

Item 5 – BUDGET

1. The panel notes that the PCC intends to borrow £29m over the next 3 years for the Capital programme. The PCC has stated that “There is a proposal for a new headquarters building at Winfrith, however, the new building will not be funded by precept”. How will this borrowing be paid for if it is not from taxation and how will interest rate risk be mitigated? **(Cllr Barrow)**

For the benefit of those who may not have seen our recent announcement, the Chief Constable and I have recently agreed a programme of investment in the police estate – so this covers both upgrades and improvements to local police stations as well as decision to replace the headquarters itself.

The investments in local stations such as better technology, more lockers and flexible working spaces will help officers reduce their time in stations each shift, plus will provide respite areas to help them deal with the aftermath of traumatic incidents.

These steps are being taken to improve connectivity between communities and their police. The public have repeatedly told me that they want to feel more connected to their police and that visibility is something that they wish to improve. These improvements, along with the ongoing recruitment of extra officers and better mobile technology will enable Dorset Police to better meet those expectations.

The current 60-year-old headquarters building at Winfrith costs more to maintain than it would do to knock down and replace with a more energy efficient and sustainable building – and so we have agreed a programme for this to be achieved.

I confirm that investment in capital assets such as the police estates does not take funds away from the funding of police officers, as this is a revenue cost.

In terms of the question, the capital funding element of the Estates Futures programme will be funded from borrowing – and Police and Crime Commissioners, like other public bodies, are able to secure loans through the Public Works Loan Board, a HM Treasury backed body that exclusively lends funds to public bodies, at preferential rates in order to maximise taxpayer value and mitigate rate risk. The revenue implications of this have been factored into the Medium Term Financial Plan from 2024/25.

Our financial assessments therefore highlight a modest cost to the Dorset taxpayer over the potential loan period. In comparison with the cost of keeping the current Headquarters building fit for occupation, which is essentially ‘dead money’, the relative affordability of a loan is a much more favourable option.

2. It is generally accepted that the UK is moving into a “cost of living crisis” and 33% of respondents to the PCC’s online survey did not endorse a financial uplift of £10 a year. What does the PCC say to the vulnerable in Dorset who may have difficulty in funding this uplift and how does the PCC intend to fund his plan without looking to continually maximise increases in precept? **(Cllr Ray Bryan)**

The more vulnerable in our society are also the most at risk of crime, so I say to them that the Plan is something we will deliver, especially for them.

The affordability of a tax increase is one which any precepting authority takes seriously, and I know that Council members will also have carefully considered this within their own authorities. In terms of police precept, PCCs have asked and been assured that Government, in setting the limits for local taxation, has undertaken an Equality Impact Assessment to understand the feasibility of the £10 average increase. It is worth remembering that whilst Band D is the national average, the most common band within Dorset is Band C, and 56% of properties are in Band A to C.

To the public I say: "I would dearly have loved not to have to come to you to ask for any extra money to pay for policing, but the simple truth is that if I am to deliver on the priorities that you told me are important to you, then I will need every one of those 83 pennies.

"I want this county, our county, the country we all love, to be the safest place in England and Wales but to do that I need to make sure the Force is adequately funded and so that's why I asked for your support when it came to the precept increase."

In terms of future years, I note that Government has – for the first time – given PCC's notice of the precept flexibility it intends to offer in future years – this is a maximum £10 increase for this year, next year, and for the year following.

We must play the cards we are dealt, and those are my cards. I have a clear plan that will make vulnerable people safer, and the support of our communities to deliver that plan. It is therefore unfortunate that I must maximise precept this year, I hope very much to not have to repeat this in future years but, of course, that will depend on the circumstances at the time.

3. The Govt Minister has stated that he expects this increase in funding must also result in police leaders becoming more efficient and effective with officers' time. How does the PCC intend to ensure that this happens and how is he going to measure output effect? **(Cllr Johnson)**

The idea of productivity and demand measurement is one the Panel has raised previously, and my position is that it would be preferable for a national framework for this assessment to be developed rather than individual Forces determining their own.

