

Report of Police and Crime Commissioner for Northumbria

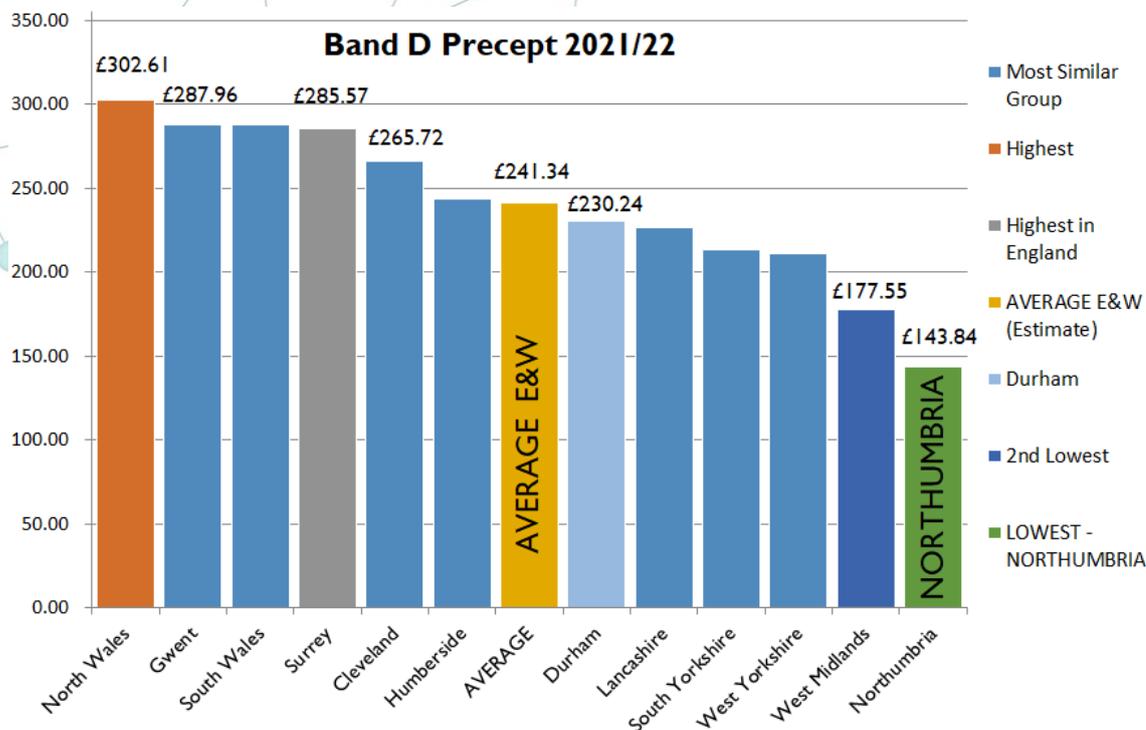
Report on Proposed Precept for 2022/23

1. Purpose of Report

- 1.1 This report sets out my proposed Council Tax Precept for the policing area covered by the Police and Crime Commissioner (PCC) for Northumbria for the 2022/23 financial year, with a recommendation to agree to the proposal.
- 1.2 I am seeking agreement on a Precept increase of £10.00 for a Band D property in order to better fund a vital public service.
- 1.3 This proposed increase is supported by the results of a public consultation, as detailed below.
- 1.4 The £4.018m raised through the precept increase will provide investment in:
 - Call handlers for 999 and 101 services.
 - Extra resources to tackle cyber-crime and serious and organised crime.
 - More civilian investigators to support investigation and free up police officers.
 - Workforce investment – supporting our officers to keep them on the beat and tackling crime.

2. Background

- 2.1 The Police Reform and Social Responsibility Act 2011 Schedule 5 states that, “A Police and Crime Commissioner may not issue a precept under section 40 of the Local Government Finance Act 1992 for a financial year until the end of the scrutiny process is reached.” The first stage of the scrutiny process is that I must notify you of the precept I am proposing to issue for the financial year 2022/23.
- 2.2 The Council Tax Precept is a source of revenue for policing in Northumbria, the following graph shows a comparison of Northumbria’s position to other Force areas for the current financial year 2021/22:



2.3 As is clear from the graph above the Northumbria Band D precept charge of £143.84 for 2021/22 is the lowest of any PCC in England and Wales. The Band D precept charge is the contribution paid toward policing by a homeowner in that category, and is the common criteria by which information and comparison is based. It should be noted that the majority of properties in the Northumbria area are Band A, i.e. the lowest banding for which the charge is £95.89. For 2021/22 18% of our core resource funding is derived from the Council Tax Precept, with the majority (82%) being through government grant.

2.4 Since 2010, Central Government's austerity drive saw unprecedented cuts to the funding provided to policing, with Northumbria being the hardest hit of any force in England and Wales. Central Government formula funding for policing in Northumbria was reduced by more than 31% in real terms between 2010/11 and 2018/19, as confirmed independently by the National Audit Office (NAO). By March 2021 Northumbria had made £148.0m of cuts and efficiencies to manage the reductions imposed by government. and officer numbers had reduced by around 1,100.

