

POLICE AND CRIME PANEL

PAPER MARKED

Report of	Chief Constable
Subject	Operational Policing Context to Budget Allocation
Date	23/01/26
Author	Chief Constable

1. **Purpose of report**

- 1.1 The purpose of this report is to provide operational policing advice and feedback on the finalised proposed budget allocation for Leicestershire Police made by the Police and Crime Commissioner on Tuesday 20th January 2026, in accordance with the statutory responsibilities of the Chief Constable.
- 1.2 This report is structured as follows:
 - At the outset, the report provides an executive summary and recommendations on the finalised budget allocation to Leicestershire Police and the proposed 21p per week / £11 per year Band D precept increase for 2026/27.
 - The report then sets out the impact of the precept decision, the operational context, and implications.
 - The report concludes with the Chief Constable professional policing advice to the Police and Crime Commissioner to recommend a 29p per week / £15 per year precept increase for 2026/27.

2. **Executive Summary**

- 2.1 Leicestershire Police has the highest levels achievable in internal and external audit assurance for its financial management. The force utilises “zero based” budgeting, where the required budget is built based on the actual costs of workforce and supporting assets such as police stations, vehicle fleet, information technology and other commodities.
- 2.2 The cost of Leicestershire Police to retain the same service level and same number of Police Officers, Staff and PCSO in 2026/27 does cost more than it was in 2025/26 and it will again cost more in 2027/28. This increases year on

year due to several factors, including general inflation, technology inflation, imposed pay awards, incremental pay scale rises, increased national insurance costs and rate changes etc.

- 2.3 After numerous years of underfunding the provisional government settlement unexpectedly included £1.4 million additional funding than expected. Whilst the actual amount of grant funding provided to the force in 2026/27 increases from 2025/26. It does not cover the increased costs of the force and creates a deficit to be overcome in 2026/27.
- 2.4 Through the four-year period of the Medium-Term Financial Plan (MTFP) based on current information the financial deficit grows significantly larger, from £9.6 million in 2027/28 to £16.4 million in 2029/30, based on current national funding projections.
- 2.5 Following £23 million of budget deficits over the last three years, the budget requirement for the force in 2026/27 to retain the current level of public service, resources and required areas of investment is £288.4 million.
- 2.6 The Police and Crime Commissioner has allocated a £283.7m budget to the force creating a further £4.7 million deficit for 2026/27.
- 2.7 Prior to the finalised budget, the initial budget allocated by the Police and Crime Commissioner to Leicestershire Police had created a far larger deficit. This has been addressed with several positive decisions being made by the Police and Crime Commissioner in response to the concerns and operational advice provided by the Chief Constable.
- 2.8 As a result of good strategic planning by the force, arrangements are already in place to close £3.5 million of the predicted £4.7 million deficit by the 31st of March 2026. This will include a further £1 million reduction in police staff and £0.5 million in police officer costs.
- 2.9 A Band D precept increase of £14 or more would close the outstanding £1.2 million budget deficit in 2026/27 and support mitigate further reductions in police resources and help with future deficits.
- 2.10 The Police and Crime Commissioner has outlined they are now setting an £11 precept. This is contrary to both the operational advice provided by the Chief Constable, and to the financial advice of the force S151 Officer.

- The decision is contrary to the public precept consultation outcome:
69% supported an increase above 21p a week / £11 per year.
56% supported an increase of 27p a week / £14 per year or above.
38%, the highest single supported option, supported a 29p a week / £15 per year increase.
- It changes the jointly agreed budget assumption set from February 2025 to 22nd December 2025 from £14, undermining good financial strategic planning and creating a budget deficit.
- It is in contradiction to the stated aims contained in the Police and Crime Plan.
- It does not consider sufficiently the £23 million of cuts delivered in the last three years.
- It exacerbates the underfunding of Leicestershire Police which is one of the lowest funded police forces already in the country, as recognised in the Police and Crime Plan and national funding data.
- It is believed Leicestershire will be a significant outlier for not going for a 29p a week / £15 a year precept. It is expected that Police and Crime Commissioner's across the country are likely to go for £15 and several forces will go above this, recognising the financial strain on police services.
- It may conflict with the internal Corporate Governance Framework.
- The force had a balanced budget based on a £14 precept increase, but £11 creates a £1.2 million outstanding deficit to overcome (despite £1 million reduction in police staff and £0.5 million in police officer resources already planned to be delivered 31st March 2026).
- The force costs more each year to maintain the same level of police staff, police officers and PCSO and therefore the decision will directly result in a reduction in resource and service to the public at a time of greater demand, expectation, and complexity.
- A £3.7 million prevention reserve fund is created from OPCC and Force reserves with no operational policing advice as to use, benefit and alignment with operational need having been provided due to no detailed business case, rationale or evidence base for its use having been shared.
- The decision reduces the public service that can be provided by Leicestershire Police by circa £6 million over four years (£1.4 million per year rising to £1.56 million per year and continuing to rise thereafter year-on-year).
- The budget deficit based on the national figures known to date creates a £16.4 million deficit in the next four years, which will require significant further cuts that could be mitigated by the maximum precept increase.
- It undermines the Police and Crime Commissioner aims to be sustainable.

- The detailed rationale, written evidence base and any community safety or impact assessment for an £11 has not been shared with the Chief Constable.

2.11 It is for the Police and Crime Commissioner as part of their overall duty to “*secure the maintenance of the police force*” and “*secure that the police force is efficient and effective*” and the decision now will have significant longer-term impact past the term of office of the Police and Crime Commissioner.

2.12 In conclusion, the Chief Constable recognises the impact of any extra tax being placed on households, no one would really want to have to pay more; but this has to also be balanced with the potential level of harm, risk to the public safety and to the reduction on already strained public service from further reductions in your local police force. The operational policing advice of the Chief Constable is for the Police and Crime Commissioner to set a £15 precept increase. This is a £4 per annum / 8p per week higher than the proposed £11 increase.

3. **Recommendations**

3.1 The Police and Crime Commissioner set a Band D precept increase of £15 for 2026/27.

4. **The Budget Process**

4.1 The Chief Constable recognises the challenge that the current and previous Government’s approach to one-year funding has created and has previously written to the Policing Minister and engaged with local Members of Parliament to highlight these concerns. The Chief Constable fully recognises the difficulty in setting the budget and implementing the steps required when there is uncertainty around the budget settlement, the impact of public finances on local people and the fact the national policing funding formula has disadvantaged Leicestershire Police and the communities of Leicester, Leicestershire and Rutland over many years.

4.2 It is important to highlight that Leicestershire Police is subject to an annual external audit of its financial statements and value for money by Grant Thornton UK LLP. These are statutory requirements and provide a clear assessment of the strategic financial planning and operational delivery, as well as a national comparator. The internal auditors (Forvis Mazars) also audited the force’s core financials, payroll, sustainability, savings plan and budgetary control. All areas have received the highest levels of assurance.