The latest position on the development of this national work is that the Home Office is trialling a 'Police Activity Survey' in 7 Forces, starting from next week to replace the out-of-date 'Activity Based Costing' data. At the same time the Home Office and NPCC has commissioned an analysis of non-crime data from Forces, which is underway at present.

Until such time as the results from this research is developed, we will continue to assess Force activity using our well-established internal processes, with support from some new external tools.

Internally, our change and transformation board, PRISM, continues to have strategic oversight over opportunities to further develop and invest in processes and technology which will free up police officer time and improve efficiency. Specifically, we have initiated a three-year transformation programme to keep officers on the frontline through investment in technology, including:

- *Office 365 – through issuing personal issues laptops and mobile device upgrades,*
- *Pronto – the Force’s mobile application suite that allows officers to undertake a range of tasks on the go – including being able to scan fingerprints at the side of the road through new biometric fingerprint readers, and*
- *QlikSense – an enterprise reporting system that allows supervisors and managers access to a performance dashboard giving them better insight into the activity and outputs of their team.*

Also, the Strategic Performance Board remains the key mechanism by which I consider the key output metrics of crime and incident outcomes, as set out in my Police and Crime Plan, and the Government’s Beating Crime Plan. This is now supported by the ‘Digital Crime and Performance Pack’ – a new online tool produced to aid Ministers and PCCs with their scrutiny, and which launched at the beginning of this year.

4. The panel has been informed over the years that all areas for savings have been identified. The report states a total of £1.9m savings will be secured through removal of long-term vacant posts, more efficient training processes, reduced ICT costs and reduced costs through regional working. Why have these only been identified now and why is there a further £0.5m of unidentified (but risk-assured) savings? **(Iain McVie)**

I can assure Members that the Force budget is rigorously scrutinised throughout the year, and every opportunity is taken to drive out savings and efficiencies.

In year there are several factors that are taken into consideration, and I am confident that all opportunities are considered and scrutinised at the Resource Control Board and the Capital Strategy Group.

For example, vacant posts are reviewed regularly and removed should they remain unfilled in the long-term, but this happens infrequently as we rarely get to that point. In terms of the most recent savings, these have mostly come from further optimisation brought about by the impact of the pandemic on our ways of working – as some training has been refreshed for delivery over video rather than face-to-face, thereby reducing costs, and savings have been made in ICT costs (both hardware and licensing) as many staff previously had both desktop PCs and laptops, and desktops have now largely been removed across the police estate.

The Chief Constable has reinvigorated the cost challenge process, and the £0.5m cost-savings relates to the Force's in-year target. This is a similar target that has been put in place, and achieved, in recent years, and so – whilst we do not currently know precisely where the savings will come from – we can be confident that the target will be achieved.

5. The Police and Crime Plan Reserve was due to be nil by 2022. This has now been extended to 2024. Could the PCC explain the reasons behind this change? **(Cllr Carr Jones)**

This is due to the impact of the pandemic. The reserve was due to be managed down to a level of around £500k by mid-2020, and then handed over to a new PCC following the 2020 election, to allow him or her to pump-prime delivery against their new police and crime plan. The anticipation was, therefore, that it would diminish during 2021 and be nil by 2022.

However, the impact of Covid-19 meant that, not only, did this deadline need to extend by a full year due to the delay of the PCC election, but also, the reserve needed to be increased in size and further extended due to the requirement to support delivery after central funds which were made available during the height of the pandemic ceased.

6. Given the size of the non-pay budget, is it realistic to have no general provision for inflation and what level of inflation has been allowed for the specific areas of inflation mentioned in 4.6. What sensitivity testing has been done around these costs? **(Cllr Haines)**

Inflation has been allowed where there is clear and specific inflationary pressure, including 17% for vehicle fuel, 15% for electricity, 77% for gas and 5% for water. These percentages are based on latest contract information. What has not been allowed is a general inflationary increase on budgets such as stationary. Any increase in costs is expected to be managed by budget holders through improved procurement. These budgets have all been reviewed against prior years spend to ensure that this is still a reasonable approach.

