

Police and Crime Panel for Lancashire

Minutes of the Meeting held on Tuesday, 29th January, 2013 at 10.00 am in Meeting Room A at the Town Hall, King William Street, Blackburn

Present:

Chair

Councillor K Hollern, Blackburn with Darwen Borough Council

Committee Members

County Councillor G Driver, Lancashire County Council
Councillor A Barnes, Rossendale Borough Council
Councillor P Barton, Hyndburn Borough Council
Councillor S Blackburn, Blackpool Council
Councillor R Boswell, Preston City Council (replaced Councillor P Rankin)
Councillor A Bradley, Chorley Borough Council
Councillor M Chew, Fylde Borough Council (replaced Councillor L Oades)
Councillor J Cooper, Burnley Borough Council
Councillor M Foxley, Pendle Borough Council
Councillor P Gibson, Wyre Borough Council
Councillor I Grant, West Lancs Borough Council
Councillor M Ranson, Ribble Valley Borough Council
Councillor M Smith, South Ribble Borough Council
Councillor M Thomas, Lancaster City Council
Mr P Richardson, Independent co-opted member
Mr S Vali, Independent co-opted member

Also in attendance

- Mr I Fisher, County Secretary and Solicitor - Lancashire County Council
- Mr R Jones, Assistant County Secretary - Lancashire County Council
- Mr G Graham, Deputy County Treasurer - Lancashire County Council
- Mr C Grunshaw, Police and Crime Commissioner for Lancashire.
- Ms M Carruthers-Watt, Chief Executive - Office of the PCC.
- Ms L Kitto, Chief Finance Officer - Office of the PCC.

1. Apologies

Apologies for absence were presented on behalf of Councillor D Smith (Lancaster) and Councillor M Brindle (Burnley) and were received from Councillor D Eaves (Fylde).

2. Minutes of the Last Meeting

Resolved: That the Minutes of the meeting held on the 17th December 2012 are confirmed as an accurate record and signed by the Chair.

3. Report from the Police and Crime Commissioner

The Commissioner presented a report which summarised the formal decisions and key activities undertaken between the 22nd November 2012 and 14th January 2013.

He reported that the small team who had previously managed the business of the Police Authority had transferred to the Office of the Police and Crime Commissioner and that since the election in November he had reviewed what support was needed to enable him to fulfil his wider role and deliver his priorities. As a result a Deputy Commissioner had been appointed, which the Panel had approved at the previous meeting.

The Commissioner also reported that he had agreed with the Chief Constable to appoint a joint Audit Committee on an interim basis and had seconded an Assistant Chief Executive from the Probation Service and appointed three Assistant Commissioners on an interim basis.

The Commissioner informed the Panel that with the range of skills, knowledge and expertise that his new team provided he would be able to deliver on the priorities and pledges which he had made.

In considering the report the following points were raised by members of the Panel.

- Further information was requested regarding the additional contributions from revenue which the Commissioner had agreed in order to fund particular items in the 2012/13 capital programme which had been identified during the course of the year. In response the Commissioner reported that additional contributions had been made in relation to the following items.

£18,000 – Desktop Replacement for the central ticket office

£202,000 – Miscellaneous minor works including Wyre Operating Centre (£37,000), Morecambe Police Station conversion of custody/canteen area (£15,000) and Moor Farm car park and garages (150,000)

£430,000 - vehicle replacement programme

£30,000 – purchase of counter terrorism equipment

- Clarification was sought in relation to the costs of the restructured Commissioners support team and how this would be met from within existing budgets.

The Commissioner reported that the total budget available for both the staff and members of the previous Police Authority had been £788,000 per annum and whilst the final costs of the new arrangements were still being evaluated he anticipated that the cost of all new posts would be met from within the existing budget and would not add any further pressure on the Police and Crime budget.

It was also noted that the Assistant Chief Executive and three Assistant Commissioners who had been appointed on an interim basis would all be accountable to the Chief Executive within the Office of the PCC.

- In response to a query regarding engagement with the public the Commissioner reported that since the election in November he had met with a number of Leaders of local authorities across the County and Community Safety/Criminal Justice partners. He added that a number of initiatives were being pursued in order to identify public

priorities and he intended to continue to consult widely with local communities.

It was also noted that greater emphasis was being placed on casework as the Office of the PCC had received 300 contacts since November, which represented a significant increase on that received by the previous Police Authority.

- With regard to some of the decisions set out in the report it was suggested that the inclusion of additional information, including specific costs would be of assistance to the Panel. The Commissioner noted the suggestion and confirmed that future updates on decisions would include more detailed information.
- Reference was made to the sale of police properties, including former rural police stations, would have generated capital receipts and further information regarding this was requested. In response the Commissioner undertook to provide details to the members of the Panel in the future.
- The intention to allocate funding for community safety activity to the three top tier authorities at the same level as in 2012/13 was noted. It was reported that previously the Police Authority had made funding generated from second homes in certain Districts available to the respective Community Safety Partnership though this had subsequently been withdrawn. In response to a query as to whether such funding would be reinstated Ms Kitto, Chief Finance Officer from the Office of the PCC, informed the meeting that discussions were still underway which would continue to inform the development of the final budget.
- It was recognised that there were a number of uncertainties in relation to new grants and existing funding streams and the Panel noted that the Police and Crime budget was based on the information which was currently available and would be refined as clarification was received from the Home Office.

With regard to the earlier request for more detailed information the Secretary suggested that Officers, together with the Chair, discuss the matter further with a view to establishing the nature and level of information which the Panel would wish to see in the future.

