

Report title: The 2024/25 Budget Setting Process	
Report to: Essex Police, Fire and Crime Panel	
Report author: Police, Fire and Crime Commissioner	
Date: 15 June 2023	For: Noting and comment
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County Divisions affected: All Essex	

1. Purpose of Report

- 1.1. To provide the Panel with an outline of the 2024/25 budget setting process for the Police, Fire and Crime Commissioner Fire and Rescue Authority (PFCCFRA) and the Police, Fire and Crime Commissioner (PFCC) for Essex (Essex Police).

2. Recommendations

- 2.1. That the Panel notes the report and considers the PFCC's invitation to participate in this process through the creation of a 2024/25 Budget Setting Working Group of the Panel, in line with the process established for 2023/24 budget setting.
- 2.2 Should the Panel accept the PFCC's invitation as set out above, appropriate dates for the Panel Budget Setting Working Group meetings will be considered by the PFCC and the Panel Chair.

3. Context / Summary

- 3.1. In March 2023, the draft budget setting timetable for the PFCC Group was presented to the PFCC's Essex Police Strategic Board. The Essex Fire and Rescue Service's budget setting timetable is due to be presented at the PFCC's Essex Fire and Rescue Strategic Board this month.
- 3.2 The timetables include all stages of budget setting, from capital bids for consideration, through to the identification of revenue contractual commitments, legal requirements, and demand pressures. The coming together of these various components of budget setting are the subject of rigorous governance through the various stages of recommendation and approval before the final presentation to the Panel.

- 3.3** A number of external factors may affect the budget setting process up until December 2023:
- a.** The Home Office funding settlement, the date of which can vary depending on central government priorities but is expected at the end of November / beginning of December and is anticipated to be in line with the 2021 multi-year Spending Review for 2022/23 to 2024/25.
 - b.** The local government finance settlement.
 - c.** Preliminary council tax and business rate information will be obtained from the districts in November but is not likely to be finalised until January 2024.
- 3.4** The timetable will need to be kept under review, as in previous years, and there is a need to take a flexible approach in the stages of budget setting from this point onwards.
- 3.5** At its meeting on 7 December 2023, the Panel will be presented with reports from the PFCC setting out the key factors and challenges informing the development of budget and precept setting proposals in respect of Essex Police and the Essex County Fire and Rescue Service.
- 3.6** In early December 2023, draft 2024/25 budget proposals will be produced by the Chief Officer Group of Essex Police and the Strategic Leadership Team of the Essex County Fire and Rescue Service for the PFCC's consideration at the PFCC's Strategic Board meetings. At these Boards, the PFCC will scrutinise the proposed draft budgets, alongside the Chief Constable and Chief Fire Officer / Chief Executive respectively.
- 3.7** Following the grant announcements, consideration will be given to any appropriate adjustments required to present balanced budgets for 2024/25.
- 3.8** Subsequently, the Chief Constable and Chief Fire Officer / Chief Executive will provide the PFCC with their formal budget proposals in early January 2024. The PFCC will consider the proposed budget for each service and will present the proposed 2024/25 budgets and precepts to the Essex Police, Fire and Crime Panel in February 2024 for consideration and agreement of the precepts.
- 3.9** As set out in the Police Reform and Social Responsibility Act 2011, the PFCC must notify the Panel of the proposed precepts for both the PFCC and the PFCCFRA. The Panel must then review the proposed precepts and make reports to the PFCC including recommendations as to whether to support the proposed precepts for the financial year or whether to confirm a statement which vetoes the proposed precept(s).
- 3.10** As referred in the recommendation at paragraph 2.1 above, the Panel is asked to consider the formation of a 2024/25 Budget Setting Working Group, as we have in previous years. This has been a successful and useful approach to budget setting, with both valued discussion and beneficial questions. The creation of a Budget Setting Working Group of

Panel members would again allow members of the working group to participate in comprehensive discussions regarding the 2024/25 budget setting process. These discussions will provide members of the Budget Setting Working Group with greater detail regarding the budget setting process and the issues facing both services, as well as the opportunity to contribute to the construction of the PFCC's wider budget proposals.

3.11 Should the Panel agree to the establishment of a Budget Setting Working Group, its deliberations will be given meaningful consideration by the PFCC and will inform, and help to improve, the 2024/25 budget setting process.

4. Appendices

4.1 None