

Pecyn Dogfennau



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

DYDD GWENER, 18 IONAWR 2019

AT: HOLL AELODAU'R PANEL HEDDLU A THROSEDDU DYFED POWYS

YR WYF DRWY HYN YN EICH GALW I FYNYCHU CYFARFOD O'R **PANEL HEDDLU A THROSEDDU DYFED POWYS** A GYNHELIR YN Y **SIAMBER, NEUADD Y SIR, CAERFYRDDIN AM 10.30 AM, DYDD GWENER, 25AIN IONAWR 2019** ER MWYN CYFLAWNI'R MATERION A AMLINELLIR AR YR AGENDA SYDD YNGHLWM

Mark James DYB

PRIF WEITHREDWR



AILGYLCHWCH OS GWELWCH YN DDA

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PANEL HEDDLU A THROSEDDU DYFED-POWYS
14 AELOD

CYNGOR SIR CAERFYRDDIN - 3 AELOD

- | | | | |
|----|------------|--------------|---------------|
| 1. | CYNGHORYDD | KEN HOWELL | (Plaid Cymru) |
| 2. | CYNGHORYDD | JIM JONES | (Annibynnol) |
| 3. | CYNGHORYDD | JOHN PROSSER | (Llafur) |

CYNGOR SIR CEREDIGION - 3 AELOD

- | | | | |
|----|------------|------------------|----------------------------------|
| 1. | CYNGHORYDD | LLOYD EDWARDS | (Democratiaid Rhyddfrydol Cymru) |
| 2. | CYNGHORYDD | KEITH EVANS | (Annibynnol) |
| 3. | CYNGHORYDD | ALUN LLOYD JONES | (Plaid Cymru) |

CYNGOR SIR PENFRO - 3 AELOD

- | | | | |
|----|------------|----------------|-----------------------------|
| 1. | CYNGHORYDD | MICHAEL JAMES | (Annibynnol) |
| 2. | CYNGHORYDD | STEPHEN JOSEPH | (Annibynnol heb gysylltiad) |
| 3. | LLE GWAG | ROBERT SUMMONS | (Ceidwadwyr) |

CYNGOR SIR POWYS - 3 AELOD

- | | | | |
|----|------------|----------------|----------------------------------|
| 1. | CYNGHORYDD | DAVID O. EVANS | (Annibynnol) |
| 2. | CYNGHORYDD | LES GEORGE | (Plaid Geidwadol Cymru) |
| 3. | CYNGHORYDD | WILLIAM POWELL | (Democratiaid Rhyddfrydol Cymru) |

AELODAU ANNIBYNNOL CYFETHLEDIG - 2 AELOD

- | | |
|----|---------------------------|
| 1. | YR ATHRO IAN ROFFE |
| 2. | MRS HELEN MARGARET THOMAS |

AGENDA

1. YMDDIHEURIADAU AM ABSENOLDEB A MATERION PERSONOL

2. DATGANIADAU O FUDDIANT

3. LLOFNODI YN COFNOD CYWIR COFNODION Y CYFARFOD A GYNHALIWYD AR 16EG TACHWEDD 2018

5 - 22

4. MATERION YN CODI O'R COFNODION (OS OES RHAI)

5. CWESTIYNAU Â RHYBUDD GAN AELODAU'R PANEL I'R COMISIYNYDD

5.1 CWESTIWN GAN Y CYNGHORYDD LES GEORGE

“Wrth imi fynychu gweithgareddau yn fy ward, daw pobl ataf yn rheolaidd i sôn am achosion difrifol ac annifyr o droseddau gwledig.

Dywedir wrthyf fod achosion parhaus o ddwyn da byw, dwyn cerbydau tir garw, a nifer cynyddol o achosion o dipio anghyfreithlon a phoeni defaid. Mae'r problemau hyn yn unig yn amharu ar fywydau pobl onest yn yr ardaloedd gwledig ond nawr maent hefyd yn profi fandaliaeth ddifrifol wedi'i threfnu gan grwpiau sy'n gwrthwynebu ffermio da byw.

Fel Comisiynydd, a allwch roi sicrwydd i'r Panel y byddwch yn sicrhau bod digon o gyllid ar gael i'r prif gwnstabl er mwyn mynd i'r afael â'r problemau hyn? Pa gamau y byddwch yn eu cymryd i sicrhau bod y Prif Gwnstabl a'i swyddogion yn rhoi blaenoriaeth uchel i'r problemau hyn?”

5.2 CWESTIWN GAN Y CYNGHORYDD WILLIAM POWELL

“Sut bynnag y bydd y sefyllfa o ran Brexit yn datblygu dros yr ychydig wythnosau a misoedd nesaf, mae nifer o uwchswyddogion yr heddlu wedi rhybuddio y gallai fod cryn effaith ar heddluoedd ledled y DU, gan gynnwys tarfu ar drafnidiaeth a gwasanaethau cyhoeddus a'r perygl o aflonyddwch sifil. Beth ydych chi'n ei wneud fel Comisiynydd i sicrhau bod Heddlu Dyfed-Powys mor barod ag y gall fod ar gyfer pob digwyddiad posibl, boed hynny'n 'Brexit heb fargen' ddiwedd mis Mawrth, gohirio Brexit tan ryw ddyddiad yn y dyfodol, refferendwm arall neu ganslo Brexit hyd yn oed?”

5.3 CWESTIWN GAN YR ATHRO IAN ROFFE

“Mae adroddiadau diweddar wedi dangos bod rhai Comisiynwyr yn cyfeirio adnoddau tuag at droseddau ar lefel isel mewn ymateb i'r galw gan y cyhoedd, ar draul troseddau mwy difrifol a chyfundrefnol. A all y Comisiynydd roi sicrwydd

bod cydbwysedd addas o ran dyrannu adnoddau Dyfed-Powys?”

6. CWESTIWN Â RHYBUDD I'R COMISIYNYDD GAN P.D.R. O SIR GAERFYRDDIN

“Pan oeddwn wedi ceisio cwyno i Heddlu Dyfed-Powys yn ddiweddar ynghylch twyll gwerth miliynau o bunnoedd oedd yn digwydd yn yr ardal, cefais fy nghyfeirio at Action Fraud. A yw hyn yn golygu nad oes gan Heddlu Dyfed-Powys adnoddau i ymchwilio i droseddau o'r fath?” Beth mae'r Comisiynydd yn ei wneud i sicrhau bod gan Heddlu Dyfed-Powys yr adnoddau priodol i ddiogelu ei drigolion rhag twyll o'r fath?”

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| 7. ARIANNU TEG AR GYFER PLISMONA GWLEDIG | 23 - 86 |
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Dydd Gwener, 16 Tachwedd 2018

YN BRESENNOL: Y Cynghorydd A. Lloyd-Jones (Cadeirydd)

Aelodau o Gyngor Sir Caerfyrddin:
Cynghorwyr J.K. Howell a T. J. Jones;

Aelodau o Gyngor Sir Ceredigion:
Cynghorwyr K. Evans a L. Edwards;

Aelodau o Gyngor Sir Penfro:
Cynghorwyr M. James, S. Joseph a R. Summons;

Aelodau o Gyngor Sir Powys:
Cynghorwyr D. Evans a W. Powell;

Aelodau Annibynnol:-
Yr Athro I. Roffe;
Mrs. H.M. Thomas;

Hefyd yn bresennol:
Y Cynghorydd J. Prosser (Cyngor Sir Caerfyrddin)

Yn bresennol o Swyddfa'r Comisiynydd Heddlu a Throsedd:-
Mr. D. Llywelyn - Y Comisiynydd Heddlu a Throsedd;
Ms. C. Bryant - Ymgynghorydd Polisi a Sicrwydd;
Mrs. C. Morgans - Pennaeth y Staff;
Ms. B. Peatling - Prif Swyddog Ariannol;

Yr oedd y swyddogion canlynol yn gwasanaethu yn y cyfarfod:
R. Edgecombe, Rheolwr y Gwasanaethau Cyfreithiol;
L Morris, Senior Press Officer;
K. Thomas, Swyddog Gwasanaethau Democrataidd;
J. Laimann, Swyddog Gwasanaethau Democrataidd Cynorthyol.

Y Siambr, Neuadd y Sir, Caerfyrddin. SA31 1JP. 10.30 am - 3.00 pm

1. YMDDIHEURIADAU AM ABSENOLDEB A MATERION PERSONOL

Cafwyd ymddiheuriad am absenoldeb gan y Cynghorydd L. George (Cyngor Sir Powys).

Cyfeiriodd y Cadeirydd at y ffaith nad oedd y Cynghorydd Eryl Morgan yn aelod o'r Panel mwyach ac awgrymodd y dylid anfon llythyr ato yn ddiolch iddo am ei gyfraniad i'r Panel yn ystod ei gyfnod yn y swydd.

PENDERFYNWYD YN UNFRYDOL anfon llythyr at y Cynghorydd Eryl Morgan yn diolch iddo am ei gyfraniad i'r Panel yn ystod ei gyfnod yn y swydd.

2. DATGANIADAU O FUDDIANT

Ni chafwyd dim datganiadau o fuddiant personol.

3. LLOFNODI YN COFNOD CYWIR COFNODION Y CYFARFOD A GYNHALIWYD AR 27AIN GORFFENNAF 2018

PENDERFYNWYD YN UNFRYDOL Iofnodi cofnodion cyfarfod Panel Heddlu a Throseddu Dyfed-Powys a gynhaliwyd ar 27 Gorffennaf 2018 yn gofnod cywir.

4. MATERION YN CODI O'R COFNODION (OS OES RHAI)

4.1 Cofnod 5.1 – Eitem Agenda, Cwestiwn gan y Cyngorydd A. Lloyd Jones

Gofynnwyd am y wybodaeth ddiweddaraf ynghylch cyllid Llywodraeth Cymru ar gyfer Rhaglen Gyswilt Ysgolion Cymru Gyfan SchoolBeat. Adroddodd y Comisiynydd Heddlu a Throseddu fod Llywodraeth Cymru wedi cytuno i ariannu'r rhaglen am 12 mis arall, o fis Ebrill 2019 hyd at fis Mawrth 2020. Cyhoeddodd y Comisiynydd Heddlu a Throseddu y bydd yr amser hwn yn cael ei ddefnyddio i baratoi, ar y cyd â lluoedd eraill, adroddiadau a thystiolaeth ynghylch manteision y rhaglen ledled Cymru.

4.2. Cofnod 5.2 - Eitem Agenda, Cwestiwn gan y Cyngorydd M. James

Yn dilyn gwahoddiad y Comisiynydd Heddlu a Throseddu i aelodau'r Panel fynychu cyfarfodydd Fforymau a Phartneriaid Troseddau Gwledig y Prif Gwnstabl, gofynnwyd am wybodaeth bellach ynglŷn â dyddiadau'r cyfarfodydd. Cyhoeddodd y Comisiynydd y bydd gwahoddiadau gyda dyddiadau penodol yn cael eu dosbarthu. Eglurodd hefyd fod cyfarfodydd yn cael eu cynnal ar ddwy lefel ar hyn o bryd: cyfarfodydd ar lefel strategol dan gadeiryddiaeth y Prif Gwnstabl, a chyfarfodydd Tîm Troseddau Gwledig ar sail sirol sy'n gyfarfodydd amlasiantaethol.

Codwyd cwestiwn dilynol ynghylch cynrychiolaeth Heddlu Dyfed-Powys yn Ffair Aeaf Frenhinol Cymru, sy'n cynrychioli pen-blwydd cyntaf lansiad y Strategaeth Troseddau Gwledig. Adroddodd y Comisiynydd Heddlu a Throseddu y bydd y Tîm Troseddau Gwledig yn bresennol yn y ffair a'u bod yn cynnig rhannu manylion ynghylch digwyddiadau penodol gydag Aelodau'r Panel.

4.3 Cofnod 7 – Eitem Agenda, Penderfyniadau'r Comisiynydd

Gofynnwyd am gael y wybodaeth ddiweddaraf ynghylch y dyddiad penodol ar gyfer agoriad Canolfan Tîm Plismona Bro Caerfyrddin a chysondeb oriau agor y Tîm Plismona Bro ar draws y llu. Atebodd y Comisiynydd Heddlu a Throseddu, hyd y gwyddai, fod canolfan Caerfyrddin ar agor ac yn weithredol. Dywedodd hefyd fod oriau agor canolfannau Timau Plismona Bro yn ogystal â gorsafoedd heddlu mwy o faint yn cael eu hadolygu fel rhan o waith ehangach yn ymwneud â'r galw, dan arweiniad y Prif Gwnstabl Cynorthwyol Vicki Evans. Nid oedd y Comisiynydd Heddlu a Throseddu yn gallu rhoi dyddiad penodol ar gyfer cwblhau'r gwaith hwn.

4.4. Cofnod 8 – Eitem Agenda, Bwrdd Atebolrwydd yr Heddlu

Gofynnwyd am ddiweddariad ynglŷn ag a fyddai modd rhannu canlyniadau arolwg staff diweddar â'r Panel. Ymatebodd y Comisiynydd Heddlu a Throseddu trwy

ddweud y bydd canlyniadau arolwg y llynedd yn cael eu hanfon at aelodau'r Panel ac y bydd canlyniadau'r arolwg diweddaraf yn cael eu rhannu pan fyddant ar gael. Nododd fod yr arolwg diweddaraf yn seiliedig ar sampl ychydig yn fwy ac felly mae'n darparu canlyniadau mwy dibynadwy. Nododd y Comisiynydd Heddlu a Throseddau hefyd fod arolwg staff y llynedd yn dangos cynnydd yng nghymhelliant y staff, sy'n mynd yn groes i'r duedd genedlaethol o leihad yng nghymhelliant yr heddlu.

Mewn perthynas â mesur galwadau 101 ar gyfartaledd, nodwyd bod aelodau'r cyhoedd wedi adrodd bod yna oedi wrth geisio mynd drwodd. Ymatebodd y Comisiynydd Heddlu a Throseddau trwy ddweud mai tua 70 eiliad yw hyd galwadau'r llun ar gyfartaledd, ond ei fod yn ymwybodol bod hyn yn ymddangos yn anghyson â'r profiad a adroddwyd gan y cyhoedd. Cyhoeddodd ei fod yn barod i ymchwilio i ffynonellau posibl yr anghysondeb hwn ac adroddodd fod y gwaith cyfredol yn awgrymu fod traffig y llinell 101 yn cael ei achosi'n rhannol gan alwadau mewnol y gellid eu hailgyfeirio i fannau eraill. Tynnodd y Comisiynydd Heddlu a Throseddau sylw at y ffaith fod lefelau amseroldeb y llun yn dda o gymharu â lluoedd cyfagos yng Nghymru. Mewn ymateb, nodwyd bod rhai aelodau o'r cyhoedd wedi adrodd am oedi o fwy na 10 munud. Dywedodd y Comisiynydd Heddlu a Throseddau fod ffigurau o'r fath yn annerbyniol a gofynnodd am i'r cwynion hyn gael eu hanfon ymlaen ato.

4.5 Cofnod 9 – Eitem Agenda, Adroddiad Blynyddol y Cadeirydd 2017-2018

Codwyd ymholiad ynglŷn â dosbarthu rhagor o gopiâu caled o'r Adroddiad Blynyddol ymhlith y boblogaeth. Mewn ymateb, estynnodd Rheolwr y Gwasanaethau Cyfreithiol wahoddiad i Aelodau'r Panel nodi niferoedd y copiâu Cymraeg a Saesneg yr oeddent yn dymuno eu cael, a fydd yn cael eu hanfon atynt er mwyn eu cylchredeg yn eu hetholaeth.

5. CWESTIWN Â RHYBUDD I'R PANEL GAN A.T. O SIR GAERFYRDDIN

“Roeddwn i'n synnu gweld nad yw'r panel yn cynrychioli'r gymdeithas y mae'n ei gwasanaethu. Dim ond un fenyw hŷn â chroen gwyn sydd ar y panel ac mae'r gweddiill yn ddynion hŷn â chroen gwyn. A ellid rhoi system ar waith er mwyn sicrhau bod aelodau'r panel yn adlewyrchiad gwell o'n cymdeithas? Dylai'r system hon sicrhau bod menywod ifancach ar y panel, yn enwedig mamau sydd â chyfrifoldebau o ran gofal plant, aelod o'r panel sy'n perthyn i'r grŵp Pobl Dduon a Lleiafrifoedd Ethnig, aelod o'r panel sy'n anabl ac aelod o'r panel sy'n perthyn i'r gymuned Pobl Lesbiaidd, Hoyw, Ddeurywiol a Thrawsrywiol. Pam y penderfynwyd y dylai'r panel gynnwys cynghorwyr sir, oherwydd mae'r rhain yn bennaf yn ddynion hŷn, strêr â chroen gwyn sydd wedi ymddeol. Mae gennym gymdeithas batriarchaidd iawn o hyd lle mae hiliaeth a rhywiaeth strwythurol a sefydliadol yn bodoli ac nid yw'r panel hwn yn gwneud dim i geisio mynd i'r afael â hyn. Gan fod mwyafrif aelodau'r panel yn cynrychioli yn bennaf un grŵp o'n cymdeithas amrywiol, golygir eu bod yn debygol o ddangos tueddiadau yn yr isymwybodol yn erbyn grwpiau penodol a gall hyn gyfrannu at wneud penderfyniadau gwael a gwahaniaethu yn erbyn y grwpiau hynny o bobl.”

Ymateb gan y Cadeirydd

“Caiff cyfansoddiad Paneli Heddlu a Throseddau ei bennu gan Atodlen 6 o Ddeddf Diwygio'r Heddlu a Chyfrifoldeb Cymdeithasol 2011. Mewn perthynas â Phaneli Cymru, mae'r atodlen yn nodi mai'r Ysgrifennydd Gwladol fydd yn rhagnodi nifer y

cynghorwyr o bob awdurdod lleol perthnasol sy'n aelodau o Banel. Yn ogystal, mae'n rhaid i'r Ysgrifennydd Gwladol gytuno ar nifer yr aelodau cyfetholedig y gall y panel ei benodi.

Yn achos Panel Dyfed-Powys, penderfynodd yr Ysgrifennydd Gwladol y byddai'r 4 Cyngor yn ardal y llu yn gallu penodi 3 chynghorydd fel aelodau o'r panel. Yn ogystal, byddai'r panel yn gallu penodi 2 aelod cyfetholedig.

Yn dilyn etholiadau'r awdurdodau lleol yn 2017, ysgrifennodd Swyddog Arweiniol y Panel at Benaethiaid Gwasanaethau Democrataidd y 4 Cyngor i'w hatgoffa nhw ynghylch y gofyniad statudol i adlewyrchu cydbwysedd daearyddol a gwleidyddol eu hawdurdodau perthnasol gan fynegi gobaith y byddai unrhyw enwebiadau hefyd yn adlewyrchu cydbwysedd rhyw, oedran a hil eu cymunedau.

Er y cydnabyddir nad yw aelodaeth gyfredol y panel yn adlewyrchiad cywir o gydbwysedd oedran, rhyw a hil cymdeithas yn ardal y llu, mae hyn yn bennaf oherwydd y cydbwysedd o ran aelodaeth y 4 Cyngor. Nid oes gan y panel ei hun ddim pŵer i newid hyn.

Dim ond mewn perthynas â'r aelodau cyfetholedig y mae gan y panel unrhyw fewnbwn o ran pwy sy'n cael ei benodi. Yn ystod yr ymarfer recriwtio cyhoeddus diwethaf ar gyfer aelodau cyfetholedig yn 2016, derbyniwyd wyth cais ac o'r rheiny, roedd 2 o'r ceisiadau hynny gan fenywod. Cafodd un o'r menywod hynny ei phenodi.

O dan yr amgylchiadau, rwy'n cynnig felly bod y camau canlynol yn cael eu cymryd;

1. Yn dilyn etholiadau nesaf yr awdurdodau lleol, bod Swyddog Arweiniol y Panel yn ysgrifennu eto at y 4 awdurdod lleol yn pwysleisio pwysigrwydd sicrhau bod eu henwebiadau yn adlewyrchiad mor gywir â phosibl o gydbwysedd eu cymunedau a,
2. Bod y Panel yn cysylltu â'r Swyddfa Gartref ar unwaith i ofyn am ei sylwadau ynghylch cynyddu nifer yr aelodau cyfetholedig er mwyn gwella cydbwysedd y Panel."

Codwyd sylwadau ychwanegol a bwysleisiai fod gan Aelodau'r Panel brofiad amrywiol o ymgysylltu â phobl o bob cefndir ac nad oeddent yn dangos unrhyw dystiolaeth o ragfarn anymwybodol, gwneud penderfyniadau gwael na gwahaniaethu er anfantais i grwpiau penodol. Awgrymodd yr Aelodau hefyd y gallai A. T. gyflwyno sylwadau i'r Swyddfa Gartref i gynyddu'r Aelodaeth Annibynnol ac annog pobl i ymgeisio am y swyddi hyn.

PENDERFYNWYD YN UNFRYDOL fod ymateb y Cadeirydd, yn amodol ar y sylwadau ychwanegol a godwyd yn ystod y drafodaeth, yn cael ei gymeradwyo a'i anfon at A.T.

6. CWESTIYNAU Â RHYBUDD GAN AELODAU'R PANEL I'R COMISIYNYDD:

6.1. CWESTIWN GAN Y CYNGHORYDD KEITH EVANS

Troseddau leuenctid

“Nododd y Gweinidog Cyfiawnder mewn adroddiad diweddar fod nifer y bobl ifanc sy'n eu cael yn euog o droseddau yn ardal Ceredigion wedi lleihau'n sylweddol dros y 12 mlynedd diwethaf. Mewn gwirionedd, mae'r nifer 75% yn is. Mae'r ffigurau ar gyfer 2017 yn dangos bod 37 o bobl wedi troseddu am y tro cyntaf.

A oes gan y Comisiynydd ddata cyffelyb ar gyfer gweddill ardal y llu?

Mae'r Comisiynydd yn gwario swm sylweddol o arian ar gynlluniau i gefnogi ein Hieuentid ac atal troseddu. Os yw'r data'n dangos lleihad tebyg yng ngweddill ardal y llu ac o gofio'r pwysau enfawr ar gyllidebau, a fydd y Comisiynydd yn lleihau'r adnoddau a ddyrennir i'r maes gwaith hwn?”

Eglurodd y Comisiynydd Heddlu a Throseddau fod yr adroddiad yn adlewyrchu tuedd hirdymor o ostyngiad mewn troseddau ieuenctid ar draws holl siroedd Dyfed-Powys. Priodolodd y gostyngiad i waith llwyddiannus sefydliadau ieuenctid a rhaglenni megis SchoolBeat. Mae'r rhaglenni hyn yn ymdrin â throseddau llai difrifol yng nghyd-destun yr ysgol i atal pobl ifanc rhag dioddef stigma trwy fynd drwy'r broses cyfiawnder ffurfiol. Awgrymodd y Comisiynydd y gallai'r gostyngiad o 85% mewn troseddau tro cyntaf dros y 10 mlynedd diwethaf, a nodwyd gan Ystadegau Cyfiawnder Ieuenctid y Weinyddiaeth Cyfiawnder 2016/17, gael ei briodoli i raddau helaeth i lwyddiant rhaglenni o'r fath. Tynnodd sylw hefyd ar y ffaith fod cyfanswm y cyllid ar gyfer y rhaglenni hyn, yn Nyfed-Powys, yn dod i 10% (£180,000) o gyllid ei Swyddfa a dim ond 0.1% o gyllid ehangach Heddlu Dyfed-Powys a'r Comisiynydd. Daeth i'r casgliad na ddylid lleihau'r cyllid ac yn hytrach gwnaeth ymrwymiad parhaus i ariannu'r rhaglenni yn ystod ei gyfnod yn y swydd.

Codwyd cwestiwn ynglŷn â sut yr oedd effeithiolrwydd y gwariant yn cael ei fesur ym maes atal. Atebodd y Comisiynydd Heddlu a Throseddau trwy ddweud fod ymchwil gan Dr Gareth Norris o Brifysgol Aberystwyth yn mesur gostyngiad ystadegol sylweddol mewn troseddau ieuenctid. Cyhoeddodd y bydd y canfyddiadau meintiol hyn yn cael eu cyplysu â data ansoddol er mwyn ategu llwyddiant y rhaglenni.

