



**Lancashire
Constabulary**

police and communities together

13 October 2015

Dear Friends

Thank you for agreeing to meet us today to discuss our concerns regarding the proposed changes in funding for Lancashire Constabulary. This briefing note has been prepared to summarise the position we are facing in Lancashire.

It is our belief that the proposals outlined in the latest round of consultation on the review of the funding formula combined with comprehensive spending review will leave our force unviable and prevent us from keeping the people of Lancashire safe.

If these cuts are implemented we could see our force reduced from 3,611 officers to 1,699 (53%) over a decade from 2010 to 2020. This will wipe out our specialist and neighbourhood teams and mean the vital work we have done protecting our children from sexual exploitation, tackling crime and anti-social behaviour and even tackling major crime will be at risk.

We are asking you to please speak up for Lancashire and prevent the decimation of one of the best performing forces in the country. We need your help and we are asking you to act now to represent your constituents' views.

We cannot see why Lancashire is being treated so harshly when compared to other forces particularly those in our most similar group. We have never been over funded and actually cost less per head of population than other forces to run.

This information pack has been compiled to give you the background to the current position we find ourselves in.

Yours faithfully

Clive Grunshaw
Police and Crime Commissioner
for Lancashire

Steve Finnigan
Chief Constable
Lancashire Constabulary

Proposed Changes to Funding for Lancashire Police and the impact on the Lancashire Community

Background

- In July 2015 the Home Office issued a consultation on proposals for changing the way in which funding will be provided to forces in England & Wales. A method was outlined but no workings or financial outcomes were disclosed.
- The consultation exercise drew strong criticism from forces on both methodology and the absence of the revised grant figures. Consequently a revised consultation was published in October 2015.
- Under the October revised funding formula, money will be distributed as follows: Population 30%, Unemployed families with children 31%, "urban adversity" 31%, bar volume and density 8%.
- The factors which have determined the funding allocation have used police recorded crime as the dependent variable when most police work is non-crime related. The police service is currently establishing a more sophisticated understanding of demand, and this is a work in progress. The proposals may be "the wrong model at the wrong time".

Current Position

The following facts are taken from the latest published HMIC PEEL Inspection of Lancashire Constabulary.

- Lancashire has 77% of its workforce in front line roles. It spends more on visible front line roles than its most similar group
The cuts will have a disproportionate impact on front line policing.
- Lancashire spends less money on support and business support functions than its peers. We are in the lowest 10% spend on business support in England & Wales.
There is less scope to make back office than in other forces.
- Lancashire costs 49p per person per day to run compared to 55p nationally. *It already represents good value for money.*
- 73% of Lancashire's funding comes from central Government grant.
The 13.5% cut in this funding will hit Lancashire harder than other forces where the central funding proportion is less.
- Lancashire have 3.4 officers/staff per 1,000 population.
This is lower than the national average at 3.7.
- Lancashire was rated 'Outstanding' for efficiency by HMIC.
We are not an inefficient force with scope for large efficiency savings.

The Public - what they told us:

The Commissioner undertakes regular consultation and engagement with Lancashire residents to ensure he is meeting his statutory obligation to engage with residents and stakeholders on crime and anti-social behaviour. Let's Talk Policing took place throughout the summer.

The public said they want to see:

1. Major crimes such as murder and rape investigated and solved
2. Local crimes and anti-social behaviour given the attention it deserves
3. They want to see our children protected from Child Sexual Exploitation
4. And patrols in neighbourhoods where there are high levels of crime.

These things will not be possible if cuts on this scale are implement to our force.

Our most similar group:

The table below shows the reductions in workforce already realised and the proposed change in Police Funding Formula (PFF) grant for Lancashire's most similar group as defined by demographics in the HMIC Value for Money profiles.

MSG Force	Ratio Central:Local funding	Reduction in workforce 2010 to 2015	Change in budget PFF
South Wales	68:32	-4%	+£7.7m
Nottingham	69:31	-12%	+£17.4m
Kent	69:31	-16%	+£5.8m
Lancashire	73:27	-16%	-£24.5m
South Yorkshire	75:25	-17%	+£30.4m
West Yorkshire	80:20	-20%	+£5.6m
Humberside	67:33	-21%	-£0.2m
Northumbria	86:14	-24%	+£2.4m

Financial position:

