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Mark James LLM, DPA, DCA
Prif Weithredwr,
Chief Executive,
Neuadd y Sir, Caerfyrddin. SA31 1JP
County Hall, Carmarthen. SA31 1JP

FRIDAY, 19 JANUARY 2018

TO: ALL MEMBERS OF THE DYFED POWYS POLICE AND CRIME PANEL

I HEREBY SUMMON YOU TO ATTEND A MEETING OF THE **DYFED POWYS POLICE AND CRIME PANEL** WHICH WILL BE HELD IN THE **CHAMBER, COUNTY HALL, ABERAERON AT 10.30 AM, ON FRIDAY, 26TH JANUARY, 2018** FOR THE TRANSACTION OF THE BUSINESS OUTLINED ON THE ATTACHED AGENDA

Mark James CBE

CHIEF EXECUTIVE



PLEASE RECYCLE

Democratic Officer:	Martin S. Davies
Telephone (direct line):	01267 224059
E-Mail:	MSDavies@carmarthenshire.gov.uk
Ref:	AD016-001

DYFED POWYS POLICE & CRIME PANEL 14 MEMBERS

CARMARTHENSHIRE COUNTY COUNCIL - 3 MEMBERS

- | | | | |
|----|------------|-------------|---------------|
| 1. | COUNCILLOR | KEN HOWELL | (Plaid Cymru) |
| 2. | COUNCILLOR | JIM JONES | (Independent) |
| 3. | COUNCILLOR | ERYL MORGAN | (Labour) |

CEREDIGION COUNTY COUNCIL - 3 MEMBERS

- | | | | |
|----|------------|------------------|---------------------------|
| 1. | COUNCILLOR | LLOYD EDWARDS | (Welsh Liberal Democrats) |
| 2. | COUNCILLOR | KEITH EVANS | (Independent) |
| 3. | COUNCILLOR | ALUN LLOYD JONES | (Plaid Cymru) |

PEMBROKESHIRE COUNTY COUNCIL - 3 MEMBERS

- | | | | |
|----|------------|----------------|----------------------------|
| 1. | COUNCILLOR | MICHAEL JAMES | (Independent) |
| 2. | COUNCILLOR | STEPHEN JOSEPH | (Independent Unaffiliated) |
| 3. | COUNCILLOR | ROBERT SUMMONS | (Conservative) |

POWYS COUNTY COUNCIL - 3 MEMBERS

- | | | | |
|----|------------|----------------|----------------------------|
| 1. | COUNCILLOR | DAVID O. EVANS | (Independent) |
| 2. | COUNCILLOR | LES GEORGE | (Welsh Conservative Party) |
| 3. | COUNCILLOR | WILLIAM POWELL | (Welsh Liberal Democrats) |

CO-OPTED INDEPENDENT MEMBERS - 2 MEMBERS

- | | |
|----|---------------------------|
| 1. | PROFESSOR IAN ROFFE |
| 2. | MRS HELEN MARGARET THOMAS |

A G E N D A

1. **APOLOGIES FOR ABSENCE AND PERSONAL MATTERS.**
2. **DECLARATIONS OF INTEREST.**
3. **TO SIGN AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON THE 16TH NOVEMBER 2017.**
4. **MATTERS ARISING FROM THE MINUTES (IF ANY).**
5. **QUESTIONS ON NOTICE FROM PANEL MEMBERS TO THE COMMISSIONER:**

5 - 16

5.1 QUESTION BY COUNCILLOR A. LLOYD JONES:

“In response to a question at the last meeting of this Panel, your office kindly confirmed that the cost of your annual subscription to the Association of Police and Crime Commissioners is £19,750.00 plus VAT and that this is a flat fee payable by all Police and Crime Commissioners who are members of the association. This potentially equates to an annual budget for the association of £869,000 and provides for 13 staff 11 of whom are described on the Association website as ‘managers’.

1. What it is that you (and by implication the people of Dyfed-Powys) receive in return for that subscription
2. How does this compare with the similar association of police authorities that existed prior to the creation of Police and Crime Commissioners.”

5.2 QUESTION BY PROFESSOR IAN ROFFE:

“Given the findings of the HMICFRS report into police air support in November 2017 the inevitable conclusion to be drawn must be that Dyfed-Powys Police are not getting value for money from that service and are not receiving the timely support they need. As the Commissioner sits on the NPAS management board please can he confirm what he is doing to improve the service in line with the recommendations contained within the report and in particular to improve the service received by Dyfed-Powys Police.

In addition, in light of the findings in the report regarding the use of unmanned drones by police forces, could the Commissioner confirm what steps he is taking to explore with the Chief Constable such alternative sources of air support, bearing in mind the existence of the centre of excellence in this field at Aberporth.”

5.3 QUESTION BY COUNCILLOR KEITH EVANS:

“There was an incident in Mid Ceredigion on New Year’s Eve appertaining, as I understand it to underage drinking. The Public House was closed down that evening by the Police at an early hour, resulting in the removal also of bona-fide guests. That of course is a Police matter.

What, if any, work or programmes does the Commissioner commission personally, or by working in partnerships with others to try and educate our young people relating to drink and drugs. From your knowledge, is this a greater issue / problem in the Ceredigion BCU area as compared to other BCU n the Force area?”

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Thursday, 16 November 2017

PRESENT: Councillor A. Lloyd-Jones (Chair)

Carmarthenshire County Council Members:-
Councillors K. Howell, T.J. Jones and E. Morgan

Ceredigion County Council Members:-
Councillor L. Edwards

Pembrokeshire County Council Members:-
Councillors M. James and R. Summons

Powys County Council Members:-
Councillor D.O. Evans

Independent Members
Professor I. Roffe
Mrs H.M. Thomas

In attendance from the Office of the Police and Crime Commissioner:-
Mr D. Llewelyn – Police and Crime Commissioner;
Mrs C. Morgans – Chief of Staff;
Mrs J. Woods – Chief Financial Officer
Ms A. Perry – Director of Commissioning

The following Officers were in attendance:

R. Edgecombe, Legal Services Manager
K. Thomas, Democratic Services Officer
D. Williams, Assistant Media and Marketing Manager

Chamber, 3 Spilman Street, Carmarthen - 10.30 am - 1.10 pm

1. APOLOGIES FOR ABSENCE AND PERSONAL MATTERS

Apologies for absence were received from Councillors K. Evans (Ceredigion County Council), L. George (Powys County Council) and W. Powell (Powys County Council).

The Panel noted that Mrs J Woods, the Commissioner's Chief Finance Officer had tendered her resignation and that it was anticipated a confirmation hearing for her replacement would be held on the 16th February, 2018. The Panel expressed its best wishes to Mrs Woods for the future

2. DECLARATIONS OF INTEREST

There were no declarations of personal interest.

3. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON THE 28TH JULY, 2017

UNANIMOUSLY RESOLVED that the minutes of the meeting of the Dyfed Powys Police and Crime Panel held on the 28th July, 2017 be signed as a correct record.

4. MATTERS ARISING FROM THE MINUTES (IF ANY)

4.1. Minute 6 - Annual Report of the Police and Crime Commissioner

- (1). Information was requested on the Commissioner's pledge to re-invest in the Closed Circuit Television (CCTV) Infrastructure in 2017/18 in relation to the timescale for that investment within Aberystwyth, whether the existing equipment could be utilised and if former employees could be re-employed to operate the new system.

The Police and Crime Commissioner advised that as work was still progressing on developing the specifications, tendering and procurement requirements, he was not in a position at the present time to provide any definitive timeline for the commencement of the project, which would see re-investment in 14 towns within the Dyfed Powys Police Area or, where Aberystwyth would sit within that programme.

With regard to the utilisation of existing equipment/infrastructure, the project team would be assessing the practicalities of incorporating those, where possible. However, it would need to be cognisant of a number of issues including compatibility and obsolescence together with the fact some of the existing systems were in local authority, and not Police ownership.

In relation to re-employing previous CCTV operators, that may not be possible on the basis some two years had lapsed since the system in Aberystwyth had last been operational, and those operators may have found alternative employment or, been redeployed. He confirmed that a recruitment exercise would be undertaken, at the appropriate time for new operatives.

- (2) In response to a question on CCTV installation within Powys, the Commissioner advised that, he believed the towns which would see that investment were Welshpool, Newtown, Builth Wells, Llandrindod Wells and Brecon. In choosing those towns, the project team had to have regard to a number of criteria one being the deployment had to be proportionate based on operational requirements, and not perceived need.
- (3) In response to a question on the anticipated £6m of funding to support the study undertaken by Public Health Wales on Adverse Child experiences, the Commissioner advised that the Home Secretary had recently confirmed the allocation. Administration of that fund would be undertaken by South Wales Police, in conjunction with Public Health Wales, and he would be liaising with those bodies over the coming months to determine the level of investment/service provision to be allocated for Dyfed Powys.

5. QUESTIONS ON NOTICE FROM PANEL MEMBERS TO THE COMMISSIONER

5.1. QUESTION BY COUNCILLOR T.J. JONES

Question by Councillor T.J. Jones

“The tragic terrorist attacks in London earlier this year highlighted the importance of armed police units being able to reach the scene of an incident quickly in order to minimise casualties. Given the high number of potential targets within the large geographical area covered by Dyfed-Powys Police has the Commissioner discussed with the Chief Constable what arrangements the force has in place to respond to such attacks? Assuming those discussions have occurred is the Commissioner satisfied that those arrangements are sufficiently robust to protect the public as far as possible no matter where or when such an incident might occur?”

Response by the Police and Crime Commissioner

The Commissioner reassured the Panel that the Dyfed Powys Police Force had the appropriate arrangements and capacity in place to respond to such incidents and had increased the number of fire arms officers accordingly, as had all other U.K. Forces. He advised that all police forces were required to be in a position to respond to acts of terrorism and that was one of the key priorities within the Strategic Police Requirements. Additionally, the three South Wales Police forces had joint arrangements in place with strategically placed hubs to respond to incidents, three of which were situated within the Dyfed Powys Police area.

He advised that as part of the annual review of policing strategic requirements, discussions would be undertaken on allocated resources and to whether they should be adjusted to meet changing demands.

5.2. QUESTION BY COUNCILLOR T.J. JONES

Question by Councillor T.J. Jones

“A BBC News online article dated the 4th September 2017 stated that the number of drink driving tests undertaken by Dyfed-Powys Police this year compared to 2016 had fallen from 2,751 to 1,133 (over 50%) and suggested that this was due to budgetary pressures including reductions in the number of traffic officers on patrol. Has the Commissioner challenged the Chief Constable about this and sought an explanation? Can the Commissioner reassure the Panel and the public that he will make adequate resources available to the Chief Constable to enable these tests to be carried out and so protect the public from drunk drivers?”

Response by the Police and Crime Commissioner

The Commissioner confirmed there had not been a reduction in road traffic officers and the Chief Constable had also assured him of that fact, although he had not challenged him on that point. He advised that the reason for the decrease in the numbers of tests undertaken was attributable to a change in the rules relating to the powers to stop. Previously, whereas the practice had been to undertake random stop checks, officers were now required to have a reason to stop a suspected driver. That approach was more targeted and intelligence led and had resulted in an increase in the level of positive tests from 2.3% - 5.9%. However, it had also resulted in a reduction in the number of drink drivers arrested from 88 – 67.

He concluded by confirming that the level of road policing units had not been reduced.

6. QUESTIONS ON NOTICE FROM MEMBERS OF THE PUBLIC TO THE COMMISSIONER

The Panel, as part of its deliberations on the following public questions, referred to the time scale which may elapse subsequent to their receipt and presentation to the Board and the provision of a response.

The Lead Officer drew the Panel's attention to Agenda Item 9 that day on the Police Accountability Board, and advised that one of the recommendations arising from the two panel members in attendance at that Board meeting was that a meeting should be held with the Commissioner and his staff to discuss a number of issues which could include, questions from the public, press releases, panel members liaison with the Commissioner and general scrutiny matters. He suggested if the Panel was minded to adopt that recommendation, it may wish to include as part of the meeting a discussion on the processing of public questions received by the Panel.

UNANIMOUSLY RESOLVED that the Panel agree to the recommendation to meet with the Police and Crime Commissioner and that the issue of public questions received by the Panel be included on the agenda for that meeting.

