

**GREATER MANCHESTER COMBINED AUTHORITY
POLICE AND CRIME PANEL**

Date: **14th November 2019**

Subject: **POLICE PRECEPT SETTING PROCESS**

Report of: **GMCA TREASURER**

PURPOSE OF REPORT

To explain the statutory duties of the Police and Crime Panel in relation to the setting of the police precept.

RECOMMENDATIONS

1. Note that statutory duties of the Police and Crime Panel in relation to the setting of the police precept.
2. Note the timetable for the setting of the 2020/21 police precept and give consideration as to whether an additional meeting is required in mid January.

1. Police and Crime Panels – Scrutiny of Precepts

The process for the police and crime panel's (PCP) scrutiny of the police and crime commissioner's (PCC) proposed precept should be read alongside:

- Schedule 5 of the Police Reform and Social Responsibility Act 2011 ("the Act")
<http://www.legislation.gov.uk/ukpga/2011/13/contents/enacted>
- [Part 2 of the Police and Crime Panels \(Precepts and Chief Constable Appointments\) Regulations 2012 \("the Regulations"\)](#)

Hyperlinks to the document are provided however the salient points are described below along with a flow chart on page 5.

Background

Schedule 5 of the Act sets out the process for issuing a precept, including the panel's role in reviewing the proposed precept, their power to veto the precept and the steps to be taken if they do veto the proposed precept.

The Regulations provide greater detail to the Act, including time limits applicable to the stages of the process and the process for reviewing and issuing a revised precept.

Schedule 5 requires:

- the PCC to notify the panel of his/her proposed precept;
- the panel to review the proposed precept;
- the panel to make a report to the PCC on the proposed precept (this may include recommendations);
- the panel's report (if they veto the proposed precept) to include a statement that they have vetoed it;
- a decision of veto to be agreed by two-thirds of the panel members;
- the PCC to have regard to the report made by the panel (including any recommendations in the report);
- the PCC to give the panel a response to their report (and any such recommendations);
- the PCC to publish the response.

It is for the panel to determine how a response to a report or recommendations is to be published. If there is no veto and the PCC has published his/her response to the panel's report, the PCC may then issue the proposed precept - or a different precept (but only if in accordance with a recommendation in the panel's report to do so).

The Regulations require:

- the PCC to notify the panel of his/her proposed precept **by 1 February**;
- the panel to review and make a report to the PCC on the proposed precept (whether it vetoes the precept or not) **by 8 February**;
- where the panel vetoes the precept, the PCC to have regard to and respond to the Panel's report, and publish his/her response, including the revised precept, **by 15 February**;
- the panel, on receipt of a response from the PCC notifying them of his/her revised precept, to review the revised precept and make a second report to the PCC **by 22 February**;
- the PCC to have regard to and respond to the Panel's second report and publish his/her response, **by 1 March**.

Panel's report on the proposed precept

If the panel fails to report to the PCC by 8 February the scrutiny process comes to an end, even if the panel have voted to veto the proposed precept, and the PCC may issue the proposed precept.

PCC's response to a veto

Where the panel vetoes the proposed precept, the PCC must have regard to the report made by the panel, give the panel a response to the report and publish the response, by 15 February. In his/her response, the PCC must notify the panel of the revised precept that he intends to issue.

Where the panel's report indicates that they vetoed the precept because it was:

- too **high**, the revised precept must be lower than the previously proposed precept.
- too **low**, the revised precept must be higher than the previously proposed precept.

The PCP may only veto the first proposed precept. Such a veto must be agreed by two-thirds of PCP members (the full membership rather than those present at a meeting). Where a veto occurs, the report to the PCC must include a statement to that effect.

Panel's review of the revised precept

On receipt of a response from the PCC notifying them of the revised precept proposal, the panel must review the revised precept proposal and make a second report to the PCC on the revised precept by 22 February. This report may:

- indicate whether the panel accepts or rejects the revised precept (although rejection does not prevent the PCC from issuing the revised precept); and
- make recommendations, including recommendations on the precept that should be issued.

If the panel fails to make a second report to the PCC by 22 February, the PCC may issue the revised precept.

Issuing the precept

Excluding where the panel fails to report on the proposed precept by 8 February or make a second report on the revised precept by 22 February, the scrutiny process ends when the PCC gives the panel his/her response to their second report.

The PCC may then:

- issue the revised precept; or
- issue a different precept, although:
 - they must not issue a precept that is higher than the revised precept if the revised precept was lowered following the panel's initial report on the first proposed precept indicating it was vetoed because it was too high;
 - they must not issue a precept which is lower than the revised precept if the revised precept was raised following the panel's initial report on the first proposed precept indicating it was vetoed because it was too low.

**2. Timetable for Greater Manchester Police Precept
2020/21**

The nationally set timescales outlined in this report are the final dates by which the precept setting must take place, these do not lend themselves to coordination of precept setting at a Local Authority level. The police precept is required to be included in each Local Authority’s Council Tax setting report with the majority of Greater Manchester Council’s holding their budget / precept setting Council meetings towards the end of February to allow for the printing of Council tax bills in time for 1 April.

Normally the Government would, by now, have given some indication as to the levels of grant funding that would be received next year and of the possible rules, if any, for the limiting of precept increases. However, this year, other than an indication that the Police pension grant will continue for next year, there have been no such announcements.

Given the holding of the General Election on 12 December, there is a distinct possibility that there will be no indication of funding/precept levels until early January and, as such, the Panel may wish to arrange a further meeting in mid January to give initial consideration to any budget and precept proposal.

For this purpose a timetable for the setting of the police precept in Greater Manchester is as follows and allows for the statutory time periods should the Police and Crime Panel wish to veto the initial precept presented to them.

Report	Date
Precept setting process presented to the Police and Crime Panel	14 th November 2019
Draft precept report presented to the Police and Crime Panel	Mid January
Final precept proposal report presented to the Police and Crime Panel	28 th January 2020
Precept resolution signed by the Mayor	w/c 10 th February 2020

Process for PCP scrutiny of PCC's proposed precept

