



# Lincolnshire POLICE & CRIME COMMISSIONER

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## SAFER TOGETHER

### REPORT TO THE POLICE & CRIME PANEL POLICE PRECEPT 2024/25

#### 1. Introduction

- 1.1 My proposals for the Police Precept 2024/25 reflect the priorities set in my *Community Safety, Policing and Criminal Justice Plan for Lincolnshire April 2021 – March 2025*:
- Community safety and prevention in partnership – working together to reduce crime;
  - Listening, responsive and accountable – making sure the people of Lincolnshire have their say in shaping our priorities;
  - Protecting and supporting victims and the vulnerable – making sure the whole criminal justice system works for those that really need it; and
  - Policing that works – effective policing, there when you need it and responsive to differing community needs;
- 1.2 The opportunity for the people of Lincolnshire to respond to my budget consultation concluded on 4 December 2023. I received 3,434 complete responses which are analysed in Annex A attached. My precept proposal for 2024/25 reflects careful consideration of the views expressed in response to my consultation.

#### 2. Government Grant

- 2.1 The Provisional Police Grant Report for 2024/25, accompanied by a Written Ministerial Statement, was laid before Parliament on 14 December 2023.
- 2.2 The total core grant for Lincolnshire is now £75.9m, an increase of £4.322m. The core grant now includes the Pay Award Grant which was issued separately last year and amounted to £2.745m. The net increase in 2024/25 for the core grant including pay award is therefore £1.577m. In addition, a ringfenced allocation of £3.5m is available to Lincolnshire on achievement of the police officer uplift programme target (1,186 officers for Lincs). The pension top up grant allocation of £3.6m has increased in line with the increased employer contribution rate for police officer pension schemes from 31% to 35.3% (2023/24: £1.2m).

- 2.3 The Minister confirmed the precept referendum limit to allow an increase up to an additional £13 per annum for a Band D property without the need to call for a local referendum.
- 2.4 The Minister's statement sets out the government's priorities for 2024/25:
- Maintaining 20,000 additional officers through to March 2025.
  - Continuing to deliver on the opportunities presented by new technology and innovation to deliver improvements in productivity and drive forward efficiencies, therefore maximising officer time and service to the public.
  - Improving the visibility of police officers and focusing on providing a targeted approach to tackling crime and antisocial behaviour to make neighbourhoods safer, which should be a priority for all forces.
- 2.5 The Minister's statement does not refer specifically to the timing of the Core Grant Distribution Review (funding formula review).
- 2.6 The provisional settlement is subject to consultation, and I have written to the Home Secretary and to the Minister of State for Policing and Fire Services expressing my views (Annex B).
- 2.7 Further detailed information on government grant is included within Annex C attached.

### 3. Council Tax

- 3.1 Council Tax receipts are based upon an assumption of a 0.5% increase in the Council Tax base. This assumption will be updated to reflect the actual position as notified by Lincolnshire's district councils before the budget is finalised.
- 3.2 The government published its approach relating to Council Tax referendum principles from 2022/23 to 2024/25 as part of its Spending Review in October 2021. In all three years from 2022/23 PCCs were to be allowed to increase Band D bills by as much as £10.
- 3.3 In December 2023, the government revised its approach to Council Tax referendum principles for 2024/25, allowing PCCs to increase Band D bills by as much as £13. Informed by the views of local people, I propose an increase in the police precept of £12.96 for 2024/25. The precepts for Band A and Band B (collectively representing 46% of the taxbase) would be:
- Band A £202.80; an increase of £8.64 per annum
  - Band B £236.60; an increase of £10.08 per annum
- 3.4 My medium term financial plan (MTFP) is based upon annual council tax increases of 2% per annum in 2025/26 and subsequent years.

### 4. Total Income

- 4.1 Total income is projected over the next four years as shown in **Table 1** below. There is an assumption that the council tax base will increase by 0.5% per annum from 2024/25 onwards, a continuation of the prudent 0.5% assumption in 2023/24.
- 4.2 The budget proposals described in the remainder of this report assume a £12.96 council tax increase for 2024/25 and 2% increases for the following years of the MTFP.

- 4.3 The potential impact of a revised Funding Formula within the MTFP continues to be excluded based upon a prudent reflection that it is neither clear what the change will be nor when this might be finalised and implemented.
- 4.4 The budget is yet to be finalised, but the use of earmarked reserves is planned to address the shortfall between planned expenditure and income in each of the next 2 years - see Annex C for more information.
- 4.5 Whilst the increased funding for the continuation of the National Officer Uplift is welcome; given the terms and conditions attached to this ringfenced grant, along with necessity to consider future employee numbers against longer term cost pressures, this funding is therefore considered to be 'at risk' at this stage.