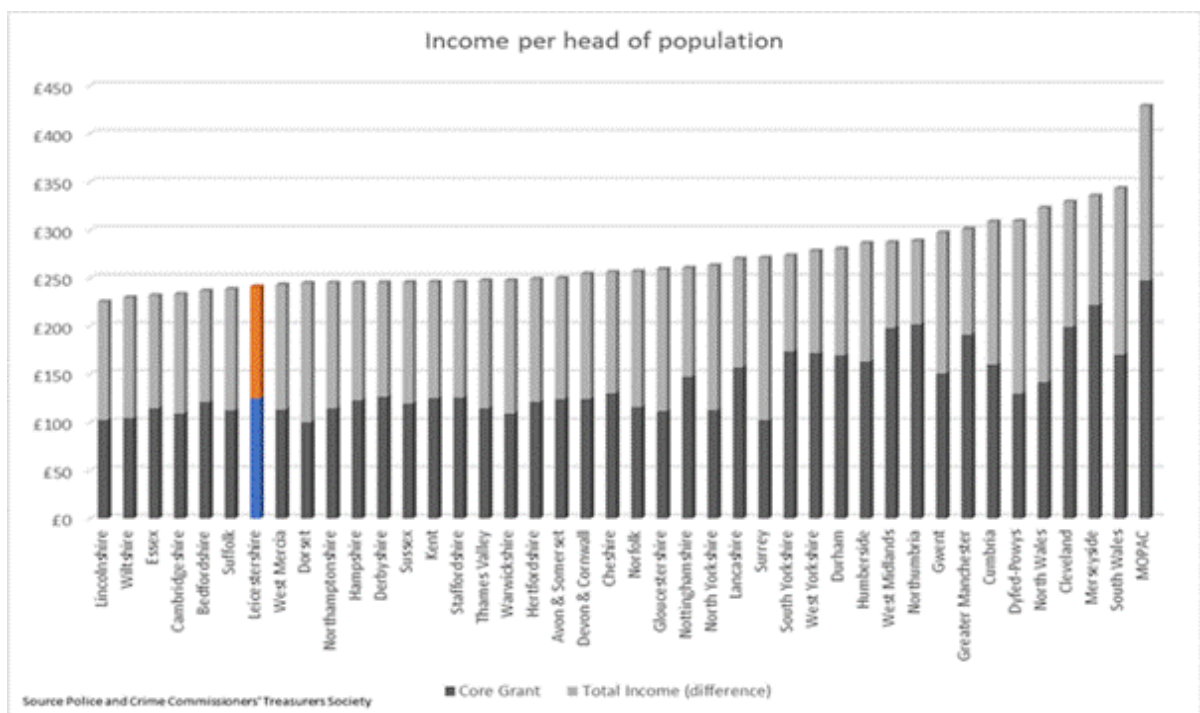
4.3 In addition, the Police and Crime Commissioner invited the Home Office in October 2021 and an external consultant in 2024, to conduct an additional external assessment of the force’s financial management. The former Minister

of State and Policing Rt Hon. Kit Malthouse confirmed that there was a strong focus on financial management in the force, that financial planning assumptions were consistent with those used by similar forces and was reassured on the financial position. The value for money report commissioned in 2024 also did not result in any concerns being identified to the force and no recommendations for improvement were made.

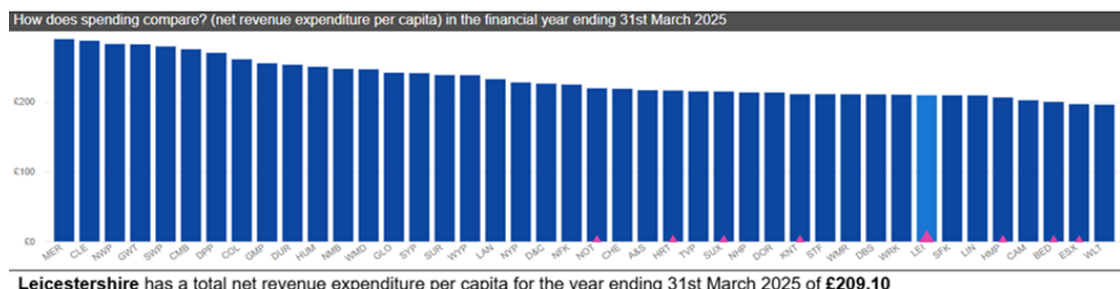
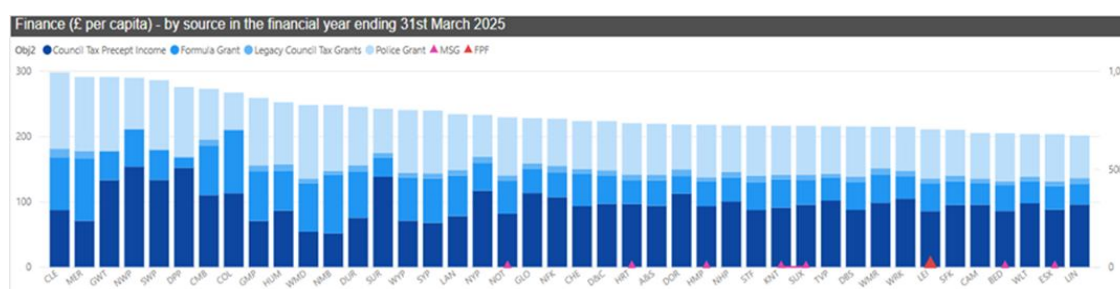
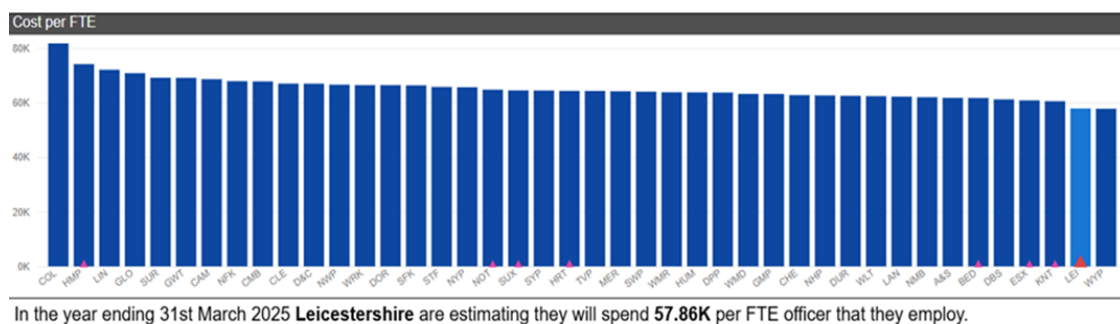
- 4.4 The Police and Crime Commissioner and the Chief Constable recognised that the public finances were unlikely to improve, and a budget deficit was expected for 2026/2027.
- 4.5 The force had developed a sustainability plan that has delivered and overcome all the recent budget deficits (£23million in last three years). The latest audit reports on Core Financials, Sustainability and Payroll all have the highest levels of assurance achieved, with the force being shown within the highest performing in the sector.
- 4.6 These reports have been shared and reviewed within the JARAP (Joint Audit and Risk Assurance Panel), who have provided further independent scrutiny and have also provided positive feedback on the approach, jointly agreed (force and Police and Crime Commissioner) financial assumptions, and external audit findings received by Leicestershire Police in regard the sustainability plans and financial management.
- 4.7 The National Police Chiefs Council (NPCC) have also shared data with the force that reaffirms the positive financial approach the force has taken to sustainability.
- 4.8 Leicestershire Police is graded in the top forces by HMICFRS (the police service inspectorate) and in the context of a future White Paper on policing in 2026, this is a positive position to be in.
- 4.9 Leicestershire Police understands the real benefits of having good financial planning, recognising that any significant change has direct implications on the operational viability and the actual policing operating model. This takes time, investment, and effective planning to ensure that the changes can achieve the desired aims and mitigate the impact on our service to the public, and on the police core role as an emergency service, keeping communities safe by maintaining order and preventing and detecting crime.
- 4.10 As part of the approach developed last year and receiving positive feedback from the Police and Crime Commissioner, the force and the Office of the Police and Crime Commissioner (OPCC) have tried to work collaboratively and consider the budget from a holistic perspective. This also helps the statutory functions of the S151 officers to be discharged.

