

AGENDA ITEM 7

Essex Police and Crime Panel	EPCP/01/13
Date: 31 January 2013	

The Proposed Police Precept for 2013/14

Report by Secretary to the Panel

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Purpose of report

To review the Police Precept for 2013/14 proposed by the Police and Crime Commissioner and to make a report to the Commissioner on the proposed precept which may include recommendations as to the precept that should be issued for the financial year. If not satisfied with the precept the Panel can veto it, provided there is a two thirds majority of the persons who are members of the panel at the time when the decision is made in agreement. The Panel would need to indicate whether it considered the proposed precept to be too high or too low.

The Commissioner's proposals are attached as the Annex to this report.

The Commissioner must

- (a) have regard to the report made by the Panel including any recommendations in the report,
- (b) give the panel a response to the report and any recommendations, and
- (c) publish the response.

The Commissioner may

- (a) issue the proposed precept as the precept for the financial year, or
- (b) issue a different precept, but only if it would be in accordance with a recommendation made in the report to do so.

Background information on the process to be followed

Schedule 5 to the Police Reform and Social Responsibility Act 2011 makes provision for the scrutiny, by the police and crime panel, of a proposal from the police and crime commissioner as to the issuing of a precept. The Schedule confers powers on the panel to veto a proposed precept. The Police and Crime Panels (Precepts and Chief Constable Appointments) Regulations 2012 make provision about the procedure to be followed.

Part 2 of the Regulations concerns the issuing of precepts. Regulations 3, 4 and 5(1) set deadlines for the taking of steps set out in Schedule 5 of the 2011 Act. This is to ensure that a precept is issued in accordance with Part I of the Local Government Finance Act 1992. The commissioner must notify the panel of the proposed precept by 1 February of the relevant financial year. Where a panel decides to veto a proposed precept but does not report to the commissioner within the deadline set out in regulation 4(1) - by 8 February - regulation 4(2) allows the commissioner to issue the proposed precept in any event.

The remainder of Part 2 of the Regulations prescribes steps to be taken where the panel exercises its power to veto a proposed precept, with deadlines. The commissioner must respond by 15 February. Regulation 5(2) requires the commissioner to notify the panel of the revised precept that he proposes to issue. This must be lower than the precept proposed initially if the panel vetoed the precept on the basis that it was too high, and must be higher than the precept proposed initially if the panel rejected it on the basis that it was too low.

Regulation 6 requires the panel to scrutinise the revised precept and report on it. The panel may indicate that they reject the revised precept, but this does not amount to a power of veto. The only power of veto is in relation to the precept proposed initially by the commissioner. Where the panel fails to report to the commissioner by the deadline set out in regulation 6(1) - 22 February - regulation 6(3) allows the commissioner to issue the revised precept in any event.

Regulation 7 requires the commissioner to consider the panel's report and respond to it by 1 March. Once that response is given, the commissioner may issue a precept in accordance with regulation 8. This can be the revised precept considered by the panel, or a different precept. Where a different precept is issued, it cannot be higher than the revised precept if the panel vetoed the original precept on the basis that it was too high, and it cannot be lower than the revised precept if the panel vetoed the original precept on the basis that it was too low.

Nothing in Part 2 of the Regulations affects the operation of Chapters 4ZA and 4A of Part I of the Local Government Finance Act 1992, which prevent the issuing of an excessive precept following the holding of a referendum. Neither does Part 2 affect the operation of section 41 of the Police Act 1996 (c. 16) which allows the Secretary of State to direct a minimum budget requirement for the commissioner in order to ensure that the precept is not set at so low a level that public safety is endangered.