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14 January 2021

Dear Martyn

Police and Crime Panel, Future Budgets and Priorities

I would like to place on record my thanks to you and the Police and Crime Panel for your support over the last year and, in particular, your support in increasing the precept for 2020/21. I would also like to explain how Dorset Police used the additional income from the precept to benefit our local communities in Dorset and to meet our need for further investment in both core policing and specialist capabilities to continue to protect the public and meet emerging threats.

I would also like to take this opportunity to thank you for your support and that of the Police and Crime Panel during the coronavirus pandemic. Whilst the health of Dorset citizens has not been as hard hit by the virus as some other parts of the country, it has thrown up specific challenges for policing. It has also impacted our available human and financial resources, with officers and staff self-isolating at times and our income generation curtailed by the cancellation of various commercial and community events, which require police support. Nevertheless, our response to the pandemic is a good example of Dorset Police being ready to deal with every eventuality in today's society. With your support I believe we have achieved the right balance between engagement and enforcement.

The pandemic contributed to this summer being particularly busy for Dorset Police with large numbers of people visiting the beaches of Bournemouth and Poole as well as the many iconic beauty spots around the County. Policing the summer surge in visitors following the initial lockdown had a significant impact on our operational requirements and on the pressure felt by officers having to work extra shifts, due in part to officers isolating after contact with people suspected of having the virus. This also had an impact on our costs of policing the summer period.

During this time the normal demands on policing continued with an increase in serious violence and major crime, including homicides, which were investigated with the perpetrators of most serious offences being brought to justice. We also adapted our

approach to aspects of routine policing with investment in remote policing teams for those people who could not be seen in person, thereby ensuring we were able to provide a service to people who were shielding.

The pandemic also caused us to speed up our investment in mobile technologies. All frontline officers now have mobile devices enabling them to deliver better services to victims of crime. This technology also allows officers to access our crime recording and back office systems without having to return to their stations. During the first lockdown we also extended this provision to many of our support staff so they could follow Government guidance and work from home.

The force stepped up detailed plans and contingencies for all eventualities around the EU exit and transition. This was a significant piece of work around business continuity which required coordination and partnership working within the Local Resilience Forum. Although the arrangements have minimised the ongoing impact that a no deal would have brought, there are operational challenges around wider law enforcement with Europe and the force will need to invest resource in this area to manage the additional demand and risk. Last year's welcome announcement from the Government concerning the return to investment in policing, with the proposed national increase of 20,000 police officers came too late to help in the early stages of the pandemic. This uplift is being phased over three years and the first year's intake was still in training during the first lockdown. Nevertheless, this investment and that of the additional precept will be critical in enabling Dorset Police to provide outstanding services in supporting the most vulnerable people of Dorset.

We have been able to respond to the pandemic and to the EU exit planning challenges despite the financial savings which have been required over the last decade and despite the growing complexity of the demands placed on policing. As both you and the Police and Crime Panel are acutely aware, the traditional low level of Government funding of all public services in Dorset, including the Police, brings its own challenges, particularly around the high degree of reliance on the council tax for local services. My colleagues and I are aware of the pressure this puts on local people in balancing their household finances and so it is important for us to continue to support you in helping local people to understand the difference the increase in the precept has made.

Dorset Police continues to be graded as "Good" by her Majesty's Inspectorate of Constabulary and Fire and Rescue Services, across all areas of its services, including the recent Crime Data Integrity inspection. The Force's crime data shows that Dorset has continued to drive down a reduction in crime with this year's data demonstrating a 5.1% reduction, compared to national reduction of 4.1% which is the 10th lowest in the country, thanks in part to our continued focus on crime prevention and our continuing work with our partners in local authorities. This decline in crime has continued to improve with force data now showing a year to date 11.2% reduction.

