



Police and Crime Panel

Date: Wednesday, 5 February 2025
Time: 10.00 am
Venue: Council Chamber, County Hall, Dorchester, DT1 1XJ

Members (Quorum: 3)

Alasdair Keddie (Chair), Dr Elizabeth Mytton, Patrick Canavan, David Flagg, Peter Sidaway, Ben Sargeaunt, Tony Trent, Louise Bown, Simon Gibson, Louie O'Leary, Andrew Starr and Carl Woode

Chief Executive: Matt Prosser, County Hall, Dorchester, Dorset DT1 1XJ

For more information about this agenda please contact Democratic Services Meeting Contact 01305 224709 - megan.r.rochester@dorsetcouncil.gov.uk

Members of the public are welcome to attend this meeting, apart from any items listed in the exempt part of this agenda.

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Agenda

Item		Pages
1.	APOLOGIES	
	To receive any apologies for absence.	
2.	ENDORSEMENT OF NEW CO-OPTED MEMBER	
	To endorse the new Co-opted member to the Police and Crime Panel.	
3.	MINUTES	5 - 10
	To confirm the minutes of the meeting held on Wednesday 11 th December 2024.	
4.	DECLARATIONS OF INTEREST	
	To disclose any pecuniary, other registrable or non-registrable interests	

as set out in the adopted Code of Conduct. In making their disclosure councillors are asked to state the agenda item, the nature of the interest and any action they propose to take as part of their declaration.

If required, further advice should be sought from the Monitoring Officer in advance of the meeting.

5. PUBLIC PARTICIPATION

Representatives of town or parish councils and members of the public who live, work, or represent an organisation within the Dorset Council area are welcome to submit either one question or one statement for each meeting. You are welcome to attend the meeting in person or via MS Teams to read out your question and to receive the response. If you submit a statement for the committee this will be circulated to all members of the committee in advance of the meeting as a supplement to the agenda and appended to the minutes for the formal record but will not be read out at the meeting.

The first eight questions and the first eight statements received from members of the public or organisations for each meeting will be accepted on a first come first served basis in accordance with the deadline set out below. For further information please see [Public Participation - Dorset Council](#)

All submissions must be emailed in full to megan.r.rochester@dorsetcouncil.gov.uk by **8.30am on Monday 3rd February 2025.**

When submitting your question or statement please note that:

- You can submit one question or one statement.
- A question may include a short pre-amble to set the context.
- It must be a single question, and any sub-divided questions will not be permitted.
- Each question will consist of no more than 450 words, and you will be given up to three minutes to present your question.
- When submitting a question please indicate who the question is for (e.g. the name of the committee or Portfolio Holder)
- Include your name, address, and contact details. Only your name will be published but we may need your other details to contact you about your question or statement in advance of the meeting.
- Questions and statements received in line with the council's rules for public participation will be published as a supplement to the agenda.
- All questions, statements and responses will be published in full within the minutes of the meeting.

[Dorset Council Constitution](#) - Procedure Rule 9

Councillor Questions

Councillors can submit up to two valid questions at each meeting and sub divided questions count towards this total. Questions and statements received will be published as a supplement to the agenda and all questions, statements and responses will be published in full within the minutes of the meeting.

The submissions must be emailed in full to megan.r.rochester@dorsetcouncil.gov.uk by 8.30am on Monday 3rd February 2025.

[Dorset Council Constitution](#) – Procedure Rule 13

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| 6. | BUDGET PRECEPT FINANCIAL YEAR 2025/26 | 11 - 38 |
| | To set out the Police and Crime Commissioner’s proposals for the 2025/26 budget and precept. | |
| 7. | Q3 MONITORING REPORT | 39 - 50 |
| | To receive the Q3 monitoring report. | |
| 8. | COMPLAINTS UPDATE | |
| | To receive a verbal update from Marc Eyre, Service Manager for Assurance. | |
| 9. | FORWARD WORKPLAN | |
| | To receive a verbal update about the PCP Forward Plan. | |
| 10. | URGENT ITEMS | |
| | To consider any items of business which the Chairman has had prior notification and considers to be urgent pursuant to section 100B (4) b) of the Local Government Act 1972. The reason for the urgency shall be recorded in the minutes. | |
| 11. | EXEMPT BUSINESS | |
| | To move the exclusion of the press and the public for the following item in view of the likely disclosure of exempt information within the meaning of paragraph 3 of schedule 12 A to the Local Government Act 1972 (as amended). The public and the press will be asked to leave the meeting whilst the item of business is considered. | |

There are no exempt items scheduled for this meeting.

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POLICE AND CRIME PANEL

MINUTES OF MEETING HELD ON WEDNESDAY 11 DECEMBER 2024

Present: Cllrs Alasdair Keddie (Chair), Patrick Canavan, Louise Bown, Andrew Starr and Carl Woode

Present remotely: Cllrs Tony Trent and Louie O'Leary

Apologies: Cllrs Mytton, David Flagg and Peter Sidaway

Officers present (for all or part of the meeting):

Simon Bullock (Chief Executive, OPCC), Marc Eyre (Service Manager for Assurance), Adam Harrold (OPCC Director of Operations), Antony Nash (Senior Democratic Services Officer), Megan Rochester (Democratic Services Officer), David Sidwick (Police and Crime Commissioner) and Julie Strange (OPCC Chief Finance Officer)

26. **Minutes**

The minutes of the meeting held on Wednesday 9th October 2024 were confirmed and signed.

27. **Declarations of Interest**

No declarations of disclosable pecuniary interests were made at the meeting.

28. **Public Participation**

A question had been received from Mr Kevin Brown regarding the need for a Police and Crime Commissioner and whether a Corporate CEO could have been appointed to manage and address efficiency and productivity within the police force.

The member of the public was thanked for their question and the need for a Police and Crime Commissioner was highlighted. These are Statutory roles and the Police Reform and Social Responsibility Act 2011 set out the need for a Police and Crime Commissioner in every area, with the inclusion of Dorset. The PCC provided detail of how budgets were spent and how they are distributed across the whole county in areas such as crime prevention and victim support. Ensuring that residents of Dorset were receiving best value.

No further questions or petitions had been received.

29. **Monitoring Report - 00:10:12 on the recording.**

The Police and Crime Commissioner gave an update on the progress against the Police and Crime Plan.

Priority 1 – Cut Crime and Anti-Social Behaviour – 00:10:05 on the recording.

The PCC highlighted the work currently being undertaken as part of the priority. He provided particular detail to the hours of patrols, stops and searches as well as addressing issues surrounding shop lifting and the initiatives to prevent this. Assuring members that they were making good use of the funding provided by the government. However, the PCC did inform the committee that with much regret, the Bobby Van Scheme would be coming to a stop due to increasing financial pressures.

Questions from the Priority Leads and Panel members (attached at appendix 1).

- Use of E-scooters
- Impact of the Bobby van scheme
- Use of drones

Panel members were given the opportunity to ask questions. The PCC responded in detail to questions in relation to the support provided by the Bobby Van Scheme to prevent crime, the smart water scheme, traffic violations and road safety initiatives.

Priority 2 – Make Policing More Visible and Connected – 00:34:10 on the recording.

The Police and Crime Commissioner highlighted the work being undertaken as part of priority two of the plan. Identifying an improvement with the number of answered 999 calls, hitting above the target within ten seconds. The PCC reminded members of the storm which hit Dorset a few weeks back and informed them that it had increased calls by more than 50%, however, emergency calls still met the target which demonstrated a good improvement. In addition to this, members of the public were given the opportunity to ask questions relating to police initiatives through the inclusion of family days. The Standards and Ethics Panel had been chaired by the Deputy Chief Constable and engagement strategies had been initiated during the summer months. The PCC noted the intelligence and importance of local community engagement which allowed for the correct allocation of resources.

There were no questions from the Priority Leads.

Panel members were given the opportunity to ask questions. The PCC responded in detail to questions in relation to engagement with local communities and community contact points.

Priority 3 – Fight Violent Crime and High Harm – 00:42:08 on the recording.

The Police and Crime Commissioner highlighted the work being undertaken as part of priority three of the plan, noting that the most serious of violent offences continued to fall, however, there had been an increase in the use of domestic

violence, sexual harm and stalking prevention orders. The PCC informed members that they were working to improve the service to victims and had sought long term partnerships to improve services and support for victims. Drug testing on arrest had also been introduced in Dorset which had concluded a 75% rate of users as the latest figure. Members were informed that the use of illegal drugs drives 50% of murders and theft as well as 75% of shoplifting offences. Driving significant harm to women and girls.

Questions from the Priority Leads and Panel members (attached at appendix 1)

Panel members were given the opportunity to ask questions, of which there were none.

Priority 4 – Fight Rural Crime – 00:50:50 on the recording.

The Police and Crime Commissioner highlighted the work being undertaken as part of priority four of the plan. He informed the committee that work was being undertaken to try and improve communication with farming groups, meeting with national rural crime units. The PCC also addressed fly tipping, providing detail of initiatives from environment agencies. He also referred to the September meeting of the Dorset Partnership Against Rural Crime, which had a strong focus against wildlife crime, work was also being done to investigate what could be done to prevent this from happening and the consequences which could be implemented.

There were no questions from the Priority Leads, however, Cllr Starr made a comment regarding the difficulties in choosing what should be a priority and was pleased to see that the prevention of wildlife crime had been considered as one. He praised the PCC and his team for all the work that they had done and continued to carry out.

Panel members were given the opportunity to ask questions, of which there were none.

Priority 5 – Put Victim and Communities First – 00:55:23 on the recording.

The Police and Crime Commissioner highlighted the work being undertaken as part of priority five of the plan, providing detail of a refreshed criminal justice strategy which had made four overarching schemes; provide quality support to victims and witnesses, provide an effective and efficient criminal justice service, promote rehabilitation and promote confidence in the whole of the criminal justice system. The strategy had been refreshed to ensure that they met the needs of the victims. In addition to this, a youth participation strategy had also been signed to ensure a variety of voices were captured. The PCC briefly mentioned that they had undertaken a review of veterans work to see what more could be done and following a review it had been confirmed that the hate crime awareness course through restorative Dorset could continue. The PCC was pleased that the number of victims supported by the OPCC commission services continued to rise.

Panel members were given the opportunity to ask questions. The PCC responded in detail to questions in relation to the Youth Participation Strategy.

Priority 6 – Make Every Penny Count – 00:59:34 on the recording.

The Police and Crime Commissioner highlighted the work being undertaken as part of priority six of the plan. The commissioning spend was detailed, highlighting that it was on track and moving in the right direction. The PCC discussed emergency funding measures, informing members that Dorset was the second worst funded force, therefore hard decisions and cuts were having to be made. Members were informed that monthly meetings with MP's had been reinitiated and they were being urged to lobby on behalf of the people of Dorset. The annual safety survey was also discussed, and the PCC highlighted the importance of the continuation of the ten-year drug strategy. Members were informed there was a continued focus on safer streets and cutting knife crime. Lobbying continued on a range of fronts with a strong focus on improving Dorset for residents.

Questions from the Priority Leads and Panel members (attached at appendix 1) Panel members were given the opportunity to ask questions. The PCC responded in detail to questions in relation to neighbourhood policing, Projects MARS, effectiveness of continuous lobbying of local government for additional funding, redundancy of staff and officers and financial pressures.

