| MEETINGS: | DATE: | AGENDA NO: |
|---|---|---|
| Police & Crime Panel | 1st February 2023 | |
| **DEPARTMENT:** PCC's Office - Finance | **AUTHORS:** Paul Butler – PCC CFO | |
| **NAME OF PAPER:** 2023/24 Proposed Budget Requirement and Precept Proposal | | |

## 1. SUMMARY

This report builds on the Budget Update presented to Panel on 8th December 2022 which set out revenue and capital plans and discussed the development of the income and expenditure position. This report considers the future five-year financial position for the Police and Crime Commissioner (PCC) and Chief Constable for Avon and Somerset and presents the PCC's council tax precept recommendation for 2023/24 for consideration by the Police and Crime Panel. The Medium-Term Financial Plan (MTFP) provides the financial outlook, context, and resourcing principles for the annual budget setting process. It outlines, in broad terms, the specific service and funding issues over the 5-year period and how the PCC will, within these financial constraints, fund priorities and ensure financial sustainability and resilience

The report is presented in the context of increased performance expectations of the police arising out of the 20,000 national uplift target in police officer numbers, and from the government's Beating Crime Plan, alongside an unprecedented surge in inflation and consequent financial challenges.

The MTFP confirms that Avon and Somerset will achieve our agreed uplift target of 456 additional officers, bringing the officer headcount to 3,291. It also confirms the Chief Constable's commitment to building a force fit for the future and addresses the implications of the financial challenges ahead.

The PCC's proposal is for a precept of £156.166m, which equates to a **council tax Band D of £266.20**. This is an increase of £15 (6.0%) in the Band D equivalent for the police element of the council tax for the 2023/24 financial year. The council tax precept will be apportioned to each collecting authority according to the following table:-

| | Tax Base (No.) | Precept £'000 | % |
|---|---|---|---|
| Bath and North East Somerset | 68,610 | 18,264 | 11.7% |
| City of Bristol | 129,654 | 34,514 | 22.1% |
| North Somerset | 81,015 | 21,566 | 13.8% |
| South Gloucestershire | 101,695 | 27,071 | 17.3% |
| Somerset | 205,674 | 54,751 | 35.1% |
| **TOTAL** | **586,648** | **156,166** | **100.0%** |

The council tax precept shown in the above table generates the following amounts of council tax for the various bands:-

| Council Tax Band | £p | % of Properties |
|---|---|---|
| A | £177.47 | 16.7% |
| B | £207.04 | 28.8% |
| C | £236.62 | 22.1% |
| D | £266.20 | 14.5% |
| E | £325.36 | 9.7% |
| F | £384.51 | 5.2% |
| G | £443.67 | 2.7% |
| H | £532.40 | 0.2% |

## 2. BACKGROUND

This is the second budget set by this PCC since his election in May 2021. It has been developed in collaboration between the Office of the PCC and the Constabulary and is underpinned by the principles that it is progressive, modernising and financially sustainable.

National Context

On 27th October 2021 the Chancellor of the Exchequer announced the 3 year Spending Review and budget. These announcements included the high-level settlement for the Home Office, and introduced the provision of flexibility to PCCs to increase the average band D council tax by up to £10 p.a. for the following three years. The announcement of a 3-year review, which helped to provide longer term funding clarity, was widely welcomed.

The provisional police settlement was published on 14th December 2022. This confirmed the total potential funding available to police in 2023/24, inclusive of a revised full precept of £15 being taken.

In announcing this settlement, the Home Secretary confirmed the focus on delivery of uplift numbers and an expectation of reductions in crime and delivery of improvements in productivity and efficiencies.

The overall funding package provides additional funding to increase investment in the police system by up to £523m (3.6%) in 2023/24. This level of investment assumes that all PCCs will maximise council tax flexibility by uplifting by £15. The settlement headlines include the following:-

- A £174m (1.8%) increase in grant funding to PCCs in 2023/24, representing an increase of 0.3% on core grant funding, with the balance of the increase relating to uplift.
- Included within the above headline grant funding, the Government intends to ring-fence £275m which is to be paid in arrears throughout 2023/24 in line with maintenance of officer recruitment targets.
- Up to £349m (7%) increase in council tax funding, if all PCCs were to maximise their precept flexibility of an increase of £15 p.a. for an average Band D equivalent property.
- The settlement is expected to fund the full delivery and maintenance of uplift in officer numbers.
- The settlement is expected to fund a reasonable pay award for officers and staff.