6.2. CWESTIWN GAN Y CYNGHORYDD KEITH EVANS

DATGANIAD CYFRIFON ar gyfer 2017-2018

“Er y derbynnir ei bod yn amhosibl rhagweld yn fanwl gywir y gofynion a allai fod ar y llu yn y dyfodol, yn enwedig yn sgil digwyddiadau a thrychinebau unigryw, gellid dadlau nad oedd rhywfaint o'r rhagolygon cyllidebu ar gyfer 2017-2018 mor gadarn ag y gallent fod. Pa gamau y mae'r Comisiynydd yn eu cymryd i sicrhau y bydd rhagolygon o'r fath mor gadarn ag y bo'n rhesymol yn y dyfodol?”

Atebodd y Comisiynydd trwy ddweud fod ei Brif Swyddog Ariannol yn gweithio gyda'r heddlu i adolygu'r holl feysydd rheolaeth ariannol. Adroddodd fod y Prif Gwnstabl wedi sefydlu Grŵp Aur Cyllid gyda'r holl uwch reolwyr er mwyn sicrhau dealltwriaeth gyson o faterion ariannol ar draws yr holl feysydd busnes. Adroddodd hefyd am y gwaith o ddatblygu cynllun gweithredu manwl, sy'n pennu'r adolygiad o gyflogau swyddogion yr heddlu, lefelau staffio, trefniadau goramser, caffael a chynhyrchu incwm. Nododd y Comisiynydd ei fod yn derbyn adroddiadau ariannol gan y Prif Gwnstabl yn fisol a bod y Prif Swyddog Cyllid yn cwrdd ddwywaith yr wythnos â'r Cyfarwyddwr Cyllid. Pwysleisiodd fod y Prif Gwnstabl wedi cryfhau ei

dîm Cyllid i wella'r cymorth rheolaeth ariannol ac wedi newid dulliau adrodd er mwyn gallu adrodd ar y gyllideb mewn modd mwy cadarn ac amserol. Yn ogystal, mae archwiliad rheolaeth ariannol wedi'i gynnwys yn y Cynllun Archwilio Mewnol ar gyfer 2018/19. Nododd y Comisiynydd hefyd y bydd digwyddiadau mawr a chritigol yn parhau i fod yn anodd eu rhagweld ac efallai y bydd angen neilltuo cronfa gyffredinol wrth gefn i sicrhau sefydlogrwydd ariannol. Yn ogystal, bydd aelodau o'r tîm Cyllid Corfforaethol yn cynghori pob Grŵp Aur Gweithredol ynghylch goblygiadau ariannol digwyddiadau mawr.

Croesawodd y Panel ymateb y Comisiynydd fel un calonogol, yn enwedig y mentrau gyda golwg ar gaffael, cyllid allanol a sefydlu cronfa wrth gefn ar gyfer digwyddiadau critigol.

6.3. CWESTIWN GAN Y CYNGHORYDD KEITH EVANS

DATGANIAD CYFRIFON ar gyfer 2017-2018

“Ymddengys fod cymhariaeth o'r asedau a'r rhwymedigaethau a ddangosir yn y datganiad cyfrifon ar gyfer 16/17 a 17/18 yn dangos gwanhad sylweddol o ran iechyd ariannol cyffredinol y gyllideb. A yw hyn yn rhan o duedd hirach ac os felly, pa gamau y mae'r Comisiynydd yn eu cymryd i'w wrthdroi?”

Atebodd y Comisiynydd trwy ddweud fod y mater hwn yn bodoli'n bennaf oherwydd gostyngiadau cyllido oddi wrth y Trysorlys yn Llundain. Pwysleisiodd bod y fantolen yn rhoi cipolwg yn unig o'r sefyllfa ariannol, a reolir ar hyn o bryd gan rwymedigaethau hirdymor, yn enwedig pensiynau. Eglurodd y Comisiynydd fod cwmp o £130 miliwn wedi bod mewn rhwymedigaethau pensiwn yn ystod y flwyddyn gyffredol oherwydd newidiadau yn y tybiaethau ariannol a demograffig, a bod y gostyngiad mewn asedau hirdymor o £86.2 i £84.5 miliwn i raddau helaeth oherwydd iddynt gael eu hailddosbarthu fel asedau cyffredol (£1.9 miliwn). Tynnodd y Comisiynydd sylw at y ffaith y bydd holl gostau pensiwn yr heddlu presennol a rhai'r dyfodol (ond nid staff) yn cael eu talu gan y Llywodraeth. Nododd hefyd fod y gostyngiad cyfan mewn cronfeydd wrth gefn o £27.2 i £20.5 miliwn wedi'i achosi gan fuddsoddiadau mewn gweithgareddau a seilwaith yn ogystal â phwysau referniw megis setliad cyflog yr heddlu y llynedd. Mynegodd y Comisiynydd bryder bod y duedd gyson o leihau cronfeydd wrth gefn ar draws yr heddluoedd yng Nghymru a Lloegr yn cael ei sbarduno gan bolisiau'r DU. Cyhoeddodd y bydd lefel orau bosibl y cronfeydd wrth gefn ar gyfer Heddlu Dyfed-Powys yn cael ei nodi, gan roi ystyriaeth ofalus iddi. Dywedodd hefyd y bydd y defnydd o bron pob cronfa gyfalaf wrth gefn yn y cynllun ariannol tymor canolig yn mynd tuag at ddatblygiadau seilwaith hanfodol, gan felly gynyddu'r asedau lle bo'n briodol. Tynnodd y Comisiynydd sylw Aelodau'r Panel at seminar ar ddiwedd y mis a fydd yn gyfle i drafod y materion hyn yn fanylach.

Cytunai'r Panel fod gwerthu asedau a defnyddio cronfeydd wrth gefn yn anghynaliadwy, ond roedd yn cydnabod fod cynlluniau ariannol y Comisiynydd yn ddoeth o ystyried yr amgylchiadau.

6.4. CWESTIWN GAN Y CYNGHORYDD KEITH EVANS

DATGANIAD CYFRIFON ar gyfer 2017-2018

“Ar dudalen 69 y datganiad cyfrifon, o dan y pennawd 'incwm segmentol' nodwyd ffigwr o £1,067,000 gan y 'Gyfarwyddiaeth Adnoddau'. A allai'r Comisiynydd esbonio â beth a wnelo hyn? A yw'r Comisiynydd yn fodlon y gwneir pob ymdrech i fanteisio i'r eithaf ar ffrydiau incwm sydd ar gael er mwyn lleihau pwysau cyllidebol a'r baich ar drethdalwyr lleol?”

Eglurodd y Comisiynydd Heddlu a Throsedd fod yr eitem 'incwm segmentol' yn cynnwys ystod o adrannau o fewn portffolio'r Cyfarwyddwr Adnoddau ac yn adlewyrchu'r gofyniad adrodd newydd i gysoni'r adroddiadau segmentol. Mae'r eitem yn cynnwys ffigurau megis y cynllun adfer cerbydau (£96,000), incwm rhannu safle (£313,000), rhentu adeiladau a thir (£365,000), incwm trwyddedu drylliau tanio (£278,000), a ffioedd cyrsiau a chynadleddau (£15,000).

Dywedodd y Comisiynydd fod Heddlu Dyfed-Powys wrthi'n archwilio ffrydiau incwm ond y gellid gwneud mwy yn y meysydd a nodwyd. Adroddodd am archwilio cyfleoedd i greu incwm pellach trwy ddarparu cyrsiau hyfforddi i luoedd eraill ac asiantaethau partner. Tynnodd sylw at y ffaith y bydd is-grŵp Aur Cyllid y Prif Gwnstabl hefyd yn adolygu cyfleoedd i greu incwm, gan gynnwys datblygu ystadau, cydweithio a gweithio mewn partneriaeth a threfniant codi tâl am wasanaethau heddlu arbenigol. Yn ogystal, rhoddodd bwyslais ar lobio trafodaethau cenedlaethol i adolygu'r cynllun adfer cerbydau a thrwyddedu drylliau tanio a gweithio ar gyfleoedd cyllid grant. Yng nghyswllt yr olaf, adroddodd am lwyddiannau diweddar gyda golwg ar grant Bwrdd Diwygio a Thrawsnewid yr Heddlu ar gyfer Profiadau Niweidiol yn ystod Plentyndod (£6.7 miliwn ar draws Cymru) a grant Strategaeth Trais Difrifol y Swyddfa Gartref (£1 miliwn ar gyfer Cymru, sy'n cyfateb i oddeutu £200,000 ar gyfer Dyfed-Powys).

6.5. CWESTIWN GAN Y CYNGHORYDD KEITH EVANS

DATGANIAD CYFRIFON ar gyfer 2017-2018

“O ystyried agwedd y Llywodraeth bresennol at ariannu'r gwasanaeth heddlu yn genedlaethol, a fu unrhyw awgrym fod grant atodol y Swyddfa Gartref ar gyfer pensiynau o dan fygythiad? O ystyried y potensial i rwymedigaethau pensiynau roi baich sylweddol ar y gyllideb, a ystyrir materion o'r fath wrth ganiatáu ymddeol yn gynnar? Pa gamau sy'n cael eu cymryd i leihau'r risgiau y mae'r materion hyn yn eu hachosi?”

Atebodd y Comisiynydd Heddlu a Throsedd trwy ddweud nad yw'r Swyddfa Gartref wedi rhoi unrhyw arwyddion o'r fath. Nododd, fodd bynnag, fod y Cyfarwyddiadau drafft a gyhoeddwyd gan Drysorlys Ei Mawrhydi ar 6 Medi yn cynnwys cynnydd sylweddol (22.1% i 31.8%) yng nghyfraniadau pensiwn y cyflogwr ar gyfer Cynlluniau Pensiwn y Gwasanaethau Cyhoeddus. Er y bydd y Swyddfa Gartref yn talu rhan o'r treuliau, byddai Heddlu Dyfed-Powys yn wynebu costau ychwanegol o £1.6 miliwn yng nghyllideb 2019/20 a £2.5 pellach yn 2020/21. Byddai hyn yn arwain at gynydd mawr yng ngwariant staff Heddlu Dyfed-Powys, sydd eisoes yn cynnwys 80-85% o wariant y gyllideb refeniw. Adroddodd y Comisiynydd y gallai hyn arwain at gollu 38 o swyddogion yr heddlu yn 2019/20 a 97 erbyn 2020/21 neu godiadau praesept cyfatebol o 3.2% ac 8.2% yn y drefn honno. Cynigiodd y Comisiynydd fod nodyn briffio ar y pwnc yn cael ei anfon at y Panel. Rhoddodd sicrwydd fod gwasanaethau a chymdeithasau heddlu ledled Cymru a Lloegr, gan gynnwys Heddlu Dyfed-Powys, yn manteisio ar bob cyfle i dynnu sylw at y mater a lobio arno.

Eglurodd y Comisiynydd ymhellach nad oes yna raglenni cyfredol ar gyfer ymddeoliad cynnar gwirfoddol neu ddileu swyddi, ond fod y cynllun ariannol canol tymor ar gyfer 2018/19 yn cynnwys darpariaethau o'r math hwn. Penderfynwyd cynnwys sgiliau a chymwyseddu fel meini prawf asesu i sicrhau cymysgedd sgiliau effeithiol yn y Llu. Mae adolygiad o sefyllfa ariannol y Llu yn awgrymu y bydd 17 o swyddi swyddogion yr heddlu cyfwerth ag amser llawn yn cael eu cymeradwyo ar gyfer ymddeol yn gynnar. Bydd yr ymgeiswyr llwyddiannus yn derbyn taliad terfynu cyflogaeth ond ni fyddant yn cael mynediad cynharach i'w pensiwn. Nododd y Comisiynydd fod y cynllun wedi'i ddatblygu gyda chynghor gan Heddlu Gwent, sydd eisoes wedi sefydlu cynllun tebyg. Pwysleisiodd hefyd, er mai cyfrifoldeb y Prif Gwnstabl yw darparu adnoddau yn y pen draw, eu bod yn cynnal deialog agos ynghylch y mater.

Croesawodd y Panel y ffaith fod gweithdrefnau cadarn ar gyfer ymddeol yn gynnar yn cael eu sefydlu.

6.6. CWESTIWN GAN Y CYNGHORYDD KEITH EVANS

DATGANIAD CYFRIFON ar gyfer 2017-2018

“Ar dudalen 81 o'r datganiad cyfrifon yn y golofn 'cyfanswm yr asedau dros ben' nodir £1,497,000 ar gyfer 'asedau a ailddosberthir'. A fyddai'r Comisiynydd gystal â chadarnhau beth y mae hyn yn ei olygu a pha asedau y mae'n cyfeirio atynt?”

Eglurodd y Comisiynydd Heddlu a Throseddau mai adeiladau yw'r eitemau a ddsberthir fel asedau dros ben, yn bennaf hen orsafoedd heddlu. Eglurodd ymhellach fod yr asedau hyn yn cynnwys:

- gwerth £462,000 o addasiadau i eiddo, peiriannau a chyfarpar sy'n ymwneud ag ailddosbarthu hen adeilad y Gwasanaeth Prawf fel y ganolfan weithredol ar gyfer Caerfyrddin;
- gwerth £975,000 o ailddosbarthu asedau sy'n debygol o gael eu gwerthu o fewn y flwyddyn fel 'asedau a ddelir i'w gwerthu'.

Adroddodd y Comisiynydd fod yr adeiladau sydd i'w gwerthu wedi dod yn faich ariannol yng ngoleuni newidiadau i blismona gweithredol ac y gallai ddarparu rhestr o'r eiddo hynny i'r Panel. Yn ogystal, nododd y Comisiynydd mai ei Swyddfa ef sydd bellach yn gyfrifol am ystâd y Llu.

6.7. CWESTIWN GAN Y CYNGHORYDD WILLIAM POWELL

“Beth yw eich dealltwriaeth o annibyniaeth weithredol y Prif Gwnstabl a sut y mae hyn yn effeithio, yn ymarferol, ar sut rydych yn dwyn y Prif Gwnstabl i gyfrif?”

Adroddodd y Comisiynydd Heddlu a Throseddau ei fod yn dal y Prif Gwnstabl i gyfrif trwy ofyn iddo ddangos y cynnydd a wnaed tuag at y blaenoriaethau a bennir yn y Cynllun Heddlu a Throseddau ac ystyried argymhellion a wneir gan y Comisiynydd. Nododd hefyd fod yna gryn dipyn o gydweithio ynghylch materion sefydliadol megis cyllid ac ystadau. Eglurodd na all gyfarwyddo unrhyw rai o aelodau staff y Prif Gwnstabl na gorchymyn y Prif Gwnstabl i gymryd unrhyw gamau gweithredol penodol. Gofynnodd y Panel a fyddai'r Comisiynydd yn cyfathrebu'n glir â'r cyhoedd y rolau y mae ef, y Prif Gwnstabl a'r Panel yn eu

chwarae yn y broses ehangach. Adroddodd y Comisiynydd ei fod eisoes yn ymgymryd â mesurau i'r perwyl hwnnw, ond cytunai fod angen eglurhad pellach ar y cyhoedd.

6.8. CWESTIWN GAN Y CYNGHORYDD WILLIAM POWELL

“Esboniwch yn benodol sut rydych yn dwyn y Prif Gwnstabl i gyfrif mewn perthynas â Throseddau Difrifol a Chyfundrefnol, Gwrthderfysgaeth, Gweithrediadau Arbennig a Gweithgareddau Cudd-wyllo”

Adroddodd y Comisiynydd fod y Swyddfa Gartref yn ddiweddar wedi lansio Strategaeth Troseddau Difrifol a Chyfundrefnol, sy'n ffurfio'r sail ar gyfer dal y Prif Gwnstabl i gyfrif ar y materion hyn. Nododd ei fod yn ddiweddar wedi adolygu Strategaeth Reoli'r Llu ar gyfer Troseddau Difrifol a Chyfundrefnol, yn arbennig ynghylch cyffuriau Dosbarth A. Cyhoeddodd, mewn ymateb i bryderon cymunedol ar draws ardal Dyfed-Powys, y bydd adroddiad 'Deep Dive' sydd ar y gweill yn craffu'n fanwl ar y mater yn ymwneud â chyffuriau Dosbarth A. Pwysleisiodd y Comisiynydd ei fod ef a'r Prif Gwnstabl yn ymwneud â mentrau ar y cyd ar droseddau difrifol a chyfundrefnol gyda heddluoedd ledled Cymru a Lloegr, megis Grŵp Plismona Cymru gyfan, yr Uned Drylliau Tanio ar y Cyd a chyfarfodydd y Bwrdd Plismona bob pythefnos. Gyda golwg ar gudd-wyllo, esboniodd y Comisiynydd fod ei arolygiaeth ar y Prif Gwnstabl yn dibynnu ar arolygiadau blynyddol yr Awdurdod Cudd-wyllo o'r Llu. Nododd fod yr adroddiad arolygu diweddaraf o fis Ebrill 2018 yn pwysleisio cydymffurfriad uchel y Llu a dim ond mân argymhellion a wnaed ganddo.

Mewn ymateb i gwestiwn gan y Panel, eglurodd y Comisiynydd nad oes gan ei Swyddfa gyfrifoldeb ffurfiol am recriwtio Dirprwy Brif Gwnstabl a Phrif Gwnstabl Cynorthwyol. Adroddodd ei fod wedi gwrthod cynnig y Prif Gwnstabl i fod yn rhan o'r broses. Fodd bynnag, roedd Pennaeth Staff y Comisiynydd yn rhan o broses recriwtio'r Dirprwy Brif Gwnstabl.

Soniodd un o'r aelodau mewn termau cadarnhaol am gyflwyniad Heddlu Dyfed-Powys ar linellau sirol, a rhoddodd anogaeth i'r Panel dderbyn y deunyddiau er gwybodaeth. Pwysleisiodd y Comisiynydd fod llinellau sirol yn fater allweddol a chynigiodd fod y deunyddiau yn cael eu darparu i'r Panel.

Mewn ymateb i gwestiwn ynghylch gwytnwch system TG yr heddlu, dywedodd y Comisiynydd fod pwysigrwydd y mater yn cael ei adlewyrchu yn y treuliau TG sylweddol. Nododd ei fod hefyd ei fod yn aelod o'r Bwrdd Plismona Digidol Cenedlaethol a Bwrdd TGCh yr Heddlu, sy'n gweithio ar y cyd ar draws Cymru a Lloegr.

Ynglŷn â'r peryglon o adael Ewrop heb gytundeb, adroddodd y Comisiynydd ei fod yn dal y Prif Gwnstabl i gyfrif 'i fod yn barod.' Dywedodd fod y Llu yn gwneud gwaith paratoi ar y cyd ag asiantaethau partner megis fforymau gwytnwch lleol. Tynnodd sylw hefyd at y ffaith y bydd y Llu yn cael mynediad at aelod o'r tîm Brexit Cymru Gyfan.

6.9. CWESTIWN GAN Y CYNGHORYDD WILLIAM POWELL

“Esboniwch y strwythurau llywodraethu rydych wedi'u rhoi ar waith a sut rydych yn sicrhau eu bod nhw wedi'u halinio'n strategol â'r prif risgiau y mae'r llu'n eu hwynebu”

Adroddodd y Comisiynydd Heddlu a Throsedd fod strwythur llywodraethu'r Llu wedi'i symleiddio'n sylweddol ym mis Medi 2017. Cyhoeddodd fod y strwythur ar hyn o bryd yn cael ei adolygu o safbwynt y themâu canolog sef risgiau a chyllid. Cynigiodd y Comisiynydd ei fod yn cylchredeg cynllun o strwythur 2017 i'r Panel.

6.10. CWESTIWN GAN Y CYNGHORYDD WILLIAM POWELL

“Sut rydych yn monitro cryfder y cysylltiad rhwng eich Cynllun Heddlu a Throsedd a'r hyn y mae swyddogion gweithredol yn ei wneud o ddydd i ddydd? Sut rydych yn sicrhau bod swyddogion gweithredol yn ymwybodol o'ch blaenoriaethau?”

Ymatebodd y Comisiynydd trwy ddweud fod y Cynllun Heddlu a Throsedd yn cael ei ategu gan gynllun cyflawni sy'n nodi amcanion allweddol i'w cyflawni mewn perthynas â phedair blaenoriaeth allweddol y Cynllun. Pwysleisiodd fod y blaenoriaethau yn cael eu hatgyfnerthu ar sawl achlysur gan gynnwys Sioeau Teithiol y Prif Swyddog, cyfarfodydd perfformiad is-adrannol ac ymgysylltu anffurfiol â staff.

6.11. CWESTIWN GAN Y CYNGHORYDD WILLIAM POWELL

“Sut rydych yn derbyn gwybodaeth gan y llu ynghylch ei berfformiad? A roddir y wybodaeth ichi gan y Prif Gwnstabl a'i swyddogion neu a oes gennych chi a'ch swyddogion fynediad uniongyrchol i ddata rheoli'r llu? Os rhoddir y wybodaeth ichi gan y Prif Gwnstabl a'i swyddogion, sut rydych yn sicrhau bod y wybodaeth sy'n dod i law gan y llu yn gywir?”

Eglurodd y Comisiynydd ei fod yn derbyn diweddariadau rheolaidd ar berfformiad ar ffurf adroddiadau'r Llu a chyfarfodydd gyda'r Prif Gwnstabl a'r staff. Dywedodd fod ei Swyddfa yn gallu casglu gwybodaeth benodol ar berfformiad yn uniongyrchol trwy systemau'r Heddlu ac adroddiadau arolygu Arolygiaeth Cwnstabliaeth Ei Mawrhydi. Nododd y Comisiynydd hefyd fod ganddo wybodaeth arbenigol ynghylch bwletin ystadegol misol y Llu a'i fod yn cymharu'r data â ffynonellau allanol megis y Swyddfa Ystadegau Gwladol.

6.12. CWESTIWN GAN Y CYNGHORYDD WILLIAM POWELL

“Rhowch enghreifftiau o adegau pan rydych, trwy ddwyn y Prif Gwnstabl i gyfrif, wedi sicrhau canlyniadau cadarnhaol ar gyfer pobl Dyfed-Powys. A oes unrhyw adegau pan rydych yn teimlo nad yw eich gweithredoedd wedi sicrhau'r nodau a ddymunwyd ac os felly, beth rydych wedi'i wneud i fynd i'r afael â hyn?”

Eglurodd y Comisiynydd Heddlu a Throsedd fod gweithgareddau craffu ei Swyddfa yn cynnwys cynlluniau gwirfoddolwyr, sy'n darparu adolygiadau annibynnol ar yr hyn a gyflawnir gan y Llu, panel sicrhau ansawdd, sy'n archwilio cyswllt yr heddlu â'r cyhoedd, a phrosiectau craffu 'deep dive'. Awgrymodd y canlynol fel enghreifftiau cadarnhaol nodedig:

- Adolygiad mewnol o benderfyniadau y tu allan i'r llys ar gyfer troseddau rhywiol ieuencid. Gwnaed hyn gan y Llu mewn ymateb i Banel Craffu'r Comisiynydd ar

gyfer Penderfyniadau y Tu Allan i'r Llys, a arweiniodd at bump o argymhellion i wella'r modd y mae swyddogion yr heddlu yn ymdrin â'r achosion hyn;

- Arweiniodd goruchwyliaeth effeithiol ar gontractau wedi'u comisiynu at drosglwyddo tîm cymorth dioddefwr oedd wedi'i allgontractio i dîm mewnol y Goleudy. Arbedodd hyn £20,000, gyda mwy o adnoddau ar gael i gynorthwyo'r dioddefwr a darparu'r gwasanaeth gyda mynediad llawn i adrannau eraill y Llu ac asiantaethau partner.
- Yn dilyn y rêf dros Wyl y Banc ym Mrechfa, cynhaliwyd cyfarfod cymunedol ynghyd â chyfarfod dilynol gyda'r Prif Gwnstabl a Chyfoeth Naturiol Cymru. Arweiniodd hyn at welliannau i'r cynllun gweithredu, gweithgareddau atal ac ymateb gweithredol.
- Datblygu'r Strategaeth Troseddau Gwledig, a ddilynodd waith ymgysylltu'r Comisiynydd â'r diwydiant amaethyddol a chynrychiolwyr o'r NFU ac Undeb Amaethwyr Cymru.

Cyfeiriodd y Comisiynydd at sefyllfa ariannol bresennol y Llu fel maes lle nad yw ei arolygiaeth wedi cyflawni'r amcanion a ddymunir.

6.13. CWESTIWN GAN Y CYNGHORYDD WILLIAM POWELL

“Yn dilyn cael cyfle i fynychu ac i arsylwi cyfarfod Bwrdd Atebolrwydd yr Heddlu, rwy'n credu ei fod yn deg dweud fod lefel y presenoldeb y cyhoedd yn isel iawn (fel mewn cyfarfodydd o'r panel hwn). A fyddai'r Comisiynydd yn cytuno felly er mwyn sicrhau eu bod yn agored ac yn dryloyw, y byddai'n fwy priodol o lawer i gyfarfodydd o'r fath gael eu gwe-ddarlledu (ac felly'n hygyrch i'r mwyafrif helaeth o drigolion) hyd yn oed os yw hynny ar draul cyfyngu ar nifer y lleoliadau addas i'w cynnal?”

