

## PCCs Budget Speech

Today I formally request that you consider my proposal to raise precept for Dorset Taxpayers by 11.6%, or the equivalent of £24 per year for a Band D property.

I will start today's presentation, followed then by the Chief Constable who will outline the operational need for this precept increase. My Director of Operations will then briefly outline the results of the public consultation to assist your decision making and my Treasurer will conclude with the figures. We will then go into your questions.

Before I provide the details of this proposal, I'd urge you to note three important things right away:

1. This proposal will provide the Force with a balanced budget for next year. However, this will only be achieved with some continued support from balances; by increasing the borrowing requirement; and by taking up the full annual increase in council tax, which I am seeking today.
2. The requirement for all of those factors to secure a balanced budget, hopefully dispels any thoughts you may have that this precept proposal will serve up a cash rich bonanza for Dorset Police. It won't. The increase will help pay for various cost pressures that I will explain later, and allow a small margin for growth.
3. This precept rise proposal is made by Government, not by me. The Home Secretary wrote to me, stating:

*"That is why we will increase funding available to PCCs by up to £813m, if PCCs use their precept flexibility fully. This is the biggest annual increase since 2010. That is within the context of increases in CT police funding and investments in serious and organised crime meaning an increase in total police funding in 2019/20 by [approximately] £970m, again if PCCs use their precept flexibility fully. We are personally committed to ensuring our police have the resources they need."*

That the Government announced the £970m uplift in policing via media and PR channels, before PCCs had even considered the settlement, might cause some eyebrows to raise. Nevertheless, the Home Secretary's words are clear – PCCs are expected to seek the full £24.

With those three points laid out, let me now set the scene. I'd like to start by thanking you for supporting my proposal to raise the precept last year by £12. The rise, although not meeting all of the financial needs of the Force, did allow Dorset Police to change some of its business practices and invest in several key areas. I will now give examples of where that money was used, as well as outlining a state of the nation overview of Dorset Police this year.

First off, the precept rise allowed an uplift in staffing in crucial areas of the Force. Additional resources were created in the Paedophile On-line Investigation Team to increase the number of officers proactively looking for the most dangerous offenders.

Further uplift of resource went into Dorset's Multi-Agency Safeguarding Hub (MASH) which initially dealt with children and young people but due to this further investment now has an Adult safeguarding arm – increasing its ability to safeguard the most vulnerable in our communities. The Hub continues to grow and develop and plans for greater expansion are anticipated in the future. We look forward to engaging with the two new Unitary Councils on future transformation, as they go live in just two months' time.

Precept funds also enabled us to preserve our Safer Schools provision, which enables ten safer school's officers to deliver countless educational and preventative inputs to young people across our county.

Additional staffing resource was added to the Marine Unit to ensure our maritime community receive neighbourhood provision. Equally additional resources have been provided to our Rural Crime Team, who have seen untold success and generate huge levels of interest and support. It is likely we will need further investment to sustain service delivery.

The precept investment of last year was also critical to the design and implementation of OBD; a different operating model, enabling us to effectively deal with the busiest period in our demand history and allowing us to continue to deliver service to the public of Dorset by utilising resources in a different way. This change in operational delivery has enabled a more flexible response to crime attendance, ensuring the public see an officer when it is convenient to them.

Investment led to the creation of an enhanced volume crime team to deal with detained people and provide support to frontline officers.

Precept investment also led to the formation of an investigation resolution team (IRT) to progress crimes; ensuring timely investigation and evidence capture for members of the public and also provide investigative support to the frontline.

We have also introduced a fraud triage role into the IRT, to ensure members of the public are signposted to the appropriate agency and route at point of contact. Additional funding could be channelled into better fraud training for officers and staff to raise awareness and capability and equally to grow our capacity to examine digital media when we have tangible lines of investigative enquiry.

The additional precept led to the creation of a new and developmental role for some of our PCSOs, who have become Police Community Support Investigators focussing on volume crime and assisting with neighbourhood taskings. The Force now has 29 PCSIs managing low threat and low harm yet high demand incidents.

The force have also put in place a police officer scheduled appointment car across the county to try and offer the community better availability at a time to suit them. My office has noticed, through correspondence with the public, that this appears to have improved the service provided to victims of volume crime.