- 4.11 The Police and Crime Commissioner receives all the funding provided to the force through Home Office Grant and Local Precept. This is then split into an allocation for the force to deliver policing services and to the office of the Police and Crime Commissioner (OPCC). The approach has included considering the finances throughout the period of the Medium-Term Financial Plan (MTFP) rather than focussing simply on the one-year settlements received from central government. The joint approach also enables a greater understanding to be developed between the Police and Crime Plan, commissioned services, national policing requirements and the core duty of the force as an emergency service, there to maintain order and prevent and detect crime.
- 4.12 As part of the budget build, the Chief Constable and Police and Crime Commissioner consider and agree several financial assumptions, as the actual financial details will be unknown. For example, the precept levy, the grant settlement, any additional specific grants, the council tax base, and collection fund allocations are not known when building the budget. The force and OPCC cannot wait until these final decisions are confirmed or communicated as this gives insufficient time to prepare for the outcome, which could mean the force grows its capability/capacity or as in recent years continually decreases the level of resources available. The force needs time to understand the implications, interdependencies and identify mitigation and methods to reduce the impact on public safety and the service provided to the public.
- 4.13 A fundamental element of this collaborative approach was the Chief Constable and Police and Crime Commissioner agreeing the assumptions that the force and OPCC would utilise that would inform the budget build. It was recognised that there could be changes or volatility, but the overarching strategic approach would ensure the force and OPCC is well placed and can demonstrate strong competent financial management. To support this the Police and Crime Commissioner introduced a new approach, timetable and bespoke finance meeting called the Financial Scrutiny Oversight Board (FSOB).
- 4.14 The assumptions are important and the more accurate they are, the greater certainty there is in the planning. The assumptions are built and based on an assessment of the information known at the time, the contextual financial picture nationally and locally, and guidance from the Home Office. They are reviewed regularly in the budget meetings, including the newly introduced Financial Scrutiny Oversight Board. From February 2025 right through to the 22nd of December 2025, this included a jointly agreed £14 precept assumption.
- 4.15 The Chief Constable has provided full transparency regarding the budget build process, providing open access to the Police and Crime Commissioner, their Monitoring Officer, and their S151 Officer to all the budget build data, working papers. The force has also responded to the Police and Crime Commissioner's additional requests for financial and organisational information within the requested timescales.

- 4.16 The Budget Settlement was received on the 18th of December. The settlement for the first time in many years was fairer to the communities of Leicester, Leicestershire, and Rutland, with the level of grant shared in the provisional allocation data being £1.4 million higher than had been anticipated.
- 4.17 On the morning of Monday 22nd December, the force had effective plans to close the budget deficits, and to fund the investments required to improve efficiency, improve service and/or performance based on the budget settlement and a £14 agreed precept assumption.
- 4.18 The provisional settlement announcement provided the Police and Crime Commissioner the opportunity to increase the precept to £15. This was welcomed as Leicestershire Police is underfunded compared to other forces and it helps address the funding challenges continually being addressed in recent years and supports the force aim to remain sustainable through the MTFP.
- 4.19 It is important for the Chief Constable to highlight the implications of the budget and place them in the context when compared nationally. It is believed Leicestershire would be an outlier for not setting a maximum precept and it is expected that several forces are going above £15 to address the financial pressures. Therefore, the current approach will mean the force remains in the lowest group for funding.
- 4.20 The underfunding is illustrated in the 2025 national data graphs below and is included in the Police and Crime Plan. The graphs show Leicestershire police in the lowest group of forces nationally for funding already.



Graphs taken from 2024/25 HMIC Value for Money Profiles



4.21 On the 22nd of December, the Chief Constable received from the Police and Crime Commissioner the details of the force budget allocation. This was following a Financial Scrutiny Oversight Board (FSOB) meeting - attended on this occasion only by the Police and Crime Commissioner, a Deputy Police and Crime Commissioner and the Office of Police and Crime Commissioner (OPCC) S151 Officer.

4.22 The Chief Constable provided detailed observations, feedback, and operational policing advice in regard the approach to the budget, the details provided and the risks and implications from the budget allocation to the force. Positively, the Police and Crime Commissioner reviewed the budget allocation and having considered the concerns and the potential solutions recommended by the Chief Constable addressed several of the areas of concern raised.

- 4.23 Revised budget allocations were presented and discussed in further Financial Scrutiny Oversight Board meetings attended by all relevant persons (including the Chief Constable) and chaired by the Police and Crime Commissioner on the 13th, 14th, and 19th January 2026.
- 4.24 The Chief Constable provided a further detailed response and operational policing advice to the proposed budget allocation and again there were several changes and decisions made that were received positively, as they would help mitigate future reductions in public service and operational capability and capacity of Leicestershire Police.
- 4.25 The budget required by the force for 2026/27 is £288.4 million. The current allocation provided by the Police and Crime Commissioner to Leicestershire Police is only £283.7 million, resulting in a funding shortfall of £4.7 million.
- 4.26 To close the budget deficit in 2026/27 the force has identified and will deliver £1.8 million of further efficiency savings by the 31st of March 2026 (including £1 million reduction in police staff and £0.5 million reduction in police officer pay costs and £0.3million non pay costs).
- 4.27 The force's prudent financial management in 2025/26 will deliver £1.5 million of savings to reduce our ongoing capital debt charges, thereby delivering a reduction in £0.5million in revenue costs for 2026/27 and beyond.
- 4.28 The Police and Crime Commissioner has agreed to provide £1.2 million reserves funding for one off costs in 2026/27.
- 4.29 This leaves a residual deficit of £1.2 million for 2026/27, which would have been closed with a precept increase of £14 or more.
- 4.30 The Chief Constable appreciates the changes made by the Police and crime Commissioner to the force budget allocation following extensive negotiation but continues to have concerns in regard the finalised budget allocation.
- The force had at midday on the 22nd of December presented a balanced budget based upon the jointly agreed assumptions and provisional settlement.
 - The revised allocation in January still resulted in a £4.7 million deficit, with £1.2 million remaining due to the precept decision (even with £1 million of police staff and £0.5 million of resources already identified to be removed

by the 31st of March 2026 to ensure the force would not be overspending as entering 2026/27).

- There continued to be no additional OPCC contribution to the force deficit and the full OPCC budget details has not been shared with the force, but it appears to have reduced by £189k in 2026/27 compared to 2025/26. However, the overall cost of the OPCC has increased to £8.6 million from £5.4 million in 2025/26 (not including the creation of the new prevention reserve fund in 2026/27). This increase appears to have been funded by £3.4 million of MOJ/Home Office grants and £0.13 million use of OPCC reserves.
- A £3.7 million Police and Crime Commissioner prevention reserve fund is created from force and OPCC reserves and at this stage no operational policing advice has been provided as the evidence base, clear rationale or business cases have not yet been shared.
- The Police and Crime Commissioner, OPCC S151 Officer and the Monitoring Officer have not yet provided any details of the advice, rationale or evidence base for the £11 precept increase decision.
- The £11 precept increase
 - Is contrary to the jointly agreed £14 increase assumption built into the budget build since February 2025, undermining effective strategic financial management.
 - Is in contradiction to the Police and Crime Commissioner's own precept consultation where 69% of people supported an increase above £11 and 56% support a £14 or more increase.
 - Jeopardises and creates additional future pressure on sustainability through the Medium-Term Financial Plan (MTFP) and subsequent public service provision.
 - Conflicts with the aims and statements within the Police and Crime Plan.
 - Will result in a direct reduction in policing resources on top of £23 million already delivered in the last 3 years and creates a residual deficit in 2026/27 of £1.2 million.
 - Creates a £1.4 million per year funding shortfall that continues to rise to circa £6 million funding shortfall over 4 years of the MTFP and increases further year-on year.