Adroddodd y Comisiynydd fod cyfarfodydd Bwrdd Atebolrwydd yr Heddlu yn cael eu darlledu dros y We yn ystod cyfnod y Comisiynydd blaenorol yn ei swydd ond mai niferoedd cyfyngedig oedd yn eu gwyllo. Cyhoeddodd, fodd bynnag, y bydd y trefniant gwe-ddarlledu yn aildechrau o fis Mai 2019 gan na fu ymdrechion i ymgysylltu â'r cyhoedd yn bersonol yn llwyddiannus iawn.

7. CWESTIYNAU Â RHYBUDD GAN AELODAU O'R CYHOEDD I'R COMISIYNYDD:

7.1. CWESTIWN GAN A.B.

“A yw hi'n hen bryd i'n treth gyngor roi llai o gyllid i'r heddlu a thalu cwmnïau diogelwch preifat i blismona ein cymunedau yn lle hynny, gan nad oes gen i a'm cymdogion bellach unrhyw hyder yn yr heddlu o gwbl, ac nid ydym mwyach yn trafferthu riportio am droseddau cyffuriau yn ein hardal?”

Mynegodd y Comisiynydd ei anghytundeb sylfaenol â natur y cwestiwn. Tynnodd sylw at y ffaith fod Heddlu Dyfed-Powys yn sgorio'n uwch na heddluoedd eraill mewn arolwg diweddar ar ganfyddiad y cyhoedd o waith yr heddlu yng Nghymru a Lloegr, yn enwedig o safbwynt hyder mewn plismona. Adroddodd y Comisiynydd am nifer o achosion lle cymerodd y Llu gamau rhagweithiol i fynd i'r afael â'r cynnydd mewn troseddau cyffuriau. Adroddodd fod yr ymdrechion hyn, rhwng 2016 a 2018, wedi arwain at 117 o euogfarnau (cyfanswm dedfrydau o 421.5 o flynyddoedd) ar gyfer unigolion oedd yn masnachu cyffuriau am werth o tua £3.6 miliwn petaent yn cael eu gwerthu ar y stryd. Roedd y Comisiynydd yn cydnabod

efallai bod angen rhywfaint o waith targedu lleol ar raddfa lai yn ogystal, ac mae wedi codi'r mater gyda'r Prif Gwnstabl. Pwysleisiodd hefyd fod gwybodaeth leol, a ddarperir gan aelodau o'r cyhoedd a darpariaethau Teledu Cylch Cyfyng ychwanegol, yn hanfodol ar gyfer plismona cyffuriau.

Mewn ymateb i gais am ragor o wybodaeth ynghylch yr adroddiad 'Deep Dive' ar droseddau cyffuriau, dywedodd y Comisiynydd fod y gwaith yn mynd rhagddo a'i fod yn cael ei gydlynu gan ei Bennaeth Staff. Yn fethodolegol, bydd yr adroddiad 'Deep Dive' yn seiliedig ar grwpiau ffocws gydag aelodau o staff, a'i nod yw nodi strategaeth troseddau cyffuriau bresennol y Llu a'i heffeithiolrwydd. Cyhoeddodd y Comisiynydd y bydd y canlyniadau yn cael eu cyflwyno ym mis Ionawr 2019.

Gofynnodd y Panel sut y mae'r Comisiynydd yn mynd i'r afael â phroblemau'n ymwneud â chyffuriau ym mhrif sgwâr Llanelli. Atebodd y Comisiynydd fod Teledu Cylch Cyfyng wedi'i roi ar waith a bod Tîm Canol y Dref wedi'i adfer. Nododd, tra dylid croesawu presenoldeb gwasanaeth Cyffuriau ac Alcohol Dyfed yn yr ardal, y gall lleoliad a rheolaeth y gwasanaeth fod yn destun trafodaeth.

7.2. CWESTIWN GAN E & C.

“Sut ydych chi, fel Comisiynydd yr Heddlu, yn monitro gwaith Heddlu Dyfed-Powys, o safbwynt gorfodi'r terfynau cyflymder sydd ar waith y tu allan i ysgolion, megis ein hysgol ni yn Nhalgarth?”

Cynigiodd y Comisiynydd Heddlu a Throseddu ei fod yn dod i'r ysgol gyda thîm Diogelwch Ffyrdd Powys i drafod y materion ymhellach. Adroddodd hefyd ei fod yn gweithio gyda'r Siartiant Ian Price, sy'n gyfrifol am y bartneriaeth Lleihau Anafiadau Ffyrdd sy'n ymgyrchu i gael terfynau cyflymder o 20 mya y tu allan i ysgolion ar lefel genedlaethol.

7.3. CWESTIWN GAN C.D.

“Pa fesurau sydd gennych ar waith fel Comisiynydd Heddlu a Throseddu er mwyn sicrhau bod gan Heddlu Dyfed-Powys bolisi 'addas i'r diben' er mwyn rhybuddio plant o dan oed am y ffenomen o 'beryl dieithriad?’”

Atebodd y Comisiynydd trwy ddweud fod diogelwch personol yn bwnc allweddol yn Rhaglen Cyswllt Ysgolion Cymru Gyfan, a ddarperir ar hyn o bryd gan 14 swyddog polisi cymunedol ysgolion yn ardal Dyfed-Powys. Pwysleisiodd, fodd bynnag, fod ffocws y rhaglen wedi newid o 'Berygl Dieithriad' i rybuddio plant am berygl oedolion y maent yn eu hadnabod, a rhai nad ydynt yn eu hadnabod, yn eu gwahodd i fynd i rywle yn annisgwyl. Mae hyn yn adlewyrchu'r ffaith fod plant yn ystadegol yn wynebu mwy o berygl gan unigolion y maent eisoes yn eu hadnabod, ac mae'n ceisio gwneud plant yn llai ofnus o'r byd.

7.4. CWESTIWN GAN C.D.

“Pa mor rheolaidd yr ydych chi fel Comisiynydd Heddlu yn cael y wybodaeth ddiweddaraf gan y Prif Gwnstabl am ddigwyddiadau o'r math hwn - a pha mor effeithiol yw'r cyswllt a'r cyfathrebu ag AALLau, ysgolion a chymunedau lleol, pe bai achosion yn cael eu riportio?”

Eglurodd y Comisiynydd Heddlu a Throseddu fod Canolfan Gorchymyn a Rheoli'r Llu yn ymchwilio i ddiwyddiadau o'r math hwn ac nad yw ef na'r Prif Gwnstabl yn cael gwybod amdanynt yn rheolaidd. Awgrymodd y Panel y gallai plant mewn ysgolion bach gwledig fod mewn mwy o berygl oherwydd eu bod yn fwy parod i ymddiried. Ymatebodd y Comisiynydd trwy ddweud fod yr ysgolion hyn yn cael yr un gwasanaeth gan swyddogion cymunedol yr ysgolion, sy'n darparu'r sgiliau personol i'r holl blant er mwyn adnabod peryglon ac ymateb iddynt. Yna gofynnwyd i'r Comisiynydd holi'r Prif Gwnstabl a fyddai modd i'r Swyddogion Cyswllt Ysgolion ddarparu rhaglenni ychwanegol yn ystod gwyliau'r ysgol. Cytunodd i anfon y neges, ond rhybuddiodd fod Swyddogion Cyswllt Ysgolion yn tueddu i gael eu cyflogi mewn ardaloedd eraill yn ystod gwyliau'r haf gan mai dyma'r adegau prysuraf.

8. BLAENORIAETH 3 Y PANEL - CRAFFU AR GYNLLUN YR HEDDLU A THROSEDDU

Cafodd y Panel adroddiad gan y Comisiynydd Heddlu a Throseddu i'w ystyried yn unol â darpariaethau Adrannau 12 a 28 o Ddeddf Diwygio'r Heddlu a Chyfrifoldeb Cymdeithasol 2011, a nodai'r cynnydd oedd yn cael ei wneud wrth weithredu'r Cynllun Heddlu a Throseddu.

Rhodddwyd sylw i'r cwestiynau/materion canlynol wrth drafod yr adroddiad:

Gwnaed ymholiad am ragor o wybodaeth ynghylch cydymffurfiaeth statudol yr ystadau. Mae'r adroddiad cynnydd yn nodi oedi wrth brosesu cydymffurfiaeth oherwydd ad-drefnu staff, gan raddio'r eitem fel un 'nad yw'n cydymffurfio'. Eglurodd y Comisiynydd Heddlu a Throseddu fod y rheswm am y radd yn ymwneud ag oedi wrth gael gwybodaeth gan gyflenwyr. Pwysleisiodd fod yr adroddiad yn rhagweld cynnydd cyflym yn y gyfradd gydymffurfio, gan gyrraedd cydymffurfiaeth lawn o fewn mis. Gofynnwyd ynghylch hyder y Comisiynydd yng nghadernid y rhagfynegiadau. Cyfaddefodd y Comisiynydd Heddlu a Throseddu fod y rhagfynegiadau yn seiliedig ar wybodaeth ddiweddar iawn a'i fod yn dal i aros am waith craffu manwl gan ei dîm gweithredol. Ychwanegodd Pennaeth Staff y Comisiynydd fod gwybodaeth reoli yn rhoi lefel o sicrwydd ar gyfer y rhagolygon.

Gwnaed sylw ynghylch yr eitem 'nad yw'n cydymffurfio' a gyfeiriai at y gofrestr risgiau ar gyfer y Comisiynydd Heddlu a Throseddu. Awgrymwyd bod y radd yn adlewyrchu'r ffaith fod y Llu wedi methu â gweithredu dros 200 o argymhellion Cyllid a Thollau Ei Mawrhydi cyn penodi Prif Gwnstabl newydd, ac y dylai'r Cydbwyllgor Archwilio fod wedi mynd i'r afael â'r methiant hwn. Mewn ymateb, eglurodd y Comisiynydd Heddlu a Throseddu nad yw'r eitem dan sylw yn cyfeirio at gofrestr risg y Llu, ond at risgiau yn Swyddfa'r Comisiynydd Heddlu a Throseddu megis diogelu data. Pwysleisiodd y Comisiynydd y byddai eitem cofrestr risg y Llu wedi cael ei graddio fel un sy'n cydymffurfio'n llawn.

Mewn perthynas â'r Strategaeth Ymgysylltu a'r Cynllun Gweithredu, mynegwyd pryderon fod presenoldeb y Comisiynydd mewn sioeau gwledig yn yr haf yn ymgysylltu ag un math yn unig o gymuned yn ardal Dyfed-Powys. Awgrymwyd bod y Comisiynydd yn amrywio ei ymrwymadau cyhoeddus ac yn teilwra ei neges i wahanol gymunedau. Atebodd y Comisiynydd trwy ddweud fod Tîm Ymgysylltu sy'n gyfrifol am fynd i'r afael â'r mater wedi bod yn wynebu ad-drefnu a materion staffio. Pwysleisiodd hefyd ei fod yn cymryd rhan mewn amrywiol weithgareddau

ymgysylltu mewn gwahanol rannau o ardal Dyfed-Powys a nododd fod cynnydd yn cael ei wneud tuag at gydymffurfiaeth uwch.

Holodd y Panel sut fydd y Comisiynydd yn pwysoli'r nodau, a allai fod yn groes i'w gilydd, o sicrhau'r gwerth gorau am arian yn erbyn gwario mor lleol â phosibl, yn enwedig gyda golwg ar y swyddogaeth ystadau. Roedd y Comisiynydd yn cydnabod bod cost-efeithiolrwydd yn hanfodol ond dywedodd y dylid hyrwyddo cwmnïau lleol oni bai fod y cyfaddawd mewn cost-efeithlonrwydd yn rhy niweidiol. Cyhoeddodd hefyd y bydd prosiectau ystadau sylweddol, megis prosiect dalfa Sir Gaerfyrddin, yn darparu cyfleoedd gwaith lleol.

Gyda golwg ar y mater o gam-drin domestig, mynegwyd pryderon ynghylch a oes yna ddarpariaethau digonol ar gyfer cynnig gwasanaethau i bobl sydd heb fynediad i'r rhyngwyd. Yn benodol, gofynnwyd a all swyddogion yr heddlu ddarparu gwybodaeth ar ffurf copi caled pan gânt eu galw i ddigwyddiadau o gam-drin domestig. Cytunai'r Comisiynydd Heddlu a Throsedd fod defnyddio sianeli cyfathrebu lluosog yn hollbwysig. Adroddodd fod ffurflen asesu amlasiantaethol ar ffurf copi caled ar gael ar gyfer achosion o gam-drin domestig.

Mewn perthynas â Phartneriaethau Diogelwch Cymunedol, eglurodd y Comisiynydd Heddlu a Throsedd ei fod yn cwrdd â chydgyssylltwyr partneriaeth o bob awdurdod unedol ar sail chwarterol. Mynegodd hefyd ei ddiolch i Mr Alan Garrod am ei waith ym Mhartneriaeth Diogelwch Cymunedol Ceredigion.

Mynegwyd llongyfarchiadau ar fenter, cynnwys a chyflwyniad y papur craffu 'Deep Dive' a ddaw gyda'r adroddiad cynnydd. Manylodd y Comisiynydd Heddlu a Throsedd ynghylch y modd y cyhoeddwyd yr adroddiad, a dywedodd fod adroddiad Deep Dive pellach yn mynd i gael ei wneud i weithgareddau gorfodi cyffuriau'r Llu. Gofynnodd y Panel am eglurhad ynghylch argymhelliad yn yr adroddiad 'Deep Dive' yn ymwneud â chyfarpar adrannau arbenigol y Llu. Eglurodd y Comisiynydd Heddlu a Throsedd nad yw'r argymhelliad yn adlewyrchu problem ehangach gyda chyfarpar amhriodol, ond ei fod yn adlewyrchu pryder benodol iawn am gamerâu sy'n fflachio a wisgir ar y corff yn yr adran cŵn.

PENDERFYNWYD YN UNFRYDOL dderbyn yr adroddiad.

9. PENDERFYNIADAU A WNAED GAN Y COMISIYNYDD

Er gwybodaeth, cafodd y Panel adroddiad a fanylai ar y penderfyniadau a wnaed gan y Comisiynydd Heddlu a Throsedd yn ystod y cyfnod rhwng 16 Awst a 12 Hydref 2018. Codwyd y materion canlynol:

Nodwyd bod y contract ar gyfer y Fframwaith Cymwysterau Addysg Plismona wedi'i ddyfarnu i Brifysgol De Cymru. Gofynnodd y Panel p'un a oedd ystyriaeth wedi'i rhoi i Brifysgol Cymru y Drindod Dewi Sant. Ymatebodd y Comisiynydd trwy ddweud fod y dyfarniad wedi'i roi o ganlyniad i broses dendro ranbarthol oedd yn gadarn ac yn gystadleuol.

Nododd y Comisiynydd Heddlu a Throsedd wall oedd yn ymwneud â Chytundeb Grant CWVYS. Eglurodd mai ei benderfyniad ym mis Medi oedd ymestyn y cytundeb gwreiddiol tan fis Mawrth 2019 ar werth o £13,750.

PENDERFYNWYD YN UNFRYDOL dderbyn a chefnogi penderfyniad y Comisiynydd Heddlu a Throseddu.

10. BLAENORIAETH 2 Y PANEL - SUT Y MAE COMISIYNYDD YR HEDDLU A THROSEDDU YN DAL Y PRIF GWNSTABL I GYFRIF

Cafodd y Panel adroddiad ar ofynion Deddf Diwygio'r Heddlu a Chyfrifoldeb Cymdeithasol 2011, a oedd yn gosod cyfrifoldeb statudol ar y Comisiynydd Heddlu a Throseddu i ddal y Prif Gwnstabl i gyfrif. Roedd hyn yn cael ei wneud yng nghyfarfodydd Bwrdd Atebolrwydd yr Heddlu. Nododd y Panel fod dau gyfarfod diwethaf Bwrdd Atebolrwydd yr Heddlu wedi'u cynnal ar 6 Awst a 5 Tachwedd 2018 a bod nodiadau'r cyfarfod a gynhaliwyd ar 6 Awst, lle'r oedd y Cynghorydd Powell a'r Athro Roffe yn bresennol, wedi'u hatodi i'r adroddiad.

PENDERFYNWYD YN UNFRYDOL nodi'r adroddiad.

11. BLAENORIAETH 3 Y PANEL - CRAFFU AR GYNLLUN YR HEDDLU A THROSEDDU - CAIS AM DYSTIOLAETH GAN GYNGOR SIR CAERFYRDDIN

Roedd y Panel am gael sicrwydd bod Cynllun Deddf Llesiant Cenedlaethau'r Dyfodol ar gyfer Sir Gaerfyrddin a Chynllun yr Heddlu a Throseddu ar gyfer Dyfed-Powys yn gyson â'i gilydd a'u bod yn hyrwyddo cydweithio rhwng gwasanaethau cyhoeddus ledled y wlad. Fel rhan o'r broses hon, gwahoddodd y Panel y Cynghorydd Cefin Campbell, yr Aelod o'r Bwrdd Gweithredol dros Ddiogelwch Cymunedol, i ddod i'r cyfarfod er mwyn nodi barn y Cyngor ar y mater hwn. Rhoddodd Cefin Campbell dystiolaeth ar sawl cwestiwn a ofynnwyd gan y Panel:

1. P'un a yw'n credu bod angen adolygu'r Cynllun Heddlu a Throseddu o gwbl o ystyried natur newidiol y bygythiadau i'n cymunedau.

Adroddodd y Cynghorydd Campbell ei fod ar y cyfan yn fodlon bod y cynllun yn diwallu anghenion Sir Gaerfyrddin. Tynnodd sylw at y ffaith fod pedair prif flaenoriaeth y cynllun yn ymdrin â materion gweithredol mawr yn gysylltiedig â throsedd ac anhrefn yn yr ardal. Roedd yn croesawu ymrwymiad y Comisiynydd Heddlu a Throseddu i adolygu'r cynllun yn flynyddol, gan nodi y byddai hyn yn galluogi ymatebion digonol i fygythiadau sy'n newid yn gyflym. Awgrymodd y Cynghorydd y dylid canolbwyntio ar addasu materion gweithredol, a'i bod yn debygol y gellid cadw'r nodau strategol cyffredinol. Rhoddodd y Cynghorydd hefyd wybod i Aelodau'r Panel fod materion gweithredol yn cael eu hadolygu gyda mewnbwn gan bartneriaid (gan gynnwys y Bwrdd Gwasanaethau Cyhoeddus) yn rheolaidd, gan sicrhau bod adnoddau'n cael eu targedu ar sail yr angen cyfredol.

2. P'un a yw'n credu bod angen adolygu'r cynllun o gwbl er mwyn sicrhau ei fod yn cyd-fynd yn well â'r cynllun llesiant ar gyfer Sir Gaerfyrddin er mwyn sicrhau bod anghenion trigolion Sir Gaerfyrddin yn cael eu diwallu mor effeithiol â phosibl.

Dyweddodd y Cynghorydd fod yna ddau bwynt cyfeirio perthnasol ar gyfer Sir Gaerfyrddin: Cynllun Llesiant Cyngor Sir Gaerfyrddin a chynllun llesiant y Bwrdd Gwasanaethau Cyhoeddus. Nododd ei bod yn gadarnhaol nad oedd yr un o'r tri ar ddeg o amcanion llesiant a nodwyd yng nghynllun y Cyngor yn gysylltiedig â throsedd neu anhrefn, sy'n adlewyrchu'r cyfraddau cymharol isel o droseddau a gofnodir yn ardal Dyfed-Powys. Enwodd ddau o'r pedwar amcan allweddol yng nghynllun y Bwrdd Gwasanaethau Cyhoeddus, sef Ymyrraeth Gynnar a Chysylltiadau Cryf, fel rhai sy'n ymwneud â throsedd ac anhrefn a thynnodd sylw

at y ffaith fod y ddau amcan yn cael eu cydnabod yn y Cynllun Heddlu a Throseddu. Daeth y Cynghorydd i'r casgliad fod y Cynllun Heddlu a Throseddu yn cyd-fynd yn agos â'r cynlluniau llesiant.

Codwyd cwestiwn ynglŷn ag a oedd y cynlluniau yn cyfeirio o gwbl at waith agos swyddogion yr heddlu â phobl â phroblemau iechyd meddwl. Tynnodd Cefin Campbell sylw at y ffaith fod nifer o'r amcanion cyffredinol yn y cynlluniau yn ymwneud â materion iechyd meddwl. Ychwanegodd y Comisiynydd Heddlu a Throseddu fod gan yr Heddlu seilwaith ar waith i fynd i'r afael â'r amcanion llesiant hyn, er enghraifft y Rhaglen Profiadau Niweidiol yn ystod Plentyndod, ar gyfer yr hon y derbyniodd arian gan Lywodraeth Cymru.

3. P'un a yw'n credu bod angen gwneud unrhyw newid i'r modd y mae'r Heddlu, y Cyngor a rhanddeiliaid sector cyhoeddus eraill yn cydweithio yn Sir Gaerfyrddin er mwyn helpu i roi'r Cynllun Heddlu a Throseddu ar waith mewn modd effeithiol.

Pwysleisiodd y Cynghorydd fod yna eisoes berthynas waith gref rhwng y sefydliadau yma, ac enghraifft o hyn oedd y ffaith fod y Comisiynydd Heddlu a Throseddu yn aelod o'r Bwrdd Gwasanaethau Cyhoeddus. Gan gyfeirio at ei rôl fel Cadeirydd Partneriaeth Diogelwch Cymunedol Sir Gâr, esboniodd y Cynghorydd fod y bartneriaeth yn ddiweddar wedi adolygu ei blaenoriaethau mewn gweithdy amlasiantaethol ar 27 Medi. Yng ngoleuni data a gwybodaeth newydd, a ddarparwyd yn bennaf gan yr Heddlu, bydd y bartneriaeth yn cyhoeddi'r blaenoriaethau wedi'u hadolygu fel a ganlyn yn ystod ei chyfarfod ar 23 Tachwedd:

- Cyffuriau Dosbarth A a Llinellau Sirol
- Troseddau treisgar, gan gynnwys cam-drin domestig
- Gwrthderfysgaeth
- Seibdroseddu
- Camfanteisio'n rhywiol ar blant

Daeth y Cynghorydd i'r casgliad nad oes angen newid y trefniadau cydweithredol gyda'r Heddlu a'r Comisiynydd Heddlu a Throseddu gan fod y trefniadau presennol yn dda iawn.

4. P'un a yw'n credu bod angen adolygu Strategaeth Troseddau Gwledig y Comisiynydd o gwbl er mwyn sicrhau ei bod yn cyd-fynd yn well â'r cynllun llesiant ar gyfer Sir Gaerfyrddin.

Ymatebodd y Cynghorydd trwy ddweud nad oedd angen adolygu'r Strategaeth Troseddau Gwledig gan fod y gwaith yr Heddlu a'r Comisiynydd Heddlu a Throseddu yn mynd i'r afael yn benodol ag anghenion ardaloedd gwledig yn unol â'r amcanion llesiant. Nododd y bydd adroddiad ar ddyfodol cymunedau gwledig, sydd i'w gyhoeddi ym mis Mawrth 2019, yn trafod rhai o'r materion hyn. Roedd y Cynghorydd hefyd yn croesawu penodiad y Swyddogion Troseddau Gwledig.

Cadarnhaodd y Comisiynydd Heddlu a Throseddu fod yr Heddlu yn cwrdd yn rheolaidd ag undebau amaethu i drafod materion sy'n effeithio ar ardaloedd gwledig, megis effaith beiciau modur a beiciau cwad ar gefn gwlad. Roedd yr Uned Troseddau Gwledig yn cael effaith gadarnhaol ar droseddau gwledig.

5. P'un a yw'n credu bod angen adolygu'r strategaeth troseddau gwledig o gwbl o ystyried natur newidiol y bygythiadau i'n cymunedau.

Ailadroddodd y Cynghorydd ei gred nad oes angen adolygu'r Strategaeth Troseddau Gwledig gan fod y darpariaethau presennol a'r blaenoriaethau ar gyfer ardaloedd gwledig yn ddigonol. Dywedodd ei fod yn gefnogol i gynnal adolygiadau parhaus ar lefel weithredol.

