**Police and Crime Panel for Lancashire**

**7th February 2020**

**Report in Response to the Proposals in relation to the Precept in the Police and Crime Commissioner's Budget 2020/21**

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###### Executive Summary

This report sets out the Police and Crime Panel’s response to the latest financial position for the Police and Crime budgets in Lancashire, specifically in relation to the proposals for the precept for 2020/21.

**Introduction**

The Police and Crime Commissioner (’the Commissioner’) has a statutory duty to set an annual Police and Crime budget and, as part of that process, to consult with the Police and Crime Panel regarding any proposals in relation to the council tax precept.

At the meeting of the Crime and Police Panel on the 4th February 2020, at item 4, a report from the Commissioner set out the latest financial position for the Police and Crime budgets in Lancashire for 2020/21 and the proposals in relation to the precept. This report can be viewed on the following link:

<https://democracy.blackburn.gov.uk/ieListDocuments.aspx?CId=200&MId=2625&Ver=4>

**Council Tax**

In the Police Settlement announced by the Policing and Fire Minister on 22nd January 2020, it was confirmed that the maximum amount that council tax could be increased without the requirement for a local referendum is £10 for a Band D property.

In his statement, the Minister for Policing and Fire stated that Police and Crime Commissioners (‘PCCs’) are expected to increase council tax by £10 for a Band D property, to meet their existing cost pressures and therefore ensure they delivered the additional 6,000 officers required nationally.

In order to meet the funding gap of £5.773m identified in paragraph 4.8 of the Commissioner’s report he is required to consider whether to propose any changes to council tax.

The Commissioner proposed to increase Council Tax in 2020/21 by £10 for a Band D property. This will give a council tax charge of £211.45 for a Band D property, providing additional income in 2020/21 of £4.444m.

**Role of the Police and Crime Panel**

Schedule 5 of the Police Reform and Social Responsibility Act (2011) states that the Commissioner must notify the Police and Crime Panel, by 1st February 2020, of the precept which the Commissioner is proposing to issue for the financial year.

Under the requirements of the Act, Police and Crime Panels must review the proposed precept notified to it and must make a report to the Commissioner on the proposed precept. The report may include recommendations, including recommendations as to the precept that should be issued for the financial year.

The Police and Crime Panel has the power to veto the proposed precept if at least two-thirds of the persons who are members of the panel at the time when the decision is made vote in favour of making that decision. If the panel vetoes the proposed precept, the report made to the Commissioner must include a statement that the panel has vetoed it.

The Police and Crime Panel's response to the Commissioner on the precept proposal must be made by 8th February 2020. A Commissioner is unable to set a precept until the end of the scrutiny process is reached and should the Police and Crime Panel veto the proposals, the Commissioner must submit a revised precept for consideration of the panel to which the Police and Crime Panel must also respond. A further response from the Police and Crime Panel must

be received by 22nd February 2020 after which the Commissioner must respond formally to the Police and Crime Panel setting out the precept for the forthcoming year.

##### Recommendations

The recommendations which the Police and Crime Panel were asked to consider were as follows:

-Note the details of the 2020/21 police finance settlement and the overall impact on Lancashire's budget;

-Note the report on the public consultation undertaken in respect of the proposed precept level;

-Consider the Commissioner's proposal to increase the council tax precept by £10 for a Band D property in 2020/21;

-Make arrangements to ensure that a formal written response to the proposals is sent to the Commissioner by 8th February 2020.

-Note the draft capital investment programme for the period 2020/21 to 2024/25 and the financing available;

-Note the proposed use of the Commissioner's reserves in 2020/21 and future years.

**Decision**

Following questions put to the Commissioner by the panel and responses provided, the above recommendations were noted and the proposal to increase the council tax precept £10 for a Band D property in 2020/21 was approved as set out in the Commissioner’s report. Furthermore the panel agreed to submit this formal written response to the proposals by the 8th February 2020.

The minutes of the meeting when available can be located on the Blackburn with Darwen Council website (see link below):

<https://democracy.blackburn.gov.uk/ieListDocuments.aspx?CId=200&MId=2626&Ver=4>