

Report title: The 2023/24 Budget Setting Process	
Report to: Essex Police, Fire and Crime Panel	
Report author: Police Fire and Crime Commissioner, Roger Hirst	
Date: 23 June 2022	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 2023/24 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 2023/24 Budget Setting Working Group of the Panel, in line with the process set up for 2022/23 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 2022, draft budget setting timetables were presented to the Essex Police and Essex Fire and Rescue Services Strategic Boards chaired by the PFCC.
- 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 2022:
- 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 rates information will be obtained from the districts in November 2022 and is not likely to be finalised until January 2023.
- 3.4** 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.
- 3.5** At its meeting on 8 December 2022, 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.
- 3.6** Draft 2023/24 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 their Strategic Board meetings in early December 2022. At these Boards, the PFCC will scrutinise the proposed draft budgets alongside the Chief Consultable 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 2023/24.
- 3.8** Following this, the Chief Constable and Chief Fire Officer / Chief Executive will provide the PFCC with their formal budget proposals in early January 2023. The PFCC will then consider the proposed budget for each service and will present the proposed 2023/24 budgets and precepts to the Essex Police, Fire and Crime Panel in January / February 2023 for its consideration and agreement.
- 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 to under Recommendations above, the Panel is asked to consider the creation of a 2023/24 Budget Setting Working Group, in line with the approach taken in previous years. This has been a successful and useful approach to budget setting with much valued discussion and helpful questions. Again, this would allow members of the working group to participate in detailed discussions regarding the 2023/24 budget setting

process. These discussions will 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.

- 3.11** If the Panel is minded to establish a Budget Setting Working Group, its deliberations will be given due consideration by the PFCC and will inform the 2023/24 budget setting process.

4. Appendices

- 4.1** None