6. P'un a fyddai'n dymuno gweld unrhyw newidiadau mewn perthynas â dull y Comisiynydd o reoli ystâd yr Heddlu, gan gynnwys y cwestiwn yn ymwneud â lleoliad/adleoli gorsafoedd heddlu.

Awgrymodd y Cynghorydd mai adfywio canol trefi yw'r ffordd orau o fynd i'r afael â'r problemau'n ymwneud ag ymddygiad gwrth-gymdeithasol sydd i'w cael fwyaf yng nghanol trefi, er enghraifft trwy gyflwyno canolfannau gwasanaeth integredig. Mynegodd sawl aelod o'r Panel eu cefnogaeth i'r awgrym hwn, a rhoesant anogaeth i wahanol Gynghorau Sir gydweithio ar y mater.

PENDERFYNWYD YN UNFRYDOL nodi'r dystiolaeth gan y Cynghorydd Cefin Campbell, yr Aelod o'r Bwrdd Gweithredol dros Ddiogelwch Cymunedol.

12. GORCHYMYN I'R CYHOEDD ADAEL Y CYFARFOD

PENDERFYNWYD YN UNFRYDOL, yn unol â Deddf Llywodraeth Leol 1972, fel y'i diwygiwyd gan Orchymyn Llywodraeth Leol (Mynediad at Wybodaeth) (Amrywio) (Cymru) 2007, orchymyn i'r cyhoeddadael y cyfarfod tra oedd yr eitem ganlynol yn cael ei hystyried, gan fod yr adroddiad yn cynnwys gwybodaeth eithriedig fel y'i diffiniwyd ym mharagraff 12 o Ran 4 o Atodlen 12A i'r Ddeddf.

13. CWYN YN ERBYN COMISIYNYDD YR HEDDLU A THROSEDDU

Yn sgil gweithredu'r prawf budd y cyhoedd **PENDERFYNWYD YN UNFRYDOL**, yn unol â'r Ddeddf y cyfeiriwyd ati yng Nghofnod rhif 12 uchod, fod y mater hwn yn cael ei ystyried yn breifat, gan y byddai datgelu gwybodaeth yn (a) rhoi gwybodaeth bersonol sensitif am aelod o'r cyhoedd yn y parth cyhoeddus ac mae (b) Rhan 4 o Reoliadau Cyrff Plismona Lleol Etholedig (Cwynion a Chamymddygiad) 2012 yn pennu na fydd y Panel yn cyhoeddi canlyniad unrhyw gŵyn hyd nes bod y ddau barti wedi cael cyfle i roi sylwadau yn dilyn cyhoeddi'r canlyniad hwnnw.

Cafodd y Panel adroddiad ar gŵyn a gofnodwyd yn erbyn y Comisiynydd Heddlu a Throsedd.

PENDERFYNWYD YN UNFRYDOL

13.1 Nodi'r gŵyn.

13.2 Nad yw'r Panel yn cymryd camau pellach mewn perthynas â'r gŵyn gan mai'r Comisiynydd Gwybodaeth sydd â chyfrifoldeb rheoleiddiol dros ddeddfwriaeth diogelu data.

14 UNRHYW FATER ARALL

Dywedodd y Comisiynydd Heddlu a Throsedd ei fod wedi ei gyfeirio ei hun at y Comisiynydd Gwybodaeth oherwydd i rywun dorri i mewn i'w gar yn Llundain. Rhoddodd y Comisiynydd Heddlu a Throsedd sicrwydd nad oedd unrhyw ddeunyddiau cyfrinachol wedi'u gadael yn y car.

CADEIRYDD

DYDDIAD

PANEL HEDDLU A THROSEDDU DYFED-POWYS 25/01/19

ARIANNU TEG AR GYFER PLISMONA GWLEDIG

Yr argymhellion / penderfyniadau allweddol sydd eu hangen:

Nodi'r adroddiad gan y Rhwydwaith Troseddau Gwledig Cenedlaethol a nodi unrhyw gamau gofynnol.

Y rhesymau:

Mae Aelodau'r Panel wedi nodi mai Praesept yr Heddlu yw un o'u blaenoriaethau. Mae'r adroddiad hwn yn ymdrin yn gyffredinol â mater tangyllido plismona gwledig.

Awdur yr Adroddiad:

Robert Edgecombe

Swydd:

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**EXECUTIVE SUMMARY
DYFED – POWYS POLICE AND CRIME PANEL
25/01/19**

FAIR FUNDING FOR RURAL POLICING

The National Rural Crime Network is an organisation of Police and Crime Commissioners and other Rural stakeholders whose aim is to improve rural policing, including how it is funded by central government.

The network has, in conjunction with the University of Plymouth carried out a study of how rural policing is currently funded and what level of funding it needs.

The report looks at the impact of different funding formula upon different forces and makes recommendations as to how rural policing should be funded in the future.

Panel members are asked to note the report, question the Commissioner in relation to his response to it and make such recommendations as they think fit.

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-0511/40	County Hall Carmarthen

NRCN

National Rural Crime Network

Fair Funding for Rural Policing

National Rural Crime Network
and the University of Plymouth



Fair Funding for Rural Policing

*National Rural Crime Network
and the University of Plymouth*

Executive Summary

Context

In recent years, as Police and Crime Commissioners (PCCs) have listened to their rural constituents, awareness of the impact of rural crime has increased. It is slowly being recognised that rural areas, with isolated, sparsely populated areas and limited access to support services, need an appropriate policing approach.

The National Rural Crime Network (NRCN) was formed to address these concerns. It consists of 30 PCCs plus rural stakeholders who recognise, and are working to improve, the response to this demand. In an environment of smaller budgets and shifting response models, it is vital that Government provide fair funding for forces with rural demands, some of which have only recently been identified.

A survey conducted by the NRCN in 2015 shows that the demands and impact of rural crime on a dispersed population put it on a par with the challenges of tackling crime amongst dense urban populations. On average, rural communities foot a crime bill of up to £800 million every year, and have only half the confidence in the police's ability to respond to their needs compared to the nation as a whole. That only a quarter of people surveyed for the Crime Survey for England and Wales are from rural areas, gives an indication as to why rural concerns may not have been well understood until recently.

The central recommendation of the NRCN survey report was the need for a review of funding allocations to ensure fair funding for rural forces. In July 2015 the Home Office presented a new police funding formula for consultation, but, to the dismay of NRCN members, this formula seemed likely to reduce funding for rural forces over and above losses seen by urban forces.

Aim

The NRCN therefore commissioned this report to look at the funding needs of rural forces in the light of rural demands. Its purpose is to build an evidence base to ensure that the needs of rural communities are appropriately and fairly met by any newly proposed funding formula or arrangement.

Whilst this report was being written the Home Office withdrew its proposal after serious concerns were raised during consultation. However, with the funding formula still under review, the NRCN considers the findings of this report as important considerations for any future proposal.

The proposed funding formula evaluated its approach using count-based correlation coefficients based on reported crime, rather than correlations based on crime rates per head of population. This heavily skewed their findings dependent on population size and density, and by higher volume crimes predominant in urban areas. This also negates the far greater amount of police time spent on non-crimes. This report therefore sets out to demonstrate why and how this analysis needs to be revised in future to better reflect complex crime patterns across all areas of the country.

The report also looks to raise awareness of the additional costs associated with rural policing which occur in sparsely populated areas. Pressures from gaps in the delivery of other services and seasonal movement from urban areas are more significant for rural forces, for example. A fair funding formula must account for these aspects.

Importantly this is not to say that urban forces do not have their share of problems; nor that rural forces should be treated as special cases. Simply, complex and varied demands on police officers and budgets in different areas and contexts must be taken into account to ensure fair funding.

Key Findings

Demand-based allocation models must be carefully constructed to reflect complex crime patterns

- Analysis which relies on reported crime statistics is heavily biased by volume crimes. Theft, and therein shoplifting, dominates these statistics, but relates closely to urban deprivation, skewing funding towards urban areas. Theft also requires a low resource-intensive response compared to other crimes. The pattern of theft crimes does not reflect that of other crimes, such as Child Sexual Exploitation, their demands, drivers, distribution, or resourcing requirements, and therefore will not capture variations in costs between urban and rural forces.
- Moreover, count-based correlation coefficients used by the Home Office, which respond to variations in population size, do not capture or predict demands from non-crimes when based on reported crime statistics. Non-crimes, such as road traffic incidents (RTIs), anti-social behaviour (ASB), public safety and welfare (such as missing from home cases) and mental health incidents, require different and often resource-intensive responses. Rural forces have much higher rates of RTIs than urban forces. Urban areas see a concentration of mental health issues, especially amongst the young, but have larger support service resources. Rural areas see a prevalence of mental health issues amongst the old, but the police often have to take on support service responsibilities out of hours or in isolated locations.
- In consequence of these findings, the proposed funding formula inadequately maps demand, and is likely to increase the disparity in funding. Forces which currently receive less than average *per capita* allocations will see those allocations fall further, whilst forces with higher than average *per capita* allocations will see them rise. Whilst the current proposal has been dropped, a comprehensive review of the statistical mapping and analysis methodology is required before any future formula also fails to readdress such discrepancy.

The additional costs of policing rural areas are unavoidable and have a significant impact on service delivery

- Fixed, non-staff costs are higher amongst rural forces which cannot benefit from economies of scale due to the need to serve more dispersed, low density populations. For example, this equates to £32.1 million across the 10 smallest forces (by population), the equivalent of over 600 officers. Given that rural forces generally have smaller workforces than urban forces, this has implications for service delivery.
- Significantly higher round-trip distances are found in forces serving low-density populations, increasing costs. As rural forces have lower officer numbers, the burden per officer is also higher by up to 65 per cent. These two factors combined again represent implications for service delivery, as well as officer welfare.
- All forces experience seasonal variations, but the minimum-relative-to-maximum variation, especially for daily crime and ASB is far greater in rural forces, especially those with National Parks and coastal areas attracting holiday-makers. The seasonality of demand must be recognised not only to ensure geographic equity, but also that minimum levels of service can be maintained throughout the year.
- As mentioned above, rural forces see a greater responsibility for other services, often having to deal with service provision out of hours or in isolated areas. This is intensified by lower levels of third sector support outside cities. Mental health responsibilities are particularly noticeable, particularly with regard to dementia and missing person cases due to elderly populations.

- These additional costs, being largely non-crime related, fail to be accounted for by the proposed funding formula, significantly disadvantaging rural forces.

Policy Recommendations

Fair funding must account for the complexity of policing

The future funding formula must account for the fact that policing goes far beyond crime-based activity. In fact, crime related demand accounts for a quarter of policing work in any given period of time. Equally, crime volume does not account for the demands placed upon officers for complex and non-crime cases. In the current climate this also does not account for increased pressures placed upon police both as other services contract and as pressures on estate maintenance increase the complexity of policing dispersed populations. Rurality/sparsity is a substantive issue and further research is needed to ensure that any future funding formula meets the needs of police forces across all parts of the country.

The Home Office should:

- Work with the College of Policing to undertake a more comprehensive review of policing demands in advance of and future revision of the funding formula.
 - Use detailed geo-located Command and Control data drawn from across all forces to investigate (a) patterns of police demand across the country as a whole, (b) variations in the prioritisation of incidents and subsequent response times in different environments, and (c) develop funding formula to ensure that the specific difficulties faced by forces serving dispersed communities and large rural hinterlands do not result in an unacceptably lower police service.
 - Investigate the cost of policing in response to the complexity of partnership landscapes, encompassing an analysis of how costs vary relative to 'legitimate' contextual factors over which forces have no effective control, and how the allocation process itself may be used to explicitly support partnership working.
 - Use operational Command and Control data to test whether the seasonality in RTIs and crime/ASB is accompanied by unacceptable variations in service provision. If so, rather than using a population metric based on each force's annual 'average' population, it may be appropriate to use a population metric that reflects each force's peak population.
 - Investigate whether there are identifiable fixed costs that apply to all forces and, if so, (a) introduce an initial fixed funding quanta to be awarded to all forces *prior* to the application of population and needs-based formulae, and (b) investigate whether larger forces are able to exploit economies of scale unavailable to smaller forces and, if so, introduce a suitable mechanism to dampen the effect and thereby ensure a genuinely equitable distribution of available resources.
- Be consistent in making exceptions. London is considered an exception because of its position as the capital, and also because its far larger population size makes it a statistical outlier. But rural, low-density forces are also statistical outliers for different reasons and this should be taken into account. 'Geographic service equity', for example, should be accepted as a formal funding formula objective.
- Encourage investment around policy objectives, especially around public protection, crime prevention and demand reduction, and new types of criminal activity so that resource allocation is distributed according to underlying need rather than historic activity.

Police forces and PCCs should:

- Conduct further research to provide more detailed evidence of the impact of rurality and sparsity on service costs. The evidence that exists to date is small-scale and national data is needed to provide an indisputable case.
- Engage with the current 'Specialist Capabilities' review to ensure the analytical methodologies and demand profiling work takes sparsity and other rural factors into account.

The Home Office should learn from other Government departments dealing with similar complexity

Given the general consensus that the current and proposed formulae are unsuitable, this report recommends that the Home Office consider processes and expertise developed by other departments, such as the NHS, for determining funding for complex demand patterns. While not free of criticism, cross-departmental engagement with NHS in-house analysts may provide improved methodologies that would benefit the policing formula. Consideration of the benefits of the advisory groups that oversee the NHS funding mechanism may also be beneficial for transparency and scrutiny to avoid future inadequate provision.

The Home Office should:

- Actively consider other service funding formula experiences, processes and scrutiny practice to draw on increasing expertise, particularly to be found within the NHS, and improve transparency.
- Ensure that any future funding formula has high technical quality. Better consideration of which data, measures, weightings and indicators should be used, and investigation of possible biases and the impact of dominant statistics on their output, must be competently exercised. The proposed formula cannot be adapted to be fit for purpose.

Police Funding Arrangements in England and Wales: Report to the NRCN

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June 2016*

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The views expressed by the report authors remain solely their own and may not necessarily be the view of the National Rural Crime Network.

1 Introduction

- 1 In mid-2015 the Home Office presented for consultation its proposed Revised Funding Formula Model for policing. In the face of serious concerns raised by Police and Crime Commissioners (PCCs) and other stakeholders, the Home Office has subsequently withdrawn its proposal.
- 2 This research was commissioned by the National Rural Crime Network (NRCN) to consider the proposed formula in the light of the demands of rural policing. Its purpose is to provide an evidence base that will ensure that the policing needs of rural communities are appropriately and fairly met by any new funding formula or arrangement.
- 3 We present this evidence in three sections. The first examines demand (crime and non-crime) on police forces and how well this is predicted by the proposed Revised Funding Formula Model. The second considers evidence of the ways in which rurality and sparsity are associated with unavoidable additional policing costs. The third assesses the process taken to develop the funding formula, its ability to promote policy objectives and possible avenues to aid improvement.
- 4 We find that the proposed formula is inadequate to respond to, and reflect, the demands of complex national crime patterns and the variations in demand and rates of crime and non-crime between urban and rural forces. It also does not respond to other considerations, such as seasonality, which can have significant cost implications. The proposed formula may also hinder innovation and development being based on historic data rather than assessing and promoting police response to policy objectives and underlying demands.
- 5 Our opinion is that the formula cannot simply be adapted to be fit for purpose and needs comprehensive revision. Our analysis shows that poor choices have been made regarding the data, measures, weightings and indicators used to develop the formula. As such it is unlikely to deliver fair funding for police forces across the country.
- 6 We conclude that the Home Office should draw on expertise in other government departments, such as the NHS, which have improved their technical expertise and scrutiny structures. Greater technical quality is required to ensure that any future formula provides fair funding, and learning from the experiences of organisations that have already been through these processes will improve the credibility and suitability of future proposals.

2 Understanding demand on police forces

2.1 Introduction

- 8 The underlying logic of the proposed reform is that a formula that is essentially based on population volume, deprivation and bar volume/density can capture variations in the underlying demands placed on police forces. Given the complexity of police work, it is reasonable to question whether such an approach “is just too simple to adequately reflect a service which ranges from mental health to child exploitation, from fraud to human trafficking and drugs offences to community liaison; all across the hugely diverse geography and demography that make up England and Wales.”¹
- 9 The formula also assumes that crime, and therefore demand for policing, are essentially urban phenomena. There is, however, no logical basis for assuming that all police demand is synonymous with urban deprivation. Some crimes, such as cyber and cyber-enabled crime are not bounded by geography. Indeed, domestic violence and modern slavery may be *enabled* by geographical isolation. Furthermore, non-crime demand (which accounts for the vast proportion of policing) cannot be summarised through such crime-oriented indicators.
- 10 In its report on *Estimating Demand on the Police Service*, the College of Policing found that, for forces that sent in returns relating to their incident data, Public Safety and Welfare (PSW) represented the largest category (larger than crime and anti-social behaviour incidents)². PSW comprises incidents involving animals or wildlife, civil disputes, concerns for safety, domestic incidents (that fall outside the definition of domestic abuse), firearms, industrial incidents, missing persons, natural disasters, protests or demonstrations and suspicious circumstances/objects. It is extremely unlikely that this diverse range of incidents is subject to the same drivers and characterised by the same distribution, not least because it includes rare events.
- 11 We therefore disagree with the Home Office that its set of indicators can “capture the breadth of police demand, both crime and non-crime, and that there is no analytical justification for including additional, specific non-crime indicators.”³ In this paper, we present empirical evidence that suggests that their analysis is flawed, and that technical errors mean the model will not capture variations in different crime-related demands and costs.
- 12 With respect to non-crime demands, we have undertaken analysis for incidents where publicly available data are available (road traffic incidents (RTIs), calls for assistance, A&E coded assaults, antisocial behaviour (ASB), non-crime command and control (C&C) calls and

¹ PACCTS (2015). *Consultation on Reform of Police Funding Arrangements in England and Wales*. (<http://lancashire-pcc.gov.uk/wp-content/uploads/2015/11/20150915-PACCTS-to-Z-McD-Re-Consultation-on-reform-of-police-funding-arrangements-in-England-and-Wales.pdf>)

² College of Policing (2015). *Estimating demand on the police service*. (http://www.college.police.uk/Documents/Demand_Report_21_1_15.pdf)

³ House of Commons Home Affairs Committee (2015). *Reform of the Police Funding Formula. Fourth Report of Session 2015–16. Report, together with formal minutes relating to the report*. HC 476. London: The Stationery Office Limited, p.25

MARAC cases). We find that the strong correlations found by the Home Office between socio-economic indicators and variations in non-crime activity do not stand up to scrutiny, or reflect how the burden of these activities varies between forces.

- 13 Finally, it is worth noting that a formula derived from recorded crime statistics has to assume that they are immune to illegitimate influences of unmet need and/or unjustified supply. If, however, variations in crime recording reflect variations in, for example, historic expenditure, this would undermine the analysis on which such a funding model is based. Existing variation in, for example, officers per crime or officers per Road Traffic Incident (RTI) across police forces suggests that some areas are clearly managing demands with less staff. If there are systematic (for example rural-urban, socio-economic) differences in the ratio of police officers to incidents, reading 'need' for policing from an analysis of factors associated with existing activity will run the risk of embedding systematic inequalities into future allocations. This is an issue which requires additional investigation, including a formal categorisation of data on the basis of the extent to which it is likely to respond to supply effects, but for the purposes of this study we must accept that recorded crime (and recorded non-crime activity) data currently offer the best metrics against which to measure the utility of the proposed funding model.

2.2 Demand Drivers: Police Force Level Analysis

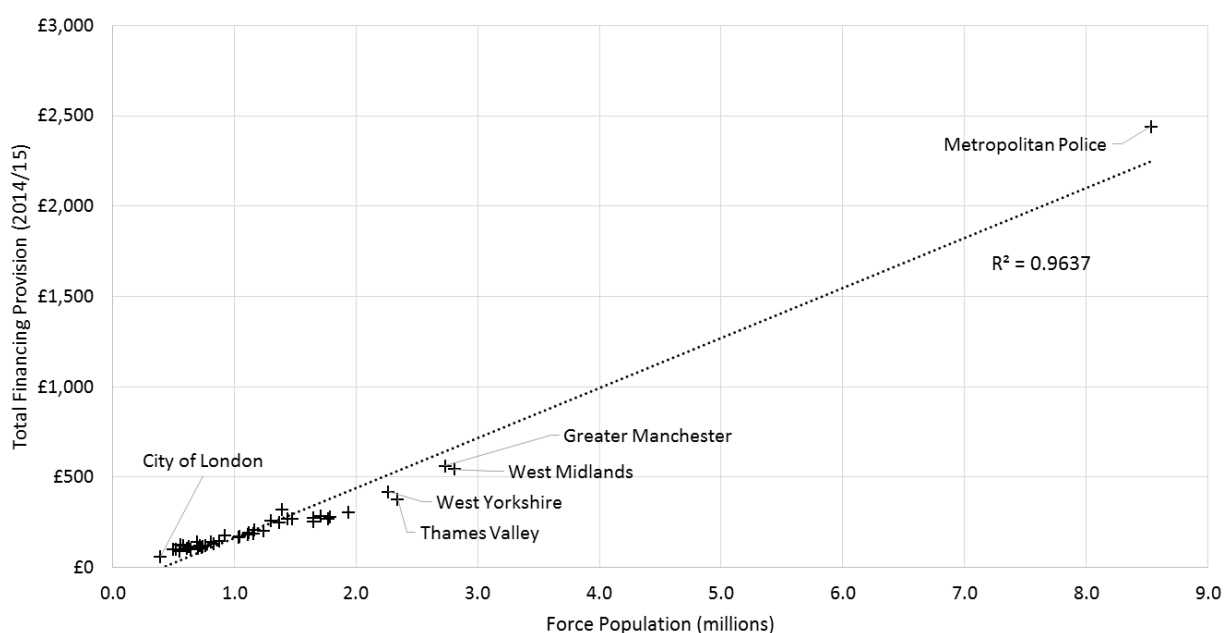
2.2.1 *Police force populations as the principal driver of demand*

- 14 A key feature of the 43 police forces in England and Wales is how much they vary in terms population size; from the City of London (with a resident population of 8,072 people and daily working population of 319,200 people) to the Metropolitan Police Service which serves 8.53 million people. Leaving aside these two London forces, populations range from just under ½ million (Cumbria) to 2.8 million (West Midlands). As a direct result of this huge variation, the single most important factor in the current police funding formula is population size, as illustrated in Figure 1 below. This will inevitably be the case in any new formula and, as such, it is crucial that the formula uses an appropriate population denominator(s).
- 15 The Home Office's October 2015 'technical note' states that "we considered sub sets of the population [...but...] shares for age groups are broadly consistent with those already used for total population for the majority of force areas although we recognise there are some differences in some force areas"⁴. In fact, as discussed below, the choice of population denominator is far less obvious than this implies; police forces do differ significantly in terms of their demographic profiles.
- 16 First, however, Figure 1 draws attention to the way the Home Office appears to distort its analysis – or at least the presentation of its analysis – regarding the validity of its chosen

⁴ Home Office, *Refined Police Funding Model Technical Note*, 29 October 2015, p4 (Para 6). Henceforth 'Funding Model Technical Note'. (Available via <http://lancashire-pcc.gov.uk/wp-content/uploads/2015/11/20151028-Home-Office-to-PCC-for-Lancashire-Refined-Police-Funding-Model-Technical-Note.pdf>)

model indicators; specifically, the way it uses correlation to show how strongly those indicators relate to one another and with non-crime indicators (Annexes A and F of the Technical Note). The latter is particularly important as it is used to counter responses to the consultation which argued that a formula devised with respect to crime data ignores a wide range of non-crime related police activity which, overall, would account for the majority of police time and resource.

Figure 1 Police Force Populations and Total Financing Provision, 2014/15 - All Forces



Divergent perspectives from count-based and rate-based correlations

17 In presenting what appear to be very strong correlation coefficients, the Home Office uses the evidence replicated in Table 1 below to assert that, except with respect to non-statutory MARAC cases which are heavily influenced by local decision making, “all of the remaining non-crime indicators are highly correlated with the existing indicators in the model” and that “this means the existing indicators in the model already capture the relative risk of this type of demand for each PFA”⁵. The problem is that, given the hugely varying sizes of the 43 police forces (as illustrated in Figure 1 above), high correlation coefficients are almost inevitable if they are based on count data⁶. In other words, a high degree of correlation between, for instance, the number of ‘households with dependent children but no adults in employment’ and ‘Total MAPPA offenders’ is simply because you will tend to have large number of both in areas with large populations, and small numbers of both in areas with small populations.

⁵ *Funding Model Technical Note*, p9 (Para 28).

