



## DEBATE PACK

Number CDP-2017-0194, 23 October 2017

# Police funding in London

## Westminster Hall, Wednesday 25 October 2017, 9.30am

A Westminster Hall debate on Police funding in London is scheduled for Wednesday 25 October 2017 at 9.30am. The Member leading the debate is Catherine West MP.

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# 1. Background

## Summary

In England and Wales the main source of income for the 43 geographic police forces is central government grant made available through the annual Home Office Police Grant Report.

Police and Crime Commissioners (PCCs) in England and Wales can also raise additional revenue funding through council tax precepts.

For the Metropolitan Police the role of the Police and Crime Commissioner is performed by the [Mayor's Office for Policing and Crime](#). Further detail on the budget setting process in London can be found on MOPAC's [Our Finances](#) pages.

## 1.1 Introduction

In brief In England and Wales the main source of income for the 43 geographic police forces is central government grant made available through the annual Home Office Police Grant Report. Police and Crime Commissioners (PCCs) in England and Wales can also raise additional revenue funding through council tax precepts.

For the Metropolitan Police the role of the Police and Crime Commissioner is performed by the [Mayor's Office for Policing and Crime](#). Further detail on the budget setting process in London can be found on MOPAC's [Our Finances](#) pages.

## 1.2 Police Funding in England and Wales

Background on police funding in England and Wales can be found in the Library Briefing Paper: [Police Funding](#).

### Police Grant Report 2017/18

Direct resource funding for each police force in England and Wales for 2017/18 was announced to the House on the 1 February 2017 in a [Written Statement](#) made by Brandon Lewis (The Minister of State for Fire and Policing)<sup>1</sup>.

Table 5 (reproduced below) of the tables that accompanied the Written Statement: [Tables - Police Grant Report 2017/18](#), shows that, assuming all Police and Crime Commissioners maximise their precept income (increasing their precept up to the 2%/£5 referendum limit in England and 2% in Wales in 2017/18) **total direct resource funding for England and Wales will increase to just under £11 billion in 2017/18 from just over £10.9 billion in 2015/16 - a cash rise of 0.6%.**

**Table 5: Change in total direct resource funding compared to 2015/16\***

Local Policing Body	2015/16	2017/18	Cash change	
	£m	£m	£m	%
Avon & Somerset	269.3	272.2	3.0	1.1%
Bedfordshire	99.6	100.8	1.2	1.2%
Cambridgeshire	128.1	129.3	1.3	1.0%
Cheshire	169.5	171.8	2.3	1.4%
City of London	55.4	56.0	0.7	1.2%
Cleveland	122.3	122.8	0.5	0.4%
Cumbria	99.2	100.1	0.9	0.9%
Derbyshire	160.7	162.1	1.4	0.8%
Devon & Cornwall	278.0	280.8	2.8	1.0%
Dorset	118.4	120.1	1.7	1.5%
Durham	112.5	112.8	0.3	0.3%
Dyfed-Powys	93.3	93.7	0.4	0.4%
Essex	260.8	265.8	5.0	1.9%
Gloucestershire	104.3	106.0	1.6	1.6%
Greater London Authority**	2,517.4	2,500.0	-17.4	-0.7%
Greater Manchester	541.2	543.1	1.9	0.4%
Gwent	117.8	119.7	1.9	1.6%
Hampshire	299.1	303.0	3.9	1.3%
Hertfordshire	181.1	182.0	0.9	0.5%
Humberside	169.4	170.5	1.1	0.6%
Kent	273.1	277.9	4.8	1.8%
Lancashire	258.9	259.5	0.6	0.2%
Leicestershire	167.7	169.6	1.8	1.1%
Lincolnshire	108.4	110.2	1.8	1.7%
Merseyside	307.0	307.0	0.0	0.0%
Norfolk	145.5	147.9	2.3	1.6%
North Wales	139.8	141.8	1.9	1.4%
North Yorkshire	137.1	139.8	2.8	2.0%
Northamptonshire	119.2	121.2	2.0	1.7%
Northumbria	259.5	259.6	0.1	0.0%
Nottinghamshire	188.9	189.8	0.9	0.5%
South Wales	255.1	259.2	4.1	1.6%
South Yorkshire	239.1	240.0	0.9	0.4%
Staffordshire	176.7	177.0	0.2	0.1%
Suffolk	110.9	112.3	1.3	1.2%
Surrey	205.0	209.2	4.2	2.1%
Sussex	249.7	255.1	5.4	2.2%
Thames Valley	369.7	374.5	4.8	1.3%
Warwickshire	89.5	90.9	1.4	1.6%
West Mercia	198.5	201.7	3.1	1.6%
West Midlands	522.8	523.3	0.4	0.1%
West Yorkshire	404.6	407.1	2.5	0.6%
Wiltshire	102.8	104.8	1.9	1.9%
<b>TOTAL</b>	<b>10,927.0</b>	<b>10,991.9</b>	<b>64.9</b>	<b>0.6%</b>