The Chair congratulated the Commissioner and his staff on the work which had been done to date.

Resolved:

1. That the report be noted.
2. That arrangements be made for the Chair to meet with Officers from the Secretariat and the Office of the PCC in order to discuss the nature and level of information which the Panel would wish to see included in future reports.

4. Police and Crime Commissioners Budget 2013/14

The Commissioner presented a report on the proposed budget for 2013/14 and informed the meeting that in order to ensure a stable resource base was provided over the coming year, and that the Constabulary had the resources needed to continue to deliver high quality services he proposed to increase council tax by 2% which for an average Band 'D'

property would increase the annual precept by approximately £3 from £149.93 in 2012/13 to £152.93 in 2013/14.

The Commissioner also reported that he intended to reject the offer of a two year only 1% Government grant for freezing the policing precept, as he believed that acceptance of such a grant would hurt the police service in the long term by storing up greater financial pressures for the future.

Mrs Kitto, Chief Finance Officer from the Office of the PCC, outlined the contents of the proposed budget and reminded the Panel that there were still a number of uncertainties regarding funding and final council tax base figures and clarification was being sought from the Home Office, local authorities and other partners in order that the budget could be finalised.

The Panel was informed that £31.3m of savings had already been delivered in the first two financial years of the current Comprehensive Spending Review and that a further £6.4m would be delivered in 2013/14 and that these had been factored into the overall 2013/14 budget proposals. With regard to the future it was noted that further savings of £22m would be required between 2014/15 and 2016/17, of which £2m had already been identified. In total £60m of savings, representing more than 20% of the budget, would be required between 2011/12 and 2016/17.

When considering the proposed budget the following points were raised by members of the Panel.

- With regard to the efficiency savings set out in the report it was suggested that clarification was needed as to how the savings were divided between operational and 'back office' budgets.

In response the Chief Executive informed the meeting that in view of the small number of staff employed by the Office of the Police and Crime Commissioner certain functions such as Human Resources or legal advice were provided by the constabulary for both the Office of the PCC and Lancashire Constabulary. The Chief Executive also stated that some functions were carried out by third party organisations under shared service or collaboration agreements. It was also reported that any further efficiencies which were identified by the ongoing review of management costs would be applied to both the Office of the PCC and the Constabulary.

- In view of the need to secure further savings in the future it was suggested that consideration be given to 'back office' support functions being provided by other local authorities and the Commissioner acknowledged that this was something which could be explored.
- In response to a suggestion that more information be provided regarding the separation of costs associated with the Constabulary/Office of the PCC the Commissioner informed the Panel that this detail would be finalised before the budget is set in February. However, with regard to future budgets the Commissioner acknowledged that more detailed information and clarification of the respective budgets

of the Constabulary/Office of the PCC would be of assistance to the Panel.

- It was noted that as part of the finance settlement the government had set the limit which would be used to determine whether a council tax increase was excessive as being 2% and that any decision to increase in excess of 2% would trigger a referendum. The Chief Finance Officer reported that the Commissioner was proposing to increase council tax by 2% and that this equated to approximately £3 on an average Band 'D' property. The final precept amount would however be finalised once all the funding uncertainties had been resolved to ensure that the 2% limit would not be exceeded, thereby avoiding the need for a referendum.
- It was also noted that the government had announced that a higher threshold had been set for those PCCs whose council tax was in the lower quartile where a referendum would only be triggered if the PCC increased their basic level of council tax by more than 2% and there was a cash increase of more than £5 in the relevant basic amount. However, the Commissioner reported that as Lancashire had the 11th lowest council tax for all PCC areas (and the 6th lowest for the shire Authorities) this flexibility did not apply.
- In response to a suggestion that reserves be used to dampen the current level of uncertainty regarding funding the Commissioner informed the meeting that such a move would still require future efficiency savings to be made and that he preferred to hold reserves for any unforeseen circumstances which may arise.

Following consideration of the proposed 2013/14 budget as set out in the report it was MOVED and SECONDED that the Panel do not agree the proposal to increase the council tax precept by 2% for 2013/14 and should instead recommend the Commissioner to accept the Council Tax Freeze Grant which was available for two years only and would be the equivalent of a 1% increase in council tax.

On being put to the VOTE the motion was LOST and it was.

Resolved: That the Police and Crime Panel for Lancashire -

1. Note the details of the provisional 2013/14 police finance settlement and the overall impact on Lancashire's budget, as set out in the report presented.
2. Note the remaining funding gap of £1.5m in 2013/14 and the planned efficiency measures set out in the report which are required in order to deliver a balanced budget in 2013/14.
3. Agree to the Commissioner's proposed increase in the council tax precept by 2% for 2013/14 and that he be informed in writing of the decision by the Chair before the 8th February 2013.
4. Recommend the Commissioner to explore the possibility of 'back office' support functions being provided by other local authorities in order to secure efficiency savings.

5. Note the level of uncertainty around some of the key strands of funding for 2013/14 and that the final information will be incorporated into the budget setting report to be presented to the Commissioner in February in order to formally set the 2013/14 budget and the council tax precept.

5. Urgent Business

There were no items of urgent business for discussion at the meeting.

6. Date of Next Meeting

It was noted that the next scheduled meeting would be held at **6.30pm** on the 12th February 2013 in Cabinet Room 'C' at County Hall, Preston.

Ian Fisher
Secretary to the Police and Crime Panel

Lancashire County Council
County Hall
Preston