

# NORTHAMPTONSHIRE POLICE, FIRE & CRIME PANEL

## REPORT TO THE POLICE, FIRE & CRIME COMMISSIONER FOR NORTHAMPTONSHIRE

8 FEBRUARY 2022

Report Title	Review of the Northamptonshire Police, Fire & Crime Commissioner's proposed Fire precept for 2022/23
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### 1. Purpose of Report

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- 1.1 The report is intended to set out the results of the review by the Northamptonshire Police, Fire & Crime Panel of the Northamptonshire Police, Fire & Crime Commissioner's proposed Fire precept for 2022/23.

### 2. Executive Summary

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- 2.1 The Police, Fire & Crime Commissioner for Northamptonshire is required to notify the Police, Fire & Crime Panel of the Fire precept that he proposes to issue for the next financial year. The Panel must review the proposed precept and make a report on it. The Commissioner must have regard to this report and respond to any specific conclusions or recommendations from the Panel before issuing the final Fire precept.

### 3. Recommendations

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- 3.1 It is recommended that the Police, Fire & Crime Commissioner for Northamptonshire:
- Has regard to this report by the Northamptonshire Police, Fire & Crime Panel arising from its review of the proposed Fire precept for 2022/23 in accordance with the Police Reform & Social Responsibility Act 2011 Schedule 5 Paragraph 5(2)(a).
  - Gives the Panel a response to this report in accordance with the Police Reform & Social Responsibility Act 2011 Schedule 5 Paragraph 5(2)(b).
- 3.2 Reasons for Recommendation(s) – The recommendations are required to complete the Panel's review of the proposed Fire precept for 2022/23 produced by the Police, Fire & Crime Commissioner, in accordance with the Panel's statutory responsibilities.

## **4. Report Background**

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- 4.1 A fire and rescue authority is a major precepting authority under the Local Government Finance Act 1992. The Northamptonshire Police, Fire & Crime Commissioner is the fire and rescue authority for the county under the Police, Fire & Crime Commissioner for Northamptonshire (Fire and Rescue Authority) Order 2018. A Police, Fire & Crime Commissioner may not issue a precept under Section 40 of the 1992 Act until it has been subject to scrutiny by the relevant Police, Fire & Crime Panel according to the process specified in Schedule 5 of the Police Reform & Social Responsibility Act 2011, as amended by the Policing & Crime Act 2017.
- 4.2 Schedule 5 of the 2011 Act, supporting Regulations, and the Rules of Procedure for the Northamptonshire Police, Fire & Crime Panel require:
- a) The Commissioner to notify the Panel of the Commissioner's proposed precept by 1<sup>st</sup> February of the relevant financial year
  - b) The Panel to review the proposed precept
  - c) The Panel to resolve to:
    - i) Support the proposed precept without additional qualification or comment; or
    - ii) Support the proposed precept and make additional recommendations on it; or
    - iii) Veto the proposed precept provided that the Panel makes that decision by the required majority, which is that at least two thirds of the persons who are members of the Panel at the time when the decision is made vote for it.
  - d) The Panel to make a report to the Commissioner on the proposed precept, setting out the results of its review, by 8<sup>th</sup> February of the relevant financial year. If the Panel votes to veto the proposed precept the report must state that the Panel has done so and set out its reasons for doing so.
- 4.3 If the Panel does not veto the proposed precept the Commissioner must:
- a) Have regard to the report made by the Panel
  - b) Give the Panel a response to its report and to any recommendations in the report
  - c) Publish the response in a manner determined by the Panel.
- 4.4 The scrutiny process concludes at this point. The Commissioner may then issue the proposed precept as the precept for the next financial year, or issue a different precept but only if it would be in accordance with a recommendation made in the Panel's report.
- 4.5 If the Panel vetoes the proposed precept the Commissioner is required to produce a revised precept, which must be subject to further scrutiny by the Panel.

## **5. Review of the proposed Fire Precept**

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- 5.1 The Northamptonshire Police, Fire & Crime Panel met in public on 3<sup>rd</sup> February 2022 to review the Police, Fire & Crime Commissioner for Northamptonshire's proposed Fire precept for 2022/23. The webcast of the meeting is available to view at: [Northamptonshire Police, Fire & Crime Panel - YouTube](#).