4.31 There is a concern that the long-term impact of the decision will not secure the maintenance of the police force, will not ensure that the police force is efficient and effective, and impact upon the Chief Constable ability to be able to deliver an effective and efficient service.

5. Precept

- 5.1 The Chief Constable recognises the pressures on the public purse and on family and household finances. The Chief Constable has consistently raised concerns around the force funding formula and has appreciated the cross-party support of local members of parliament to help raise this issue and address this underfunding. It is also recognised that underfunding has been evident across many public service areas serving Leicester, Leicestershire, and Rutland.
- 5.2 The budget settlement was better than expected and there are of course many different views on the concept of precept and the inequality across different areas of the country. However, the precept does make a real difference and whilst no one would want additional taxation this has to be balanced with the level of harm, the impact on public safety and public service if your local police force continues to reduce.
- 5.3 The funding envelope being provided to the force on the 20th of January creates a £4.7 million deficit. Plans are in place to address £3.5 million, and this means the force must find £1.2 million in further cuts.
- 5.4 The key decisions creating the additional deficit are as follows.
- Precept increase reduction from £14 to £11 £1.065m per year.
 - Precept at £11 and not supporting £15 £1.4m per year.
- 5.5 It is important to highlight if the Police and Crime Commissioner chose not to take a maximum precept increase of £15 but remained at £14 as included as part of the jointly agreed assumptions in the budget preparations and still supported in the public consultation, the force would have a balanced budget for 2026/27. This would still create significant cost pressures within the period of the MTFP and still require the force to deliver the £1million reduction in police staff and £0.5 million in police officer costs by the 31st of March 2026. This is in a context where Leicestershire Police is experiencing greater complexity of demand, higher need for investments in technology and specialisms, but with real terms cut in budget and a further year on year realignment of the workforce.
- 5.6 In the past the precept has led to growth and investment, but the reality is that this year, as with recent years, the precept increase will be mitigating the number of cuts required and the potential severe impact on public service.
- 5.7 The force already has one of the leanest back offices in the country, as evidenced in the HMICFRS value for money profiles. The Police and Crime Plan specifically highlights the force's underfunding. An £11 precept increase in 2026/27 would mean a further and additional significant reduction to the

force's resources, which would predominantly have to be met if the government police officer uplift penalties are not removed by resource reduction, redundancy and reverse modernisation of officers moving from frontline roles into back-office functions, reducing the force's ability to deliver core functions and/or being visible within our communities. If the uplift penalties are removed, it could mean a further significant reduction in police officer numbers. Leicestershire Police still has less Police Officers, PCSO's and Police Staff than it did in 2010 despite the increase in demand, calls for service and complexity of modern policing.

- 5.8 With a £11 precept increase, it is the force's view that the transformation and service to the public will need to be significantly reduced or withdrawn. It will also impact on the investments we can make, in developing skills and training of our people, in local neighbourhood policing, in technology and prevention, which are designed to improve service, reduce extraneous demand, and find savings and efficiencies in the medium-term. All contributing directly to the force's effectiveness, efficiency, and legitimacy.
- 5.9 The Chief Constable and the Police and Crime Commissioner have been raising the unfair funding of Leicestershire Police. If the settlement still leads to a budget deficit and if the precept funding allocation is not changed, it is disappointing that it is local Police and Crime Commissioner decisions that do not help try and address further budget strain, risk, and pressures on the force, with an impact on public harm, safety and service.
- 5.10 The Police and Crime Commissioner should understand that a £11 precept increase will affect the policing service for the people of Leicester, Leicestershire, and Rutland in the short, medium, and long term. It is contrary to the operational policing advice of the Chief Constable and will impact on the ability to continue to deliver service in 2026/27 in the same way as in 2025/26 and will impact on having due regard to the Police and Crime Plan.
- 5.11 The Government has given police forces the opportunity to apply for a precept increase above 29p per week / £15 a year. As a nationally underfunded force a significant increase above £15 would solve several challenges and strengthen the capability of the force significantly. It would help maintain and improve service to the public and help return to past levels of resourcing.
- 5.12 Despite this, the Chief Constable has not sought to request a precept increase above £15. The Chief Constable has considered the criteria and considered the local impact on taxpayers and balanced this with the plans for the force can achieve with a £15 precept increase in 2026/27.

6. Sustainability

- 6.1 The Police and Crime Commissioner has held the force to account in regard the sustainability plans. The predominant driver for the budget deficits has been the

imposed national unfunded pay awards, which have been overcome, and over £23 million efficiency savings being delivered in the last 3 years. The pay award in 2025 of 4.2% increased the force costs by £4 million in 2026/27 and IT inflation was running at 13%, which is totally out of the control of both the Police and Crime Commissioner and Chief Constable.

- 6.2 The budget deficits being have been overcome and both the internal and external auditors have highlighted the effectiveness of the force approach. It appears that in the current budget allocation the fact £23 million savings have been taken out of the force's budgets in the last three years and there are less Police Officers, PCSO and Police Staff than in 2010 has not effectively been taken into consideration when creating further pressures on the force.
- 6.3 It should be noted that from the effectiveness of the force approach there was a balanced MTFP based on the jointly agreed assumptions with the Police and Crime Commissioner as recently as in June 2025.
- 6.4 Throughout the year financial papers have been submitted with the agreed assumptions and there was no shared planning to reduce the precept increase below £14. This includes in the November and December Financial Scrutiny Oversight Boards. The Chief Constable was not consulted and had consistently highlighted the importance of the precept decisions. The force supported the Police and Crime Commissioner with transparent and effective budget planning and in regard the aim that any reductions need to be made in a planned and sustainable way, as to not compromise service delivery and public safety. A substantial and significant change being made at such a late stage is undermining to effective strategic financial management, which the force delivers at the highest levels, as highlighted through internal and external audit.
- 6.5 The reduction of the precept increase, from a maximum £15 to £11 (29p per week to 21p per week and £4 in total difference) will have a cumulative effect and within the period of the 4 years of the MTFP means a circa £6 million reduction in public service funding, with £1.4 million reoccurring every year thereafter (but growing each year to £1.55million by end of MTFP).
- 6.6 To put it into context £6 million is the equivalent of 150 PCSO's serving the public locally in our neighbourhoods.
- 6.7 An important aspect to consider is what is known, and the implications of decisions today will have on sustainability in the future and through the period of the MTFP. The Police and Crime Commissioner has not shared with the Chief Constable any advice they have received, or any information regarding the impact assessment that this reduction would have on the policing services, or the considerations made by the Police and Crime Commissioner in managing the future impact of the decision.

- 6.8 As part of the strategic planning, we must recognise and consider the force currently spends less on our police officers compared to other forces (HMICFRS Value for money profiles) due to a lower management profile, but predominantly due to the length of service of our workforce. Currently a new in-service Police Constable with on-costs is £45k per annum, rising with each year of service to £72k per annum within 7 years. Therefore, the cost of our police officer establishment will increase year on year for the same amount of actual deployable resource. This must be considered with a clear strategic view to the future when making decisions around funding and affordable officer numbers. If this is not funded the number of police officers in the future would reduce to remain within the same budget.
- 6.9 The strategic and planned use of reserves helps to support maintain and deliver public service and keep people safe. This has and should still be used to support the force deliver on its core functions. The strategic use of reserves is an area that is important around sustainability, to ensure that a longer term and not a short-term approach is undertaken. Therefore, any investments using reserves need clear business cases and consideration of the longer-term impact to supporting force demand, enhancing public service or safety, increasing performance or supporting the force be more efficient. This is set within the context of a shrinking organisation at time of increased demand and complexity.
- 6.10 The decision around the use of reserves and the precept is a decision of the Police and Crime Commissioner but the Chief Constable highlights the impact that this will have in year but also the cumulative impact on sustainability each year of the MTFP. The current approach would undermine the Police and Crime Commissioner's aim to be sustainable through their term of office and will not support the Police and Crime Commissioner discharge their statutory responsibilities.
- 6.11 The danger is that the force financial situation, the number of officers, PCSO and police staff and ability to meet public needs will in the longer term be in a worse position, which would be potentially explainable to the public from externally imposed budget settlements, but more difficult when based on local decisions.
- 6.12 The following data evidences and clearly illustrates the impact and necessity to make the right decisions now and for the future.