The Government's commitment to increasing the number of police officers across the country is very welcome. In order to support their commitment the Government increased its grants to Dorset Police by £4.4m in 2020/21 to pay for the recruitment and training of 50 additional officers. However, the ongoing costs of these officers is not provided for within this funding, and the increase in the number of officers, the annual pay award, annual increments for some officers and additional pension contributions added £4.9m to our costs. Furthermore, the pay award for police staff,

including PCSOs and the additional staff required to recruit and train the additional officers added a further £1.9m to our staff budget. The Force also had to meet the additional costs of over £1m on its various overheads, such as premises, supplies (e.g. software licensing costs) and transport (e.g. fuel costs), many of which are embodied in contracts. The increase in the precept was, therefore, critical in allowing us to balance our budget whilst maintaining services to the public, by providing additional resources of £3.3m.

I was clear that last year's increase in the precept was primarily required to keep pace with cost increases for similar levels of service, I am pleased that we were able to invest in a number of service improvements. I would now like to illustrate some of the benefits from the investment in our services which last year's precept has made possible.

Protecting people at risk of harm

I remain firmly committed to our focus on prevention which has been achieved largely through our neighbourhood policing teams working with vulnerable people. This has resulted in a reduction in the number of overall crimes, as well as the number of violent and sexual offences, which have reduced more than the national average for the year as a whole, due to the focus we have given these priority crime areas. However, the severity of the violence being exhibited has increased.

During 2020 we have also invested in our call handling facilities. This has resulted in 90% of emergency calls routinely being answered within 10 seconds and a more dramatic improvement in the response times for non-emergency calls, with 95% being answered within 30 seconds. The average answer time for non-emergency calls has reduced from 8 mins 25 secs in 2019 to 4 mins 50 secs in 2020. This improvement in non-emergency calls required substantial investment in staff numbers, training, management and new technology, together with the opening of an additional call-handling facility in Bournemouth which not only gave us access to much wider recruitment but also increased our resilience by having capability across two sites. To sustain this improved level of service we will need to meet the full year impact of this investment in 2021/22 and in future years, which amounts to in excess of £700,000.

I am particularly pleased that we have been able to finally resolve the problem of slow response times in our control centre. Callers now receive a more timely service thanks to the investment I have outlined above.

Of course, we have not now rested on our laurels, and in October 2020 we successfully implemented a new computer system as part of our investment in our call handling arrangements at a capital cost of £1.7m, with annual software costs of £250,000. This is part of a wider investment in our call handling facilities over the next few years, replacing older systems and enabling officers to take full advantage of mobile technologies whilst out in our communities, which will improve their efficiency and effectiveness.

We have worked closely with our colleagues in the South West Ambulance Service Trust (SWAST) to develop a Joint Response Unit. The Unit is a SWAST Rapid Response Vehicle, which is additionally staffed with a police officer, enabling us to deal effectively and sympathetically with people suffering mental health episodes by

ensuring they receive the best care which helps to reduce the demand on all public services. The evaluation of the three-month trial found a 52% reduction in waiting times for a SWAST or police resource, a 39% reduction in jointly deployed resources from both Police and Ambulance, and that 33% of patients attended were discharged at the scene, we look forward to the scheme's continuance.

We will also be improving our services in this area by the deployment of officers made possible by the Government's uplift programme, once the officers have completed their training. We propose to invest in our teams who focus on preventing the criminal exploitation of vulnerable people via county lines.

We are establishing a dedicated missing people team who will aim to reduce the number of missing people in Dorset, protect vulnerable people from harm by identifying those at risk and reducing the time people are missing by finding people more effectively through improved processes and use of intelligence. The team will also support the families of missing people while they remain missing.

We are also investing in our intelligence capacity and capability to inform specifically around high risk incidents, crimes, victims and offenders. This will improve the effectiveness of our response to dynamic serious crime, firearms incidents and missing people.

In future years we will deploy some of the additional officers to deal with emerging threats such as online and international crime.

Working with our communities

During this year we have invested in the development of online statements and signatures. This allows statements to be taken at the witnesses' convenience. The use of this new facility has grown quickly during the pandemic, with over 850 statements being taken each month. This approach to taking statements is also much more efficient for our officers with an average saving of two hours of officer time for each statement taken, providing a rapid return on investment.

The increase in the number of officers as a result of the uplift programme has allowed us to invest more officer time in neighbourhood policing. In particular we are investing in a vulnerability team who are involved in complex problem solving with those people who suffer or cause the greatest harm in our communities.