- The Lancashire budget in 2010/11 was £302m. Since then the force has seen overall budget reduction of £63m, further identified savings of £11m for 2016/17 brings the overall total to £74m.
- In addition the Comprehensive Spending Review (CSR) next month is also expected to report a further cash reduction of between 20% to 40%. The proposed changes to the way forces are awarded grant funding from Government suggest Lancashire could lose an extra 13.5% on top of the CSR reduction. If the proposed PFF is applied to our current budget it would equate to a £24.5m reduction.
- The force financial gap would equate to a further **£87m** for Lancashire (includes 40% CSR, proposed PFF and 0% increase in C/Tax) making an overall reduction of **£161m** since austerity began. Even in the best case scenario of only a 20% CSR reduction we are still looking at **£130m**.
- The current police officer workforce projections indicate that it would be impossible to meet the required reductions in Police Officers and Staff within the timescales required.

Council tax precept:

The Commissioner has the ability to increase the council tax precept for the force and has taken that decision in recent years. A 1.99% increase will only raise £1.3m for the force. A 5% increase will realise £3.3m and may give some flexibility in terms of how these new cuts are managed. What it will not do is mitigate the cuts. In addition the Government has required referenda to be held if any locally funded body wants to raise its taxes by 2% or more. We would also welcome this threshold being removed all together.

Officer and staff numbers:

The table below illustrates the current and potential future police officer and staff numbers based on current projections.

	2010	2020	Headcount change	%Headcount change
Police Officers	3611	1699	1912	-53%
Police Staff	2508	1263	1245	-50%

- The headcount reduction between 2010/11 to 2019/20 would be 3156 Police Officers and Staff or **52% reduction in total**.

Overall impact of the changes:

- It is difficult to see how Lancashire Constabulary could run as an efficient and effective force with the proposed budget cuts. **The impact on the Constabulary and people of Lancashire would be devastating.**
- The combined effect of budget cut and Police Funding Formula Grant reduction for Lancashire could be a cut of £87m over 4 years. The impact of cuts on that scale would be dramatic reduction in service delivery.
- It is hard to envisage the type of policing that would be required after an £87m budget reduction is applied. The service delivery would be unrecognisable compared to the service provided today. There would be no neighbourhood policing and no proactive policing. The purely reactive service remaining would be rationed to deal only with emergency and priority calls for service.
- A key objective of the revised funding formula is to provide a model which is fair, robust and transparent. **When the context of quality of policing and efficiency savings in Lancashire is considered we do not believe the 13.5% cut in grant represents a fair settlement for Lancashire.**



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Ziggy MacDonald
Director, Finance and Strategy
Crime and Policing Group
Home Office
6th Floor Fry Building
2 Marsham Street
London
SW1P 4DF
policefundingconsultation@homeoffice.gsi.gov.uk

Phone: 01772 535259
Fax:
Email: Steve.freeman@lancashire.gov.uk
Your
ref:
Our SF
ref:
Date: 14 September 2015

Dear Mr MacDonald

Consultation on reform of police funding arrangements in England and Wales

This letter represents a joint response from the Police and Crime Commissioner for Lancashire and the Chief Constable of Lancashire Constabulary to the consultation on the reform of police funding arrangements in England and Wales.

It reflects the position that the Commissioner and the Chief Constable currently face in respect of the unprecedented financial challenge the extended period of austerity has presented.

We want to plan responsibly and effectively for the future and the uncertainty that the consideration of these reforms presents, in conjunction with the forecast impact that the Comprehensive Spending Review 2015 is expected to have for policing services, means that this aim is made increasingly difficult.

Specifically it is the uncertainty that the reallocation to funding that this reform will generate in addition to the further reduction in funding of between 25% and 40% in future years forecast by the Treasury that generates a situation where responsible planning becomes almost impossible.

We are committed to engaging with government on the future of funding for policing however we are extremely disappointed that this consultation is completely inadequate for us to do so effectively when you consider how important the process for allocating funding is for the forces throughout the country.

We believe this consultation represents a missed opportunity for the development of the process that determines the allocation of Police funding in the future and hope that there will be opportunities available for us to contribute further.



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We have a number of significant concerns with the consultation, the main elements being:

- The consultation is rushed – we have been given less than 8 weeks to provide our response on what is a major issue for the future of policing without any meaningful prior engagement
- The data to support the consultation is inadequate – the consultation contains no meaningful exemplifications for what is intended to be a major change to be implemented in 2016/17, without such data it is impossible to determine a reasoned and informed view
- The methodology is unclear – changes to the calculation of funding allocation are proposed but no real explanation is provided of how that will work in practice and the impact that will have for forces (this is compounded by the lack of data and exemplifications)

We are extremely disappointed that what was promised to be a fundamental review of the way policing is to be funded has instead, it would appear, become a simple exercise in reviewing police grant allocations. For example, no consideration is given to the changing role of policing nor to the consideration of providing some locally driven flexibility to the generation of income to fund services.