6.1. QUESTION FROM J. HARRINGTON (PEMBROKESHIRE)

Question from J. Harrington (Pembrokeshire)

In accordance with the Panel's protocol The Chair, asked the following question on Mr Harrington's behalf, who was not in attendance at the meeting.

"North Pembrokeshire is plagued with motoring offences for which the police seem to have little or no concern. The number of incidents of driving while using a phone, disregarding speed limits (especially in 20mph and 30mph zones) and missing headlights is significant. Does the Commissioner agree that these are offences that the police should not ignore and will he challenge the Chief Constable about the failure of his officers to adequately tackle these problems?"

Response by the Police and Crime Commissioner

The Commissioner disputed the reference to there being a failure by his officers as, that was a subjective view, and he had been assured by the Chief Constable that issues of anti social behaviour were addressed. He was therefore convinced the force was robust and contributed to road safety initiatives.

He informed the Panel that he received regular correspondence on such issues countywide, with 20% of the positioning of the road safety community partnerships vehicles being community led. When specific information was received in relation to anti social driving those were drawn to the attention of Sergeant Ian Price through the 'Go Safe' Partnership which had a duty to respond. He agreed that such incidents should not be ignored.

The Commissioner also advised that Dyfed Powys was the first police force within Wales to use new powers relating to the confiscation of vehicles for not having road tax. Additionally, he was of the view the force's approach to apprehending speeding drivers and road tax evaders was robust.

6.2. QUESTION FROM S. EDWARDS (CARMARTHENSHIRE)

Question from S. Edwards (Carmarthenshire)

In accordance with the Panel's protocol The Chair, asked the following question on Mr Edwards' behalf, who was not in attendance at the meeting.

"The trees in our towns are a great benefit. The trees in Carmarthen town centre are protected and have an amenity value of over £ 35 k, CCTV should not put these trees at risk. Does the Commissioner agree that when budgeting for and commissioning any new CCTV system he should ensure that the impact of the system upon the environment is kept to an absolute minimum? Will he give a commitment that where environmental considerations result in increased costs he will not sacrifice those considerations to save money"

Response by the Police and Crime Commissioner

The Commissioner gave a commitment that environmental issues would be taken into consideration on a case by case basis whilst having regard to operational requirements such as 'line of sight'. Where appropriate, an environmental impact assessment could be undertaken.

6.3. QUESTION FROM M. FOY (POWYS)

Question from M. Foy (Powys)

In accordance with the Panel's protocol the Chair, asked the following question on Mr Foy's behalf, who was not in attendance at the meeting.

"I have only seen one officer on foot patrol in my housing estate so far this year. Has the Commissioner challenged the Chief Constable about the amount of foot patrols that take place and where they are carried out? If he has, is he happy that what is going on is fair to all of us who live in the force area? If he has not challenged the Chief Constable why not?"

Response by the Police and Crime Commissioner:-

The Commissioner advised that whilst he didn't have operational control over the deployment of officers, as that power lay with the Chief Constable, he did challenge and regularly raise with him the provision of policing countywide. However, he would like the force to be more specific on checking the monitoring of the deployment of police resources. Whilst demand was led by the police control room, the force needed to be smarter on how it quantified the amount of time officers spent within the community, all of whom had been issued with hand held devices and a campaign had recently been launched to inform the public of that position.

6.4. QUESTION FROM M. ROACH (PEMBROKESHIRE)

Question from M. Roach (Pembrokeshire)

In accordance with the Panel's protocol the Chair, asked the following question on Mr Roach's behalf, who was not in attendance at the meeting.

"There has been a problem for years of anti-social driving by some younger motorists in Neyland, particularly around the marina complex. The Police have done nothing about it. Does the Commissioner agree that this is an issue that

should not be ignored and will he ask the Chief Constable to explain why his officers have failed to deal with the problem”.

Response by the Police and Crime Commissioner:-

The Commissioner confirmed the issue had been raised locally and a record check had revealed a total of seven calls having been received by the force regarding incidents in Neyland over the previous 12 months. Those incidents had been referred to the ‘Go Safe’ Partnership and drawn to the attention of the local inspector.

7. 6TH ANNUAL CONFERENCE FOR POLICE AND CRIME PANELS

Further to minute 12 of the Panel’s meeting held on the 28th July, 2017 the Panel received a report from its attendees at the 6th Annual Conference for Police and Crime Panels held at the University of Warwick on the 6th November 2017.

The panel noted that the conference programme included:

1. A plenary session with a panel of speakers representing Police and Crime Panels. Police and Crime Commissioners and the Centre for Public Scrutiny incorporating a variety of relevant topics and the proposed formation of a National Association of Police and Crime Panels.
2. Regional/All-Wales Forums discussing issues relevant to those particular Panels
3. Workshops on a range of issues including complaints handling, confirmation hearings and developing PCP ‘Champions’ for particular issues.

The Lead Officer to the Panel drew its attention to the proposals for the establishment of a National Association of Police and Crime Panels and the preference amongst police and crime panels for the establishment of a Special Interest Group (SIG) under the auspices of the Local Government Association (LGA). He advised that as the establishment of Police and Crime Panels within Wales was different to England, that preference placed Welsh Local Authorities in a difficult situation in that they were not members of the LGA, and had been informed by the Home Office they would not be to utilise their Grant to pay the required membership fee. However, the Chairs of the four Welsh Panels’ had agreed they should meet with the Welsh Local Government Association to consider the situation. Arrangements for that meeting were being progressed by the Office of the Police and Crime Commissioner for South Wales.

The following questions/issues were raised on the report:-

- The Panel was advised that, as part of the conference, a debate had been undertaken regarding the recruitment of a Chief Executive by the National Police Commissioners’ Association at an approximate £100k salary. Clarification was sought on whether the Dyfed Powys Police and Crime Commissioner was a member of the Association and, if so, the level of financial contribution paid thereto.

The Commissioner confirmed that he was affiliated to the Association, and was one of the independent/plaid members appointed onto its Board. With regard to the level of subscription, whilst he was unaware of the exact sum, he would relay that information directly to the Panel members.

- Reference was made to the general content of the conference and the relationships between the Police and Crime Panels and their Commissioners. A suggestion was made that it may be beneficial for the Panel when it met with the Commissioner to discuss public questions (minute 6 above refers) to take the opportunity of discussing with him issues identified in the conference for example, the views expressed that the relationship between Panels and the Joint Audit Committees were not robust enough to provide effective challenge.

The Commissioner in response advised that whilst he was happy to meet with the Panel, as suggested, it was important it recognised that whilst there may be concerns in other force areas there were measures in place to hold him to account. With regard to the Joint Audit Committee he advised that the workings thereof related to him and the Chief Constable and not necessarily direct with the Panel.

- Reference was made to the level of reserves held by the Dyfed Powys Police and whilst it was accepted there was no statutory level the force had to maintain, clarification was sought on whether the reserves currently held were similar to local authorities at 4%.

The Chief Financial Officer confirmed that whilst the Police were not required to maintain a set level of reserves, it was set at an appropriate level for the forces' requirements and was reviewed annually. The current level of general reserves held by the force was 5%, in addition to which additional earmarked reserves were held for specific projects e.g. the C.C.T.V project.

8. JOINT AUDIT COMMITTEE

The Panel, further to Minute 8 of its meeting held on the 12th July, received a report on the meeting of the Joint Audit Committee held on the 31st October, 2017 attended by Councillor William Powell, as an observer on its behalf. The Panel noted that Councillor Powell had detailed a number of observations in his report on the operation of the Joint Audit Committee resulting in the formulation of the following three recommendations for the Panel to consider forwarding to the Commissioner to promote openness and transparency in the work of the Committee to facilitate public interest and scrutiny:-

1. That if there are agenda items in respect of which no report is being published, the agenda should include a summary of the key facts or issues being discussed, so that the public can better understand what it is to be considered and be able to make a more informed decision as to whether or not to attend,
2. That where a particular agenda item is to be treated as exempt from publication the reasons for non publication should be set out in the agenda with reference to a published set of criteria (such as that contained in the Local Government Act 1972) together with an explanation as to what this means in terms of the conduct of the meeting. This will reassure the public that information is being withheld for proper reasons and only where it is in the public interest to do so,
3. If the Panel is to send observers in the future, it is suggested they receive specialist financial training."

The following issues/questions were raised on the report:

- Reference was made to reports presented to the Joint Audit Committee and a view expressed they should be more structured and include a risk analysis and mitigation measures, which was accepted by the Commissioner.
- In response to a question relating to recommendations made to the Dyfed Powys Police Force by Her Majesty's Inspectorate of Constabulary, the Commissioner confirmed that whilst they had not originally fallen within the Joint Audit Committee's remit, he had introduced changes for their future submission to that Committee.
- Reference was made to recommendation 3, and views expressed that whilst specialist financial knowledge would not be required, panel members attending the Joint Audit Committee, as observers, should receive some form of 'walk through' explanatory discussion with the Commissioner's Finance Officer on the budget. In that regard panel members were encouraged to attend the forthcoming budget seminar.

The Commissioner, in supporting the suggested 'walk through' training, reminded that Panel that the Joint Audit Committee was an advisory Committee reporting to himself and the Chief Constable. In that regard, he considered if the Panel were to send observers to future meetings it would need to set parameters on their role and in providing feedback to the Panel. He suggested the Panel may wish to give consideration thereto when it met with him as part of the meeting agreed in minute 6 above

- Reference was made to recommendation 2, and the Lead Officer advised that the provisions of the Local Government Act did not apply to the operation of the Joint Audit Committee. However, any exempt report submitted should refer to set criteria detailing the reasons for the exemption

UNANIMOUSLY RESOLVED

- 8.1 that the report be accepted and the three recommendations be forwarded to the Police and Crime Commissioner for his consideration**
- 8.2 That discussion on whether the Panel should send observers to future meetings of the Joint Audit Committee, and their role, be undertaken at the forthcoming workshop to be held with the Police and Crime Commissioner**

9. POLICE ACCOUNTABILITY BOARD

The Panel, further to Minute 8 of its meeting held on the 12th July, received a report on the meeting of the Police Accountability Board 3rd November, 2017 attended by Councillors Rob Summons and Mrs Helen Thomas, as observers on its behalf. The Panel noted that its representatives had detailed a number of observations in their report on the Board's operation resulting in the formulation of the following three recommendations for the Panel to consider forwarding to the Commissioner to promote openness and transparency in the Board's work:-

1. That if there are agenda items in respect of which no report is being published, the agenda should include a summary of the key facts or issues being discussed, so that the public can better understand what it is to be considered and be able to make a more informed decision as to whether or not to attend,

2. That where a particular agenda item is to be treated as exempt from publication the reasons for non publication should be set out in the agenda with reference to a published set of criteria (such as that contained in the Local Government Act 1972) together with an explanation as to what this means in terms of the conduct of the meeting. This will reassure the public that information is being withheld for proper reasons and only where it is in the public interest to do so,
3. That a meeting be held with the Commissioner, and his staff, to discuss the way forward in the future. This meeting to discuss questions from the public, press releases, panel member's liaison with the Commissioner and general scrutiny matters."

The following issues/questions were raised on the report:

- Reference was made to one of the observations made within the report relating to I.T. difficulties in publishing some documents on-line for Board meetings. The Commissioner confirmed there was an issue with the force's IT infrastructure which, it was hoped, would be resolved by the New Year with the launch of the new website.
- Reference was made to the observers' attendance at the meeting and to whether the Panel should be represented at future meetings. It was suggested that as the Board's meetings were held throughout the county, the nearest local member to that venue could attend on the Panel's behalf.

UNANIMOUSLY RESOLVED that:-

- 10.1 That the report be accepted and the three recommendations be forwarded to the Police and Crime Commissioner for his consideration**
- 10.2 That the Panel be represented at future meetings of the Police Accountability Board by the nearest Panel Member to the venue where the meeting was being held.**

10. RESEARCH SYMPOSIUM

The Panel received for consideration a report on the recent research symposium held at Police Headquarters Llangunnor on the 5th October, 2017 where it was represented by the Vice Chair, Professor I. Roffe. It was noted that the purpose of the symposium was to bring academics, experts in policing, partners, police officers and staff together to share research and raise awareness of the importance of research evidence in policing. It was also designed to promote stronger collaboration between the police and academic partners and to support police staff and officers to build partnerships with higher and further educations.

