

Minutes of a meeting of the Leicester, Leicestershire and Rutland Police and Crime Panel held at County Hall, Glenfield on Monday, 27 January 2014.

PRESENT

Mr. J. T. Orson JP CC (in the Chair)

Cllr. R. B. Begy	Cllr. Trevor Pendleton
Cllr. David Bill MBE	Cllr. Byron Rhodes
Cllr. J. Boyce	Cllr. Sarah Russell
Cllr. A. V. Greenwood MBE	Cllr. Lynn Senior
Miss. H. Kynaston	Cllr. D. Slater
Cllr. William Liquorish	Cllr. Manjula Sood, MBE
Col. R. Martin OBE, DL	Cllr. Paul Westley

In attendance

Sir Clive Loader, Police and Crime Commissioner, Simon Cole, Chief Constable, Paul Stock, Chief Executive and Helen King, Chief Finance Officer

43. Minutes of the meeting held on 13 December 2013.

The minutes of the meeting held on 13 December 2013 were taken as read, confirmed and signed subject to the following amendments:

- Cllr. Paul Westley be removed from the attendance list;
- Bullet 7 of the second set of bullet points in Minute 39 be amended to reflect that congratulations for the Police presence at the Diwali celebrations be drawn to the attention of the Chief Constable and his Force;
- Bullet 8 of the second set of bullet points in Minute 39 be amended to reflect that a number of car crimes on a street would in the past have been reported as one crime under the previous counting rules.

44. Urgent Items.

There were no urgent items for consideration.

45. Declarations of Interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

Cllr. Sood declared a personal interest as the Chair of the Leicester Council of Faiths.

46. Change to the Order of Business.

The Chairman sought and obtained the consent of the Panel to vary the order of business from that set out in the agenda.

47. Commissioning Framework - Troubled/Supported Families.

The Panel considered a report of the Senior Commissioning Manager concerning an update on the PCC's commissioning activity across the Force area in regard to troubled/supported families. A copy of the report, "Agenda Item 7", is filed with these minutes.

Arising from the discussion, the following points were noted:

- If the SLF programme and other district equivalents were successful, it was envisaged that they would bring about a significant reduction in demand for policing and the services of other partners involved in the programmes. Beyond its financial contribution, the Police had a "commitment in kind" to the programmes, which committed officers to supporting the work of those directly involved in this work;
- Much of the work around the contractual arrangements for the delivery of services was still under negotiation with partners. Issues such as performance monitoring and the formula to be adopted for the allocation of funds would require the agreement of partners;
- It was intended to, where possible, join-up the work that supported the various strands of the troubled families agenda. A full evaluation would take place of applications for the PCC grant funding and those which supported the aims of troubled families would also be aligned to the programme;
- The area of troubled families was complex and, whilst it would be difficult to measure outcomes, it was expected that some trends would emerge. Investment was expected to then be tied on an ongoing basis to areas which were seen to be improving;
- The deadline for any decisions around commissioning was 14 March.

RESOLVED:

That the report and comments of the Panel, as outlined above, be noted.

48. Police and Crime Commissioner's Revenue Budget and Precept 2014-15 and Medium Term Financial Strategy.

The Panel considered a report of the Chief Finance Officer for the Office of the Police and Crime Commissioner and the Finance Director for the Office of the Chief Constable concerning the 2014/15 revenue budget, the proposal for Council Tax precept and the Medium term Financial Strategy. A copy of the report, marked "Agenda Item 4", is filed with these minutes.