The implementation of OBD has also prompted some realignment of neighbourhood policing staff. Aside from the introductions of PCSIs, we have also introduced new Neighbourhood Engagement Officers, ensuring we connect with people through the diversity of platforms available.

The changing landscape of neighbourhood policing has increased the demand on neighbourhood policing teams, particularly crimes taking place in private, largely involving victims and witnesses who are the most vulnerable in our communities. The impact of social media and closer working with partner agencies and the third sector has improved the engagement and problem solving within Neighbourhood policing.

That said, there is more work to do in this arena – in April 2018 the College of Policing issued new guidelines for the delivery of Neighbourhood policing which Dorset have signed up to. Informed by national best practice we are structuring our neighbourhood around seven principles:

1. Engaging communities
2. Solving problems
3. Targeting activity
4. Promoting the right culture
5. Building analytical capability
6. Developing officers, staff and volunteers
7. Developing and sharing learning

The Force is working to ensure that the neighbourhood officer (establishment of 17 NPT Sgt's, 76 NPT PC's) and PCSO establishment of 84 PCSOs, 4 Neighbourhood engagement officers, 10 safer schools PCSOs, 1 marine and 1 rural crime PCSO, is up to full complement. This will be amplified by the recruitment of more Specials into existing teams, including a positive action approach enabling the Force to further develop strong connections with local communities.

Further investment is required however to boost visibility and reassurance patrols across the Force and to strengthen long term problem solving. Evidence would suggest that further uniformed, partnership, problem solving capabilities can be effective in dealing with pernicious localised crime in ASB hotspots. The Force has also signed up to a new Neighbourhood Engagement Contract, which I look forward to discussing with you in more detail this summer.

The Force has recruited some officers under the Police Now initiative. The first cohort of eight officers joined the force in September after their summer academy and they will bring new thinking and fresh energy to our most challenging problems.

In addition to neighbourhood recruitment, the Force is working on the 'detective incentivisation programme'. This will explore direct entry, transferees, as well as internal training and development to fill the detective gap and sustain investigative capability – this is of a national and local concern.

Our communities still face significant challenge with regards to child exploitation and the link to 'County Lines'. The force has adopted a Gold lead with a sound strategy

being led by a Superintendent and continues to invest in operational plans focussing on enforcement, education, safeguarding and rehabilitation.

A range of briefings to all partner agencies, stakeholders and the third sector continue to be delivered covering the subject of 'County Lines', 'Dangerous Drug Networks' and Criminal Exploitation of the Vulnerable. This has resulted in all Community Safety Partnerships in Dorset, and the Dorset Criminal Justice Board, including Criminal Exploitation of the Vulnerable within their priority setting.

The delivery of the event hosted by my office aimed at all partner agencies in Dorset has significantly assisted in this key area. A County Lines package is also being delivered in schools in Dorset through the Safer Schools and Community teams.

The National County Lines Coordination Centre (NCLCC) visited Dorset on the 21<sup>st</sup> & 22<sup>nd</sup> November to review our approach to County Lines and, whilst we await the written feedback, the debrief carried out at the end of the visit was very positive – particularly the approach being trialled of using a dedicated neighbourhood team in Weymouth & West Dorset. The use of a dedicated neighbourhood team focused on the delivery of enforcement and disruption, but supported by joint safeguarding visits and prevention is considered best practice and unique in the approach nationally to County Lines.

Further investment in this area will be necessary in future years if the Force is to make a measurable impact on a national priority.

Dorset Police also continues to support the National Vulnerability Action Plan and with further investment, we would aim to introduce a 'vulnerability champion', who will drive the vulnerability culture, training and best practice.

Road safety is also an area of significant concern to our communities and an area in which I am keen to invest. I have an ambition to strengthen our enforcement capability through the No Excuse team as well as support our keen and willing Community Speed Watch network through investment in camera capability and an additional camera van would be welcome. Members will be aware that Dorset bucks the trend nationally in seeing a reduction in KSI's last year.

The drug and alcohol harm reduction team was fully embedded in July this year with a completely new team in Dorset and a fresh approach. The team has four licensing officers, and constables are no longer used and can be redeployed back into frontline roles. The team are reinvigorating some licensing campaigns such as RU too drunk, Ask for Angela and Pub Watch and the focus of the team has moved from one of bureaucratic enforcement processes to harm reduction, engagement and enforcement. We are already seeing results, for example the review of a licence premises in Christchurch where the culture of violence, poor management and lack of regard for public safety was terrible and, as a result of the hard work by the new team, the licensing sub-committee saw fit to impose conditions on the license which restrict times and sale of alcohol. The owners consequently removed the entire management team and installed a whole new team plus a security team, thus breaking the culture.

