

**Report of the Chief Finance Officer for the PCC to the Chair
and Members of Audit Committee
29th June 2026**

**Executive and Presenting Officer: Mr M Porter, PCC CFO
Status: For Noting**

Title: Neighbourhood Policing Guarantee Overview

1 Purpose

- 1.1 In April 2025 the Home Secretary wrote to PCC's and Chief Constable's setting out the Governments plans for Neighbourhood Policing aligned to the Governments 'Plan for Change' announced in December 2024 and what this would mean to communities across England and Wales.
- 1.2 The Home Secretary's letter set out that 'These measures will make a considerable difference to the service communities receive from their neighbourhood policing teams. They will ensure consistency across England and Wales so that everyone receives a first-class service in their area, reversing the damaging cutbacks in neighbourhood policing seen in recent years.'
- 1.3 This report is to provide the Committee with an overview of the Neighbourhood Policing Guarantee, including the funding aspects in line with a request from the March meeting.

2 Recommendations

Members are asked:

- 2.1 To note the contents of the report.

3 Reasons

3.1 The Government have set out their commitment to delivering their Neighbourhood Policing Guarantee. This includes putting 13,000 more police officers, PCSOs and special constables in neighbourhood policing roles to ensure policing visibility in every community and deter, prevent and respond to crime.

3.2 Underpinning this the Home Secretary set out the following points for delivery and some timelines for them to be delivered:

3.2 By July 2025:

- Every community will have named, and contactable, officers dedicated to tackling the issues facing their communities.
- Guaranteed response times to neighbourhood queries from communities and businesses of 72 hours. There will be a clear process in place for the public to seek recourse if this response time is not met.
- Local communities and businesses will also have ongoing opportunities to engage with neighbourhood teams and raise local concerns and priorities through regular local beat meetings.
- Information about your neighbourhood policing teams local priorities and how local communities and businesses can feed into them will be displayed online and kept up to date.
- Every force will have an ASB lead, who will be starting to develop an ASB action plan addressing the local issues faced in communities and town centres.
- Forces will have increased patrols in town centres and other hotspots based on local demand and intelligence, tackling key local issues such as anti-social behaviour, shop theft and vandalism and giving the enhanced visibility and presence that our high streets have been crying out for.
- 3,000 more officers, PCSOs and special constables by 31 March 2026 providing a visible and engaging police presence, building relationships with local communities and working together to problem solve.
- Started the national roll out of the College of Policing's Neighbourhood Policing Pathway, providing specialist training to police officers and PCSOs, with the first part of this training being launched in June.

- Every force will ensure that neighbourhood teams spend the majority of their time in their communities providing visible patrols and engaging with local communities and businesses.

3.3 By the end of Parliament (2029):

- 13,000 additional police officers, PCSOs and special constables in neighbourhood policing roles across England and Wales. Neighbourhood policing areas will consist of a team of officers and PCSOs dedicated to covering that area.
- We will have worked with forces to define and implement neighbourhood areas to ensure they are a size that makes sense locally and are recognisable to local communities. We will expect neighbourhoods to be linked to council wards, but we will work with police forces and local councils to define and implement neighbourhood areas that make sense locally, are recognisable to local communities and workable for forces.
- Neighbourhood policing performance framework with published online metrics of police performance enabling the public to hold their force to account, including on abstraction rates, visible police presence and town centre crimes solved.
- Specialised and effective neighbourhood officers - every neighbourhood police officer and PCSO to complete enhanced additional training under the Neighbourhood Policing pathway, covering themes such as community engagement, problem solving and tackling ASB.
- New national standards in place so that neighbourhood officers are not routinely abstracted to other areas, ensuring they are protected to be present and visible.
- New public contact approaches, adopting new technology to facilitate more interactive engagement between neighbourhood officers and communities.
- Neighbourhood team patrolling in every local area

3.4 **Funding, Recruitment and delivery for 2025/26**

- 3.5 In 2025/26 £200m of 'additional' funding was ring-fenced for the delivery of Neighbourhood Policing overall. With the actual level of funding allocated to PCC's based on the Police funding formula.
- 3.6 As a result, Cleveland was allocated £2,399k.
- 3.7 To be able to claim all the funding there was a requirement that all the expenditure had to be additionality, i.e. from increases in Neighbourhood Policing personnel from an agreed base.
- 3.8 The baseline agreed for Neighbourhood Policing in Cleveland was based on those people in post as at the 31st March 2025, which was:
- 151 FTE Police Officers
 - 65 FTE PCSOs
- 3.9 Due to delays in providing the details of the Grant requirements, challenges in agreeing the baseline and then a requirement to submit plans for delivery and sign-off, this left less than a full year to recruit additional personnel.
- 3.10 To maximise the funding available, and in the knowledge that this was a multi-year programme, Cleveland set out plans to recruit the following 63 posts in the first year:
- 20 FTE Police Officers
 - 31 FTE PCSOs
 - 12 Specials
- 3.11 The final position was the successful delivery of 63 posts overall however with a slightly different mix, with 22 Police Officers recruited (+2) and 29 PCSOs recruited (-2), in comparison to the original plan.
- 3.12 The overall cost was £2,535k, which was higher than the Grant allocated and therefore the full grant was claimed from the Government.
- 3.13 Regular progress reports are provided to the PCC by the Force at the Joint Strategic Board on the progress and delivery of the Neighbourhood Guarantee along with regular briefings from the ACC who is the designated ASB lead in line with the 'Guarantee' requirements.
- 3.14 It is worth noting that the process for managing this area of Government policy was exceptionally bureaucratic and at times felt more focussed on the mechanics of the grant terms and conditions and less focussed on the outcomes of investment into Neighbourhood Policing.