- The police service is expected to continue to transform itself to realise efficiencies, including cashable savings of £100m p.a. delivered from force budgets by 2024/25. The grant funding outlined for 2024/25 is based on the assumption these savings will have been delivered.

## 3. COUNCIL TAX CONSIDERATIONS AND PUBLIC CONSULTATION

The final plan reflects an **increase in council tax of £15/6% in 2023/24**. The decision to increase the precept by £15 is reflective of:-

- The need to support the Chief Constable in **building a force fit for the future,** maintaining focus on the 6 areas outlined in her letter to the Police and Crime Commissioner and delivering improved performance in key areas, including those in the Beating Crime Plan and the PCC's Police and Crime Plan;
- The need to sustainably **maintain the increase in police officers** for the medium term, recognising the incremental increase in costs of doing this as pay progression, pay inflation and pensions changes gradually move officer costs upwards;
- The **views of the public**, as expressed through a range of ongoing public engagement activity, analysis of which will be provided to the Panel in an additional paper;
- The need to fund pay and inflationary increases on a scale not anticipated 12 months ago; and
- The recognition of the continuing shift of the balance of funding away from government grant and towards local Council Tax payers.

Our MTFP assumes that the full precept increase of £15 will be taken, followed by £10 in 2024/25 as per the model presented last year, and will thereafter revert to an annual increase of 2.0% p.a. This reflects our current planning assumptions, but will be subject to annual review and decision in consultation with the public and with the Police and Crime Panel. The impact on the average band D equivalent over the course of the MTFP period is as follows:

| | Current | Forecast | | | | |
|---|---|---|---|---|---|---|
| | 22/23 £p | 23/24 £p | 24/25 £p | 25/26 £p | 26/27 £p | 27/28 £p |
| Av. Band D Precept | £251.20p | £266.20p | £276.20p | £281.72p | £287.36p | £293.11p |
| Annual Increase % | | +6.0% | +3.8% | +2.0% | +2.0% | +2.0% |
| Annual Increase £ | | +£15.00p | +£10.00p | +£5.52p | +£5.64p | +£5.75p |

In opting for an increase of £15, the PCC was very mindful of the cost of living pressures felt by our communities. Whilst the government has made a further £100m available nationally to help those who might have the greatest need of support with their council tax, it is recognised that this will inevitably have limited reach. We also considered that the majority of households in our area (67.6%) fall within Bands A – C, and therefore will be subject to a smaller annual increase than the £15p.a.

There are significant expectations arising from uplift and the Beating Crime Plan, as well as our own Police and Crime Plan. Consequently, the main driver for the maximum £15

increase within the MTFP is the significant gap between the effect of inflationary pressures on policing (pay and pricing) and the level of funding provided by government to meet these demands. With police officer numbers mandated and representing 50% of total costs, the Panel are aware of the restricted scope for making savings that do not impact front line policing.

Core grant funding for 2023/24 has been increased by 0.3%, £700k. The specific additional grant to support uplift costs raised this percentage to 1.8%. Despite having identified £3m savings, we still face a deficit in 2023/24 of £3.4m.

Employee costs constitute 80% of total costs. The average pay award for all employees, which was agreed nationally, was 5.4%. Utilities, business rates and fuel alone constitute £2.4m of inflationary increases. With the modest increase in central grant, government is clearly placing the onus for achieving a balanced budget with council tax.

We know that with the magnitude of the savings requirement we will need to make reductions in the police staff headcount to balance budgets, even with a £15 precept. It is unlikely that this can be done without some impact on frontline policing. In order to support an efficient, effective and improving police force and to give the Chief Constable the potential to meet the expectations of our communities, the PCC has taken the decision that the maximum increase is the only responsible approach to the 2023/24 budget.