In the coming year we will deploy additional officers into neighbourhood policing. Our partners across Dorset have agreed to work more closely with us on crime prevention and addressing anti-social behaviour in our towns. We expect this work with our partners to catalyse our combined engagement with our local communities and to encourage them to work with us on the issues that matter to them.

Next year we will continue our investment in forensic collision investigation. We have already invested £70,000 in a new digital investigation scanner and in the coming year we will supplement this with investment in our collision investigation team. These investments will ensure we meet the national forensic standards which have improved as a result of technological developments.

Supporting victims, witnesses and reducing reoffending

Dorset Police continues to put victims at the heart of what we do. In the past the precept has been used to roll out restorative justice for a range of offences and to develop and commission the Bobby Van initiative. The Bobby Van is a mobile unit that provides home security, crime prevention advice and reassurance for vulnerable members of the community. The Bobby Van has been very successful, having made well over 200 visits since it went live last January. The van operator is able to provide practical help and support to people. The Bobby Van has been so successful, and I am grateful for your initiative in gaining grant funding for a second van to support vulnerable victims across the County, which we expect to launch by the end of this financial year.

We have put together a dedicated resource to transform our services around domestic abuse. Based around opportunities highlighted by our annual survey of domestic abuse victims, we have taken national best practice to utilise a whole system approach to this issue which involves specific training to all frontline officers and staff, instigating a programme for perpetrators of domestic abuse and informing schools of children in families when there has been an instance of domestic abuse.

We acknowledge that whilst 90% of the respondents to this survey stated they were satisfied with the service they had received from Dorset Police, increasing from 86% last year, there is still more that can be done. We have therefore also invested in specialist Vulnerability lawyers who support investigators in obtaining domestic abuse protection orders and other civil sanctions to help protect vulnerable victims from the most serious offenders.

Transforming for the future

As I indicated last year we have continued to invest in change based on the adoption of new technology. During this year we have invested £1m of our capital resources in replacing speed cameras with more modern devices in order to keep our roads safer. The digital cameras are more efficient and more effective than the older cameras they have replaced because they do not contain film which needs to be replaced on a regular basis.

During the last year we have also started to explore the use of process automation and artificial intelligence. Process automation allows us to automate routine and recurring tasks undertaken by our staff, such as inputting the same information into disparate databases or forms. We are trialling process automation in our arrangements for vetting and firearms licensing which currently have several manual, administrative steps. The investment in artificial intelligence allows us to interrogate and gain insight into our records much more quickly than in the past, by automatically highlighting existing patterns and trends in our data for staff to consider.

Many of our recent service improvements have been reliant on capital investment in ICT. Our 2020/21 programme for ICT investment amounted to £5.7m, with a further £6.4m earmarked for investment in vehicles, equipment and buildings, some of which is required to train and deploy the additional officers funded by the Government. The Force will have to rely on borrowing to support some of its longer term capital investments because of a lack of capital reserves and the substantial reduction in

capital grants, which have fallen to £110,000 each year, from a base of £1.3m in 2010/11.

The drive for efficiencies

The Minister of State for Crime and Policing wants police forces across the country to improve efficiency through collective procurement and shared services. As you know, Dorset has made great progress on shared services, especially with our Strategic Alliance partner, Devon and Cornwall Police. Opportunities continue to be sought to develop both the Strategic Alliance and the five-force South West collaboration, wherever practical.

With regard to shared services, all of our enabling services, such as HR and Finance, are delivered in partnership with Devon and Cornwall, with jointly appointed senior managers. This degree of integration of the enabling services is facilitated by the use of new technology. The continued harmonisation of ICT across the Strategic Alliance will facilitate further integration of functional areas, as well as minimising the costs of innovation.

The two forces also manage many of their specialist police functions through the Strategic Alliance which increases the capacity and resiliency of Dorset Police whilst minimising any financial impact. This helps to ensure we have access to the most appropriate specialists when we need them, to deliver the wide range of operations required of a modern police force.

