

Report title: 2022/23 BUDGET SETTING PROCESS	
Report to: Essex Police, Fire and Crime Panel	
Report author: Police Fire and Crime Commissioner for Essex	
Date: 17 June 2021	For: Noting and comment
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County Divisions affected: All Essex	

1. Purpose of Report

To provide the panel with an outline of the 2022/23 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.

2. Recommendations

That the Panel notes the report and considers the PFCC's invitation to participate in this process through the creation of a 2022/23 Budget Working Group.

Should the Panel accept the PFCC's invitation as set out above, appropriate dates for working group meetings will be considered by the PFCC and the Panel Chair.

3. Context / Summary

Outline of the Budget Setting Process

In June 2021, Draft Budget Setting Timetables will be presented to the PFCC's Essex Police and Essex Fire and Rescue Services Strategic Boards.

Between July and October 2021, capital bids will be completed and submitted by budget holders for consideration by the Chief Officer Group (for Essex Police) and the Senior Leadership Team (for the PFCCFRA).

For revenue spend, Finance Business Partners and Management Accountants will work with budget holders to identify where there are confirmed contractual, legal or service demand pressures.

A summary of both the capital and revenue positions will be shared with the PFCC in early November for discussion.

Various external factors may affect the budget setting process around November / December 2021, including:

- The Home Office funding announcement. The date can vary depending on central government priorities but is expected at the end of November / beginning of December and is expected to be a three-year comprehensive spending review.
- The local government finance settlement. This is expected to be multi-year and may impact on the budget outcomes.
- Preliminary council tax and business rate information will be obtained from the districts in November and is not likely to be finalised until January 2022.

The timetable will therefore need to be kept under review and historically there has been a need to take a flexible approach in the stages of budget setting from this point onwards.

At its meeting on 9 December 2021, the Panel will be presented with reports from the PFCC setting out the key factors and challenges informing the development of budget and precept proposals in respect of Essex Police and the Essex County Fire and Rescue Service.

Draft 2022/23 budget proposals will be produced by the Chief Officer Group and the Strategic Leadership Team for the PFCC's consideration at the PFCC's Strategic Board meetings in early December 2021. At these Boards, the PFCC will scrutinise the proposed draft budgets alongside the Chief Constable and the Chief Fire Officer / Chief Executive respectively.

Following the grant announcements, consideration will be given to any appropriate adjustments required to present balanced budgets for 2022/23.

Following this, the Chief Constable and Chief Fire Officer / Chief Executive will provide the PFCC with their formal budget proposals in early January 2021. The PFCC will then consider the proposed budget for each service and will present the proposed 2022/23 budgets and precepts to the Police, Fire and Crime Panel in February 2022 for consideration and agreement.

Police, Fire and Crime Panel Involvement

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).

As referred to under Recommendations above, the Panel is asked to consider the creation of a 2022/23 Budget Working Group as it did last year. This was a

successful and useful approach to budget setting with much valued discussion and helpful questions. Taking this approach again this year would allow Working Group members to participate in similarly detailed discussions regarding the 2022/23 budget setting process. These discussions would provide these members with greater detail regarding the budget setting process and issues facing both services, and the opportunity to contribute to the development of the PFCC's wider budget proposals.

If the Panel is minded to establish a Budget Working Group, its deliberations will be given due consideration by the PFCC and will inform the 2022/23 budget setting process.

4. Appendices

None