Precept Options Summary 2026/27

Option 1 - £15 Precept Increase

Extrapolation of funding based on total SR funding envelope including grant & precept, 3.6% increase in 2027/28, and 2.5% increase in 2028/29 and 2029/30 based on provisional settlement.
Inclusion of future years costs for Neighbourhood Grant Officers and Staff - details to be confirmed by Home Office.
One off costs in 2026/27 funded from reserves removed from 2027/28 onwards (reserves £208k less than option 2).

	2026/27	2027/28	2028/29	2029/30
	£	£	£	£
Expenditure	271,728,089	288,587,306	297,993,982	309,362,184
Funding	268,464,650	278,129,377	285,082,611	292,209,677
Surplus / (Funding Gap)	(3,263,439)	(10,457,929)	(12,911,371)	(17,152,507)
Savings / Use of Reserves	3,263,439	2,295,745	2,295,745	2,295,745
Net Surplus / (Funding Gap)	(0)	(8,162,184)	(10,615,626)	(14,856,762)

Option 2 - £11 Precept Increase

Extrapolation of funding based on total SR funding envelope including grant & precept, 3.6% increase in 2027/28, and 2.5% increase in 2028/29 and 2029/30 based on provisional settlement.
Inclusion of future years costs for Neighbourhood Grant Officers and Staff - details to be confirmed by Home Office.
One off costs in 2026/27 funded from reserves removed from 2027/28 onwards (maximum agreed use of reserves).

	2026/27	2027/28	2028/29	2029/30
	£	£	£	£
Expenditure	271,728,089	288,587,306	297,993,982	309,362,184
Funding	267,043,665	276,657,237	283,573,668	290,663,010
Surplus / (Funding Gap)	(4,684,424)	(11,930,069)	(14,420,315)	(18,699,174)
Savings / Use of Reserves	3,471,507	2,295,745	2,295,745	2,295,745
Net Surplus / (Funding Gap)	(1,212,917)	(9,634,324)	(12,124,570)	(16,403,429)

Variance - Option 1 v 2	1,212,917	1,472,140	1,508,944	1,546,667
--------------------------------	------------------	------------------	------------------	------------------

6.13 There also appears to be a potential contradiction with the internal Corporate Governance framework section 6.1.17 that outlines below a requirement to balance expenditure needs of the police service against the level of taxation to achieve a balanced budget. Therefore, if expenditure needs to be higher, taxation should rise accordingly.

Corporate Governance Framework

December 2025 Version Five

6.1.17 The Police and Crime Commissioner should consult with the Chief Constable and other relevant partners and stakeholders in planning the overall annual budget which will include a separate force budget. This will take into consideration funding from government and from other sources, and balance the expenditure needs of the policing service and community safety against the level of local taxation. This should meet the statutory requirements to achieve a balanced budget (Local Government Act 2003) and be completed in accordance with the statutory timeframe.

6.1.18 The annual budget should be prepared within the context of the medium-term financial plan, representing the first year of that plan. The impact of the annual budget on the priorities and funding of future years as set out in the Police and Crime Plan and the medium-term financial plan should be clearly identified.

7. **Precept Increase of 29p per week / £15 per year**

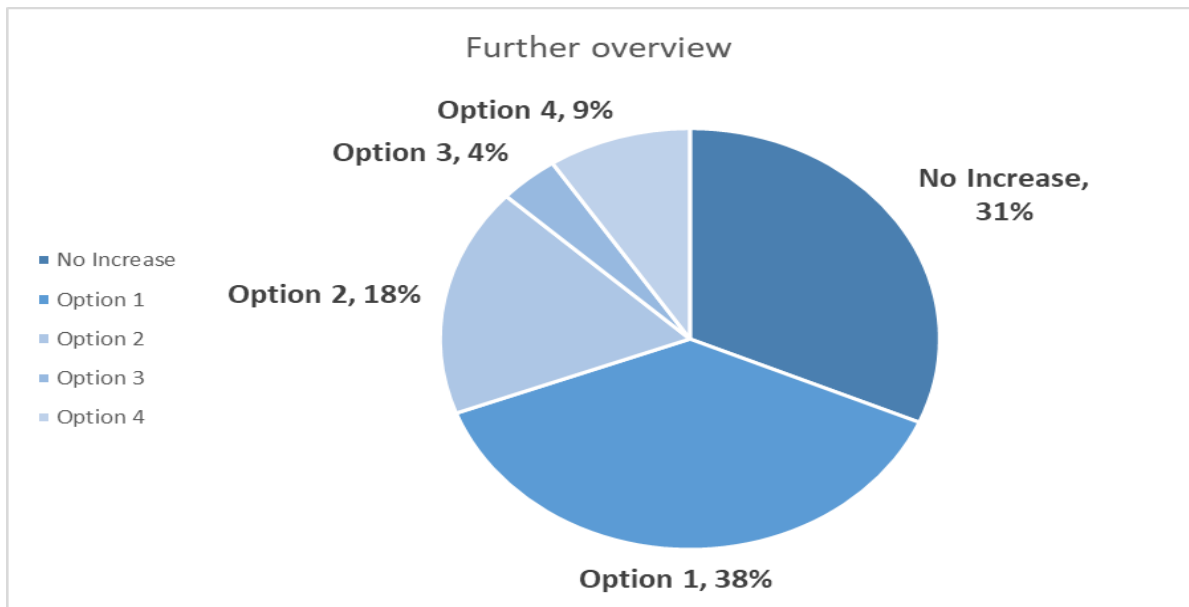
- 7.1 The precept increase of 29p per week / £15 per year is only 8p per week and £4 a year more than the £11 set by the Police and Crime Commissioner.
- 7.2 Using precept, the force will be able to protect the investment in those service areas we know are important to local communities and those outlined in the Police and Crime Plan. For example, it would enable us for a year to maintain our focus on neighbourhood policing, urban and rural crime, violence against women and girls and high harm crime, whilst maintaining the current operating model but still with less people.
- 7.3 A £15 precept increase will enable the force to continue to maintain the improved call handling performance for emergency 999 and non-emergency calls. Without the maintenance of the investment, despite introducing new ways working, using right care right agency best practice, refurbishing the facility, and introducing new digital technology the service to the public will reduce.
- 7.4 A £15 precept increase will support the force approach and collaborative partnership with the OPCC, to develop and maximise the benefits of the new Prevention Directorate, in particular with external partners develop and optimise new diversionary programmes to prevent crime, provide tailored and targeted support and intervention, to both those victims and offenders who display additional risk of becoming a victim again, or of further offending.
- 7.5 The Chief Constable has due regard to the Police and Crime Plan and supports a focus on prevention activity, and a £15 precept increase would support the Police and Crime Commissioner ambition to continue to focus on prevention.
- 7.6 A precept increase of £15 will also allow us to continue to move forward at pace to deliver the next phase of transformation linked with IT and digital restructuring to enable greater safe use of AI and automation to create both cashable and non-cashable efficiencies.
- 7.7 If a £15 precept increase is agreed, it would enable for a year the force to maintain the uplift in police officer numbers in neighbourhoods and maintain the plan to increase in 2026 the number of PCSOs into rural communities and the city.