The following issues/questions were raised on the report:-

- Reference was made to the recent 6th annual conference held in Warwick where a discussion had taken place on the possible introduction of 'drug consumption rooms' by the Police and Crime Commissioner for North Wales. The Commissioner, whilst not commenting directly on the North Wales approach advised that other Commissioners were advocating similar policies including the provision of drugs on prescription.

The Commissioner advised that the issue had been discussed at an All Wales Police Level and raised with the Welsh Government where it was considered to be something to be addressed via the health service and Area Service Boards were currently investing money into that approach.

With regard to the North Wales pilot, he considered the outcome thereof, together with other studies being taken across the U.K. should be awaited in order for a U.K. perspective to be achieved.

- In response to a question on the issue of farm crime, the Commissioner advised that he had recently met with the National Farmers Union to discuss its impact on farmers' livelihoods and he would be launching a Rural Crime Strategy at the forthcoming winter fair at Llanelwedd. Additionally, the force had recently undertaken a rural audit where it had been identified that a positive outcome on equality of service provision in the rural area was vital.

UNANIMOUSLY RESOLVED that the report be received.

11. PROGRESS REPORT ON THE DELIVERY OF COMMISSIONED SERVICES

The Committee received for consideration a progress report prepared by the Office of the Police and Crime Commissioner on the delivery of Commissioned Services. It was noted that the Commissioner believed a key priority for the future was ensuring a fundamental focus on assessing vulnerability, risks and the need of the individual, whether victim or offender, with the focus being on the initial point of contact with each individual and how risk and need would be correctly identified at that stage with people being directed into the most appropriate service. That approach would allow for the pathway between services to be streamlined with the individual being supported to access those services most likely to help them recover and improve their quality of life.

The following questions/issues were raised on the report:-

- Reference was made to the regional commissioning of Sexual Abuse Referral Centres and to the concerns identified in the report, by the three bullet points on page 105, on the potential £80k shortfall for the Dyfed Powys Force area for the current year and the loss of front line jobs.

The Commissioner confirmed that he had raised the issue with the Welsh Government. Additionally, discussions had taken place at a recent regional collaboration meeting on the commissioning of services via the consortium, which included discussions on funding with the Chairs of the Health Boards.

The Panel was advised that as part of its approach, the Commissioner's office was looking at consistency of provision in its commissioning both regionally and locally. On a local basis, meetings had been held with the local health boards on funding of services whereby the shortfall in funding by the Hywel Dda Health Board had been resolved and it was hoped the position with the Powys Health Board would be similarly resolved in the near future.

- Reference was made to the provision of a custody triage for the over 18's and to what provision was being made for the under 18's.

The Director of Commissioning advised that a Project Board had been established to discuss that issue and the Youth Offending Service would participate therein. From the Police perspective, it was not considered appropriate to have under 18's coming through the custody process when there were viable alternatives available.

- In response to a question on the Llamau Project on Child Sexual Exploitation the Commissioner confirmed that a high proportion of children reported missing were in care. He also confirmed that where child exploitation was discovered, the police did initiate prosecution proceedings which included on-line abuse.

UNANIMOUSLY RESOLVED that the report be received.

12. DECISIONS TAKEN BY THE COMMISSIONER

The Panel received, for information, a report detailing the decisions made by the Police and Crime Commissioner for the period 21st July – 6th November, 2017.

In response to a question on unallocated Community funding, it was confirmed that would be carried over to the next financial year.

UNANIMOUSLY RESOLVED that the report be received.

13. PANEL EXPENDITURE

The Panel received an update report on the on the level of expenditure of its 2017/18 Home Office Grant and noted that for the period 1st April, 2017 to 30th September, 2017 a claim of £17,093.46 had been submitted to the Home Office out of a total grant allocation of £72k.

UNANIMOUSLY RESOLVED that the report be received.

14. TASK AND FINISH GROUP

The Panel was reminded that at its meeting held on the 28th July 2017 it had agreed to establish a Task and Finish Group to undertake a piece of pro-active scrutiny, with the topic to be finalised following its training session in September. The Lead Officer, advised that whilst three topics had been suggested following the session, as detailed in the report, it was important any chosen topic did not conflict/impinge upon work being undertaken by the Commissioner's Office.

Following an outline by the Commissioner on the work his office was undertaking on the three suggested topic areas, a view was expressed that the Panel could discuss with the Commissioner potential alternative areas for scrutiny at the forthcoming workshop.

UNANIMOUSLY RESOLVED that the report be received and discussion on a potential task and finish group be undertaken at the forthcoming workshop meeting with the Police and Crime Commissioner.

15. COMPLAINT AGAINST THE POLICE AND CRIME COMMISSIONER

The Panel received a report detailing four reasons why the Chair was recommending it take no action on a complaint made against the Police and Crime Commissioner on the grounds set out in regulation 15(3) (e) of the Elected Local Policing Bodies (Complaints and Misconduct) Regulations 2012 on the basis that to do otherwise would be an abuse of the complaints procedures set out in those regulations.

UNANIMOUSLY RESOLVED that the Panel take no action in relation to the complaint received against the Police and Crime Commissioner, and that the complaint be closed for the four reasons detailed within the report.

CHAIR

DATE

DYFED-POWYS POLICE AND CRIME PANEL 26/01/18

POLICE PRECEPT

Recommendations / key decisions required:

To review the precept which the Commissioner is proposing to issue for the forthcoming financial year and thereafter make a report to the Commissioner on that proposed precept.

Reasons:

Schedule 5 of the Police Reform and Social Responsibility Act 2011 requires the Panel to perform this function

Report Author:

Robert Edgecombe

Designation:

Acting Legal Services
Manager

Tel No.

01267 224018

E Mail Address:

rjedgeco@carmarthenshire.gov.uk

EXECUTIVE SUMMARY

DYFED – POWYS POLICE AND CRIME PANEL

26/01/18

POLICE PRECEPT

Schedule 5 of the Police Reform and Social Responsibility Act 2011 provides that the Police and Crime Commissioner cannot issue a precept under section 40 of the Local Government Finance Act 1992 for a financial year until the Panel has reviewed the proposed precept and reported to the commissioner upon the proposal.

Any such report to the Commissioner may include recommendations, including a recommendation as to the precept which the Panel believes should be issued.

The Panel may, having reviewed the proposed precept, choose to veto it. Such a course of action must be supported by two-thirds of the total membership of the Panel.

If the Panel does choose to veto the proposed precept the report to the Commissioner must contain a statement that the Panel has vetoed the precept.

Where the panel does veto the precept, the Commissioner must not issue the proposed precept and must, having regard to the report issued by the Panel, respond to that report and publish that response by the 15th February 2018.

Regulations also require the Commissioner to indicate in that response the precept he proposes to issue. The Panel then must, by the 22nd February 2018, review the revised precept and report to the Commissioner upon it. That report may indicate whether the Panel accepts or rejects the revised precept (and may make recommendations upon it). The Commissioner must consider the further report from the Panel and respond to it. That response must also be published. However the rejection by the Panel of a revised precept does not amount to a veto. Where the Panel rejects the revised precept the Commissioner may still proceed to issue the revised precept despite that rejection.

Where the Panel does not veto the precept, the Commissioner must respond to the report to the Panel and publish that response, but may proceed to issue the precept (or a different precept where to do so would be in accordance with recommendations contained within the report issued by the Panel)

DETAILED REPORT ATTACHED?

YES

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Host authority file	LS-0511/25	County Hall, Carmarthen



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DYFED-POWYS
POLICE AND CRIME
COMMISSIONER**

**Police and Crime
Commissioner for Dyfed-Powys**

2018/19 Precept and Budget

January 2018

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Executive Summary

One of my key responsibilities as your Police and Crime Commissioner is to set the precept each year. In doing so, I take into account a number of different factors including the Chief Constable's future resourcing requirement, the level of reserves, feedback from residents of Dyfed-Powys and future plans for investment in infrastructure.

The draft settlement of £49.313 announced on the 19th December 2017 has resulted in a freeze in the core government funding in cash terms compared with 2017/18.

In 2017/18 I increased the council tax precept by 6.9%. This resulted in a council tax precept in Dyfed-Powys of £213.87 for an average band D property. This compared with £218.24 in South Wales, £228.84 in Gwent and £249.21 in North Wales.

Useable reserves currently amount to £27.233m¹, split between earmarked revenue reserves, capital reserves and a general reserve. Useable reserves are predicted to reduce to £5.318m by 2020/21.

In 2017/18 two unforeseeable events have taken place – a non-consolidated pay award for Police Officers plus a significant investigation into a fatal fire at Llangammarch Wells. These were not budgeted for and will be funded from reserves. Other than these events, although it has been a challenging year, financial performance has been in line with the budgets set at the start of the year.

I therefore submit for scrutiny by the Dyfed-Powys Police and Crime Panel a police precept of £49.788m. Central and local funding combined will therefore amount to £99.100m (a 2.57% increase on funding levels in 2017/18).

An average band D property will pay £224.56. This band D tax will be at a level that is 5.0% (£10.63) higher than in 2017/18.

This level of funding will protect the number of Police Officers in the Force. Officer numbers at the start of 2018/19 are predicted to be 1,203 with leavers and planned recruitment intakes allowing officer numbers to average at the establishment level of 1,172. This level of funding will also provide further focus on addressing weaknesses identified by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS). During the year, I'm pleased to report that the Force has been graded as "Good" in the most recent HMICFRS report on Legitimacy and Leadership and I am confident that the Force will continue to make positive progress over the coming year.

¹ As at 31st March 2017

I expect to receive notification of the final settlement for 2018/19 in February 2018. I will notify the Panel of any changes to the provisional settlement once I receive them.

1. Introduction

- 1.1 The statutory arrangements established under the Police Reform and Social Responsibility Act impose a tight timescale of the 1st of February 2018 for me to present my initial precept proposal for 2018/19 to the Dyfed-Powys Police and Crime Panel following the announcement of the provisional settlement on the 19th of December 2017. Since last summer, I have had regular discussions with the Chief Constable about the current and future financial position of the Force. I have held a number of meetings to consider the budget for 2018/19, culminating in a Finance Seminar that was held on the 6th of December 2017 at which my plans for the precept for 2018/19 were discussed.
- 1.2 In order to fulfil my responsibilities as Police and Crime Commissioner (PCC), I have consulted with the public. I have also consulted with the Chief Constable (CC) and have discussed in detail his plans for staffing levels, police services and future investment needs in agreeing the Force's budget for 2018/19 and in order to determine the police precept.
- 1.3 Funding for the police service was not mentioned in the 2017 Autumn Statement however the Minister for Policing and the Fire Service's letter and statement both state the Home Office's intention to offer greater certainty on plans for 2019/20. Their intention is to maintain a broadly flat settlement but this is dependent on progress against a number of efficiency milestones to be agreed in the New Year.
- 1.4 Last year, significant work was undertaken on reviewing the funding formula however, this work ceased on the announcement of a snap election and it is unlikely that this work will be revisited until the next spending review. Whilst certainty of future funding is very much welcomed, there will remain uncertainty until a new funding formula is introduced. The last (unimplemented) review of the funding formula (redistribution of policing funds between forces) saw Dyfed-Powys lose close to £8m in funding.
- 1.5 The medium term financial plan therefore incorporates a reduction of 4% in central grant from 2021/22 onwards to reflect a potential change in formula and the impact that it might have on Dyfed-Powys.
- 1.6 I am also very supportive of the service improvements that the Chief Constable is implementing. These will help deliver services in line with

the wishes of the public of Dyfed-Powys and also support the priorities that I set out in my Police and Crime Plan. Many of these improvements will deliver recommendations made by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) and I'm pleased to report that the Force has been graded as "Good" in the most recent HMICRFS report on Legitimacy and Leadership. This is the first "Good" rating that the Force has received.

- 1.7 This report aims to provide Dyfed-Powys Police and Crime Panel Members with the information necessary to scrutinise my initial precept decision and the inherent budget position for 2018/19 upon which I have already consulted the public and the Chief Constable.
- 1.8 Appendix A contains the report of the Police and Crime Commissioner's Chief Finance Officer on reserves and budgetary risk.
- 1.9 Appendix B provides the medium term financial plan to 2023/24.

