

Hampshire Police Authority

Question submitted in accordance with Standing Order 16.3 from Councillor Roy Perry, Deputy Leader and Executive Lead Member for Children's Services:

"Will the Vice Chairman of the Police Authority advise this Council the grant offered by the Government to the Police Authority to avoid any rise this year in the council tax precept and which councillors on the authority voted to decline that grant and support an increase and which councillors voted against any increase in the precept and to accept the Government grant?"

Response by Councillor Adrian Collett, Vice-Chairman of the Hampshire Police Authority:

I'm grateful to Cllr Perry for this question, as the Police Authority Budget Meeting only took place last week and would not normally be reported until our next Council meeting. His question goes to the heart of the issues considered so I will answer it fully in order to expose exactly what happened.

The Government offered a £3.0m grant for a zero council tax increase. This equates to a 3.0% increase, unlike local government as a whole, where the equivalent grant represents 2.5%. This is because the Government recognised the particular budget pressures faced by Police and Fire & Rescue Authorities.

The council tax for policing in Hampshire is the sixth lowest in the country – very much in line with our objective of being in the top quartile on police performance and the lowest quartile for cost.

Members will recall that the Police Authority levied a zero council tax increase last year – also funded by special grant. However, the grant offered this year is different to last year in two vital respects.

Firstly, the grant this year is one-off. This means that while the cost increases that this grant will pay for this year, will still be with us next year, the grant will not. So next year we will be faced with either a double-inflationary council tax increase, or additional cuts to the police budget.

The second difference is that last year's zero increase grant was offered for four years and will therefore cover the whole of the CSR (Comprehensive Spending Review) period. This means that what happens when that four year grant runs out will be part of the next CSR.

So members were faced with a stark choice. Do we accept the grant, knowing that it is storing up problems for future budgets, or do we put the council tax up?

The Chief Constable wrote to me and to the Chair of the Authority to urge us to think of the longer-term. He highlighted that when Theresa May wrote to all authorities in October 2010 to set out the implications of the four-year CSR, she said "The Office for Budget Responsibility assumes that after freezing the precept" (for 2011/12),

“Police Authorities and thereafter Police and Crime Commissioners would choose to increase precept in line with historical trend growth”.

The Chief went on to explain that the sum at stake was not insignificant as it would create a hole in the budget equivalent to 100 police officers, compared to an increase on a Band D council tax bill of 9p per week.

Authority members are also aware that the austerity budget reductions set out by the Government require the Authority to save £50m out of a £300m budget - a significantly higher proportion than most of local government.

The Chief Constable and the Authority have set out our joint intention of protecting the three vital elements of frontline policing – safer neighbourhood teams of PCs and PCSOs, the targeted patrol teams which respond when you call 999 and local CID. There were 2,224 people in post in these three areas of work at the start of the process and, as of last week there were 2,242.

Achieving those savings, whilst protecting those frontline services, involved a complete re-modelling of Hampshire Constabulary. It has led to a number of very difficult decisions, but we are on track. Around £40m of that £50m has already been incorporated into our budgets. Of the remaining £10m, we have a pretty good idea where about half of this will come from, but that last £4-5m will be the toughest nut to crack, because we've already looked at everything and staff costs make up 85% of our budget.

Voting for a zero increase would not of itself generate a single extra penny of savings, as whichever option we went for everyone would continue to turn every stone to find every budget saving possible without cutting frontline policing. On the other hand, the future income loss to the value of 100 police officers was certain. Yet members were aware of the impact of any council tax increase, particularly on the low paid or those on fixed incomes.

In choosing, therefore, whether to increase the council tax by 9p a week, members were aware that the clearly attractive zero increase option would add another £3m of savings or cuts to that final £4-5m that needs finding, which would dramatically increase the likelihood of having to cut into the vital frontline and take police officers and PCSOs off our streets.

The Authority concluded by 11 votes to 6 that it would be irresponsible financial management to go for a zero council tax increase in our circumstances. We were aware that almost every council in Hampshire and the Fire & Rescue Authority were able to levy a zero increase, so the impact on council tax payers would be minimal, whereas the permanent loss of 100 police officers would be very damaging indeed.

However, the Budget is the one decision each year where a majority of councillor members must support the vote for the budget to go through. On this occasion, four councillors supported the 9p a week increase and five councillors were prepared to see the value of 100 police officers permanently lost to the budget by going for a zero increase. This meant that the budget was not passed and the Authority was in deadlock. In the end a number of councillor and independent members agreed reluctantly to vote for the zero increase in order that a budget of some sort could be set.

Only the first vote on the 9p increase to save those 100 police officers was recorded and the councillor members voted as follows: John Bryant – against, Mel Kendal – against, Peter Mason – for, Jeremy Moulton –against, Jacqui Rayment – for, Paula Riches – for, David Williams – against, Sean Woodward – against, Adrian Collett – for.

So, in case that is not clear, the five Conservative councillors voted to cut policing beyond what is required by the Government and everyone else voted to protect policing.