There are currently over 20 collaborated business areas, covering the full range of operational, operational support and business support functions. Following the decision not to merge, joint governance across all four alliance corporations sole did falter somewhat, but we have re-instituted Working Together Boards, and have agreed a plan for further developing our joint governance, with a specific focus on financial and operational performance of alliance business areas, which will report back ahead of the planned PCC elections in May 2021.

With regard to procurement, Dorset Police is an enthusiastic member of the South West Police Procurement Department (SWPPD), which also includes Devon and Cornwall, Gloucestershire and Wiltshire. In the last month the decision of Avon and Somerset to join was taken which will, not only, result in a collaborated unit covering all five South West forces, but also, considerably increase the purchasing power of the partnership.

SWPPD is moving forward on a number of region-wide contracts on items such as ICT, vehicles, insurance and training. The partnership has secured savings for Dorset Police of nearly £600,000 on these items over the last 18 months. In addition, the department and the constituent Forces are working closely with the Police ICT Company which has achieved savings for Dorset Police of £150,000 in the same period. The department is also working closely with the fledgling Blue Light Commercial, which is a new national police procurement organisation, designed to harness the purchasing power of policing on a national basis.

Since last year we have also achieved efficiencies in a number of areas. Our Road Safe service has saved £189,000 in equipment and bank charges and we have

reduced the costs of our cleaning contracts by £120,000 per annum. We have made a variety of savings as a result of changes in the way we do business due to coronavirus, including saving over £60,000 on travel and conference costs. We are planning to embed these new ways of working in the way we do things after the pandemic is over so that some benefit comes from the crisis. As part of this we have reduced our capital budget for the replacement of pool cars and repurposed some of the existing pool, including increasing our provision of electric vehicles.

I have already mentioned some of our investments in new technology which will make the Force more efficient and effective. Our investment in mobile technology and remote working was accelerated during the early part of 2020, to address the need for people to work from home as a response to the coronavirus. We were successful in speeding up the roll-out of appropriate devices for many of our staff, who have continued to work at home most of the time since the first lockdown.

Finally in this section, similarly to previous years, I have restated our commitment to maintaining an Innovation Fund, which is overseen by an Innovation Board co-chaired by the Deputy Chief Constable and your Chief Executive, and supported by our Innovation and Efficiency Officer. The Board has continued to meet during the last year and has promoted many of the initiatives to which I have referred above. It remains our intention to ensure the Board continues to meet to consider innovative ideas and to promote them with seed-corn funding to get the ideas off the ground.

Increased demand

Last year I mentioned there had been an increase in some of the most demanding and complex crimes. As I have mentioned already the number of crimes and the number of serious crimes have reduced over the last year. This forms part of a sustained reduction in recent years due to our focus on crime prevention. In the current year this sustained reduction has also been exaggerated by the lack of an evening and night-time economy during the coronavirus lockdowns.

I have already mentioned the impact of coronavirus caused by an increase in visitors to Dorset throughout the summer following the end of the first lockdown. This had severe operational impacts on our officers, who had to work additional shifts due to this increase in demand. As we look forward to the summer of 2021, we expect similar impacts, but significant uncertainty remains.

As I write this, the Government expectation is that the first four priority groups within the population, some 15 million people, will be vaccinated by 15 February. Should this happen, and should both the lockdown and the vaccinations have the desired effect, it is possible we may see an easing of restrictions in February. However, it has been widely reported that lockdown might be extended until 23 March, and that some restrictions may stay in place until May.

Recognising this uncertainty, it is prudent to plan for a period of restrictions, necessitating greater enforcement, which could potentially last for some months longer. Should the lockdown persist for a protracted period, it is very likely that Dorset will continue to be subject to additional demand through organised protests, as we have seen over the past several months. We will continue to take robust action against

individuals' intent on flouting the very clear advice to stay at home, as the vast majority of Dorset residents would expect us to.

As we return to normality there is likely to be increased demand for policing as the evening and night-time economy reopens. Some of the expected social impacts of the virus in terms of higher unemployment and increased social deprivation; greater educational divide; and increased mental health issues have yet to come to the fore but when they do they will have a significant impact on policing. In addition we have yet to see the potential impact of increased domestic abuse and a lack of school provision on our young people. Over the next few months we will seek to understand the medium term implications of the pandemic for crime and disorder in Dorset, as society as a whole will seek to understand the wider impacts.