2. Funding – Provisional Settlement 2018/19

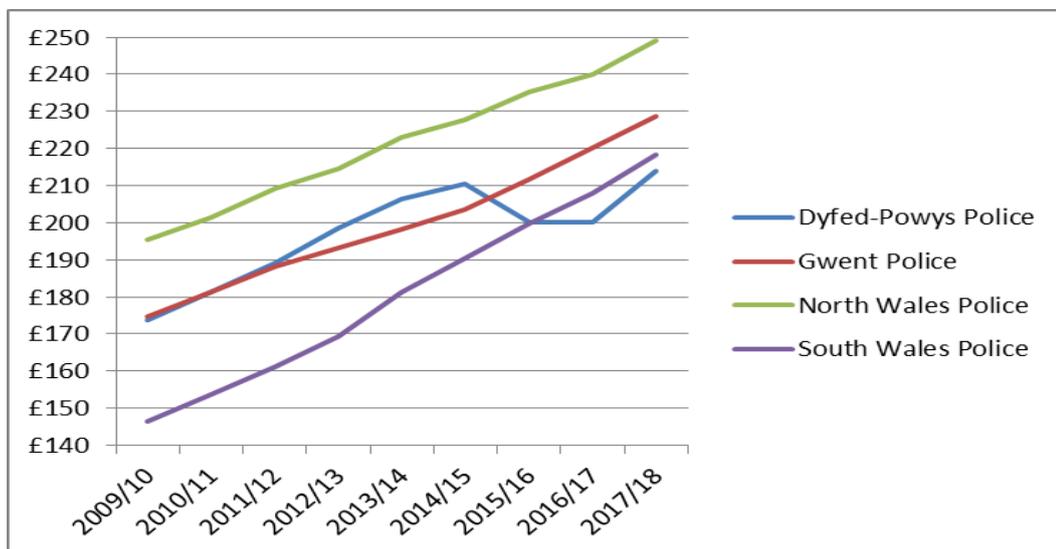
- 2.1 On the 19th December 2017, the provisional 2018/19 police finance settlement was announced in an oral statement by the Minister for Policing and the Fire Service, The Rt Hon Nick Hurd MP. This was followed by a written ministerial statement shortly after and the Welsh Government's provisional 2018/19 settlement for Welsh PCCs.
- 2.2 The Minister's statement announced:
- Flat cash grant funding (i.e. the same allocations as in 2017/18);
 - £450m additional funding for the service – this includes £130k additional reallocations, £147m which is predicated on PCCs applying a £12 precept increase, £50m additional Counter Terrorism funding and £123m of "new money";
 - A one year settlement only but with the stated intention that the settlement for 2019/20 will also broadly be a cash flat settlement dependent on progress against efficiency milestones.
- 2.3 The settlement has resulted in an allocation of £49.313m of core grant in 2018/19, the same as the cash allocation in 2017/18.
- 2.4 Police Officer Pay – The Minister's letter to PCCs and Chief Constables includes a reference to the police officer pay settlement. It is the Minister's view that the funding he has announced together with procurement efficiencies as well as those identified in the HMICFRS efficiency report will enable PCCs to make appropriate provision for the likely cost increases next year within their financial plans. This includes both the remaining costs of the additional 1% non-consolidated element of the 2017 pay award as well as the likely costs of the 2018 pay award. The Minister goes on to say that it is for police leaders to make proposals in relation to the 2018 pay award, reflecting what is affordable and fair to officers and taxpayers.
- 2.5 Future Settlements – The Minister's letter and statement both state the Home Office's intention to offer greater certainty on plans for 2019/20. Their intention is to maintain a broadly flat settlement with the same precept flexibility but this is dependent on progress against a number of efficiency milestones to be agreed in the New Year. The police Formula review is unlikely to be revisited until the next spending review.
- 2.6 Reallocations – In 2018/19 the top-slices/reallocations total £945m, £133m higher than 2017/18 (£812m).

- 2.7 Police Transformation Fund – This was first set up in 2016/17 and was worth £76.4m. In 2017/18 that amount rose to £175m but included the innovation fund. In 2018/19 it had been expected that the value would have risen again to nearer £300m. However, the Minister’s announcement states that the transformation fund will remain the same, in cash terms, as 2017/18 at £175m and £130m will be set aside for digital technology and special grants. Future allocation from the Police Transformation Fund will be commissioned work rather than bids. Approximately £50m is already committed to previous bids spanning more than one year.
- 2.8 Emergency Service Network (ESN) – This is a nationally run programme to replace the Airwave radio communication system. The 2016/17 settlement is believed to have included the Police share of £1bn funding for ESN although it was not separately identifiable. Forces will continue to pay for Airwave until the transition to ESN has occurred. During the transition, and once it is in place, PCCs will then need to pay local ESN costs, including data and connection charges, devices and installation as well as control room upgrades. However, since 2016/17 the ESN project has fallen an estimated 15 months behind schedule. This delay means that forces may need to extend their Airwave contracts, which is likely to have associated costs, in addition to the delayed savings from ESN. The estimated cost of a 12 month delay to the service is approximately £400m across England and Wales. It is not yet clear how these additional costs will be met and by whom.
- 2.9 Counter Terrorism – Counter Terrorism funding is negotiated separately to the police settlement. The national Counter Terrorism funding has been announced and is set to increase by £50m which is a 7% increase on last year. It is not yet known whether this additional funding is revenue or capital, however, it is expected to be primarily distributed to Counter Terrorism Units.
- 2.10 Overall, the Police Capital Grants have reduced from £82m in 2016/17 to £77.2m in 2017/18 and to £75.2m in 2018/19. Police Capital grant allocations remain unchanged from 2017/18. Nationally, £1m and £13.1m have been earmarked for Special Grant Capital and Police Live Services, respectively. £15.2m is also available for the National Police Air Service. The 2018/19 Dyfed-Powys provisional capital allocation remains at £0.318m, the same as the allocation for 2017/18.
- 2.11 Victim’s funding comes from the Ministry of Justice (MoJ). In 2017/18 we received £605k of funding and the provisional settlement for 2018/19 is £600k.

3. Police Precept 2018/19

3.1 On 6th December 2017, I held a finance seminar and invited members of the Police and Crime Panel, Joint Audit Committee and Wales Audit Office to attend. The purpose of the event was to allow the force to present a summary of the operational environment that they work within and the impact that this has on their demand levels and therefore resource requirements for 2018/19 and beyond. The seminar also covered the steps taken so far in preparing the 2018/19 budget and the draft position, including budget assumptions, savings and investments was covered in the seminar.

3.2 I considered police council tax levels throughout Wales:



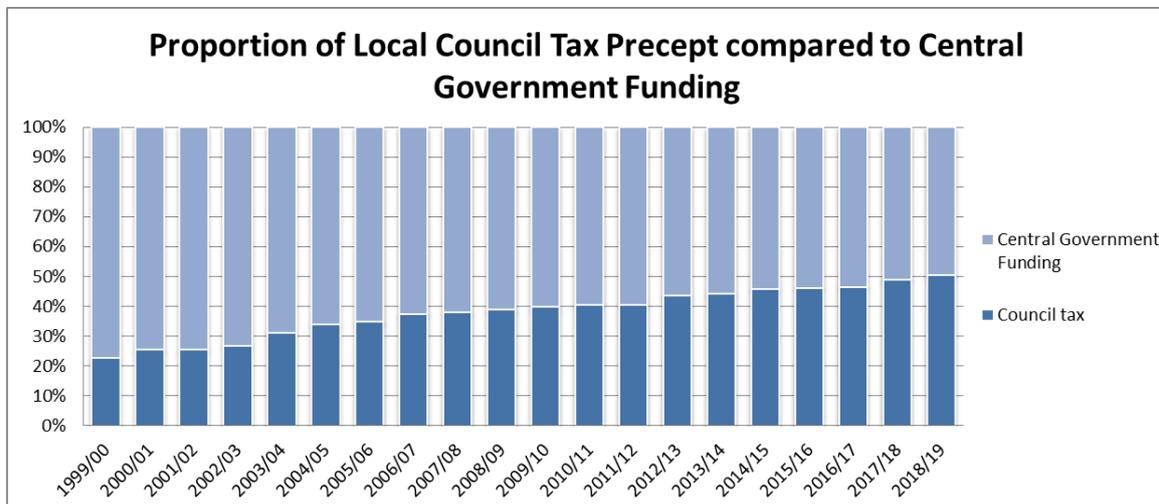
3.3 I have also consulted with the public on the level of the precept that I will set for 2018/19. The public consultation was run between 24th November and 15th December 2017 and 217 responses were received.

3.4 In response to the first question "In terms of your policing contribution, would you be prepared in 2018/19 to pay more / pay less or pay about the same as 2017/18", 51.6% of respondents indicated that they would be prepared to pay more, 28.4% responded that they would like to pay about the same as 2017/18 and 20.0% indicated that they would like to pay less.

3.5 In response to the second question "Taking into consideration your response to question 1, please tick next to your preferred change in police precept for 2018/19 (compared with 2017/18)", the preferred option chosen was a precept rise of 5%, followed by a precept rise of 1% and then a precept rise of 3%. Half of all respondents chose one of these three options.

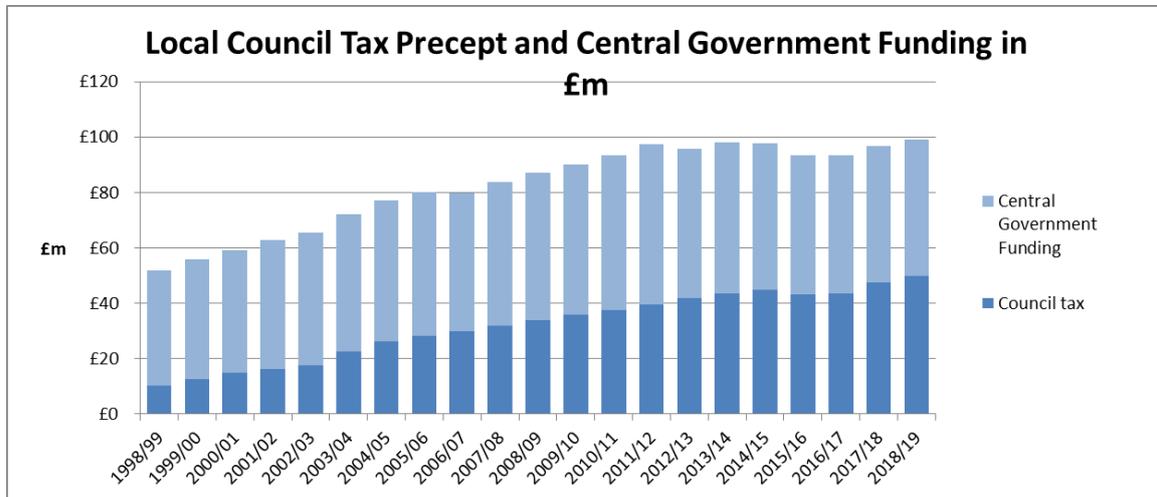
- 3.6 In response to the third question “If you are prepared to pay more, which areas of policing should receive more funding in 2018/19”, 21% voted for neighbourhood policing, 12% chose protecting the vulnerable, 11% voted for child protection and a further 11% chose rural policing. These priorities are consistent with my Police and Crime Plan priorities published in March 2017.
- 3.7 In response to the fourth and final question “If you want to pay less, which areas of policing should receive less funding in 2018/19” 27% of respondents chose estates, 22% chose youth diversionary projects and 14% voted for road safety.
- 3.8 In deciding on a police precept for 2018/19, I have also considered the current financial position of the organisation and our future plans.
- 3.9 2017/18 has been a challenging year in terms of finances. Two significant unforeseeable events have occurred:
- Police Officers have received a 1% pay award plus an additional 1% non-consolidated pay award applicable from the 1st September 2017. The non-consolidated element had not been foreseen and will amount to approximately £320k in relation to Police Officers for the 2017/18 financial year. Negotiations are still ongoing in relation to police staff pay. Should they receive the same award, the non-consolidated element will cost approximately £120k to the organisation. At the time of writing this paper, it is assumed that a total of £448k will be drawn from reserves to cover this event;
 - The Force has had to deal with a significant and complex fire investigation at a remote property near Llangammarch Wells. Costs of £560k have already been committed to date in relation to this operation (Operation Heath). The operation is ongoing and therefore the final cost that is covered by a reserves transfer is likely to rise further before the end of the 2017/18 financial year.
- 3.10 Through discussions with the Chief Constable, I have agreed that the financial impact of both the non-consolidated element of the pay award and the cost of Operation Heath will be funded from the general reserve. Aside from these two issues, the Force is operating broadly in line with their budget in the current financial year.
- 3.11 The organisation has a reasonable level of reserves but also has significant future plans for some much needed investment in the estate and also further investment in technology. As finances become tighter and budgets are set with very little spare capacity to deal with unexpected events, I expect us to utilise the General Reserve more often. The investment in infrastructure and greater use of the General Reserve will result in the overall level of reserves reducing significantly over the medium term.