NOTED.

30. Child Exploitation - 02:07:56 on the recording.

Cllr Keddie commended the report and was disturbed by the figures relating to child exploitation.

Cllr Canavan introduced the report which set out the work undertaken to implement the 'Child Exploitation' initiatives across Dorset. The position nationally was concerning with statistics identifying worrying figures. More work is needed to try to encourage people to report these incidents. Cllr Canavan noted the involvement of young people and was pleased to see the work being done to engage with them. The Youth Participation Strategy was also highlighted, and comments were raised regarding how beneficial youth parliament had been in engagement to build networks. Cllr Canavan thanked the officer for the report.

The Police and Crime Commissioner was pleased to see that the subject had been done justice. He noted his passion for this area and sought to increase awareness through the addition of charities who support parents and carers to understand the signs of exploitation. The report highlighted that anyone could cause exploitation and possible sexual abuse, guidance of what to report is currently being worked on but will come back to committee. The PCC noted that it would be continuous work and hoped that the government would give a higher priority to drugs which occurred to child exploitation.

Cllr Keddie commented on the statistics and was reassured that Dorset was low down the league table but could not quantify the reporting element. The figures around drug use were shocking and underlined where the root cause of these issues lied. Cllr Keddie also referred to item 2.4 within the officer report which identified the 2022/23 figures where 1,070 child sexual offences were recorded.

Issuing guidance to members on how to engage and how to report would be welcomed by the committee.

Panel members were given the opportunity to ask questions. The PCC responded in detail to questions as to whether Dorset was using their resources effectively and the need to prevent early drug users and prevention.

31. Use of Technology - 02:39:28 on the recording.

Cllr Bown noted the potential benefits through the use of technology, however the balance had to be right. She queried how the PCC had invested in it to improve the force and asked for clarification as to how it was being monitored in terms of value for money. Cllr Bown noted that technology needed to be seen as worthwhile and not an extra burden.

The Police and Crime Commissioner introduced the report which set out the work undertaken to implement the 'Use of Technology' initiative across Dorset in the police force. Operation Edison was referred to from within the report which highlighted the enhancement of video responses. Members were informed that this did not replace officers, but it was an additional option which was better suited for some and had a quicker response time. The PCC highlighted that technology had been making the force more efficient.

Panel members were given the opportunity to ask questions. The PCC responded in detail to questions in relation to technology cost and maintenance. Members praised the robust and detailed report and were pleased to see that Dorset police were driving innovation. They were glad that there had been an increase in the number of answered 999 emergency calls but noted that work was needed around 101 telephone responses.

In accordance with Procedural Rule 8.1 the committee voted to extend the duration of the meeting.

32. Complaints Update - 03:02:44 on the recording.

The Service Manager for Assurance advised that there was one complaint, but it was not upheld, therefore no further action was required against the Police and Crime Commissioner.

33. Forward Workplan - 03:03:20 on the recording.

Cllr Keddie noted that members had reached the end of their Forward Workplan and the next quarterly panel in February 2025 would focus on a detailed scrutiny of the precept. Members were also invited to a workshop in January where they would be trained in finance scrutiny. A survey would also be circulated for the allocation of priority leads.

The PCC noted that Dorset Police had been working well and effectively and this was evidenced as anti-social behaviour and crime rates were down. Constraints made by finances were real, however, Dorset Police would continue to do their best to keep the residents of Dorset safe.

34. **Urgent items**

There were no urgent items.

35. **Exempt Business**

There was no exempt business.

Police and Crime Commissioner Responses to Questions

Duration of meeting: 10.02 am - 1.11 pm

Chairman

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POLICE & CRIME PANEL – 5 FEBRUARY 2025

2025/26 BUDGET, PRECEPT AND MEDIUM-TERM FINANCIAL STRATEGY

REPORT BY CHIEF FINANCE OFFICER

PURPOSE OF THE PAPER

To set out the Police and Crime Commissioner's proposals for the 2025/26 budget, precept, and the medium-term financial strategy.

1. BACKGROUND

- 1.1. The Police and Crime Commissioner (PCC) for each force area is required each year to set a balanced budget, including the precept to be charged to council taxpayers. All funding is received by the PCC, and they consult with the Chief Constable to determine how the funding should be allocated to ensure an efficient and effective police service.
- 1.2. In respect of the precept element of the budget, the PCC is required to notify the Police and Crime Panel of the proposed precept by 1 February each year, which must be considered within a week. The Panel can either accept the precept or veto it, subject to two thirds of the Panel supporting the veto. In the event of a veto, the PCC must present a revised precept by 15 February, which the Panel must consider by 22 February. A reserve date of 19 February 2025 has been set for a second meeting of the Panel, should this become necessary.

2. STRATEGIC APPROACH

- 2.1. The Police and Crime Plan sets out the strategic intent for policing in Dorset and was originally launched by the PCC in October 2021 and covers 2021 – 2029. The Plan was reviewed in 2024 following the PCC elections and the revised version was adopted in October 2024. Within the plan there are six priority areas working towards the vision of making Dorset the safest county. The six priority areas are:
 - Cut Crime and Anti-Social Behaviour (ASB)
 - Make Policing More Visible and Connected
 - Fight Violent Crime and High Harm
 - Fight Rural Crime
 - Put Victims and Communities First
 - Make Every Penny Count
- 2.2. The Financial Strategy, including the Capital Strategy, Reserves Strategy and Treasury Management Strategy are used to translate the vision of the Police and Crime Plan into the detailed budget, with the Medium-Term Financial Plan setting out what this looks like for future years.

- 2.3. The strategic approach taken to developing the 2025/26 budget proposals is to take a longer-term view to ensure that decisions taken are sustainable, building greater financial resilience and delivering value for money for Dorset residents.

3. CORE FUNDING

- 3.1. The core funding for the revenue budget comes from two main sources: government grant and council tax, and the split between the two almost equal with total council tax funding now making up a slightly higher percentage of the core funding than the government grant. The funding from each source is set out in the table below:

Funding	2024/25 £		2025/26 £		Change £
Government Grant	83,212,415	(48.4%)	86,023,912	(47.1%)	2,811,497
Council Tax Precept	88,130,280		96,077,904		7,947,624
Collection Fund Balance	532,243		579,093		46,850
Total Council Tax funding	88,662,523	(51.6%)	96,656,997	(52.9%)	
Total Core Funding	171,874,938		182,680,909		10,805,971

Government Grant

- 3.2. The Autumn Budget set out Phase 1 of Spending Review 2025 which covered 2025/26 only. Phase 2 of the Spending Review will cover future years and is due to conclude in Late Spring 2025. Phase 1 of the Spending Review set the overall Departmental Expenditure Limit for the Home Office but did not announce specifics in relation to policing. The budget did set out changes to employers National Insurance contributions which would impact policing, however public sector employers would receive grant funding towards these costs.
- 3.3. In November, the Ministry of Housing, Communities and Local Government (MHCLG) issued a Finance Policy Statement setting out the council tax referendum principles for 2025/26. This confirmed that the referendum limit for Police and Crime Commissioners would be £14 in 2025/26.
- 3.4. The detailed funding for each PCC is not announced until the Provisional Finance Settlement in December each year with the final Settlement confirmed in January. For 2025/26 the Provisional Finance Settlement was issued on 17 December 2024 but at the time of writing this report, the Final Settlement had not been confirmed. A verbal update will be provided at the meeting.
- 3.5. The Government Grant is made up of two main elements: Police Grant and Legacy Council Tax Grants. The settlement confirmed that the legacy council tax grants would remain at the same level as 2024/25, a figure that has not changed since 2022/23.
- 3.6. As in previous years, a proportion of the funding will be allocated to Police and Crime Commissioners through a ring-fenced grant with the remaining funding allocated through the core grant. This ring-fenced grant is conditional on the maintenance of police officer numbers although details of the penalties have not yet been announced. For 2025/26 the total amount of ring-fenced grant has been reduced by £75m and added to the core grant. Both are allocated on the basis of funding formula therefore there is no overall change in funding, just less is conditional on police officer numbers.
- 3.7. In addition to the ring-fenced grant, an additional recruitment grant will also be paid based on the officers recruited over and above the original baseline uplift target. For Dorset this equates to 25 officers, taking the overall officer headcount to be maintained to 1,458.

- 3.8. The settlement also confirmed that the Pensions Grant would remain at the same level as 2024/25, after allowing for the removal of the once off administration funding provided in 2024/25.
- 3.9. The National Insurance Grant was confirmed in the settlement and allocated on the basis of the total workforce statistics rather than formula funding. This has meant that the funding announced will be broadly in line with the increase in costs associated with the changes.
- 3.10. The final announcement in the settlement was around the Neighbourhood Policing Guarantee. £100m has been set aside nationally and allocated to forces using the funding formula. It is understood that this funding is to be used to increase neighbourhood resources, but no further details have been released at the time of writing the report. It has therefore been assumed in the budget that this will generate additional costs equivalent to the grant, and this will be reviewed once further details are announced. It has also been assumed that the £1m received for Hot Spot Policing in 2024/25 will not continue.
- 3.11. The funding for Dorset in 2025/26 announced in the settlement is set out below. Whilst the core grants make up the funding for the budget alongside the precept, the specific grants are required to be built into the budget as income.

	2024/25 £	2025/26 £	Change £
Police Grant	75,293,841	78,105,338	2,811,497
Legacy Council Tax Grant	7,918,574	7,918,574	0
Total Core Funding	83,212,415	86,023,912	2,811,497
Ring-fenced Grant	3,525,259	2,903,155	(622,104)
Pension Grant	4,408,083	4,132,428	(275,655)
Additional Recruitment Grant	816,000	1,317,149	501,149
National Insurance Grant	0	2,693,151	2,693,151
Neighbourhood Policing Grant	0	829,473	829,473
Total Specific Grants	8,749,342	11,875,356	3,126,014
Total Settlement Funding	91,961,757	97,899,268	5,937,511

Council Tax

- 3.12. The council tax precept is the total amount charged to Dorset residents. The Band D council tax charge is calculated by dividing the total precept by the taxbase. While the setting of the precept, and therefore the Band D council tax charge, is a local decision, the increase in the Band D charge must be within the referendum principles set by the Government or the increase must be supported by a public referendum. For 2025/26 the referendum limit for policing has been set at £14 per year.
- 3.13. The Minister of State for Policing, Fire and Crime Prevention's written statement for the provisional 2025/26 police finance settlement set out an assumption that PCCs would maximise this council tax flexibility.
- 3.14. The taxbase is calculated by each local authority in Dorset and is the number of Band D equivalent properties in Dorset liable to pay council tax, after taking account of discounts, collection rates and local council tax support schemes. New for 2025/26 is the second homes premium, whereby Billing authorities have the ability to charge a 100% premium on second homes. This is being implemented by both councils in Dorset and has been factored into the taxbase calculations this year.

- 3.15. This has resulted in a significant increase in the taxbase for 2025/26 however, the experience of some Welsh forces when this was implemented in Wales was that the taxbase fell in future years as second homes were sold or uses changed. Whilst the Billing Authorities have attempted to mitigate against this by not building all of the additional income into the taxbase, this will need to be factored into the assumptions for future years.