Notwithstanding all of the issues identified above we have tried, as far as we can, to respond to the issues raised by the consultation. Although we are responding on a far from ideal basis where no real data has been provided we feel it is important to set out our views on such an important topic. We reiterate our commitment to contributing to the process and hope that we will be able to do so in the forthcoming months.

1. To what extent do you agree or disagree that current funding arrangements for the police in England and Wales need to be reformed?

Agree.

The determination of the allocation of funding to forces is long overdue and the existing model lacks transparency and is found extremely difficult to interpret and understand.

Any new model should be clear, transparent and understandable and should reflect fully the nature of work undertaken by today's police service.

2. To what extent do you agree or disagree that as part of the simplification of funding arrangements, legacy council tax grants should be consolidated with Police Main Grant?

Disagree.



Without exemplifications of the new funding formula it is difficult to assess the national impact of these changes, however it is important to recognise that legacy council tax grant allocations reflect previously taken local decisions on precept and consideration of these should continue to be retained outside the general grant funding allocations.

Any changes to the treatment of council tax related grants should only occur in conjunction with increased flexibility in the local determination of council tax.

3. To what extent do you agree or disagree with the principles of a good funding model that the Government has identified?

Taken simply at face value the identified principles do not raise objections, however many of them are subjective and hence subject to interpretation. For example; option three defines a formula where a quarter of the information comes from the census and hence is only updated every ten years. We have real concerns over the robustness of such information. Also, none of the options presented contain any detail on impact or development, yet we are expected to respond without this vital information. Again we have genuine concerns over the robustness of this process.

4. What other principles for a good funding model, if any, should be considered?

We believe there are clearly a number of obvious omissions around “fairness” and “transparency”. We would have hoped to have seen a formula where the following issues were considered:

- The opportunities for ministerial control are diminished
- Decisions (for example, selection of data used in the calculation of allocations) made more transparent
- That all elements of the service are recognised (and reflect the changing nature of the work we do)
- That the data used is up to date
- That there is complete objectivity and there is no arbitrary manipulation of the factors used in its calculation
- That certainty is provided for a longer term period to enable effective financial planning

5. To what extent do you agree or disagree that the existing funding method should not be used to allocate police funding in the future?

Agree.



The current flat rate reductions in funding reflect that the model has not been calculated for at least two years and therefore the information upon which it is based is significantly out of date.

6. If you disagree, please state why. If applicable, please provide evidence and/or details of sources of data which may help support this.

Not applicable

7. To what extent do you agree or disagree with the Government's conclusion that an upgraded PAF should not be used to allocate police funding?

The upgraded PAF option is accompanied by a complete lack of information on method, data, exemplifications and statistical robustness. It is for this reason that we do not feel we are able to answer this question as we are not able to make an informed decision.

8. If you disagree, please state why you think an upgraded PAF should be used. Please provide evidence and/or details of sources of data which may help support this.

Please see answer to question 7.

9. To what extent do you agree or disagree with the methodology behind a simplified model?

The accompanying explanation of the Principal Component Analysis does not explain how variables have been selected or excluded or the degree of variation explained by the published model. It is for this reason that we do not feel able to give an informed answer to this question.

We also have concerns over this model's possible over-simplicity and the timeliness of the data that is proposed for use. For example: no measures have been included to reflect demand from non-crime (e.g. prevention, reassurance etc.) and the chosen indicators outside population could imply perverse incentives; and, the data sets included in the consultation have the potential to be up to ten years old which seems a far from robust basis for the allocation of funding.

10. To what extent do you agree or disagree with the indicators that the Government is proposing be included in the simplified model?



Without exemplifications and statistical details for the Simplified Model we simply do not have enough information to give an informed opinion on the indicators being proposed, nor to be able to suggest alternatives.

11. Are there any other indicators that you think should be included within the model?

Please see answer to question 10.

12. To what extent do you agree or disagree that specific non-crime demand should be included in the simplified model?

Agree.

It is unacceptable to only model part of the demand on the policing service. The lack of exemplifications means that it is impossible to form a view if the albeit informal assertion from Officials that the proposed crime elements are actually a satisfactory proxy for relative or expected non crime activity also.