2.5 Whilst government funding for policing has increased over the last 3 years it was made clear that no inflationary increase was being provided by government, with core grant increases covering only part of the increased cost of police officer pensions for 2019/20 and delivery of the Police Uplift Programme (PUP) in 2020/21 to 2021/22.

2.6 Local precept income is therefore essential to maintain spending power and make sure the Force has the resources it needs to keep our neighbourhoods safe. The Council Tax Precept raised £56.953m towards the total funding requirement for Northumbria in 2021/22. Residents in Northumbria have provided additional funding to support Northumbria Police year-on-year and that support has been vital to help the Force deliver the Police and Crime Plan priorities.

3. Police Settlement 2022/23

3.1 The Government have provided a 3-year Spending Review settlement for 2022/23 to 2024/25 with force-level allocations for 2022/23 only and indicative national increases to police funding for 2023/24 and 2024/25.

3.2 In summary, the main elements of the 2022/23 Home Office settlement included:

- £550m increase in Government funding to PCCs to support the recruitment of an additional 8,000 officers by March 2023, the final year of the national Uplift.
- This includes £135m ring-fenced grant allocated to Forces in-line with their funding formula allocations, accessed through progression against their recruitment targets.
- Increases of £100m for 2023/24 and £150m for 2024/25 to central government funding for policing.
- Council Tax Referendum Limits - The Government has proposed precept referendum limits for the 3-year Spending Review period 2022/23 to 2024/25, that enable PCCs to raise additional funding for local priorities through an increase of up to £10.00 for a Band D property, in each year.
- Specific grant funding allocated to Forces to manage part of the increased cost of employer pensions each year since 2019/20 has been confirmed for one further year in 2022/23.
- The Local Council Tax Support (Covid) grant allocated in 2021/22 to compensate PCCs for a reduction in tax base has not been repeated for 2022/23.

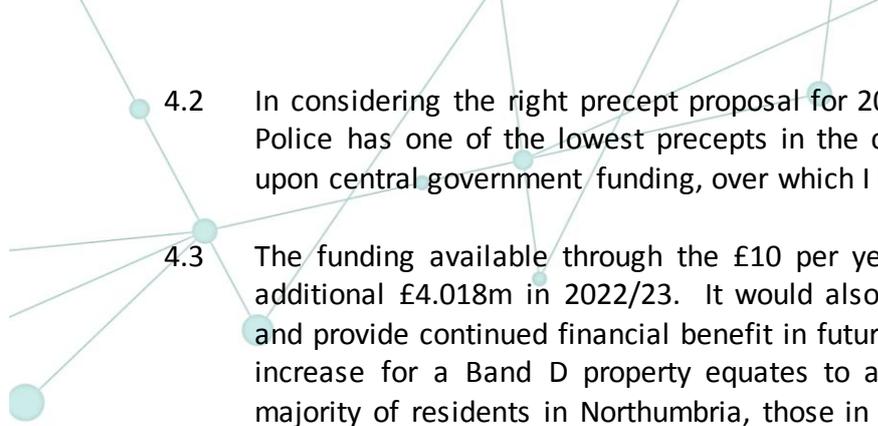
3.3 Whilst the increase to government grant will enable delivery of force-level Uplift targets it does not appear to include inflationary increases or funding to meet the ever-rising costs of transforming police services and building the digital infrastructure essential to respond to emerging crime trends.

3.4 Despite the financial challenges faced by Northumbria Police the Force has continued to deliver on the priorities of its communities, reduce crime and begin the biggest digital transformation the Force has ever undertaken. The budget proposal for 2022/23 will allow the Chief Constable to continue to deliver those priorities and investment plans, maintaining the excellent level of service Northumbria Police provides.

3.5 The attached report at Appendix 1 sets out the proposed revenue budget and capital programme for 2022/23 including my precept proposal, together with a review of the current year's budget position and future funding.

4. Precept Options

4.1 In making my decision in regards to the Council Tax Precept I have considered the overall funding made available to the Force and the impact any increase will have on households. The Government has proposed a precept referendum limit for 2022/23 that enables PCCs to raise additional funding for local priorities through an increase of up to £10.00 per year for a Band D property.



4.2 In considering the right precept proposal for 2022/23 I was mindful that Northumbria Police has one of the lowest precepts in the country, and is as a result very reliant upon central government funding, over which I have no control.

4.3 The funding available through the £10 per year precept increase would provide an additional £4.018m in 2022/23. It would also increase the underlying precept base and provide continued financial benefit in future years. For context, a £10.00 per year increase for a Band D property equates to approximately 83p per month. For the majority of residents in Northumbria, those in a Band A property, the actual increase will be approximately 56p per month (£6.67 per year).

4.4 On 7 January 2022 I launched a consultation with the public on the precept, asking people how much they are prepared to pay to help fight and prevent crime across local communities. This was supported by a press release sent to local media and regular reminders to take part on social media.

