

Report of Police and Crime Commissioner for Northumbria

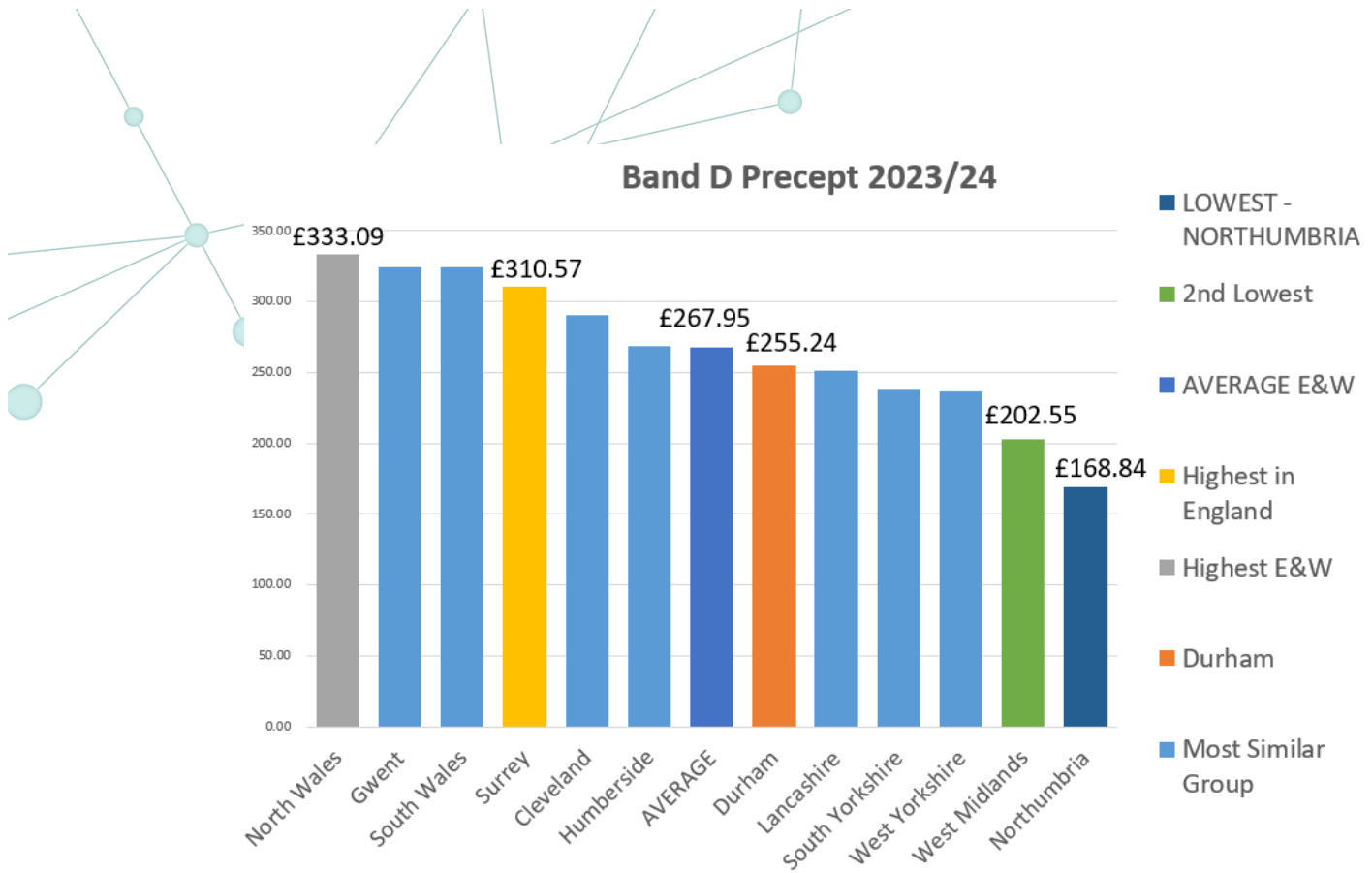
Report on Proposed Precept for 2024/25

1. Purpose of Report

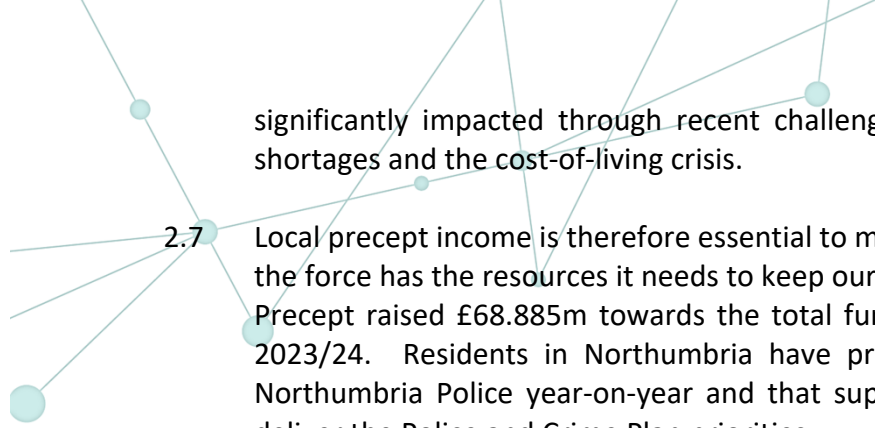
- 1.1 This report sets out my proposed Council Tax Precept for the policing area covered by the Police and Crime Commissioner (PCC) for Northumbria for the 2024/25 financial year, with a recommendation to agree to the proposal.
- 1.2 I am seeking agreement on a Precept increase of £13.00 per year for a Band D property to better fund a vital public service. Band A households make up the largest share of properties in the Northumbria force area, and for them the increase is 72p a month (£8.67 per year).
- 1.3 This proposed increase is supported by the results of a public consultation, as detailed below.
- 1.4 The proposed increase would raise an additional £5.384m income, which will:
 - Allow Northumbria Police to introduce a force-wide Motorbike ASB Unit.
 - Allow the force to safeguard and hire 30 new investigators, including digital forensic specialists.
 - Potentially reopen new stations or introduce new public contact points following a review into increased openings.
 - Avoid the need for further cuts to the frontline police budget.

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 2024/25.
- 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 2023/24:



- 2.3 As is clear from the graph above the Northumbria Band D precept charge of £168.84 for 2023/24 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 £112.56. For 2023/24 20% of our core resource funding is derived from the Council Tax Precept, with the majority (80%) 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). As a result, police officer numbers in Northumbria reduced by more than 1,100 between March 2010 and March 2019. By March 2021 the force had made £148.000m of cuts and efficiencies to manage the reductions imposed by government.
- 2.5 Whilst government funding for policing has increased over the last 5 years there have been limited inflationary increases provided by government, with targeted core grant increases covering only part of the increased cost of police officer pensions and pay awards, and delivery of the Police Uplift Programme (PUP) over 2020/21 to 2023/24.
- 2.6 The significant levels of inflation experienced in the economy over the past two years are expected to continue to impact on force budgets over the medium-term. There has been no additional financial support from government to recognise the unprecedented scale of inflation that forces are having to deal with. Utilities, fuel, insurances, pay awards, building maintenance, digital policing and all major contracts have been



significantly impacted through recent challenges to the economy, inflation, energy shortages and the cost-of-living crisis.

2.7 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 £68.885m towards the total funding requirement for Northumbria in 2023/24. 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.

