

ORIGINATOR: PCC CHIEF FINANCE OFFICER

DECISION NO. 4-2014

REASON FOR SUBMISSION: FOR DECISION

SUBMITTED TO: POLICE AND CRIME COMMISSIONER

SUBJECT: PRECEPT LEVEL AND COUNCIL TAX
REQUIREMENT 2014-15

SUMMARY:

1. This paper provides for a decision to be made upon the precept level and council tax requirement for 2014-15, following consideration of the PCC's proposal by the Police and Crime Panel on 31 January 2014.

RECOMMENDATION:

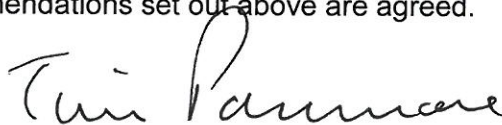
It is recommended that the PCC:

1. Issues this Decision Report in response to the PCP's report on the proposed precept.
2. Notes the Council Tax Requirement and issues the 2014-15 precept summarised in Appendix G- Option 1.

APPROVAL BY: PCC

The recommendations set out above are agreed.

Signature



Date 17/02/2014

DETAIL OF THE SUBMISSION

1. INTRODUCTION

- 1.1. On 22 January 2014 the Police and Crime Commissioner (PCC) considered the draft Medium Term Financial Plan (MTFP) 2014-15 to 2017-18 and approved the recommendations contained therein (Decision 2-2014).
- 1.2. The PCC also considered and approved the recommendations contained in a paper which explained the steps that had been taken in determining his proposed precept level and council tax requirement for 2014-15 (Decision 3-2014). The two recommendations are replicated below:
 - (i) The Police and Crime Panel (PCP) are notified of the PCC's proposal to take the Council Tax Freeze Grant of 1% in 2014-15.
 - (ii) This proposal is submitted to the Police and Crime Panel for consideration at its meeting on 31 January 2014.

2. POLICE AND CRIME PANEL MEETING 31 JANUARY 2014

- 2.1 In reviewing the proposed precept, the PCP considered the PCC's response to a number of questions from the Panel, before voting on the proposal of the PCC to take the Council Tax Freeze Grant for 2014-15. The vote was carried by the required majority.
- 2.2 A copy of the Panel's written report is attached to this paper.

3. FINANCIAL IMPLICATIONS

- 3.1 The financial implications of taking the Council Tax Freeze Grant of 1% in 2014-15 are detailed in the MTFP, with the relevant appendices attached as Appendix A(i) (Option 1- Take the Council Tax Freeze Grant of 1% in 2014-15), and Appendix G (Council Tax and Budget Options 2014-15).

4. RECOMMENDATION FOR DECISION

- 4.1 Accordingly, as a consequence of the PCC's precept proposal and the Police and Crime Panel's response, it is now recommended that the PCC;
 - issues this Decision Report in response to the PCP's report on the proposed precept;
 - notes the Council Tax Requirement and issues the 2014-15 precept summarised in Appendix G- Option 1.

ORIGINATOR CHECKLIST (MUST BE COMPLETED)	PLEASE STATE 'YES' OR 'NO'
Has legal advice been sought on this submission?	Yes
Has the PCC's Chief Finance Officer been consulted?	PCC CFO is originator of this report
Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?	Yes
Have human resource implications been considered?	Yes
Is the recommendation consistent with the objectives in the Police and Crime Plan?	Not applicable
Has consultation been undertaken with people or agencies likely to be affected by the recommendation?	Yes
Has communications advice been sought on areas of likely media interest and how they might be managed?	Yes
In relation to the above, have all relevant issues been highlighted in the 'other implications and risks' section of the submission?	Not applicable

APPROVAL TO SUBMIT TO THE DECISION-MAKER (this approval is required only for submissions to the PCC).

Chief Executive

I am satisfied that relevant advice has been taken into account in the preparation of the report and that this is an appropriate request to be submitted to the PCC.