Despite the reduction in the number of crimes, we are seeing an increase in their complexity. Many of the serious sexual and violent offences involve vulnerable victims. Investigating and prosecuting these more complex and harmful offences creates intensive demands on the Force and its criminal justice partners. Furthermore, the Force and its partners need to put in place effective safeguarding arrangements for the victims. This is why we are utilising the uplift in officer numbers to prioritise our work with vulnerable people.

At the same time, our officers and staff are having to manage growing court delays and continuing to support victims and witnesses, some of whom may be vulnerable, for extended periods. The recent Lord Chief Justice announcement that courts and tribunals must continue to function during lockdown is welcome, but social distancing guidelines mean that footfall in our courts must be kept to a minimum. Our Crime and Criminal Justice department, Victims Bureau and Victims and Witness Unit all continue to support victims and witnesses to the best of their ability, but this is becoming increasingly complex to manage.

Likewise, the work we do in preparing case files is set to increase dramatically as some point in the near future. The Attorney General's guidance on disclosure will increase the administration required for all prosecutions.

Demand for police involvement is increasing in non-crime areas such as people who go missing or who are suffering mental ill-health crises. Such incidents account for a large proportion of police time even though the police are often not the most appropriate agency to provide a service. We are addressing this area of demand by the creation of the dedicated missing persons' team and by working in partnership with SWAST, as mentioned above.

Criminals are increasingly using technology to perpetrate offences and their use is accelerating as many more people rely on online shopping as a result of the coronavirus. Again, we intend to use the additional capacity created by the uplift programme to focus increased attention in this area. In addition our work with artificial intelligence will enable us to access, analyse and understand the digital data available to us.

The financial outlook for 2021/2022

The investments and achievements I have outlined above have only been possible because of your support in raising the precept by £10 in the current year. This precept increase resulted in additional income of £2.9m, representing 2.0% of our budget, with a further £400,000 being generated by the increase in the tax base. Whilst these are substantial amounts, they should be considered in the context of the overall financial pressures facing the Force.

The current year's precept enabled us to maintain service levels by meeting inflationary costs, external pressures and the continuing shortfall in funding from Government. The £4.4m increase in Government grant did not meet the additional costs associated with the Government target for increasing the number of police officers and the pay awards agreed by the Government, as detailed above.

We are very grateful for the level of support you provided in the current year and for the support of the Police and Crime Panel in covering the shortfall in our central funding. Unfortunately the financial pressures next year are even greater, as indicated in the provisional financial settlement announced on 17 December. Another significant increase in the precept will be required if we are to continue to provide the current level of service, including the improvements we have already made this year, often achieved by the redirection of resources.

The provisional financial settlement indicates Government support for Dorset Police will increase next year by £3.4m. To receive all of this additional funding we will need to recruit a minimum of 49 additional police officers next year as our contribution towards the national uplift of 20,000 officers over the four years ending 2022/23. However, we have estimated the cost of the additional officers and the full year impact of last September's pay award and increments at £4.5m.

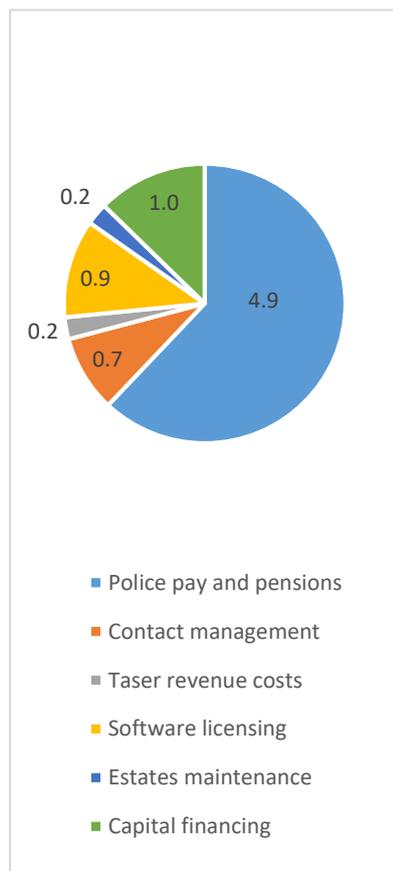
Our initial recruitment plans for next year were based on Dorset needing to recruit 68 officers out of a national total of 8,000 for the year. As part of the Spending Review, the Government reduced the recruitment target to 6,000. However, we are continuing to plan to recruit more than the minimum number of officers to take full advantage of the infrastructure we have put in place to recruit and train the new officers. This will allow us to start to reduce this infrastructure during the latter part of 2022/23, thereby making revenue savings, and allow Dorset to benefit from a front-loading of the police office uplift programme. Meeting the costs of the additional officers will, of course, result in additional pressure on our revenue costs in 2021/22, amounting to in excess of £250,000 but it means we will benefit from the uplift cohort earlier than expected by the Government.