In introducing the report, the PCC delivered a speech, the content of which is set out below:

*"During my first year in office I have spent a very significant part of my time listening to local people. And what has emerged from this important engagement is clear. For the great majority of the residents of Leicester, Leicestershire and Rutland, safeguarding their neighbourhoods, sustaining and developing levels of policing, and tackling Anti-Social Behaviour are huge priorities for them. Visible policing – i.e. that which enables*

*free, trusting, and knowledgeable communication between the public and our officers, and which can be characterised as preventive policing – is particularly important for our communities.*

*It is against that background that I submit to you today a budget and a Precept proposal that shows that I have listened to what local residents have said. My budget is based on key activities focussed to safeguard our neighbourhoods and it is targeted to prioritise the following:*

- 1. Firstly, safeguarding communities and neighbourhoods by building a sustainable Council Tax precept base which will assist in mitigating future financial challenges, and which will help assure services and frontline policing into the future.*
- 2. Secondly, it will support working with the Force to deliver a new volunteer strategy aimed at attracting an additional 1,000 volunteers over the next three years.*
- 3. And, thirdly, my proposal enables a commitment to investing in Neighbourhood Policing support for 3 years, this while the Force transformational change programme work is shaped and implemented. This is advocated in order to safeguard local services and to tackle anti-social behaviour hotspots.*

*Let me explain these three aspects further:*

*Firstly, with regard to safeguarding communities and neighbourhoods...*

*I am proposing a Band D precept increase of 1.5% (which is still below inflation and which equates to an additional £755,000 in Council Tax receipts per year). This increase means an additional £2.61 per year for a Band D property, equating to approximately 5 pence per week.*

*As I highlighted in my December report to the panel, whilst my original plans looked to drive through efficiencies by freezing Council Tax over the first two years followed by a stated plan to increase by 2% each year thereafter, a number of factors have influenced my precept intentions for 2014/15. These three factors are as follows:*

*Firstly, the provisional 2014/15 police grant settlement in December 2013 resulted in unexpected and unprecedented levels of top slicing from the police grant. A total of more than £77m has been top-sliced for national initiatives which include three particular elements:*

- One. Some £50m for an innovation fund against which Forces can bid in order to stimulate efficiencies, innovation and collaboration.*
- Two. Around £18m for the development of the Independent Police Complaints Commission (the IPCC) – a sum which is anticipated to increase further still in 2015/16.*
- And three. Over £9m to Her Majesty's Inspector of Constabulary (the HMIC) for an enhanced police inspection regime.*

*Together, these Government-level initiatives have resulted in over £1.6m being top sliced from my budget for Leicestershire and Rutland, further increasing by over 1.5% the*

already-anticipated 3.3% reduction. We thus now face grant reductions of over 4.85% next year alone.

Secondly, whilst it is to be welcomed that previous years' Council Tax settlements are now included in the base, there is still uncertainty about the long-term sustainability of the 2014/15 and 2015/16 Council Tax freeze grants.

- Last week's statement by the Department for Communities and Local Government (the DCLG) regarding Council Tax freeze payments, indicated that these grants will continue into future years, and the feedback from the home office is this guidance does relate to PCCs.
- However, whilst it may be Ministers' current intention to baseline these grants in future settlements, the note of caution is that this is not absolutely certain and cannot and will not be confirmed until a much later date – beyond the timescale needed to set this Precept. Given that approximately 70% of my funding comes from Central Grants, such a lack of absolute certainty represents a significant risk to my longer term financial planning – a risk that I am not prepared to take.
- Furthermore, should such grants be base lined in 2016/17, the inevitable corollary is that the renewed baseline would itself be subject to potential reductions in the same way as Police Grant. So, either way, we run financial risk with regard to Council Tax settlements.

Thirdly, and lastly, the uncertainty surrounding Council Tax Referendum Levels adds even further complexity to my precept considerations. Whilst the limit (to trigger a referendum) for 2013/14 was set at 2%, and whilst it is anticipated – but not yet assured – that it will remain thus for 2014/15, recent proposals to reduce this to a possible 1.5% are still under active consideration by Ministers. Indeed, even as I speak to you now, this issue remains undetermined. Thus whilst my proposals for 2014/15 are for a 1.5% Precept increase (or, should Government-level direction change, one in line with any amended referendum limit), it is important to state here that any changes to the limit would significantly affect my planned Precept levels for future years; to remind the Panel, a 1% change of allowed precept represents a £0.5M alteration to our planned figures.