Signature:



Date 13 February 2014



Suffolk Police and Crime Panel

Outcomes of Consideration of the PCC's Proposed Policing Precept for 2014/15

On January 31st, 2014, the Suffolk Police and Crime Panel considered a recommendation of the Police and Crime Commissioner (PCC) for Suffolk regarding the proposed precept level and Council Tax requirement for 2014-15 for policing in Suffolk. Twelve of the thirteen members of the Panel were present, including two substitute members. The agenda and papers for the meeting are available on the [Suffolk County Council website](#).

The Panel reviewed the PCC's proposed precept report, and the associated Medium Term Financial Plan. At the meeting the Panel also received copies of a letter from the Chief Constable, confirming his confidence that he can configure policing services and make good progress in delivering the Police and Crime Plan, but mindful of the pressures inherent in the Medium Term Financial Strategy.

The Panel put questions to the PCC, including key considerations that had arisen from a workshop held in December.

The PCC explained to the Panel his rationale for recommending that there be no increase in the precept, helping financially stretched citizens in the county, and receiving the government's 1% freeze grant. There would be an underspend in the Constabulary budget this year in the region of £800k, an amount which equated to around 2% of the precept. Funding grants had been received very recently for implementing automatic number plate recognition and enterprise resource projects collaboratively with Norfolk. There were some specific areas within the Constabulary where efficiency savings could be made, and which the Chief Constable is looking to address by 1 April. On a broader basis, the PCC saw potential for significant efficiency savings being realised by joining up collaboratively across the public sector. The PCC was not willing to put up the precept for citizens when there were still significant efficiency savings that could be realised.

The PCC would be embarking on a zero based budgeting exercise this year, which might result in more money going to key areas such as addressing serious sexual offences, whilst ensuring better cost focus and savings on some of the major back-office programmes. The PCC acknowledged that some neighbouring policing areas were proposing to increase their precepts, however he felt that each area must be looked at in context. It takes time to effect the cultural change in approach that leads to efficiency savings. Also Suffolk currently is one of the lowest ranked areas for organised crime, which can consume a huge amount of resource.

Emphasis was placed by the PCC on the need for greater 'joining up' across the various partners involved in community safety and crime reduction, and the PCC was concerned to hear that the Constabulary was separately approaching local authorities for Police Cadet scheme funding. The PCC is keen to see more timely focus on working with the County Council to progress collaborative savings opportunities across the 'Blue Light' services in Suffolk, with scope for shared premises, control rooms, procurement, training, and back office services. There was strong emphasis also on the importance of collaborative working with the voluntary and community sector, in particular with regard to early intervention and prevention to reduce the demand for policing. The PCC had ringfenced a community safety fund (CSF) at £700k and he felt that it was very important to maintain the same level as last year. Last year's CSF had been allocated by government, at a much lower level than previous years, and the PCC had topped it up to £700k.

The PCC was of the view that better project governance and business acumen would help drive further cost savings within the Constabulary. Where the public poll had indicated that half of the respondees would be prepared to pay a little more, the PCC saw any precept increase being associated with extra services, not 'more of the same'. Several Panel members had expressed concern that the PCC had not been told, by the Home Office, the threshold that would trigger a referendum. This constrained the PCC's ability to set a local precept. The lack of threshold had appalled the PCC and he stated that he had already written to the Home Office. He added that he would welcome a letter of support from the Panel regarding the want of threshold.

In response to a question about the falling crime rates in Suffolk, the PCC felt that the downward trend was helped by use of technology, neighbourhood watch schemes, focus on the night time economy, good involvement of the voluntary sector, business forum engagement, transparency and accessibility. However he sounded a word of caution regarding the development of cyber related crime, and the need for greater community effort and awareness.

The Panel Chairman thanked the PCC for his reassurances about the precept. Several members of the Panel said that they were now more convinced about the basis for taking the freeze grant.