Band D equivalents	2024/25	2025/26
Bournemouth, Christchurch & Poole	146,342.0	151,574.2
Dorset	153,849.7	160,793.0
Total Taxbase	300,191.7	312,367.2
Increase / (Decrease)	1.0%	4.0%

- 3.16. This growth in taxbase means the precept will generate over £3.5m more than 2024/25 before any increase in the Band D charge is considered.
- 3.17. In addition to the precept, funding also usually comes from the collection fund surplus generated by the local authorities. A surplus arises from a variety of factors such as improved collection rates, ongoing collection of prior year charges or higher growth of properties than estimated.
- 3.18. The table below sets out the position for each council and the overall impact for Dorset Police.

	Bournemouth, Christchurch & Poole	Dorset Council	Total
2025/26 Surplus	0	579,093	579,093

- 3.19. For 2025/26 the proposed council tax precept and collection fund surplus for each local authority area is as follows:

Funding	Bournemouth, Christchurch & Poole £	Dorset Council £	Total £
Council Tax Precept	46,621,193	49,456,711	96,077,904
Collection fund Surplus	0	579,093	579,093
Total	46,621,193	50,035,804	96,656,997

4. CHIEF CONSTABLE'S BUDGET

- 4.1. Over 98% of the budget is delegated to the Chief Constable for the operational delivery of policing in Dorset. The Chief Constable has requested the increase in precept as a result of a number of cost pressures within the budget. Key cost pressures and assumptions are outlined below, and the detailed budget is set out in Appendix 1.

Pay Budget

- 4.2. Pay and Employment costs make up over 88% of the Chief Constable's budget therefore it is unsurprising that it produces the largest budget pressure. The pay award is one of the largest

assumptions included within the budget. In the 2024/25 budget the pay award was assumed to be 2.5%, in line with the unfunded pay award in 2023/24. Additional grant had been provided in previous years for the pay award being higher than this therefore it was anticipated that this would continue.

- 4.3. The nationally agreed pay award for both officers and staff was announced during the summer at 4.75% and came into effect on 1 September 2024. As expected, additional grant was provided for costs above 2.5% but this was distributed on the basis of funding formula shares and was only once off. The additional costs of the 2024/25 pay award have been built into the 2025/26 budget without any specific funding.
- 4.4. For 2025/26 the pay award assumption for both officers and staff has been included at 2.0% in line with the CPI target for inflation. The total cost of these pay awards is £6.2m with an additional inflation contingency of £0.7m to mitigate against a higher pay award or other inflationary pressures. It is assumed that any pay award agreed in excess of this level will be covered by additional grant.
- 4.5. In addition to the pay award there are increased costs for contractual pay increments and associated impact on National Insurance and pension contributions from the increases in pay. Whilst the changes to the employers National Insurance contributions outlined in the Budget are covered by the additional grant, the increases resulting from the higher pay bill are not. In total, these pay pressures amount to £12.0m and partially offset by the National Insurance Grant of £2.7m.
- 4.6. As a result of the reducing number of staff employed by the Force, it has been essential to review the turnover factor included within the budget. With less vacancies and an increasing pressure to fill those that arise going forward, achieving the turnover factor savings has been challenging in 2024/25. For 2025/26 the factor has been reduced from 7.5% to 5% at a cost of £1.1m in order to ensure the budget is robust and achievable.

Inflation

- 4.7. Whilst the inflation rate has now fallen from its high point in October 2022, prices are still rising and causing pressure on the budget. Whilst no general inflation increase has been applied to budgets there are a number of areas where increases are required. In particular IT contracts, estates budgets and insurance are the main pressures. In total the inflation pressures are £1.2m but this is significantly less than in previous years.

Impacts of the Capital Programme

- 4.8. As there is no longer any capital grant provided to fund the capital programme the revenue budget and borrowing are the two main sources of funding for the capital programme. The capital programme continues to move towards a sustainable position over the medium term with a further increase to the revenue contribution of £0.2m in 2025/26. However, there is still a requirement for borrowing and the associated revenue costs of this add another £0.4m to the budget.

Service Developments

- 4.9. Whilst the budget is challenging for 2025/26 there are still some areas where some improvements have been made and increases have been factored into the budget. The Digital Evidence Management System (DEMS) will go live this year therefore the additional license fees have been factored into the budget. The additional project management resources factored into the 2024/25 budget will be required more long term therefore are being built in on a permanent basis. A permanent budget for the innovation fund has also been built in so that small scale 'Invest to Save' projects can still continue to be delivered. These three initiatives total £0.7m.
- 4.10. There are also some budgets which have been under significant pressure in 2024/25 and need to be increased. The major operations budget, the control room overtime budget and

national subscriptions have all seen pressures during the year, and despite attempts to mitigate them all require increases for 2025/26 and together total £1.0m.

Savings and Efficiencies

- 4.11. Within the 2024/25 budget over £4.5m of savings were built in, and whilst most have been achieved, some have not. The Panel will be aware from the ongoing monitoring reports previously reported, that some of these savings were superseded by the Mutually Agreed Resignation Scheme (MARS) which was implemented in the Autumn. This created a risk of double counting savings within 2025/26 therefore all unachieved savings, totalling £1m, were removed from the budget before the full impact of MARS was then factored in.
- 4.12. The MARS has delivered full year savings totalling £2.6m which have been removed from the budget. A number of other new savings have been identified and implemented during the year totalling £1.4m including the removal of some vacant posts, reduction in supplies and services and reductions in utilities and PFI budgets.
- 4.13. On 15 January 2025 the Minister for Policing, Fire and Crime Prevention made a Written Ministerial Statement setting out the increases to Firearms Licensing charges. Whilst this is likely to increase income generated, at this stage it is assumed that additional resources will be required to be invested within the licensing team to improve the service as a result, therefore no saving is being factored into the budget.

Summary Position and Balancing the Budget

- 4.14. Taking into account all of the budget pressures, the efficiency savings, additional income and the proposed increased precept there still remains a budget gap of £2.4m. Given the significant savings that have been delivered over the last 2 years the options available to deliver the savings are limited.
- 4.15. The Force will continue its restrictions on overtime, the vehicle fleet and other supplies and services which were instigated during 2024/25 when further savings became necessary. The remaining gap will need to be closed by further reducing posts, potentially up to 30 to 40 posts, but this will depend upon the final information being received in respect of grant conditions etc.
- 4.16. In order to be clear on the impact of reducing resources in each are, the Force has developed a comprehensive BRAG assessment tool which grades each area into Black, Red Amber or Green depending on the impact of the service. The assessment is a five-step process looking at the following areas:
 - Critical function – service delivery, specialist skills, how long could the service cope with reduced resources?
 - Department operating risk – impact on priorities and objectives, legislation, public trust and confidence.
 - Continuous improvement – what changes have already been made? What further scope is there?
 - Overall contribution to the Force – Force priorities and Police and Crime Plan, legal requirements.
 - Harm and Financial Weightings – what is the size of the impact?
- 4.17. By utilising this comprehensive assessment tool, the Force will seek to minimise the impact on operational policing and the Police and Crime Plan of the savings required to balance the budget.

5. CAPITAL BUDGET

- 5.1. The capital programme is primarily made up of two types of projects: rolling programmes of replacing existing capital assets such as vehicles and IT equipment and more once off investments in the future such as PRISM and the Futures project. In order to achieve a sustainable, affordable programme, the Force is moving to a position where all recurring programme spend is funded from the recurring source of revenue contributions. This approach began in 2020/21 but will take some time before this can be achieved.
- 5.2. The Capital Strategy Group has thoroughly reviewed each scheme, challenging budget holders over timescales and estimated costs in order to develop a realistic, affordable programme based on the latest information.
- 5.3. Slippage identified in the current year's programme has been built into the 2025/26 budget and will be kept under review by the Capital Strategy Group. Any further slippage at the year end will be added into the 2025/26 programme through the usual carry forward process. As in 2024/25, an allowance for slippage of schemes has been included within the programme reflecting the trend of projects to take longer than anticipated.
- 5.4. In addition to the revenue contributions, the main source of funding for the capital programme is borrowing. Borrowing will be applied to the assets with the longest life in order to minimise revenue costs. This will be managed through the Treasury Management Strategy through either cashflow (internal borrowing) or external loans through the Public Works Loan Board (PWLB). The full suite of Prudential Indicators are included within the Treasury Management Strategy.
- 5.5. The summary Capital Programme for 2025/26 to 2028/29 is set out in Appendix 2.

6. OFFICE OF THE POLICE AND CRIME COMMISSIONER BUDGET

- 6.1. The budget for the Office of the Police and Crime Commissioner is exposed to the same challenges as the Force in relation to pay awards, increments, National Insurance changes and inflation and these total £0.14m for 2025/26. There are also increased costs following changes to the police misconduct panel requirements of £0.02m. These resulted in a total increase of £0.16m up to £1.789m for 2025/26.
- 6.2. The Commissioning budget has been maintained at £1.504m and the Violence Reduction and Prevention Team increase to £0.266m following the ending of the Immediate Justice Grant. The Violence Reduction Reserve will fund £0.09m of these costs as set out in the MTFP last year and the OPCC reserve will fund £0.1m as the Immediate Justice programme is evaluated and concluded.

7. PROPOSED PRECEPT

- 7.1. Following the Provisional Finance Settlement and the confirmation of the £14 council tax referendum limit for 2025/26 the PCC is consulting the public on the full use of the council tax flexibilities.
- 7.2. The consultation was launched on 17 December 2024 and will run until the end of January 2024. A total of eight face to face roadshows sessions have been held across the county in addition to the online elements of the survey. At the time of writing the survey is still open therefore a verbal update will be provided at the meeting on the final results.

- 7.3. As at 27 January 2025 there had been 1,958 responses with 76% of respondents agreeing that Dorset Police requires additional funding, and 55% being willing to pay an additional sum per year to help the Force achieve a balanced budget. This year a range of values were offered with 27% supporting an extra £30 per year, 13% supporting an extra £20 and 15% supporting the £14 per year.
- 7.4. Whilst it is reassuring that the majority are willing to pay an increased amount for policing in Dorset, there is still a significant percentage of people who are not. Whilst many say this is because funding should be provided centrally, the cost of living crisis remains a significant issue for many people across Dorset. The primary means of addressing the affordability difficulties is the Local Council Tax Support (LCTS) Schemes operated by the two councils in Dorset. Both are means tested but provide support to those on low incomes. For those of pensionable age this provides support of up to 100% of the bill as part of a national scheme. In BCP, working age claimants can get support of up to 80% of the total bill whilst in Dorset the scheme provides support of up to 100% of the bill for working age claimants.
- 7.5. As a result, the PCC is proposing to increase the precept to £96,077,904. This will result in a Band D charge of £307.58, an increase of £14 per annum or £1.17 per month.
- 7.6. It is worth remembering that while Band D is the national average Band, the most common Band within Dorset is Band C and over 56% of properties are in Band A to C. The impact on each Band charge is set out below:

	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
2024/25 Charge	£195.72	£228.34	£260.96	£293.58	£358.82	£424.06	£489.30	£587.16
Annual Increase	£9.33	£10.89	£12.44	£14.00	£17.11	£20.22	£23.33	£28.00
2025/26 Charge	£205.05	£239.23	£273.40	£307.58	£375.93	£444.28	£512.63	£615.16

8. MEDIUM TERM FINANCIAL STRATEGY

- 8.1. As part of the budget setting process the medium term financial strategy has been reviewed and updated, extending it until 2028/29. Some of the key assumptions included within the strategy are:
- Pay award of 2% per annum from 2026/27.
 - Core grant increase of 0% from 2026/27.
 - Council taxbase increase of 0.3% for 2026/27 and then 0.7% thereafter.
 - Council tax increase of £10 per annum (equivalent to 3.25% for 2026/27, 3.15% for 2027/28 and 3.05% in 2028/29).
- 8.2. These assumptions produce the following central case budget position until 2028/29:

	2026/27 £'000	2027/28 £'000	2028/29 £'000
Budget Requirement	188,089	194,017	199,832
Total Funding	185,023	189,375	193,275
Budget Gap	3,066	4,642	6,557

- 8.3. The above forecast shows budget gaps in each year going forward. Whilst significant work has been undertaken to deliver savings in recent years even more savings will need to be identified in order to address these gaps if the assumptions included in the forecast are accurate.