## 4. REVENUE PLAN HEADLINES

Our MTFP forecasts the following position:-

| | *Current* | MTFP Forecast | | | | |
|---|---|---|---|---|---|---|
| | ***22/23 £'000*** | **23/24 £'000** | **24/25 £'000** | **25/26 £'000** | **26/27 £'000** | **27/28 £'000** |
| Budget requirement | *353,706* | 376,083 | 392,392 | 404,128 | 414,962 | 424,501 |
| Less; Total funding | *-356,364* | -369,696 | -379,343 | -386,498 | -393,833 | -401,352 |
| **(Surplus)/Deficit before savings** | ***-2,658*** | **6,387** | **13,049** | **17,630** | **21,129** | **23,149** |
| Less; New savings | | -2,952 | -3,084 | -4,211 | -4,217 | -4,195 |
| Contribution (from)/to reserves | *2,658* | -3,435 | - | - | - | - |
| **(Surplus)/Deficit after savings** | - | **-** | **9,965** | **13,419** | **16,912** | **18,954** |

The key assumptions for **revenue funding** that underpin this forecast include:-

- Confirmed increases to **core revenue grant funding of +£0.7m in 2023/24** and forecast funding of £3.4m in 2024/25 and thereafter 1% p.a.
- **Ring fenced uplift funding increase of +£3.2m** to be paid in arrears conditional upon maintaining uplift numbers. This ring-fenced funding has now increased to a total of £6.3m and is accounted for within our budget requirement.
- Increases in **council tax funding +£11.3m in 2023/24** rising to an increase of +£34.8m by 2027/28, which is achieved through both increases to the precept (see above) and movements in tax base (+1.7% in 2023/24) in line with forecasts being made across our local authorities.

The key assumptions for **revenue expenditure** that underpin this forecast include:-

- Inflationary adjustments to **officer and staff pay** the equivalent of 5.4% in 2023/24, 3.0% in 2024/25 and of 2.0% p.a. thereafter – an increase in cost of **+£16.1m** in 2023/24 rising to **+£46.0m** p.a. by 2027/28.
- Increases to our budgets in support of **the uplift in officer numbers** in line with our target headcount of 3,291 to be achieved by March 2023 – generating budget growth of **+£6.3m** in 2023/24.
- Increases to our **pensions costs** to provide for current and anticipated future deficits in our staff and officer pension schemes, as well as inflationary increases for injury pensions. The known increase in the LGPS pension scheme from **16.3% to 18.6%** from April 2023 adds **+£2.0m**, offset by a reduction of **-£1.5m** in the deficit recovery payment. Provision is also made for increases to injury pensions (+£0.9m in 23/24), and for police officer pension increases from 2024/25 (+£3.5m). The total increase for pensions by 2027/28 recognised in this plan is **+£6.1m**.
- In November 2022 the government announced the reversal of the increase to **national insurance costs** for the Health and Social Care Levy. This removes **-£2.3m** for each year of the MTFP.
- Inflationary increases to **non-pay costs** reflective of **specific and acute pressures** adding **+£3.3m** in 2023/24 rising to **+£5.8m** by the end of the plan, including:-
    - Increases to electricity costs estimated at +50.6% or +£1.3m in 2023/24, rising by +£2.3m by the end of this plan.
    - Increases to gas costs estimated at +62.5% or +£0.3m in 2023/24, rising by +£0.6m by the end of this plan.
    - Increases to business rates at +10.4% or +£0.4m in 2023/24, rising by +£0.9m by the end of this plan.
    - Increases to fuel costs estimated at +19.2% or +£0.4m in 2023/24, rising by £0.7m by the end of this plan.
- Inflationary increases to **non-pay costs** reflective of **general inflationary pressures**. Inflation is currently running significantly ahead of the Government's target of 2.0% p.a. Recognising the wider challenges of affordability presented here we have applied a general inflationary factor of +4.0% in 2023/24, decreasing to +2.0% p.a. thereafter – an increase in cost of +£1.5m in 2023/24 rising to +£4.6m by 2027/28.
- Other **growth and commitments** in employee costs of £3.5m in 2023/24 rising to £3.7m by 2027/28 – reflecting growth in strategic capabilities such as communications and workforce planning, as well as incorporating pay reviews in hard to fill roles. Further growth and commitments of £2.5m in 2023/24, rising to £3.9m by 2027/28 in non-employee costs are also identified – reflecting some growth in premises costs in support of our estate plans, some growth in transport costs reflecting increased mileage across our fleet, and in IT costs as we increasingly consume more and more cloud services in our move away from on premise IT solutions. This also includes £0.8m growth in our capital financing charges over the course of the MTFP.
- Increases in the costs of **partnerships**, recognising increases into these collaborations reflective of pay and inflation assumptions, as well as investment into SWROCU in line with their final year uplift allocation and investment in SW Forensics to support service improvements and increased costs of compliance – an increase of

£2.7m in 2023/24, rising to £5.8m in 2027/28.

