



DEBATE PACK

Number CDP-2017-0056, 21 February 2017

Police Grant Report (England and Wales)

Summary

This debate pack has been compiled ahead of the Motion to approve the *Police Grant Report (England and Wales) 2017/18* on Wednesday 22 February.

This is how Parliament approves the central police funding allocation for each force every financial year.

The pack contains recent press and trade articles and parliamentary material on the subject.

More detailed information and advice can be provided by our Police funding specialist:

Grahame Allen, x2457

The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

Grahame Allen and
Sarah Pepin

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1. Introduction

Police Grant Report (England and Wales) 2017/18

The Motion to approve the [Police Grant Report \(England and Wales\) 2017/18](#)¹ on Wednesday 22 February is how Parliament approves the central police funding allocation for each force every financial year.

A provisional settlement for the 2017/18 financial year was published on 15 December 2016² and was accompanied by a Written Statement on the same day.³

The final Police Grant Report for the 2017/18 financial year was published on 1 February 2016⁴ and was accompanied by a Written Statement on the same day.⁵

Previous years' reports are available on the [Gov.uk website](#).

¹ Home Office, [Police Grant Report \(England and Wales\) 2017/18](#), HC 944, 1 February 2017

² Home Office, Provisional police grant report (England and Wales) 2017/18, 15 December 2016

³ See HC Deb 15 Dec 2016 HCWS360

⁴ Home Office, Police Grant Report (England and Wales) 2016/17, HC 753, 4 February 2016

⁵ See HC Deb 4 Feb 2016 HCWS466

2. Media

2.1 Articles and blogs

Evening Standard

[Extra £27.8m funding for Met Police after Sir Bernard Hogan-Howe warns of NHS-style 'rationing'](#)

Pippa Crerar 20 February 2017

Barry and District News

[South Wales Police precept to increase by five per cent](#)

Sharon Harris 3 February 2017

Heart.co.uk

[Council tax to rise to fund Wiltshire Police](#)

2 February 2017

Lincolnshire Live

[Police precept set at 5p extra a week to 'save front line staff'](#)

Lisa Porter 31 January 2017

Telegraph

[Police service 'still haemorrhaging officers'](#)

Nicola Harley 26 January 2017

Police Oracle [Registration required]

[No timetable for funding formula change more than a year after error spotted](#)

24 January 2017

Dunmow Broadcast

[Essex police and crime commissioner proposes council tax increase to fund additional resources](#)

Michael Steward 19 January 2017

Evening Standard

[Sadiq Khan: Police funding cuts would leave London vulnerable to terror attacks](#)

Pippa Crerar 16 January 2017

Police Oracle [Registration required]

[Raising council tax won't plug funding gap](#)

14 January 2017

BBC online

[Police funding by government cut by 1.4% under Home Office formula](#)

15 December 2016

Police Oracle [Registration required]

[Officer numbers will fall further as budgets frozen next year](#)

15 December 2016

BBC online

[Police funding based on flawed figures, Home Office admits](#)

6 November 2015

Wales Online

[Plaid say Wales' police could be £25m a year better off if policing was devolved](#)

David Williamson 26 October 2016

2.2 Press releases

London Assembly

[Assembly wants further reassurance on police funding](#)

20 February 2017

Metropolitan Police

[Met Commissioner responds to latest crime figures for England and Wales](#)

19 January 2017

Association of Police and Crime Commissioners

[Response to the Police Grant Report 2017/18](#)

15 December 2016

National Police Chiefs' Council

[Police Transformation Fund vital to helping police modernise and reform the service](#)

15 December 2016

Home Office

[Home Secretary grants further police transformation funding](#)

30 November 2016

Home Office

[Government calls for greater collaboration between police forces to drive down costs](#)

24 August 2016

Home Office

[Home Secretary awards £23 million to help transform policing](#)

5 August 2016

Home Office

[Minister for Policing launches consultation on police funding reform in England and Wales](#)

21 July 2015

3. Parliamentary Business

3.1 Ministerial Statements

[Police Grant Report \(England & Wales 2017/18\)](#)

Brandon Lewis (The Minister of State for Fire and Policing):

My Rt Hon Friend, the Home Secretary, has today laid before the House, the Police Grant Report (England and Wales) 2017/18 (HC 944). Copies are available in the Vote Office. The Report sets out, my Rt Hon Friend, the Home Secretary's determination for 2017/18 of the aggregate amount of grant that she proposes to pay under section 46(2) of the Police Act 1996, and the amount to be paid to the Greater London Authority for the Mayor's Office for Policing and Crime.