- 8.4. Once again, the above forecast contains many uncertainties with little data available on which to base the assumptions. In the previous years, whilst there were no finance settlements available at individual force level, the three-year Spending Review provided information on the funding available to policing in general. This enabled reasonable estimates to be forecast, including the likely council tax referendum limits. Phase 1 of the Spending Review 2025 only dealt with 2025/26 so we will need to wait until Phase 2 is completed in the late spring before having any further data for future years' forecasts. The central case forecast is therefore based on assuming current funding levels continue.
- 8.5. In order to provide an indication of the variation assumptions can create, best and worst case scenarios have been prepared by adjusting the above key assumptions to determine a range within which the real position might fall. The table below shows the cumulative position of each case over the next three years.

(Surplus) / Deficit	2026/27 £'000	2027/28 £'000	2028/29 £'000
Best Case	(1,537)	(1,652)	(3,324)
Central Case	3,066	4,642	6,557
Worst Case	5,597	9,101	12,623

- 8.6. The forecast does not include any changes as a result of a change to the Funding Formula. Work on the review is currently paused. This will be reviewed as and when further information becomes available.

9. RESERVES

- 9.1. The PCC holds two types of reserves, earmarked reserves and general reserves. Earmarked reserves are funds set aside for specific purposes such as strategic change projects or changes to the workforce. They are currently estimated to be in the region of £3.0m by 31 March 2025 before any carry forward requests are made. There are three uses of earmarked reserves included in the 2025/26 budget as set out below:

Reserve	Amount	Purpose
Budget Management Reserve	£33,000	Regional Surveillance
Violence Reduction Reserve	£90,000	Year 2 cost of the Violence Reduction Unit
OPCC Reserve	£100,000	Evaluation and transition from Immediate Justice programme

- 9.2. There is also a planned contribution to a new earmarked reserve for insurance that has been included within the budget of £200,000. This new reserve is aimed at improving financial resilience and mitigating against the risk of significant insurance claim excess costs in any particular year. This will be a regular contribution each year.
- 9.3. General Reserves are held to cover costs from unexpected events or emergencies. The PCC's Reserves Strategy, in accordance with Home Office guidance, is to keep the level of general reserves between 3% and 5% of net revenue expenditure. For 2025/26, based on net revenue expenditure of approximately £182.7m this would indicate reserves of between £5.48m and £9.13m. General Reserves are estimated to be £5.47m at 31 March 2025 before any variance at year end is considered. This is equivalent to just under 3% of net revenue expenditure for 2025/26 and drops to 2.83% of net revenue expenditure in 2028/29, based on the central case medium term financial strategy.
- 9.4. In order to restore the General Reserves to above the 3% level and with the uncertainty of the forecast going forward, it is proposed to contribute £300,000 of the collection fund surplus in 2025/26 to general reserves, thereby increasing the balance to 3.16% in 2025/26.

The forecast assumes that £300,000 will be contributed each year and therefore increases General Reserves to 3.45% of net revenue expenditure over the medium term.

- 9.5. As a result, the Chief Finance Officer can confirm that the level of reserves is adequate, but only once taking into account the planned contributions in 2025/26 and the following years. These contributions will need to be seen as a priority over the medium term in order to maintain this position.
- 9.6. Further details on the reserves are set out in the Reserves Strategy, included at Appendix 3.

10. ROBUSTNESS OF THE BUDGET

- 10.1. In addition to determining the adequacy of reserves, Section 25 of Local Government Act 2003 requires all Chief Finance Officers to make a statement regarding the robustness of the budget estimates at the time the budget is set. The PCC has a statutory duty to have regard to that report when making decisions about the budget.
- 10.2. The budget proposals have been developed using the latest information and variances reported in the current financial year. The base budget has undergone comprehensive review and challenge by Finance, Budget Holders and the Senior Executive of the Force and has been overseen by the Efficiency and Productivity Board. Outcomes from the work of Project Evolve have been scrutinised by Resource Control Board and Joint Leadership Board.
- 10.3. As part of the budget process adverse variances have been addressed as well as opportunities for savings. Key areas which have been under pressure in the current year and have been unable to be mitigated against have been increased in order to make the budgets more robust and less likely to overspend in 2025/26.
- 10.4. As previously mentioned, pay costs make up the vast majority of costs within the budget. These costs are built up on an individual basis using spreadsheets and are a significant part of the budget build process. However, the pay award assumption remains a key risk within the 2025/26 budget. The 2.0% allowance is in line with the target for CPI and the percentage included within the previous spending review. Whilst some Government Departments have indicated to Pay Review Bodies 2.8% would be affordable, the submission to the Police Pay Review Body has not yet been published. A contingency of £0.7m has been built into the budget to cover a further increase if this does become the Home Office submission.
- 10.5. A risk within the pay budget is the number of Police Officer leavers. This has not been an issue previously but in recent years the number of leavers has been reducing. Whilst this is good news in terms of retaining experience and knowledge it does create pressure on the budget as a certain number of leavers are factored into the calculations. This is being experienced by all forces therefore is carefully monitored by the Workforce Planning Board and Resource Control Board. The assumption for leavers has been carefully reviewed, including the average salary of leavers, in order to inform the budget for 2025/26 but there is very little data available on which to base this assumption.
- 10.6. Almost two thirds of the savings built into the 2025/26 budget have already been achieved, primarily through the MARS scheme. Of the remaining £2.4m there are sound processes in place to assess the impacts of options of savings proposals. These will be developed once the full details of the Neighbourhood Policing Grant and conditions relating to the ringfenced and additional recruitment grants are known as these may impact the savings required. These savings, on top of those made in the last two years, are challenging and progress will need to be made promptly and consistently to ensure they are delivered. The governance arrangements in place for oversight of the savings progress are well established through the Efficiency and Productivity Board and Resource Control Board.

10.7. A key aspect of ensuring the budget is robust is ensuring that once off sources of funding are only utilised for once off expenditure. The Collection Fund surplus represents a significant once off funding source within the 2025/26 budget and has been used to fund once off items of expenditure as set out below:

	£
Gross Collection Fund Surplus	579,093
Contribution to General Reserves	300,000
Contribution to Insurance Reserve	200,000
Asset Management Plan	79,093
Total	579,093

10.8. The use of earmarked reserves are also related to once off costs as set out in Paragraph 9.1

10.9. Whilst the Finance Settlement has not been finalised at the time of writing this report, it is not anticipated that significant changes will be made affecting the robustness of the budget. This position will be reviewed once the final details are received, and an update provided at the meeting. Further detail on the risks associated with the budget are set out in Appendix 4.

10.10. The Chief Finance Officer for the Force has reviewed the estimates and assumptions used in preparing the 2025/26 budget and has confirmed that they present a robust budget for the year. Taking this all into account, I am able to provide a positive assurance statement concerning the robustness of the budget estimates for 2025/26 and the adequacy of reserves as outlined in section 9.

10.11. Looking ahead to the medium term, from 2026/27 and beyond the position becomes much more uncertain. It is very difficult to make forecasts with any certainty given the significant number of unknowns or national changes that are anticipated such as:

- New Spending Review for 2026/27 – how many years will this cover? What will this mean for the ring fencing of grants for the maintenance of officer numbers?
- Approach to council tax referendum principles.
- Review of the police funding formula.
- Impact of council tax premiums for second homes by local billing authorities.

10.12. However, policing is a dynamic and largely reactive service and will always be subject to the level of demand and complexity that impacts upon it. Budgetary pressures across the wider public sector have led to difficult decisions being made elsewhere, just as they have in policing, and this will likely result in a collective diminution to the partnership response to community safety, prevention and crime reduction.

10.13. Whilst the worst case scenario in the medium term financial plan might appear almost catastrophic, with a few slight tweaks of the assumptions the deficit turns into a surplus. Given the sheer number of significant uncertainties outlined above it does not feel necessary to change our approach at this stage. Continuing to plan for the central case, until more information becomes available remains the most appropriate course of action, but this will be kept under constant review as the issues develop.

11. CONCLUSION AND RECOMMENDATION

11.1. Like all forces and other public sector bodies, the Force is facing significant cost pressures as outlined in this report. In order to address these pressures and continue the good work in delivering the Police and Crime Plan, it is necessary to increase the precept. Without the

proposed increase, significantly more budget reductions would be required and would lead to a reduction in frontline services.

- 11.2. The Police and Crime Panel are, therefore, recommended to consider the PCC's proposal to increase the precept for 2025/26 to £96,077,904, equivalent to a Band D charge of £307.58, an increase of £14 per annum or £1.17 per month (4.8%), as set out in Appendix 5.

