**Police and Crime Panel for Lancashire**

**28th January 2019**

**Report in Response to the Proposals in relation to the Precept in the Police and Crime Commissioner's Budget 2019/20**

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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 2019/20.

**Introduction**

The Police and Crime 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 21st January 2019, at item 3, a report from the Commissioner set out the latest financial position for the Police and Crime budgets in Lancashire for 2019/20 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=1965&Ver=4>

**Council Tax**

As part of the budget setting process the Commissioner is required to consider whether or not to propose any changes to council tax. Limits on council tax increases are set by the Chancellor.

It has been announced by the Minister for Policing and Fire that Police and Crime Commissioners can increase the Council Tax charge for a band D property by up to £24 without the need for a local referendum.

The Policing and Fire Minister stated that PCCs should use the flexibility allowed in

the setting of council tax to enable investment in the service to meet the ever increasing demands placed upon it.

The Commissioner reported that it was clear that the government recognised that policing needs additional funding in 2019/20 and that the government expected the majority of this to be provided through the local council tax precept. The Commissioner made it clear

that protecting local policing in Lancashire was his main priority.

**The Commissioner proposed to increase Council Tax in 2019/20 by £24, giving**

**a council tax charge of £201.45 for a Band D property**, providing additional income

of £10.533m. This income will enable some investment to be made in policing

services in Lancashire at a time when both costs and demand pressures are rising at

a significant rate.

This increase would therefore meet the funding gap of £5.899m as set out in the report and

provide £4.634m for investment in policing services in Lancashire.

The final settlement is anticipated to be announced in early February 2019 and

therefore the current information is based on the provisional figures that were

announced on 13th December 2018.

The Commissioner had undertaken a public consultation with the people of Lancashire to

ensure their needs were taken into consideration when setting the council tax precept.

**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 2019, 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 2019. 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 2019 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 2019/20 provisional 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 for a Band

'D' property by £24 in 2019/20

* Make arrangements to ensure that a formal written response to the proposals is sent to

the Commissioner by 8th February 2019

* Note the draft capital investment programme for the period 2019/20 to 2023/24 and the

financing available

* Note the proposed use of the Commissioner's reserves in 2019/20 and future years

**Decision**

Following discussions, the above recommendations were noted and the proposal to increase the council tax precept for a Band ‘D’ property by £24 in 2019/20 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 2019.

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=1965&Ver=4>