- 7.8 A £15 precept increase makes a real difference to the cuts that the force faces in the next four years. There is a clear balance required and based on the current trajectory and current financial assumptions the force cannot achieve both, between not wanting to increase local taxation, but also wanting to make sure that there is not greater harm and risk to the public, that public service can be maintained, and that police visibility does not reduce further.
- 7.9 Precept is the decision of the Police and Crime Commissioner, and it is not just a decision for today but also a decision for the future that creates a real legacy impact through the period of the MTFP and beyond.
- 7.10 The decision to have a £11 precept increase and not to support a £15 increase needs to be informed in light of the assumptions of the future grant allocations and MTFP (as clearly shown at page 15) and have due regard to the statutory role of the Police and Crime Commissioner to “*secure the maintenance of the police force*” and “*secure that the police force is efficient and effective*”.
- 7.11 The difference between the £15 precept increase and an £11 precept increase is only £4 per annum or 8p per week in 2026/27. This must be considered in achieving a balance between the family/household’s budget and the implications to public safety and harm and a significant future reduction in police officers, PCSO’s and staff.

8. **Public Consultation**

- 8.1 The Police and Crime Commissioner’s budget allocation to the force does not appear to be fully informed by the public consultation. The Police and Crime Commissioner refers to the strain on the public and personal finances which the force is very sensitive to and recognises this within its own workforce. There is though no reference to the broader cost of crime to the local economy, the benefits policing provides, the impact on core policing services, the impact in relation to the force support to the police and crime plan and the potential harm caused from reducing policing resources.
- 8.2 The Police and Crime Commissioner undertook a public consultation on the precept levy. The decision to set a £11 precept increase for 2026/27 is contrary to the public consultation outcome, as illustrated in the tables below created by the Office of the Police and Crime Commissioner.

Option	Description	Indicative cost increase per week for Band D property	Percentage of responses for each option
Option 1	Paying more to contribute towards the ongoing financial pressures of Leicestershire Police	+30p (*actual +29p)	38%
Option 2	Matching the increase from last year (25/26)	+27p	18%
Option 3	Paying more to contribute to the costs of the pay award (4.2%)	+24p	4%
Option 4	Paying more to contribute to the costs of inflation (3.8%)	+22p	9%
Option 5	No increase	0p	31%



- 8.3 The largest section, 38% of those responding supported option 1 paying 29p a week / £15 more to contribute to the ongoing financial pressures of Leicestershire Police.
- 8.4 56%, a majority of those responding supported option 1 or 2, a precept of 27p per week / £14 or more.
- 8.5 69% indicated they would be happy to support at least the minimum increase to maintain service levels, which is actually above 21p per week / £11 a year.
- 8.6 Only 31% supported no increase at all, of which the data provided by the Office of the Police and Crime Commissioner showed it was the council tax higher Band, rather than the lower Band, that were less likely to support the increase.

8.7 A reduction in the support provided by taxpayers will have a real impact on public service, community safety and operational capability of the force in the short, medium, and long term as it will have a permanent year-on-year detrimental impact.

9 **Police and Crime Plan**

9.1 The Chief Constable has due regard for the police and crime plan and there is consistent evidence of the force's contribution to the delivery of the plan. The current budget allocation has a direct impact on the resources of Chief Constable and therefore restricts the ability to deliver against the plan in the future.

9.2 The precept decision to go for £11 increase does directly impact on the stated aims and statements included in the police and Crime Plan

- **How the force is already disadvantaged.**
- **How financial sustainability of the force will be key.**
- **Aim that the force is well resourced.**
- **That the force is secure for the long term.**
- **That the force has a sustainable financial position into the future.**
- **That a long-term approach to resources, spending, and funding pressures will be taken.**
- **That you can only allocate the resources with which you are provided.**
- **That Leicestershire Police have one of the lowest levels of funding per head of any police force in the country.**

9.3 The impact of the decision and the constraining of the available resources will impact on the service provided to the public and therefore has the potential to undermine the shared ambition of the Chief Constable and Police and Crime Commissioner to build and improve trust and confidence in policing.

10 **Operational and Organisational Implications, threat, and risk**

10.1 It is important for the Chief Constable to highlight the implications of the budget and place them in the context of current operational demand, threat, and risk in Leicestershire.

10.2 The strategic challenges outlined for 2025/26 in the previous Police and Crime Panel operational budget report of January 2025, remain largely the same as we enter 2026/27, but with the unenviable requirement for a further reduction in

people and resource to address these challenges in 2026/27 because of the budget decisions.

10.3 The Chief Constable has set out his strategic plan for addressing these strategic challenges and delivering both the force priorities and ambitions of the Police and Crime Commissioners Police and Crime Plan in 'BluePrint 2030 and beyond'.

10.4 Leicestershire Police remains resolutely committed to delivering consistently good public service with high standards and despite the underfunding (lowest 7 in country of 43 forces) building further on our ranking (top 8 in country of 43 forces) as a leading force in the UK, as we support the delivery of the Police and Crime Plan and deliver our core role as an emergency service and protecting our communities by maintaining the peace and preventing and detecting crime.

10.5 Funding Leicestershire Police contributes into a system that provides universal protection, safety, and order for everyone in Leicester, Leicestershire, and Rutland, regardless of where they live or what they earn 24/7, 365 days a year.

10.6 In Leicestershire Police, around 81% of our entire budget is spent on people, Officers, PCSOs and staff because policing is a people business delivered day and night. Leicestershire Police provides a 24/7 emergency service that comes when it's needed most, provides visible neighbourhood policing that keeps streets, towns, and villages safer, contains skilled investigators and specialists for today's complex crimes, provides protection for the most vulnerable in our communities and behind the scenes our enabling teams and national collaborations make it all work efficiently.

10.7 Policing is complex, covering a broad range of services and functions, including:

✓ **Emergency Response (999 and 101)**

A core function of the Police

- Immediate response to life-threatening emergencies
- Attendance at collisions, crimes in progress, missing persons, and domestic incidents
- Close coordination with Ambulance and Fire Services, 24/7, 365 days a year

✓ **Crime Prevention and Deterrence**

A significant part of our policing approach is preventing harm before it occurs. As a result, residents, students, businesses, and visitors across Leicester, Leicestershire, and Rutland benefit from the following prevention activity:

- Visible neighbourhood policing that deters crime and antisocial behaviour
- Licensing and safety checks for venues, events, and public spaces
- Prevention and partnership work with OPCC, councils, schools, and charities
- Intelligence led disruption of organised crime and high harm offenders.

✓ **Investigation of Crime**

Taxpayers' funding pays for the people and technology to:

- Investigate crime – including violence, sexual offences and VAWG, burglary, vehicle crime, rural crime, retail and business crime, fraud, online crime, hate crime, cybercrime, and all crimes under the Home Office National Crime Recording Standards

- Secure evidence, arrest and interview suspects, safeguard victims, and support prosecutions

✓ **Protection of Vulnerable People**

We deliver services that allow us to safeguard those most at risk:

- People affected by domestic abuse, children at risk, exploited adults, missing people.
- People in mental health crisis (often requiring longer officer time and specialist partners)

✓ **Counter Terrorism, Firearms & National Security**

Taxpayers in LLR receive support and protection from dedicated Counter Terrorism, Firearms and Serious and Organised Crime Teams. Much of this work is not visible, and that's by design. However, they protect local communities by the:

- Disruption of extremist threats and organised networks
- Protection of crowded places and critical infrastructure
- Coordination with regional and national policing units
- Response to public safety incidents and crimes

✓ **Public Order & Safety at Events**

Leicestershire Police provide public order and public safety services across LLR and beyond and ensures our communities can safely enjoy events throughout the year. The services we provide include policing:

- Protests and marches
- Football matches, concerts, festivals, and major community events
- VIP and royal protection

✓ **Roads Policing**

Taxpayer funding supports:

- Serious collision response and investigations
- Tackling dangerous and uninsured driving
- Disrupting criminals who use the road network.

