

# SCRUTINY OF THE 2019-2020 POLICE PRECEPT

## Introduction

1. In its Annual Report for 2017-2018 the Police and Crime Panel resolved that the scrutiny of the 2019-2020 Police Precept would be one of its priorities for the 2018-2019 municipal year.
2. This report sets out the steps the Panel has taken to achieve this objective and whether the measures set out in the Annual Report have been achieved.

## The Panel's Objective

3. In the Annual report the Panel identified its specific objective as;

*“To ensure the Police and Crime Commissioner’s finances are being properly managed and that the people of Dyfed-Powys are receiving value for money from the Police precept.”*

4. The Panel identified two measures by which it would assess whether this objective had been achieved;

*“That any proposed increase in the Police precept for 2019-2020 is appropriate given the circumstances facing Dyfed-Powys police at the time”*

*“That Dyfed-Powys Police has been able to operate within its budget whilst delivering the service that Dyfed-Powys Police require.”*

## What we have done

5. In order to achieve its objective the Panel has taken the following steps;
  - 5.1 Scrutinised the Annual Statement of Accounts for 2017-2018
  - 5.2 Put a series of detailed questions to the Commissioner at our meeting in November 2018 on a range of issues arising from those accounts including;
    - (a) The accuracy of budget forecasting
    - (b) Maximising additional sources of income
    - (c) Use of surplus assets
    - (d) Pension liabilities
  - 5.3 Attended a seminar on the commissioning of non-police services, such as victim support
  - 5.4 Attended a seminar regarding force finances and operational and budgetary pressures
  - 5.5 Had regard to publically available information from other sources such Her Majesty's Inspectorate of Police Fire and Rescue Services (HMICFRS) and the National Audit Office.

## Background

6. The funding that Dyfed-Powys Police receives comes from two main sources, a Home Office Grant and the Police Precept. In 2018-2019 these two sources each supplied just under 50% of the overall budget. This means that Council Tax Payers in Dyfed-Powys pay roughly half the overall cost of policing in the force area. This proportion is higher than in many other areas across England and Wales.

7. The level of the Home Office Grant awarded to an individual police force is determined solely by the UK Government in Westminster in accordance with a longstanding and complex formula. Similarly the overall budget that is allocated for the Home Office policing grants in England and Wales is determined by the UK Government in accordance with its political priorities. Panel members will be well aware that since 2010 the UK Government has pursued a policy of economic 'austerity' which has seen year on year reductions in public spending, including in relation to the Home Office Police Grants. The recent announcement of additional funding for the police does little to address the overall reduction in Home Office funding in recent years, which in the case of Dyfed-Powys amounts to 22% since 2010.
8. Against this financial backdrop Panel Members will also be aware that the day to day pressures on the Police have increased considerably since 2010. Online Fraud and cybercrime, the exploitation of children and other vulnerable persons, serious and organised crime and the threat of terrorism are all matters which were far less prevalent 10-15 years ago. In addition, as the recent HMICFRS Report on the role of the Police in dealing with Mental Health issues identified, Police forces are increasingly being burdened with responding to safeguarding concerns regarding vulnerable persons, a burden which should ideally be carried by other public services.
9. The opportunities for police forces to generate income from other sources is very limited. In general terms therefore any meaningful increase in the police budget to meet these operational demands can only come from the Home Office Grant or the Police Precept. Inevitably, if the Home Office Grant

is not increased sufficiently to meet these demands, then the only potential source of additional revenue is the Police Precept.

In those circumstances the Commissioner and the Panel face a stark choice, either increase the precept or cut services.

## **Analysis**

***“That Dyfed-Powys Police has been able to operate within its budget whilst delivering the service that Dyfed-Powys Police require.”***

- 10.1. In 2017-2108 Dyfed Powys Police was not able to operate wholly within its allocated revenue budget. In large part this was due to the significant costs associated with unforeseen ‘one –off’ incidents such as the tragic fire in Llangarmmach Wells.
- 10.2. Both the Commissioner and Chief Constable have recognised that the force needs to get better at managing its budget, particularly when responding to incidents such as this and the Panel can be confident that robust measures have been put in place to achieve this aim.
- 10.3. These issues reflect concerns voiced by the HMICFRS in 2017 regarding the efficiency with which the force operates. However the HMICFRS did acknowledge that the force had been making considerable efforts to address these concerns. Neither the force Joint Audit Committee, nor its auditors have expressed any concern about the management of force finances.