It is also important that I state, now and unequivocally, that my planned Precept increase of 1.5% does not, in any way, undermine my determination to drive out inefficiencies. Even such a Band D Precept raise still requires the Force to find approximately £466k of savings in 2014/15 (via the mechanism of further transactional efficiency work); this target is similar to, but obviously even greater than, the £417k efficiency requirement currently built into the 2013/14 budget. These efficiencies are being driven by the Force Change Team in line with detailed plans, and against which they have a good record of achievement. I hardly need to stress that this programme is being carefully over-watched by my office and I have every confidence, through the Chief and his Change Team, that these sums will be met.

As regards the public acceptability of such a rise, by listening locally to the people of this area, and by my team networking with other PCC offices nationally (and across the East Midlands Region), it is clear that the public would currently support a small increase in their Council Tax if that is what is required to sustain local policing services. And it is.

Secondly, with regard to volunteers...

*I have received a strong, and very welcome, commitment from the Force to deliver our agreed volunteer strategy which will, over three years, secure an additional 1,000 volunteers to work with Leicestershire police to deliver my police and crime plan priorities. The Chief will give greater detail, but in broad order the aim is as follows.*

*The strategy is geared to increase the numbers of Special Constables, together with enhancing the roles and duties they undertake, in support of frontline policing. We will be launching a Police Volunteer Cadet Scheme across the Force area, prioritising at least 25% of places to young people who are from disadvantaged backgrounds. My Phase 2 Youth Commission will support this work too. We will also review the use of Police Service Volunteers and look at where these key people may support the various functions within the Force. Finally, we are working with Loughborough College to develop a "Volunteer College Student" scheme, with a view to extending this across more educational establishments within the Force area.*

*Of note, I have earmarked efficiency savings and under-spends to be put towards this strategy, with the intention that, by end of year three, all of the schemes will be self-financed by volunteers themselves. To ensure there is a measurable return on investment on this, we are aiming to achieve the recognised standard of good practice (based on the Valuing Investment in Volunteers Assessment – VIVA) by the end of year 2.*

*And finally, with regard to Neighbourhood Policing and the security of communities...*

*With crime increasing in the current year, I remain determined to do all in my power to support the Chief Constable in safeguarding local neighbourhoods and communities. I am working with him to develop sustainable operational delivery models to future-proof and stabilise local policing, and to deliver on the Police and Crime Plan whilst the Force takes forward its transformational programme.*

*I have worked with the Chief Constable and his team to identify a targeted three-year investment, which addresses another major priority for me - Anti Social Behaviour. This investment will provide a positive impact on the community, not least by assuring initiatives such as increasing Police Community Support Officers (PCSOs) by a further 28, to a total of 251 (over a three year period) in order to support the Force. This targeted investment has come from options provided by the Chief's Senior Team, and builds on the Operation Tiger brand. The Chief Constable will talk about the delivery of these targeted investments in more detail later, but in essence they are as follows:*

- *Firstly, developing three dedicated "Operation Tiger ASB Patrols" between the hours of 1500 and midnight. They will patrol Tiger Territories and identified ASB hotspots, thereby improving the service to ASB victims, providing a reassuring and deterrent presence, and responding to live calls in a timely way.*
- *Secondly, developing "Place Managers" in the 13 Tiger Territories. These officers will, amongst their roles, have a specific task of providing a catalyst for wider capacity building within the community, including: supporting the Volunteer Strategy; taking forward problem solving at a local level; and helping to reduce overall demand.*
- *And, lastly, we will develop two "Tiger Task Forces", each one aligned either to an urban or to a rural Basic Command Unit. These two teams, each comprising a sergeant and PCSOs, will be deployed in an intelligence-led way to crime and ASB*

*hotspots, supporting the Place Managers and launching dedicated patrols, with the capacity to increase engagement with the local community.*

*In summary...*

*I recommend unreservedly the Precept and associated plans that I have set out to you today. My proposals represent a wise and judicious budget, one that fulfils both the requirement to mitigate future financial risk (whilst still driving down costs), and also one that demonstrates my absolute commitment to giving the Chief Constable every opportunity to build more safe, and more secure, communities.*