- 3.12 In addition, the capital grant available to me has reduced significantly over recent years and, at its current level of about £300k per annum, it is wholly insufficient to fund the necessary capital investment that I need to make. This puts further pressure on both revenue budgets and reserves. In order to ensure that I have the means to support future capital investment, I plan to make revenue contributions to capital from 2019/20 onwards.
- 3.13 There has been much discussion and significant work carried out nationally to review and create a new model to distribute funds across police forces in England and Wales. We now understand that a new formula will not be introduced until the next spending review. The last, unimplemented formula review saw us receive some £8m less in funding and, whilst we cannot be certain of the outcome of a future review, for planning purposes, I have built in a reduction of 4% in central grant from 2012/22 onwards to reflect the potential reduction in grant that might occur.
- 3.14 The medium term financial plan is discussed in more detail in Appendix B.
- 3.15 The following graph shows how the proportion of income that Dyfed Powys receives from central sources compared with local sources has changed over time:

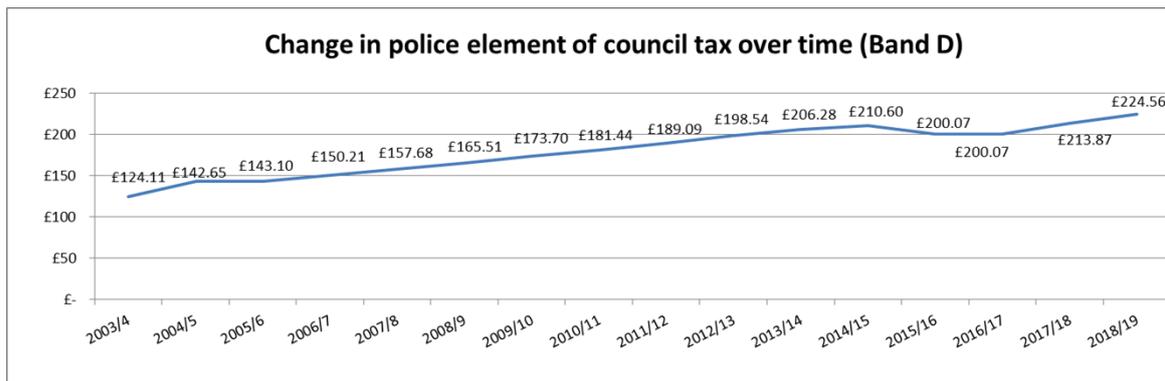


- 3.16 Historically, central funding provided the vast majority of Dyfed-Powys’ funding. However, the proportion received from central sources has slowly decreased over time and in 2018/19, for the first time, local funding (at £49.788m) will be greater than central funding (£49.303m).

3.17 The following graph shows (in £m) the amount of funding that Dyfed Powys has received from both local and central sources over time:



3.18 The following graph shows how the council tax precept has changed over time in Dyfed Powys:



3.19 The proposed increase in the council tax precept will result in an average Band D property paying £224.56 in 2018/19.

4. Draft Budget for 2018/19

- 4.1 The overall result of the provisional settlement and proposed precept is a total funding increase of £2.484m in 2018/19 compared with 2017/18 as shown in the table below.

Table 1: Total Funding for 2018/19 (Provisional)

Description	2017/18	2018/19	Change	
	£M	£M	£M	%
Core Police Grant	27.714	27.714	-0.000	-0.0
Add Rule 1 + Floor Funding	8.729	8.498	-0.231	-2.6
Welsh Government	12.870	13.101	+0.231	-1.8
Central Funding	49.313	49.313	-0.000	0.0
Council Tax Base (Band D)	221,177	221,708		
Council Tax at Band D (£)	213.87	224.56		
Precept	47.303	49.787	2.484	5.25
Total Funding	96.616	99.100	2.484	2.57

- 4.2 This has resulting in the following balanced budget being prepared for 2018/19:

Table 2: Draft Revenue Budget for 2018/19

	2017/18	2018/19
	£M	£M
OPCC and Commissioning	1.977	1.993
Estates	3.170	3.736
Force (net of reserve movements)	91.469	93.371
Total	96.616	99.100

- 4.3 Other than the Commissioner's Director of Estates role, the estates function that is responsible for the day to day running of the Commissioner's estate has previously formed part of the Force, coming under the direct control of the Chief Constable. After the budgets had been set last year, the estates function transferred to the Commissioner's office. For 2018/19, a small budget relating to premises costs still remains under the Force budget but the vast majority of costs relating to the estate now form part of the budget of the Commissioner.
- 4.4 A full breakdown of the proposed expenditure for 2018/19 (through to 2023/24) is provided in Appendix B.

- 4.5 In preparing the budget for 2018/19, the following inflationary factors were applied to the 2017/18 budget:

Table 3: Budget Assumptions for 2018/19 (compared with 2017/18)

Budget Assumptions (%)	2017/18	2018/19
Police Officers	1.00%	2.29% *
Police Staff	1.00%	2.29% *
Inflation	1.00%	2.50%
Premises Fuel	1.00%	2.50%
Vehicle Fuel	1.00%	2.50%
Grants	0.00%	0.00%
Income	1.00%	2.50%
Capital Financing	0.00%	0.00%
Pension	0.00%	3.00%

* The 2.29% inflation covers a 2% pay award for officers and staff from September 2018 and also funds half of the 1% non-consolidated September 2017 pay award beyond September 2018. Should the non-consolidated element continue, the remaining half will be funded through in-year efficiency savings.

- 4.6 In addition to inflationary pressures in 2018/19, the following additional cost pressures have been identified for 2018/19:
- Forensic medical contract – the existing contract needs to be re-tendered and, through work already carried out with potential bidders, we have identified that the cost of the new contract is likely to be £325k more expensive next year than the current provision;
 - Mobile data revenue licences – the previous contract for mobile data included a capital charge that covered licences, however, the new contract that is in place is different in its format and there is now a requirement to pay for licences as an annual recurring revenue cost. This increases revenue costs by £180k per annum;
 - Rates increases – Rates for buildings in the PCC’s estate increased by £270k in 2017/18. The rates figures were not available at the time the budget was set last year and therefore this increase was absorbed in-year through one-off savings, however, the increase is now budgeted for in 2018/19;

4.7 The Chief Constable, after an extensive period of discussion and consultation, approved the following growth bids amounting to £469k:

- Investigations – Further resource is required to effectively deal with investigations within the Force. This includes resource for the Digital Cyber Crime Unit, the Financial Crime Team and CID at a cost of £222k in 2018/19;
- Learning and Development – The College of Policing is introducing a new police qualification and there is a shift towards all police officers attaining a policing honours degree in the future. To achieve this new standard, more training will be delivered to those choosing to achieve their qualification whilst working as an apprentice for Dyfed-Powys Police. A budget of £48k has been introduced in 2018/19 to fund the necessary resources to support the introduction of the new apprenticeship scheme. In addition, £31k has been budgeted to fund a Health & Safety (H&S) trainer to carry out critical H&S training across the Force;
- Firearms – PCSOs are currently involved in carrying out checks to aid with the processing of firearm applications. In order to release PCSOs to focus on their frontline duties, approval has been granted to employ the equivalent of 3.3 FTE staff members to process firearm applications and renewals at a cost of £74k in 2018/19;
- Modern Apprentices – The chief officer team are supporting the employment of modern apprentices and plan to recruit five apprentices from July 2018. The cost in 2018/19 will be £44k;
- Vetting – the vetting department are currently working through a significant back-log of vetting renewals for serving police officers and staff. This has been highlighted as an area for improvement by internal audit report and by HMICFRS and, as a result, further resource has been allocated to this function. The cost for 2018/19 will be £25k;
- CCTV – a provision of £16k has been made towards the running costs of CCTV in 2018/19.

4.8 I have also chosen to support a custody triage project in Haverfordwest. This will run as a pilot for 12 months with its performance data analysed to determine whether there is merit in rolling it out across the whole of Dyfed-Powys. This triage is based on a model successfully introduced in Durham. I have allocated £100k to fund this pilot.

- 4.9 I also plan to commission further work in relation to youth offending and community safety and have also increased these budgets accordingly. These increases are partially funded by savings that I will make on existing commissioned services. In total, I plan to invest £139k more on commissioned services than in 2017/18 in support of the priorities that I set out in my Police and Crime Plan.
- 4.10 Day to day responsibility for the estate transferred to me during 2017/18. Having fully reviewed the budgets and financial out-turn of the estates function over the last three years, I believe that it is necessary to increase the estates budget to reflect the amount of work that needs to be carried out to effectively maintain the estate. In particular, I will be investing more to ensure that legislative compliance is achieved consistently across the whole estate and I plan to increase the maintenance regime in relation to critical infrastructure.
- 4.8 In addition to the investments above, the outline budget for 2018/19 includes annual recurring cost reductions of £1.925m within the force as summarised below:

Table 4: Cost Reduction Summary for 2018/19

		Expected Savings 2018/19
		£'000
Workforce	Workforce modernisation	-109
Workforce	Removal of temporary staff positions	-99
Workforce	Sergeant review	-55
Workforce	Reduction in director roles	-180
Pay/allowances	NI changes and allowance reductions	-125
Procurement	Savings through collaboration	-307
Collaboration	National Police Air Service charge reduction	-230
Estates	Student Accommodation	-111
ICT	Digital policing, fleet telematics, WAN	-210
Commercialisation	Income generation	-207
Other	Other	-292
		1,925

5. Reserves

5.1 The opening and closing position for reserves during 2017/18 is shown in the table below.

Table 5: Reserve Balances during 2017/18

	Balance as at 1 st April 2017	Net Movement in year	Balance as at 31 st March 2018
	Actual	Estimated	Estimated
	£M	£M	£M
Earmarked Revenue Reserves	6.672	-2.552	4.120
Capital Reserves	16.061	-4.408	11.653
General Reserve	4.500	-0.448	4.052
Total	27.233	-7.408	19.825

5.2 The table below provides detail on how our plans anticipate spending of reserves over the coming years.

Table 6: Use of Reserves

	18/19	19/20	20/21	21/22	22/23	23/24	Total
	£M	£M	£M	£M	£M	£M	£M
Use of Reserves							
Revenue Reserves (contribution to revenue budget)	2.240	1.042	0.450	0	0	0	3.732
Capital Reserves	7.556	3.218	0	0	0	0	10.774
Total use of Reserves	9.796	4.260	0.450	0	0	0	14.506
Balance at year end	10.028	5.768	5.318	5.318	5.318	5.318	

- 5.3 The contribution to revenue budget line in the table above appears as the result of the previous PCC's decision to reduce the council tax precept for 2015/16 by 5% and to use reserves to fund an element of the revenue budgets for 2015/16 to 2018/19. There is significant pressure on the 2018/19 revenue budget and therefore a decision has been made to draw the remaining reserve not just from 2018/19 but over the next 3 years with the last planned contribution from reserves in relation to this decision now to be made in 2020/21.
- 5.4 At the end of 2023/24, the general reserve is expected to remain at £4.052m with total reserves amounting to £5.318m.