**JULIE STRANGE CPFA
CHIEF FINANCE OFFICER**

Appendix 1 – 2025/26 Budget Requirement

Appendix 2 – Capital Programme

Appendix 3 – Reserves Strategy

Appendix 4 – Risks

Appendix 5 – Council Tax Requirements

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Detailed 2025/26 Budget Requirement

Category	Description	24/25 Agreed Plan £000's	25/26 Draft Plan £000's	26/27 MTFS Plan £000's	27/28 MTFS Plan £000's	28/29 MTFS Plan £000's
Pay & Employment Costs	Police Officer Pay	93,364	100,723	103,419	106,310	109,435
	Police Officer Overtime	3,664	3,488	3,834	3,724	3,828
	Police Staff Pay	46,898	48,923	50,317	51,544	52,965
	Police Staff Overtime	702	918	972	949	981
	Restructure, Training & Conference Costs	1,280	1,023	1,077	1,072	1,075
	Police Officer Injury/Ill Health/Death Pensions	2,406	2,633	2,786	2,942	3,101
	Other Employee Expenses	538	564	570	576	582
Pay & Employment Costs Total		148,852	158,273	162,974	167,118	171,968
Overheads	Premises Related Expenditure	21,622	20,767	21,208	21,665	22,132
	Supplies and Services	7,612	7,652	7,387	7,450	7,522
	Communications and Computing	7,573	9,703	9,285	9,495	9,693
	Transport Related Expenditure	2,539	2,423	2,447	2,476	2,496
	Third Party Payments	7,828	7,484	7,629	7,825	7,933
Overheads Total		47,174	48,030	47,956	48,911	49,776
Grant, Trading & Reimbursement Income	Government & Overseas Funding	(19,470)	(20,634)	(20,672)	(20,705)	(20,741)
	Interest/Investment Income	(427)	(568)	(547)	(557)	(598)
	Local Government Specific/Partnership Funding	(635)	(574)	(578)	(582)	(586)
	Reimbursed Services	(6,386)	(6,175)	(6,307)	(6,417)	(6,527)
	Sales, Fees, Charges and Rents	(5,656)	(5,755)	(5,691)	(5,687)	(5,767)
	Special Police Services	(292)	(318)	(321)	(323)	(326)
Grant, Trading & Reimbursement Income Total		(32,866)	(34,024)	(34,115)	(34,271)	(34,545)
Capital Financing and Contributions	Interest Paid	734	721	852	959	870
	Loan Charges	107	107	107	107	107
	Minimum Revenue Provision	819	1,317	1,679	2,075	2,421
	Revenue Contribution to Capital	4,369	4,421	4,521	4,721	4,721
Capital Financing and Contributions Total		6,030	6,566	7,159	7,862	8,119
Transfers to / (from) Specific Reserves	Transfers to/from Revenue and Capital Reserves	(447)	467	567	667	700
Transfers to / (from) Reserves Total		(447)	467	567	667	700
Total Force		168,742	179,312	184,541	190,287	196,018
Office of the PCC	Dorset Office of the PCC	1,628	1,789	1,858	1,924	1,985
PCC Commissioning	Dorset PCC Commissioning	1,504	1,504	1,510	1,520	1,530
Office of the PCC	Violence Reduction Unit	135	266	276	287	299
Office of the PCC	Transfers to/from Revenue reserves	(135)	(190)	(95)	0	0
Total OPCC		3,132	3,369	3,549	3,731	3,814
Net Revenue Expenditure		171,875	182,681	188,089	194,017	199,832

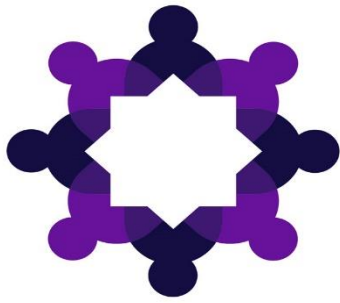
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2025/26 BUDGET, PRECEPT AND MEDIUM TERM FINANCIAL STRATEGY

Capital Programme 2025/26 to 2028/29

	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's
Vehicles	905	1,597	2,284	1,868
Building Works	4,136	5,456	3,900	2,200
ICT	3,903	3,258	2,379	4,696
Equipment	831	625	1,925	565
Slippage	(300)	(200)	0	0
Total Capital Expenditure	9,475	10,725	10,488	9,329
Revenue Funding	4,963	4,639	4,839	4,839
Borrowing	4,512	6,086	5,649	4,490
Total Funding	9,475	10,725	10,488	9,329

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DORSET
POLICE & CRIME
COMMISSIONER
DAVID SIDWICK

RESERVES STRATEGY

2025/26 to 2028/29

**POLICE AND CRIME COMMISSIONER FOR DORSET
RESERVES STRATEGY 2025/26 to 2028/29**

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POLICE AND CRIME COMMISSIONER FOR DORSET

RESERVES STRATEGY 2025/26 to 2028/29

1.0 Background

- 1.1 In January 2018 the Home Office issued guidance setting out the government's expectations around the information to be published by Police and Crime Commissioners (PCCs) on their financial reserves' strategies.
- 1.2 The reserves strategy supports the annual budget and medium term financial plan, as reported to the Police and Crime Panel in February each year.

2.0 Scope

- 2.1 PCCs can keep part of their funding in reserves to help manage financial risk and to fund major future costs such as change programmes aimed at improving services to the public.
- 2.2 Reserves are required to be classified as either Usable or Unusable. Usable reserves are those that can be used to support future service provision. Unusable reserves are not available to be used to support services; they include unrealised gains and losses which will only become available if for example assets are sold, and accounting timing differences which will be realised at a future date.
- 2.3 This Reserves Strategy sets out the PCC's approach to the management of Usable Reserves.

3.0 Guidance

- 3.1 Sections 32 and 43 of the Local Government Finance Act 1992 require precepting bodies to have regard to the level of resources needed to meet estimated future expenditure when calculating the annual budget requirement. This is further supported by the balanced budget requirement: England, sections 31A, 42A of the Local Government Finance Act 1992. Moreover, as part of the budget setting process, the Chief Financial Officer is required to comment on the adequacy of reserves. This relates to earmarked reserves as well as the General Balance and is a critical part in making the statutory Section 25 judgement on the robustness and sustainability of the PCC's budget proposals.
- 3.2 This strategy has regard to [LAAP Bulletin 99](#) 'Local Authority Reserves and Balances', issued in July 2014, and complies with the Home Office Guidance issued in January 2018, and the Revised Financial Management Code of Practice, issued in July 2018 by the Home Office.
- 3.3 Reserves are sums of money held to meet future expenditure. When reviewing the medium term financial plan and preparing the annual budget, PCCs should consider the establishment and maintenance of reserves.
- 3.4 Reserves can be held for three main purposes:
 - a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves
 - a contingency to cushion the impact of unexpected events or emergencies - this also forms part of general reserves
 - a means of building up funds, often referred to as earmarked reserves, to meet known or predicted requirements; earmarked reserves are accounted for separately but remain legally part of the General Fund.

**POLICE AND CRIME COMMISSIONER FOR DORSET
RESERVES STRATEGY 2025/26 to 2028/29**

3.5 CIPFA recommends that for each earmarked reserve held there should be a clear protocol setting out:

- the reason for / purpose of the reserve
- how and when the reserve can be used
- procedures for the reserve's management and control; and
- a process and timescale for review of the reserve to ensure continuing relevance and adequacy.

4.0 Responsibilities

4.1 The respective responsibilities in relation to reserves are set out in the Financial Regulations (see Appendix A).

5.0 Reserves Strategy

5.1 The PCC's policy statement is set out in the table below.

Policy Statement

The PCC will not plan to hold significant reserves above those required by the Medium Term Financial Plan.

In considering earmarked reserves, the Chief Financial Officer will have regard to relevant matters in respect of each reserve and will advise the PCC accordingly.

The key principles to be adopted in setting reserves are:

General Balances

The PCC will seek to maintain a general reserve between 3% and 5% of Net Revenue Expenditure. This will be supported by an annual budget risk assessment which will also identify the need for any specific earmarked reserves.

Earmarked Reserves

The need for earmarked reserves will be assessed annually through the budget setting process, to confirm the continuing relevance and adequacy of each earmarked reserve in addition to identifying any new reserves that may be required.

This Strategy will be reviewed annually by the Office of the Police and Crime Commissioner (OPCC) Chief Financial Officer (Treasurer) and consulted on with the Force Chief Financial Officer and the Joint Leadership Board.

**POLICE AND CRIME COMMISSIONER FOR DORSET
RESERVES STRATEGY 2025/26 to 2028/29**

5.2 The following earmarked reserves balances are held:

Name of Earmarked Reserve	Purpose	Opening balance 1 April 2024 £'000s	Target level
Budget Management Fund	To allow for the transfer of carry forward requests to the following year	819	Nil by 2028
Workforce Change Reserve	To fund one-off and transitional costs of change programmes including the Strategic Alliance with Devon & Cornwall Police	643	£343,000 by 2025
Regional Collaboration Reserve	To hold funds related to past underspends and future planned spending for regional collaborations	34	£34,000 each year
Policing Education Qualifications Framework (PEQF) Reserve	To fund the costs of the PEQF	47	Nil by 2025
Office of the Police and Crime Commissioner Reserve	To fund additional projects and pilot schemes within the Office	417	£267,000 by 2029
Police and Crime Plan Reserve	To fund planned Police and Crime Plan developments	461	£461,000 each year
Violence Reduction Reserve	To fund projects to help reduce violence	770	Nil by 2029
Office of the Police and Crime Commissioner Legal Reserve	To fund future legal costs	250	£250,000 each year
Learning and Development Reserve	Used for the benefit of Dorset Police Officers and Staff for training and development purposes	46	£37,000 by 2025
Forensics Capability Network Reserve	To fund continuing projects of the Forensic Capability Network	267	Nil by 2025

5.3 Home Office Classifications

5.3.1 The **Earmarked reserves** in the table above meet the Home Office classification: *Funding for planned expenditure on projects and programmes over the period of the current medium term financial plan.*

5.3.2 In addition **General Balances** are held: *As a general contingency or resource to meet other expenditure needs held in accordance with sound principles of good financial management.*

5.3.3 *Funding for specific projects and programmes beyond the current planning period.*

**POLICE AND CRIME COMMISSIONER FOR DORSET
RESERVES STRATEGY 2025/26 to 2028/29**

5.4 Total Usable Reserves

5.4.1 The forecasts for Usable Reserves over the period of the Medium Term Financial Plan are set out below.

USABLE RESERVES						
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Closing Balance as at:	31/03/2024	31/03/2025	31/03/2026	31/03/2027	31/03/2028	31/03/2029
	Actual	Forecast	Estimate	Estimate	Estimate	Estimate
	£000's	£000's	£000's	£000's	£000's	£000's
Budget Management Fund	819	520	487	33	0	0
Strategic Change Reserve	0	324	324	0	0	0
Workforce Change Reserve	643	343	343	343	343	343
Insurance Reserve	0	0	200	300	400	500
Regional Collaboration Reserve	34	34	34	34	34	34
Policing Education Qualifications Framework (PEQF) Reserve	47	0	0	0	0	0
Office of the Police and Crime Commissioner Reserve	417	417	317	267	267	267
Police and Crime Plan Reserve	461	461	461	461	461	461
Violent Reduction Reserve	770	635	545	350	175	0
Office of the Police and Crime Commissioner Legal Reserve	250	250	250	250	250	250
Learning and Development Reserve	46	37	37	37	37	37
Forensics Capability Network Reserve	267	0	0	0	0	0
Total Earmarked Reserves	3,754	3,021	2,998	2,075	1,967	1,892
General Fund Balance	5,778	5,472	5,772	6,072	6,372	6,672
Total Revenue Reserves	9,532	8,493	8,770	8,147	8,339	8,564
Capital Receipts Reserve	3,617	2,670	2,670	2,670	2,670	2,670
Total Usable Reserves	13,149	11,163	11,440	10,817	11,009	11,234

**POLICE AND CRIME COMMISSIONER FOR DORSET
RESERVES STRATEGY 2025/26 to 2028/29**

5.4.2 The following table sets out the reserves as required by the Home Office strategy guidance.

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Closing Balance as at:	31/03/2024	31/03/2025	31/03/2026	31/03/2027	31/03/2029	31/03/2029
	Actual	Forecast	Estimate	Estimate	Estimate	Estimate
	£000's	£000's	£000's	£000's	£000's	£000's
Funding for projects and programmes over the period of the current MTFP	7,371	5,691	5,668	4,745	4,637	4,562
Funding for projects and programmes beyond the current MTFP	0	0	0	0	0	0
General Contingency	5,778	5,472	5,772	6,072	6,372	6,672
Total	13,149	11,163	11,440	10,817	11,009	11,234

