

Report of Police and Crime Commissioner for Northumbria

Report on Proposed Precept for 2025/26

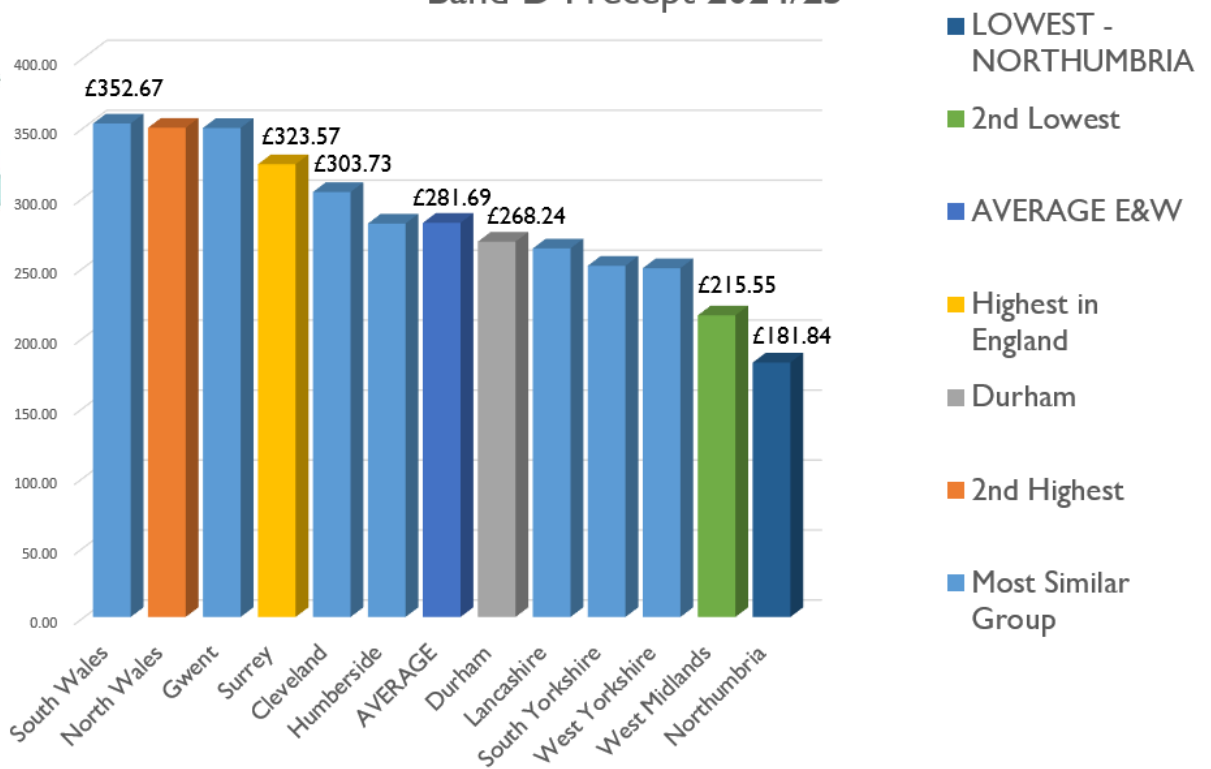
1. Purpose of Report

- 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 2025/26 financial year, with a recommendation to agree to the proposal.
- 1.2 I am seeking agreement on a Precept increase of £14.00 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 78p a month (£9.33 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 £5.925m income, which will help keep the force appropriately resourced, meet budgetary pressures and allow for some investment. Potential areas include:
 - Prevention of ASB in urban and rural communities.
 - Tackling fraud and online crimes.
 - Targeting offenders and preventing Child Sexual Exploitation (CSE).
 - Increasing resourcing to help bring offenders to justice.