The Decision of the Panel

The Panel:

- 1) Agreed, by a majority vote, to approve the Police and Crime Commissioner's proposal to take the Council Tax Freeze Grant for 2014/15, which would result in Council Tax remaining at the 2013/14 level.
- 2) Agreed that a letter would be written from the Panel, to the Home Office Minister, to express concern at the failure of government to give timely notification to the PCC of the referendum trigger threshold.
- 3) Agreed to include on its forward work programme:
 - a) an item to scrutinise the impact, on Suffolk PCC and Constabulary, of the costs of the corresponding parts of Norfolk Constabulary with which there is collaborative working.
 - b) a review, in July, of the proposals for achieving savings through integration of 'Blue Light' services: police, fire and ambulance.
 - c) a review, in October, of progress by the PCC in delivering the savings anticipated in his proposed precept and the medium term financial plan.

A copy of this report of the Panel will be put on the County Council's website by 8 February 2014.

Councillor Patricia O'Brien
Chairman of the Suffolk Police and Crime Panel

3 February 2014

Option 1 - Take Council Tax Freeze Grant of 1% in 2014-15

Appendix A(i)

SUFFOLK MEDIUM TERM FINANCIAL PLAN - 4 YEAR OVERVIEW	Forecast			Comments
	2014/15 £000	2015/16 £000	2016/17 £000	
FORWARD PROJECTION OF 2013/14 REVENUE BUDGET:				
Total Revenue Expenditure before savings	121,636	123,060	124,503	125,965
Revenue Funding of Capital Expenditure	315	312	1,246	307
Total Revenue Income inc Specific Grants	-7,478	-7,550	-7,624	-7,698
General Grant & DCLG Income	-67,399	-64,703	-62,115	-59,631
Council Tax Freeze Grant (for no precept increase in 2011/12)	-1,030	-1,030	-1,030	-1,030
Council Tax Freeze Grant (for no precept increase in 2012/13)	0	0	0	0
Council Tax Freeze Grant (for no precept increase 2013/14)	-431	-431	-431	-431
Council Tax Freeze Grant (for no precept increase 2014/15)	-382	-382	-382	-382
Council Tax Freeze Grant (for no precept increase 2015/16-2017/18)	-382	-382	-382	-382
Precept Income	-38,965	-38,664	-38,664	-38,664
Council Tax Support Funding	-4,891	-4,891	-4,891	-4,891
DEFICIT BEFORE KNOWN CHANGES	1,374	5,339	10,230	13,163
Known / Expected Changes	2,669	2,450	2,532	3,188
Planned use of reserves	-1,577	-1,171	-100	-100
REVENUE DEFICIT BEFORE SAVINGS	2,466	6,618	12,662	16,351
Total CSR1 Savings	-772	-1,289	-1,994	-1,994
Total CSR2 Savings (exc CSR2 Project Savings)	-710	-799	-579	-579
Total Cumulative Permanent Savings	-1,482	-2,088	-2,573	-2,573
REVENUE DEFICIT AFTER SAVINGS (exc CSR2 Project Savings)	984	4,530	10,089	13,778
CSR2 Planned Project Savings	-841	-1,740	-3,194	-3,548
BALANCE OF SAVINGS TO BE ACHIEVED	-143	-2,790	-6,895	-10,230
REVISED REVENUE DEFICIT/SURPLUS (-) AFTER SAVINGS	0	0	0	0
Contribution to / from (-) Cash / Reserves	0	0	0	0
ABOVE BASED ON FOLLOWING ASSUMPTIONS				
Police Pay awards	1.00%	1.00%	1.00%	1.00%
Staff Pay awards	1.00%	1.00%	1.00%	1.00%
Price Inflation	2.00%	2.00%	2.00%	2.00%
General Grants	-4.80%	-4.00%	-4.00%	-4.00%
Additional grant reduction - assumption over CSR				
Precept - Tax base increase	1.18%	0.00%	0.00%	0.00%
Precept - Bill increase	0.00%	0.00%	0.00%	0.00%