The allocations that have been laid before the House today are as set out in my Statement of 15 December. This reflects the fact that the Government is committed to protecting the public. The Government will provide the resources necessary for the police to do their critical work, and prioritise finishing the job of police reform by enabling the police to transform so they can tackle changing crime, deal with previously hidden crimes and protect the vulnerable.

Following the principles set out on the 4 February 2016 when setting out the final police funding settlement for 2016/17 [HCWS510] direct resource funding for each PCC, including precept, will be protected at flat cash levels compared to 2015/16, assuming that precept income is increased to the maximum amount available in both 2016/17 and 2017/18. No PCC who chooses to maximise precept in both years will face a reduction in cash funding next year compared to 2015/16. We have updated our precept forecasts for 2017/18 since February to reflect actual tax base increases in 2016/17.

I will continue to allocate specific funding for Counter Terrorism Policing to ensure that critical national counter-terrorism capabilities are maintained. We have allocated £633m Resource funding and £42m Capital funding to support counter-terrorism policing in 2017/18. In addition a further £32m will be provided for armed policing from the Police Transformation Fund in 2017/18. Police and Crime Commissioners will receive full counter-terrorism funding allocations imminently. For security reasons these allocations will not be available in the public domain.

This Statement also includes details of other funding streams that the Home Office, the Department of Communities and Local Government and the Welsh Government intend to provide to the police in 2017/18.

I have set out in a separate document (attached) the tables illustrating how we propose to allocate the police funding settlement between the different funding streams and between Local Policing Bodies for 2017/18. These documents are intended to be read together.

Police capital

As set out in the Provisional Police Grant Report in December I still intend to allocate the majority of capital funding directly to Local Policing Bodies.

[Tables - Police Grant Report 2017/18 \(PDF Document, 202.68 KB\)](#)

1 February 2017 | Written ministerial statements | HCWS 446

[Provisional Police Grant Report \(England and Wales\) 2017/18](#)

Brandon Lewis (The Minister of State for Fire and Policing):

I have today placed in the Library my proposals for the aggregate amount of grant to Local Policing Bodies in England and Wales for 2017/18, for the approval of the House. Copies are also available in the Vote Office.

The Government is committed to protecting the public. The Government will provide the resources necessary for the police to do their critical work, and prioritise finishing the job of police reform by enabling the police to transform so they can tackle changing crime, deal with previously hidden crimes and protect the vulnerable.

Since 2010 we have seen some of the biggest changes to policing in a generation. Crime is down by over a quarter according to the Independent Crime Survey for England and Wales. There is significantly greater local accountability and transparency and police leaders have taken the opportunity to radically reform the way they deliver services to the public. Police officers have been taken out of back office roles and resources focused on front line delivery. Police forces are working more closely than ever before to reduce costs and duplication, and have started to work more closely with other emergency services through co-location and collaboration in areas such as fire and mental health.

As Her Majesty's Inspectorate of Constabulary (HMIC) has set out, there is still considerable scope for forces to continue to improve the efficiency of their organisations and transform the way in which they operate, and it is vital that the pace and urgency of change continues if we are to have a police force fit to meet the challenges of the 21st century. HMIC noted: "we found evidence to suggest that some forces have reduced the pace and ambition of their plans since last year." The Government expects Police and Crime Commissioners (PCCs) and Chief Constables to do everything in their power to drive efficiencies at pace, and this settlement provides the opportunity to improve the quality of policing and continue to reduce crime.

The Welsh Government is also setting out today its proposals for the allocation of funding in 2017/18 for Local Policing Bodies in Wales.

Following the principles set out on the 4 February 2016 when publishing the final police funding settlement for 2016/17 [HCWS510] direct resource funding for each PCC, including precept, will be protected at flat cash levels compared to 2015/16, assuming that

precept income is increased to the maximum amount available in both 2016/17 and 2017/18. No PCC who chooses to maximise precept in both years will face a reduction in cash funding next year compared to 2015/16. We have updated our precept forecasts for 2017/18 since February to reflect actual tax base increases in 2016/17.

More is still required to transform policing to meet policing's own vision for 2025. I am therefore announcing an increase in the level of reallocations essential to drive police reform. As planned at the time of the Spending Review, we will be investing additional funding in police technology. Precept income has increased faster than expected, which means we can meet our planning assumption on direct resource funding for PCCs and also substantially increase the size of the Police Transformation Fund to £175m in 2017/18. This will allow the policing sector to invest additional funding in the projects that will improve efficiency, protect vulnerable victims of crime, further improve the leadership and culture of policing and tackle new types of crime such as cyber crime.