6. Capital

- 6.1 Well maintained and managed assets play a vital role in the delivery of efficient policing services. Therefore it makes sense to plan how these assets will be maintained and managed. The draft capital programme for 2018/19 is shown below:

Table 7: Draft Capital Programme for 2018/19 to 2023/24

Capital Programme	18/19	19/20	20/21	21/22	22/23	23/24	Total
	£M	£M		£M			£M
Land and Buildings	5.684	4.650	3.350	2.350	0.550	0.350	16.934
Vehicles (Including Boat)	0.953	0.962	1.095	1.050	1.050	1.050	6.160
IT and Other Strategic Spending	3.260	2.343	2.193	2.191	1.406	1.666	13.059
Capital Expenditure	9.897	7.955	6.638	5.591	3.006	3.066	36.153
Grant Funding	-0.318	-0.318	-0.318	-0.318	-0.318	-0.318	-1.908
Borrowing	0	-3.881	-5.295	-3.748	-0.663	-0.223	-13.810
Capital Receipts	-2.000	-0.025	-0.025	-0.025	-0.025	-0.025	-2.125
NPAS Capital Credit	-0.023	0	0	0	0	0	-0.023
Contribution from Revenue Account	0	-0.513	-1.000	-1.500	-2.000	-2.500	-7.513
Capital Reserve	-7.556	-3.218	0	0	0	0	-10.774
Capital Financing	-9.897	-7.955	-6.638	-5.591	-3.006	-3.066	36.153

Appendix A – Report of the Chief Finance Officer

1. Balances, Provisions and Reserves

- 1.1 In accordance with the “Financial Management Code of Practice” (FMCoP) the PCC has considered the role of reserves when compiling the medium term financial plan and annual budget. The PCC holds the responsibility for ensuring the adequacy of reserves each year so that unexpected demand led pressures on the budget can be met without adverse impact on the achievement of the key priorities.
- 1.2 The FMCoP requires the PCC to establish a policy on reserves (including how they might be used by the Chief Constable) in consultation with the Chief Constable (CC). This Section of the report sets out the PCC’s decisions on reserves so that these can be communicated clearly to local taxpayers thereby promoting accountability.
- 1.3 Within the existing reserves policy and associated governance arrangements, the Chief Finance Officer is accountable for:
- Ensuring that advice is provided on the levels of reserves and balances in line with good practice guidance;
 - To report at the time the budget is considered and the precept set, on the robustness of the budget estimates and the adequacy of financial reserves, as required by s25 of the Local Government Act 2003, and in line with CIPFA guidance.
- 1.4 There are also a range of safeguards in place that militate against the PCC over-committing financially. These include:
- The balanced budget requirement;
 - Chief finance officers’ Local Government Finance Act 1988 Section 114 powers which requires the Chief Finance Officer to report to the PCC if there is or is likely to be unlawful expenditure or an unbalanced budget; and
 - The external auditor’s responsibility to review and report on financial standing includes a review of the level of reserves taking into account their knowledge of the organisations performance over a period of time. However, it is not the responsibility of auditors to prescribe the optimum or minimum level of reserves for individual organisations.

2. Statement on Reserves

The level of general reserve and any movements on the fund

- 2.1 Legislation and other guidance require that a general reserve is maintained. Whilst CIPFA does not stipulate a minimum or optimal level of general reserve, its general guidance is to establish a reserve representing *“resources set aside for purposes such as general contingencies and cash flow management.”*
- 2.2 CIPFA’s “Guidance Note on Local Authority Reserves and Balances” states that a General Reserve is required to act as *“ a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves”*. A General Reserve is also required to act as *“a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves.”*
- 2.3 Maintaining a General Reserve ensures compliance with the Local Government Finance Act 1992 for Local Authorities to *“have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.”*
- 2.4 The PCC’s policy on reserves states that *“Setting the level of earmarked and general reserves is just one of several related decisions in the formulation of the Medium Term financial Plan (MTFP) and the budget for a particular year. Account should be taken of the key financial assumptions underpinning the budget alongside a consideration of the organisation’s financial management arrangements.”*
- 2.5 For the last few years the general reserve has remained at £4.5m however, now that the central settlement appears to be a two year settlement and the introduction of a new funding formula has been delayed until the next spending review, the level of the general reserve has been reduced to reflect the slightly lower risk now being faced by the organisation. The general reserve for 2018/19 will be £4.052m which equates to 4.1% of the 2018/19 net revenue budget. The following three factors have been considered in determining the appropriate level of general reserve:

A. Overall financial position and adequacy of financial control

- 2.6 In setting the level of the general reserve it is important to bear in mind Dyfed Powys Police's overall financial position and the adequacy of financial controls in operation. The overall financial position has been considered by the PCC as part of the budget process and, whilst secure, is keenly affected by the threat of future government funding reductions which must be borne in mind.
- 2.7 It is also important to remember the context of the Medium Term Financial Strategy (MTFS) so that the PCC continues to comply with CIPFA's "Guidance Note on Local Authority Reserves and Balances" which suggests that "*Advice should be given on the adequacy of reserves over the lifetime of the medium term financial plan*".

B. Risk exposure and risk assessment

- 2.8 Formulation of reserve levels must be considered in the context of risk if we are to comply with CIPFA's guidelines which state that "*in order to assess the adequacy of unallocated general reserves...take account of the strategic, operational and financial risks facing the authority.*"
- 2.9 Whilst risk exposure and mitigation of that risk may not necessarily drive a material increase in spending, it will influence the level of general reserves year by year.
- 2.10 Four key risks are currently relevant to the level of general reserves now and in the future, which are outlined below.
- Economic instability – the risk that worsening economic conditions, real terms reductions in levels of government grant and the increased resource requirements will have a significant effect on already stretched financial resources. This will result in a restriction on operational activity and developments over the next four years and beyond, for example, curbing the ability to offer the level of community policing that the public is expecting unless a bigger draw on reserves is authorised;
 - External Risks – such as Brexit and global financial markets have been taken into account in setting reserves;
 - Operational major incidents and nationally and locally managed capital schemes – the likelihood and impact of a major incident that could occur within the Force area and risks attached to significant capital schemes has been considered in determining an appropriate level of reserves;
 - Council Tax – keeping council tax under control remains a priority for the Government.

C. Public Opinion

- 2.11 The public's acceptance of the precept is partly reliant on the understanding that the precept is spent on policing and that only a reasonable and prudent amount of any over-funding is being stored away as a general reserve. Conversely, when unforeseen expenditure arises, it is likely that the public would expect that the PCC would have sufficient resources to cover the expense without recourse to overspend.

The adequacy of the general reserves and an estimate of provisions in respect of the forthcoming financial year and the PCC's and CC's medium term financial strategy

- 2.12 Based on the above it is suggested that the level of general reserve is reduced to £4.052m which represents 4.1% of the proposed 2018/19 net revenue budget. It is suggested that this balance is retained at this level until there is greater certainty as to the timing and impact of a formula change and other financial pressures in future years.

The annual review of earmarked reserves including estimates of the year end balances

- 2.13 Earmarked reserves are held as a means of building up funds to meet known or predicted requirements. The main earmarked revenue reserves held by the PCC have been subject to review as part of the 2018/19 budget setting process.
- 2.14 At the beginning of 2017/18, earmarked revenue reserves amounted to £6.671m and the balance at the end of the financial year is expected to be about £4.120m. The year-end balance reflects the position after the PCC uses £2.552m of revenue reserves as a contribution towards the revenue budget. During the 2017/18 budget setting process, it was planned that £1.991m would be drawn from reserves and, in addition, a further £0.561 is now predicted to be drawn to fund the ongoing operation into the fire at Llangammarch Wells (Operation Heath).
- 2.15 Capital reserves (including capital receipts reserve and unapplied capital grants) at the beginning of 2017/18 stood at £16.129m.

- 2.16 Our current draft capital programme requires total funding of £36.153m over six years with £9.897m being spent in 2018/19. For the current capital programme to be fully financed over the next six year, the whole of the capital reserve will be depleted by the end of 2019/20. In

addition, it is foreseen that external borrowing of £13.811m will be needed over the same period. The majority of this borrowing will fund the building of a new custody facility for Carmarthenshire and provide a solution to the ageing police facility in Brecon. The cost of these two capital projects are currently expected to be in the region of £13m.

Jayne Woods – PCC’s Chief Finance Officer

3. Budgetary Risk

- 3.1 Section 25 of the Local Government Act 2003 requires that the Chief Finance Officer reports to the PCC, at the time the budget is being set, on the risks and uncertainties that might require more to be spent on the service than planned. Allowance is made for these risks by:
- making prudent allowance in the estimates; and in addition
 - ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.
- 3.2 It is important that the PCC takes responsibility for ensuring that budgetary risk has been minimised when the budget is set. The level of budgetary risk must be formally considered by the PCC informed by the advice and judgement of his Chief Finance Officer.
- 3.3 The proposed budget for 2018/19 reflects the identified and quantifiable risks. However it has not been possible to incorporate the following risks:
- Amendments to the final government grant notification from the provisional figures included in this report or for future years;
 - Unforeseeable changes in government policy;
 - Impact of pension scheme reviews on employer contribution rates.
- 3.4 To enable the PCC to reach his decision, his Chief Finance Officer has performed a risk assessment of material items of revenue and capital budgets which is included in the following pages. The risk analysis has been performed on the various budget headings and assessed based on the percentage of the net revenue budget and known factors which could influence levels of actual expenditure or income.

Table 8: Risk Assessment of Material Budgets

Budget area	% of net costs	Risk level	Identified Risk	Mitigating factor
Police Officer Salary Costs	54%	High	<p>Overtime incurred on major incidents/operations/investigations is not controlled and monitored and therefore exceeds the budget.</p> <p>Allowances paid for bonus payments, etc could exceed budget.</p> <p>The number of officers in post increases above the approved funded establishment.</p> <p>Future pay awards and the continuation (or otherwise) of the 1% non-consolidated 2017 award are uncertain.</p>	<p>Finance representation on gold groups and other operational investigation groups now occurs as a matter of course. This enables overtime and other costs to be closely monitored and reported to each meeting.</p> <p>The establishment is monitored continually as part of budgetary control process. A Budget Monitoring Procedure is in place with the budget being reported regularly to Chief Officer Group.</p> <p>HR has a recruitment plan for the year ahead based on the projected number of police officer retirements, leavers and transferees. The required intake of probationers are planned and allocated accordingly.</p> <p>In year financial performance is discussed regularly by the PCC and CC at Policing Board and within dedicated Finance Seminars. Financial matters are also covered at the Police Accountability Board, the Joint Assets Board and Finance and by the Procurement Group.</p>

Budget area		% of net costs	Risk level	Identified Risk	Mitigating factor
Police Staff Salary Costs (including PCSO's)		27%	High	<p>The number of staff in post increases above the approved funded establishment.</p> <p>Projects requiring staff involvement out of normal working hours are accurately costed for additional costs such as overtime etc.</p> <p>The 2017/18 pay award has not yet been agreed and significant certainty surrounds this and future pay awards.</p>	<p>The establishment is monitored continually as part of budgetary control process. A Gateway process is being established to monitor and control the establishment on a strategic basis. A Budget Control Procedure is in place.</p> <p>Professional payroll and human resources staff will be engaged in establishing staff entitlement for additional hours.</p> <p>In year financial performance is discussed regularly by the PCC and CC at Policing Board and within dedicated Finance Seminars. Financial matters are also covered at the Police Accountability Board, the Joint Assets Board and Finance and by the Procurement Group.</p>
Police Officer Pensions		12.5%	Medium	<p>There is a risk of future increased contributions that we must bear. Also, changes in the way certain elements such as injury payments are treated pose a risk.</p>	<p>Linked to police officer salary costs above.</p> <p>Ability to amend recruitment profiles during the year.</p>

Budget area		% of net costs	Risk level	Identified Risk	Mitigating factor
Indirect Costs	Staff	0.9%	Medium	<p>These might increase above budget.</p> <p>Uncertainty exists around the new police recruitment process linked with the Police Education Qualification Framework (PEQF) requirement from March 2019.</p>	<p>Training budgets have been set to reflect operationally critical requirements. Budgets are monitored on a monthly basis and a Training Prioritisation Group considers training priorities before training is delivered.</p> <p>The PCC and CC discuss and monitor PEQF and training requirements at Policing Board.</p>
Premises Costs		3%	Medium	<p>Further investment may be needed on premises in the future if we are to avoid a further large capital programme to bring buildings back to an acceptable and safe working environment for staff and officers.</p> <p>Fluctuations in electricity and gas prices may continue as contracts are renegotiated.</p>	<p>The capital programme is considered as part of Medium Term Financial Strategy and annual budget setting process.</p> <p>Procurement involves the finance department in discussions regarding contracts.</p> <p>Robust budget monitoring procedures are in place and adhered to.</p> <p>The Estates Group that brings together key staff within the PCC's office and from the Force meet monthly to discuss estates matters including finances. These are also discussed at the Joint Assets Board that is regularly chaired by the PCC.</p>