*I will now hand you over to Helen King, my Chief Finance Officer who will outline some of the main technical financial aspects contained within the report. Then Simon Cole, the Chief Constable, will outline to you his personal commitment to, and probably much more professional explanation of, the operational and service delivery aspects of this Precept proposal.*

*Thank you."*

In support of the proposals, the Chief Finance Officer highlighted the following issues:

- The setting of the precept was dependant on information such as the referendum threshold emerging from central government;
- The Force had a stable finance team with a good track record of achieving efficiencies;
- The Council Tax base in some areas had not yet been finalised by some local authorities;
- The Government's grant to PCCs had been top sliced to support Her Majesty's Inspectorate of Constabularies' annual inspection programme, to an extent which had been unprecedented. PCCs had seen a reduction of 3.3% which increased to 4.8% due to the top slicing. This had been much more than anticipated when the PCC delivered his early indications on the budget at the previous PCP meeting in December;
- The Government had given PCCs extra funding for new work in areas such as victims, witnesses and restorative justice. It was too early to say how this work would be undertaken;
- The Community Safety Fund grant had been rolled into the baseline and would be subject to year-on-year reductions;
- The Government's Council Tax freeze grant had in previous years been built into the base. This option was available to PCCs in 2014/15 but could not at this stage be guaranteed for building into the base in future years. 70% of funding for PCCs came from the police grant. In 2013/14, under 50% of unitary authorities had taken up the freeze grant and only a third of PCCs had taken this option. This was expected to be lower in 2014/15;

- The PCC had reduced the budget for his office for 2014/15 and would be reviewing this again in the next financial year;
- Reserves were considered to be adequate, bearing in mind the future transformation required of the Force. The PCC intended to use £2 million of reserves to support the recruitment of PCSO;

In support of the proposals, the Chief Constable highlighted the following issues:

- The proposed precept rise of 1.5% was not viewed as significant given the last few years had seen rises of up to 15%. The intended rise had received a 75% positive response from the OPCC's online public consultation exercise. The setting of the precept would impact on 30% of the Force's £172 million budget;
- The rise was important to ensuring the ongoing safety of a growing population of over 1 million residents living in the Force area;
- The budget catered for a 16% reduction in staff. This would be met through a modernisation in the way officers worked, with some of the more administrative tasks being dealt with by back-office staff;
- It was hoped to achieve a fully digital criminal justice process by 2016, a key strand of this being body worn video as a means of taking statements;
- The Force presented good value for money. It had the fourth lowest spend in the country on business support and the sixth lowest on non-staffing costs. It had the highest earned income in the country through recharging of some of its services, such as payroll which it provided for Derbyshire's Force;
- A key strand of the budget was based around increasing the number of volunteers to 1,000. Further work would be taking place to encourage this amongst local colleges.

Arising from the discussion, the following points were noted:

- Though reported crime had dropped, anti-social behaviour and safeguarding issues had continued to rise;
- In relation to the new work required of PCCs on victim support, work had begun to map the victim's journey and find out what support mechanisms already existed. A task and finish group would be assessing this research, with a view to establishing a multi-agency view of victim and witnesses from October;
- Work carried out by volunteers would not replace the work of paid officers. Work had commenced with Voluntary Action LeicesterShire and unions about the type of work volunteers would be engaged in. It was hoped that the number of Special Constables would be increased from 250 to 400;
- Territories monitored by Operation Tiger would change as and when existing areas were deemed to be safe from crime;
- The PCC felt that it was entirely reasonable to fill the funding gap presented by the Government's top slicing through a Council Tax increase. The PCC expected to

raise the precept, but would not risk funding a referendum by meeting the Government's threshold. The PCC had increased the precept in an effort to support his Chief Constable in providing a budget which they both felt was sufficient to bring crime levels down;

- The achievement of the required efficiency savings would be driven through priority-based budgeting and a transformational plan. More would be known about how these plans would come to fruition in the coming months;
- It was hoped that the commissioned budget would be kept to similar levels in the future, but there were uncertainties in the budget that made this position less secure.