13. If specific non-crime demand were to be included in the simplified model, what indicators do you think should be considered?

Please see answer to question 10.

14. To what extent do you agree or disagree that a new funding model should be introduced in time to determine 2016/17 police force-level funding allocations?

We believe that the information provided in the consultation is inadequate to enable us to be confident that the new formula could be implemented in 2016/17. As we have previously stated we are extremely concerned at the lack of: clear exemplifications; background data to support the calculation of the formula; and a clear indication of how the various transition arrangements will be applied.

We would observe that implementation at any time in the face of such non transparency raises fundamental questions about the meaningfulness of the consultation process.

15. If you disagree, when do you think a new model should be introduced?

Please see answer to question 14.

16. To what extent do you agree or disagree that the proposed new funding model adequately captures the differences in the ability to generate precept income?



Without exemplifications and statistical information we are unable to provide an informed opinion.

17. To what extent do you agree or disagree that it is not appropriate for the proposed new funding model to take into account differences in actual precept levels which have resulted from local decision making?

Without exemplifications and statistical information we are unable to provide an informed opinion.

18. To what extent do you agree or disagree that the Government should enhance the current NICC process?

The consultation paper contains almost no details on the current arrangements and none whatsoever on the proposed new and enhanced process. Given this lack of information, we are again unable to give an informed answer to this question.

19. To what extent do you agree or disagree that transitional funding arrangements are necessary to move police forces to their new funding allocations? If you disagree, please state why.

Ordinarily we would support the use of transitional arrangements; however, given the lack of detail with regard to the magnitude of the proposed changes we are again unable to express an informed preference.

We do, however, wish to express our concern about the impact for forces that stand to lose grant as a result of the changes to the formula at a time where there will be a considerable cut to general grant funding.

20. How long should the transitional period last? Please explain your answer.

Please see answer to question 19.

21. Which of the transitional options should be applied?

- (i) Option 1 - Gradual
- (ii) Option 2 - Required
- (iii) Option 3 – Enabled
- (iv) Other – please specify



Please see answer to question 19. In addition to this, we feel that where changes are significant the Home Office should seek to negotiate additional funding from the Treasury.

22. Which of the below factors should be taken into account when designing a process under Option 3?

- (i) Total reserve levels (earmarked and unallocated)**
- (ii) Percentage of total funding from precept**
- (iii) Total funding per head of population in force area**
- (iv) HMIC Peel efficiency assessments**
- (v) All of the above**
- (vi) None of the above**

This question implies a support of the enabled option, which as highlighted in our response to question 19 we are not able to endorse in the absence of key data-

However, we want to make it clear that we have a strategy for the use of our reserves in future years. In addition, crucially, reserves are not a substitute for savings. Their use for this purpose is one off and simply rephrases the underlying challenge back a year or two without providing a solution. A proposed use of reserves in this way does not agree with the principles of sound financial planning.

The PEEL assessments are already being criticised for being too subjective. If funding is to be moved or allocated based on this measure of resilience it must be an objective measure.

23. Are there any other factors that should be taken into consideration under Option 3?

Please see above.



Conclusion

We have attempted to engage positively with this review, however, on this occasion, given the extreme lack of information accompanying the proposals, do not feel able to offer informed and considered answers to many of the questions posed. We do agree that a new fit for purpose formula for the modern police service is needed but regret the lack of prior engagement, the very tight deadline and the absence of exemplification which severely limit an overall assessment and informed judgements on most of the specifics.

We repeat our commitment to engaging with government on this matter and look forward to being afforded the opportunity to do so in the future.

We look forward to the Government's response to this consultation.

Yours sincerely

Clive Grunshaw
Police and Crime Commissioner for
Lancashire

Stephen Finnigan
Chief Constable, Lancashire Constabulary



Home Office

Rt Hon Mika Penning MP
Minister of State for Policing,
Crime, Criminal Justice and Victims

2 Marsham Street,
London SW1P 4DF
www.gov.uk/home-office

To: Police & Crime Commissioners
Chief Constables

Consultation on reform of police funding arrangements in England and Wales

Thank you again for your input into our recent consultation. As I set out previously, if we want policing in this country to be the best it can be, then we must continue to build on the ambitious reforms taken forward during the last Parliament. Doing so includes putting police funding on a long-term, sustainable footing by implementing a model for allocating that funding which is fair, robust and transparent.

