

POLICE AND CRIME PANEL
23 JANUARY 2020
REPORT OF THE POLICE AND CRIME COMMISSIONER FOR DERBYSHIRE

<u>PROPOSED PRECEPT FOR 2020/21</u>
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1. PURPOSE OF THE REPORT

- 1.1 To notify the Police and Crime Panel of Derbyshire of the Police and Crime Commissioner's proposed approach to setting the 2020/21 precept.

2. BACKGROUND & CONTEXT

- 2.1 The Police and Crime Commissioner must, in line with the Police Reform & Social Responsibility Act and Police & Crime Panels (Precepts & Chief Constable Appointments) Regulations 2012 set a police budget and inform the Police and Crime Panel of the proposed increase, if any, of the Council Tax precept for policing.
- 2.2 Under 'normal circumstances' an announcement by the Policing Minister, usually in December, sets out the Police Settlement Grant, from which Derbyshire can calculate the amount of central Government funding it will receive in the forthcoming year.
- 2.3 Due to the December General Election, this announcement was not made and to date no such announcements have been forthcoming.
- 2.4 Included within the announcement is also information about the limit to which a precept can be raised before triggering a local referendum – again no such announcement has been forthcoming.
- 2.5 Historically the limit has been set at an increase below 2%, however in recent years greater flexibility has been afforded to PCCs, and assumptions have been made that PCCs will use this flexibility to raise the precept by the maximum amount.
- 2.6 Panel members may recall last year the level was set at a maximum of £24.00 for a Band D property.
- 2.7 In the absence of any announcements or concrete intelligence, police forces have found themselves relying on statements made by the previous administration regarding the funding of the uplift of 20,000 police officers across the country as well as indicative statements made about the

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‘protection’ of police funding.

- 2.8 PCCs have also had to be reliant on any information that they have been able to garner from a variety of informal sources in order to try and formulate a balanced budget based on little more than ‘best guesses’. Clearly this is far from a satisfactory situation.
- 2.9 Locally the finance officers from both the OPCC and the Force have been pulling together a skeleton revenue budget based on a series of assumptions to ensure that we are able to comply with our statutory duties to produce a budget and inform the Police and Crime Panel of a proposed precept rate for 2020/21.

3. **PROPOSED APPROACH**

- 3.1 As an office, the OPCC is acutely aware that members of the Panel will want to be able to look at the budget in order to understand the PCC’s rationale for any precept proposal.
- 3.2 We are keen to ensure that the information provided is as accurate as possible to assist in the Panel’s considerations.
- 3.3 Our latest intelligence from the government is that we may receive notification of the police settlement and precept limits towards the end of week commencing 20th January 2020, but the announcement could slip towards the end of the month.
- 3.4 With this in mind, and considering the need to present an initial precept proposal to the Panel on, or before, 1st February the OPCC will distribute a skeleton budget and precept proposal to Panel members by close of play on Monday 20th at the latest – any assumptions will be explained within the paper.
- 3.5 Should any additional information, or indications, come from the Home Office between 20th January and the Panel meeting, this will be shared as a matter of urgency.
- 3.6 Panel members should be aware that the PCC wrote to the Chair of the Panel to highlight this issue at the start of the year and the decision was taken by the Panel Chair to remain with the current timetable for meetings.

4.0 RECOMMENDATIONS

- i. The Police and Crime Panel of Derbyshire note the difficulties that no information about the police settlement and/or the precept limits have presented
- ii. That the Panel accept the proposed approach to the sharing of information to inform their decision-making process

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ATTACHMENTS

Extract from rules of procedure for Derbyshire Police and Crime Panel

APPENDIX A

EXTRACT FROM RULES OF PROCEDURE FOR DERBYSHIRE POLICE AND CRIME PANEL

14.7 Proposed precept

- 14.7.1 The Police and Crime Commissioner will notify the Police and Crime Panel by 1st February of the relevant financial year of the precept which the Commissioner is proposing to issue for the financial year. The Panel must review the proposed precept by 8th February of the relevant financial year and make a report including recommendations.
- 14.7.2 Having considered the precept, the Police and Crime Panel will either:
 - (a) support the precept without qualification or comment;
 - (b) support the precept and make recommendations; or
 - (c) veto the proposed precept (by the required majority of at least two thirds of the persons who are members of the Panel at the time when the decision is made).

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- 14.73 If the Panel vetoes the proposed precept, the report to the Commissioner must include a statement that the Panel has vetoed the proposed precept with reasons. The Panel will require a response to the report and any such recommendations.
- 14.74 Where the Panel exercises the power of veto, the Police and Crime Commissioner shall, by 15th February of the relevant financial year, notify the Police and Crime Panel of the precept he/she now proposes to issue subject to the following:
- (a) where the Panel report indicates that the Panel vetoes the proposed precept because it is too high, the revised precept shall be lower than the proposed precept;
 - (b) where the Panel report indicates that the Panel vetoes the proposed precept because it is too low, the revised precept shall be higher than the proposed precept.
- 14.75 On receiving a response containing notification of a revised precept under the regulation the Panel shall, by 22nd February of the relevant financial year:
- (a) review the revised precept; and
 - (b) make a report (second report) to the Commissioner on the revised precept.
- 14.76 The Commissioner shall, by 1st March of the relevant financial year, have regard to the second report, give the Panel a response and publish the response.
- 14.77 The Commissioner may then issue the revised precept for the financial year or issue a different precept still subject to the requirements noted at 14.7.4