As you know, the annual funding settlement from the Government does not just include the grants awarded by the Government to support Dorset Police. It also includes the Government's criteria for the level of increase in the precept for which a local referendum would be required (commonly referred to as the "cap"). The provisional financial settlement announced on 17 December included a cap of £15 in the increase in the precept. Ministers have made it clear they will support Police and Crime Commissioners in increasing the precept by the full £15 and have pointed out the increase amounts to an average of £1.25 per month for each household. However, you will still require justification for any increase in the precept.

Medium term financial planning and budget setting

When I presented the Medium Term Financial Plan last year, based on the best available intelligence at the time from both NPCC and APCC, I included an assumption that a cap of just under £5 would be set by the Government for 2021/22. Forecasting the budget requirement and funding on this basis was expected to generate an additional precept of £2.1m of which £700,000 was based on an assumption that the tax base would increase by 1% over the last year. These assumptions, whilst accurate at the time, have since proven to be overly optimistic. In fact the tax base has fallen thereby reducing the expected increase in the precept by a further £1m to £400,000. I expect £1.2m of this reduction in the precept to be made up by additional Government support although some will be required for future years. In addition, I expect £80,000 of our share of the 2020/21 deficits incurred by the Collection Funds to be met by Government grant to the Billing Authorities. These grants will bring the increase in Government grants to £4.7m.

Our Medium Term Financial Plan originally identified a shortfall in 2021/22 of £2.2m but the reduction in the tax base and the deficits, net of the additional Government support will increase this shortfall by £900,000 to £3.1m. Since then cost increases have added to this expected deficit but we have made savings in various budgets across the Force, to reduce the cost pressures to £8m, so we would ideally need a precept increase of £17.35 to balance the budget for 2021/22.



The majority of the additional costs are associated with the additional police officers, the full year effect of the 2020 pay award and pensions changes. These amount to a total additional cost of £4.9m. I have already mentioned above the additional costs associated with sustaining the improvement in contact management will amount to £700,000.

The additional revenue costs associated with the extra tasers we bought using Government grant as part of their taser uplift programme, to keep our officers and the public safe, will add £150,000 to the budget. Cost increases in the software used by the Force will add £900,000 to our costs in 2021/22.

Implementing a maintenance programme for our estate will add £200,000 to our costs but we would hope this will lead to budget reductions in routine maintenance in the medium term. Approximately £1m of the additional cost is associated with financing the capital programme of the Force. We expect to incur borrowing charges and debt repayments in 2021/22, together with an increase in the revenue contributions to capital, to finance short-life capital assets including ICT and vehicles.

The decision on the appropriate increase in the precept is clearly one for you to reach. To assist you I have set out a variety of options available, each with its own implications for the Force and I would ask that each is considered against the total cost pressures of £8m. The options are shown below:

	Precept Increase				
	£0	£5	£10	£15	£17.35
	£m	£m	£m	£m	£m
Central Grant	4.7	4.7	4.7	4.7	4.7
Precept	-1.7	-0.3	1.1	2.6	3.3
Total	3.0	4.4	5.8	7.3	8.0
Budget Requirement	8.0	8.0	8.0	8.0	8.0
Shortfall / (Surplus)	5.0	3.6	2.2	0.7	0

The final “option” in the table is not really an option as it would breach the referendum cap. Although we have not yet identified the additional savings required to balance the budget at the level of the cap, I am confident that over the next few weeks we will identify savings that would not necessarily impact on the quality of the services provided. I would not be confident that we would be able to make sufficient cuts to balance the budget without adversely affecting service delivery to the public, if the precept increase were to be set below the level expected by Ministers.