⁶ With the possible exception of the ‘Volume and density of bars’ measure which, without sufficient exposition provided in the consultation document and subsequent October 2015 ‘technical note’, we have been unable to fully understand and have been unable to replicate.

Table 1 Correlations between model indicators and non-crime indicators⁷

	Population	Households with dependent children where no adults in employment	Acorn 5: Urban Adversity	Volume and density of bars
Total MAPPA offenders	0.978	0.991	0.958	0.966
MAPPA - total level 2 and 3 (management of offenders)	0.870	0.870	0.779	0.888
MARAC cases (high risk cases of domestic abuse)	0.376	0.382	0.443	0.306
Children looked after at 31 March 2014	0.940	0.970	0.967	0.924
Children in need at 31 March 2014	0.984	0.990	0.960	0.963
Children who were the subject of a child protection plan at 31 March 2014	0.968	0.974	0.961	0.942
Finished mental health admissions episodes	0.949	0.939	0.884	0.945
A&E alcohol - related hospital admissions	0.933	0.937	0.929	0.892
Missing persons	0.905	0.919	0.895	0.903

- 18 To understand whether the non-population model indicators are providing any additional information it is necessary to take account of variations in population size, that is, to focus on per capita rates and not on raw counts. We do not have the same non-crime datasets used by the Home Office, and we have been unable to replicate with any confidence the ‘Volume and density of bars’ measure, but we can illustrate the impact of shifting from a count-based to a rate-based analysis with respect to non-crime indicators for which we do have data. Thus, as shown in Table 2 below, a series of apparently impressive count-based correlation coefficients invariably become far less convincing once the effect of population is discounted. Indeed, in some cases the direction of the relationship actually reverses; such as with respect to RTIs where strong positive count-based correlations are associated with small negative rate-based correlations.
- 19 In other words, although police force areas with large *numbers* of people in ‘Urban Adversity’ postcodes also tend to have large *numbers* of RTIs, areas with large *proportions* of people in ‘Urban Adversity’ postcodes tend to have a lower *per capita* rate of RTIs. Once the effect of population is discounted, the non-population model indicators are far less adequate measures of non-crime police activity than the Home Office suggests, and in some cases are misleading. The model’s indicators (and, by implication, the funding formula) thus cannot adequately capture variations in non-crime demand.

⁷ *Funding Model Technical Note*, p17 (Annex F). It is possible, though it is not stated, that these correlation coefficients have been derived using smaller units, perhaps Local Authority/Community Safety Partnership areas. The same point applies, however, as these units also have very different populations.

Table 2 *Count-based and rate-based correlations between non-population model indicators and selected non-crime indicators*

		Total (n)	National Annual Rate per 1000	ACORN 5: Urban Adversity		Households with children & no employed adults	
				Count-based Correlation	Rate-based Correlation	Count-based Correlation	Rate-based Correlation
HES data; 2012/13-2014/15	A&E Episodes: Assault	526,419	9.1	0.962	0.607	0.952	0.315
	Inpatient Episodes: Assault	117,350	2.0	0.954	0.686	0.944	0.418
PEEL assessment data	Calls for assistance 12 months to March 2015	20,109,213	348.0	0.823	0.167	0.863	0.330
POA Annual Data Return 2014/15; Emergency & Priority Incidents	Total ASB	957,994	16.6	0.867	0.309	0.866	0.411
	Notifiable, Classified C&C Crimes	1,548,303	26.8	0.959	0.451	0.952	0.559
	All Other C&C Incidents	4,625,124	80.0	0.908	0.366	0.911	0.515
NSIR ASB incidents: 2013/14	Personal	585,217	10.1	0.659	0.188	0.647	0.256
	Nuisance	1,389,050	24.0	0.958	0.390	0.948	0.433
	Environmental	128,433	2.2	0.776	-0.164	0.770	-0.070
	Total	2,102,700	36.4	0.970	0.378	0.958	0.459
Crime Inspection Data, 2014	MARAC cases presented in 12 months to 31 July 2014	46,511	0.8	0.921	0.327	0.895	0.359
Road Safety Data, 2012-14	Fatal & Serious RTIs (Attended)	55,426	0.3	0.870	-0.357	0.880	-0.322
	All RTIs (Attended)	329,244	1.9	0.947	-0.178	0.947	-0.142

Sources: **HES data**: extracted from Hospital Episode Statistics 2012/13-14/15 (3 years). All A&E admissions with AEPATGROUP (reason for an A&E episode)='Assault', and all inpatient admissions with any ICD10 diagnosis code = 'X85'-'Y09' inclusive, i.e. 'assault' by specified or unspecified means. (<http://www.hscic.gov.uk/hes>)

PEEL assessments data: Police Effectiveness 2015 data (<http://www.justiceinspectorates.gov.uk/hmic/data/peel-assessments/>)

POA ADR (Annual Data Return) 2014/15: ADR 342 - Emergency and Priority Incidents in Value for money profile data, 2015 (<http://www.justiceinspectorates.gov.uk/hmic/data/value-for-money-data/>)

NSIR Anti-social behaviour incidents: 2013/14: Available via <https://data.police.uk/data/annual-data-requirement/>

Crime Inspection Data 2014: <http://www.justiceinspectorates.gov.uk/hmic/data/crime-inspection-data/>

Road Safety Data 2012-14: RTIs extracted from Road Safety Data Accident data from 2012, 2013 & 2014 (see <https://data.gov.uk/dataset/road-accidents-safety-data>)

2.2.2 Aggregate Recorded Crime Data: a poor proxy for crime-related demand

20 A deeper problem is that our analysis suggests that these model indicators are also likely to be relatively poor predictors of crime-related demand. Despite poor methodological transparency, it appears that potential socio-economic indicators were initially selected (presumably, but not necessarily, with formal regression-based model fitting techniques) using police force level recorded crime data. The Home Office indicates that:

"A broad range of factors were examined to identify which most closely describe differences between forces in terms of variations in crime. A statistical technique,

known as reliability analysis, was then used to trim down this range of factors to a smaller number which explained most of the variation between the larger set. [...] Using this process, two socio-economic factors that are closely correlated with the patterns of crime seen between different areas over time were identified. These are: households with no working adult and dependent children; and a 'hard pressed' population indicator."⁸

Table 3 Recorded crime (2014-15) with average detection rates (2012/13 – 14/15) , by crime type

Crime Category	Number of Crimes	Percent of all crimes	Detection Rate (%)	Detailed Category [Detection Rate]
Violence against the person	772,217	21.84%	62.6%	Homicide
Sexual offences	87,183	2.47%		Violence with injury
				Violence without injury
				Rape
				Other Sexual Offences
Robbery	49,889	1.41%	26.9%	Robbery of Business Property
				Robbery of Personal Property
				Domestic burglary } [13.7%]
				Non-domestic burglary }
				Vehicle offences [10.3%]
Theft offences	1,733,248	49.02%	21.9%	Theft from the person [7.7%]
				Bicycle theft [8.6%]
				Shoplifting [61.6%]
				All other theft offences [16.2%]
Criminal damage and arson	499,210	14.12%	23.6%	Criminal Damage
				Arson
Drug offences	167,697	4.74%	94.0%	Trafficking of Drugs
				Possession of Drugs
Possession of weapons offences	21,533	0.61%	89.3%	
Public order offences	152,945	4.33%	65.7%	
Misc. crimes against society	51,767	1.46%	71.3%	
Total Crimes	3,535,689			

Victim-based crime

Other crimes against society

21 The key problem is that recorded crime data (which excludes fraud) is heavily skewed towards a particular type of crime and, moreover, towards a type of crime that is likely to consume relatively little police time. Table 3 above shows the standard classification of crimes and the number (and percent) of such crimes recorded in 2014/15⁹. Very nearly half all recorded

⁸ Home Office, *Consultation on reform of police funding arrangements in England and Wales Consultation*, July 2015, p23 (Para 6.2). Henceforth 'Consultation'. See <https://www.gov.uk/government/consultations/reforming-police-funding-arrangements-in-england-and-wales>.

⁹ Police recorded crime by offence group and police force area, English regions and Wales, number of offences, 2014/15. Extracted from https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/511307/rec-crime-pfa-2003-2015.ods.

crimes were theft offences and, although we have been unable find explicit data on how much police time and resource is, on average, committed to each of the different crime types, it seems highly likely that responding to, investigating, and prosecuting theft offences will tend to take less time than most other categories of crime.

- 22 Certainly theft offences have relatively low detection rates (21.9% overall and just 14.1% if shoplifting is excluded¹⁰) and are given a relatively low weighting according to the Cambridge Crime Harm Index (CHI)¹¹. It is likely that the introduction of THRIVE (Threat/Harm/Risk/Investigation/Vulnerability/Engagement) style incident management models will encourage a further shift of emphasis away from theft offences and towards other more ‘serious’ crimes. This was reported in Bedfordshire, where “victims of burglary and theft [...are...] now having to make an appointment to get their crime investigated” and police “will now only provide an emergency response if people are under threat of violence, injured, or when a crime scene needs to be preserved”¹².
- 23 Selecting model indicators using aggregated recorded crime data that are heavily skewed towards the prevalence of theft offences would not be a problem if such offences provided a reasonable proxy for all crime, but they do not. As illustrated in Table 4 below, the various different crime types are all (to lesser or greater extent) correlated with one another and with total crime, but in many cases the relationship is not particularly strong. As might be expected given the foregoing discussion, total recorded crime is most closely correlated with theft offences ($r=0.922$), and much less well correlated with the remaining top-level crime types. Thus whereas total recorded force-level crime rates ‘explain’ 85% of the variation in *per capita* theft offences, total recorded crime explains less than 50% of the *per capita* variation of most other crime types. In terms of detailed crime types (not included in the table) – many of which are inevitably associated with a significant input of police time and resource – total recorded crime explains very little variation; e.g. 42%, 39%, 32% and 15% for rape, other sexual offences, trafficking of drugs and homicide respectively.
- 24 It seems inherently unlikely, therefore, that unweighted ‘total recorded crime’ data can provide a reliable measure of the burden of crime on police forces. We have no evidence that the Home Office has attempted to weight the crime data. Indeed, given that it used count-based (rather than rate-based) correlations to defend its claims that formula failed to capture variations in non-crime demand, we strongly suspect the Home Office has similarly used count-based correlations to satisfy itself that ‘total recorded crime’ data provides a reasonable basis for analysis. For instance, although only 15% of the variation in homicide rates is predicted by force-level variation in overall crime rates, no less than 94% of the

¹⁰ Detection rates for different crime types calculated using custom data downloads (including outcomes data) for the three years 2012/13-2014/15 from <https://data.police.uk/data/>.

¹¹ Sherman, L, Neyroud, P.W. and Neyroud, E. (2016). The Cambridge Crime Harm Index: Measuring Total Harm from Crime Based on Sentencing Guidelines. *Policing* doi: 10.1093/police/paw003

¹² Cambridge News, Bedfordshire Police to deal with theft and burglaries by appointment under new model, 22 June 2015. (<http://www.cambridge-news.co.uk/Bedfordshire-Police-deal-theft-burglaries/story-26744426-detail/story.html>).

variation in the *number* of homicides is predicted by variations in the total *number* of recorded crimes. As detailed above, this simply reflects the impact of population size in an analytical dataset (that is the 43 police forces) which varies greatly in population size¹³.

Table 4 Correlation coefficients [and percentage variation explained] between per capita rates of total recorded crime and rates of various top level crime types

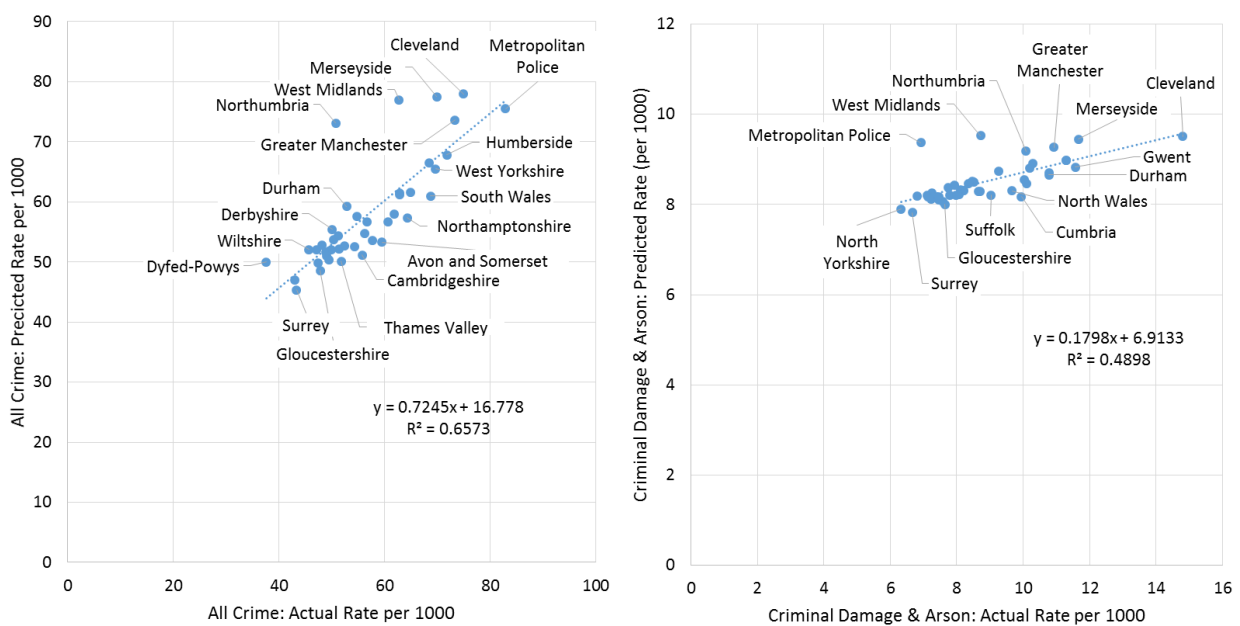
	Violence against person	Sexual offences	Robbery	Theft offences	Criminal damage and arson	Drug offences	Possession of weapons offences	Public order offences	Misc. crimes against society
Total recorded crime	0.827 [68.4%]	0.668 [44.6%]	0.666 [44.4%]	0.922 [85.0%]	0.764 [58.4%]	0.317 [10.0%]	0.681 [46.4%]	0.604 [36.5%]	0.584 [34.1%]
Violence against the person	1	0.693 [48.0%]	0.516 [26.6%]	0.596 [35.5%]	0.620 [38.4%]	0.297 [8.8%]	0.553 [30.6%]	0.663 [44.0%]	0.570 [32.5%]
Sexual offences		1	0.299 [8.9%]	0.495 [24.5%]	0.639 [40.8%]	0.232 [5.4%]	0.573 [32.8%]	0.394 [15.5%]	0.431 [18.6%]
Robbery			1	0.710 [50.4%]	0.145 [2.1%]	0.247 [6.1%]	0.577 [33.3%]	0.389 [15.1%]	0.325 [10.6%]
Theft offences				1	0.609 [37.1%]	0.122 [1.5%]	0.596 [35.5%]	0.387 [15.0%]	0.428 [18.3%]
Criminal damage & arson					1	0.213 [4.5%]	0.520 [27.0%]	0.391 [15.3%]	0.458 [21.0%]
Drug offences						1	0.342 [11.7%]	0.456 [20.8%]	0.361 [13.0%]
Possession of weapons							1	0.392 [15.4%]	0.481 [23.1%]
Public order offences								1	0.576 [33.2%]

25 In assessing the appropriateness of the Home Office’s use of total recorded crime data, perhaps even more important than the extent to which different crime types are correlated is the underlying nature of the relationship; by which we principally mean by how much rates vary between forces. Force-level ‘total recorded crime’ rates vary by a factor of 6.1 (or by a factor 2.2 if the City of London is excluded), but the major categories of crime vary by as much as a factor of 42.8 (for ‘Robbery’) to as little as a factor of 2.9 (for ‘Miscellaneous crimes against society’). In other words, a formula designed to capture variations in ‘total recorded crime’ will massively underestimate the extent to which Robbery varies between forces, and will significantly overestimate the extent to which ‘Miscellaneous crimes against society’ vary. This will distort any understanding of the relative burden of different types of crime in each force area and, in turn, result in an inequitable allocation of resources.

¹³ We are, as no detail is given, of course unaware of the units used by the Home Office in its analyses. But all administrative units tend to vary considerably in size and thereby render count-based correlations deeply problematic. Local authorities (n=350), for instance, vary from just a few thousand (Isles and Scilly and the City of London) and then from 34,000 (West Somerset) to 1.1 million (Birmingham).

- 26 We can illustrate this graphically by examining the extent to which the three principal Home Office indicators predict force-level variations in (a) total recorded crime rates, and (b) criminal damage and arson rates. To that end we have fitted a Poisson generalised linear regression (GLM) model to count data using, as predictor variables, (i) ‘the proportion of households with dependent children but no adults in employment’ and (ii) the ‘proportion of the population in postcodes classified ‘Urban Adversity’. The 2014 mid-year population is included in the model as offset. This does not attempt to replicate the proposed formula – as previously stated, too little information is provided for us to be able to do this with confidence – but, insofar as the formula *should* capture the relative impact of population and the two socio-economic indicators, then this Poisson GLM should provide a reasonable proxy.
- 27 Reasonable fits are returned in each case, with $r=0.8107$ ($r^2=0.7245$) and $r=0.6999$ ($r^2=0.4898$) when predicting variations in ‘total recorded crime’ and ‘criminal damage and arson’ respectively. The use of the particular socio-economic indicators chosen by the Home Office following its analysis of total record crime data does have important consequences for some individual forces – notably with respect to the significant overestimation of criminal damage and arson in the Metropolitan Police force area – but it is the very different slopes of the two ‘best-fit’ regression lines which is most notable (Figure 2). The regression slope for total recorded crime is close to 45 degrees – showing that the model is broadly predicting the degree by which rates vary between force areas. The regression slope for criminal damage and arson is much flatter, suggesting that the Home Office model will significantly underestimate the degree by which criminal damage and arson varies between force areas.

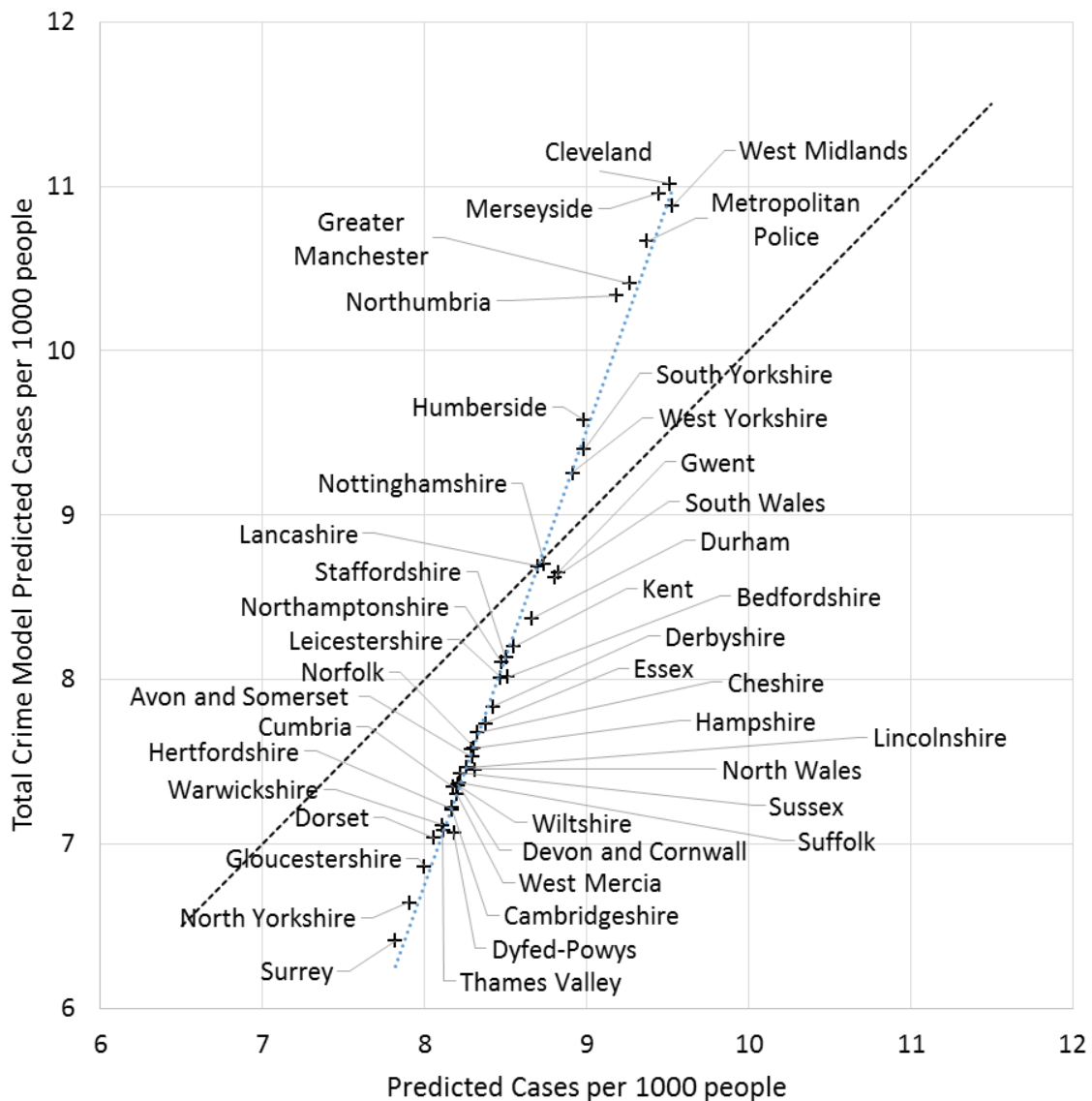
Figure 2 Using Home Office variables to predict force-level variations in (a) Total Record Crime and (b) Criminal Damage and Arson



- 28 In fact, a far better prediction of variation in ‘criminal damage and arson’ rates can be obtained using Department of Work and Pensions claimant data and 2011 Census data on the

proportion of people obtaining Level 4 and above educational qualifications, but such insights cannot be utilised if a single formula (derived from an analysis of total recorded crime) is used to describe how all types of crime varies. And the profound impact of doing this is illustrated by Figure 3 below, in which we compare force-level predicted 'criminal damage and arson' rates using the two models described above. In this figure (note the use of a non-zero origin for clarity) the horizontal-axis gives the predicted force-level rate if the model is fitted to actual 'criminal damage and arson' data, whilst the vertical-axis gives the rate if the model derived using total recorded crime data has been used.