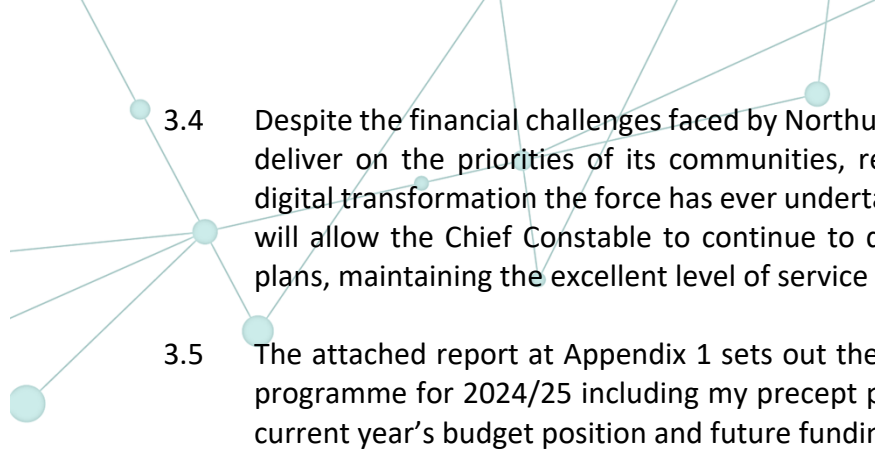
3. Police Settlement 2024/25

3.1 The provisional police grant settlement for 2024/25 was published on 14 December 2023 and set out force-level allocations for the 2024/25 financial year only.

3.2 In summary, the main elements of the 2024/25 Home Office settlement included:

- A £624.000m increase in government grant income to PCCs which includes:
 - The additional £150.000m announced at Spending Review 2021 to ensure the maintenance of officers for the Police Uplift Programme.
 - £515.000m of funding to support forces with part of the cost of the police officer pay award, of which £185.000m is additional to the funding provided in-year during 2023/24.
 - Specific grant funding allocated to forces to manage part of the increased cost of employer pension contributions in 2019/20 has been increased by £259.000m to £402.000m. This is to cover the cost of a further increase to the police officer pension contribution rate from 1 April 2024.
 - A one-off top-up funding amount of £26.800m to be provided in recognition of the software development and administrator costs associated with the delays to the implementation of the McCloud pension remedy.
- Legacy grants relating to Council Tax and freeze grants for 2011/12 and 2014/15 remain payable.
- Council Tax Referendum Limits – In the Autumn Budget and Spending Review 2021 referendum limits were set for the 3-year spending review period 2022/23 to 2024/25. PCCs were told they could approve an increase of up to £10.00 for a Band D property in each year. The referendum limit for 2023/24 was subsequently increased to £15.00, and for 2024/25 the limit has been increased to £13.00 for a Band D property.
- Police Capital Funding – For the third year running there is no capital grant funding allocated to police forces in the settlement.

3.3 Whilst the increase to government grant will enable the force to maintain the Northumbria police officer Uplift, it does not include any increase to manage the continued impact of inflation or funding to meet the ever-rising costs of transforming police services, capital investment in sustainable technologies and estate, 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 continue the biggest digital transformation the force has ever undertaken. The budget proposal for 2024/25 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 2024/25 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 regard 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 2024/25 that enables PCCs to raise additional funding for local priorities through an increase of up to £13.00 per year for a Band D property.

4.2 In considering the right precept proposal for 2024/25 I was mindful that Northumbria Police has the lowest precept in the country and is as a result very reliant upon central government funding, over which I have no control.

4.3 Northumbria Police is committed to fighting crime but does so against a backdrop of increasing financial pressures. As Police and Crime Commissioner it is my job to set the budget for the force on behalf of our communities and ensure police officers and staff have what they need to keep us safe.

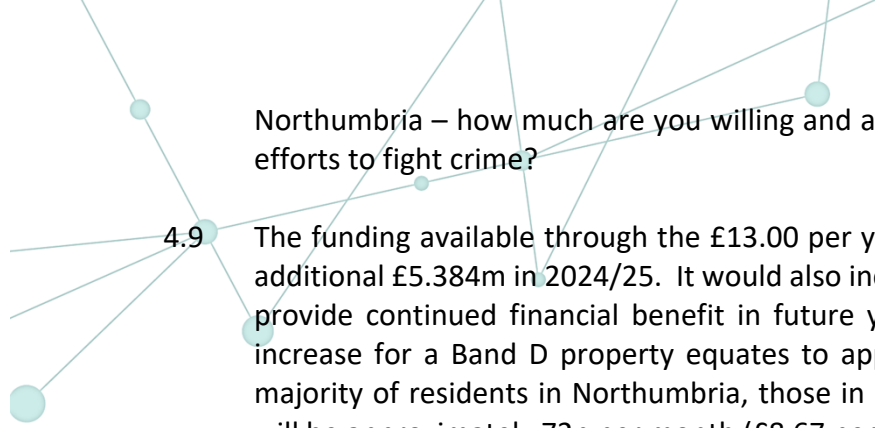
4.4 I firmly believe Government should step-up and fully fund our police force. The Home Office has repeatedly turned down these requests and wants the cost of policing passed to local residents.