✓ **Partnership Work That Saves Society Money**

Leicestershire Police have statutory responsibilities that it legally must deliver and supports other locally based partners in protecting our communities. We work with:

- NHS & Mental Health Services, Local Councils, and Social Care
- Probation, Prisons, and Charities
- Regional and national policing collaborations for specialist capabilities and services

✓ **Good Value to local Taxpayers**

Independent scrutiny says we run a lean, value for money service.

- External and internal auditors have given the highest levels of assurance on our financial management and sustainability.
- HMICFRS Value for Money profiles show Leicestershire has very lean “back office” functions compared to peers, with proportionally higher investment in frontline delivery.
- We have delivered £23m of efficiency savings in the last three years, redesigned processes and introduced technology (incl. safe and policy supported automation and AI) that gave 200,000 staff hours back to frontline work without compromising safety.
- Our operating model prioritises local neighbourhood policing supported by specialists, so issues are owned and solved where they occur.

10.8 In 2025, the force has dealt with approx. 1500 calls for service a day, which amounted to 4,899 additional 999 calls and 38,565 more non- emergency calls than last year.

10.9 Policing pressures in 2025 have been consistently high across the year, with our officers making over 15,000 arrests, investigating 91,500 crimes, looking for 3756 missing people and sharing over 48,278 referrals to partners identifying potentially vulnerable adults and children.

- 10.10 In 2025 the force launched 11 homicide investigations, of which 2 have resulted in convictions, 5 have been charged and awaiting conclusion at court and 4 remain under investigation.
- 10.11 We also attended 665 deaths in the community and completed enquiries on behalf of His Majesty's Coroner.
- 10.12 There were 17 critical incidents which required Gold Group oversight, covering a broad range of operational issues from IT and Cyber events, missing people, community tension and criminal justice pressures.
- 10.13 The force undertook 220 Firearms deployments across the year, of which 177 were dynamic incidents presenting immediate risks to the public, 43 were planned operations. requiring a coordinated Command response and there were 8 mutual aid deployments to support national firearms threats.
- 10.14 Furthermore, the Force experienced additional demands from the prison sentence changes and early release of prisoners and around policing protests in the summer and autumn linked to international conflicts, community tensions and immigration policies. There were 71 full Public Order deployments by the force in 2025, 53 being in response to public safety events in our force area, and 18 being in support of national events.
- 10.15 We have supported numerous national community safety campaigns this year, including the Safer Summer and Safer Winter initiatives. This has resulted in 178 events having taken place across Leicester, Leicestershire and Rutland including beat surgeries, patch walks, and public gatherings. 88 business-focused events were conducted across each of the neighbourhood policing areas and over 2000 additional patrol hours were delivered during the campaign.
- 10.16 The force covers an area which is rightly proud of its rich diversity and range of emerging and established communities, including large scale new housing estates being built in our rural and metropolitan areas. This provides both challenges and opportunities for the force in delivering the service we believe all members of our communities deserve.
- 10.17 In line with consistent trends over previous years, our population has grown by over 100,000. Leicester remains one of the most deprived cities in England ranking 32nd most deprived out of 317 local authority districts.
- 10.18 Force data for 2025 indicates that the force arrests 1200-1300 people each month, 20% of those arrested are foreign nationals and 39% have a mental health need, 27% of detainees declare self-harm and 13.1% require an appropriate adult, increasing the resources and time to manage, process and increasing our interpreter and medical provision costs.

10.19 The levels of investment and engagement necessary to reassure and support victims, communities and sustain and maintain good order continues to far exceed what we have experienced in recent years. This has required the force to invest further in local neighbourhood policing and manage a sustained demand on specialist public order and safety officers.

10.20 Policing continues to become more complex; there are ever increasing imposed expectations on recording, checking, and processing demand and with the rapidly changing nature of crime, investment into high-harm crimes, cross-border criminality and the interconnected nature of physical and digital evidence that needs to be captured and interpreted.

10.21 There remains sustained improved confidence to report complex high harm crimes like rape, child exploitation and abuse, domestic violence, stalking and harassment. They all require continued significant investment as part of the violence against women and girls' strategy (VAWG) and 'Operation Soteria' initiative (Home Office supported approach to rape investigation), strengthened by the introduction of the National Policing Centre for Public Protection, opened at the College of Policing this year.

10.22 It is also important that the force continues to focus on areas of high harm and invests in areas of transformation. The decisions made in the past have placed the force in a stronger position to manage the challenges of today. Therefore, the investment decisions made this year, and subsequent years will help the force in 2030 and beyond.

10.23 The 2025/26 Force Management Statement is currently being finalised. This is a HMICFRS requirement for Chief Constables to complete a statement and explanation of

- *current and projected demand: the demand the force is currently facing, as well as demand it expects to face in the next four years.*
- *workforce assessment: the performance, condition, capacity, capability, well-being, serviceability and security of supply of the force's workforce and non-workforce assets, and the extent to which current force assets will be able to meet expected future demand.*
- *prioritisation and planning: how the force will change and improve its workforce, policies, practices and other assets to cope with future demand; and*
- *risk management: the risks that have been identified because of demand that can't be met, how these will be mitigated and the effect you expect this to have.*

10.24 The current draft before further budget cuts are imposed identifies 22 business areas across the force which have been assessed as a high priority due

to anticipated increased demand, threats and pressures, skills and resourcing challenges and ability to mobilise mitigation activity.

10.25 As previously, the force has prioritised, implemented, and continues to develop plans that are aligned with managing the budget and reducing the threat, risk and harm identified through our strategic and operational planning processes.

10.26 Leicestershire Police has been robust in identifying and implementing savings to address budget deficits over previous years. Most of these savings having come from reduction in police staff numbers as we seek to avoid penalties and maximise external funding opportunities. This does, however, have an impact on the reduced number of staff left within the organisation seeking to meet the ever-increasing demands.

10.27 To mitigate those impacts, the Force has sought to maximise every opportunity to identify and implement productivity improvements and create capacity for our staff, use technology to support colleagues in delivering their duties and strengthened our health, well-being, and employee incentive schemes.

10.28 In June 2025 the Force stood up an Operational Productivity forum, co-chaired by the Assistant Chief Constables to identify and introduce business focussed innovation opportunities that delivered immediate time saving to front line staff. To date, we have been able to evidence over 200k hours of time given back to officers and staff through making good decisions about how we manage our administration and processes.