We deliberately consulted on the *principles* of a new police funding model and I have welcomed the thoughtful and constructive challenges we have received both through consultation responses and at the series of regional events which Home Office officials conducted over the summer. In our consultation we set out the broad overall framework against which we wanted to test our proposals. These were to ensure that the new police funding model was: robust, stable, transparent, future proof and incentivises the delivery of Government objectives. These were aims with which I was pleased to note the majority of consultation responses agreed with. The Government will set out the full results of the consultation, and our response to it, shortly.

We have always been clear that we will only be successful in achieving our aim of building a fit-for-purpose and sustainable model with considerable input from policing partners. The process has highlighted areas of the proposed model where an alternative approach might be better and where improvement can be made. That is only right, and we have listened and responded to that by proposing a number of refinements and improvements to the model while retaining the overall approach originally outlined.

The purpose of this letter is to provide detail of our proposed refinements, set out the indicative force-level impact of what we now consider to be the best available model for distributing core Government funding to the police, and to invite further views and comments. Given our shared interest in replacing the existing outmoded arrangements at the earliest opportunity, and the tight timeframe which this necessitates, I would be grateful for responses by 5pm on 30 October, to policefundingconsultation@homeoffice.gsi.gov.uk

Summary

Our public consultation proposed a simplified model based on five factors: population, three population characteristics (households with no adults employed and dependent children, hard pressed population and Band D equivalent properties) and one environmental characteristic (bar density). These variables were assigned weightings through statistical processes:

Variable	Weighting
Population volume	24%
Households with no adults employed and dependent children	25%
Hard pressed /Acorn 5	25%
Band D equivalent	16%
Bar density	10%

On the basis of our review of consultation responses and other feedback received we propose a set of refinements to this model:

- retain population volume and households with no adults employed and dependent children as core indicators;
- clarify that the second population characteristic we intend to use is the updated 'urban adversity' version of the Acorn 5 indicator which has replaced the old 'hard pressed' version (this ensures that the model is in line with CACI Limited's current Acorn classifications);
- revise the bar density measure so that it takes account of bar volume as well as bar density, reflecting strong consultation feedback that this better captures scale and the impact of clusters of bars and the night-time economy within a force area;
- remove 'Band D equivalent properties' as a core indicator, reflecting strong consultation feedback that this variable did not adequately capture the ability to raise additional precept income as intended;
- add an Area Cost Adjustment (ACA) to the model to reflect regional variations in the cost base.

Our consultation invited views on whether specific indicators of non-crime demand should be added to the model. In light of feedback received we have considered a range of variables which could reflect relative levels of demand in these areas, including total MAPPA offenders, volume of MARAC cases, missing persons and data on A&E alcohol-related hospital admissions as well as mental health hospital admissions. Analysis of these variables shows that with the exception of MARAC cases (the volume of which is determined by local decisions), these all strongly correlated with the core indicators within the refined model. This demonstrates that those population and socio-economic indicators capture the breadth of police demand, both crime and non-crime and that **there is no analytical justification for including additional, specific non-crime indicators**. Further, there were limitations in some of the indicators we had considered as non-crime demand proxies including insufficient coverage or geographical breakdown across England and Wales and lack of statistical robustness.

Refinements to the model

We have considered a wide range of alternative variables that were suggested during the consultation period. Following an assessment of each, we have concluded that the majority are not suitable for inclusion in the model for a variety of reasons, including lack of statistical robustness, insufficient coverage across England and Wales as well as in many cases, high levels of correlation with the population and / or population characteristics data already included in the model. However, we have made some key changes.

In light of consultation responses, we have reconsidered our approach to capturing the environmental characteristics of a force area in the model, focussed on **bar density**. Given the strong relationship identified with the drivers of crime and overall demands on the police, we still believe that a bars-focussed measure is the best overall approach. However, we received strong feedback through the consultation process that, in distributing funding, the model needed to better account for the overall volume of bars in a force area as well as the impact of large clusters of bars. After considering a number of alternative options, we are now proposing a measure which captures both the volume and density of bars to ensure this bar related indicator better captures the additional pressures that the night time economy generates for the police.

We have also re-considered our proposed approach for capturing the ability of areas to raise additional income through **precept**, in light of substantial feedback. The principal concern raised was the way in which our initial model attempted to capture the ability to generate precept income through the use of an inverted tax-base per head indicator (as per the former DCLG four-block' model). As this was a ratio, the distribution was relatively flat across forces and therefore did not meet the intended purpose.