- 5.2 The Commissioner presented the proposed precept and budget, which were based on an increase in the precept of £5 per year for Band D Council Tax. The Commissioner advised that the proposed precept and budget came at a time of significant financial uncertainty, as a result of the one-year funding settlement announced by the government and increases in the cost of living. This situation made it particularly important to consider how any increase in the precept would affect Northamptonshire residents and to ensure that the budget he set was sustainable. Since becoming the fire and rescue authority in 2019 the Commissioner had taken action to build a sustainable base budget, establish a realistic capital programme and increase reserves. He had also continued to make a case to the government for recognition of the particular financial pressures faced by the authority. This case had been heard: the government had given Northamptonshire and the other seven lowest charging fire and rescue authorities one-off flexibility to raise the precept by £5 in 2022/23. Taking this option would generate almost £1m in additional funding for Northamptonshire and with some medium term savings would enable the Commissioner to set a balanced budget over the next three years, with an integrated capital programme and stronger reserves. Responses to public consultation were also supportive of the proposed precept: 61.3 per cent of those replying were prepared to pay an increase of at least £5, whilst 63.7 per cent thought that Northamptonshire Fire & Rescue Service (NFRS) was doing a good or excellent job. The Commissioner highlighted that the proposed budget for 2022/23 was almost £4.6m more than it had been in 2019. He was proud of the progress that had been made in this time. He considered that the precept proposed for 2022/23 would produce a fair and deliverable budget that represented the best deal for Northamptonshire residents and that would support the future of a vital service.
- 5.3 The Panel questioned the Commissioner about the resources available to NFRS relative to the demands on it. The additional resources that the Commissioner had provided since 2019 were welcomed but it was noted that if the proposed precept and budget were agreed Northamptonshire would still be the second lowest precepting fire and rescue authority in the country, with the second lowest core spending power and the lowest reserves. Progress was being made and the additional precept flexibility permitted by the government was positive but parity remained some distance away. A Panel member went on to question whether a £5 increase in the precept was sufficient in light of the significant pressures on NFRS. Reassurance was sought that NFRS had sufficient officers and equipment to deal with risks that could result from increasing residential and commercial development in the county, such as fires in large warehouses. The Commissioner responded that it had taken some effort to secure the flexibility to raise the precept by £5. He was confident in the proposed budget. It was essential to use available resources as effectively as possible rather than just requesting more. However, new government requirements could increase the demands on NFRS. Partner organisations making service reductions should also not assume that the police and fire and rescue services would be able to expand their activity to meet resulting needs.
- 5.4 The Panel sought reassurance about how the opening of HMP Five Wells could affect local resources. The Commissioner advised that there was a good level of engagement with the HMP Five Wells management team, which aimed to make the prison a market-leading facility. The fire and rescue authority did not receive any additional government funding connected with the new prison and was expected to meet any needs within existing fire cover arrangements. However,

HMP Five Wells should generate some economic benefit for the county rather than just representing an additional cost.

6. The Panel sought clarification of the latest position concerning the provision of support services to NFRS. The Panel was advised that NFRS currently used LGSS support services. These had worked well but NFRS would be moving to a new ERP system from 1<sup>st</sup> April 2023. Northamptonshire Police was moving to the same system a year earlier following the withdrawal from Multi-Force Shared Services. A phased transfer to the new common system would be more effective than both organisations changing arrangements at once.
- 6.1 The Panel noted that the precept provided approximately 63 per cent of funding for the fire and rescue authority. The Commissioner was questioned about the robustness of assumptions regarding the local Council Tax base and collection rates built into the proposed budget and the impact if these were not met. The Panel was advised that the Commissioner would be able to mitigate a deficit in the Council Tax collection fund using an existing smoothing reserve. The two Northamptonshire authorities also provided very good estimates of their collection fund positions as well as sharing other relevant information that had informed the proposed budget. Panel members welcomed the availability of the smoothing reserve, highlighting that current economic pressures could cause difficulties for more local taxpayers this year.
- 6.2 The Panel sought further clarification of particular elements within the fire and rescue authority capital programme. The Panel was advised that the higher capital allocation for ICT in 2022/23 compared to subsequent years reflected the need to front-load work to address legacy issues, following a lack of investment in the past. There was a similar situation with regard to capital funding for estates. The fire and rescue authority needed to deal with legacy issues relating to estates, including removing asbestos and providing better welfare facilities for firefighters. The capital funding allocation in 2022/23 also reflected the development of the new joint fleet workshop for NFRS and Northamptonshire Police. The fire and rescue authority had purchased the workshop building and the force would pay a charge for using it, whereas the opposite arrangement applied to Darby House. The Commissioner confirmed that he had done as much as he could to seek additional one-off capital funding support from the government to mitigate the costs of financing legacy items in the capital programme. The government had not yet responded, but the proposed budget made prudent assumptions on this matter.

## **7. Outcomes of the Review**

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- 7.1 At the conclusion of discussion the Panel resolved unanimously:

**To support the Northamptonshire Police, Fire & Crime Commissioner's proposed Fire precept for 2022/23.**

## **8. Background Papers**

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Police Reform & Social Responsibility Act 2011

Policing & Crime Act 2017

The Police & Crime Panels (Precepts and Chief Constable Appointments) Regulations 2012

Northamptonshire Police, Fire & Crime Panel Rules of Procedure