Budget area	% of net costs	Risk level	Identified Risk	Mitigating factor
Transport Costs	2%	Medium	<p>An increase in the fleet size could occur without an adequate increase in running costs.</p> <p>The vote to leave Europe may lead to increased fuel costs in the future.</p>	<p>The capital programme is considered as part of Medium Term Financial Strategy and annual budget setting process.</p> <p>The Strategic Vehicle Group meets to discuss the vehicle fleet – group is chaired by the Director of Finance.</p> <p>Fuel prices are monitored and their impact regularly assessed through the robust budget monitoring procedures that are in place.</p> <p>Telematics data is allowing the Force to monitor vehicle usage and optimise the size of the fleet.</p> <p>The Joint Assets Board receives a monthly update on matters relating to the fleet including vehicle and fuel usage.</p>

Budget area	% of net costs	Risk level	Identified Risk	Mitigating factor
Supplies and Services and Commissioning	10%	Medium	Non purchase orders could result in over spends against the budget.	<p>Purchase orders are processed with a built in budget check for high value items.</p> <p>The Procurement Department ensure that the procurement of goods and services are made in accordance with Financial Regulations and Procedures.</p> <p>Robust budget monitoring procedures are in place and adhered to.</p> <p>PCC's commissioned services are authorised by the Director of Commissioning.</p>
Agency & Contracted Services	2%	Low	Not material	Not material
Capital Financing	0.2%	Low	Not material	Not material

Budget area	% of net costs	Risk level	Identified Risk	Mitigating factor
Specific Grant	-7%	High	Grants should be utilised in accordance with the terms and conditions of grant. Grant providers may cease payments of grant with minimal notice.	A grant register records all grants due. Posts funded by grants should be recruited on a temporary basis for the duration of the grant. All terms of grant are authorised by the Chief Financial Officer. All Establishment Amendment forms are authorised by the Director of Finance and Head of Human Resources. PCC Commissioned services are authorised by the Director of Commissioning after consultation with the Chief Finance Officer.
Other Income	-6%	Low	Not material	Not material
Use of Reserves	-2%	Medium	Reserves should not be utilised to fund recurring expenditure. Unexpected demand led pressures on budgets can be met without an adverse impact.	The Force has no operational Reserves other than limited virement opportunities. Regular monitoring of the financial position occurs through the forces' Chief Officer Group (COG).

Budget area	% of net costs	Risk level	Identified Risk	Mitigating factor
Capital	N/A	High	The size, high cost and complexity of capital projects increases the risk of exceeding budgets, time overruns and not achieving the objectives of the original business case.	The capital programme is approved and monitored by the PCC and discussed at monthly Joint Assets Board meetings. Capital investment is also discussed at dedicated Finance Seminars led by the PCC. Chief Officers receive regular reports and monitor progress with capital projects at COG. Governance arrangements are in place covering all major projects for the force.

Jayne Woods – PCC’s Chief Finance Officer

Appendix B – Medium Term Financial Plan

1. Future Funding

- 1.1 Considerable uncertainty has existed over future financial settlements for some time. The Home Secretary's letter written on the day of the 2015 Spending Review stated that the settlement for policing, including funding for counter terrorism, will be reduced by 1.3% in real terms over four years. Taking into account local income, the settlement will protect police spending in real terms over the Spending Review period. This news was better than expected as previously, non-protected departments were expected to see reductions in the region of 27% over three years.
- 1.2 However, in December 2016, the Minister for Policing and the Fire Service announced a flat rate reduction in grant funding of 1.4% in cash terms for all forces for 2017/18. This provisional settlement was slightly worse than predicted as an average increase in the council tax bases had been estimated by the Home Office before calculating the resulting decrease in funding.
- 1.3 The settlement for 2018/19 was announced on the 19th December 2017 by the Rt Hon Nick Hurd MP. We were allocated a flat cash grant (i.e. the same allocations as in 2017/18). In addition, the Minister announced that we would receive a broadly flat cash settlement for 2019/20 also depending on progress on efficiency milestones to be agreed in the New Year.
- 1.4 Last year, year on year reductions of 1.4% in central grant had been modelled and used as the most likely scenario (this matched the cash decrease received in 2017/18 compared with 2016/17). However, given the provisional settlement for 2018/19 and announcement in relation to 2019/20, cash flat settlements have now been forecast up to and including 2020/21.
- 1.5 It is likely that a new funding formula will now not be introduced until the next spending review. The impact of the last (unimplemented) review was a £7.9m loss in grant to Dyfed-Powys. Therefore, with this in mind, the medium term financial plan also incorporates a reduction of 4% in central grant from 2021/22 onwards.

1.6 The current medium term funding position is shown below:

Table 9: Total Funding for 2018/19 to 2023/24

	18/19	19/20	20/21	21/22	22/23	23/24
	£M	£M	£M	£M	£M	£M
Central Grants	49.313	49.313	49.313	47.340	45.446	43.629
Council Tax Precept	49.788	52.695	55.773	59.030	62.477	66.126
Total Funding	99.100	102.008	105.085	106.370	107.923	109.754
Change against prior year (£M)	+2.484	+2.908	+3.077	+1.285	+1.553	+1.831
% Change	+2.57%	+2.93%	+3.02%	+1.22%	+1.46%	+1.70%

1.7 The detailed calculations supporting the figures in the table above are included in the penultimate table below.

2. Unavoidable Cost Pressures

2.1 It is expected over the period that pay and price inflation will exert an upward pressure on the costs of providing policing services over the period and the following assumptions have been made in relation to these:

Table 10: Inflation Assumptions for 2018/19 to 2023/24

Budget Assumptions (%)	18/19	19/20	20/21	21/22	22/23	23/24
Police Officers	2.29%	2.20%	2.00%	2.00%	2.00%	2.00%
Police Staff	2.29%	2.20%	2.00%	2.00%	2.00%	2.00%
Inflation	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%
Premises Fuel	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%
Vehicle Fuel	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%
Grants	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%
Capital Financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pension	3.00%	2.00%	2.00%	2.00%	2.00%	2.00%

- 2.2 In addition to these increases in base costs, a savings plan has been developed that is due to deliver savings amounting to £5.080m over the next six years. These savings are detailed in the table below:

Table 11: Cost Reduction Summary for 2018/19 to 2023/24

Cost Reductions	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Workforce modernisation	-109	-100	-100	-100	-100	-100	-609
Removal of temporary staff positions	-99	-167	0	0	0	0	-266
Sergeant review	-55	0	0	0	0	0	-55
Reduction in director roles	-180	0	0	0	0	0	-180
NI changes and allowance reductions	-125	-82	-52	-54	-70	-70	-453
Procurement Savings	-307	-200	-200	-200	-200	-200	-1,307
National Police Air Service charge reduction	-230	0	0	0	0	0	-230
Student Accommodation	-111	0	0	0	0	0	-111
Digital policing, fleet telematics, WAN	-210	-215	-215	-325	-175	-175	-1,315
Income generation	-207	0	0	0	0	0	-207
Estates	0	-250	-75	0	0	0	-325
Other	-292	0	+270	0	0	0	-22
	-1,925	-1,014	-372	-679	-545	-545	5,080

- 2.3 The impact of applying the funding assumptions, upward cost pressures and identified savings are summarised below. Above and beyond the identified savings, there remains a savings gap from 2019/20 onwards:

Table 12: Savings gap for 2018/19 to 2023/24

	18/19	19/20	20/21	21/22	22/23	23/24
	£M	£M	£M	£M	£M	£M
Net Costs of Policing	99.100	102.806	106.450	109.508	112.316	115.134
Central Funding and Local Precept	-99.100	-102.008	-105.085	-106.370	-107.923	-109.754
Total savings gap (cumulative)	0	0.798	1.365	3.139	4.393	5.380

3. Conclusion and Further Work required

- 3.1 Despite the future uncertainty of funding it is prudent for plans to be developed to meet a reduction in funding in future years. This work is underway.
- 3.2 Whilst the impact of different funding scenarios can be calculated relatively easily, the Chief Constable is currently working out the detail of the operating models that will be implemented should these various scenarios occur. Should a new funding formula result in a significant reduction in the level of central funding received, this would have a significant impact on police services with some very difficult decisions having to be made.
- 3.3 Work is currently being undertaken on an all-Wales basis to assess the level of potential savings that could be delivered through collaboration. This work is in its infancy but should begin to identify and deliver savings over the next 12 months.
- 3.4 Further discussions about the future will take place during 2018/19 to ensure that the organisation continues to work more efficiently whilst providing effective policing services to the public.

Table 13: High Level Financial Model for 2017/18 to 2023/24

High Level Financial Model 2017/18 to 2023/24

	Baseline	Assumptions						Projected Financing Available					
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Central Grants		DRAFT	EST	EST	EST	EST	EST						
Allocation of Police Core Settlement	-27,714	0.0%	0.0%	0.0%	-4.0%	-4.0%	-4.0%	-27,714	-27,714	-27,714	-26,605	-25,541	-24,520
Floor Funding	-8,729	-2.6%	0.0%	0.0%	-4.0%	-4.0%	-4.0%	-8,498	-8,498	-8,498	-8,158	-7,832	-7,518
Revenue Support Grant	-3,935	8.3%	0.0%	0.0%	-4.0%	-4.0%	-4.0%	-4,261	-4,261	-4,261	-4,091	-3,927	-3,770
National Non Domestic Rates	-8,935	-1.1%	0.0%	0.0%	-4.0%	-4.0%	-4.0%	-8,840	-8,840	-8,840	-8,486	-8,147	-7,821
	-49,313							-49,313	-49,313	-49,313	-47,340	-45,447	-43,629
	-1.4%							0.0%	0.0%	0.0%	-4.0%	-4.0%	-4.0%
Council Tax Precept													
Base	221,176.14	0.24%	0.80%	0.80%	0.80%	0.80%	0.80%	221,708	223,482	225,270	227,072	228,889	230,720
Rate at Band D	213.87	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	224.56	235.79	247.58	260	273	287
Projected Precept	-47,303							-49,787	-52,695	-55,772	-59,029	-62,477	-66,125
Total Financing	-96,616							-99,100	-102,008	-105,085	-106,370	-107,924	-109,754
								2.6%	2.9%	3.0%	1.2%	1.5%	1.7%
<i>% Funded by Council Tax</i>	49%							50%	52%	53%	55%	58%	60%

Taxbase	Taxbase at Band D		
	2017/18	2018/19	Change
Carmarthenshire	71,598.56	72,153.24	0.77%
Ceredigion	31,893.64	31,683.05	-0.66%
Pembrokeshire	55,919.65	56,103.15	0.33%
Powys	61,764.29	61,768.85	0.01%
	221,176.14	221,708.29	0.24%

Collection	Collection		
	2017/18	2018/19	Change
	97.50%	97.50%	0.00%
	98.50%	98.50%	0.00%
	98.00%	98.00%	0.00%
	98.50%	98.50%	0.00%

