

From: Weaver, Mike (Director of Financial Services) [MWeaver@worcestershire.gov.uk]
Sent: 11 March 2005 10:54
To: 'SirMichaelLyons@lyonsinquiry.org'
Cc: Stokes, Gill (Financial Services - Secretarial)
Subject: Funding the Police Service in West Mercia - A case study in conflicting accountabilities?

Dear Michael,

I was very grateful for the opportunity to visit you last Friday morning to discuss Worcestershire County Council's concerns about local government funding. I am sorry I could not stay for the meeting you held later in the day for the emergency services.

I have previously sent details of my experience as Treasurer to the local fire and rescue authority. This message deals with my experience as Treasurer to the West Mercia Police Authority. I hope it adds to the comments made by those of Bob Forster Chairman of the Authority and Stephen Howarth the Chief Constable's Director of Finance when they visited you.

Since 1997 the police authority has consistently welcomed the real efforts made by the government to improve the share of the nation's resources dedicated to fighting crime and reducing the fear of crime. It has accepted that sometimes national policing initiatives have had to take priority over local policing on grounds of anti terrorism, international drug dealing and global crime generally. The authority has used the council tax as a positive policy instrument to strengthen the local resource base when general and specific grant support has not.

The authority's council tax increases since 1997 have been well above the annual increase in the retail price index. The highest increase was 33%, or 50 pence per week, in 2002-03. This funded entirely the recruitment of an additional 300 police officers. Our public opinion survey at the time indicated overwhelming public support for these two measures.

I want to comment on aspects of the authority's 2004-05 council tax decision. Contradictory policy signals were sent by the government. ODPM's publicly stated policy was that council tax increases should be in low single figures with capping a very real possibility. The Home Office position was different, for example, an official is quoted as saying at a private briefing of Chairs of Police Authorities: "Mr Blunkett has given me permission to say that he will be minded to support any authority with a precept increase of at or around 15%".

My Chairman told me Home Office Minister Hazel Blears MP had emphasised to him on the day before the authority took its council tax decision how helpful it would be to keep the increase under 15%. West Mercia set its increase at 14.9%. It was subsequently one of three police authorities chosen by Ministers for potential capping. Ministers placed the authority on statutory notice that it was at risk of being capped in 2005-06 if its budget and council tax increase was deemed to be excessive.

As part of the public consultation process leading up to the 2005-06 budget and council tax decision MORI conducted a survey that showed of 1009 council taxpayers in West Mercia over 56% would support an increase in the council tax for the police service of

7.5% for more policing. The authority judged that the risks of capping and wasteful rebilling costs were too great and settled on an increase of 3.98%. This increase had very modest support of those surveyed by MORI. Accountability in reality was to Ministers rather than the local community. I am attaching a full copy of MORI's report for completeness as it does make fascinating reading.

There are understandable concerns locally about the capacity of the council tax to continue to be used as a safety valve where the allocation of central government grant resources is targeted elsewhere by Ministers. Closing the safety valve through capping threats means the police deal on offer in West Mercia is inevitably perceived to be inferior to elsewhere. Crime does not respect administrative boundaries yet the funding gaps with our neighbours do have a very real on impact on the scale of operational service delivery. Our community intelligence shows that people have great difficulty in understanding and accepting variability in the reach of front line policing.

If I can be of help in any way please get in touch.

Best wishes,

Mike Weaver
Treasurer to the West Mercia Police Authority

<<draft report 2.doc>>