After substantial analysis of alternative approaches we have concluded that there is no effective way of capturing the ability to raise precept through the inclusion of a specific indicator. Consultation responses also highlighted that the ability to raise additional precept income is strongly linked with the socio-demographic make-up of a force area (as described through other core indicators within our proposed model) – a fact confirmed by our further analysis. We are therefore confident that the socio-economic indicators within our refined model already direct funding to those areas with a lower ability to raise precept income, without the need for inclusion of a specific tax-base indicator within the model.

For clarity, I would like make clear that the refined model will utilise the new '**urban adversity**' version of CACI Limited's Acorn 5 indicator which has replaced the old 'hard pressed' version. Although not a direct match with the previous indicator, the revised Acorn 5 classification is the CACI indicator which best measures the highest levels of deprivation across all force areas, and the correlation between the two is very high.

Finally, following further analysis prompted by consultation feedback, we have decided to reflect differences in regional costs through the application of an **Area Cost Adjustment** index, as per the existing Police Allocation Formula.

Our proposed refinements to the model produce an adjusted set of weightings across the core indicators as follows:

Variable	Weighting
Population volume	30%
Households with no adults employed and dependent children	31%
Urban adversity/Acorn 5	31%
Volume and density of bars	8%

Force level impacts

I know that you have been keen to understand how our proposed model will impact on the funding distribution at individual force level. Until we had completed our initial public consultation, finalised the variables to be included within the model and addressed key considerations regarding treatment of the two London forces, it was not possible to determine a single set of reliable, indicative allocations. Following the refinements we have made in light of consultation feedback, I am pleased to say that we are able to give a much clearer sense of what the force level impacts will be (based on the 2015/16 funding envelope). These (along with force level shares of each of the four indicators) are set out in the tables attached to this letter.

London

We stated in our consultation that, given the very different challenges of policing London and the extent to which the London force areas are statistical outliers in demographic and socio-economic datasets, it would be difficult to build a single funding model for England and Wales that could estimate appropriate allocations for those two forces.

For the City of London Police (CoLP), who cover an area with a small resident population but have a large net day-time inflow and a unique set of specialist national responsibilities, we are clear, following our refinements to the model and analysis of options, that the most appropriate approach will be to take that force area out of the funding model entirely. The overall 2016/17 core funding level for CoLP will be determined separately, alongside the outcome of the Spending Review and development of transitional arrangements. We remain clear that the Metropolitan Police Service (MPS) should remain within the new funding model.

As set out in the consultation document, we will continue to provide National and International Capital City (NICC) funding to both force areas to reflect the unique and additional demands of policing the capital city. For 2016/17, the level of this funding for both force areas will be determined through an improved bidding and scrutiny panel process. This process is underway but will not be completed until the end of November.

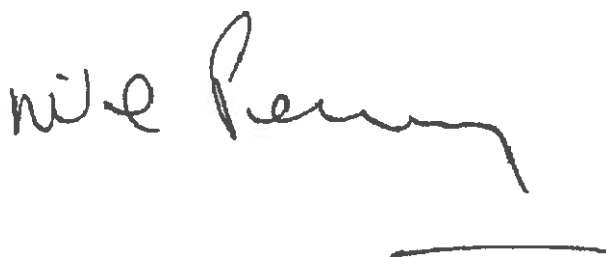
We are confident that the combination of removing the CoLP from the model and an improved NICC process will provide a workable, interim solution for the two London force areas for 2016/17. However, we will work with both London forces to create a more sustainable arrangement from 2017/18.

Given that the level of NICC funding for 2016/17 is being determined through a separate but linked process, we have excluded NICC funding from the 2015/16 baseline in the illustrative force level impacts set out in table 1. While this provides a clearer indication of the impact of our proposed refined model at a force level, it is important to note that decisions around the size of NICC funding in 2016/17 will have an impact on force level funding shares.

Transition

Introduction of the new model will need to be supported by appropriate transitional arrangements, and we welcome the detailed feedback which we have received regarding the three possible approaches set out in our consultation. A final decision cannot sensibly be taken on transition arrangements until we know what the overall funding envelope for 2016/17 will be, which, as you know will be set through the Spending Review. However, we would be interested to hear any further thoughts you might have on transitional options in light of refinements to the model and the additional information that we have now been able to provide.

I hope that you find this further information helpful and that you will agree the refined model we have developed with your input represents the most appropriate means for allocating central Government funding to the police. I look forward to receiving your further comments and views.