- Increases to **income** budgets of -£3.2m in 2023/24 and returning to -£3.2m by 2027/28 after increases during the middle of this plan. These include inflationary adjustments to our income budgets where appropriate, as well as an increase of £1.7m in our investment income in 23/24, reducing to £0.8m p.a. by 2027/28.
- Specific **contributions from reserves** are planned to be -£1.4m in 2023/24, supporting one off or time bound cost pressures associated with our DC DHEP course fees (£0.5m), the use of targeted incentives for those in or aspiring to filling a detective role (£0.4m) and the short-term pressure created by our increase to pay for PCDA entry level salary to help with attraction (£0.4m).
- Realisation of new **revenue savings of -£3.0m** in 2023/24 rising to **-£4.2m** by 2027/28. These reflect savings achieved through non-pay budgets, including savings from premises budgets resulting from business rate reviews, and savings achieved through the regional procurement of our new custody healthcare services. There are also staff savings recognised here, including those arising from restructures of our estates and facilities function, our intelligence directorate and from our regional partnerships. The plan also recognises further savings from 2025/26 onwards achieved following implementation of our new ERP system.
- In addition to savings there are several areas where we have made **adjustments** to budget which have the effect of reducing our expenditure by -£4.9m in 2023/24, reducing to -£2.9m by the end of this plan. These include adjustments to the standard unit cost of a police officer, which given the profile of our workforce is expected to decrease further in 2023/24 (£2.6m) before stabilising and starting to increase towards the end of the plan. They also include the adjustments to reflect the changing profile of our costs and income relating to policing at Hinkley Point, adjustments to our regional project budgets reflecting the delays in the national Emergency Services Communications Programme, adjustments to our revenue funding of capital expenditure and adjustments in the accounting for our PFI buildings in accordance with our PFI model.

## 5. CAPITAL PLAN

The draft capital programme forecasts the following position:-

| | Current | MTFP | | | | | Total |
|---|---|---|---|---|---|---|---|
| | 22/23 | 23/24 | 24/25 | 25/26 | 26/27 | 27/28 | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Capital Expenditure | 12,581 | 22,839 | 29,307 | 18,524 | 10,784 | 9,844 | 103,879 |
| Less; Capital Funding | (12,581) | (22,840) | (29,307) | (18,523) | (7,021) | (6,840) | (97,410) |
| **Deficit** | - | - | - | - | 3,464 | 3,004 | 6,469 |

In summary we are forecasting:-

- Total capital expenditure of £103.9m over this financial year, and the next 5 years;
- Total capital funding of £97.4m over the same period;
- A resultant shortfall of £6.5m across 2026/27 and 2027/28 at this point in our

planning process.

Some of the key areas of capital investment are:-

- **ICT Asset replacement** – the plan includes £17.3m for the ongoing replacement of IT assets, which include both end user devices (e.g. laptops, mobile phones, body worn video cameras) as well as IT infrastructure (e.g. networks, security and storage);
- **Fleet replacement** – the plan includes £23.1m for the ongoing replacement of our fleet of vehicles, including provision for increases to fleet reflecting the increase in officer numbers through uplift. Work continues to identify savings through appropriate rationalisation supported by fleet telematics data;
- **Corporate systems** – the plan includes an estimate of £8.5m to replace our Enterprise Resource Planning (ERP) system which provides for HR, financial and procurement capabilities;
- **Somerset estate** – the plan includes £13.2m investment to support the continued evolution of our estate in Somerset, including plans for South Somerset, Minehead and Frome police stations;
- **Bristol estate** – the plan includes £6.4m investment to progress projects in Bristol, including Trinity Road (Old Market) and Broadbury Road (Knowle West) police stations;
- **EV Charging** – the plan includes £1.4m for further investment in electric car charging infrastructure;

Our plans will remain subject to ongoing review as programmes develop and in relation to national programmes as the outlook for these becomes clearer.