\* Total direct resource funding consists of core grant funding, NICC grants, Legacy Council Tax Grants and police precept. These figures reflect actual precept outcomes in 2016/17 and assume that PCCs in England increase their precept to the maximum referendum limit in 2017/18, PCCs in Wales raise council tax by 2%, and tax base growth of 0.5% across England and Wales in 2017/18. All PCCs who maximise precept in both 2016/17 and 2017/18 will receive at least cash flat direct resource funding compared to 2015/16.

\*\* The forecast reduction in Greater London Authority funding compared to 2015/16 reflects that rather than maximising precept income in 2016/17, the Mayor of London reduced precept by 3.24%.

## Reform of the police funding formula

The Home Office paused police funding formula reform in 2015 following errors made in information shared with Police and Crime Commissioners (PCCs) and forces on the indicative impacts of the Government's proposed funding model.

The Home Affairs Select Committee's 2015 Report [Reform of the Police Funding Formula](#) (HC 476) criticised the original process and made recommendations on future reform.

The [Government's response](#) to the 2015 Report was not received until 8 March 2017. The response stated:

We are currently undertaking a period of detailed engagement with the policing sector and relevant experts on reform of the police funding formula. This Review will provide recommendations which will be considered carefully before reaching decisions on how to proceed. Reforming the formula remains a key priority for this Government. The response emphasises this commitment, to ensure that the future distribution of core grant funding to force areas in England and Wales is based on a fairer, more up-to-date and transparent formula. Rt. Hon Brandon Lewis MP.

On 14 September 2016, the Minister of State for Policing and the Fire Service wrote to all PCCs setting out the Government's plans for continuing the process of police funding formula reform by launching the Review of the Police Core Grant Distribution Formula. As far as I am aware the outcomes of this review are yet to be made public. Brandon Lewis wrote to the Chair of the Home Affairs Committee, Yvette Cooper stating that "No new formula will be introduced without a public consultation" ([Letter from Rt Hon Brandon Lewis MP, Minister of State for Policing and the Fire Service, regarding the reform of the police funding formula](#), 6 April 2017) .

It was suggested in the media in June this year (see [Government to U-turn on police funding reform to protect Met budget](#)) that the reforms to the funding formula would not go ahead but there has been no confirmation of this from the Government.

## 2. Media

### 2.1 Press releases

Home Office

[Multi-million pound boost for counter-terrorism policing](#)

17 September 2017

National Police Chiefs' Council

[Police officers to receive pay increase](#)

12 September 2017

Home Office

[Home Office sets out police pay award for 2017 to 2018](#)

12 September 2017

Mayor of London

[Mayor's starkest warning yet on police funding](#)

19 July 2017

### 2.2 Articles and blogs

Independent

[Met Police to stop investigating some 'low-level' crimes in response to £400m funding cuts](#)

16 October 2017

UNISON

[Pay cap must be lifted for police staff too, say unions](#)

