

**LEICESTER, LEICESTERSHIRE AND RUTLAND POLICE AND CRIME
PANEL - 5 FEBRUARY 2020**

**PROPOSED PRECEPT 2020/21 AND MEDIUM TERM FINANCIAL
PLAN**

At its meeting on Wednesday 5 February 2020 the Police and Crime Panel considered the Police and Crime Commissioner's proposed Precept 2020/21 and his Medium Term Financial Plan. The minute of the meeting on this item serves as the Panel's report and recommendation on the proposed Precept.

The Minute of the discussion on this item is set out below:

The Police and Crime Panel considered a report of the Police and Crime Commissioner (PCC) concerning the Proposed Precept for 2020/21 and the Medium Term Financial Plan (MTFP). A copy of the report, marked 'Agenda Item 5', is filed with these minutes.

Arising from discussions the following points were noted:

- (i) When the Home Office announced that for 2020-21 Police and Crime Commissioners could increase the precept on a Band D property by up to £10.00 without triggering a referendum, they expected that most Police and Crime Commissioners would raise the Precept to the maximum level. The referendum limit for future years was uncertain and expected to be lower therefore the PCC was of the view that it was best to take the opportunity to raise the precept by the maximum now in case the referendum limit was lower in future.
- (ii) As details of the funding settlement had only been provided for one year many assumptions had been made in the Medium Term Financial Plan, though an effort had been made not to presume too much. The Plan was a cautious one.
- (iii) As a result of the 2020-21 precept increase 100 additional officers could be recruited, and as part of the Government's 20,000 officer uplift programme 89 additional officers were expected to be delivered for Leicestershire Police. Members were therefore keen to emphasise to the public that the greater number of officers would be coming from local funds rather than central government. The 100 officers plus the additional 89 were all expected to be in place by March 2021.
- (iv) In response to a question regarding how Leicestershire Police compared to other forces in relation to the core funding and precept funding split it was explained that this information was not currently available however a national survey was being undertaken and the results would be forwarded to the Police and Crime Panel when available. It was known that some forces received a far greater proportion of their funding from Council Tax because in their force area more properties were in a higher council tax band.

- (v) The new policing model proposed for Leicestershire Police was intended to give more localism, and response teams previously located on the edges of the City would now be based places like in Melton, Harborough and Loughborough in more numbers. Currently the split of officers between Leicester City and the County was approximately half and half. When making decisions on where to base officers the severity of crimes and incidents was taken into account.
- (vi) Every time the public were consulted they consistently asked to see more police on the streets. The main benefits the public would notice as a result of these 2020-21 financial proposals were that the response capacity of the Force would increase, investigations would be more local and more effective, and there would be more PCSOs on the streets. Were the Precept to be raised by less than £10 per annum for a Band D property then less police offices and PCSOs could be recruited.
- (vii) In response to a question about whether information on the geographic location and age breakdown of respondents to the precept survey was available it was explained that although this information was collected as part of the survey they were not mandatory questions in the survey so not everybody answered those questions and consequently a full data set was not available.
- (viii) The Medium Term Financial Plan also took into account the number of police officers that were expected to retire or leave the force over the period of the Plan and 42% of police officers were expected to retire by 2023 which was a real challenge. It was known that due to the way pensions and tax were structured there was no financial incentive for some officers to remain in the Force for as long as they could even though they might not wish to give up employment. Work was being undertaken nationally to try and solve this problem.
- (ix) In response to concerns that given the numbers of retirees and new recruits a large proportion of police officers in Leicestershire Police would be inexperienced, reassurance was given that new officers would be placed in teams alongside more experienced colleagues rather than being based alone in isolated places. Leicestershire Police were ensuring that there were enough tutors available to train the new recruits though this could be a challenge as the tutors were required to have operational experience.
- (x) In compiling the budget consideration had been given to the requirements regarding paying the minimum and living wages however all employees at Leicestershire Police received a salary greater than the minimum and living wages so no adjustments were required to be made.
- (xi) The government had advised Police Forces to reduce their reserves and Leicestershire Police had done this where appropriate. It was intended to use £9.6 million of reserves in years 2 and 3 of the Medium Term Financial Plan.
- (xii) The approach of Leicestershire Police to Treasury Management was to ensure the amount invested was not at risk and beyond that to maximise returns on the

investment. It was aimed to strike the appropriate balance between risk and reward and mitigate any risks.

- (xiii) Members, the PCC and Chief Constable all shared concerns that the transition to the Emergency Services Network had been delayed until 2021-22.
- (xiv) The activities the Office of the Police and Crime Commissioner were involved in had increased for example in relation to the Violence Reduction Unit and complaints. Nevertheless, the PCC always tried to ensure that the costs of his office were minimal and in this budget 98% of the funding received by the Police and Crime Commissioner would be allocated to Leicestershire Police.

It was moved by the Chairman and seconded by Cllr. Phillimore that:-

- (a) The information presented in the report be noted, including:
 - the total 2020-21 net budget requirement of £199.863m;
 - a council tax (precept) requirement for 2020-21 of £76.829m.
- (b) The proposal to increase the 2020-21 Precept by £10.00 per annum (4.48%) for police purposes to £233.2302 for a Band D property be supported.
- (c) the future risks, challenges, uncertainties and opportunities included in the precept proposal, together with the financial and operational considerations identified be noted.
- (d) the Home Office grant allocations notified through the final settlement and the Band D council tax base and surplus received from the collecting authorities be noted.
- (e) the current Medium Term Financial Plan (MTFP) contained in Appendix 1 be noted.

The motion was carried unanimously.