive Summary

- 1.1. 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.
- 1.2. The purpose of this paper is to report the final position against the 2020/21 budget, the part year performance against the 2021/22 budget for the Police and Crime Panel, a revised budget for 2021/22 and a proposed budget for the panel for 2022/23. The timing of this annual report was brought forward last year 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 10 of this agenda as the Panel’s Annual Report.

#### 2. Contextual Information

- 2.1. The Government made available a grant of £71,700 for the full year for 2020/21 (based on 20 Panel members). The total costs of running the Panel were contained within the Government funding.
- 2.2. 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.
- 2.3. The grant value for 2021/22 has not yet been confirmed by the Home Office. For the purposes of this report a budget of £71,700 is assumed being available for the full year (the same amount as 2020/21). For the purposes of proposing a budget for the Panel for 2022/23 the same amount of grant is assumed for 2022/23.

- 2.4. The budget is based on the assumption that there will normally be four meetings of the Panel a year. Any decision to increase the number of Panel meetings will have an impact on the total estimated costs.
- 2.5. Another factor which impacts on the cost of supporting the Panel is the number of complaints which the PCP is required to consider.
- 2.6. 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 4.

### **3. Final Financial Position for 2020/21**

- 3.1. Appendix 1 shows the 2020/21 final spend against the budget set for that year. In total £59,843 of the £71,700 available grant was required and has been claimed. This equated to an underspend of £11,857 against the budgeted amount of £71,700.
- 3.2. A significant contributing factor to the underspend was the outbreak of Covid-19 from March 2020, which required Panel meetings, briefings and training events to be held virtually. This resulted in zero spend against room hire, travel and catering budgets which had been anticipated to total £3,300, alongside reduction in printing and other costs normally met in year.
- 3.3. Legal and Complaints Handling costs were £7,568 below the budgeted amount. They include a payment of £2,172 to Portsmouth City Council Legal Services and £560 to Hampshire County Council Corporate Compliance for support with Freedom of Information and Complaints. Underspend within this area can mostly be attributed to the holding of virtual meetings, which required less time commitment from the Legal Adviser, and a reduction in the level of complex complaints requiring the Panel's review during the year.
- 3.4. The balance of the overall underspend against the grant related to minor variations against a number of budget lines.

### **4. Current Financial Position and Revised Budget for 2021/22**

- 4.1. Appendix 2 shows the 2021/22 projected spend against the budget set out for the year. It forecasts that all of the £71,700 budgeted available grant will be used, as the Panel returns to meeting in person in accordance with legislative requirements.
- 4.2. 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.

- 4.3. Legal and Complaints Handling costs predominately arise from work associated with complaints to the Police and Crime Panel. Current costs as at 18<sup>th</sup> June are £0. Without being able to predict future complaints, the projected costs for 2021/22 have remained as per the 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.
- 4.4. Appendix 2 shows a revised budget for 2021/22. In line with point 5.1 a revised budget is proposed to increase the training budget from £1,500 to £1,800. This has been offset by a reduction in the budget required for printing in 2021/22. The additional costs against training are expected to be one off following changes in Panel Membership this year and therefore the proposed budgets for 2022/23 remain unchanged.
- 4.5. 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.
- 4.6. 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.

## **5. Covid-19 Impact**

- 5.1. The duration and scale of the impact of the Covid-19 pandemic on the work and budget of the Panel is unknown. 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. These savings are likely to be balanced by a potential increase in training expenditure to support the development of the Panel, following a substantial change in Membership following the 2021 local elections.
- 5.2. Member travel expenses have exceeded the budget in previous years, however savings in other areas have mitigated this increase. Whilst there is an expectation that travelling costs will reduce this year, with at least some meetings being held virtually, the budget has been maintained at £1,000 for 2021/22 in order to establish a benchmark for future years.

## **6. Legal Support to the Panel**

- 6.1. 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.

**7. Proposed budget for 2022/23**

- 7.1. Appendix 2 also shows a proposed budget for 2022/23 which assumes the Government grant is unchanged and with expenditure likely to return to that reported prior to the outbreak of the Covid-19 pandemic.

**8. Recommendations**

The Panel is recommended to:

- 8.1. Note the final financial position for 2020/21.
- 8.2. Note the current performance against the budget for this financial year.
- 8.3. Agree the revised budget for 2021/22.
- 8.4. Agree the proposed budget for the panel for 2022/23, subject to confirmation of the Government grant for 2022/23.

**Appendix 1****POLICE AND CRIME PANEL****Final Budget Position for 2020/21**

<b>ITEM</b>	<b>2020-21 Budget</b>	<b>2020-21 Actuals</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Travelling – Members	1,000	0	(1,000)
<u>Special Responsibility Allowances</u>			
Chair	0	0	0
Co-opted Members	1,400	1,446	46
Members Training	1,500	890	(610)
Printing & Stationery	500	131	(369)
Refreshments	600	0	(600)
Room Hire + other expenses e.g. web costs	1,300	0	(1,300)
Miscellaneous expenses	100	45	(55)
Legal and Complaints Handling Costs	10,300	2,732	(7,568)
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)
<b>Totals</b>	<b>71,700</b>	<b>59,843</b>	<b>(11,857)</b>
Grant	71,700	59,843	(11,857)

**Appendix 2****POLICE AND CRIME PANEL****Original and Revised Budget Position for 2021/22  
and Proposed Budget for 2022/23**

<b>ITEM</b>	<b>2021/22 Budget</b>	<b>2021/22 Revised Budget</b>	<b>2021/22 Actuals</b>	<b>2021/22 Projected</b>	<b>2022/23 Proposed Budget</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Travelling – Members	1,000	1,000	0	1,000	1,000
<u>Special Responsibility Allowances</u>					
Chair	0	0	0	0	0
Co-opted Members	1,400	1,400	241	1,400	1,400
Members Training	1,500	1,800	0	1,500	1,500
Printing & Stationery	500	200	2	500	500
Refreshments	600	600	0	600	600
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	10,300	0	10,300	10,300
Communications & Web Team	1,400	1,400	350	1,400	1,400
Democratic, Policy & Scrutiny	48,000	48,000	12,000	48,000	48,000
Finance & Budget Support	5,200	5,200	1,300	5,200	5,200
Officer travel	400	400	0	400	400
<b>Totals</b>	<b>71,700</b>	<b>71,700</b>	<b>13,893</b>	<b>71,700</b>	<b>71,700</b>
Grant	71,700	71,700		71,700	71,700
<b>Shortfall / (Surplus)</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>

#### **Section 100 D - Local Government Act 1972 - background documents**

**The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)**

Document

Location

None