FINANCIAL REGULATIONS [extract]

Maintenance of Reserves and Balances

- 3C.44 The PCC holds all reserves and balances.
- 3C.45 The Treasurer is responsible for creating a reserves strategy in consultation with the CFO.
- 3C.46 The Treasurer is responsible for advising the PCC about the level of reserves that the PCC holds and for ensuring there are clear protocols for their establishment and use. For each earmarked reserve held by the PCC there should be a clear protocol setting out:
- a. The reason for/purpose of the reserve.
 - b. How and when the reserve can be used.
 - c. Procedures for the reserve's management and control.
 - d. A process and timescale for review of the reserve to ensure continuing relevance and adequacy.
- 3C.47 The Treasurer and the CFO will keep any legal or constructive obligations (liabilities) under review throughout the year. Any changes to the provisions or reserves required in relation to such liabilities will be reflected in the regular budget monitoring reports to the Resource Control Board.
- 3C.48 In addition to the regular review outlined above the Director of Legal, Reputation and Risk will report formally to the appropriate governance board on the level of the outstanding liabilities and potential liabilities of the PCC and the Chief Constable as at 30 September and 31 March of any given financial year.
- 3C.49 The Treasurer and CFO have a duty to report on the robustness of estimates and the adequacy of reserves and provisions when the PCC is considering the budget. In particular the Treasurer must assess the adequacy of unallocated general reserves taking into account the strategic, operational and financial risks facing the PCC. In coming to this view the Treasurer must seek the advice of the CFO and of the Chief Constable on major policing risks facing the Force.
- 3C.50 The PCC shall approve the creation of reserves and appropriations to and from general balances and reserves. To enable the PCC to reach their decision the Treasurer shall report the factors that influenced their judgement, and ensure the advice given is recorded formally.

2025/26 BUDGET, PRECEPT AND MEDIUM TERM FINANCIAL STRATEGY**RISKS**

There are clearly numerous risks relating to the 2025/26 budget estimates and future financial projections. The key specific risks are set out below:

1. Pay Budget

The financial projections assume 2% for annual pay award from 2025/26 and 2% for the rest of the Medium Term Financial Forecast. An increase of 1% to this assumption would result in an additional cost of £0.8m in the first year (as pay awards are implemented from 1st September) rising to £1.3m in the second year. An inflation contingency has also been included of £0.7m to mitigate against the risk of a higher pay award and no further funding being provided.

2. Inflation

Inflation has been included on budgets where increases are known or have specific inflationary increases which apply. Primarily these relate to PFI costs, IT contracts and Business Rates. These have been based on either published rates or estimates for future inflation.

3. Pensions

The specific grant for Police Officer pensions (£4.1m for 2025/26) is assumed to continue annually, although this has not been confirmed by the Home Office, and will be reviewed as part of the annual settlement process. This has been increased this year as a result of the recent actuarial valuation but is not forecast to increase for increases such as pay awards etc.

In addition to the ongoing schemes there is the potential for compensation costs from legal action such as McCloud but it is not yet clear if this will be required to be funded locally or nationally.

4. 2025 Spending Review (SR)

Phase 1 of the 2025 Spending Review focused purely on 2025/26 and gave no indication for future years. Phase 2 will consider 2026/27 and beyond but no announcement has been made on how many years it will cover. Prudent forecasts have been made across the Medium Term Financial Forecast and will be updated once the SR has concluded, currently estimated to be in late spring.

5. Formula Funding Review

A review to the allocation of funding between forces was started in 2022 with initial consultation on work completed originally expected in Spring 2023, but no consultation was ever launched. Work on the review has now paused and there have been no announcements on when it may be reviewed.

Whilst the previous formula funding review, which was not implemented, would have provided an additional £4m pa approximately to Dorset Police, there is no guarantee that a similar outcome will be generated by the latest review.

2025/26 BUDGET, PRECEPT AND MEDIUM TERM FINANCIAL STRATEGY**6. Increasing population / expectations / demand**

The challenges of policing in Dorset continue to change, with increased population and demand. The Force continue to review their operational capacity and capability in order to address the demand, but clearly the additional burden is a significant factor in financial planning.

7. Emergency Services Network (ESN)

No assumptions have been made in relation to any benefits for the implementation of ESN. An estimate of costs has been included in the capital programme although these are pushed back until 2027/28. Indications from Government are that local forces will be expected to incur some of the implementation costs, while some will be met centrally through top slicing. However, revenue savings are also anticipated.

8. Further top slicing / charges

In addition to the potential top slicing for ESN, other changes to funding may be introduced that have a positive or detrimental impact on Dorset Police.

9. Change in Political Environment

Changes as a result of the devolution agenda could impact on the Medium Term Financial Strategy however given the complexities of differing boundaries within the South West this is not anticipated to be imminent.

10. Impact of Partners

It is widely reported that financial pressures of our partners such as Local Authorities and the NHS are significant. How partners choose to balance their budgets could have a detrimental impact on the Force such as increased demand following reductions in community safety initiatives for example.

11. Other Risks

There are also potential risks in the realisation of savings and changes to the police officer workforce. Workforce risks include changes in numbers of police officer leavers, delivery of recruitment targets, and numbers of officers on secondment.

Continued monitoring of the financial position, and regular updates of the financial projections to reflect emerging information will be essential in managing the financial position over the next few years.

2024/25	BUDGET SUMMARY	2025/26	2025/26
£		£	£
171,874,938	Budget Requirement		182,680,909
	Police Allocation Formula (PAF)		
75,293,841	Police Grant (Home Office)	78,105,338	
7,918,574	Legacy Council Tax Grants	7,918,574	
83,212,415	Total funding		86,023,912
88,662,523	To be met by Council Tax payers		96,656,997
(532,243)	Less: estimated surplus / Plus: estimated deficit on Collection Fund		(579,093)
88,130,280	PRECEPT REQUIREMENT		96,077,904

PRECEPTS						
Authority	2024/25		increase in tax base %	2025/26		Estimated Surplus on Collection Fund
	Tax Base	PCC Precept		Tax Base	PCC Precept	
Bournemouth, Christchurch & Poole	146,342.0	£42,963,085	3.58%	151,574.2	£46,621,193	£0
Dorset Council	153,849.7	£45,167,195	4.51%	160,793.0	£49,456,711	£579,093
Total	300,191.3	£88,130,280	4.06%	312,367.2	£96,077,904	£579,093

COUNCIL TAX								
Band	A	B	C	D	E	F	G	H
2024/25	£195.72	£228.34	£260.96	£293.58	£358.82	£424.06	£489.30	£587.16
Increase (4.77%)	£9.33	£10.89	£12.44	£14.00	£17.11	£20.22	£23.33	£28.00
2025/26	£205.05	£239.23	£273.40	£307.58	£375.93	£444.28	£512.63	£615.16

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Crime & ASB	Burglary	Fraud & Cyber	Road Safety	Business & Retail
Green	Green	Green	Yellow	Yellow

- Funding provided to Christchurch Harbour Watch to tackle anti-social jet skiers.
- The PCC supported Dorset's Community Speed Watch (CSW) week of action.

Uplift and Visibility	Connectivity and Engagement	Customer Service
Green	Green	Green

- Police committed to refresh Local Neighbourhood Engagement Commitments.
- Scrutiny of the Force's arrangements and mitigations following the MARS scheme.

Addiction	Violence Reduction	VAWG	DA & Stalking	Child Abuse	RASSO
Green	Yellow	Yellow	Yellow	Green	Yellow

- Award of standard risk domestic abuse service to Victim Support Dorset.
- Continuation of funding for behaviour changing courses to be delivered by Circles Southwest.

Funding	Efficiency	Evidence Based Policing	Philosophy & Co-operation
Yellow	Green	Green	Green

- PCC issued a public statement about financial challenges and the outdated funding formula.
- The third phase of Right Care, Right Person went live in November.

Philosophy	CJS & RJ	Vulnerability	Hate Crime	Young People
Green	Yellow	Yellow	Green	Yellow

- Victim service contract for volume crime awarded to Victim Support Dorset.
- Fix the Future funding awarded to Life Education Wessex for innovative programmes.

Rural Resources	Country Watch	Fly-tipping	Wildlife Crime	Heritage Crime
Green	Green	Yellow	Yellow	Green

- Southwest forces collaborated in joint operations, including Op Honeybun.
- Rural Mounted Volunteer scheme continues to grow, now with 15 volunteers.

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Agenda Item 7

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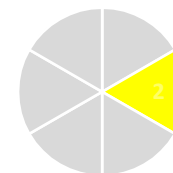


In the Spotlight	Measures of Success	Target	Current	Additional Key Indicators		Q2	Q3
<p>"I am constantly exploring all options available to reduce the risk of harm to everyone using Dorset's roads, such as lobbying government for tougher sanctions to impose on anti-social motorists. I hope Dorset Police, partner agencies and our volunteers continue working effectively together to prevent avoidable deaths on our roads." PCC, 24 October 2024</p>	Total Crime (from 2019 baseline)	↓	↓ -4%	Non-dwelling burglary 24/25 (YTD)	+10.8% (+61)		^
				Dwelling burglary 24/25 (YTD)	-6.7% (-52)		v
	Total ASB incidents (from 2019 baseline)	↓	↓ -32%	Killed or Seriously Injured (rolling)	-9.6%		v
				ASB YTD	-8.9% (-1061)		v
	Public Opinion	↑	↑ 51%	Business Crime (YTD)	+4.6% (+193)		^
				Commissioning: Crime Prevention 24/25	£599k		^

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Theme	RAG Q2	RAG Q3	Detail	Theme	RAG Q2	RAG Q3	Detail
Crime and ASB			Latest figures show an increase of 2.2 percent points in the positive outcome rate for victims over 12 months (13.8% vs 11.6%) with 1,188 additional positive outcomes delivered in this period.	Road Safety			October saw Community Speed Watch (CSW) week of action . CSW volunteers deployed in over 100 locations across Dorset, with 387 warning letters issued to those caught speeding.
			The PCC <u>supported</u> ASB Awareness Week and approved funding for Christchurch Harbour Watch to install speed signage to tackle anti-social jet ski riding.	Fraud & Cyber Crime			The OPCC and Force Fraud Protect Officer scoped a project which would see some of the most vulnerable older residents in Dorset provided equipment to automatically block fraudulent calls .
Burglary & Acquisitive Crime			The PCC approved the pilot of a Home Safety Leaflet scheme , which will see crime prevention advice provided to new homeowners. These crime prevention leaflets have been made available to estate agents to include within literature provided to new homeowners.	Business & Retail Crime			The PCC held a Retail Chain / Business Crime meeting bringing together senior retail chain staff to address national retail chain issues that affect Dorset businesses. Key issues discussed included communication within retail stores, training, increased awareness to report crime and <u>comms</u> needed on Op Shopkeeper .