**Table 1**

	Revised 2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
<b>Provisional Income</b>					
Police Grant	(71.578)	(75.854)	(75.854)	(75.854)	(75.854)
Pension Top Up Grant	(1.175)	(3.601)	(3.601)	(3.601)	(3.601)
National Uplift Funding	(2.287)	(3.535)	(3.535)	(3.535)	(3.535)
Council Tax Compensation Grant	(1.059)	(1.059)	(1.059)	(1.059)	(1.059)
Council Tax Support Grant	(5.775)	(5.775)	(5.775)	(5.775)	(5.775)
Council Tax Precept	(70.794)	(73.913)	(75.769)	(77.670)	(79.620)
Victim Services Grant	(1.456)	(1.547)	(1.547)	(1.547)	(1.547)
Proceeds of Crime Income	(0.120)	(0.120)	(0.120)	(0.120)	(0.120)
PCC Regional Income	(0.114)	(0.131)	(0.131)	(0.131)	(0.131)
Application of Earmarked Reserves	(0.207)	(0.067)	(0.067)	(0.067)	(0.067)
Reserves Budget Balancing	(6.176)	(8.445)	-	-	-
<b>Total Police and Crime Commissioner Income</b>	<b>(160.740)</b>	<b>(174.046)</b>	<b>(167.457)</b>	<b>(169.358)</b>	<b>(171.308)</b>

## 5. Expenditure Plans

- 5.1 Total spending in 2024/25 has increased in the face of significant internal and external cost pressures.
- 5.2 The budget is summarised in Table 1 and described below.

**Table 1**

	Revised 2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
<b>Provisional Expenditure</b>					
Police and Crime Commissioner	11.910	12.562	14.677	16.062	16.074
Chief Constable	146.141	160.281	163.445	165.981	168.461
Joint Services	2.689	2.838	2.928	3.028	3.152
Budget Gap/Use of Reserves	-	(1.634)	(13.592)	(15.712)	(16.379)
<b>Total Provisional Expenditure</b>	<b>160.740</b>	<b>174.046</b>	<b>167.457</b>	<b>169.358</b>	<b>171.308</b>

- 5.3 The budget proposals include provision for victims' services expenditure in line with expected grant of £1.5m. Provision for crime and disorder reduction grants is set at £0.6m. The budget also includes provision for capital financing charges of £5.6m.
- 5.4 The Chief Constable's 2024/25 budget includes £76.6m for police officer salaries (including the uplift). The target operating model for the period to 2025/26 is 1,186 police

officers in line with the Government's Police Officer Uplift Programme by March 2023. The agreed establishment for police officers in 2024/25 is 1,190 which includes an extra 4 officers deployed to EMSOU and fully funded by EMSOU.

## **6. Service Impact**

- 6.1 The draft budget for 2024/25 shows a budget gap of £10.1m based upon a council tax increase of £12.96 per band D property and police officer numbers of 1,186. The PCC and Chief Constable are in ongoing dialogue with the Home Office to seek to secure additional funding for Lincolnshire, either through a fairer share of recurrent police grant or through Special Grant.
- 6.2 It is clear that use of reserves will be necessary to balance the budget for 2024/25 and into the medium term. Savings will also be identified to reduce the expenditure budget from 2024/25 and into the medium term. An extensive Priority Based Budget exercise was undertaken during 2022/23 to provide evidence to reprioritise spending and deliver a plan in 2023/24 to address the underlying budget gap apparent at that time. Further work will now be required to ensure a sustainable approach to policing in Lincolnshire is secured.
- 6.3 Plans for investment in service developments in 2024/25 include:
- Maximise the number of police officers in the Force
  - Explore and exploit emerging technologies such as Facial Recognition to identify and apprehend criminals faster than ever before
  - Expand the successful Roads Policing "Operation Stronghold" – denying criminals use of the roads, keeping our communities even safer
  - Develop and use targeted approaches and teams to tackle issues such as summertime demand, rural crime, burglary and retail crime
  - Introduce rapid video technology – speeding up engagement with victims of crime, getting them the help they need even faster
  - Transform availability and quality of crime prevention advice and guidance to help keep communities safe from crime
  - Build on crime reduction results in local neighbourhoods, develop new ways to target organised criminality and drug supply in our communities
  - New approach to preventing and tackling anti-social behaviour to improve safety for all residents
- 6.4 Alongside the investments outlined above, the Force will be developing operational efficiency and savings plans in light of the increasing forecast budget gap which reaches £16m by 2027/28.
- 6.5 Further detailed information on revenue and capital expenditure plans, and risks and reserves is attached at Annex C.

## **7. Council Tax Proposal**

- 7.1 My proposed Council Tax increase for 2024/25 is £12.96. This is £304.20 for a Band D property. With this increase, Council Tax provides £3.1m more funding than in 2023/24.

7.2 The Police and Crime Commissioner's share of council tax is shown in table 3 below. This illustrates the impact of a £12.96, a 4.45% increase. The additional cost to the majority of Lincolnshire council tax-payers would be 22 pence per week or less.

**Table 2**

<b>BAND</b>	<b>Proportion of Band D</b>	<b>2023/24 Council Tax £</b>	<b>£12.96 Increase to a Band D £ p.a.</b>	<b>2024/25 Council Tax £</b>	<b>£12.96 Increase to a Band D £ per week</b>	<b>% of Taxbase Cumulative</b>
A	6/9	194.16	8.64	202.80	0.17	25.6%
B	7/9	226.52	10.08	236.60	0.19	45.9%
C	8/9	258.88	11.52	270.40	0.22	68.3%
D	9/9	291.24	12.96	304.20	0.25	83.1%
E	11/9	355.96	15.84	371.80	0.30	93.0%
F	13/9	420.68	18.72	439.40	0.36	97.9%
G	15/9	485.40	21.60	507.00	0.42	99.8%
H	18/9	582.48	25.92	608.40	0.50	100.0%

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