A handwritten signature in black ink, appearing to read "Mike Penning". The signature is written in a cursive style and is positioned above a short horizontal line.

Rt Hon Mike Penning MP

Table 1: Proportions of 2015/16 funding under the proposed refined model vs. actual 2015/16 allocations

Police force area	2015/16 - actual core Government funding (less MOPAC NICC) (£m)	% share of 2015/16 actual core Government funding	% share of 2015/16 core Government funding under the refined model
Avon & Somerset	£162.4	2.29%	2.29%
Bedfordshire	£64.0	0.90%	0.90%
Cambridgeshire	£73.3	1.03%	1.05%
Cheshire	£106.9	1.50%	1.56%
City of London*	£52.3	0.74%	0.74%
Cleveland	£85.2	1.20%	1.27%
Cumbria	£59.9	0.84%	0.71%
Derbyshire	£100.4	1.41%	1.70%
Devon & Cornwall	£166.8	2.35%	2.16%
Dorset	£58.9	0.83%	0.87%
Durham	£80.1	1.13%	1.17%
Dyfed Powys	£50.3	0.71%	0.70%
Essex	£159.6	2.25%	2.46%
Gloucestershire	£54.2	0.76%	0.75%
Greater Manchester	£410.4	5.78%	6.01%
Gwent	£72.9	1.03%	1.12%
Hampshire	£184.2	2.59%	2.62%
Hertfordshire	£108.4	1.53%	1.62%
Humberside	£114.5	1.61%	1.61%
Kent	£173.9	2.45%	2.53%
Lancashire	£180.7	2.55%	2.20%
Leicestershire	£105.6	1.49%	1.48%
Lincolnshire	£59.1	0.83%	0.95%
Merseyside	£236.7	3.33%	3.26%
MOPAC	£1,620.5	22.82%	20.23%
Norfolk	£79.4	1.12%	1.20%
North Wales	£73.2	1.03%	1.06%
North Yorkshire	£69.1	0.97%	0.92%
Northamptonshire	£67.7	0.95%	1.01%
Northumbria	£218.7	3.08%	3.11%
Nottinghamshire	£126.8	1.79%	2.03%
South Wales	£160.6	2.26%	2.37%
South Yorkshire	£179.1	2.52%	2.95%
Staffordshire	£107.0	1.51%	1.79%
Suffolk	£64.0	0.90%	0.96%
Surrey	£91.9	1.29%	1.34%
Sussex	£152.6	2.15%	2.04%
Thames Valley	£216.3	3.05%	2.97%
Warwickshire	£48.7	0.69%	0.72%
West Mercia	£110.4	1.55%	1.68%
West Midlands	£433.6	6.11%	6.63%
West Yorkshire	£302.6	4.26%	4.34%
Wiltshire	£58.5	0.82%	0.91%

* Funding for the City of London Police will sit outside the refined model. However, for comparative purposes we have assumed the City of London Police % share of funding remains at 0.74%.