I believe a precept increase of £15 will allow us to continue to innovate in the way we use technology to improve the efficiency and effectiveness of the Force. A precept increase of less than this would reduce our investment in new technology and would start to create a gap in our response to those criminals who harness the power of technology, often to prey on the more vulnerable members of the community.

We will continue to explore every opportunity to identify savings and efficiencies to mitigate demand. Many of our unavoidable cost increases, including inflationary pressures and ongoing investment in innovation and spend necessary to continue to meet demand, has been largely matched by efficiencies driven out of the budget process. As part of the budget process we have achieved savings of £650,000. This is in addition to the procurement savings mentioned above of £750,000.

Despite, or perhaps because of, the level of savings achieved over the last few years the Force again needs an increase in the precept in excess of inflation. This is because of the following factors:

1. Continued real term reduction in government funding.
2. Increased demand in complexity.
3. Continuing financial pressures.
4. Diminishing opportunity to achieve cashable savings.

Central funding becomes ever more complex with the Force receiving a combination of general and specific grant streams. The general grant is designed to support the Force in providing its core requirements. The original model was based on the premise that an individual taxpayer should face the same council tax requirement for the same level of service irrespective of where they live. However, the funding model moved

away from this principle some years ago, as part of the Government's response to the financial crash of 2008.

When the Spending Review was announced, the Chancellor was clear that any additional Government resources for the Police was aimed specifically at the uplift in officer numbers whilst the core grant, which is supposed to finance all other expenditure would not increase. The Chancellor's aim was that the shortfall in the core grant would be made up by the £15 cap in the precept.

Capital requirements

As already mentioned, our capital financing costs were expected to start to increase in 2021/22 as we move to a more sustainable capital financing model. Our aim is for all short-life fixed assets, such as ICT and vehicles to be financed from revenue contributions to revenue. This would mean borrowing would be reserved for longer term assets such as the estate. This strategy has been developed because Dorset Police has no capital reserves and very little surplus property, which could be used to generate capital receipts.

Whilst this strategy remains the most appropriate sustainable approach to capital financing, the implications on the revenue budget are significant. The strategy would result in the revenue costs of the capital programme increasing from £2.4m in 2020/21 to £7.9m in 2024/25. The capital programme includes substantial investment in the estate over the next few years but there is an underlying need to invest over £4m each year in short-life assets. The aim over the life of the Medium Term Financial Plan is to increase the revenue contributions to capital to this level.

In order to try to minimise the impact on the revenue budget, we have reviewed the capital programme of the Force in detail with the aim of reducing it to the minimum required to be an efficient and effective Force. We have achieved this by taking in excess of £4m out of the capital programme over the next four years, including a £2.6m reduction in short-life assets in the current year and 2021/22. Despite these reductions the five year programme up to and including 2024/25 still totals £44m.

The Force will continue its investment in new technologies to improve its efficiency and effectiveness. We will maximise the benefits from our continuing investment in mobile policing and agile working to minimise future estates investment as well as facilitating better use of officers' time, enabling them to be fully mobile in the service they deliver.

The Force receives a capital grant from the Government each year but this has been reduced from its former levels. The grant has now shrunk to £110,000 each year, compared to £1.3m in 2010/11. We do not expect the grant to recover to its former levels and is more likely to disappear completely in future years.

Continuing financial pressures

We remain delighted that the Government has chosen to invest in policing through its programme to increase officer numbers and its programme to improve their safety by financing the acquisition of additional tasers. The uplift of 20,000 officers will be delivered by the Government a little slower than originally anticipated, with 6,000 being

planned for 2021/22 rather than the original expectation of 8,000. This is, presumably, a response to the damage to the public finances caused by the pandemic. I remain hopeful that Dorset Police will be able to achieve its original timetable for its share of the 20,000 officers. Although this will increase our costs in the 2021/22 it should enable us to step back the recruitment and training infrastructure earlier than would otherwise be the case. Adhering to the original timetable may also generate additional reward grant from the Government, if other forces fail to deliver their allocated number of officers.