7. Given the 4.5% increase in Govt grant this year, why does the PCC feel it is appropriate to levy the maximum allowable increase in precept? What does he feel is the right balance between local and national funding, and is there any strategic aim to work towards this? **(Cllr Fry)**

- *Response is at (01:18:550 on recording)*

8. The reserves strategy and modelling show that most earmarked reserves will be spent over the MTFP period. How does this affect resilience? Which risks will be higher if the PCC is unable to mitigate them through use of reserves against a backdrop of increases in budget requirement over the forthcoming years? **(Cllr Barrow)**

The main indicator for resilience within policing is that the general reserve should be between 3% and 5% of net revenue expenditure, rather than earmarked reserves which are for specific purposes. Based on the current forecast variance at year end, the general reserve will be within the parameters, and therefore not a concern from having adequate levels of reserves.

Clearly, a higher level of reserves would create greater levels of resilience and over the course of the Medium Term Financial Plan I am planning to increase reserve levels but this needs to be balanced with the requirements of delivering services for the people of Dorset. There may be opportunities to accelerate this as the economy recovers from the pandemic and things such as the collection fund returns to delivering a consistent surplus again.

9. What work is being done to rationalise the existing estate/asset base and is it appropriate to start to include financial assumptions about more efficient use of physical assets and potentially the capital receipts reserve? **(Cllr Howell)**

Changes to estate are complex, require considerable capital investment and can be many years in the making while consideration of options including improvement, new construction or disposal takes place.

That said, the significant bulk of the rationalisation of the DP asset base has already taken place, and the 2020-2025 Asset Management Strategy highlights only two remaining properties that are earmarked for future disposal – the stations at Christchurch and Wimborne, both of which are not centrally located in their populations, and are due to be replaced with more flexible options, which will better serve local communities.

Therefore, I am afraid that it is not appropriate to include financial assumptions bought about by the disposal of assets in the capital receipts reserve – as we have already taken those efficiencies. As and when further receipts are received, I will need to carefully consider how they are used to best effect, as there are unlikely to be any other receipts to replace them.

10. How has resource allocation changed across the Service with the incoming PCC and his own plan? **(Cllr Taylor)**

There has been a significant change in prioritisation, and members of the public will have noted a renewed focus on areas such as cutting crime and ASB, for example.

However, changes to resource allocation will continue to be made on an incremental basis, given some 85% of the Chief Constable's budget is made up by pay and employment costs.

My team has also previously highlighted to the Panel that it would be unwise to begin with trying to land wholesale change across as large and as complex an organisation as Dorset Police, without first taking smaller steps to effect change – which also may not necessarily cost money – and therefore an initial focus on policy and systems changes is one I support.

Item 8 – Qtr 3 Report

- *The Police and Crime Plan states that the PCC will “work with criminal justice partners”. Magistrates are to get greater sentencing powers so as to cut the backlog in the courts – how is the OPCC engaging with the Dorset Magistracy in order to gain information on crime trends, cut crime and assist victims?*

You will be aware that I have already taken up the Chair of the Dorset Criminal Justice Board – something which I pledged to do within my Police and Crime Plan and ensures that the approach taken in Dorset mirrors that of many of my counterparts. The Board has a membership that includes a wide array of CJS partners, such as the Crown Prosecution Service, police, probation, the courts and the Chair of the Dorset Bench among others.

The vision of the DCJB is to deliver, in partnership, the highest quality criminal justice service for all. A key component of this – and one that is reflected within the priorities of the Board's work – is to deliver an effective, efficient and high-quality criminal justice system in Dorset. There are many strands to this work, but key areas of focus include developing a better understanding of the demand coming into and across the system; working together to reduce the backlog of cases; taking advantage of new technology and best practice wherever we can; and improving investigative quality.