Figure 3 Alternative perspectives on force-level rates of 'Criminal Damage and Arson'



29 The same socio-economic and population data is used in both models, but only for Nottinghamshire and Lancashire do the two models converge. For all forces below them (i.e. from Gwent and South Wales down to Surrey) the model based on 'total recorded crimes' data underestimates the burden of criminal damage and arson, whilst for all forces above the convergence point (all of which are 'predominately urban') the 'total recorded crimes' model overestimates the burden. And at the extremes the error is very significant; with the Surrey

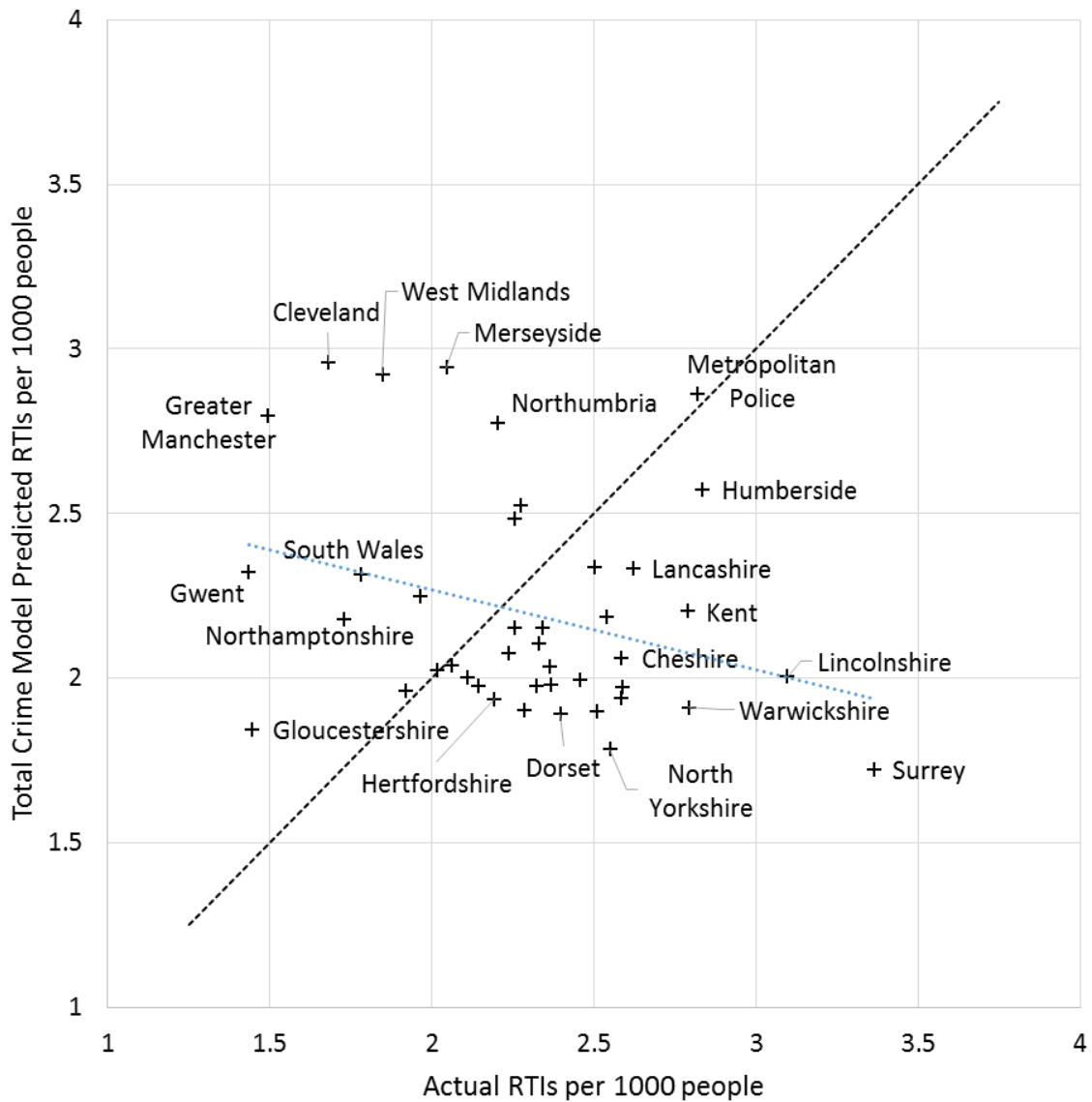
estimate being 18% too low, and the Cleveland and Merseyside estimates being 16% too high, even though, and this is the crucial point, the different sets of estimates are extremely well correlated ($r=0.994$; $r^2=0.989$).

- 30 The problem, then, is that the Home Office appears to base its model of demand on a metric (total recorded crime count data) which is dominated by a particular type of crime (theft) that is neither particularly representative nor particularly resource intensive. This badly distorts the extent to which the model can capture variations in other crimes that are often far more resource intensive.

2.2.3 *Aggregate Recorded Crime Data and non-crime-related demand*

- 31 Moreover, the model provides a very inadequate guide to variations in non-crime activity. For instance, in Figure 4 below we plot actual *per capita* rates for RTIs attended by police officers against rates predicted using our Poisson regression model of 'total recorded crime' using (i) 'the proportion of households with dependent children but no adults in employment', (ii) the 'proportion of the population in postcodes classified 'Urban Adversity' as predictor variables, and (iii) the 2014 mid-year population as a model offset.
- 32 There is clearly no meaningful relationship between what the 'total recorded crime' based model predicts and actual RTIs; with urban forces such as Greater Manchester, Cleveland, the West Midlands and Merseyside having far lower rates than predicted (by factors of 47%, 43%, 37% and 31% respectively), and more rural forces such as North Yorkshire, Warwickshire, Lincolnshire and Surrey having far higher rates than predicted (by factors of 43%, 46%, 54% and 95% respectively).
- 33 If *per capita* rates of attended RTIs can be taken as a reasonable proxy for the relative burden (over and above population) placed on different police forces for policing roads, then it is clear that the use of the Home Office's preferred indicators will fail to capture how that burden varies between forces. And this constitutes only one of any number of indicators of non-crime activities which, to greater or lesser degree, are poorly predicted by any model derived from the analysis of variations in total recorded crime. Figure 5 below plots (on horizontal axes) *actual rates* (per 1000 people) relating to a number of measures which cover various aspects of the broader range of police activity. These represent a subset of the non-crime indicators detailed in Table 2 above. In each case the vertical axis represents the rate predicted using our Poisson regression model of total recorded crime and it is clear that, even when there is some degree of correlation between actual and predicted rates, using such a model fails to capture how the burden of these activities varies between forces.

Figure 4 Home Office estimates of force-level rates of attended RTIs against actual rates



34 This all argues for a far more nuanced approach which recognises the very different, and often quite divergent, demands placed on police forces serving different populations in different areas. This would inevitably require a more complex formula which aggregates a range of separate sub-allocations, each of which seeks to predict demand with respect to defined areas of policing: and this, of course, takes us back to the underlying structure of the current formula.

35 Described by the Home Office as ‘complex, opaque and out of date’¹⁴, the current police funding formula has separate allocations for seven crime types (defined as ‘more serious violence/sexual offences’, ‘less serious violence’, ‘robbery’, ‘vehicle crime’, ‘domestic burglary’, ‘other crime (high cost)’ and ‘other crime (low cost)’) and four additional categories (defined as ‘providing reassurance to the public’, ‘providing assistance at or reducing road traffic accidents’, ‘providing assistance with non-crime incidents’, and ‘policing special events’). This may seem unduly complex, but the problem is that although funding formulae

¹⁴ Consultation, p6 (Para 1.1).

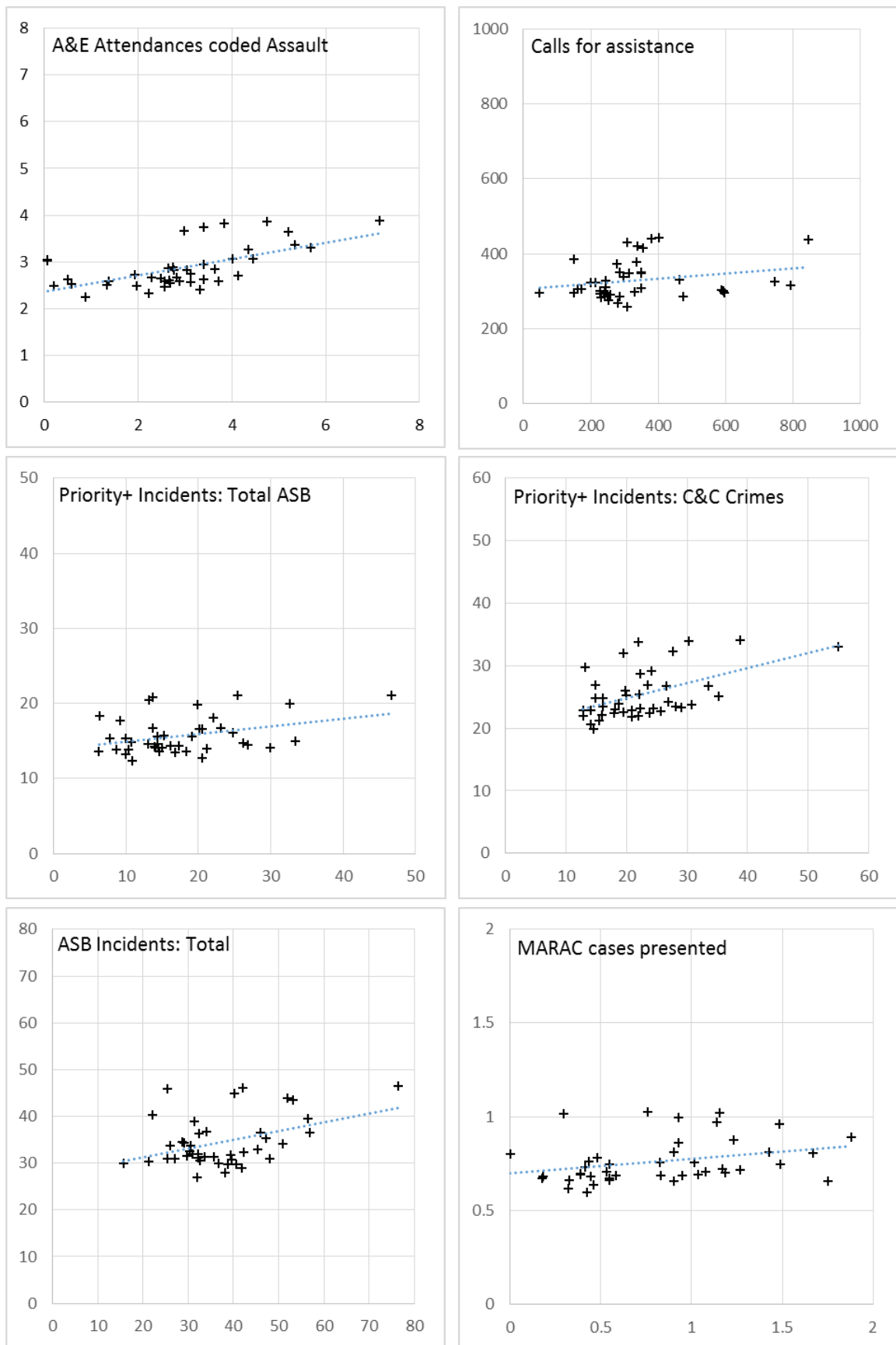
should aim for simplicity (as well as transparency, stability and the other principles identified in the consultation¹⁵), *this must not be at the expense of fairness*.

- 36 Fairness is not listed by the Home Office as one of its 'guiding principles', but it clearly lies at the very heart of the proposed funding model which "must be based on an understanding of the drivers of crime and police demand [... in order to ...] ensure that funding is allocated according to need"¹⁶. The proposed formula clearly fails in this respect. In part this is because, seeking a simple model, it has been assumed that variations in total crime provides a suitable proxy for need, but it is also due to the methodology used to calculate the funding model.

¹⁵ *Consultation*, pp14.15 (Paras 3.5 et seq.).

¹⁶ *Consultation*, p20 (Para 5.1).

Figure 5 Actual rates of various non-crime indicators (x-axes) against rates predicted using a model derived from an analysis of 'total recorded crime' (y-axes)



2.2.4 Other non-crime related demand

- 37 While we have been able to perform analysis on a limited set of measures of non-crime demand, there are other important demands for which we have no national data. Demands associated with public protection (such as dealing with vulnerable people, people with mental health problems and with missing persons; child protection and safeguarding and public reassurance and protection) tend to be complex and resource intensive. Devon and Cornwall PCC & Constabulary estimate that each missing person incident takes an average of 18 hours of police time to resolve. A case assessment undertaken in two UK forces also suggests that missing person investigations are a bigger drain on police resources than either theft or assault¹⁷.
- 38 Public Safety and Welfare (PSW) appears to be giving rise to particularly large increases in demand. This is likely to reflect the impact of cuts in other public services and charities working with vulnerable people which have been linked to ‘mission creep’ for the police who are regularly the first point of contact for those in mental distress¹⁸. Mental health problems are a key factor in this increased demand.

The distribution of mental health problems

- 39 The NSIR enables forces to use mental health qualifiers on their systems to flag incidents that may be linked to mental health. Unfortunately, national data on the use of mental health qualifiers are not available. A Freedom of Information request raised by the Guardian¹⁹, to which a total of 35 forces in England, Wales and Northern Ireland responded, found that the overall number of incidents with a mental health aspect rose by 33% between 2011 and 2014. Work undertaken by the Metropolitan Police Service has estimated that 15%-20% of incidents are linked to mental health²⁰. In the Guardian research, the highest rate of mental health qualifiers was found in Suffolk, where, over a month of recording, 37% of officers’ time was devoted to dealing with incidents involving some mental health aspect.
- 40 There is no evidence to date to suggest that incidents related to mental health are closely correlated to levels of deprivation. Indeed, research conducted for the Department of Health which modelled the mental health resource needs of general practices (using an existing case-mix classification of mental health resource use superimposed onto Health Survey for England data) found a complex geography of needs. These were generally much higher in northern England. Prevalence was also greater in the major cities, from Tyneside through the Liverpool-

¹⁷ Shalev Greene, K. and Pakes, F. 2013. The cost of missing person investigations: Implications for current debates, *Policing: A Journal of Policy and Practice*, 8 (1), 27–34. doi: 10.1093/police/pat036

¹⁸ Carol Hayden & Karen Shalev-Greene (2016). The blue light social services? Responding to repeat reports to the police of people missing from institutional locations, *Policing and Society*, DOI: 10.1080/10439463.2016.1138475

¹⁹ Quinn, B., Laville, S. and Duncan, P. (2016). Mental health crisis takes huge and increasing share of police time. The Guardian, 27th January, 2016

²⁰ College of Policing (2015). Estimating demand on the police service. http://www.college.police.uk/Documents/Demand_Report_21_1_15.pdf

Manchester and Leeds-Sheffield axes, down to inner city London. However, there was also a notable coastal fringe of 'high-need' practices²¹.

- 41 The results revealed a complex (but intuitively coherent) relationship between mental health needs, age and deprivation. Among the pre-retired population, socio-economic differentials in risk are associated with higher levels of prevalence in major cities. However, there is also an increased prevalence of mental health problems in seaside towns where declines in tourism and the subsequent release of cheap accommodation (as former hotels and boarding houses have been converted into shared housing or bedsits) have been linked to the movement of less economically active people²². There is also evidence that local authorities have taken advantage of low-cost housing by placing vulnerable people – such as children in care and ex-offenders – into such areas. Such groups often grapple with a range of problems - physical, emotional, psychological, financial and social, including problems related to substance misuse and present additional demands on statutory services, including the police.
- 42 After the age of 65, socio-economic differentials in mental health become less pronounced, particularly for those aged 85 or more. By this point in the life course, morbidity (particularly risk of degenerative organic brain syndromes such as dementia) is dominated by age itself. Dementia is an important risk factor in missing person cases and would thus be predicted to be a significant determinant of workload in rural and coastal areas which have the oldest demographic profiles. In its response to the Home Office's 2015 Consultation, Devon and Cornwall PCC & Constabulary noted that, according to College of Policing demand profiles, it experienced significantly more missing persons than the average force (22 per day compared to a national average of 12 per day)²³.

Critical public safety events

- 43 PSW comprises a diverse array of incidents (e.g. involving animals or wildlife, civil disputes, concerns for safety, domestic incidents (that fall outside the definition of domestic abuse), firearms, industrial incidents, missing persons, natural disasters, protests or demonstrations and suspicious circumstances/objects). Targeting funding to this wide range of demands is challenging first because their various distributions would be expected to differ and second because they include rare events. As a letter from the Chief Constable of Cumbria Constabulary to the Policing Minister noted:

²¹ Asthana, S., Gibson, A., Bailey, T., Hewson, P., Dibben, C. (2010). *Developing a Person Based Resource Allocation Formula for Setting Practice-Level Mental Health Budgets: 2009/10 and 2010/11*. Report to the Department of Health/NiHR (Policy Research Programme). University of Plymouth. 240pp.

²² House of Commons Communities and Local Government Committee (2007). *Coastal Towns. Second Report of Session 2006–07*. Report, together with formal minutes, oral and supplementary written evidence. London: the Stationery Office; ONS (2013). *A Profile of Deprivation in Larger English Seaside Destinations, 2007 and 2010*. London: ONS

²³ Consultation on reform of police funding arrangements in England and Wales. Joint Response from the Police and Crime Commissioner for Devon and Cornwall and the Isles of Scilly and the Chief Constable of Devon and Cornwall Constabulary. <http://7f81ff6114e21659b84a-cde1435c149cc037d22b329c27ad88ee.r2.cf3.rackcdn.com/Documents/Our%20information/Responses%20to%20consultation/FOR%20MULA%20CONSULTATION%20RESPONSE%20DEVON%20AND%20CORNWALL%20-%20SUBMITTED%20FINAL%20090915.pdf>

“Over the past 15 years, we have dealt with a significant foot and mouth outbreak, two major floods, a rail crash and the West Cumbria shootings, all public safety and critical incidents which have required significant, specialised resources and had resourcing impacts for a long time after”²⁴.

44 Events such as these cannot be predicted using standard classification or regression methods. However, as we know that the budgetary risk associated with responding to rare events increases as the size of the population (and associated funding) decreases, small forces such as Cumbria would benefit from some clear risk sharing arrangements.

2.2.5 Constructing the funding model

45 Little technical discussion was released in either the original July *Consultation* or the subsequent October *Technical Note*. This makes it difficult for us to understand or replicate the analysis. From what is available, it is clear that the Home Office decided that ‘three broad elements ... capture the drivers of crime and demand on a police force’ and that metrics for each should be determined. These broad elements were (i) population levels, (ii) the underlying characteristics of local populations – which, following a process of modelling and factor reduction, was defined in terms of (a) households with no working adult and dependent children, (b) a ‘hard pressed’ (later becoming an ‘Urban Adversity’) ACORN population indicator, and (iii) the environmental characteristics of police force areas – referred to as ‘bar [drinking establishment] density and volume’. Finally, ‘factor loadings’ derived from a technique known as Principal Component Analysis (PCA) were then used to weight the contribution that each of what were now four model components should make to the final formula, as summarised in Table 5 below.

Table 5 Model Indicators and Weightings

Drivers of Need	Model Components	Weighting
Population Levels	3 year average population estimates; ONS and StatsWales	30%
The underlying characteristics of local populations	Households with no adults employed and dependent children; 2011 Census	31%
	Households or Population in postcodes (or perhaps simply number of postcodes?) classified as ‘Urban Adversity’ in CACI Ltd’s ACORN Consumer Classification ²⁵ .	31%
The environmental characteristics of police force areas	Stated to be based on ‘units of bars’ as defined by the 2007 SIC 56.3 (ONS Inter-Departmental Business Register) and ‘area’ in hectares (ONS) – but are unsure how the measure is actually constructed.	8%

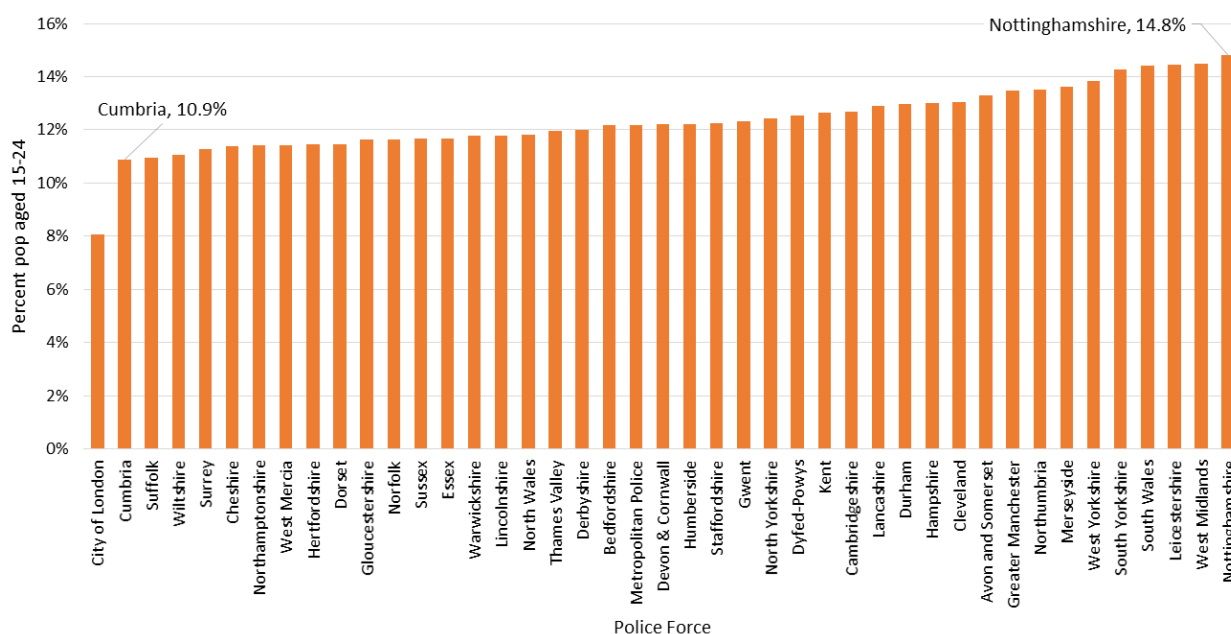
46 We believe that the two ‘underlying characteristics of local population’ were informed by formal statistical modelling, based, we think, on regression analysis to identify potential

²⁴ <http://www.cumbria-pcc.gov.uk/media/39511/CC%20Response.pdf>

²⁵ CACI Ltd., *The Acorn User Guide: The Consumer Classification*, 2014. (<http://www.acorn.caci.co.uk/downloads/Acorn-User-guide.pdf>)

predictors of force-level variations in recorded crime, followed by factor reduction using a technique known as ‘reliability analysis’. We have questioned at length the appropriateness of using ‘total recorded crime’ data as a single proxy for the diversity of police activity, but in this context the issue is that the selection of these two factors appears to have been undertaken independently of the contribution of the other factors in the model, namely population and ‘bar density and volume’. It is asserted that ‘total population’ is the appropriate population metric and that ‘shares for age groups are broadly consistent with those already used for total population’ – in spite of clear evidence to the contrary (Figure 6 below)²⁶. It is also asserted that ‘a strong relationship between the density of bars within a force area and the drivers of crime and demands on the police has been identified’²⁷. No evidence is adduced to support either assertion and, so far as we can tell, no other ‘environmental’ factors have been seriously investigated. The key issue, however, is that the various factors have been identified with little regard to how they interact with one another, and have been brought together using a method which is unsuited for the purpose.

Figure 6 Percentage Police Force Populations aged 15-24



47 Rather than use the four components to construct a multivariate model that uses the available data to best predict need (however that might be measured), the four components were weighted using a technique known Principal Component Analysis (PCA). Using PCA ‘factor loadings’ to weight the four components has been described as ‘without any logical justification’²⁸ and as one of the “statistical techniques used in the process [which] do not

²⁶ *Funding Model Technical Note*, p4 (Para 6).

²⁷ *Consultation*, p23 (Para 6.9).

²⁸ Mervyn Stone, *A nonsensical formula for the differential funding of police forces*, Opinion Piece for Public Finance, 9 Nov 2015 (<http://www.publicfinance.co.uk/opinion/2015/11/nonsensical-formula-differential-funding-police-forces>)

bear academic scrutiny'²⁹. The fundamental problem is that PCA, in effect, assumes that the 'observed' variables under consideration jointly reflect some underlying phenomenon, and it provides a statistical mechanism for reducing the observed variables into a smaller set of artificial variables (called 'principal components') which account for most of the variance in the observed variables – and thus in the underlying phenomenon which, together, they describe. In the present instance it is assumed that the four formula components reflect underlying need, but this is just that – an assumption.

