

Chair  
Norfolk Association of Local Councils

By email to: [wellbeing@NorfolkALC.gov.uk](mailto:wellbeing@NorfolkALC.gov.uk)

21<sup>st</sup> December 2022

Dear Peter

### **Police Precept of Council Tax**

I am writing to inform you and your members that I will be conducting a public consultation in the window 3-16 January 2023 about the setting of the Police Precept of Council Tax in Norfolk for Financial Year (FY) 2023-24. I will be recommending a 5.2% increase of the Precept.

The Policing Minister, Chris Philp, announced on 14 December 2022 that Norfolk's police budget would increase by £7.4M (3.8%) for FY23-24. At face value this is good news as any increase is better than no increase. However, this £7.4M comes in two parts: first, an increase in the Home Office grant of £1.9M; and second, an increase of the Precept by £5.4M. The former includes £1.6M that is ring-fenced for Norfolk's part in the government's Police Uplift Programme, leaving just £330K for other purposes, while the latter assumes that I would take full advantage of the increased Precept flexibility of up to £15 granted by the Policing Minister on 12 December 2022. Indeed, the Home Office has indicated that PCCs are expected to take full advantage of this additional Precept flexibility.

A budget increase of £7.4M would be just enough to be able to continue to deliver the current level of policing services to Norfolk's residents. There would be penalties, but these would mostly be felt within the Constabulary and, I hope, be largely invisible to the public. However, if I was not able to take full advantage of the £15 precept threshold then there would be greater penalties, probably leading to reductions of policing services. Norfolk Constabulary is already a lean organisation - I would argue that they are under resourced - and it follows that asking for further police efficiencies, on top of the effects of a decade of Austerity, would lead to more police retrenchment. This in turn would undermine the good work being done, to restore visible policing and public confidence in the Constabulary.

By way of context, you may wish to be aware that:

- Norfolk made annual savings of £42M per year during Austerity.

- Norfolk had to absorb inflation aggregating to £174M over the same period.
- Norfolk's budget this year, FY22-23, is £196.7M, which includes funding for the Police Uplift Programme and the pensions grant. The Home Office provides £108M (55%) while the households of Norfolk provide £88M (45%). The Precept thus forms part of the core budget and is not an optional extra.
- Policing is 'people-heavy' with £169M (86%) of the budget being spent on 1800 officers and 1300 police staff, while £28M (14%) is spent on everything else: buildings, vehicles, equipment, training, specialist capabilities such as forensics, and so on.
- His Majesty's Inspectorate of Constabularies, Fire & Rescue Services (HMICFRS) has graded Norfolk as 'Outstanding' for effective and efficient use of resources, which I hope will reassure residents that their money is being used to good effect.

Looking forward to FY23-24:


- The budget is forecast to increase by £7.4M (3.8%) to £203M.
- Assuming that I do increase the Precept by £15, the ratio of Home Office grant to Precept income would shift from 55:45% to 54:46%. I note that five years ago in FY17-18 this ratio was 58:42%, which illustrates how households are being asked to take on increasing responsibility for police funding.
- A £15 Precept increase would translate to: a £14.94, or 29p more per week, for a Band D property; and £11.62, or 22p more per week, for a Band B property. The total precept for the year would thus increase from £288.00 to £302.94 at Band D and from £224.00 to £235.62 at Band B.
- Policing suffers from the same financial pressures arising from the current economic climate as the rest of society. Pay inflation stands at 5% while non-pay inflation is currently north of 10%. Therefore, the announced 3.8% budget increase, together with other cost pressures such as future pay rises, create significant challenges in balancing the budget.
- The Constabulary must either absorb the balance of cost pressures not found by the budget increase or act otherwise to balance the budget.

The forecast for FY24-25 is sadly even more difficult. I must put a clear marker down now that either the government provides more resources or policing services in Norfolk would have to be reduced. I do not believe that Norfolk's residents would agree to carry much more of the burden that many believe should be covered in full by government. I believe that the Policing Minister understands the financial challenges faced by policing but he and the Home Secretary are likely to require support in persuading the Chancellor to address the point. I recognise that the government must juggle many competing priorities and calls for increased resources. However, I would suggest that the safety of society is the first duty of government and so the proper resourcing of policing should be given serious consideration.

In the meantime, let me assure you that I will listen to the public's views during this consultation with full regard to the Gunning Principles. I recognise that any increase in taxation, whether national or local, would be unwelcome particularly in the current economic climate. Nevertheless, I hope that Norfolk's residents would support a 5% increase in order to sustain the policing service that keeps them safe, and Norfolk is currently one of the safest counties in the United Kingdom.

I would be grateful for your support in encouraging constituents to take part in the consultation when this goes live on 3 January 2023.

Yours sincerely



Giles Orpen-Smellie  
Police & Crime Commissioner for Norfolk