

Police and Crime Commissioner for Surrey – Decision Making Record

Title: Precept for the Financial Year 2013/14
Decision number: 013/2013
Author and Job Role: Alison Bolton, Chief Executive
Ian Perkin, Chief Finance Officer
Protective Marking: Part One

Executive Summary:

Under Schedule 5 of the Police Reform and Social Responsibility Act 2011, the Police & Crime Commissioner (PCC) has to notify the Police & Crime Panel of the precept that he proposes to issue under section 40 of the Local Government Finance Act 1992. The Police & Crime Panel must review the proposed precept notified to it. This process took place at the meeting of the Panel on 6th February 2013.

For the Financial year 2013/2014 in line with the legislation, the PCC proposes to set a precept of £207.55 (for a Band D property), an increase of 1.99% on the 2012/2013 precept of £203.49 (for a Band D property).

The PCC decided not to accept the Council Tax Freeze Grant which the Government is offering in return for freezing the precept at the previous year's level. This grant, which is payable for a period of only two years, would result in a permanent reduction to the long term income base of £1.9 million. This is equivalent to the cost of employing 40 police constables. With Surrey Police already having to find efficiencies and savings to cope with central government funding reductions, the PCC has carried out consultation exercises and events with the Surrey public on his precept proposals and could not find any significant support for a policy of reducing front line policing in the county. This could well be the long term result if he had been minded to recommend freezing the precept at last year's level.

In any event, a 2% precept increase is in fact a real terms reduction on the previous year as the Government's own figures show inflation running at 2.7% according to the Consumer Price Index and 3.1% according to the Retail Price Index (December 2012). For Band D tax payers, the increase will amount to a weekly increase of approximately 8p per week, while even for the highest band taxpayers (Band H), the increase amounts to only an additional 15p per week.

When considering the longer-term financial position of Surrey Police and the further reductions that the Government has already signalled, the PCC has concluded that over the next four years it will be necessary to identify savings of approximately £7million (equivalent to the cost of employing 147 police constables) to balance the Surrey Police budget. The Secretary of State for Communities and Local Government has also stated that for next year, he is minded to lower the current threshold of 2% which determines the point at which an expensive referendum must be held to approve any precept increase. This makes the task of balancing future years' budgets, without resorting to service level reductions, even more difficult to achieve.

To inform the Panel's consideration of the precept proposal, the PCC submitted a number of supporting documents which showed how the precept requirement was arrived at and a breakdown of budgets by operational stands and departments. This information can be seen on the Panel's website here:

<http://mycouncil.surreycc.gov.uk/ieListDocuments.aspx?CId=250&MId=2989&Ver=4>

The precept proposals received the unanimous support of the Police & Crime Panel at its meeting on 6th February 2013.

Recommendation

That, following the unanimous support of the Police and Crime Panel, the proposed precept of £207.55 for a Band D Property is agreed.

Police and Crime Commissioner Approval

I approve the recommendation(s):

Signature:



Date:

8th March 2013

Areas of consideration

Consultation

I have consulted with the Police & Crime Panel. In addition, I undertook public consultation to inform my decisions on setting the precept.

Financial implications

As discussed in the report.

Risks

None arising. My proposed precept would not trigger a costly referendum.

Equality and diversity and Human Rights

No issues arising.