

Cheshire Police and Crime Panel

Date of Meeting: 03 February 2017

**Report of: Brian Reed, Head of Governance and Democratic Services,
Cheshire East Council**

Subject: Precept 2017/18

1. Report Summary

1.1 This report outlines the process for reviewing the Police and Crime Commissioner's proposed Precept for 2017/18.

2. Recommendation

2.1 For the Panel to review the Police and Crime Commissioner's proposed Precept for 2017/18.

3. Precept 2017/18

3.1 Arrangements for determining the Police Precept are provided under Section 26 and Schedule 5 of the Police Reform and Social Responsibility Act 2011 and Part 2 of the Police and Crime Panels (Precepts and Chief Constable Appointments) Regulations 2012.

3.2 Having considered the Precept, the Panel must either:

- Support the Precept without qualification or comment;
- Support the Precept and make recommendations; or
- 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 the decision is made).

3.3 If the Panel vetoes the proposed Precept, the report that is made to the Commissioner must include a clear statement that the Panel has vetoed the proposed Precept, with reasons. The Panel will require a response from the Commissioner to the report and associated recommendations

- 3.5 A Precept is issued annually by the Commissioner under Section 40 of the Local Government Finance Act 1992. The Precept forms part of the Council Tax bills issued by the constituent authorities within the Police Force area. The Commissioner may not issue a Precept for a financial year until the end of the scrutiny process by the Police and Crime Panel is reached. This is when:
- In a case where no veto is imposed, when the Police and Crime Commissioner gives the Police and Crime Panel a response to the Panel's report;
 - In a case where a veto has been imposed, when the end of the veto process is reached;
 - In any case when the Panel does not review the proposed Precept and make a report by 8 February; and
 - In a case when a veto has been imposed but the Panel has failed to review and make a second report on the revised Precept by 22 February.
- 3.5 The Police and Crime Commissioner must notify the relevant Police and Crime Panel of the Precept which the Commissioner is proposing to issue for the following financial year by 1st February.
- 3.6 The Commissioner for Cheshire, his staff and representatives of the Cheshire Constabulary made a presentation on budgetary issues to Panel members at an informal meeting on 19th January. The information presented at that meeting set out the context within which the Precept is to be set.
- 3.7 The Commissioner is due to consider a report on the 2017/18 Revenue Budget and Council Tax Precept at his Management Board meeting scheduled for 31st January 2017. Following that meeting it is envisaged that the Commissioner will notify the Panel formally of this proposed Precept (please see paragraph 3.21 below)
- 3.8 Following receipt of the formal notice from the Commissioner, the Police and Crime Panel must review the proposed Precept and make a report to the Commissioner on the proposed precept by 8th February. The report may include recommendations, including recommendations as to the Precept that should be issued for the financial year.
- 3.9 The Police and Crime Panel may, having reviewed the proposed Precept, veto the Precept. If the Panel vetoes the proposed Precept, the report made to the Commissioner must include a statement that the Panel has vetoed it.
- 3.10 If the Police and Crime Panel does not veto the proposed Precept, the Police and Crime Commissioner must:
- Have regard to the report made by the Panel, including any recommendations in the report;

- Give the Panel a response to the report (and any recommendations) and
- Publish the response.

3.11 The Police and Crime Commissioner may:

- Issue the proposed Precept for the financial year; or
- Issue a different Precept, but only if it would be in accordance with a recommendation made in the report.

3.12 It is for the Police and Crime Panel to determine the manner in which a response or recommendations is to be published. It is recommended that for the county of Cheshire publication of a response should be on the Commissioner's website as soon as reasonably practicable after the response has been issued and in any event by no later than five working days thereafter.

3.13 If the Police and Crime Panel vetoes the proposed Precept the Commissioner must not issue the proposed Precept for the financial year, The Commissioner must by 15th February:

- Have regard to the report made by the Panel (including any recommendations);
- Give the Panel a response to the report (and any recommendations) which includes notification of the precept that he now proposes to issue; and
- Publish the response.

3.14 Where the Panel's report indicates that the Panel vetoes the proposed Precept because it is, in its view, too high, the revised Precept proposed shall be lower than the original proposed Precept. Where the Panel's report indicated that the Panel vetoes the proposed Precept because it is too low, the revised Precept proposed shall be higher than the original proposed precept.

3.16 Members of the Panel are requested to note that the use of the veto procedure will necessitate a further meeting and that this would need to be arranged at short notice, and in any event must be held no later than 20th February 2017. Regulations state that on receiving a response containing notification of a revised precept the Panel shall by 22nd February:

- Review the revised precept, and
- Make a report to the Police and Crime Commissioner on the revised Precept, known as "the second report".

3.17 The second report may:

- Indicate whether the Panel accepts or rejects the revised Precept (but rejection does not prevent the Commissioner from issuing the revised Precept as the Precept for the financial year), and
- Make recommendations, including recommendations as to the Precept that should be issued for the financial year.

3.18 On receiving the Panel's second report the Commissioner shall by 1st March of the relevant financial year:

- Have regard to the second report, including any recommendations in the report;
- Give the Panel a response to the second report (and any such recommendations) and;
- Publish the response.

3.19 The Commissioner may then:

- Issue the revised Precept as the Precept for the Financial year;
- Issue a different precept as the Precept for, but this shall not be higher than the revised Precept if the veto was imposed on the grounds of the Precept being too high and should be lower than the revised Precept if the veto was imposed on the grounds of the precept being too low, unless it would be in accordance with the recommendations made by the Panel in the second report

3.20 An extract from the relevant Home Office guidance document is attached as Appendix I

3.21 At the time of writing details of the Commissioner's proposed Precept were not available, once they are available they will be immediately forwarded to Panel Members. In addition they will also be posted on the Police and Crime Panel section of the Cheshire East Council website.

3.22 In considering its decision the Panel may wish to have regard to the priorities included within the Police and Crime Plan and the information provided on the proposed Budget. The Panel is reminded that its statutory duty relates to scrutiny of the Precept alone, not the detail of the revenue budget.

4. Summary and conclusion

4.1 The Panel must review and make a report and or recommendations in connection with the Commissioners proposed Precept.

5. Equality Implications

5.1 There are no specific equality implications related to this report.

6. Financial Considerations

6.1 There are no financial implications for the Panel in considering these matters, except insofar as an additional meeting would need to be arranged if the Precept is vetoed. Any such arrangements could be contained within the Panel's existing budget.

7. Contact Information

Contact details for this report are as follows:-

Name: Brian Reed

Designation: Head of Governance and Democratic Services

Local Authority: Cheshire East Council

Tel. No: 01270 686670

Email: brian.reed@cheshireeast.gov.uk

Appendix I

PCC PRECEPT APPROVAL (Final Regulations)