2 October 2017

City AM

[Mayor of London Sadiq Khan presses Hammond for more police funding](#)

20 September 2017

Police Superintendents' Association of England and Wales

[Pay award 2017/18: further detail](#)

14 September 2017

Police Federation of England and Wales

[Government's pay rise figures are a joke](#)

13 September 2017

Association of Police and Crime Commissioners

[APCC response to police pay award announcement](#)

12 September 2017

Home Office in the media

[Factsheet: Police Welfare, Pay and Wellbeing – September 2017](#)

12 September 2017

Independent

[Police and prison officers will receive higher pay rise as public sector pay cap is lifted](#)

12 September 2017

Guardian

[Theresa May faces pay backlash after lifting 1% public pay cap](#)

12 September 2017

Telegraph

[Police chiefs claim they will have to cut bobbies on beat to pay for 2 per cent pay award](#)

12 September 2017

Police Oracle [Registration needed]

[Police officers need pay rise, supers president says](#)

4 September 2017

Independent

[Home Office insists Metropolitan Police budget will be protected as force 'faces £400m cuts'](#)

20 June 2017

BBC news

['Stretched' Met Police in talks over future funding](#)

20 June 2017

Evening Standard

['More police funding needed to keep London safe from terror attacks', senior Met officer warns](#)

13 June 2017

Guardian

[Under-fire Theresa May hits back over police cuts](#)

5 June 2017

## 3. Parliamentary Business

### 3.1 Ministerial Statements

[Public services](#) [Extract; detail of prison officer pay award not included]

#### **Elizabeth Truss (The Chief Secretary to the Treasury):**

Our public sector workers are among the most extraordinarily talented and hardworking people in our society. They, like everyone else, deserve to have fulfilling jobs that are fairly rewarded.

We take a balanced approach to public spending, dealing with our debts to keep our economy strong, while also making sure we invest in our public services.

The Government will continue to ensure that the overall package for public sector workers is fair to them and ensures that we can deliver world class public services, while also being affordable within the public finances and fair to taxpayers as a whole.

The last Spending Review budgeted for one per cent average basic pay awards, in addition to progression pay for specific workforces, and there will still be a need for pay discipline over the coming years, to ensure the affordability of the public services and the sustainability of public sector employment.

However, the Government recognises that in some parts of the public sector, particularly in areas of skill shortage, more flexibility may be required to deliver world class public services including in return for improvements to public sector productivity.

The detail of 2018/19 pay remits for specific Pay Review Bodies will be discussed and agreed as part of the Budget process and set out in due course.

#### **Police and prison officer pay awards**

The following sets out the Government's response to the recommendations in the third annual report of the Police Remuneration Review Body (PRRB) and the sixteenth report of the Prison Service Pay Review Body (PSPRB) which were published today.

My Right Honourable Friend the Home Secretary (Amber Rudd) has decided to award officers in the PRRB remit group a pay award worth a total of two per cent to each officer in 2017/18, consisting of a one per cent consolidated pay increase in addition to a one-off one per cent non-consolidated payment to officers in that remit group. This award will be funded within existing budgets.

The police pay award will be implemented with effect from 1 September 2017 as follows:

- A one per cent increase to base pay for all ranks.

- An additional one-off non-consolidated payment to officers at federated and superintending ranks.
- A one per cent increase to the London Weighting payment.
- A one per cent increase to the Dog Handlers' Allowance.

The Home Secretary's full decision on all recommendations will be published alongside the PRRB report, on their website. These awards will be funded within existing budgets.

In addition, the Supplement to the 2017 Report of the Senior Salaries Review Body making recommendations on the pay of chief police officers has also been published today. The Home Secretary has accepted these recommendations.

My Right Honourable Friend the Justice Secretary (David Lidington) has accepted the PSPRB recommendations, giving all prison staff a pay increase. This pay award will help recruit and retain staff with the right experience and expertise to keep our prisons safe and secure. This is in line with the recommendation of the PSPRB. This award will be funded within existing budgets.