Our capital funding forecasts assume:-

- Ongoing recurring **contribution from revenue budgets,** set at £6.5m p.a. for the duration of the MTFP;
- Use of our **capital reserves** of £22.8m, exhausting these reserves by 2024/25;
- Use of **Capital receipts**, after being realised through the sale of buildings and other assets. This will exhaust all current planned opportunities to generate receipts from the sale of buildings in our estate;
- **Borrowing** a further £14.7m across the medium term in support of this plan. This borrowing will be used to fund our investment in longer life assets (e.g. buildings). The revenue cost of this borrowing has been built into our revenue forecasts, but the timing of the draw down of this borrowing will remain subject to ongoing review and management.

## 6. RESERVES AND MANAGEMENT OF FINANCIAL RISK

Final decisions on reserves will be taken once the 2022/23 outturn position is completed, but within this context the following plans are being developed:-

- General fund – the general fund risk assessment will be considered by the Governance and Scrutiny Board with a likely recommendation to retain the general balance at £12m reflecting the ongoing levels of risk and uncertainty. The proposed general fund balance represents 3.4% of 22/23 Net Revenue Expenditure;

- Capital funding – in recognition of the forecast deficit we will take the opportunity to review and where possible identify opportunities to utilise any available funds to support ongoing capital investment.

As reported in our financial statements at the end of March 2022 the PCC had total usable reserves of £60.9m.

Our MTFP forecasts a gradual reduction in the level of usable reserves reflecting the use of this in support of our capital plans. The forecast shows our usable reserves reducing to a recurring level of £25.7m in the final year of this MTFP.

Our plans recognise a number of **risks** in relation to our financial planning. These include:-

- Pay inflation – pay costs account for c. 80% of our overall budgets, and therefore what happens to pay inflation has a material impact on our future costs. We can already see the impact of pay inflation from the experience of the last year and the challenge of forecasting pay inflation will remain a significant factor in the immediate term. Our current assumption is that pay will increase by +3.% in September 2023 and 2024, and will increase by +2.0% p.a. thereafter. This is reflective of the emerging thinking nationally, and mirrors the assumptions being made in a number of other forces around the country.
- Price inflation – we have provided for both general and specific inflation but in the current economic climate the challenge of estimating inflationary pressures will remain at least for the medium term. This has the potential to create unsustainable pressure on our budgets. We will continue to monitor this, and will work to mitigate this as much as possible and to maintain flexibility within our planning;
- Grant Funding – It is clear that the funding model for policing, as with other public services, will need to be responsive to the inflationary economic environment. However, the financial challenges facing government, alongside the 0.3% core grant uplift this year, demonstrate that the level of grant funding remains a key risk. Factors which could impact this include:-
    - The planned review of the Police funding formula could result in changes to the allocation of funding across all forces in England and Wales. It is not possible to predict the outcome of this review or the arrangements for its implementation within our plans;
    - The SR headlines run until 2024/25. Our MTFP includes three years after this, which will be determined by a new SR likely to be conducted in 2025.
- Capital Plan – is currently forecasting a deficit of £10.2m over the MTFP after using all current existing capital reserves and capital receipts, our annual revenue funding for capital and a planned uplift in borrowing (see above). At this stage in our planning we recognise that we will need to consider opportunities to close this gap through both increasing our capital funding where possible and through refinement of our capital spend plans. While a residual risk remains we believe this to be manageable across the medium term;
- Pension costs – Pressures on employers' contributions continue to increase. Both officer and staff employer contribution rates increased at the last valuation, and we have made some provision in our forecasts for increases to pension costs here. However, we recognise that increases to officer pensions costs in particular will need

to be resolved in consultation with government.

## 7. EQUALITY ANALYSIS

All business cases in support of change, both with revenue and capital implications are subject to an equality impact assessment. This way we can ensure that those decisions on how we allocate our funding across budgets and plans are cognisant of equality issues.

## 8. SUSTAINABILITY

Sustainability is important in regard to ensuring the organisation is living within both its financial limits (financial sustainability) as well as within its environmental limits through ensuring effective and efficient use of natural resources. In fulfilling the objectives in terms of financial sustainability, this report, and our regular quarterly financial reports, ensure we are able to maintain a good overview of our financial sustainability. Wider environmental sustainability considerations are also considered within the budget and capital programme and include the gradual investment into the transition of our fleet to electric vehicles (including investment to expand the necessary charging infrastructure to support this), and investment into initiatives that will continue to reduce our carbon consumption as an organisation.