The 2017/18 settlement continues the current methodology of applying uniform percentage changes to core grant funding for each PCC.

I have set out in a separate document (attached) the tables illustrating how we propose to allocate the police funding settlement between the different funding streams and between Local Policing Bodies for 2017/18. These documents are intended to be read together.

Table 1 sets out the overall revenue police funding settlement for 2017/18, and Table 2 sets out the overall capital settlement (both excluding Counter Terrorism Police Grant). Provisional force-level allocations of revenue grants (excluding Counter Terrorism Police Grant) for Local Policing Bodies in England and Wales for 2017/18 are set out in Table 3, and Table 4 sets out the capital allocations for Local Policing Bodies. Table 5 demonstrates how the Government expects that all PCCs can maintain flat cash budgets compared to 2015/16 if they maximise precept; the exception is where they have materially reduced their precept level in 2016/17.

Counter terrorism police funding

I will continue to allocate specific funding for counter-terrorism policing over the course of the Spending Review period to ensure that the police have the capabilities to deal with the terrorist threats that we face, in addition to the funding set out in this settlement. Funding for counter terrorism policing is protected. The indicative Spending Review profile for counter terrorism police funding in 2017/18 is £670m; this figure will be confirmed separately. In addition a further £32m will be provided for armed policing from the Police Transformation Fund in 2017/18.

Police and Crime Commissioners will receive full counter terrorism funding allocations in the New Year. For security reasons these allocations will not be available in the public domain.

Legacy Council Tax Grants

In 2017/18 we will provide Council Tax Freeze Grants to PCCs in England relating to the 2011/12, 2013/14, 2014/15 and 2015/16 council tax freeze schemes. We will also provide Local Council Tax Support grant funding to PCCs in England. These will total £507m in 2017/18.

The Common Council of the City of London (on behalf of the City of London Police) and the Greater London Authority (on behalf of the Mayor's Office for Policing and Crime) will also receive Council Tax Freeze Grants relating to the 2011/12 freeze grant scheme. The Greater London Authority will also receive an amount for the 2013/14, 2014/15 and 2015/16 schemes. These sums will continue to be paid by DCLG. There will be no new freeze grant schemes in 2017/18.

Baseline adjustments and reallocations

The Government has reallocated funding to support critical national priorities for policing.

National and International Capital City Grants

The Metropolitan Police Service, through the Greater London Authority, will continue to receive National and International Capital City (NICC) grant funding worth £173.6m, and the City of London Police will also continue to receive NICC funding worth £4.5m. This is in recognition of the unique and additional demands of policing the capital city, and also ensures that total direct resource funding to both forces is similarly protected.

Police Transformation Fund

Total funding for transformation will increase in size to £175m, an increase of over £40m. The Government will be working with the Police Reform and Transformation Board to ensure a sector led approach to use this increase in funding in order to incentivise and facilitate transformation in policing. This will improve the leadership and culture of policing, the diversity of its workforce, protection of vulnerable people, cross-force specialist capabilities, exploitation of new technology and how we respond to changing threats.

We will continue to fund a national uplift in armed policing capability and capacity to respond more quickly and effectively to a firearms attack with £32m of specific funding. We will also continue to fund current Police Innovation Fund projects.

Police technology programmes

Funding will continue to be reallocated for the new Emergency Services Network (ESN), the existing Airwave system, Home Office Biometrics and the National Law Enforcement Police Database. As planned at the time of the Spending Review, there will be an approximately £100m increase in funding for ESN. This is critical to give all officers priority access to 4G mobile broadband data on a single network, including in some areas where it is currently not available at all, allowing them to get even more benefits from mobile working than many forces are already achieving. This investment will bring productivity and

operational benefits as well as substantial savings to the taxpayer. Funding for major technology programmes will be managed flexibly between projects, to ensure reallocated funding is used as efficiently as possible. Around £1m will be spent maintaining the Forensic Archive, which maintains forensic exhibits relating to criminal investigations on behalf of the police.

Arms Length Bodies

The police settlement will continue to fund national policing bodies to deliver services and governance which are essential to the efficient and successful functioning of the police service. We will continue to fund HMIC's PEEL inspection programme, and the College of Policing direct entry schemes. There will be increased funding to support the Independent Police Complaints Commission as it becomes the Independent Office for Police Conduct with an expanded role in investigating serious and sensitive allegations involving the police, enabling it to implement the legislative reforms in the Policing and Crime Bill and enhancing its capability to handle complex major investigations.