Table 14: Revenue Account for 2017/18 to 2023/24

	Allocated Budget	Proposed Budget	Financial Outlook				
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Budget for OPCC and Commissioning							
Staff Costs	695	685	700	714	728	743	758
OPCC Non-pay	336	336	343	350	357	364	371
Research and Community Projects	153	0	0	0	0	0	0
Commissioning Staff	83	95	97	99	101	103	105
Commissioning Non-pay	710	877	895	912	931	949	968
Estates Staff	575	720	736	751	766	781	796
Estates Non-pay	2,595	3,016	2,833	2,825	2,893	2,963	3,036
Total OPCC, Commissioning and Estates	5,147	5,729	5,604	5,651	5,776	5,903	6,034
Budget for Chief Constable and Staff under Direction and Control of Chief Constable							
Employees							
Police Officers	52,211	53,346	54,264	55,688	56,881	58,287	59,710
Police Staff	21,341	21,910	22,621	23,236	23,862	24,500	25,150
PCSO's	4,811	4,920	5,028	5,129	5,232	5,336	5,443
Police Pensions (net)	12,062	12,404	12,674	12,928	13,186	13,450	13,719
Indirect Staff Costs	744	845	862	879	897	915	933
Total Employee Costs	91,169	93,423	95,450	97,859	100,058	102,487	104,954
Running Expenses							
Premises Costs	301	309	315	321	328	334	341
Transport Costs	1,870	1,865	1,862	1,858	1,896	1,933	1,972
Supplies & Services	9,137	9,455	9,628	9,439	9,092	8,891	8,687
Agency & Contracted Services	2,103	2,022	2,063	2,104	2,146	2,189	2,233
Total Running Expenses	13,411	13,651	13,868	13,722	13,461	13,348	13,232
Capital Financing Costs	378	236	858	1,754	2,458	2,983	3,483
Total Expenditure	104,958	107,310	110,176	113,335	115,976	118,818	121,670
Financed By:							
Income							
Specific Grants	-5,858	-5,920	-5,972	-6,026	-6,081	-6,136	-6,193
Other Income	-5,640	-5,740	-5,919	-6,020	-6,124	-6,229	-6,337
Total Income	-11,498	-11,659	-11,891	-12,046	-12,205	-12,366	-12,530
Net Costs - Force	93,460	95,651	98,284	101,289	103,772	106,452	109,140
<i>% Change</i>		2.3%	2.8%	3.1%	2.5%	2.6%	2.5%
Contribution From Reserves							
Use of / Contribution to Reserves	-1,991	-2,279	-1,081	-489	-39	-39	-39
	-1,991	-2,279	-1,081	-489	-39	-39	-39
Net Costs - Force	91,468	93,371	97,203	100,799	103,733	106,413	109,100
Total Costs for OPCC and Force	96,616	99,100	102,806	106,450	109,508	112,316	115,134
Net Cost of Policing To be	96,616	99,100	102,806	106,450	109,508	112,316	115,134

Table 14 continued:

Grants and Precepts		-1.40%	0.0%	0.0%	0.0%	-4.0%	-4.0%	-4.0%
16	Police Grant	-27,724	-27,724	-27,724	-27,724	-26,615	-25,550	-24,528
	Floor Funding	-8,874	-8,874	-8,874	-8,874	-8,519	-8,178	-7,851
17	NNDR	-8,161	-8,161	-8,161	-8,161	-7,835	-7,521	-7,221
18	RSG	-4,554	-4,554	-4,554	-4,554	-4,371	-4,197	-4,029
Total External Support		-49,313	-49,313	-49,313	-49,313	-47,340	-45,446	-43,629
19	Precepts on Billing Authorities	-47,303	-49,788	-52,695	-55,773	-59,030	-62,477	-66,126
TOTAL RESOURCES		-96,616	-99,100	-102,008	-105,085	-106,370	-107,923	-109,754
	Deficit / Unidentified Savings	-0	0	799	1,365	3,138	4,393	5,380
Taxbase		221,177	221,708	223,482	225,270	227,072	228,889	230,720
COUNCIL TAX LEVEL		£ 213.87	£ 224.56	£ 235.79	£ 247.58	£ 259.96	£ 272.96	£ 286.61
Council Tax Increase		6.9%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Taxbase @ Band D		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Carmarthenshire	71,599	72,153	72,730	73,312	73,899	74,490	75,086
	Ceredigion	31,894	31,683	31,937	32,192	32,450	32,709	32,971
	Pembrokeshire	55,921	56,103	56,552	57,004	57,460	57,920	58,383
	Powys	61,764	61,769	62,263	62,761	63,263	63,769	64,279
	Taxbase	221,177	221,708	223,482	225,270	227,072	228,889	230,720
		2.1%	0.24%	0.80%	0.80%	0.80%	0.80%	0.80%

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DYFED-POWYS POLICE AND CRIME PANEL 26/01/18

DECISIONS TAKEN BY THE COMMISSIONER

Recommendations / key decisions required:

To consider the decisions made by the Commissioner and make such report or recommendations as the Panel thinks fit.

Reasons:

The Panel has a statutory duty to do this

Report Author:

Robert Edgecombe

Designation:

Legal Services Manager

Tel No.

01267 224018

E Mail Address:

rjedgeco@carmarthenshire.gov.uk

EXECUTIVE SUMMARY
DYFED – POWYS POLICE AND CRIME PANEL
26/01/18

DECISIONS TAKEN BY THE COMMISSIONER

Section 28(6) of the Police Reform and Social Responsibility Act 2011 requires the Panel to review or scrutinise decisions made and actions taken by the Police and Crime Commissioner in connection with the discharge of his functions and make reports and recommendations to the Commissioner in relation to the discharge of those functions.

Any such reports or recommendations must be published by the Panel.

DETAILED REPORT ATTACHED ?

YES

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Host Authority File	LS-0511/7	County Hall, Carmarthen

Decisions made by the Commissioner (including those made at Policing Board) 7th November 2017 – 16th January 2018

Title & Summary	Date
<p>Donation to Kidwelly Community Hub</p> <p>The Commissioner approved a donation of £100 to Kidwelly Community Hub following on from the PCC's visit. The PCC decided to fund the project via the Police Property Fund budget.</p>	Nov 7
<p>Women's Pathfinder IOM Cymru Business Case 2018-22</p> <p>The Women's Pathfinder central team have been developing a business case during 2017/18 for the future progression of the Women's Pathfinder work. The latest iteration proposes the Police and Crime Commissioner for Dyfed-Powys formally agrees a contribution within an annual funding envelope of between £133,658 and £153,037, equating to a total commitment over the 4 year business case of between £543,633 and £612,150.</p> <p>Having reviewed in detail the approach taken by Durham Constabulary, the Commissioner has committed to a pilot of the wider custody triage approach in Dyfed-Powys from April 2018 (see decision of 11th October 2017).</p> <p>The Commissioner does not commit to funding the continuation of the Women's Pathfinder business case but engages in continued dialogue with the IOM Cymru team to review progress against the programmes of work and ensure any future opportunities for alignment are maximised.</p>	Dec 4
<p>Sale of 11 Stokes Avenue, Haverfordwest to Pembrokeshire County Council</p> <p>The Commissioner approved the sale of a redundant police property leased since October 1998 to Pembrokeshire County Council. The area Superintendent and the current Assistant Chief Constable have confirmed that this property is surplus to requirements and the Estates Project Board formally agreed its disposal at their meeting on 7th June 2017.</p>	Nov 17

Pembrokeshire County Council has a requirement to purchase the property and convert it to Disability Living Accommodation. A commercial property consultant was tasked with carrying out a realistic valuation and a purchase price of £80,000 was agreed with Pembrokeshire County Council.

Quality Assurance Panel Expansion

Nov 21

The Commissioner approved the decision to expand the Quality Assurance Panel with a view to hosting more frequent meetings and the development of ad hoc exercises in the future to further support his scrutiny activity.

Capping of Police Staff Pay

Nov 21

The Commissioner decided that there should be no capping of a maximum Police staff pay and that any decisions in relation to grading should be based on the Police Staff Job Evaluation scheme. No records could be found of a capping decision which was believed to have been introduced by the previous Commissioner.

Multi-Functional Devices Contract

Dec 5

The Commissioner agreed to award the contract for the supply and maintenance of Multi-Functional Devices to Konica Minolta Ltd.

Trent System Support Contract

Dec 5

The Commissioner agreed to award the contract for the Trent System Support to Midland HR.

Extension of Forensic Medical Services Contract

Dec 12

The Commissioner suspended the initial joint tender exercise for forensic medical services that was carried out during the autumn of 2017. This was due to one of the bidders stating their intention to take legal action after North Wales chose to pull out of the process and to not award at the end of the tender exercise. The current provision for forensic medical services is due to cease on the 28th of February 2018, however, it is anticipated that a further four months will be needed to carry out a further tender exercise.

As such the Commissioner agreed to award an additional four month extension from the 1st of March 2018 to the current provider, CRG, at a total cost of £388, 945.44

Refurbishment of HQ Accommodation Block

Jan 12

A case was presented to the Commissioner in respect of the need for onsite provision of accommodation for staff attending training/conferences. Costing of a brand new building has been deemed to be outside current budgetary constraints and so the old Accommodation Block was identified as a source of fulfilling this need. This facility is in need of refurbishment and quotes obtained for this work estimate costs in the region of £99,000. It is estimated that the payback period for this investment will be 12 months.

Disposal of properties at Llanfair Caereinion, St Clears, Neyland and Felinfoel

Jan 12

The Commissioner agreed to a private treaty sale process for five listed properties with support from BP2 Chartered Surveyors and Carreg Law Solicitors. Each bid will be reviewed and assessed on its financial offer. All properties will be offered to Local Authorities prior to going to the open market. The sites listed are Llanfair Caereinion, Knighton, Felinfoel, St Clears and Neyland.

The Commissioner approved the sale to the highest scoring bid proposal sold via a Private Treaty. A private treaty sale involved the sale of tangible property between two parties that agree to terms before the sale completes. The proposed purchaser and financial values will be formally documented for approval by the Commissioner prior to the sale being offered or completed.

Public Service Bureau to transfer to the ownership of the Chief Constable

Jan 12

The Commissioner agreed to the transfer of the Public Service Bureau to the sole responsibility of the Chief Constable with effect from 1st April 2018.

The rationale for this is borne out of the impending changes to police complaint handling as a result of the Policing and Crime Act 2017. It is proposed the decision will ensure that complainant's journey begins with a service recovery team housed within the PSD. Natural escalation of complaints can also be dealt with by the Department, enabling police to rectify in the first instance public concern and dissatisfaction. Responsibility and remit is clearly defined. The Commissioner will be able to discharge a fully independent approach to appeals when received. Additionally, he can develop a robust scrutiny and performance management arrangement. It is suggested that such a model should provide complainants with the best possible service.

DYFED-POWYS POLICE AND CRIME PANEL 26/01/18

COMPLAINT AGAINST THE POLICE AND CRIME COMMISSIONER

Recommendations / key decisions required:

To note the complaint but take no further action in relation to it.

Reasons:

The complaint is an abuse of the complaints process.

Report Author:

Robert Edgecombe

Designation:

Legal Services Manager

Tel No.

01267 224018

E Mail Address:

rjedgeco@carmarthenshire.gov.uk

EXECUTIVE SUMMARY
DYFED – POWYS POLICE AND CRIME PANEL
26/01/18

COMPLAINT AGAINST THE POLICE AND CRIME COMMISSIONER

On the 14th November 2017 the Panel received a complaint against the Police and Crime Commissioner from a Carmarthenshire resident 'JS'.
 The complaint was recorded in the following terms in accordance with the requirements of Part 2 of the Elected Local Policing Bodies (Complaints and Misconduct) Regulations 2012 ('the 2012 Regulations'):

“That the Police and Crime Commissioner has failed to perform his statutory duties to investigate a complaint made to him about the Chief Constable and hold the Chief Constable to account for the exercise of functions of persons under his direction and control”

Enquiries were made with the Office of the Police and Crime Commissioner which established the following;

1. That 'JS' had made a complaint to the Police and Crime Commissioner regarding the Chief Constable
2. That the Police and Crime Commissioner had declined to record that complaint and given reasons for his decision
3. That 'JS' had exercised his right of appeal against that decision to the Independent Police Complaints Commission (IPCC)
4. That the IPCC had upheld the Commissioner's decision not to record the complaint.

The Police and Crime Panel has no power to 'investigate' complaints nor is it a venue of appeal against decisions of the Commissioner.

Having considered the relevant facts of the complaint the Panel Chair recommends that;

1. This is not a matter that is suitable for consideration under the informal resolution procedures in Part 4 of the 2012 Regulations
2. That the Panel take no further action in relation to the complaint on the grounds specified in Regulation 15(3)(e) of the 2012 regulations, namely that it is an abuse of the complaints process as the complaint has already been considered by the IPCC.

DETAILED REPORT ATTACHED?	NO
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Section 100D Local Government Act, 1972 – Access to Information

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