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In the Spotlight	Measures of Success	Target	Current	Additional Key Indicators		Q2	Q3
<p>“Much of the past three years has been focused on building important change, and while long-term improvements are hard to achieve, I am determined that as a result of the foundations we have laid, the next stage of this two-term [Police and Crime] Plan will move Dorset further towards becoming the safest place in the country.”</p> <p>PCC, 10 October 2024</p>	Number of full-time equivalent police officers	↑	-- 1,432	Victim Satisfaction (Whole Experience)	65.4%		^
	Percentage of People who feel Dorset Police do a good job in their area	↑ 80%	-- 66%	Victim Satisfaction (Actions Taken)	61.8%		^
	Percentage of 999 calls answered within 10 seconds	↑ 90%	↑ 92%	Victim Satisfaction (Kept Informed)	59.1%		^
				Average 101 answer time	18.1 mins		^
	Percentage of 999 calls answered within 10 seconds	↑ 90%	↑ 92%	Complaints received by Dorset Police (Q3)	337		v
				Complaint Reviews received by OPCC (Q3)	20		v

Theme	RAG Q2	RAG Q3	Detail
Uplift and Visibility			The PCC and his SMT scrutinised the Force's arrangements and mitigations following the Mutually Agreed Resignation Scheme (MARS) to ensure that there remained a focus on visible and community policing. The scheme is solely aimed at members of police staff and, so, police officer numbers are unaffected.
Engagement and Connectivity			<p>Two crucial consultations were launched during this quarter – the PCC’s <u>Annual Survey</u>, which provides key information about how safe Dorset residents feel, and the <u>Precept Survey</u>, seeking views on the PCC’s precept proposal for 25/26. The PCC and his office also undertook <u>communications</u> and stakeholder engagement in support of the refreshed Police and Crime Plan.</p> <p>The Director of Operations attended the inaugural Force Neighbourhood Engagement Board which saw a commitment secured to refresh the Neighbourhood Engagement Commitments to ensure that they remain focussed on the expectations of the Dorset public.</p>
Customer Service			A formal update was provided by the Force now that the front counter pilots have been concluded, following the peak summer months. Plans to build upon the community contact points and other mobile options are being progressed.

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In the Spotlight	Measures of Success	Target	Current	Additional Key Indicators		Q2	Q3
<p>“[Ref Op Scorpion] it is imperative that those who commit harmful behaviours like this are robustly tackled, sending a strong message to others that we will not tolerate criminal behaviour in Dorset. I want to thank officers for their dedication to tackling the harms that drugs present in our communities.”</p> <p>PCC, 10 October 2024</p>	Most Serious Violence (from 2019 baseline)	↓	↓ -4%	Domestic Abuse Crimes	-2.3% (-168)		V
	Domestic Abuse Crime and Incident Reports	↑	↓	Domestic Abuse Incidents	-0.1% (-5)		V
	Effectiveness assessment by HMICFRS	ADQ.	ADQ.	Violence Against the Person	-3.9% (-609)		V
				Domestic Violence, Sexual Harm and Stalking Prevention Orders 24/25	149		^
Commissioning: Reducing Reoffending 24/25	£132k						

Theme	RAG Q2	RAG Q3	Detail	Theme	RAG Q2	RAG Q3	Detail
Domestic Abuse & Stalking			The OPCC and Force evaluated bids for the standard risk DA service . The contract was subsequently awarded to Victim Support for a term of five years. The PCC <u>blogged</u> in support of Male Victims of Domestic Abuse Day .	Child Abuse			Through Op Encompass , Police and Dorset Council collaborated to formalise enhanced information sharing processes surrounding early help, ensuring early years settings are promptly informed of safeguarding concerns.
RASSO			The PCC approved continuation of funding to <u>Circles Southwest</u> for behaviour changing courses for prison leavers and young people on bail for sexual offences, also providing training for professionals to identify and tackle harmful sexual behaviour.	Violence Reduction			Knife crime session delivered at the Magistrates AGM <u>in partnership</u> with Force Firearms and the ‘Changes are Made’ charity. The Force Safer Schools and Communities Team delivered the FAKE knife crime <u>education input</u> to 3,156 children.
Addiction and Substance Misuse			<u>Results</u> from Op Scorpion saw 21 arrests, more than £20,000 cash seized, two high harm drug lines closed , and six children safeguarded. A new programme of drug education has been created for schools in Dorset by the Talkabout Trust, thanks to <u>PCC funding</u> .	Violence Against Women and Girls			The Force approved a pilot of an App to be used on high-risk stalking perpetrators’ phones. The app monitors user internet activity and reports back to policing. The PCC <u>supported</u> White Ribbon Day .

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In the Spotlight	Measures of Success	Target	Current	Additional Key Indicators		Q2	Q3
<p>“Our multi-agency approach has yielded many positive outcomes this year, so I want to thank my office and Dorset Police officers for their continued dedication. Tackling crime is a collective effort and together, we will beat the gangs causing misery and profiting from criminality in our county and beyond.”</p> <p>PCC, 25 October 2024</p>	Total Rural Crime (compared to 2019 baseline – YTD)	↓	↓ -81%	Crimes ‘Flagged’ as Rural	-29% (-31)		V
	Rural Resources	↑	↑	Engagement events in County LPA (Q3)	-52% (12)		V
	Public Opinion	↑	↑ 61%				

Theme	RAG Q2	RAG Q3	Detail	Theme	RAG Q2	RAG Q3	Detail
Rural Resources			Dorset Rural Crime Team collaborated with Southwest forces <u>to deliver joint operations</u> , including Op Honeybun , which saw a focus on van breaks and tool thefts following a spate of crime. The Op saw 50 incidents in total recorded, three suspects arrested with one remanded - since then the series has ceased.	Country Watch			The number of Rural Mounted Volunteers continue to grow with the latest figures showing that 15 riders have now been recruited and trained, with more still in the recruitment process.
Heritage Crime			PCC attended a roundtable event for PCCs on Rural & Heritage Crime hosted jointly by the NRCN and Historic England. Suggested work is being explored with the Force.		The PCC became a Board member of the National Rural Crime Network (NRCN) . The NRCN are lobbying to extend laws relating to equipment theft, to cover forensic marking of all GPS systems on farm vehicles and power tools over the value of £300.		
Fly-Tipping			The PCC <u>published a newsletter</u> to highlight the recent successes achieved during National Rural Crime week . The OPCC continue to work closely with organisations from the Dorset Partnership Against Rural Crime.	Wildlife Crime			The Rural Crime Team attended two incidents of raptor deaths – one suspected to be caused by hitting overhead cables, the other is being investigated by Natural England.

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In the Spotlight	Measures of Success	Target	Current	Additional Key Indicators		Q2	Q3	
<p>“[Through the Restorative Justice service], I want victims to be given the chance to have closure and be able to move on with their lives, secure in the knowledge that offenders have understood the impact of their actions.”</p> <p>PCC, 10 December 2024</p>	Number of victims supported by OPCC commissioned services	↑	↑	Victim Support – Cases Created (Q3)	2,915	▲	▼	
				Victims’ Bureau – Contact (Q3)	6,990	▲	▲	
	Victim Satisfaction	↑	--	65.4%	Recorded Hate Crime (YTD)	+12.5% (+80)	▲	▲
					Recorded Hate Incidents (YTD)	+20.4% (+22)	▲	▲
	Legitimacy Assessment by HMICFRS	ADQ.	ADQ.	% people feeling safe in Dorset	91%	▲	▲	
				Commissioning: Victim Services 24/25	£814k	▲	▲	

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Theme	RAG Q2	RAG Q3	Detail	Theme	RAG Q2	RAG Q3	Detail
Criminal Justice Service and Restorative Justice	▲	▲	With the Restorative Justice contract drawing to a conclusion, the OPCC undertook a review of the service and has subsequently drafted an updated specification in preparation to go to market for a new contract in 2025.	Support for Young People	▲	▲	Fix the Future funding was approved by the PCC to Life Education Wessex to provide innovative and inspirational programmes to school children who are at risk. This programme will help share important messages with young people in Dorset.
Victims and Community	▲	▲	Following a detailed evaluation, the victim service contract for volume crime offences was awarded to Victim Support for a term of five years. This major contract will continue to ensure that victims can access timely and high quality services aiding coping and recovery.	Vulnerability	▲	▲	The OPCC promoted ‘Hourglass’ during Safer Aging Week in November. Hourglass is a nationwide charity dedicated to protecting older people from abuse and neglect.
			The OPCC Director of Operations now provides an update on the PCC-chaired Use of Police Powers and Standards scrutiny panel to the Force, for their review and action, as required.	Hate Crime	▲	▲	Work continued to build connections with community networks, including Community Action Network, with scope for a future hate crime survey.

RAG Status	
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In the Spotlight	Measures of Success	Target	Current	Additional Key Indicators		Q2	Q3
<p>“To say this funding settlement puts the Force in a difficult position is an understatement. It demonstrates why I have been so vociferous in lobbying for the vital change in the funding formula... Dorset Police and the residents of this county are the victims of this outdated and unfair system.”</p> <p>PCC, 19 December 2024</p>	Money secured from competitive national funds	↑	↑ £1.63m	Total Commissioning Spend by OPCC (2024/25)	£1.59m		^
	Budget Forecast	SEE FINANCE SLIDES	SEE FINANCE SLIDES	Innovation Bids Submitted (since 01/04)	10		^
				Small Grant Bids Awarded 2024/25	11		^
	Efficiency assessment by HMICFRS	ADQ.	ADQ.	Absence Rates for Officers (Q2)	4.5		^
				Absence Rates for Staff (Q2)	3.1		v

Theme	RAG Q2	RAG Q3	Detail	Theme	RAG Q2	RAG Q3	Detail
Evidence Based Policing			The third phase of Right Care Right Person went live in November 2024. This phase of the project is for those calls relating to Section 136 of the Mental Health Act and voluntary mental health patients. The focus is ensuring that patients are provided with care from the right service with police handovers at health-based places being carried out within an hour, removing the police from the situation as quickly as possible.	Philosophy and Co-Operation			<p>Following the annual South West Police Collaboration planning day, regional PCCs <u>highlighted</u> how collaboration and sharing of intelligence is tackling complex cross-border issues and building safer communities.</p> <p>As per the existing Strategic Alliance terms of reference, a review of charging agreements between Alliance business areas began, to ensure these remained fit for purpose.</p>
Funding			The PCC spoke with Dorset's MPs and issued a <u>public statement</u> outlining the challenges that the outdated funding formula caused Dorset. Force and OPCC Executive also raised the issue that the anticipated use of the funding formula to cover mandated NI increases would result in further shortfalls for Dorset.	Efficiency			Following the completion of the HQ build, the OPCC Treasurer reviewed and updated the Capital Receipts Strategy , allowing the method of paying back its capital borrowing to better recognise the significantly longer life of this notable asset (other assets generally having a lifespan of up to 10 years).