It is important that I also discuss the need to transform for the future.

With your continued support we are working hard to develop and invest in new technology as well as support multiple projects in the digital policing arena, principally through the joint PRISM programme with Devon and Cornwall Police.

This year has seen the roll out of Body Worn Video, investment in online services such as 'ASK NED' and increased use of drone technology. Skype meetings are becoming more widespread as we drive efficiencies through use of technology. Operationally, skype is now used in custody for inspector reviews and Superintendent extensions where appropriate and PACE legislation has been amended to reflect this option.

If we look at drones in detail, my office was pivotal in driving the establishment of the Alliance Drone Team, as the first dedicated unit in the country in May 2017, and this small team has grown from strength to strength in terms of capability. Last financial year there were 182 drone deployments and this year we anticipate in excess of 300. July alone saw 52 deployments, believed to be the highest in the country. The drones provide resilience to helicopter support but they remain much more efficient and with greater flexibility. For example out of those 300 anticipated deployments, if only a 1/3 of those had previously gone to NPAS – this would equate to approx. £170 000 savings per annum. Dorset Police are in a strong position thanks to your previous support but ideally we would like to improve on this service by ensuring we have 24/7 response to spontaneous incidents across the three counties. We would like to expand the team to meet operational demand, train more pilots, collaborate with other agencies and continue to improve our technology.

Cybercrime is a growth business and has seen investment already and needs further investment to ensure the Force can service the increasing demand. Locally we deal with cyber enabled crime whilst cyber dependant is tackled at a regional level. Precept funding last year enabled a programme of cyber prevention inputs targeting businesses by our cyber-crime prevention officer. These were an unparalleled success. If we are to continue to assist our public in protecting themselves from online threats further investment in cyber prevention will be essential.

Innovation is definitely an area for investment. The Chief and I have discussed ideas for where best to focus our transformation efforts and we are looking at process automation and the use of Artificial Intelligence. As you know, Sir Tom Winsor echoes a view nationally that this is an area requiring significant investment and progress. It is our shared ambition for Dorset to lead the way in developing new technologies to provide yet further evidence of our ability to transform for the future. In particular, we would like to invest in propositions that could provide automation for some of our high volume demand which currently remains under performance pressure – for example, firearms licensing, vetting, 101 triage and digital forensic investigation.

As we transform for the future it is vital that our people are looked after and this is an area where I invested some of my commissioning money in the wellbeing of Force staff. My £250,000 for wellbeing initiatives is being very carefully managed to ensure it reaches the right people; those most in need of physical or emotional support. The Force have delivered a costed options plan to cover a range of interventions for staff to keep them at work, get them back into work quickly if they are unwell and to ensure the appropriate support is offered. Evidence is clear that a healthy, motivated and engaged workforce provide higher performance and productivity. Therefore, properly

investing in our people and their wellbeing will assist Dorset Police in improving the service to the public.

A significant impact on wellbeing is the current demand profile. Dorset Police has seen an increase of demand over all areas of the business in 2018. In particular, calls for service from the public have increased and 2018 saw the highest number of calls and incidents ever recorded. This falls against a backdrop of a steady decline in the total number of incidents attended by police in previous years, however the amount of time officers have to spend dealing with the incidents has increased year on year due to the ever increasing complexity of crime and wide range of safeguarding requirements. Since 2017, the single greatest cost to police resources in time has been concern for welfare related calls. Many of these are vulnerable repeat callers with wider complex needs which are not best suited to a police response, such as mental health. Missing persons has also seen a considerable increase in resource requirements, with over a 100% increase in demand over the last 8 years.

I have already described a focused uplift is required in many areas of specialist capability. In light of the demand picture presented and the need to both deliver a quality service and ensure the wellbeing of our staff the Chief Constable argues that he would also seek an increase in frontline patrol resources / PCSO's and a similar increase in our core investigative capability.