In discussion, some members expressed the view that that the PCC had failed to demonstrate that he had considered sufficiently the benefits to the local community of a 0% Council Tax increase with payment of the freeze grant, as compared with the increase to the base budget resulting from the proposed increase to Band D Council Tax. In addition, concern was expressed about the wording in the recommendation of the report at paragraph 3 (b), making reference to enabling the Commissioner to reduce the proposed increase "to any referendum limit (when and if that has been determined by Ministers if required)". The concerns in relation to this recommendation were as follows:-

- Whether the Commissioner had demonstrated that he had considered with sufficient care what action would be taken in the event that the referendum limit were reduced, given the fact that the additional funding would be further reduced and would in this case provide only a minimal increase in funding in total over the accessing of the Government's freeze grant;
- The Panel had been provided with no information in relation to what the proposed expenditure and income would be in the event of such a reduction, as would be expected in budget papers presented to local authorities; and
- Whether this part of recommendation 3(b) was in any event too vague to enable the Panel to exercise its powers under the Police Reform and Social Responsibility Act 2011.

Accordingly, it was proposed by Mr. Rhodes CC and seconded by Mr. Bill CC:

- "(a) That the information in this report, including the 2014/15 budget requirement at £172.595m and Council Tax requirement for 2014/15 at £51.083m be noted;
- (b) That the proposal to increase the Band D Council Tax for police purposes by 1.5% be not supported and that the Police and Crime Commissioner be asked to reconsider a Council Tax freeze in order to access the Government's freeze grant;
- (c) That it be noted that any changes required either by Government grant alterations notified through the final settlement or through Council Tax base notifications received from the collecting authorities, will be balanced through a transfer to or from the Budget Equalisation Reserve (BER);
- (d) That the current Medium Term Financial Strategy, the Change Programme and plans to identify solutions alongside development of the Police and Crime Plan be noted."



The motion was put and carried, 8 members having voted for the motion and 5 having voted against, with no abstentions.

As the resolution was passed by 8 members, it did not have the effect of a veto on the Commissioner's proposed precept. As set out in the Police Reform and Social Responsibility Act 2011, a majority of two-thirds of the Panel membership voting in favour was required to veto the precept.

49. Section 106 and Community Infrastructure Levy Update.

The Panel considered a report of the Chief Finance Officer for the Office of the Police and Crime Commissioner and the Finance Director for the Office of the Chief Constable concerning the intentions of Leicestershire Police in respect of Section 106 (S106) funds and the Community Infrastructure Levy (CIL). A copy of the report, marked "Agenda Item 5", is filed with these minutes.

In introducing the item, the Chief Finance Office covered the following points:

- Responsibility for S106 agreements and CIL lay with the Office of the Chief Constable;
- There had been substantial development in the Force area, and more was expected in the coming years;
- It was important that the Police worked effectively with district colleagues to secure funds to mitigate the impact of development.

The Chief Constable explained that 35,000 more houses were expected in the Force area over next few years, which was expected to place significant added demand on the Police. An experienced planner was acting in this area on behalf of the Police and it was important that all parties worked together on this issue.

Arising from the discussion, the following points were noted:

- CIL was not a replacement for S106. The two would potentially be run together. It was known that there was only one CIL being pursued in the Force area currently;
- It was felt that public money should not be spent in disputes between public authorities in the pursuit of S106 funding;
- Though it was acknowledged that it was a complex area, it was felt that a consistent approach was required for developer contributions for the Police. It was felt that there had been some difficulty engaging the Police on this issue;
- The PCC agreed that it was important for there to be a constructive dialogue on this issue.

RESOLVED:

- (a) That the report be noted;
- (b) That a meeting be convened between the relevant planning officer from the Police, the Chief Finance Officer and district/City/Rutland colleagues to discuss a consistent approach to developer contributions.

50. Performance Report to 31 December 2013.

It was AGREED that this item be deferred to the next full meeting of the Police and Crime Panel.

51. Date of next meeting.

It was NOTED that, as the veto on the precept had not been used, the Panel's meeting on 10 February would be cancelled. The next meeting of the Panel would therefore be held on Monday 17 March at 2.00pm.

2.00 - 5.45 pm  
27 January 2014

CHAIRMAN