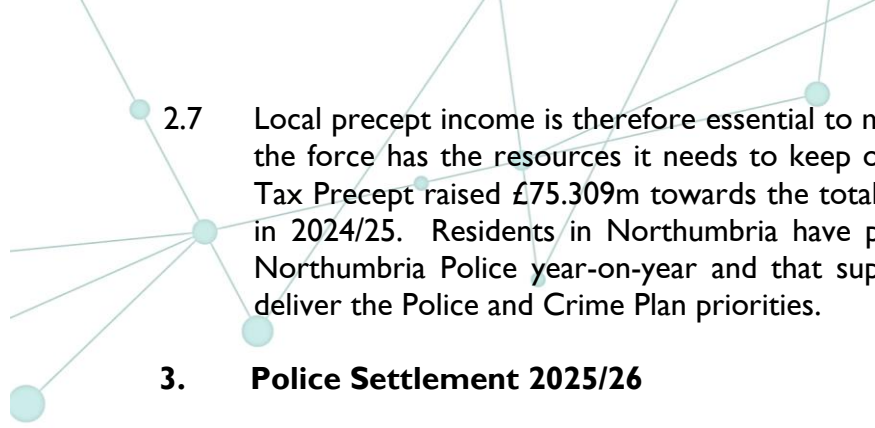
2. Background

- 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 2025/26.
- 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 2024/25:

Band D Precept 2024/25



- 2.3 As is clear from the graph above the Northumbria Band D precept charge of £181.84 for 2024/25 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 £121.23. For 2024/25 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, the former 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 6 years there have been limited inflationary increases provided by the former 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 2024/25.
- 2.6 The significant levels of inflation experienced in the economy over the past three years are expected to continue to impact on force budgets over the medium-term. 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 £75.309m towards the total funding requirement for Northumbria in 2024/25. 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 2025/26

3.1 The provisional police grant settlement for 2025/26 was published on 17 December 2024 and set out force-level allocations for the 2025/26 financial year only.

3.2 In summary, the main elements of the 2025/26 Home Office settlement included:

- A £657.100m increase in government grant income to PCCs which includes:
 - An increase of £339.000m to Core Grant.
 - £230.300m to compensate territorial forces for the costs of the change to the employer National Insurance Contributions from 2025/26.
 - An additional £100.000 million to kickstart the first phase of 13,000 additional police officers, PCSOs and special constables into neighbourhood policing roles.
- The increase of £339.000m to Core Grant was confirmed by the Home Office as being partially offset by a reduction of £75.000m to the amount paid to forces as ring-fenced Uplift Grant, with the net increase being £264.000m.
- Legacy grants relating to Council Tax and freeze grants for 2011/12 and 2014/15 remain payable.
- Council Tax Referendum Limits –The referendum limit for 2025/26 has been set at £14.00 for a Band D property.
- Police Capital Funding – For the fourth year running there is no capital grant funding allocated to police forces in the settlement.

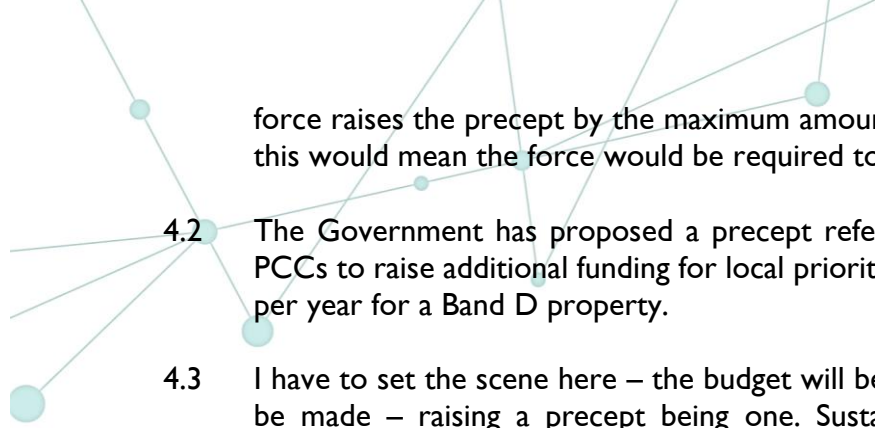
3.3 Whilst the increase to government grant will enable the force to maintain the Northumbria police officer Uplift, it does not include any increase to manage the continued impact of inflation or funding to meet the ever-rising costs of transforming police services, capital investment in sustainable 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 2025/26 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 I sets out the proposed revenue budget and capital programme for 2025/26 including my precept proposal, together with a review of the current year's budget position and future funding.