A new reallocation of around £2m will support the Gangmasters and Labour Abuse Authority (GLAA) to use new police-style enforcement powers set out in the Immigration Act 2016 to tackle labour exploitation including modern slavery across the economy. Through greater resources to use these new powers, the GLAA will be able to undertake more investigations into modern slavery offences that might otherwise fall to the police, saving police time and improving the law enforcement response to exploitation of the most vulnerable workers.

Pre-charge bail

The Government plans to implement significant reforms to pre-charge bail including time limits set out in the Policing and Crime Bill. We will end the situation where some people can spend months or even years on pre-charge bail with few or no safeguards by introducing: a presumption that suspects will be released without bail, regular reviews by the courts and formal guidance governing the imposition of conditions. This change in police practice may involve increased costs for the magistrates' courts and in legal aid, which a new reallocation of up to £15m for 2017/18 will meet.

Strengthening the response to organised crime

The National Crime Agency (NCA) and Regional Organised Crime Units will receive flat cash resource grants from the Home Office compared to 2015/16, in line with the approach taken to funding PCCs. This involves an adjustment to the police funding settlement to top up these grants, continuing the approach taken to NCA in 2016/17.

Police Special Grant including Commonwealth Heads of Government Meeting policing

This is the third year we have decided to provide funding from the police settlement for the discretionary Police Special Grant contingency fund, which supports police force areas facing significant and

exceptional events which might otherwise place them at significant financial risk. In 2017/18 I am providing £50m from the police settlement for Police Special Grant. This is an increase which reflects both an assessment of potential need across police forces, and the specific costs likely to be incurred preparing for the policing operation at the Commonwealth Heads of Government Meeting in 2018.

Council tax referendum principles

As in 2016/17, additional flexibility will be given to the 10 PCCs in England with the lowest precept bills (the lower quartile). The PCCs with the ten lowest bills will be able to raise their precept by £5 per Band D household. Other PCCs in England will receive a 2% referendum threshold.

The PCCs to receive the £5 flexibility in 2017/18 are Essex, Greater Manchester, Hampshire, Hertfordshire, Kent, Northumbria, South Yorkshire, Sussex, West Midlands and West Yorkshire.

The Communities Secretary is announcing today the council tax referendum principles for local authorities in England in 2017/18. After considering any representations, he will set out the final principles in a report to the House and seek approval for these in parallel with the Final Local Government Finance Report. Council tax in Wales is the responsibility of Welsh Ministers.

Police capital

I still intend to allocate the majority of capital funding directly to Local Policing Bodies. Like last year all Local Policing Bodies will receive the same percentage change in Capital Grant. I will continue to maintain a capital contingency. An increased investment in police technology reflects a programme of work to replace end of life hardware, increase capacity, and enhance functionality including significant investment to replace of end of life hardware required for the Police National Computer.

[Police Grant Report WMS - Accompanying tables \(PDF Document, 531.96 KB\)](#)

15 December 2016 | Written ministerial statements | HCWS 360

3.2 Debates

[Police Grant Report \(England and Wales\)](#)

[Motion to approve Police Grant Report (England and Wales) 2016–17]

HC Deb 10 February 2016 c1586-636

3.3 Parliamentary Questions

[Police Funding](#)

Asked by: Will Quince

What steps she is taking to ensure that police funding is fairly distributed.

Answered by: Brandon Lewis | Department: Home Office

The Government remain committed to reforming the current police funding arrangements to ensure a fairer, more up-to-date and transparent formula.

We are currently undertaking a period of detailed engagement with the policing sector and relevant experts, including academics. Any new formula, of course, will be subject to public consultation.

HC Deb 23 January 2017 c4-5

[Police Funding](#)

Asked by: Will Quince

The current formula for allocating funding to our police forces uses data that are 14 years old. Does the Minister agree that it is time to update that formula?

Answered by: Brandon Lewis | Department: Home Office

My hon. Friend makes a very good point, on which I know he has lobbied on behalf of his authority. I have spoken to the police and crime commissioner for Essex as well. It is true that the data are very much out of date. That is why it was in our manifesto to deliver a fairer funding formula review. That is what we are doing, and we will deliver on it.

HC Deb 23 January 2017 c5

[Police Funding](#)

Asked by: Nigel Mills

The Minister will know that Derbyshire's police force is also disadvantaged by the current formula. When can it expect to have the fair level of funding that it deserves?