In relation to supporting victims, witnesses and reducing reoffending, as a Force Dorset continues to put victims at the heart of what they do and precept funding has enabled them to deliver on this. As a result of previous investment restorative justice (adults) was rolled out in September 2017 and has seen fifty post-conviction referrals and thirty-two cases taken forwards including victims of road traffic collisions, burglary, criminal damage, fraud and GBH.

Future investment could assist in the national drive towards 'virtual courts' for overnight remand cases under ambitious reform plans for Her Majesty's Courts. However, be warned these changes will bring financial implications for Police forces as additional resources and potential estate changes will be required to facilitate this opportunity.

Further funding is also required to increase the live link facilities across the north of the county for victims and witnesses to give evidence remotely or even potentially a mobile live link van facility.

The Chief Constable and I are passionate to emulate Wiltshire and introduce a 'Bobby Van' concept. This is an initiative that could support vulnerable victims of crime in Dorset. Whilst our vision is to create a self-sustaining charitable trust, initial investment will be required to develop and establish the service, over and above the £50,000 I have paid into the scheme as PCC.

In relation to reducing re-offending, cross sector investment in reducing reoffending and the apparent failure of the Community Rehabilitation Company (CRC) initiative has led to a growing gulf in "Hard-edged Prevention". The Force has fairly limited capability in the Integrated Offender Management team delivered through the joint Prevention department; little or no 'through the gate' services for Dorset, such as

mentoring for Dorset prisoners; and we have unacceptable delays in delivering youth justice despite an excellent Youth Offending Service delivered pan-Dorset.

As is now well understood, crime and particularly violent crime is rising both locally and nationally at an alarming rate and only significant investment in 'Hard-edged and Situational Crime Prevention' will break us out of a recent cycle of simply responding to rising demand. Investment needs to be focussed on growing capabilities to catch and convict recidivists and persistent and determined perpetrators of anti-social behaviour. A toughening stance on enforcement against persistent offenders needs to be coupled with an enhanced partnership approach to diversion, rehabilitation and therapy.

Investment is also required to bring youth offenders to the point of accountability and or sanction in a fast-tracked manner. Resolving youth offending through out of court disposals months after the event is leaving victims dissatisfied and offenders undeterred.

National Best Practice initiatives such as 'team around a teen' encourage effective integrated working with partners (social care, health schools and YOS) to reduce the risk posed by and to a cohort of very challenging adolescents.

As mentioned earlier in my speech, my proposal does not represent a 'windfall' for Dorset Police and any growth will only be possible if aided by the usual, relentless, pursuit of efficiency, some details of which are:

A new force initiative will be the requirement for each department head to deliver a year on year 1% efficiency saving from their area of business which in turn will be used for reinvestment and to build capability. A new small efficiency team working to the corporate development team would deliver a rolling programme of efficiency resulting in a rolling investment to meet new and emerging capability linked to the workforce plan. This team would work with departmental heads to assist in identifying savings and horizon scanning improvements for the future.

And at this stage in my speech, I will touch again on demand increases, something the Chief will expand on in a moment. In the last year, nationally and locally, demand on policing is going up. Members will be aware of a 9% increase in emergency calls to police, and a 9% increase in reported crime.

Sadly, as demand increases on a static number of staff, wellbeing, and psychological issues for the frontline are now a real issue, something I have already touched on, and I know the Chief Constable will talk about.

This matters not just from a sickness, welfare and productivity point of view, it also means that much needed funding is being diverted to staff welfare, at a time when recruiting more frontline staff is so vitally needed.

And this against a backdrop of real term cuts to the budget of over £25m, leaving the Force with policing numbers lower than in 1981.

Whilst we ponder last year's £12 rise, and now go onto consider the £24 proposal, I feel it prudent and only fair to share my view on the Government's proposal. Because, as I started by saying, it is a Government proposal, not mine.

I struggle with this position. For the Government to assume I will raise the precept, and that you will approve that proposal, is not only an arrogant stance, it is also a bizarre way to run democracy. Cart before horse and all that. However, if I don't raise, policing faces more cuts, I will discuss the ramifications of not raising later.

Since 2017, this Government directive of huge increases in precept is a Treasury led strategy of securing public sector financing from local taxes. Do I agree with that? No, I don't, this should be centrally funded by the state. The longer this Treasury strategy continues, the more the balance of police funding moves towards localism rather than Westminster. In effect, if this continues, we will adopt the American model of poor communities having poor policing, and rich communities having better policing, because the local tax is more. I am sure you are aware that as a broad-brush statement, poor underprivileged deprived communities in England and Wales receive far less from the policing precept than here in Dorset.