4.5 People in the North East repeatedly tell me they want more police officers out on the streets and over the last four years I have delivered on that. Despite the huge loss of officers that the region experienced in the years since 2010, we have made great progress rebuilding the front line. Record recruitment drives, a new neighbourhood policing model bringing 134 officers back out into communities, 50 new call handlers to cut waiting times and 60 new detectives to investigate crimes.

4.6 As well as police officers I've invested in drone technology, a new taskforce dedicated to tackling motorbike ASB and opened a new sexual assault referral centre, hailed one of the best in the country for supporting victims.

4.7 I want to continue to invest in frontline policing and have plans for more investigators, expanding our specialist motorbike ASB units, and following trials I'd like to review all stations and look to reopen some of those that were closed under Government austerity.

4.8 To deliver this, we need more funding. Unfortunately, at a time when so many are facing their own financial struggles, Government demands the force turns to local people to raise the precept and help foot the bill. So, I have asked residents in



Northumbria – how much are you willing and able to pay to help support our region's efforts to fight crime?

4.9 The funding available through the £13.00 per year precept increase would provide an additional £5.384m in 2024/25. It would also increase the underlying precept base and provide continued financial benefit in future years. For context, a £13.00 per year increase for a Band D property equates to approximately 108p per month. For the majority of residents in Northumbria, those in a Band A property, the actual increase will be approximately 72p per month (£8.67 per year).

4.10 On 8 January 2024 I launched a consultation with the public on the precept, asking people whether they would support an increase to their police precept.

4.11 The consultation included an online survey in which residents were asked to choose between three precept options. Increase the precept by the maximum of 72p a month for a Band A property (7.7%), increase the precept by 56p a month (5.92%) or freeze the precept.

4.12 The survey was promoted on social media channels and covered in local media after the OPCC issued two press releases reminding the public to have their say. A letter was also sent to 120,000 households across the six local authority districts in the Northumbria Police area. An email asking people to take part in the consultation was sent to nearly 3,000 residents and partner organisations. 1,338 residents took part in the survey.

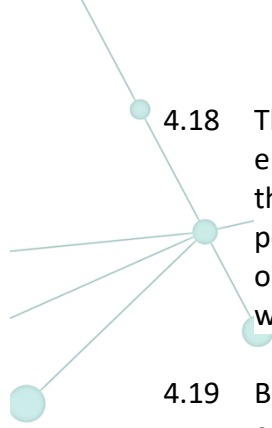
4.13 Residents were informed that a 7.7% increase would allow investment in frontline policing as set out in paragraph 1.4. They were also informed that the smaller increase would limit these options and that freezing the precept would mean further cuts to policing.

4.14 Telephone surveys were also carried out by the Northumbria Police Public Insight Team at random with residents in the force area to ask if they would support or decline to support the precept increase as per the questions in the online survey. 607 residents were surveyed with approximately 100 from each Local Authority area.

4.15 In total, across the two survey platforms, 74% of all respondents supported an increase of some form in the precept in order to prevent cuts to frontline policing. 62% of all residents supported the 7.7% increase which allows greater investment in frontline policing.

4.16 Those that chose the maximum precept increase cited that it was important that the force remained well resourced and would not want to see policing numbers in the region even further reduced. They did also acknowledge that it should be Government who funds this increase, not taxpayers, but accepted they could afford the increase in return for improved policing response.

4.17 Most residents opposed to any change to their monthly council tax stated that the increase was not affordable and/or that they were already paying enough council tax. Feeling that the increase should be sourced from elsewhere, such as from the central government, was also frequently mentioned.



4.18 The OPCC also received a petition from a declared candidate in the upcoming PCC elections opposing a rise in the precept. 170 residents took part with most opposing the 7.7% increase. It is unclear if these residents were given information about the potential investment in the force, or presented with the smaller precept rise as an option or if they were given information explaining the cuts to frontline policing which would follow from the candidate's proposed freeze to the precept.

4.19 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 £13.00 per year for a Band D property which equates to an increase of 7.70%.

5.2 The impact of this decision in 2024/25 will allow for an additional and recurring £5.384m 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.