- 3.15 There was a conservative estimate that over £40k worth of time and effort was being expended by the Force, in just HR and Finance, managing the requirements and reports associated with this one grant.
- 3.16 **Funding, Recruitment and delivery for 2026/27**
- 3.17 The approach, funding, reporting and terms of the Neighbourhood Policing Guarantee have all significantly changed for 2026/27 from those in place in 2025/26.
- 3.18 Most of these changes have not been beneficial to Cleveland.
- 3.19 The national 2026-27 Neighbourhood Policing Grant is £363 million **however** this has been established by ringfencing a portion of forces' total core grant funding, with only £50m 'additional' funding provided nationally.
- 3.20 The Government has set out that 'Forces will be eligible to receive their share of the ringfenced funding if they increase the number of officers and PCSOs assigned to neighbourhood policing, or in training and destined for neighbourhood policing, by March 2027.
- 3.21 **'We expect forces to prioritise redeploying police officers from back-office functions or areas where warranted officers are not required.'**
- 3.22 While the first year was about growth and additional resources, the second year is about re-deploying and transferring people and roles into Neighbourhood Policing.
- 3.23 There is no money to deliver this increase through additional resources.
- 3.24 Cleveland's share of the expected national growth of 1,750 in Year 2 of the Programme is 21. This is one top of the 51 Police Officer and PCSO roles delivered in 2025/26.
- 3.25 Excluding Special this means Cleveland will have delivered 1.5% of the national target by the end of March 2027 but will have only received 1.2% of the national funding, due to the change in methodology from year 1 to year 2 and no consistent approach to resource and funding allocations.
- 3.26 Unlike year 1, when every penny of the grant allocation had to be specifically claimed, for year 2 payments will be made on a biannual basis, linked to forces' evidenced growth in Police Officers and PCSOs (or those training for these roles), using validated workforce data at mid-year (September) and end-year (March) assessment points.

- 3.27 At the mid-year point forces will receive a payment proportionate to what they have delivered - a force delivering 15% of its target receives 15% of its ringfenced amount – capped at 80%. No penalties or cliff-edge rules apply at the mid-year point.
- 3.28 At the end of the year, payment will be the force's full ringfence, net of any mid-year payment, minus £70k for each FTE they are below target. If a force has not hit 80% of their combined officer and PCSO growth needed to bring them to their end-of-year-2 target (or, depending on which is greater, has missed the target by 5 FTE) then no funding will be released.
- 3.29 The initial plan for 2026/27 will see the re-deployment/re-allocation of 21 FTE Police Officer roles within Cleveland to be categorised within Neighbourhood Policing as per the required guidelines set out by the Government to be able to access the funding.
- 3.30 **2027/28 and beyond**
- 3.31 In 2026/27 Cleveland received the worst funding settlement in the country in relation to Policing. Funding from Government only increased by 1.8% and even after considering an increase in the Policing Precept, overall Core funding only increased by 3.2%.
- 3.32 This was a below inflation increase and as a result difficult decisions and reductions are having to be made in 2026/27.
- 3.33 2026/27 was however the 'best' year of funding for Policing based on the information set out within the Comprehensive Spending Review, with funding increases for 2027/28 expected to be lower than 2026/27, and then 2028/29 is expected to be lower still.
- 3.34 Given that only 4,750 out of the 13,000 Neighbourhood Policing Target will have been delivered by the end of March 2027, then how will the remaining 8,250 be funded and delivered over the next 2 or 3 years?
- 3.35 From a Cleveland perspective 1.2% of the remainder 8,250 would mean a further 99 FTEs being allocated to Neighbourhood Policing, and given that this is unlikely to be funded by growth then how will it be possible to deliver this?
- 3.36 As this point, we do not have enough information to be able to determine this, however it will be a significant risk and challenge for future years in terms of both financial delivery, as it is likely that funding will be ring-fenced to incentivise delivery, but also from an operational delivery perspective as the Force is unlikely to have the capacity to re-allocate resources from other areas of the organisation to Neighbourhood Policing to deliver what is likely to be expected.

4 Implications

4.1 Finance

There are no direct financial implications from this report however there are clearly matter than are mentioned in the paper that are likely to have a financial impact for the organisation. These will be picked up within other reports.

4.2 Diversity & Equal Opportunities

There are no issues arising from this report to bring to Members attention.

4.3 Human Rights Act

There are no Human Rights Act Implications from this report.

4.4 Sustainability

There are several financial and operational challenges in continuing to deliver against the targets and requirements of the Neighbourhood Policing, and these are likely to be increased in future years unless further funding is allocated to policing in general and Cleveland specifically to deliver against this Government priority.

4.5 Risk

There are several risks referred to in this paper, including the lack of additional funding to be able to deliver against this priority through growth, there are financial penalties for non-delivery, and there are financial and operational challenges and risks that are likely to come in future years if early clarification is not provided on how this policy area is going to be monitored and delivered in future years and also if more funding isn't provided.

5 Conclusion

Members asked for an overview of the Neighbourhood Policing Guarantee including the financial aspects, and these are set out within the report for Members information.