The additional support provided next year by the Government is welcome and it will meet the additional cost of recruiting and training the officers for the uplift programme but it does not fully meet the additional cost pressures I have identified above. I suspect the Government is aware of this because Ministers have indicated they will fully support Police and Crime Commissioners who implement the maximum increase in the precept allowed without a referendum.

Fortunately the Government has not established any significant grant conditions concerning the deployment of the additional officers, although the expectation and my intention is for them to fulfil front line roles. This is dependent on there being adequate funding to meet the core costs of the Force as well as the additional costs of the additional officers, including for the longer-term. The increase in the precept will be critical in achieving this funding requirement. A lack of funding would raise the possibility of some officers having to be used to replace current staff resources in roles where a warranted officer may be desirable but not essential.

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

Your support in meeting the rising costs set out above would place us in a powerful position to continue our work in transforming for the future. This will mean continuing to invest in new technologies and capabilities over the coming years. Our planning is well underway and as we benefit from the new officers joining the Force, we have planned against our operational and public service risks. We have undertaken detailed work to understand how we need to use all new investment to continue to keep the communities of Dorset safe through focusing on vulnerability, prevention and crime and harm reduction.

We have set our ambition on delivering outstanding services. We have been assessed by HMICFRS as 'Good' and our ambitions for our service stretch beyond this, to be 'Outstanding'. We are positioned well through the support of communities, partners and key stakeholders to achieve this. We continually test ourselves to ensure that we are efficient and effective. However, without further investment and in light of increasing cost pressures, a real risk to our future plans and most importantly, our ability to keep our communities as safe as possible is at risk.

Looking Forward

Whilst the challenges are significant and have increased as a result of the pandemic, I am optimistic that we are in a good position to rise to them. The additional investment

in the Police, particularly the additional officers through the uplift programme will enable us to:

- enhance our response in tackling anti-social behaviour, impacting local communities through dedicated resources working in our neighbourhood teams with our partners across Dorset;
- further enhance our local county lines teams, to target those criminal networks who exploit vulnerable people to deal drugs and harm local communities;
- create a dedicated vulnerability capability, focused on the highest harm victims and offenders including domestic abuse;
- establish a new team focused on finding missing people and working with partners to help reduce the risk of them going missing again;
- develop a multi-agency capability, with our partners, to help to identify and jointly respond to the needs of the most vulnerable people in Dorset;
- increase our resources in contact management to provide an even better service to the public when contacting the police;
- support you in commissioning a second Bobby van to supplement the success of the first; and
- accelerate the development of the cadet schemes across Dorset.

Through this investment, we will accelerate our plans to take Dorset Police from “Good” to “Outstanding” while protecting those who are the most vulnerable.

We are still trying to understand the implications for crime and disorder in Dorset over the next few of years caused by the pandemic. There is likely to be greater deprivation caused by higher unemployment. We do not know the medium term impact for our young people of reduced access to schooling and a greater educational divide. There is also likely to be an increase in people suffering from mental health issues.

Conclusion

I would like to repeat my thanks to you and the Police and Crime Panel for the confidence you have shown in recent years, in agreeing to substantial increases in the precept for Dorset Police.

I am disappointed that once again the Government has decided to push more of the burden for financing the police onto local council taxpayers. However, at least they have given clear guidance as to the scale of the budgetary challenge facing the Police by indicating they expect a precept increase of £15. I have already detailed this challenge, caused by the increase in officer and staff pay and pensions, the need to improve our call handling, the increase in software contracts and the lack of capital resources to secure the necessary investment in vehicles and ICT, if we are to meet the challenges of modern policing.

I will, of course, let you know if anything changes in the budget projections, as you consider the precept for next year. I am also happy to respond to any queries my letter may generate.

Yours sincerely



James Vaughan
Chief Constable