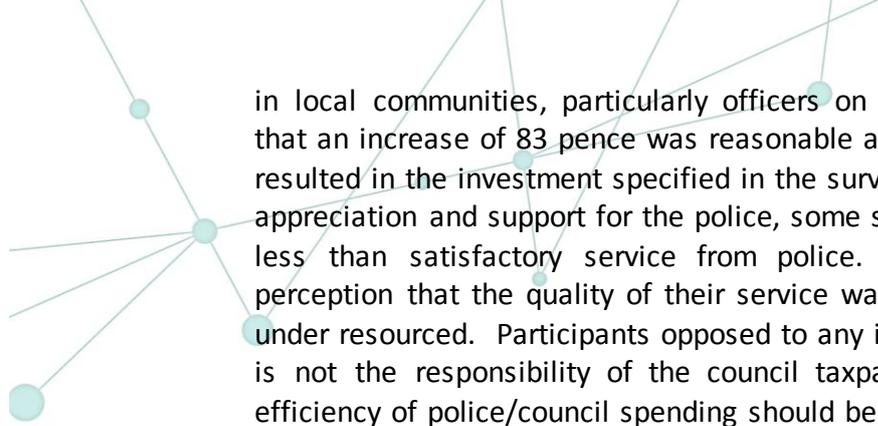
4.5 An online survey was active from 7 January until 21 January 2022, and people taking part in it were asked their view on range of actions. Respondents were asked their view on a zero council tax rise, an increase of 42 pence per month for a Band D property (£5.00 per year) and an increase of 83 pence per month (£10.00 per year). Overall, 61% of survey participants support an increase to their council tax contribution to help the police cover the shortfall in government funding and to invest in services. 39% said that they were not prepared to support any increase. Of those supporting an increase, 51% of respondents supported the 83 pence per month increase, and 10% supported the 42 pence per month increase.

4.6 Survey participants supporting the 83 pence per month increase commented that they wanted to support the police and referred to budget cuts affecting resources. Feeling that the funds should contribute to the recruitment of more officers, police visibility and that the increase was reasonable were also common themes. Those who did not support any increase to their council tax raised concerns around the rising cost of living. Other respondents suggested that the police/council should review their current budgets and expenditure to cut costs.

4.7 Over two weeks in January 2022 a telephone consultation was carried out by the Public Insight team at Northumbria Police. 606 households were contacted, averaging around 100 in each local authority area. Those taking part were asked if they would support an increase, with information provided around the monthly increase for a Band A and Band D.

4.8 Overall telephone survey results show 87% of participants would support some form of increase to their council tax to help the police cover the shortfall in government funding and to invest in services. This figure is made up of 84% who said they would back the 83 pence per month increase, and 3% said that they would not be willing to support an increase of 83 pence but would support a smaller increase of 42 pence to allow the Force to meet rising costs. The remaining respondents preferred either no increase or answered 'do not know'.

4.9 Survey participants who support an increase in the precept frequently commented on the perceived lack of police resources as a result of budget cuts. A large proportion of these survey participants expressed that they would like to see more police presence



in local communities, particularly officers on foot. Survey participants commented that an increase of 83 pence was reasonable and would be good value for money if it resulted in the investment specified in the survey. Although on the whole there was appreciation and support for the police, some survey participants recalled receiving a less than satisfactory service from police. These respondents often held the perception that the quality of their service was negatively impacted by police being under resourced. Participants opposed to any increase to the precept reasoned that it is not the responsibility of the council taxpayers to cover the cost and that the efficiency of police/council spending should be reviewed. Other themes included: not being able to afford an increase, already paying enough council tax and a perception that the current service provision did not justify an increase.

- 4.10 I have considered the options available to me and have taken into consideration the consultation feedback. My primary consideration is to ensure public safety through a well-resourced police force. This priority is reinforced in almost every consultation my office carries out. Northumbria Police provides an excellent service to the public, but after a decade of Government austerity the pressures facing the force in this mission are immense. I believe it is the right decision to recommend an increase in the precept of £10.00 per year for a Band D household, to continue to support local policing services in the face of a challenging financial situation.
- 4.11 In deciding on the 83 pence per month increase alongside the increase in grant funding, I am confident that the Chief Constable and myself will be in a good position to continue to deliver for residents in the Northumbria force area.
- 4.12 Both myself, the Chief Constable and Northumbria Police are committed to fighting crime, preventing crime and improving lives – but without appropriate and suitable funding, we will face challenges and difficult decisions ahead.

5 Proposals

- 5.1 I propose that the precept is increased by £10.00 per year for a Band D property which equates to an increase of 6.95%.
- 5.2 The impact of this decision in 2022/23 will allow for an additional and recurring £4.018m contribution to resources.
- 5.3 This proposal is made in the context of the budget needed to invest in policing resources, with essential expenditure to deliver the Police and Crime Plan.

6. Recommendation

The Police and Crime Panel are asked to:

- I. Review the recommended precept proposal.
- II. Make a report to the Commissioner on the proposed precept for the forthcoming financial year.