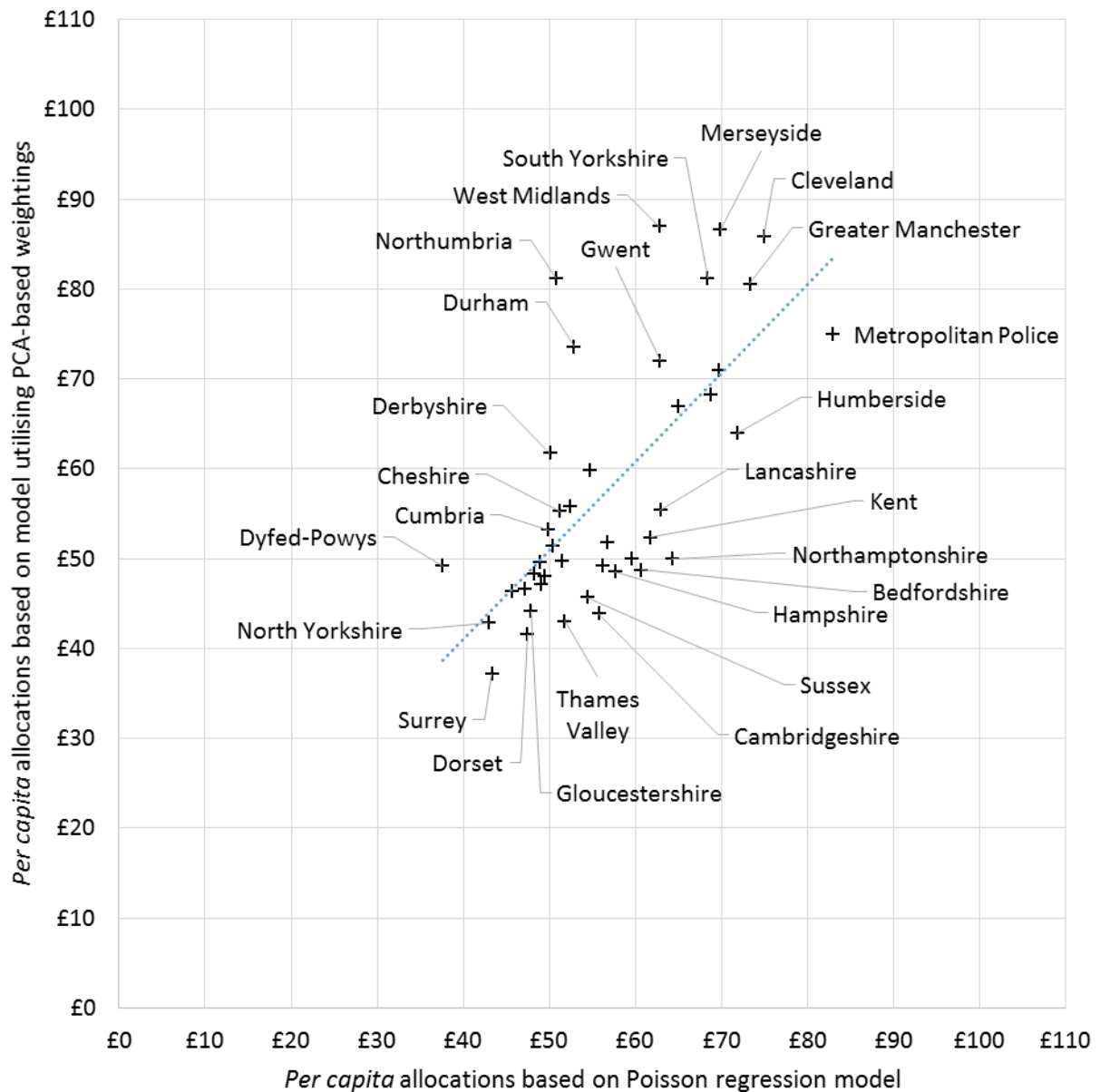
48 It does not follow that applying PCA-derived weightings to the four model components will *necessarily* result in a sensible allocation, even if one agreed with the initial choice of model components. It is instructive, therefore, to consider how the 2016/17 Police Core Settlement of £4,112 million would be distributed using the proposed weightings compared to the distribution that would follow using a Poisson regression model which relates the four model components with 'total recorded crime' – a metric which the Home Office argues (albeit wrongly) is a reasonable proxy for the resource burden placed on different police forces. Thus, in Figure 7 below, the horizontal axis shows the allocation each force would receive using the Poisson model, whilst the vertical axis shows the allocation that would be received using the proposed Home Office formula. The latter has been calculated using the indicator shares and weightings published as Annex B of the Technical Note³⁰; which excludes the City of London.

49 In fact, all this scatterplot purports to show is that, using the same four model components, allocations obtained using the Home Office's PCA-based weightings approach are often very different to those based on a model which predicts variations in 'total recorded crime'. This may not be the best measure of need, but at least it reflects one key aspect of into inter-force variation in police activity. PCA-based weights show each model component's contribution to an assumed underlying latent variable, but there is no necessity that this variable should reflect need.

²⁹ Anon, Funding formula consultation 'completely bankrupt', Police Professional, 06 Nov 2015 (<http://www.policeprofessional.com/news.aspx?id=24758>)

³⁰ *Funding Model Technical Note*, Annex B, p13.

Figure 7 Per capita allocations based on multivariate (Poisson) model versus allocations based on PCA-based weightings



2.2.6 Funding implications of the 'revised' model

50 Our analysis shows, therefore, a range of key shortcomings in how the revised model has been constructed, and raises serious doubts as to its fairness as a measure of the burden of need faced by different police forces. In view of this, the scale and systematic nature of the re-allocation that would follow its implementation is equally worrying.

51 Thus Figure 8 below contrasts the current (2016/17) force-level allocation of the Police Core Settlement (of £4,111 million)³¹ with the allocations that would be made to forces if the indicator shares and model component weighting detailed in Annex B of the Technical Note

³¹ Home Office, *The Police Grant Report (England and Wales) 2016/17*, February 2016. HC 753. (<https://www.gov.uk/government/publications/the-police-grant-report-england-and-wales-2016-to-2017>)

(with appropriate Area Cost Adjustments) were used to distribute this sum. The most notable aspect of the implied reallocation is that, as a rule, forces which currently receive less than average *per capita* allocations will see those allocations fall further, whilst forces with higher than average *per capita* allocations will see them rise. The 45-degree line cutting from bottom-left to top-right marks the break-even point, with forces above and to the left seeing funding increases, and forces below and to the right seeing funding decreases. For some forces these will be substantial, with Sussex, Devon & Cornwall and Dorset likely to lose 13.4%, 14.0% and 15.1% respectively, and Northumbria, Durham and South Yorkshire likely to gain 18.6%, 19.1% and 22.3% respectively. The overall geographic pattern of 'winners' and 'losers' is also quite distinctive, as illustrated by Figure 9.

Figure 8 Current and 'revised' per capita allocations of the current (2016/17) Police Core Settlement

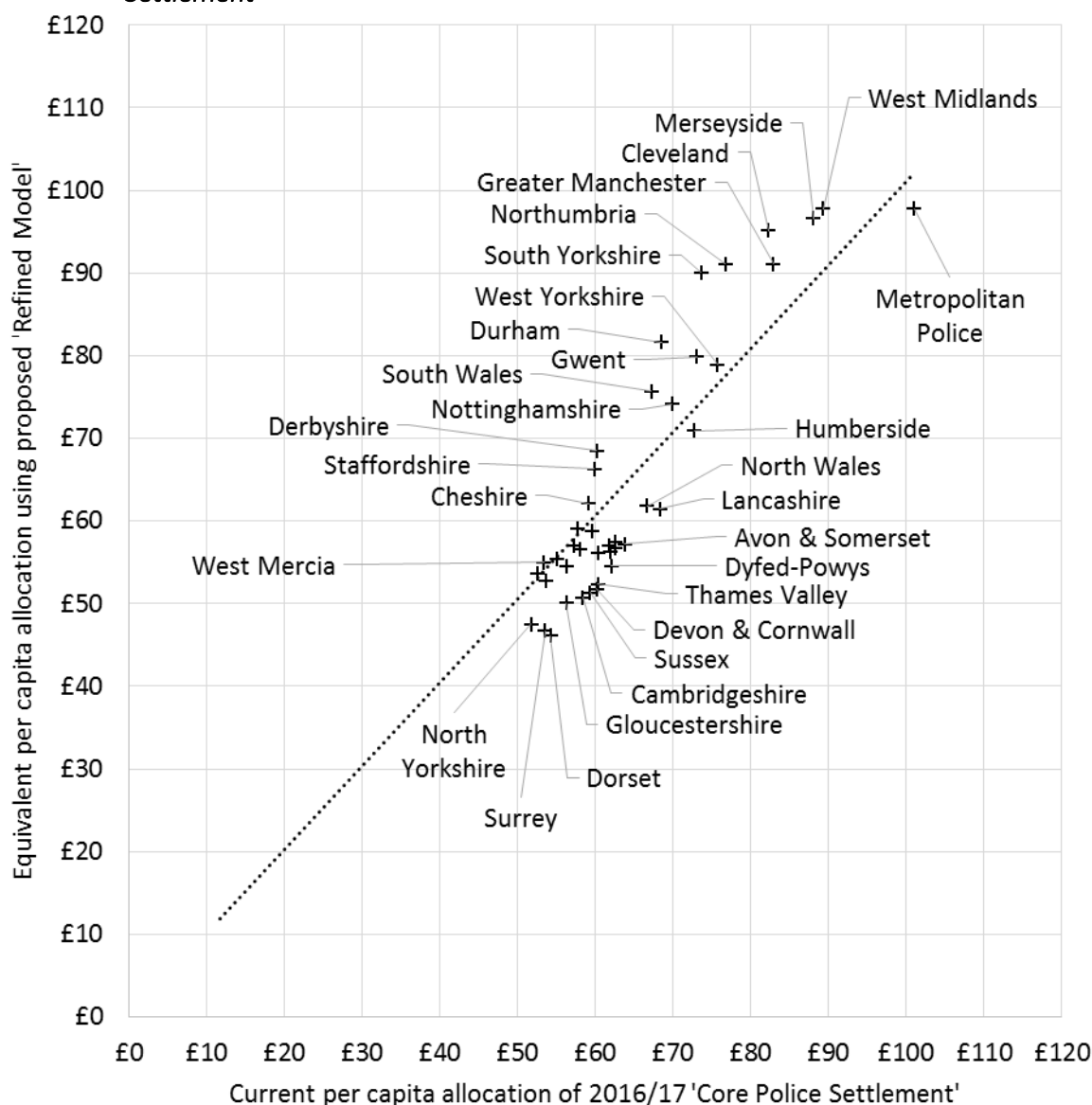
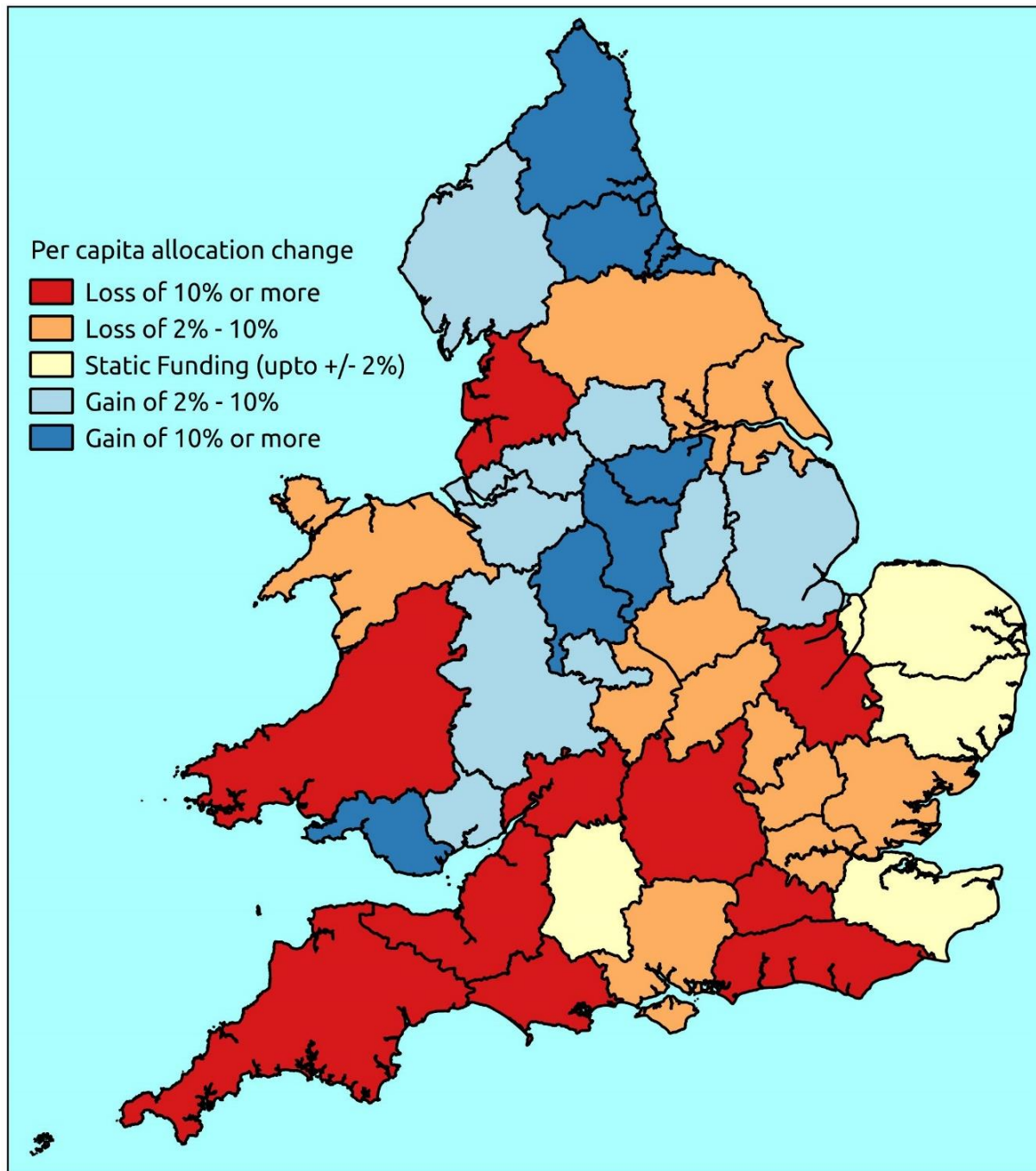


Figure 9 'Winners' and 'Losers' on the introduction of the proposed revised formula funding model



52 This redistribution applies to the 'Core Police Settlement' and excludes the impact of how Legacy Council Tax Grants, DCLG Formula Funding and various other funding streams, including National and International Capital City (NICC) grant. But it illustrates the 'direction of travel' that would follow the introduction of the proposed revised funding formula model. Whether or not this represents an appropriate shift in resources depends, of course, on the extent to which the current formula has been able to accurately capture variations in need. Unfortunately, to explore this issue adequately would require far more time than we have available. That said, there is good reason to doubt whether the Revised Model will do

anything to redress some fairly substantial disparities in the number of officers different police forces currently deploy.

53 Focusing on just one staffing indicator ignores the complexity of how different forces choose to deploy their resources, but it is nevertheless instructive to examine the potential funding impact of the proposed introduction of the revised model vis-à-vis the current burden on officers. Thus in Figure 10 below we plot the number of Emergency and Priority Incidents per police officer in each force (except the City of London) for the year to 31 March 2015 against our estimate of the impact (as a percentage) of introducing the 'Revised Model'. In Figure 11 we again have the estimated percentage funding change as the horizontal axis, but this time the vertical axis represents the number of 'total recorded crimes' per police officer.

Figure 10 Emergency and Priority Incidents per officer, 2014/15, against estimated funding change on the introduction of the Revised Funding Model

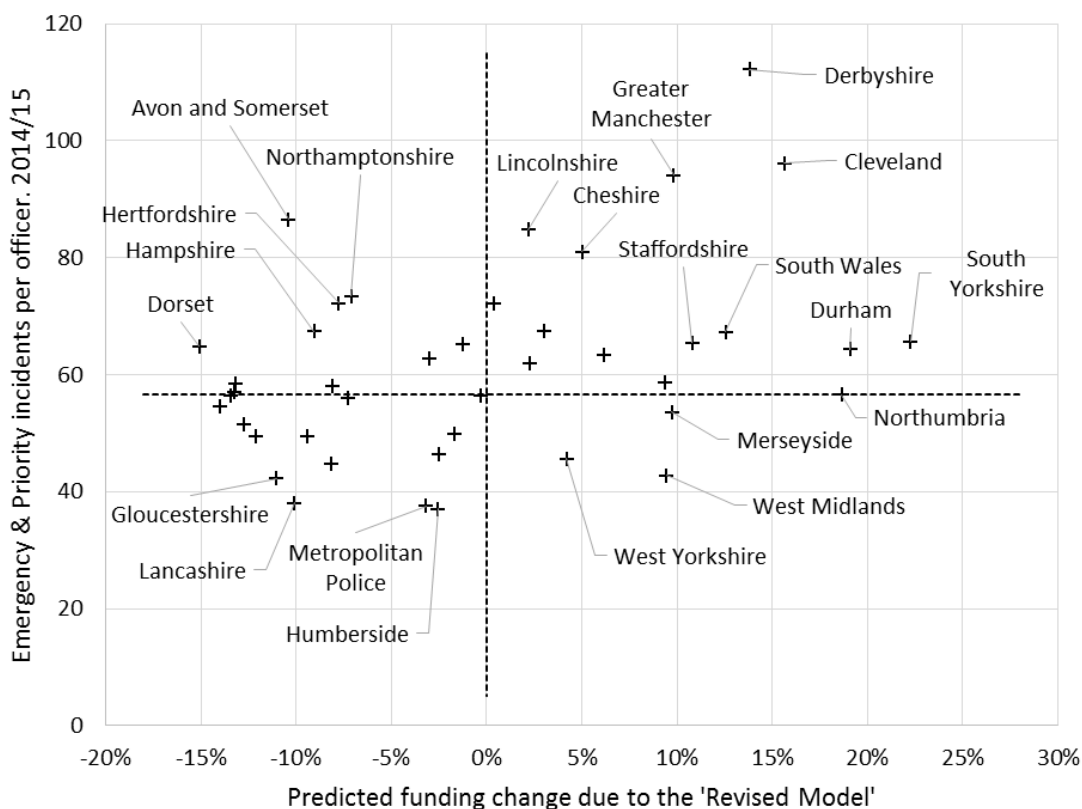
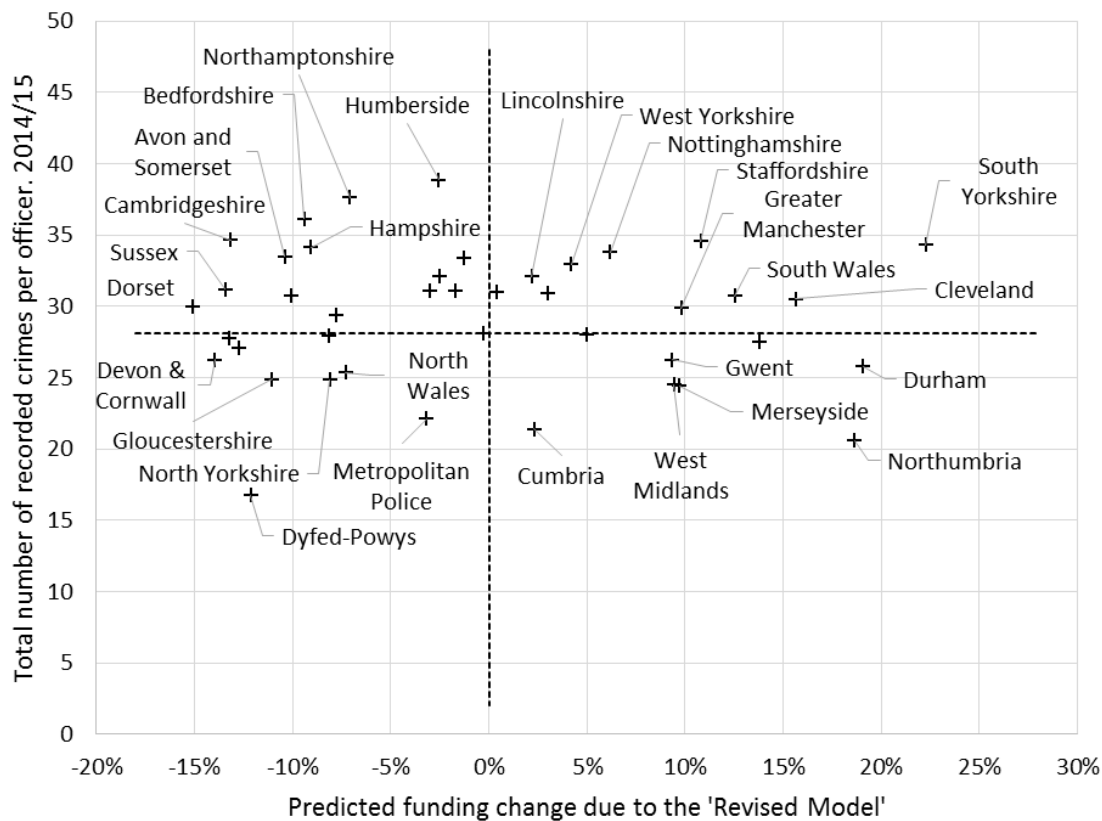


Figure 11 'Total recorded crimes' per officer, 2014/15, against estimated funding change on the introduction of the Revised Funding Model



54 The point here is that, whether measured in terms of ‘incidents per officer’ or ‘crimes per officer’, there is currently great disparity between forces. Many other indicators could have been examined, and not all are consistent with one another: possibly because of different recording practices and/or data quality issues; possibly because of case-mix issues. Either factor may explain the inconsistency between these two scatterplots; namely the fact that Humberside has one of the lowest ‘incident per officer’ rates, but one of the highest ‘crimes per officer’ rates. Other forces show similar, if less pronounced, differences between the two measures and there is much, in other words, that would need to be done to derive a satisfactory measure of the overall burden being placed on police officers in different force areas. Yet the overall message to be drawn from these scatterplots is that it is very unlikely that the proposed shift in resources will do anything to address existing disparities in the number of officers relative to ‘need’, however defined. For instance, Avon and Somerset, Northamptonshire, Hertfordshire, Hampshire and Dorset are all likely to be substantial losers if the revised funding model is introduced, yet all are currently having to deal with often much higher than average numbers of incidents and crimes per officer. Conversely, the West Midlands, Merseyside and Northumbria are likely to receive substantial additional funding, but they all deal with average, or below average, numbers of incidents and crimes per officer.

55 In fact, given our analysis of the development of the new funding formula, and of the composition and construction of the ‘Revised Model’ itself, we would have been surprised if the resulting reallocation were to address any current disparities in the resources available to different forces.

- 56 Indeed, we propose that live births would have been an equally useful indicator. Allocations based on the number of births in each force area³² are more strongly correlated with ‘total recorded crime’ ($r=0.9951$) than are the allocations that would flow from the indicator shares and weightings of the Revised Model as detailed in Annex B of the October Technical Note ($r=0.9849$).
- 57 It is, of course, nonsensical to suggest allocating the police settlement on the basis of live births, but this is the fundamental point. In this era of ‘big data analytics’, there now exists a wealth of operational data and contextual information about people and places which could be deployed to inform a genuinely equitable funding formula. This would require a detailed programme of research and analysis supported by full engagement with the 43 forces in England and Wales. To continue in the current direction is to make police funding a lottery.

³² Aggregated using 2014 ONS local authority level *Birth Summary Tables - England and Wales*. (<http://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/livebirths/datasets/birthsummarytables>)

3 Additional Costs in Rural Policing

3.1 Understanding the additional costs of policing rural areas

- 58 Although sparsity top-ups have been introduced to several funding formulae (including the existing Police Allocation Formula), there are concerns that rural communities have access to fewer public services than their urban counterparts³³. This may in part reflect the difficulties rural authorities (across different departments) have experienced in evidencing the additional costs of providing services in rural and or sparse areas. The little evidence that exists is small-scale or anecdotal (which tends to be less of a reflection of negative results than a failure to commission research in the first place). This lack of quantitative evidence on the potential impact of rurality and sparsity on service costs has failed to convince government officials of the need to make significant adjustments to funding.
- 59 Part of the problem lies in the way in which officials have come to conceptualise the issue. The use of regression modelling of historic activity/expenditure to identify service 'needs' is now the mainstream approach to formula funding and, problematically, it has also been applied to attempts to capture unavoidable additional costs. Thus, the Advisory Committee on Resource Allocation (ACRA) recommended that no adjustment should be made to the NHS formula for rurality because measures of rurality have not been found to be significantly associated with levels of hospital use, when either controlling or not controlling for supply³⁴. Similarly, in 2014, DLCG/DEFRA commissioned research that sought to determine differences between rural and non-rural costs through a regression analysis of unit costs for local authority services³⁵.
- 60 The problem with this approach is that fundamental difficulties exist in disentangling true unit costs from differential investment or indeed service quality. For example, the DLCG/DEFRA funded research found that the unit costs associated with the provision of public transport and traffic management and road safety were inversely, and statistically significantly, correlated with sparsity. This does not seem credible. It is quite plausible, however, that under-funding has resulted in limited public transport services in rural areas and that this, in turn, results in less being spent per capita on public transport in rural areas than elsewhere.
- 61 It is important that well-founded concerns that rural authorities face additional and unavoidable costs in delivering services are not undermined by poor statistical analyses of the relationship between sparsity and service expenditure. Until more robust evidence is

³³ All-Party Parliamentary Group on Rural Services (2010). The implications of national funding formulae for rural health and education provision; House of Commons Environment, Food and Rural Affairs Committee (2013). *Rural Communities Sixth Report of Session 2013–14 Volume I Volume I: Report, together with formal minutes, oral and written evidence*. HC 602. London: The Stationery Office

³⁴ DH (2008) *Report of the Advisory Committee on Resource Allocation*. London: Department of Health Publications. (http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_091484)

³⁵ LGFutures (2014). *Research into Drivers of Service Costs in Rural Areas*. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388587/Rural_summary_report.pdf

available, government departments should make efforts to recognise plausible drivers of additional costs and to consider experiential evidence.