RAG Status	
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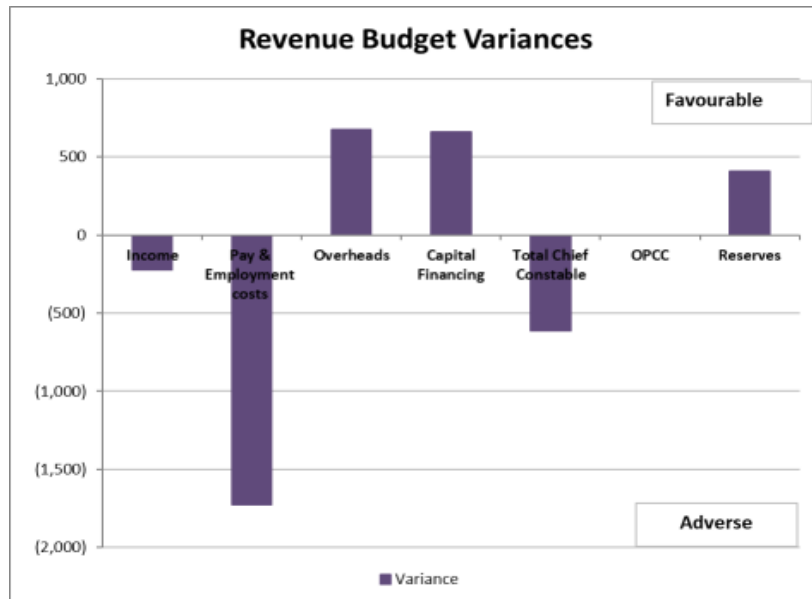


2024/25 QUARTER 3 FINANCIAL REPORT- OVERVIEW

The overall revenue spend for the year is forecast to be £172.1m against a budget of £171.9m, an adverse variance of £0.208m or 0.12%. This is a significant improvement from the position at Q2 when an adverse variance of £2.3m was forecast.

The current forecast would reduce the General Fund Balance to £5.264m at the year end, equivalent to 3.06% of Net Revenue Expenditure which would be just above the minimum level of reserves of 3%.

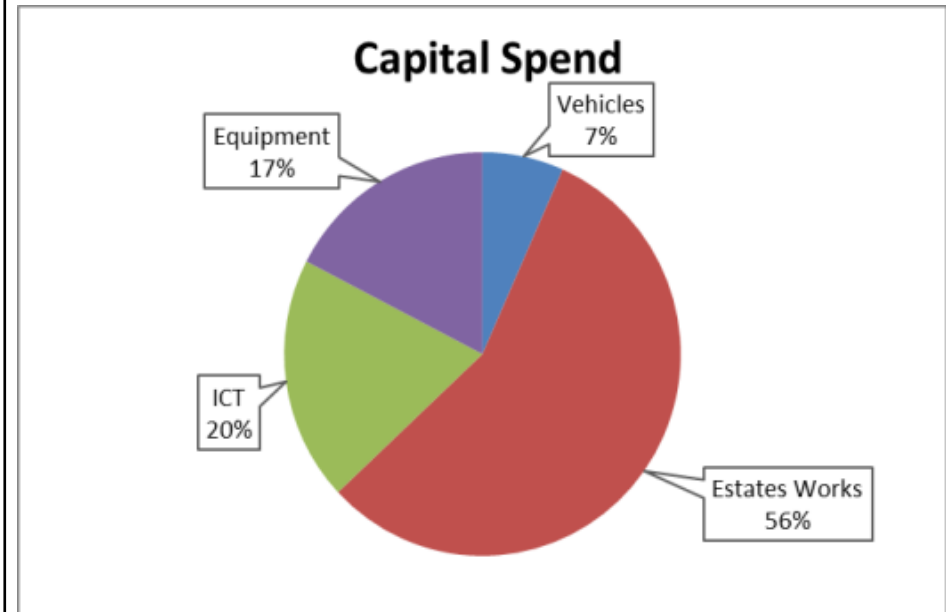
The graph below summarises the outturn revenue variances for the year to 31 March 2025.



CAPITAL

The Capital Programme is currently predicting expenditure of £10.584m against a revised budget of £12,091m for the year, after removing the slippage built into the 2025/26 budget. The variance of £1.507m is made up of further slippage of £0.137m and forecast underspends of £1.370m. This will reduce the borrowing required in 2024/25.

The graph below shows the final allocation of the capital spend for 2024/25.



Further information on both the revenue budget, capital programme and reserves can be found on the following pages.

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REVENUE BUDGET MONITORING

2024/25	Original Budget	Revised Budget	Actual to Date	Forecast Outturn	Variance fav / (adverse)	Ref	Revenue Commentary
Chief Constable	£000's	£000's	£000's	£000's	£000's		
Income	(32,865)	(34,784)	(20,497)	(34,561)	(223)	R1	R1. The budget has been adjusted to reflect the pay award grant received. The remaining variance relates to mutual aid which has not been provided at the expected level.
Pay & Employment costs	148,852	150,582	114,940	152,307	(1,725)	R2	R2. The higher than budgeted pay award cost nearly £0.5m after allowing for the additional grant. Ill health retirements are also forecast to be higher than budgeted. Major operations have increased overtime costs. Of the £4.5m savings built into the budget, £0.9m have not yet been achieved but MARS savings have now been factored in.
Overheads	47,174	47,635	32,280	46,960	675	R3	R3. Reduced costs of premises including some once off rate rebates. Savings in IT network costs, fuel and fleet repairs. Revenue costs of IT systems will be funded from reducing Revenue Contributions to Capital.
Capital Financing	6,030	5,856	68	5,197	659	R4	R4. Reduced costs of contributions to capital in order to fund revenue costs of IT systems, previously budgeted within the capital programme and the implementation of the new IT Contract.
Total Chief Constable	169,190	169,289	126,791	169,903	(614)		
OPCC	3,267	3,267	1,401	3,267	0		R5. It has been agreed to use £0.406m from general reserves to fund Major Ops and the reduced mutual aid income.
Total Net Revenue Expenditure	172,457	172,556	128,192	173,170	(614)		R6. The forecast variance of £0.208m is equivalent to 0.12% of the total net budget. If this position were to be the final outturn position this, alongside the approved use of reserves above, would reduce the General Reserves to 3.06%, above the minimum level of 3%.
Reserves	(582)	(681)	(99)	(1,087)	406	R5	
Net Budget	171,875	171,875	128,093	172,083	(208)	R6	

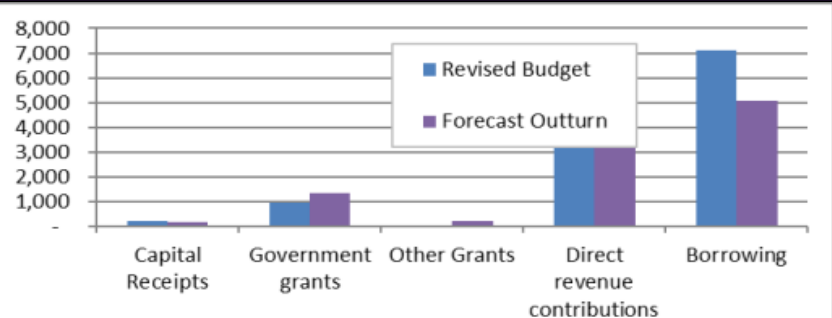
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CAPITAL BUDGET MONITORING

	Original Budget	Revised Budget	Actual to Date	Forecast Outturn	Variance Fav / (Adverse)	
2024/25	£000's	£000's	£000's	£000's	£000's	Capital Programme Commentary
Capital Investment						
Vehicles	1,434	954	441	702	252	Slippage of £5.634m has been removed from the budget and built into the 2025/26 budget. The forecast variance is primarily underspends on this revised budget, with only £0.137m of further slippage.
Estates Works	7,996	7,357	3,346	5,966	1,391	A reduction in the number of vehicles replaced is forecast to produce an underspend in the vehicle budget.
IT Equipment	5,094	2,343	718	2,074	269	The underspends currently forecast within the Estates budget relate to the new HQ build, the Firing Range and Ferndown projects but these will only be confirmed once the projects have been completed.
Slippage	976	1,837	703	1,842	(5)	There is some additional slippage across the ICT project portfolio and underspends on the replacement of computers.
	(400)	(400)	0	0	(400)	The slippage allowance will be offset against the underspends during the year.
Total Capital Programme	15,100	12,091	5,208	10,584	1,507	

CAPITAL FINANCING

Sources of Finance						
Capital Receipts	-	200	-	182	18	 <p>The bar chart displays the Revised Budget (blue) and Forecast Outturn (purple) for five categories of capital financing. The y-axis represents the amount in £000's, ranging from 0 to 8,000. For Capital Receipts, the Revised Budget is 0 and the Forecast Outturn is 18. For Government grants, the Revised Budget is 0 and the Forecast Outturn is 357. For Other Grants, the Revised Budget is 0 and the Forecast Outturn is 197. For Direct revenue contributions, the Revised Budget is 3,830 and the Forecast Outturn is 3,830. For Borrowing, the Revised Budget is 5,053 and the Forecast Outturn is 2,043.</p>
Government grants	-	965	465	1,322	(357)	
Other Grants	-	-	-	197	(197)	
Direct revenue contributions	4,369	3,830	1,397	3,830	0	
Borrowing	10,731	7,096	3,346	5,053	2,043	
Total Capital Funding	15,100	12,091	5,208	10,584	1,507	

RAG Status	
This Period	Last Period



USABLE RESERVES

2024/25	Opening Balance at 1/4/24	Budgeted transfer to/(from) reserves	Commitments to transfer to/(from) reserves	Actual Transfer to/(from) reserves	Forecast Closing Balance at	Reserves Commentary
Reserve	£000's	£000's	£000's	£000's	£000's	
Budget Management Fund	819	(299)	(200)	(99)	520	<ul style="list-style-type: none"> The Budget Management Reserve holds the unspent carry forward requests from previous years which will be transferred from the reserve as they are required. In addition, the planned use of reserves is still expected to be required during the year. At this stage only minor transfers have been made to or from other earmarked reserves. A new Strategic Change reserve is likely to be required by the year end if not all of the funds set aside for implementations are required in the current year. This will enable projects to be completed in 2025/26. The General Fund Balance is forecast to reduce to £5.264m at 31 March 2025, taking into account the latest forecast, equivalent to 3.06% of Net Revenue Expenditure. This would be above the minimum level of reserves, but below the maximum of 5%. No significant capital receipts are currently forecast to be received in the current year apart from the sale of a boat which is planned to part fund the purchase of a replacement vessel. It is anticipated that capital receipts will be used to fund the one off costs of the MARS but the decision will be made once figures are final.
Police and Crime Plan Reserve	461	0	0	0	461	
Violence Reduction Reserve	770	(135)	(135)	0	635	
OPCC Legal Reserve	250	0	0	0	250	
OPCC Reserve	416	0	0	0	416	
Regional Collaboration Reserve	34	0	0	0	34	
Forensic Capability Network Reserve	268	0	0	9	277	
Workforce Change Reserve	643	(300)	(300)	0	343	
Learning & Development Reserve	46	0	0	(9)	37	
PEQF Reserve	47	(47)	(47)	0	0	
Total Earmarked Reserves	3,754	(781)	(682)	(99)	2,973	
General Fund Balance	5,778	100	(514)	0	5,264	
Total Revenue Reserves	9,532	(681)	(1,196)	(99)	8,237	
Capital Receipts Reserve	3,617	0	0	0	3,617	
Total Usable Reserves	13,149	(681)	(1,196)	(99)	11,854	

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