



**NOTTINGHAMSHIRE
POLICE & CRIME
COMMISSIONER**

Precept 2025-26

January 2025

The Police & Crime Commissioner's

Precept 2025-26

National Landscape

2024-25 was the final year of a three-year spending review. Following the general election in May 2024 there was a change in government and the Autumn Budget 2024 committed to setting resource budgets for three years and capital budgets for five years, with reviews every two years. This will enable better financial planning and help achieve value for money.

Spending Review 2025 is taking place in two phases.

Phase 1 of the Spending Review confirmed departmental budgets for 2024-25 and set budgets for 2025-26. Phase 2 will conclude and be published in late spring of 2025 and will prioritise delivering the government's missions. As part of this, departments will be expected to make better use of technology and seek to reform public services, to support delivery of the government's plans for a decade of national renewal.

In providing the provisional grant settlement figure in December 2024 the Government has made certain assumptions in relation to the total funding available for Policing.

Firstly, it provides additional specific resource to the main police grant for legacy council tax, pensions, officer maintenance, additional recruitment top-up, NI contribution, and neighbourhood policing. This is an increase in ringfenced grants and is therefore unclear where this will be included in future years.

Secondly, the precept freedom threshold for 2025-26 would be £14 (as announced on 28/11/24). The Minister's Statement said '*This strikes the balance between protecting taxpayers and providing funding for police forces*'.

In recent years the Home Office has relied on Police and Crime Commissioners to use Council Tax flexibility and set above inflation increases to cover some of the inflationary costs no longer provided for within the Policing Grant. For 2025-26 the maximised precept of £13.95 is a 4.9% increase in Nottinghamshire but this varies across PCCs, the December 2024 rate of inflation was 2.5%.

Nottinghamshire Police & Crime Commissioner's Proposal

Considering the budget requirement and opportunity made available by the Minister the Nottinghamshire Police & Crime Commissioner is proposing a precept increase of £13.95 for the 2025-26 financial year.

1. COUNCIL TAX BASE

- 1.1 For 2025-26 the Billing Authorities have considered the unemployment and benefits demographics and the likelihood of further non-collection when setting the tax base for 2025-26.
- 1.2 The Billing Authorities have therefore estimated an overall increase of *1.17% which is lower than the expected increase, compared to last year's increase of 1.21%, the prior year was 1.42%. The taxbase in 2024-25 was 336,113.21. The information provided for 2025-26 currently is a taxbase of *340,041.89. *(please note at the time of writing Nottingham City Council had not confirmed their taxbase position so these *figures include an estimate).*

2. COLLECTION FUND POSITION

- 2.1 Each billing authority uses a Collection Fund to manage the collection of the Council Tax, for 2024-25 the PCC's estimated share of the overall surplus is currently £254k. *(please note at the time of writing Nottingham City Council had not confirmed their collection fund position so an estimate is included).*

3. CONSULTATION

- 3.1 The Nottinghamshire Police and Crime Commissioner (PCC) has a statutory duty under the Police Reform and Social Responsibility Act 2011 to obtain the views of local people and taxpayers on budget and precept proposals and to consult and engage with local people on policing and in setting police and crime objectives.
- 3.2 In fulfilling these requirements, the Commissioner maintains a rolling programme of social research which is designed to obtain both a robust and representative sample of views from residents across Nottinghamshire, a more detailed qualitative insight from a diverse sample of informed residents in each Community Safety Partnership area (Focus Groups), and an online survey was carried out in December/January.
- 3.3 The full report on the consultation outcomes is contained in Appendix B.

4. COUNCIL TAX REFERENDUMS

- 4.1 The Localism Act 2011 requires authorities including Police & Crime Commissioners to determine whether their 'relevant basic amount of council tax' for a year is excessive, as excessive increases trigger a council tax referendum. The Secretary of State is required to set out principles annually, determining what increase is excessive. For 2025-26 the principles state that, for Police & Crime Commissioners, an increase of more than £14 in the basic amount of council tax between 2024-25 and 2025-26 is excessive.

The relevant basic amount is calculated using the following formula:

$$\frac{\text{Council Tax Requirement}}{\text{Total tax base for PCC area}} = \text{Relevant basic amount of council tax}$$

Nottinghamshire 2025-26 estimated calculation:

$$\frac{\pounds 100,686,402.89}{*340,041.89} = \pounds 296.10 \text{ (compared to } \pounds 282.15 \text{ 2024-25)}$$

(+£13.95)

An increase of **£13.95** is **below** the threshold amount.

5. **RECOMMENDATION ON THE LEVEL OF POLICE & CRIME PRECEPT ON THE COUNCIL TAX**

- 5.1 As discussed in the accompanying reports resources have been allocated to support delivering the police and crime plan. In assessing appropriate spending levels, consideration has been given to the unavoidable commitments facing the Police & Crime Commissioner, including maintaining police officer numbers and the neighborhood policing commitment, pay awards and pension liabilities, demand and other pressures. Due regard has been given to the overall cost to the local council taxpayer. Consideration has also been given to the projected value of the available reserves and balances and the medium-term financial assessment.
- 5.2 The Commissioners proposed spending plans for 2025-26 result in a Police and Crime Precept on the Council Tax of £296.10 for a Band D property, representing an increase of £13.95.
- 5.3 For calculation purposes the Council Tax for Precepting Authorities is always quoted for a Band D property. In Nottinghamshire the largest proportion of properties are in Bands A and B. The impact per band is shown below:

Council Tax Band	Proportion of Band D	2024/25 Council Tax	£13.95 Annual Increase to Band D	Proposed 2025/26 Council Tax	% increase	Pence per week increase
A	6/9	£188.10	£9.30	£197.40	4.9%	£0.18
B	7/9	£219.45	£10.85	£230.30	4.9%	£0.21
C	8/9	£250.80	£12.40	£263.20	4.9%	£0.24
D	9/9	£282.15	£13.95	£296.10	4.9%	£0.27
E	11/9	£344.85	£17.05	£361.90	4.9%	£0.33
F	13/9	£407.55	£20.15	£427.70	4.9%	£0.39
G	15/9	£470.25	£23.25	£493.50	4.9%	£0.45
H	18/9	£564.30	£27.90	£592.20	4.9%	£0.54