... ..

I thank all three Chairs and members of the independent Pay Review Bodies for their hard work in producing these recommendations.

Copies of the reports are available in the Vote Office and will be published online.

**12 September 2017 | Written statement | HCWS 127**

## [Policing](#)

### **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 statement | HCWS 446**

## **3.2 Debates**

### [Police Pay and Funding](#)

HC Deb 14 September 2017 c979-88

See also [Ministerial correction](#) 9 October 2017

### [Police Grant](#)

HC Deb 22 February 2017 c1029-66

### 3.3 Parliamentary Questions

#### [Neighbourhood Policing](#)

Oral questions

HC Deb 16 October 2017 c559-61, including:

**Asked by: Sir Edward Davey**

Given that the Met police are issuing guidelines that some so-called low-level crime will no longer be investigated in London, is it not now crystal clear that Government cuts in community policing are helping criminals and hurting victims? Will the Home Secretary now tell the House that she is campaigning in the Government for a big rise in police funding in the forthcoming Budget?

**Answered by: Amber Rudd | Home Office**

Let me respectfully observe to the right hon. Gentleman that, having spoken to the Metropolitan Police Commissioner very recently, I know that there is no change in the operating model of the Metropolitan police. They will continue to triage crimes as they arrive in the appropriate way, to ensure that they always prioritise the most important. Conservative Members will always be on the side of the victims, and will always ensure that the police have the right resources to address crime.

#### [Police Funding](#)

Oral questions

HC Deb 16 October 2017 c567-71, including:

**Asked by: Helen Hayes (c568-9)**

Last month, my constituent Jude Gayle, a young father, was stabbed to death as he returned home—yet another tragic and senseless loss in a growing number of knife attacks, which are up 20% in London over the past year. Will the Home Secretary finally accept that cutting hundreds of millions of pounds from the Metropolitan police budget since 2010 is a reckless approach to the safety and security of Londoners?

**Answered by: Nick Hurd | Home Office**

We have not, and I do not necessarily think there is any link between a reduction in police numbers and the outcome in terms of the complex drivers of the crime that the hon. Lady mentioned. The Under-Secretary of State for the Home Department, the hon. Member for Truro and Falmouth (Sarah Newton) is totally on top of this in terms of new legislation to ban the sale of zombie knives, for example. What I say, as a London MP, is that the budget for the Met is under review, as is that of every other force in the country, ahead of the 2018-19 funding settlement.

## 3.4 Early Day Motion

### [Southall Police Station Closure](#)

That this House notes the announcement from the Mayor's Office for Policing and Crime of the Metropolitan Police Service Public Access and Engagement Strategy; recognises the cuts forced on the Metropolitan Police Service by the Government requiring another £400 million cut in funding on top of the £600 million savings already made; is concerned by the cuts to 24/7 front counter services; further notes that, while reporting rates at counters are falling, they are still very important services for elderly Londoners and those for whom English is a second language; notes that the Metropolitan Police's own equality impact assessment accepts that this move disproportionately affects members of the BAME community; and urges the Metropolitan Police and Government to rethink policies that will cost London front desks in more deprived areas such as Ealing, Southall.

**18 July 2017 | Early day motion | 214**

## 4. Further reading

[Police funding](#), Commons Library Briefing Paper 7279, 26 February 2016

Mayor of London, [Police funding - who's paying the Bill?](#), 10 October 2017

Channel 4 News FactCheck, [Theresa May's misleading claims about police pay](#), 14 September 2017

Full Fact, [Have some police officers had a 32% pay rise?](#), 13 September 2017

Full Fact, [Police funding in England and Wales](#), 24 March 2017

[Police Grant Report \(England and Wales\)](#), Commons Library Debate Pack 2017-0056, 21 February 2017

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

Mayor of London's Office for Policing and Crime (MOPAC), [Proposed revenue and capital budgets for the period 2017-18 to 2020-21](#), 5 December 2016

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