- 10.4. The most recent “value for money profile” for Dyfed-Powys Police, published by the HMICFRS suggests that the force compares well against other similar rural forces (Cumbria, Norfolk and Lincolnshire)
11. Overall Dyfed-Powys Police continues to rate highly in terms of the quality of service that it delivers. In particular;
- 11.1. The force deploys more of its staff on the frontline (79%) than both the national average and other similar forces
- 11.2. It has a lower level of victim based crime (0.03 per person) than the national average
- 11.3. It achieves a high level of victim satisfaction (76%)
- 11.4. It has one of the highest levels of public confidence (71.7%) of all the forces in England and Wales
- 11.5. It achieves conviction rates for rape (78.3%) and sexual offences (82.9%) higher than the national average
- 11.6. There has also been a steady improvement in the performance of the force in HMICFRS inspections since 2016 with the force being rated as ‘Good’ in respect of its effectiveness and legitimacy following the last inspection.
- 11.7. However the recent report by the HMICFRS regarding crime data recording by the force in relation to Domestic violence and sexual offences causes concern as it potentially undermines the good work that the force does in these areas and risks weakening its legitimacy with the public.
- 11.8. Given the size of the geographical area covered by the force and the low population density in some areas it is inevitable that there will be complaints about the frequency with which officers are seen on patrol. Both the Commissioner and Chief Constable are alive to these concerns and the Panel has been reminded that whilst the ratio of specialised officers to

neighbourhood policing officers has increased over the years, those specialised officers are capable of being deployed to assist the neighbourhood teams and are so deployed when necessary. Faced with limited finances and a significant increase in demand for specialised police resources the Panel can be confident that the Commissioner and Chief Constable are doing what they reasonably can to deliver both the service that the public wants and the service that it actually needs to keep it safe.

12. Although forming a comparatively small part of the overall budget, the Panel has also looked at the non-policing services that the Commissioner funds and which contribute to the overall effort to tackle crime and disorder within the force area. Although the contracts for some of these services have only been awarded relatively recently, the evidence suggests that they are highly cost effective and a good use of the resources allocated to them.

***“That any proposed increase in the Police precept for 2019-2020 is appropriate given the circumstances facing Dyfed-Powys police at the time”***

13. In assessing whether the proposed precept is appropriate it is suggested that the following factors are highly relevant.
  - 13.1 Dyfed –Powys has the lowest level of Home Office Grant funding and the lowest level of Police Precept in Wales.
  - 13.2 The level of the Home Office Grant given to Dyfed-Powys has fallen 22% since 2010
  - 13.3 The overall cost of the force per person per day of 54p is lower than the national average
  - 13.4 In its report on the financial sustainability of police forces in England and Wales (published in September 2018) the National

Audit Office questioned the future financial sustainability of police forces across England and Wales unless the Home Office significantly changed its approach to the funding of the Police.

13.5 These concerns were echoed by the Police and Crime Commissioner for Dyfed-Powys, Dafydd Llewelyn on the 6<sup>th</sup> November 2018 when he described the forces finances as being at 'tipping point'.

## **Conclusion**

In working with the Police and Crime Commissioner to set the Police Precept the objective of the Panel is;

***“To ensure the Police and Crime Commissioner’s finances are being properly managed and that the people of Dyfed-Powys are receiving value for money from the Police precept.”***

On the evidence available to the Panel there are strong grounds to believe that;

1. Although there is room for improvement in how Dyfed-Powys Police manages its finances, overall this is being done well.
2. Although the Council Tax payers of Dyfed-Powys pay a greater share of the cost of policing in their force area than happens elsewhere, the actual cost to them is lower than in any other force area in Wales.
3. Whilst there is always room for improvement, overall Dyfed-Powys Police delivers a good service to the public