## 8. CONCLUSIONS AND RECOMMENDATION

Section 25 of the Local Government Act 2003 places a duty on the Chief Finance Officer (CFO) to make a report to the PCC on the robustness of the estimates and the adequacy of the reserves.

**Reserves and Balances**

The PCC's CFO completed a risk assessed review of the general fund reserve which was presented to and discussed at the Police and Crime Board on 5th January 2022. The result of this was for the general fund reserves to be maintained at £12m, which is 3.4% of our net budget requirement – slightly above the 3.0% minimum which is widely regarded as prudent. The level of this reserve will be reviewed prior to the end of the financial year to ensure that it still appropriate in the light of latest financial information.

Earmarked reserves are forecast to reduce across the medium term, reflecting the forecast utilisation of both capital funding and capital receipts reserves in support of the capital plan outlined. There does remain a residual deficit in year four and five of the capital plan, however this is considered to be manageable at this stage in our planning. Opportunities to reduce this deficit through both increases to funding or reductions to cost forecasts will continue to be explored.

**Reliability/accuracy of budget estimates**

The estimates have been put together by experienced and qualified finance staff in the Force's Finance Department and reviewed by both the Constabulary CFO and the PCC's CFO.

There remain risks and uncertainties with many of the assumptions included within this plan, and these have been set out in section 6 above.

Some of the risks are more significant than others, however none on their own are so significant that they could not be managed in isolation. However, collectively they represent a gradual and escalating build-up of financial pressure on the Constabulary in particular, and this will therefore need to be closely monitored during the year and through future iterations of the MTFP.

**Achievability and risks**

The PCC needs to be satisfied that the revenue commitments in future years are affordable, sustainable and deliverable. Furthermore, the PCC has a responsibility to local people to ensure that the approved budget and detailed spending plans will deliver the aims, priorities and performance targets as set out in his Police and Crime Plan 2021 - 2025.

The Constabulary has grown rapidly in the last three years in order to achieve the uplift in officer numbers expected. There are risks and challenges associated with such rapid growth, and these growing pains have been described by the Chief Constable. The Government has tied a significant part of its grant funding to maintaining our target level of officers, and the constabulary have developed detailed models to monitor officer leavers against recruitment to be able to respond to any changes in forecasts.

The current forecasts that are generated by these assumptions and proposals indicate the need for further savings across the term of the MTFP. We recognise the challenge of achieving these savings whilst still delivering improvements in performance as expected by government, the PCC and our communities. However, prudent financial management means that we are able to lean on reserves in order to develop coherent savings plans that will align with our developing operating model. Nevertheless, it is unlikely that savings of the magnitude currently required over the next five years could be achieved without having some impact on the servicing of public demand for policing services.

The PCC intends to work closely with the Chief Constable and her team over the coming months to agree the approach to be taken for the balancing of the budget in future years. This will include developing a clear, shared understanding of those budgets over which we can effect change, and establishing a joint scrutiny process by which these budgets can be reviewed and options for savings can be brought forward.

The delivery of the capital programme saw some slippage in recent years, particularly as a consequence of the COVID-19 pandemic and the impact this, coupled with other global inflationary and supply chain issues, have had on the timescales by which we could deliver our plans. These risks remain, and when coupled with the uncertainty of timing and cost of national IT projects in particular, means that we will need to have flexibility in the timescales for the delivery of projects.

**Conclusions**

The revenue budget is balanced for 2023/24 based on a proposed precept increase of £15 and the ability to lean on reserves. Savings plans are being developed in order to deliver a balanced plan from 2024/25 and to minimise the call on reserves in 2023/24. £3m of savings for 2023/24 have already been incorporated into the MTFP.

In common with forces across the country, it is inevitable that with the current funding constraints, there will be an impact on the levels of police staffing as a consequence of savings plans.

The MTFP provides for the maintenance of the increase in officer numbers at our target

level of 3,291, as well as supporting investment in technology to enable the continued efficiency and productivity of officers and staff.

The MTFP provides for inflationary pressures, including some very acute challenges in the costs of energy, fuel and in areas where there are specific market pressures.

**Recommendation**

It is recommended that the Police and Crime Panel accept and endorse the council tax precept proposal made by the PCC, increasing the council tax of an average band D equivalent dwelling by £15 (6.0%).