10.29 Specific examples of innovation and bold decision making introduced this year to increase productivity and liberate staff from unnecessary administrative tasks include:

- Reducing the administration required around Public Protection Notice's saving at least 225 front-line officer hours per month.
- The Assessment and Investigation Unit (AIU) has been introduced to take more pressure off our emergency response teams and enhance our service offer and efficiency through a new victim video calling service, with high levels of public satisfaction recorded.
- Introducing in 2026 a role-specific approach to personal safety training, reducing the number of days officers are required to train across a 24-month period.
- Introduction of AI with necessary safeguards and policy to our policing business to improve efficiency, including around supervisory crime management functions.
- Reviewing Use of Force form requirements and reducing officer completion time

- 10.30 Our wellbeing team have introduced bespoke health, wellbeing, and fitness appointments available to all employees this year, including delivering clinics and offering appointments at police premises across LLR to maximise the opportunity and reduce the abstractions for all staff to receive well-being support.
- 10.31 The existing offer around member funded gym membership, exercise and recreational classes, financial and debt advice, mental health and addiction services have been enhanced this year in recognition that to achieve our mission of protecting communities across Leicester, Leicestershire and Rutland with an ever-shrinking work-force and increased demands, we need to ensure those who are working for us are fit, healthy, present and fully engaged in service delivery.
- 10.32 There remains enduring pressure points and business areas of particular concern regarding health, wellbeing, and attendance. For example, the performance of the control room, caused by the turnover of resources and the sustained increase in demand and calls for service. The force has continued to invest in uplifting the resources in the control room this year delivering significant improvements in call handling times and being at the forefront nationally of performance for responding to 999 calls. This has included repurposing a Chief Superintendent post to specifically Lead Force Contact and Operations and enable greater focus and support on people and performance.
- 10.33 The force recognises and really values the benefits of a mixed police workforce in terms of public service delivery, skills, and specialisms. However, the government conditions on the budget such as the PUP uplift penalties for police officer numbers have been restricting the force and the potential change of approach to lift these penalties is welcomed. The force has invested in Neighbourhood policing and tried to maximise the additional grant funding. This is a very important consideration in the budget build process as officer and PCSO numbers are supplemented from this neighbourhood uplift funding (2420 to 2242 FTE officers and 150 to 161 PCSO FTE).
- 10.34 It is worth noting that many Police Staff have an integral role in addressing the strategic and contextual risks as they have specific skills and specialisms not held within our PCSO and Police Officer establishment. Our staff consistently go above and beyond and have engaged in the transformation. The continued reduction in resources is not sustainable and means that the force will be unable to maintain the same levels of public service and protect our local communities in the same way. Any changes need the time to plan, and the right workforce mix to help mitigate the impact on public service and public safety, as well as ensuring the capacity and capability of the force can achieve the national policing requirements.

10.35 This is set in the context that £23 million has already been delivered in efficiencies in the last three years and demand, complexity and expectations are increasing.

10.36 The force needs time and investment to plan for the significant levels of budget deficit through the period of the MTFP, but it is clear the precept decisions, having a year-on-year impact will have a direct impact on public service.

11 **Operational and practical impact of the proposed budget allocation**

11.1 The budget allocation does increase but it is clear that the increase fails to cover the actual costs of the current force service, as illustrated in the budget allocation provided by the Police and Crime Commissioner creating a £4.7 million budget deficit on the force.

11.2 This report outlines the fact the force uses “zero based” budgeting. Each person and thing are costed so the required costs are accurate and for the force to operate under its current resourcing it will cost more than what the Police and Crime Commissioner has allocated. Therefore, the force will need to reduce as it has recently year-on-year. The force had a national 4.2% pay award imposed creating over £4million in cost increase than the previous year, pension and national insurance contributions and pay increments each year increase – a new officer costs £45k per annum but after 7 years a constable costs £72k per annum. IT inflation has risen by 13% and other costs have increased above inflation levels. To retain the same level of service each year more funding is required as the resources, of which 81% of the budget is invested in people providing a service for the public, cost more each year.

11.3 The decision to set an £11 precept increase creates a further reduction in resources and service to the public and therefore there will be further cuts and it should be highlighted the national funding remains provisional and there are several areas of potential additional costs.

11.4 The force will continue to work hard in 2025/26 to mitigate and limit the impact of the future costs, financial liabilities and ensure that service pressures are mitigated before entering the new financial year of 2026/27.

11.5 The Chief Constable continues to want to achieve a fair budget for the public and for policing and has a legal duty to ensure there is an effective and efficient police force and gives due regard to the police and crime plan. This will be challenging through the period of the MTFP.

11.6 The Chief Constable has considered the budget implications and the implications of having to make further cuts. In considering the £23 million budget deficit already overcome, the additional £4.7 million in 2026/27 and the potential £16 million deficit over four years of the MTFP this will require a target

operating model change. Any plans need to be thought through and considered fully as there is a direct risk to public service and public safety and to officer, PCSO and staff safety.

- 11.7 It should be acknowledged that the current service to the public would change, and it should be expected that this would need to be reduced.
- 11.8 The approach would follow the previous successful sustainability plan approach highlighted positively in internal and external audit, with detailed planning and a full business case to understand the implications and actual costs. This is important as the required redundancy costs would need to be built in and there is no financial provision to meet these costs. It is likely based on the information gathered when exploring and accepting voluntary redundancies in previous deficit plans, that it could take several years for a saving to actually be realised. This is due to the level of service and age of many police staff in the workforce and the risk of pension strain costs for those above 55 years old.
- 11.9 It is not fair or reasonable to expect the Chief Constable within such a short period to prepare a plan that is detailed, reasonable and achievable before the Police and Crime Panel (from a budget allocation finalised on the 20th of January 2026). To put the current budget allocation into reality when £23 million has already been taken out of Leicestershire Police in the last three years, there is a £4.7 million deficit to overcome in 2026/27 and for 2027/28 based on the current projections it would mean a reduction of circa. 250 police officers or a reduction of approx. 300 police staff and/or PCSO.
- 11.10 It is clear the £1.4million reduction per year (rising to circa £6 million in four years of the MTFP and continuing to grow year on year) in the potential budget allocation provided as a result of the precept decision will reduce the resources, capacity, and capability of the force. These resources deliver public service and keep the public safe, requiring significant planning and preparation as the target operating model and service provided to the public will need to change.

12 **Summary**

- 12.1 The internal and external audits showcase the professional approach to financial management undertaken by the force.
- 12.2 The Chief Constable recognises the strain on the public purse, but this needs to be balanced with the impact on public safety, potential public harm and public service.
- 12.3 The decision to set a precept increase of 21p per week / £11 per year, is not supported by the Chief Constable, is contrary to the public consultation and is in contradiction with the aims and statement of the police and crime plan.

- 12.4 The setting of the reserve strategy and precept is a decision of the Police and Crime Commissioner, the financial assumptions clearly illustrate the funding gaps created and the potential £16.4 million financial deficit over the next four years, and it is as part of their overall duty to “*secure the maintenance of the police force*” and “*secure that the police force is efficient and effective*”. The precept decision will create pressure on the Police and Crime Commissioner to deliver on their statutory role in their final years, but even more pressure on any future governance arrangement.
- 12.5 This report aims to show the reality of the decision not to provide the level of funding the force needs to maintain the current levels of service both now and importantly in a prudent and strategically planned manner into the future.
- 12.6 The decision now will have significant longer-term impact past the term of office of the Police and Crime Commissioner. The Chief Constable operational policing advice having considered the balance between tax increases and potential harm and risk to the public and impact on public service is for the Police and Crime Commissioner to set a £15 precept increase. This is only £4 per year or 8p per week higher than the proposed £11 precept increase but makes a significant difference to the effectiveness of the force in the future.

Implications

Financial: Significant

Legal: Significant in longer term as result of reduced service and resource

Equality Impact Assessment: Potentially significant dependent on outcome of budget decisions

Risks and Impact: Significant to public safety and service, delivery of Police and Crime Plan, HMIC inspections

Community Safety Impact -Potentially significant dependent on outcome of budget decisions.

Link to Police and Crime Plan: The budget has a direct correlation with the police and crime plan delivery

Communications: Police and Crime Panel, OPCC and Leicestershire Police

Person to Contact

T/Chief Constable David Sandall

S151 Finance Director Paul Dawkins