

Approval of Council Tax Support Scheme

Appendix 4 – Response from West Midlands Police Authority

Since the Police Service is affected by seven potentially different Local Council Tax Support Schemes, Police Authority Members have concluded that it is difficult to give a definitive response to you until they have seen proposals from all Billing Authorities in the West Midlands, so please treat this as an initial response.

These changes will not, of course, begin to affect the resource base for policing in the West Midlands until after the Police and Crime Commissioner (PCC) is elected and the Police Authority abolished, and the PCC may take a different view to those now expressed by Police Authority Members.

As a matter of principle Authority Members are concerned that decisions by the Billing Authorities, over which they have no real control or influence, are likely to have a seriously detrimental effect on the future resource levels for policing in the West Midlands, and will be making further representations to the Home Secretary.

Turning to your specific proposals, Authority Members have asked me to respond as follows:

(a) That, at this stage, they note the financial implications of this change, but recognise there is a difficult balance to be struck between the impact on benefit claimants and the financial implications for the local authority and the PCC

(b) Whatever option is agreed, they would want to be assured that your proposals are consistent with the Government's framework and in particular:

- The cost of support is determined by local need
- Pensioners will be protected and receive the same level of support as currently through council tax benefit
- That your Authority has observed their duty to protect vulnerable groups
- Your proposed scheme supports incentives to work and avoids disincentives to move into work

(c) If all Billing Authorities were to adopt a local scheme which matches current eligibility rules and award levels, there would be a negative impact on the resource base for policing and community safety, drugs intervention and other crime related activity (given that the PCC will be paid the new un-ringfenced Community Safety Fund) by about £2m, or the equivalent of a 3% increase in the current precept, just as it were to stand still.

(d) It would be helpful to have further details of the implications of your proposals on the Collection Fund, in particular any effects on collection rates and write offs and an analysis of the risk of incurring deficits on the Collection Fund, a proportion of which now falls to the PCC.

(e) That they are concerned about the Equalities Implications for the PCC if the seven Billing Authorities were to opt for different local schemes, and for that reason (and for reasons of practicality and certainty in 2013/14) Members felt there was considerable merit in all Billing Authorities adopting the same local schemes and as soon as possible.

I have written separately to District Finance Officers about the potential conflicts between the timescales in which the PCC will be required to formulate budget and precept

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proposals, the statutory timescales for Districts to formally notify the tax base, the timescales by which the PCC is required to set the precept and the council tax billing and related timetables. The PCC is required to produce Budget and Precept proposals for consultation with the Police and Crime Panel by December 22, which means that the PCC will require a pretty firm indication of likely levels of tax base by early December at the latest. Will you please bear that in mind in formulating your timetables for public consultation and final approval of your local scheme.

Returning to the comments in the second paragraph of this letter, we reserve the right to comment again on your proposals for the Local Council Tax Support Scheme when final proposals from the other Billing Authorities are to hand.