

## **LEICESTER, LEICESTERSHIRE AND RUTLAND POLICE AND CRIME PANEL**

**27 JANUARY 2014**

### Report on Proposed Precept 2014-2015

1. At the above meeting the Panel considered a report on the Police and Crime Commissioner's revenue budget and precept 2014/15 and Medium Term Financial Strategy.
2. The Police and Crime Commissioner highlighted three main themes :-
  - (a) the importance of safeguarding neighbourhoods and communities through building a sustainable Council Tax base;
  - (b) the development of a volunteer strategy; and
  - (c) the development of a policing strategy with a view to achieving a reduction in crime and anti-social behaviour, with a strong emphasis on neighbourhoods and the use of place managers and a task force.

The minutes of the meeting will set out further details of the presentation by the Police and Crime Commissioner, questions from members of the Panel and the discussions which took place on these issues.

3. In relation to the setting of the precept, the Commissioner highlighted by way of background the unexpected top slicing of funding for 2014/15 and future years, which had increased the anticipated reduction in funding from 3.3% by 1.5% to 4.8%. The Commissioner expressed some concerns as to the extent to which statements from the Department of Communities and Local Government in relation to freeze grants in future settlements could be seen as any sort of guarantee and concern that the Council Tax referendum levels could be reduced further.
4. The Panel raised a number of questions in relation to the proposals in the Medium Term Financial Strategy leading to discussion on a number of issues. Those discussions are set out in the minutes. During the course of the debate, a motion was moved by Mr J B Rhodes, County Councillor and Leader of Melton Borough Council (attending the Panel in the latter capacity), and seconded by David Bill, County Councillor, as representative of Hinckley & Bosworth Borough Council, as follows:-
  - (a) As per report.
  - (b) That the proposal to increase Band D council tax for police purposes by 1.5% be not supported and that the PCC be asked to reconsider a council tax freeze in order to access the Government's freeze grants.
  - (c) As per report.
  - (d) As per report.

5. The resolution reflected concerns on the part of a number of members of the Panel that the Commissioner had failed to demonstrate that he had considered sufficiently the benefits to the local community of a 0% Council Tax increase with payment of the freeze grant, as compared with the increase to the base budget resulting from the proposed increase to Band D Council Tax, the latter being identified as £190k in additional funding, an increase of only just over 1% as compared with a base budget proposed for 2014/15 of £173m.
6. In addition, concern was expressed about the wording in the recommendation in the report at paragraph 3 (b), making reference to enabling the Commissioner to reduce the proposed increase "to any referendum limit (when and if that has been determined by Ministers if required)". The concerns in relation to this recommendation were threefold:-
  - (a) whether the Commissioner had demonstrated that he had considered with sufficient care what action would be taken in the event that the referendum limit were reduced, given the fact that the additional funding would be further reduced and this would be significant in undertaking the balancing exercise referred to in paragraph 5 above.
  - (b) The Panel had been provided with no information in relation to what the proposed expenditure and income would be in the event of such a reduction, as would be expected in budget papers presented to local authorities; and
  - (c) whether this part of recommendation 3(b) was in any event too vague to enable the Panel to exercise its powers under the legislation.
7. The resolution at paragraph 4(b) above was passed, 8 members of the Panel voting for it and 5 against, with no abstentions.
8. The majority of the Panel who voted in favour of the resolution were not satisfied by the response of the Police and Crime Commissioner on the points set out above. The minority, whilst having the same concerns, were of the view that the need to ensure a robust response to issues of crime and anti-social behaviour, against the background of an increase in crime rates locally, did justify the proposed increase in Council Tax.
9. As the resolution was passed by 61.5% of the members present, it does not have the effect of a veto on the Commissioner's proposed precept; a majority of two-thirds in favour, a minimum of 9 votes was required for the veto.