**Police and Crime Panel for Lancashire**

**2nd February 2021**

**Report in Response to the Proposals in relation to the Precept in the Police and Crime Commissioner's Budget 2021/22**

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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 2021/22.

**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 2nd February 2021, at item 3, a report from the Commissioner set out the latest financial position for the Police and Crime budgets in Lancashire for 2021/22 and the proposals in relation to the precept. This report can be viewed on the following link:

[(Public Pack)Agenda Document for Police & Crime Panel for Lancashire, 02/02/2021 10:00 (blackburn.gov.uk)](https://democracy.blackburn.gov.uk/documents/g3100/Public%20reports%20pack%2002nd-Feb-2021%2010.00%20Police%20Crime%20Panel%20for%20Lancashire.pdf?T=10)

**Council Tax**

In that detailed report the current provisional funding position for 2021/22 is set out. It also identifies the cost pressures, savings required and investment needed for policing in Lancashire.

The impact of the proposals for the 2021/22 budget are identified in an updated Medium Term Financial Strategy (MTFS) also set out in the report.

The Commissioner reported that the budget for 2021/22 reflected the funding announcement made by the Police and Fire Minister in his Provisional Settlement statement made on 17th December 2020. The Minister making it clear in his statement that additional funding for the national uplift programme for police officers was being provided but PCCs would need to utilise increased council tax to finance their budgets in 2021/22.

The Commissioner reported the Minister was expecting every PCC to increase their respective council tax precept by £15 for a Band D property to deliver the level of funding for police set out in the provisional settlement.

**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 2021. 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 2021 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 2021/22 provisional police finance settlement, cost pressures and investments and the impact on Lancashire's budget;
* Consider the Commissioner's proposal to increase the council tax precept by £15 for a Band D property in 2021/22;
* Make arrangements to ensure that a formal written response to the proposals is sent to the Commissioner by 8th February 2021.
* Note the draft capital investment programme for the period 2021/22 to 2025/26;
* Note the position of the Commissioner's reserves in 2021/22 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 by £15 for a Band D property in 2021/22 was approved by a majority vote.

Furthermore the panel agreed to submit this formal written response to the proposals by the 8th February 2021.

In so doing the Panel also made the following recommendations:

Members of the Panel asked that the PCC acknowledge and recognise the concerns of the Panel as regards differences in policing resources allocated within Lancashire and their impact on local communities. The Panel ask the PCC when reviewing the allocation resources funded by the precept increase and existing funding, take action to ensure adequate and appropriate resources are made available in a fair and equitable manner to avoid and prevent potential inequalities of policing services across different parts of the County.

Furthermore, the Panel notes the disparity in the allocation of resources nationally, the inequity of the funding system and the unfair position that the Commissioner has been placed in, in having to propose to raise the precept to meet a government commitment made for the national uplift programme.

The Panel therefore asks the Chair to write to the relevant Government Minister to reflect these views of the Panel made during the scrutiny process and seek a view from the Minister when these historical inequalities in budget allocation would be addressed, removing the unfair burden being placed on local council tax payers.

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

[Browse meetings - Police & Crime Panel for Lancashire (blackburn.gov.uk)](https://democracy.blackburn.gov.uk/ieListMeetings.aspx?CId=200&Year=0)