

Police and Crime Panel

3rd February 2025

Precept 2025/26

Report of the Office of the Police and Crime Commissioner

Purpose

1. To update the Panel on the process for setting the Policing precept for 2025/26 and to seek the Panel's support for an increase of £14 per household per year for properties in Band D, and commensurate increases for other properties.

Background

2. In December each year, the Police and Crime Commissioner (PCC) is informed by the Home Secretary of the provisional amount of Government grant that will be provided for policing during the following financial year. That enables the PCC to formulate plans for the level of precept that she will need to ask Council Taxpayers to contribute, in order to deliver policing in County Durham and Darlington in line with the Police and Crime Plan.
3. The Government sets a cap on the level of precept increase. The Government announced the provisional funding settlement for 2025/26 on the 17th of December 2024. From this, the Force and PCC Office has been making the calculations in relation to the effect of the settlement on the overall budget, along with the priorities for its use.
4. In addition to local taxation and central government grant the Durham Office of the PCC generates and manages additional funding streams. These include from the Ministry of Justice and also grants dependent on bids submitted by the PCC. In the last 12 months this has resulted in total additional funding to the value of £4.3m to benefit communities of County Durham and Darlington.

Funding in 2025/26

5. The provisional Government funding for policing in Durham and Darlington in 2025/26 includes the following:
 - An increase in Police Grant overall of 5.2% to £125.1m. This comprises:

- An increase across the Core grant and Officer Maintenance grant of £3.0m (2.8%), this increase does not fully cover the impact of the 2024-25 pay award.
- An additional £2.4m National Insurance grant. This grant is to reimburse the additional costs that will be incurred in 2025-26 as a result of changes to National Insurance rates. The way that the funding has been allocated means that in Durham the grant does not cover the estimated increase in costs and a shortfall of £375k is expected.
- An additional £1.1m Neighbourhood Police grant. We are awaiting further Government guidance relating to how this grant will work in practice.
- A reduction of £0.3m Pension grant. This decrease is as a result of the removal of prior year additional funding to offset McCloud remedy costs.
- Capital funding will remain at nil.
- The PCC is enabled to increase funding from the precept for the council taxpayer by 5.2% or £14 for a Band D property as a maximum.
- The total potential revenue funding, assuming maximum precept, increases from £167.1m to an estimated £176.8m, an increase of £9.8m or 5.8%. This compares to the average increase of 5.9% across all forces. Therefore, Durham receives less increase than the average, as has been the case since 2010 and is due to it having a low taxbase.

6. To achieve the £176.8m, it will be necessary to increase precept by the maximum permitted, i.e., £14 per household per year, for properties in Council Tax Band D. If this happens, the implications for each Council Tax Band would be as follows:

Consultation

7. The PCC launched an on-line survey on the 15th November 2024 and closed on Friday 17th January 2025. It was publicised using social media, releases to local media outlets, at engagements with the public and the PCC website, along with some meetings with AAP/ councillors. The AAP meetings were supportive of the £14 increase.
8. The PCC and her office had already received views from the public during the summer engagement events/fetes etc on the level of precept the public were willing to pay.
9. The survey asks respondents about how much they would accept to pay extra for the provision of its policing service. The survey and the results are provided in the presentation. In addition to questions relating to precept tax levels, the survey also asks respondents for their views on priorities within the Police and Crime Plan.

Summary

Council Tax Band	Police Precept 2024/25	Proposed Annual increase for 2025/26	Proposed Police Precept for 2025/26
	£	£	£
Band A	178.83	9.33	188.16
Band B	208.63	10.89	219.52
Band C	238.44	12.44	250.88
Band D	268.24	14.00	282.24
Band E	327.85	17.11	344.96
Band F	387.46	20.22	407.68
Band G	447.07	23.33	470.40
Band H	536.48	28.00	564.48

10. Given the overall support for an increase, and the clear need to support Policing beyond the constraints of Uplift funding, the Panel is recommended to support an increase in precept of £14 per household per year for Band D properties.
11. An increase will support:

- Maintaining police officer numbers of 1,379 until at least April 2026.
- PCSO numbers to be maintained within neighbourhoods.
- Safer roads to reduce the number of people killed and seriously injured on our roads
- Further investment in information technology to move towards a more intelligence led, data driven, problem solving approach
- Investment into the fleet and estate.

12. Under Schedule 5 of the Police Reform and Social Responsibility Act 2011, the Police and Crime Panel is required to review the proposed precept, and to make a report on it (the Panel are to determine the manner of this report). The report can include recommendations on the level of the precept. The panel has the power to veto the proposed precept, which requires a two-thirds majority in favour of a veto. However, the Panel are requested to note that if not agreed, this will in effect mean real-time cuts to policing across County Durham and Darlington and increased use of reserves.

Recommendation

13. The Panel is recommended to:

- a) Note the current position of the precept consultation and the outcome.
- b) Consider the PCCs proposal for a £14 precept increase at Band D.
- c) Decide whether to agree or veto the PCCs proposal.
- d) Produce a report setting out the Panel's views.

Joy Allen
Police and Crime Commissioner

Appendix 1: Risks and Implications

Finance

The outcome of consultation will influence the size of the PCC's, and the Constabulary's, budget in 2025/26.

Staffing

None

Equality and Diversity

None

Accommodation

None

Crime and Disorder

None

Children's Act 2004

None

Stakeholder/Community Engagement

A consultation exercise has taken place as set out in the report

Environment

None

Collaboration and Partnerships

None

Value for Money and Productivity

None

Potential Impact on Police and Crime Plan Priorities

Size of budget will influence delivery of priorities

Commissioning

None

Other risks

None

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