Table 2: Proportional shares of each of the four indicators in the refined model

Police force area	Population volume (weighting of 30%)	Households with no adults employed and dependent children (weighting of 31%)	Urban adversity (weighting of 31%)	Volume and density of bars (weighting of 8%)
Avon & Somerset	2.9%	2.3%	2.0%	1.6%
Bedfordshire	1.1%	1.0%	0.7%	0.4%
Cambridgeshire	1.4%	1.0%	0.9%	0.3%
Cheshire	1.8%	1.5%	1.7%	1.2%
City of London	-	-	-	-
Cleveland	1.0%	1.5%	1.7%	0.9%
Cumbria	0.9%	0.6%	0.9%	0.2%
Derbyshire	1.8%	1.7%	2.0%	1.5%
Devon & Cornwall	3.0%	2.2%	1.9%	1.2%
Dorset	1.3%	0.8%	0.7%	0.5%
Durham	1.1%	1.3%	1.7%	0.0%
Dyfed Powys	0.9%	0.8%	0.6%	0.2%
Essex	3.1%	2.6%	2.1%	1.1%
Gloucestershire	1.1%	0.6%	0.7%	0.4%
Greater Manchester	4.8%	6.1%	6.7%	10.4%
Gwent	1.0%	1.3%	1.4%	0.6%
Hampshire	3.4%	2.6%	2.3%	1.6%
Hertfordshire	2.0%	1.4%	1.3%	1.4%
Humberside	1.6%	1.8%	1.9%	0.6%
Kent	3.1%	2.9%	2.2%	1.7%
Lancashire	2.6%	2.6%	1.9%	1.7%
Leicestershire	1.8%	1.5%	1.5%	0.9%
Lincolnshire	1.3%	1.0%	0.9%	0.3%
Merseyside	2.4%	3.5%	3.9%	5.1%
MOPAC	14.9%	18.8%	15.9%	36.3%
Norfolk	1.5%	1.3%	1.3%	0.3%
North Wales	1.2%	1.1%	1.2%	0.3%
North Yorkshire	1.4%	0.8%	0.9%	0.4%
Northamptonshire	1.2%	1.0%	1.0%	0.4%
Northumbria	2.5%	3.0%	5.0%	0.9%
Nottinghamshire	1.9%	2.1%	2.6%	1.1%
South Wales	2.3%	2.9%	2.5%	1.9%
South Yorkshire	2.4%	2.9%	4.3%	2.3%
Staffordshire	1.9%	1.7%	2.2%	1.3%
Suffolk	1.3%	1.0%	1.0%	0.4%
Surrey	2.0%	1.0%	0.7%	1.2%
Sussex	2.9%	2.1%	1.6%	1.5%
Thames Valley	4.1%	2.7%	2.1%	1.7%
Warwickshire	1.0%	0.7%	0.6%	0.6%
West Mercia	2.2%	1.6%	1.7%	0.8%
West Midlands	4.9%	7.3%	8.1%	8.5%
West Yorkshire	4.0%	4.4%	4.9%	6.0%
Wiltshire	1.2%	0.9%	0.8%	0.4%



NOTES TO EDITORS:

You are invited to send a reporter to Lancashire Constabulary Headquarters, Hutton on Monday 12 October 2015 at 4pm where the PCC Clive Grunshaw and Chief Constable, Steve Finnigan will outline the devastating impact of the proposals on policing services in Lancashire. Please confirm attendance with the Constabulary press office pressoffice@lancashire.pnn.police.uk

COMMISSIONER OUTRAGED AS COMMUNITY POLICING PUT AT RISK BY PROPOSED CUTS TO FUNDING

LANCASHIRE'S Police and Crime Commissioner Clive Grunshaw is today hitting back following the news that Lancashire Constabulary is expected to be one of the police forces worst hit in the funding review carried out by Government.

The proposed changes to the way forces are awarded grant funding from Government show Lancashire will be the biggest loser with an extra 13% cuts or £24.8m on top of the £74m already made.

The Comprehensive Spending Review next month is also expected to wipe an additional 25 to 40% (£41m to £64m) off the budgets as Ministers continue to implement austerity cuts.

Lancashire Police and Crime Commissioner Clive Grunshaw said: "While the full implications are not yet clear there is no doubt that these savage cuts, which come on top of the already significant savings which have had to be made, will have a devastating impact on the standards of policing which the Constabulary is able to deliver and which our communities have come to expect. It is no exaggeration to say that people in our communities will be left at risk.

"This clarification from the Policing Minister, Mike Penning, makes it clear that the likely outcome for Lancashire is far worse than we had expected, in fact it looks as if we will be the worst affected force in the country.

"Lancashire has been repeatedly praised as being an outstanding and efficient force in recent inspections by Her Majesty's Inspectorate of Constabularies and this feels as though we are being singled out and punished for our success. I am demanding an explanation from the Government to explain why this is the proposal and I have already contacted the Policing Minister, Mike Penning and the Home Secretary, Theresa May, to ask for a meeting but they are unable to see me at present.

"I will be in Westminster on Tuesday meeting Lancashire's MPs and I will be making them fully aware of the implications of these changes."

Clive Grunshaw, the Lancashire Police and Crime Commissioner is responsible for:

- **recruiting the Chief Constable and holding him to account for the work of the police**
- **setting and updating a county wide police and crime plan**
- **meeting and consulting residents about crime and anti-social behaviour and**
- **setting the police budget and agreeing the council tax precept that goes towards funding the police in Lancashire**

The Commissioner's Police and Crime Plan includes four priorities. These include defending front line policing, protecting vulnerable people, tackling crime and re-offending and championing victims' rights.

For more information about the work of the Lancashire Police and Crime Commissioner visit www.lancashire-pcc.gov.uk

Editor's note:

For more details contact suzanne.halliwell@lancashire.pcc-gov.uk or telephone 01772 533 468.

