

Information to be supplied to Council Tax payers – 2017/18 Precept

Policing & Crime services provided by and on behalf of the Police & Crime Commissioner for Derbyshire:

	<u>2016/17</u>	<u>2017/18</u>
	£m	£m
Gross Expenditure	167.522	169.522
Contribution to Reserves	-	-
Gross Expenditure	167.522	169.522
less: Specific Grants	(3.955)	(3.950)
Contribution from Reserves - specific	(0.775)	(1.301)
Contribution from Reserves - deficit funding	-	(1.023)
Net Expenditure	162.792	163.248
less: Revenue Support Grant	(37.711)	(37.183)
Police Grant	(62.122)	(61.254)
Council Tax Freeze Grant	(1.354)	(1.354)
Council Tax Benefit Grant	(7.346)	(7.346)
Collection Fund Surplus	(0.674)	(0.589)
Council Tax Requirement (Precept)	53.585	55.522

Effect of Gross Expenditure on the Level of Precept:

Gross Expenditure for policing will be £2.0m higher in 2017/18 than in 2016/17 which equates to an increase of 1.2%. Approximately 2/3rds of the budget is funded from central government grants with the remainder funded by the police share of local council tax.

The overall increase in expenditure includes pay and price inflation and other unavoidable cost increases totalling £4.855m. Among these are the costs of two government initiatives which will impact on the Constabulary from April 2017:

- the new **Apprenticeship Levy**, to which all large employers are required to contribute, based on their annual payroll (£0.472m)
- **Pension auto-enrolment**, from which additional pension costs will arise, estimated at £0.800m.

In addition to these necessary increases, resources totalling £1.608m have been allocated to high-priority policing issues in 2017/18. Some of these resources are to enable the Constabulary to implement its new model of policing which is based on 2 divisions (North and South) and uses mobile technology to enable officers to spend more time away from their base.

It has only been possible to partially offset these additional costs through budget savings and income generation. £4.984m of which will be implemented in 2017/18, including £1.025m of savings from the Constabulary's Priority-Based Budgeting programme (a process by which the organisation

challenges itself to justify why activities are funded). £3.565m will arise due to the time required to recruit new police officers to replace those who leave the organisation.

Whilst the Government have pledged to protect police funding, that is on the assumption that PCCs will increase the Council Tax by 2% per annum. In addition, the positive impact of housing development in Derbyshire (which increases council tax receipts) has been counteracted by a further cut in police grant funding.

The PCC has therefore decided to increase the amount of Council Tax by 1.99% for 2017/18. For a Band D property (the average) in Derbyshire, the council tax payable will be £180.60 for the year (a £3.53 increase on last year). However, as the reduction in grant funding is greater than the increase in Council Tax, he will also need to use £1.023m from Reserves to balance the budget for 2017/18.

The PCC has created a digital leaflet to explain to local taxpayers his rationale for increasing the Precept and also how the budget for 2017/18 will be spent. The leaflet can be found at:

<http://www.derbyshire-pcc.gov.uk/17-18preceptleaflet>

Further detail on 2017/18's budget (including the detailed report) can be found on the PCC's website by visiting:

<http://www.derbyshire-pcc.gov.uk/Finance-and-Grants/How-your-money-is-spent.aspx#PreceptProposals2017>