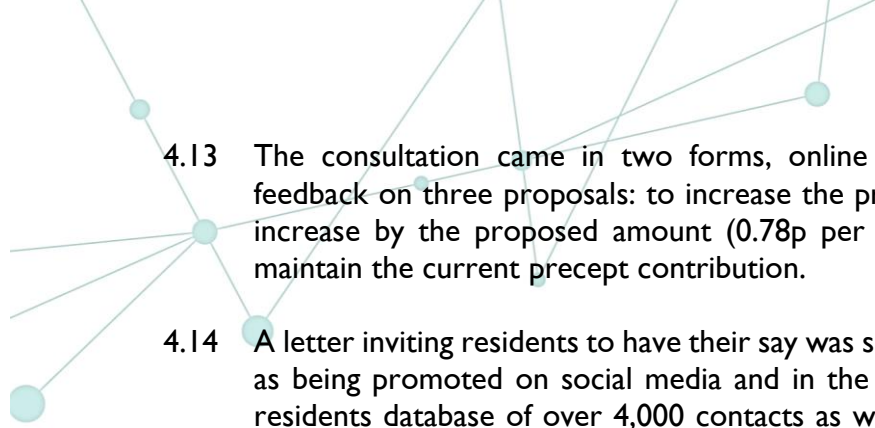
4. Precept Options

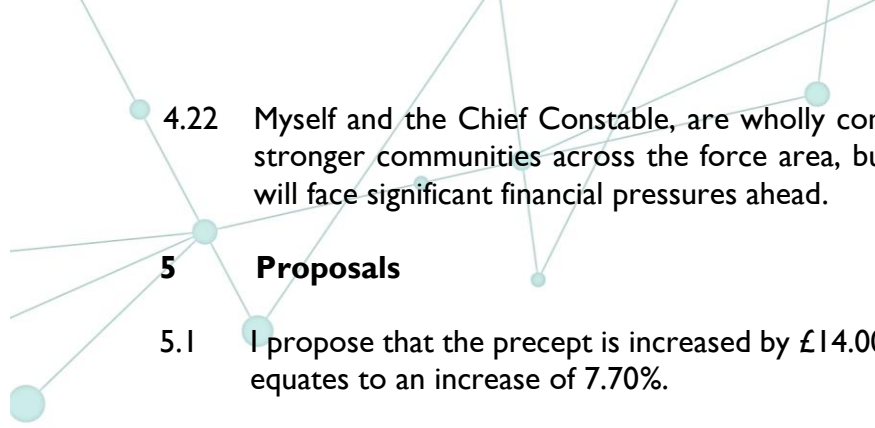
4.1 In making my decision in regard to the Council Tax Precept I have acknowledged that the police budget is always based upon the Government's assumption that each police



force raises the precept by the maximum amount allowed, therefore anything less than this would mean the force would be required to review the service it delivers.

- 4.2 The Government has proposed a precept referendum limit for 2025/26 that enables PCCs to raise additional funding for local priorities through an increase of up to £14.00 per year for a Band D property.
- 4.3 I have to set the scene here – the budget will be tight and there are difficult choices to be made – raising a precept being one. Sustaining current police levels by slightly increasing the police element of the council tax is what we need to happen if we are going to protect and sustain current policing levels – and we are all keen for that.
- 4.4 We've already welcomed funding news from Government of around £3m for neighbourhood policing – a real commitment – but it doesn't cover it all. We also await more special grant detail but, in the meantime, the Chief Constable and I are determined to map out a budget that offers real value for money for the people of Northumbria.
- 4.5 We will do all we can to protect frontline policing and ultimately protect the public and this does come with a price tag. We can't expect a new Government to put a decade's worth of cuts and underfunding right in year – but we eagerly await details of the police reform plans to help deliver efficiencies nationally across the police service – and these are all great steps forward.
- 4.6 In considering the right precept proposal for 2025/26 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.
- 4.7 Setting the police precept is always challenging, particularly during times of high inflation, rising costs, and increasing demands on our police service. For me, it's important we protect what we have got and continue to meet the needs of the public.
- 4.8 Despite the challenging years of austerity, and the impact this had on officer numbers, we are working hard to undo those effects and will keep doing so.
- 4.9 Northumbria's Neighbourhood Policing Teams recently saw an increase of 134 dedicated officers, and last year's precept increase funded a dedicated motorbike disorder team to deliver on priorities set by residents.
- 4.10 I want to work with the Chief Constable to tackle ASB, fraud and online crime and strengthen all departments to help bring more offenders to justice. However, all of this requires additional funding. This is why I have asked how much people are willing to pay to be able to help support our region's efforts to deliver safer streets and stronger communities.
- 4.11 The funding available through the £14.00 per year precept increase would provide an additional £5.925m in 2025/26. It would also increase the underlying precept base and provide continued financial benefit in future years. For context, a £14.00 per year increase for a Band D property equates to approximately 117p per month. For the majority of residents in Northumbria, those in a Band A property, the actual increase will be approximately 78p per month (£9.33 per year).
- 4.12 On 6 January 2025 I launched a public consultation asking residents whether they would support an increase to their police precept contribution.