This work is extremely complex and the reasons for the backlog in the courts are multi-faceted, part of a national problem and, it should be said, something that pre-dates the COVID-19 pandemic.

Indeed, while there are a number of well-established groups that are working together to improve systems in Dorset and the wider Wessex region, of which we are a part, I am afraid that some of the chief causes of court delays must be addressed at a national level. There are shortages within the court system that need intervention. To that end, the Wessex PCCs have agreed to jointly raise matters with the Ministry of Justice so that we can ensure that, firstly, there is no doubt about the challenges faced in Wessex, but then also, so that we can understand what the plans are to address these backlogs and ensure that justice is done.

Of course, none of that is to say that partners will not continue to push hard to make those improvements that are within our gift. For instance, Dorset Police's Witness Care Unit are working tirelessly to ensure that witnesses are kept up to date and engaged so that cases do not falter; the Tri-Force has been working on action plans for Domestic Abuse and Rape and Serious Sexual Offences to make sure that investigative standards are as high as possible; and I have also raised concerns about delays associated with the National Referral Mechanism following a meeting with Dorset's judges. These are just three examples – there are dozens and dozens more.

However, while myself and partners will continue to drive this agenda forward as best as we can, I do have to be clear that, as a Police and Crime Commissioner, my ability to address this situation is limited.

- How is the PCC ensuring that the Chief Constable is “making every penny count”?

This is business as usual and is primarily conducted through the work of Resource Control Board and Capital Strategy Group. This gives early sight of any adverse variances together with action taken to address them and any implications of these. Other boards will provide detailed monitoring of projects and their outcomes such as PRISM or the Innovation Board, and the Strategic Performance Board will provide oversight to ensure that desired outputs of activity are effected.

Item 9 – Rural Crime

- Cllr Fry – “Why is there such a backlog of grants and renewals for shotguns and firearms licences”.

By way of brief background, it might be helpful to reiterate that Firearms Licensing is governed by the Firearms Act 1968 and its amendments, coupled with the Home Office Guide on Firearms Licensing Law – which was updated at the end of 2021, as the result of an HMIC report in 2015 and the desire for more consistency in the application of firearms licensing policy and procedures between different Forces.

Force firearms licensing functions are also subject to Dorset Police internal governance, the HMICFRS inspection regime, and to oversight by my Office. Indeed, members will remember my last update on this matter – last September – where I talked through the three reviews of the firearms licensing function currently underway, which does limit me in terms of what I can say at present. These are the IOPC investigation in the Keyham shooting, internal investigation led by ACCs from each Force, and external peer review.

Every firearm application will now require a medical declaration by the applicant. This will need to be verified by either the applicant’s GP, or by another medical practitioner reviewing the applicant’s notes. There are also a series of additional background checks that are available, but these are only recommended where there are clear concerns that an applicant could pose a threat to public safety if they possess a firearm.

It is well understood that there is a backlog – and interim steps have been taken to address this, including placing additional personnel within the team. The reasons for the backlog are yet to be fully reported on, and I will commit to talking through those once the various reviews have completed and the results can be made public.

- The PCC states that he will introduce Special Constables with expertise in Rural Crime - how does he intend to do this and what incentives will he introduce in order to maintain this cohort?

In response to this pledge within the Police and Crime Plan, the Force has already begun planning future intakes of Special Constables so that some Special Constables are allocated rural duties in the future. Those Special Constables will benefit from the required training to build up their expertise.

As Special Constable intakes are planned quite some time in advance and the training programme is, naturally, lengthy, it will take some time for this pledge to be delivered and for a cohort to have been recruited and established.

The selection processes, learning and development and retention policies are all operational matters for the Chief Constable, but of course, I will keep the Panel up to date as this initiative develops in the years to come.