

Rt Hon Brandon Lewis MP Minister of State for Policing and Fire Services

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15 December 2016

Dear Police and Crime Commissioners, Mayor of London and Chair of the Common Council's Police Committee

Today the Provisional Police Grant Report 2017/18 was published, accompanied by a Written Ministerial Statement. Together these set out force-level allocations of central Government funding for 2017/18. I am attaching the Written Ministerial Statement as an annex to this letter. In due course the Provisional Police Grant Report 2017/18 will be available at www.gov.uk/government/collections/police-finance.

This marks the start of a consultation period ahead of the Final Police Grant Report being laid in February 2017. The consultation will run until 5pm on 26 January 2017. Responses should be sent by e-mail to the following address: <u>policeresourcespolicy@homeoffice.gsi.gov.uk</u>

Today's proposed funding settlement for 2017/18 maintains the planned level of Government funding for policing (the combination of police grant and reallocations) set out in the 2015 Spending Review.

Following the principles laid out on the 4 February, when setting out the final police funding settlement for 2016/17, I have decided that 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 within the referendum limits in both 2016/17 and 2017/18. No PCC who chooses to maximise precept within the referendum limits 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. The provisional 2017/18 settlement also maintains the existing arrangements for distributing police core grant.

In 2017/18 PCCs will be able to increase their police precept by up to 2% and we are providing additional flexibility for the 10 PCCs in England with the lowest precept levels each year so that they can raise their precept by up to £5. Legacy Council Tax Grants will continue to be paid.

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. I am therefore announcing an increase in the level of reallocations essential to drive police reform, including a substantial increase in the size of the Police Transformation Fund to £175m in 2017/18. This will allow the policing sector, working through the Police Reform & Transformation Board, 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.

I am copying this letter to all Chief Constables, the College of Policing, the Association of Police and Crime Commissioners and the National Police Chiefs' Council.

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