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- 4.13 The consultation came in two forms, online and telephone, and sought residents feedback on three proposals: to increase the precept above the proposed amount, to increase by the proposed amount (0.78p per month for a Band A property) or to maintain the current precept contribution.
- 4.14 A letter inviting residents to have their say was sent to over 102,000 households, as well as being promoted on social media and in the local press. An email was sent to our residents database of over 4,000 contacts as well. In total, 1,000 residents completed the online survey and 609 completed the telephone survey.
- 4.15 Residents were informed that the proposed increase would help the force meet budget pressures and deliver some investment in areas including; our response to tackling ASB in urban & rural communities, strengthening our capacity to tackle fraud and online crime, targeting offenders and preventing those at risk of Child Sexual Exploitation, and increased resourcing to help bring offenders to justice.
- 4.16 I understand the importance of residents seeing value for their precept increase, and so through my ongoing scrutiny process I will provide regular updates and communication on how these are being delivered by the Chief Constable, and the impact being made within our communities.
- 4.17 For the telephone survey, 609 residents were contacted at random, with a minimum of 100 completed per Local Authority. In the telephone survey residents were asked if they supported an increase to their monthly contribution of 78p per month for a Band A property. They were not asked about contributing more than the proposed amount but were able to provide further comments where this was captured.
- 4.18 In total, on the online consultation 64% of respondents supported raising the precept, whilst 36% did not. For the telephone survey, 72% supported an increase, whilst 16% did not. The remaining 12% stated they 'did not know'.
- 4.19 Those who chose the option to increase the precept above the proposed contribution should it be possible, stated they were happy to fund this, providing visibility increases with the funding increase. They also acknowledged the challenging job the police do in difficult circumstances and were willing to contribute a small amount more to improve their local feelings of safety. Several residents stated they were happy with this proposed increase, providing the funds were allocated to frontline policing, and not to other departments.
- 4.20 Residents who chose Option 2, the most popular increase option on the online survey, cited this is a fair increase to ensure the force remains suitably resourced, and are willing to pay this increase, but expect improved communications around how and where these additional funds will be spent, and the impact they've made.
- 4.21 Of those who said they were not willing to pay more than they currently do, the most common reasons for this were; this should be funded by central government and not local taxpayers, they don't currently feel they get value for money and therefore would not be willing to pay more, and the budget should be better managed to prevent the year-on-year increase required.



4.22 Myself and the Chief Constable, are wholly committed to delivering safer streets and stronger communities across the force area, but without the appropriate funding, we will face significant financial pressures ahead.

5 Proposals

5.1 I propose that the precept is increased by £14.00 per year for a Band D property which equates to an increase of 7.70%.

5.2 Whilst the £14.00 increase appears high in percentage terms when compared with other forces, the reason for this is that the Northumbria Police precept is already the lowest of any force in England and Wales (E&W), as highlighted earlier in this report. Even with the proposed increase, the 2025/26 precept of £195.84 per year for a Band D property will remain the lowest in E&W, by a long way.

5.3 The impact of this decision in 2025/26 will allow for an additional and recurring £5.925m contribution to resources.

5.4 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

6.1 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.