Answered by: Brandon Lewis | Department: Home Office

Derbyshire will get an increase in funding this year. I appreciate, having spoken to my hon. Friend and other colleagues who have spoken to me on behalf of Derbyshire, that there is a feeling that the formula is not currently fairly weighted with regard to a number of areas across the country. That is why it is important that we go through this process methodically. I am not going to give a timescale now. The sector and experts are working with us on this, and I am confident that we will get to the right position to have a clear, fair and transparent formula in good time.

HC Deb 23 January 2017 c5

[Police Funding](#)**Asked by: David Hanson**

Does the Minister accept that the current proposed funding settlement for police forces is below the level of inflation? That means that the cost is going to fall on local taxpayers, with a 3.8% rise in my area of north Wales. Is that not just a transfer from central Government to local government?

Answered by: Brandon Lewis | Department: Home Office

The Government have put in a flat cash funding protection for police funding during this spending review period, and that is a good thing to do. This situation partly results from the fact that we inherited such an awful economic legacy from the previous Labour Government, who spent money that the country simply did not have. We have to make sure that this country works to live within its means—that is an appropriate and sensible thing to do. I suggest that the right hon. Gentleman and Labour Members should look at doing that in order to have a sensible funding formula in future.

HC Deb 23 January 2017 c5[Police Funding](#)**Asked by: Keith Vaz**

We owe a debt of gratitude to the office of the police and crime commissioner for Devon and Cornwall for having discovered the mistake that led to the pausing of the review, but that was 15 months ago, and there really is no excuse for such a delay. I appreciate that the Minister inherited this problem, but can we please have a timetable so that local police forces and PCCs can know when they can get their funding?

Answered by: Brandon Lewis | Department: Home Office

I am as keen as the right hon. Gentleman clearly is to see the new funding formula review work completed so that we can get into place a fair and transparent formula, but it is important that we do this correctly and work with the sector. I thank everybody across the sector, including PCCs and chief constables from whom I have had feedback individually and in the wider groups, and whom I meet regularly. They are very happy with the process we are following and the timescale we are working to. I do not intend to rush anything; I want to make sure that we get this right.

HC Deb 23 January 2017 c5-6[Police Funding](#)**Asked by: Philip Hollobone**

Northamptonshire police are leading the way in combining the delivery of their frontline services together with the local fire brigade. Will the Minister ensure that forces that are undertaking such radical new initiatives to improve local efficiency are rewarded through the new funding formula?

Answered by: Brandon Lewis | Department: Home Office

My hon. Friend highlights a really important point. Following the Policing and Crime Bill, emergency services will have the opportunity—in fact, a duty—to collaborate. Bringing together police and fire services provides huge opportunities for rewards in terms of savings by working together more collaboratively to deliver for the frontline. He is right that Northamptonshire has been a leading light in this over the past few years.

HC Deb 23 January 2017 c6

[Topical questions](#)

Asked by: Edward Argar

Although the current police funding formula has not been fully applied to Leicestershire police, meaning a loss of £5.6 million annually even under that unfair funding formula, Chief Constable Simon Cole and his excellent team of officers have continued to drive down crime locally, but can my right hon. Friend reassure me, and them, that they and Leicestershire will secure a fair funding deal very soon?

Answered by: Brandon Lewis | Department: Home Office

My hon. Friend has made a good point about the excellent work that is being done by Chief Constable Simon Cole and his team in Leicestershire. We are working to ensure that we achieve a fair, transparent review funding formula, and that all the chief constables and the police and crime commissioners feed into it. I assure my hon. Friend that we will deliver that work as quickly as we can.

HC Deb 23 January 2017 c18

[Police: Finance](#)

Asked by: Keith Vaz

To ask the Secretary of State for the Home Department, when she plans to publish the police funding formula.

Answered by: Brandon Lewis | Department: Home Office

The Home Office is undertaking a process of engagement with the policing sector and independent experts on reform of the Police Core Grant Distribution Formula. No decisions will be taken until Ministers have considered the outcome of the Review. Any new formula will be subject to public consultation before implementation.

11 January 2017 | Written questions | 59528

4. Organisations and further reading

Home Office, [The Police Grant Report \(England and Wales\) 2017/18](#) , HC 944 2016-17, 1 February 2017

Home Office, [Provisional Police Grant Report \(England and Wales\) 2017/18](#) , 15 December 2016

Commons Library briefings

[Police Funding](#)

CBP 07279, 8 February 2016

This briefing explains the existing funding arrangements for police forces. It focuses on revenue funding for the territorial police forces of the United Kingdom. Police receive separate grants for capital purposes.

Mervyn Stone, [Police funding: a modest proposal](#) , Public Finance, 11 July 2016

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