Liverpool, Northumbria, Yorkshire to name a few all receive roughly 80% of their funding from the central Government, and 20% from precept. This means a precept rise raises less for their Forces than here in Dorset, where Government funding roughly equates to precept income on a ratio of 50/50.

On the face of it, you may think £24 is a huge settlement for Dorset Police. Actually, it just about leaves us in credit. That's because the £24 is needed to pay for costs that we were mainly unaware of this time last year.

Without repeating details in the full report, a significant element of our cost base is subject to pay and pensions increases beyond our control. Specifically, changes in treasury approach have resulted in an increased pension cost which I will shortly touch on. The annual pay award which after many years of being frozen, is still below inflation at 2% adds a further £2.1M to our budget.

We are facing very significant price inflation on our non-staffing budget through general indexation of many of our contracts, compounded by the impact of falling exchange rates which have impacted on our IT budgets. The market itself, specifically within forensics is turbulent, resulting in additional cost pressures following on from a contraction in the available suppliers - the combined impact of these is in excess of £1.3M. We are also facing pressure on our capital programme. Whilst we continue to examine how we can drive further value through rationalisation and partnership working, we also need to provide for some of our shorter-term assets (Transport, IT and Communication) through revenue funding, an area that is likely to grow in future years. This together with the need to readdress a shortfall in our reserves places a further £1.2M of demand on next year's budget. There are further areas of pressure that are in the full report which brings the total to in excess of £9M.

As I am sure you appreciate the Chief and I are exploring every opportunity to identify savings and efficiencies to mitigate this demand and this process will continue into the next financial year and beyond.



The demands placed on the Force will require an increase of precept to the very maximum allowed before capping if we are to provide anything like the existing service levels. A precept of this level would also enable the Force to continue on its journey of continuing efficiency and redirecting resources to meet the increasing demand base.

Whilst this above inflation increase to maintain the status quo may appear counter intuitive, it is very much a result of three distinct areas:

- i. Continued reduction in government funding.
- ii. Increased demand in volume and complexity.
- iii. Continuing financial pressures.

Central funding becomes ever more complex with the Force receiving a combination of general and specific grant streams.

The general grant is designed to support the Force in providing its core requirements. The original model was based on the premise that an individual tax payer should face the same council tax requirement for the same level of service irrespective of where they live.

The reality is the funding mechanism was frozen over ten years ago. The Force has clearly demonstrated errors in the calculations and the last two attempts at revising the formula were abandoned. Both attempts would have substantially increased our funding.

Our grant (core settlement, specific government grants, and capital) for next year has now been set at £58.96m million. This represents £76.50 per person in the County and is the second lowest nationally. Eight years ago the equivalent figure was £107.50.

At the risk of stating the obvious, the continued impact of this freeze means that one hundred percent of inflationary and demand cost pressures are passed across to the local tax base.

The Force does receive a number of specific grants; however, each of these is directly attached to a specific requirement or commitment. These also significantly impact on the Force. In the current year our security grant was reduced by £400,000, this only being notified after the budget was set.

In addition to the indexation of our contracts we are facing a range of increased financial challenges which are unavoidable if we wish to continue our current service levels.

There has been much publicity and debate on the rising cost of police pensions. Whilst this could be seen as counter intuitive as police officers are having to work longer, retire older and will no longer have the protection of a final salary scheme, all factors that reduce the long-term cost, the Treasury are attempting to tackle the national issue of 'unfunded public sector pensions' and pass this to the police. Unlike the NHS, this is not being funded centrally.

The full impact to Dorset is likely to be an extra £3.1 million a year, although grant funding has been made available in 2019/20 that reduces the effect to £1.7m. There is no certainty of such grant funding in future years. This figure on its own would need a precept increase of £10.70.

The Force is justifiably proud of its record in avoiding taking on any new external debt. This has been achieved through efficiencies, rationalisation, success in attracting specific grants and partnership working.

Moving forward we are close to exhausting this capability and need to look to a more sustainable long-term strategy.

The Force has an underlying requirement to continually replace many of its shorter life assets, vehicles, computers, mobile devices, forensic and specialist operational equipment.

In addition to this, we need to be continually investing for the future to maintain capability, investigative capacity and public contact. Primarily this will need investment in technology and the Estate.

Whilst continued efforts will be made to release resource from under-utilised assets, this will not meet the longer-term needs.

A combination of funding direct from revenue for shorter life assets and increasing the underlying borrowing requirement will be needed for the longer term. The combined effect of these will be an additional requirement in our revenue budget of £1.5 million per annum by 2022/23.

There is a very ambitious, and overdue, national agenda particularly with technology and forensics.

These work programmes are essential if the Service as a whole and Dorset is to maintain and enhance capability to continue to meet the increasing demand.

Projects include transforming forensics, replacement communication system, national data base, single online home for public access. Each programme will require every force to prepare, train and implement locally and then share the national cost. This approach is supported. As the public are increasingly mobile and criminality has no respect for historic boundaries then national approaches are the only viable option.

Naturally, greater detail is provided in the full report.

Before I outline what the £24, if approved, will be spent on, I know you will want to know what my other choices are:

**Well firstly, I could do nothing.** That would leave roughly a £7m hole in our finances, meaning that the Force would need to cut roughly 225 frontline jobs.

But, I hear you ask, why not use further reserves? Well, as you know from the papers you have with you today, I have used reserves, and our General Balances are sufficient as an adequate contingency amount for unforeseen shocks, but cannot afford to go any lower. Continued use of reserves is not sustainable.

**Secondly I could raise by a lower amount.** Well, as you have heard, we need this money just to stand still, so if I raised by £12 and not £24, the Force would need to find £3.5m in efficiencies, which will equal losing over a 100 staff.

**Thirdly, I could hold a referendum.** Well, the Government has made it clear that this year's precept is a bridge to a new CSR and a new police funding formula coming soon. I think my constituents would balk at the million pound cost of holding a referendum now, especially as a referendum in policing has yet to be seen as anything other than a disastrous tactic. We all know we live in uncertain Brexit times, but as of today, I am not aware of polling stations opening for another reason next month...

**Finally, there is the argument that we could save money by improving efficiency and stopping waste.**

The Cllrs in the room will know from their own Local Authorities, that ruthlessly chasing efficiencies for a decade, has left the cupboard almost empty in any public sector larder. The Chief Constable and I have our plans for efficiency savings to help achieve a small amount of growth, however, those efficiencies total under a million pounds. We cannot find £7m that way.

Chair, in closing, with a background of a static, exhausted workforce facing rising demand; a financial space where reserves are sufficient but no more, and future year projections showing a growing deficit, I unashamedly ask you to approve a precept rise.

I have told you what the Force and I did with last year's precept, and today the Chief Constable and I have articulated what the £24 increase could do.

My constituents will see growth and investment, although neither on a massive scale.

As PCC I haven't sat still, neither has my treasurer. In the last year we are exploring new borrowing, and have made a conscious choice to divert revenue funding to build the capital programme...

I understand the pressures on household budgets, the public made that very apparent in their comments during the consultation, but the Government direct me to bolster policing through precept, and frankly, I have little choice.

I make this proposal as we go into purdah for County wide Elections (never ideal) And at a time of huge uncertainty with Brexit unfolding into what could become a new referendum or a new Government.

Before I close, it is timely and prudent to remind ourselves where we would be WITHOUT the Government mandated £24.

You will note from what I have already said that anything less than £24 is in fact a reduction in overall budget and whilst we would seek to meet budget reductions with further efficiencies – it is inevitable that headcount would fall and service delivery would need to be reviewed.

Members, the Government, in the main YOUR party in Government, directed this stance, the public have supported this stance, and I now ask you to do the same.

This money will give our new Chief Constable space to address the ruthless pursuit of efficiency at the same time as addressing the increases in crime, demand and staff welfare issues that you have heard of earlier.

But as one final thought, I'd like to repeat the words of Dorset MP Richard Drax, who spoke at the House of Commons' Police Grant Debate on Wednesday.

**He said: "The worrying fact is that unless there is more money for the police in Dorset in the mid-term, more frontline officers might have to go and this is unacceptable to me and my constituents. Let's cut out all the waffle, give them the assets and the money to get on with the job and keep our people safe."**

Thank you.