- 62 Theoretically, the case for unavoidable differences in service costs is provided by the private market. When the market is left to work in rural areas, there tends to be limited provision. Retail outlets are sparsely distributed and there are declining numbers of village shops. Rural transport, never widely available, has retreated even further since the deregulation of the industry and there is a far more restricted choice of jobs than in an urban setting³⁶.
- 63 Geographical variation in the distribution of privately-provided services reflects the difficulties of fulfilling basic threshold requirements in rural areas. However, although public service providers face the same difficulties, provision of public goods has not been primarily influenced by market considerations in England and Wales. Even if rural areas have lower levels of demand than urban settings, public services still have to be provided, without the economies of scale that can be achieved for urban provision. Thus, for public authorities charged with making services available to all – or providing services according to need – higher unit costs for lower catchment populations will be unavoidable.
- 64 If difficulties in achieving economies of scale cannot be addressed through increasing resources, rural areas face difficult choices about how to configure services so as to maintain service quality. In Social Care, lower unit costs have been achieved by commissioning short (15-minute) visits to those requiring home care, placing workers on zero hour contracts, or failing to compensate them for the time and money spent travelling (many payments only relate to contact time with users, raising questions about to whom these costs are being shifted)³⁷. The point is that a failure to compensate for unavoidable additional costs can run the risk of legitimising poor practice.
- 65 Evidence of urban-rural differences in service configuration and quality is also found in the NHS. NHS Information Centre figures show large variations in the proportion of unregistered clinical support workers employed by acute trusts. In 2010, more than 37% of all nursing and support staff fell into this category in Taunton and Somerset, Mid Cheshire and United Lincolnshire NHS Trusts - over three times the proportion as in the Royal Brompton and Harefield and Royal Marsden NHS Foundation Trusts. NHS Trusts serving rural catchments were the most likely to rely on healthcare assistants; London hospitals the least (14 of the 20 best performing hospitals are located in the capital).
- 66 Rurality is also associated with additional travel costs. In the absence of an adequate public transport system, travel is inevitably by car, which incurs both fixed and fuel costs. More time

³⁶ Asthana, S., Halliday, J., Brigham, P. and Gibson, A. (2002). *Rural Deprivation and Service Need: an Assessment of Indicators for Rural Service Planning*. vi + 41 pp. Report published by South West Public Health Observatory. ISBN 0-95413595-4

³⁷ Hussein, S. (2011). Estimating probabilities and numbers of direct care workers paid under the national minimum wage in the UK: A Bayesian approach. Issue 16, Social Care Workforce Research Unit, King's College, London.

spent travelling results in higher levels of unproductive staff time. Consequently, staffing levels may need to be higher in rural areas to provide a basic standard of service.

67 Empirical studies which directly capture unit costs tend to be small in scale but confirm that travel-related unit costs differ significantly between urban and rural areas:

- The average mileage of urban occupational therapists in Dorset was found to be 1,952 miles, compared to 4,880 for rural OTs³⁸.
- The travel-related unit costs per head of providing domiciliary care in England varied from £94 in Birmingham to £210 in North Yorkshire³⁹.
- The cost of providing similar domiciliary care packages in East Riding of Yorkshire was 97% higher for rural clients receiving 3 hours of care and 110% higher for rural clients receiving 5.5 hours of care than for their urban counterparts⁴⁰.
- Assertive Outreach workers (mental health) in Plymouth had an average monthly mileage of 429 miles compared to 1,139 in North and East Cornwall. The costs of transport per service user were respectively £393 and £1,102⁴¹.
- The Arbuthnott review of resource allocation in the Scottish NHS found that using a relative costs model with Scotland equal to 100, health visiting and district nursing in urban Glasgow was 5.3% below the national average, while the rural area of Argyll and Clyde was 3.3% above⁴².
- Examining the effect of population distribution and settlement patterns on the cost and performance of 10 local authority services, research by SECTA for the Countryside Agency found the cost per head of population in the 'mainly rural' districts to be around 77% higher than in the 'mainly urban' districts⁴³.
- Refuse collection costs were found to incur a rural premium of 72% in East Riding and 90% in South Shropshire, due to the lower number of properties in sparsely populated rural areas⁴⁴.
- In three LAs for which data were available, the 'rural cost penalty' of waste collection/recycling was identified as varying between 123% and 224% for village, hamlet & isolated dwellings compared to urban areas within the same local authority area. This compared with the 4% sparsity allocation within the funding system for the EPCS District Services sub-block⁴⁵.
- Predominantly rural Fire and Rescue Authorities' transport costs were 35% higher than those of predominantly urban authorities in 2009/10. Transport costs in predominantly

³⁸ Galuschka, J. (1999) Occupational Therapists (OTs) mileage in urban and rural Dorset, Dorset Social Services.

³⁹ County Councils Network (1998). *Population Sparsity and the Personal Social Services*. A Report from the Social Services & Sparsity Steering Group.

⁴⁰ Hale, R. (2006). *Costs of Services provided for Rural Communities*. London: Rita Hale Associates.

⁴¹ Brigham, P. and Asthana, S. (2003). *Mental Health Assertive Outreach: Additional Cost implications in Rural Areas*. Report for the Rural Health Allocations Forum. University of Plymouth.

⁴² SHED (Scottish Executive Health Department) (1999) *Fair Shares for All: Report of the National Review of Resource Allocation for the NHS in Scotland*. Edinburgh: Scottish Executive Health Department

⁴³ SECTA/MSA Ferndale (2004). *Developing Indicators of Population Distribution and Settlement Patterns*. Report for the Countryside Agency. London: SECTA

⁴⁴ Hale, R. (2006). *Costs of Services provided for Rural Communities*. London: Rita Hale Associates.

⁴⁵ Ranasinghe, J. (2011). *Costs of Providing Services in Rural Areas*. Report for Sparsity Partnership for Authorities Delivering Rural Services (SPARSE-RURAL). Milton Keynes: LG Futures.

rural authorities represented, on average, 4.7% of the total budget compared to 3.5% in predominantly urban authorities⁴⁶.

- 68 There are also less obvious increased rural cost issues⁴⁷, such as those associated with training requirements and inter-agency working. Rural authorities may need to employ a greater proportion of their staff on higher grades due to longer service and the need to employ staff who are sufficiently qualified to work with flexibility (e.g. to substitute for other professionals) and autonomy. It can be more difficult and costly to recruit staff – due to lack of choice. Rural staff may also have higher costs of living. According to Minimum Income Standard research commissioned by CRC and the Joseph Rowntree Foundation, people in rural areas typically need to spend 10-20% more on everyday requirements than those in urban areas. The more remote the area, the greater these additional costs⁴⁸. Despite this, Labour Cost Adjustments normally capture the low pay effect in rural areas.
- 69 Even when the case for a rural premium has been accepted, this usually represents a very small proportion of overall funding and bears little relation to the actual additional rural costs⁴⁹. Typically, small sparsity adjustments have been cancelled out by the inclusion of factors that are biased towards urban areas. A good example of this within the Police Allocation Formula has been the use of bar density rather than number of bars in a force area. In its response to the Home Office's 2015 Consultation, Devon and Cornwall PCC & Constabulary noted that, while Devon and Cornwall had around the same number of bars and pubs as West Yorkshire, the force stood to receive £24 million less, by virtue of it being a large geographical area⁵⁰.
- 70 The 2015 consultation provided an opportunity for forces such as Devon and Cornwall and Hampshire to make a strong case for Whitehall to acknowledge the different challenges faced by rural areas. However, as the Home Affairs Committee noted, the Home Office's approach to the consultation reflected an assumption that police forces could only consider funding arrangements on the basis of their own vested interests⁵¹. Given the fundamental problems with the existing and proposed approach to police funding and the lack of evidence about urban-rural differences in unit costs, the concerns expressed by such forces should not be dismissed as special pleading for rural areas. Nevertheless, acknowledging that the lack of quantitative evidence has

⁴⁶ Op Cit

⁴⁷ Asthana, S., Gibson, A., Moon, G. and Brigham, P. (2003) Allocating resources for health and social care: the significance of rurality. *Health and Social Care in the Community*, 11(6):486-93.

⁴⁸ Smith, N., Davis, A. and Hirsch, D. (2010). *A minimum income standard for rural households*. London: Joseph Rowntree Foundation and Commission for Rural Communities.

⁴⁹ Hindle, T., Spollen, M., Dixon, P. (2004). Review of the Evidence on Additional Costs of Delivering Services to Rural Areas. London; SECTA.

⁵⁰ Consultation on reform of police funding arrangements in England and Wales. Joint Response from the Police and Crime Commissioner for Devon and Cornwall and the Isles of Scilly and the Chief Constable of Devon and Cornwall Constabulary. <http://7f81ff6114e21659b84a-cde1435c149cc037d22b329c27ad88ee.r2.cf3.rackcdn.com/Documents/Our%20information/Responses%20to%20consultation/FOR%20MULA%20CONSULTATION%20RESPONSE%20DEVON%20AND%20CORNWALL%20-%20SUBMITTED%20FINAL%20090915.pdf>

⁵¹ House of Commons Home Affairs Committee (2015). Reform of the Police Funding Formula. Fourth Report of Session 2015–16. Report, together with formal minutes relating to the report. HC 476. London: The Stationery Office Limited, p.14

been a barrier to understanding the needs of rural police forces, we present exploratory analysis below.

3.2 Quantitative evidence on the potential impact of rurality and sparsity on the cost of policing

71 The 39 English and 4 Welsh Police Forces vary hugely in size and serve profoundly different geographic areas; from City of London Police which serves a resident population of less than 8,000 people in the 290-hectare heart of a 'world city', to Dyfed-Powys Police which serves a resident population of over ½ million people spread across over a million hectares of largely dispersed towns and villages⁵².

72 It is difficult to conceive of a simple formula that can encompass such a range of circumstances and, indeed, the specific needs of the City of London and Metropolitan Police Forces have long been recognised; primarily through the National and International Capital City (NICC) grant. The consultation document states this additional funding arrangement will continue, and may be enhanced as "the current funding arrangements do not appear to fully capture the challenges these forces face"⁵³.

73 The NICC grant ostensibly "addresses the costs of unique or additional policing activities which [...] arise because of London's status as the capital city of the United Kingdom"⁵⁴ but, as the consultation makes clear, it is also necessary because "the funding allocations for London forces cannot easily be estimated accurately in any model covering England and Wales"⁵⁵. This is undoubtedly the case, not least because of the analytical difficulties which flow from the fact the City of London (with a resident population of 8,072 people and daily transient population of 319,200 people) and the Metropolitan Police Service (serving 8.53 million people) are distinct outliers in a set of force populations which otherwise range from 0.5 to 2.8 million. The particular case made in the consultation document, however, is that London is in some way fundamentally different to other parts of the country: noting, for instance, that "there are 32 local authorities within Greater London and 28 of these are statistical 'outliers'. This means that they are very different to other areas on one or more key socio-economic indicators used in the current PAF"⁵⁶. The only specific given in the consultation document is that 20 of the 22 local authorities where the number of overcrowded households is 'very different' to the rest of the country are to be found in London. This may well be true, but other parts of England and Wales are outliers for other reasons – notably because they serve often small populations dispersed across very large rural areas.

⁵² See 00_RuralPoliceProject\00_Report\ForceSize.xlsx for collated figures on PFA area, pop and density – along with associated graphs.

⁵³ Home Office, *Consultation on reform of police funding arrangements in England and Wales Consultation*, July 2015, p31 (Para 8.7). Henceforth '*Consultation*'. See <https://www.gov.uk/government/consultations/reforming-police-funding-arrangements-in-england-and-wales>.

⁵⁴ *Consultation*, p31 (Para 8.4 - quoting the definition of the NICC grant).

⁵⁵ *Consultation*, p31 (Para 8.1)

⁵⁶ *Consultation*, p31 (Para 8.2)

- 74 The original consultation document did not engage with rurality/sparsity at all, and the post-consultation Technical Note merely asserts that “a specific indicator for sparsity did not generally benefit force areas with more sparsity, i.e. more rural forces” and that “data on roads is not collected at a sufficient level of aggregation to ensure statistical robustness as it is only available at upper tier local authority level”⁵⁷. As we show below, not only is the latter manifestly not the case, but it is clear that aspects of rurality/sparsity incur additional costs and, moreover, there is now ample evidence upon which to develop both a better understanding of the drivers of those additional costs and how they can be incorporated within a genuinely equitable funding formula.
- 75 There are five key interrelated aspects of rurality and sparsity which have been claimed, in different ways and to varying degrees, to impact on policing costs: (a) the additional distances that must be covered to provide an appropriate service with an associated reduced capacity for cross-border policing, (b) the complexities of dealing with multiple partner organisations across wide areas, (c) seasonality and high peak resource needs, (d) the need for a more flexible and generally higher-grade workforce, and, with many rural areas served by smaller police forces, (e) a lack of capacity for economies of scale. Time constraints and a lack of access to individual police force data precludes a formal evaluation of the additional costs associated with each of these factors, but it is often possible to quantify the nature and scale of the problems faced by authorities serving sparse and dispersed rural populations. Our goal here is to demonstrate that rurality/sparsity is a substantive issue and that the Home Office needs to undertake further research to ensure that the proposed new funding formula meets the needs of police forces across all parts of the country.

Policing incidents in rural/dispersed communities

- 76 The issue here concerns the size and shape of the areas some forces are required to police, and particularly the distances they must travel to deal with Public Safety and Welfare (PSW) and transport incidents. It responds to how populations and roads are distributed across those areas as well as to how well-connected a force is to its neighbours. Thus a population in a small compact PFA centred on a single city will make less demands on travel time than one in a large irregular PFA with multiple population foci. Moreover, a small compact force which shares its boundaries with other forces (or, like the City of London, lies entirely within another force area), is better able to implement cross-border policing arrangements – including sharing key resources – than forces which, like Cumbria, North Wales and Devon & Cornwall, have extensive coastlines and only limited physical contact with other forces. Unfortunately, whilst information on the areas and populations covered by each force is readily available, it is more difficult to quantify precisely what this means in practical terms; not least because one must assume how personnel are deployed in different areas and this, of course, is subject to local discretion. Nevertheless, by using detailed statistics recording the locations of almost all

⁵⁷ Home Office, *Refined Police Funding Model Technical Note*, 29 October 2015, p7 (Para 23). (Available via <http://lancashire-pcc.gov.uk/wp-content/uploads/2015/11/20151028-Home-Office-to-PCC-for-Lancashire-Refined-Police-Funding-Model-Technical-Note.pdf>)

(98.7%) recorded crime and anti-social behaviour (ASB), and the locations of all RTIs attended by police officers during 2013/14 and 2014/15⁵⁸, and measuring the average distance between those incidents and existing police stations⁵⁹, it is possible to derive a reasonable initial measure of service accessibility for each police force. This is reported in Table 6 below, with 'to crime/ASB' and 'to RTI' distances varying respectively from 0.96km and 1.02km (in the City of London) to 24.47km and 25.85km (in Warwickshire). The table is ordered from low to high 'to crime/ASB' distances, and all distances refer to round trips from the nearest police station in the police force area in which each incident takes place.

77 Importantly it should be noted that this does not account for a more complex staffing picture, such as hubs for specialist units such as roads policing, police stations which are voluntarily staffed, and patrolling officers. However with the information and time available to us this was the best approximate picture available to us.

78 These statistics provide, in general terms, a reasonable initial proxy for distance-related additional costs of policing different types of area due to rurality and sparsity. It does suffer, however, because (a) we must assume the OS Points of Interest database of police stations represents a reasonable proxy for the deployment of officers, (b) we only have access to detailed geo-located crime/ASB data and, excepting for North Yorkshire as discussed below, we do not have equivalent data for the full range of incidents to which the police are required to respond, and (c) we have not been able to take account of cross-boundary policing arrangements. For this reason, for instance, the very high distances recorded for Warwickshire are undoubtedly misleading for, as illustrated in Figure 12, the irregular shape of the Warwickshire police force area means that cross-boundary policing would be able to significantly improve coverage. This force is also unusual in terms of the number of formal police stations recorded by the OS Points of Interest database; with just 4 stations covering a population of 548,729 (a rate of 137,182 people per station which compares, for instance, with Thames Valley's 55 stations serving, on average, just 42,115 people each).

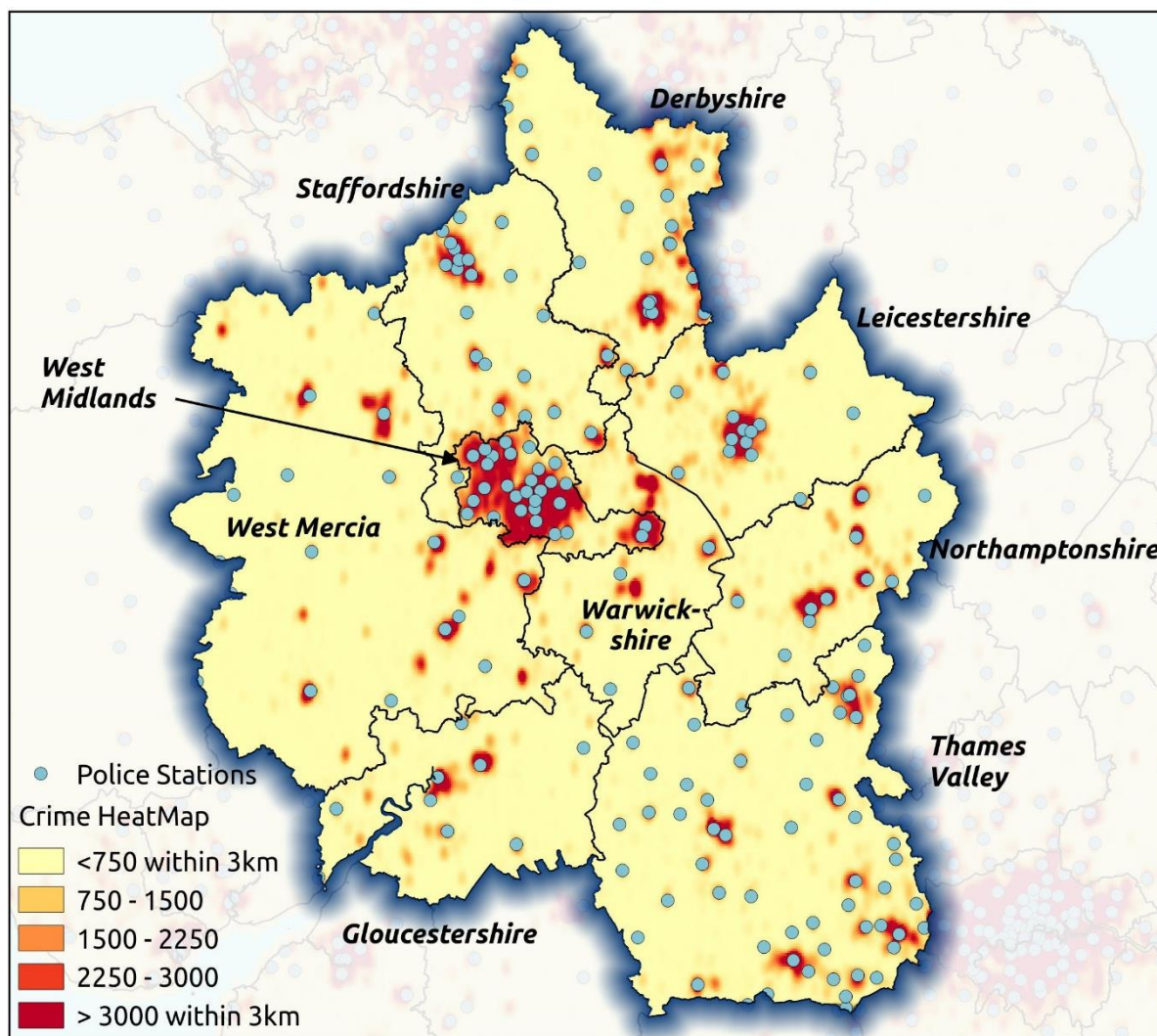
⁵⁸ Crime data has been extracted for April 2013 – March 2015 (2 years) using the custom downloads facility at <https://data.police.uk/data/>. The street-level crime files contain latitude/longitude data on 98.7% of all recorded crime, although for confidentiality reasons these refer one of 750,000 local 'anonymous' map points rather than precise locations (see <https://data.police.uk/about/#location-anonymisation>). Road accident data has been extracted for the calendar years 2013 and 2014 from <https://data.gov.uk/dataset/road-accidents-safety-data>. This locational data is accurate to a few metres.

⁵⁹ Police station locations have been identified using the OS *Points of Interest* database (Code=6330422). This is a location based directory of all public and privately owned businesses, transport, health, education and leisure services in Britain. See <https://www.ordnancesurvey.co.uk/business-and-government/products/points-of-interest.html>.

Table 6 Service Accessibility by Police Force: Crime and Road Traffic Incidents

PFA13NM	Force Area (Hectares)	Mid-2013 Population	Pop Density (Persons / Hectare)	Combined Data for 2013/14 & 2013/15				
				Recorded Crimes & ASBs (with locations)	RTIs	Police Stations	Ave.dist. to crime incidents (km)	Ave. dist. to RTIs (km)
City of London	290	316,500	1092.2	12,568	616	3	0.96	1.02
Metropolitan Police	156,925	8,408,887	53.6	1,906,009	45,578	72	3.36	3.42
Sussex	378,171	1,633,870	4.3	272,893	7,896	40	3.46	5.32
Humberside	351,728	922,183	2.6	171,642	5,156	24	3.58	6.00
Northumbria	555,307	1,429,383	2.6	298,162	6,108	28	3.79	5.64
Cleveland	59,656	559,745	9.4	167,926	1,838	15	3.82	4.27
Lancashire	307,509	1,468,845	4.8	341,277	7,510	27	3.87	5.68
Cheshire	234,278	1,034,812	4.4	176,733	5,122	21	3.91	6.17
Thames Valley	574,047	2,316,301	4.0	297,364	10,380	55	4.02	5.56
North Yorkshire	830,955	805,182	1.0	134,282	4,050	34	4.03	8.04
Hertfordshire	164,307	1,140,706	6.9	158,925	4,640	22	4.11	5.03
West Midlands	90,164	2,783,475	30.9	491,298	10,230	30	4.13	4.12
Staffordshire	271,373	1,107,234	4.1	176,326	5,608	22	4.52	6.01
Greater Manchester	127,603	2,714,944	21.3	642,943	7,722	23	4.74	4.92
Northamptonshire	236,397	706,647	3.0	150,127	2,414	11	4.75	7.71
Durham	242,354	621,353	2.6	117,244	2,360	13	4.91	6.46
West Yorkshire	202,927	2,252,192	11.1	478,508	9,732	27	4.91	5.18
Derbyshire	262,473	1,027,583	3.9	196,291	4,572	21	5.10	7.08
Bedfordshire	123,543	633,899	5.1	114,575	2,604	9	5.18	7.34
Leicestershire	253,771	1,032,993	4.1	164,195	4,784	14	5.19	7.69
Essex	366,952	1,753,052	4.8	304,750	7,712	25	5.26	6.90
Lincolnshire	592,062	724,453	1.2	113,933	4,620	25	5.27	9.21
Nottinghamshire	215,939	1,107,053	5.1	213,187	5,286	19	5.59	7.73
Kent	373,556	1,764,617	4.7	313,778	9,744	22	5.64	7.89
Gwent	155,152	579,101	3.7	117,034	1,748	14	5.99	5.50
Cambridgeshire	338,962	820,468	2.4	142,202	4,134	14	6.27	8.44
Suffolk	380,018	735,898	1.9	120,496	3,334	19	6.40	8.44
Merseyside	64,488	1,386,589	21.5	303,535	5,310	11	6.79	8.09
Dorset	265,255	754,463	2.8	125,544	3,548	16	7.31	8.71
Gloucestershire	265,325	605,654	2.3	106,328	1,550	8	7.34	10.62
Surrey	166,250	1,152,114	6.9	167,043	7,586	12	7.53	8.56
North Wales	615,007	691,986	1.1	122,605	2,890	29	7.59	9.73
Dyfed-Powys	1,095,492	516,611	0.5	75,689	2,462	40	7.61	9.26
Hampshire	414,941	1,925,724	4.6	326,923	8,950	30	7.62	8.35
Avon & Somerset	477,663	1,630,935	3.4	289,433	6,618	21	7.98	9.83
South Wales	207,861	1,294,714	6.2	250,919	4,690	9	8.17	9.73
South Yorkshire	155,153	1,358,153	8.8	349,959	5,984	7	8.30	9.08
Norfolk	537,056	870,146	1.6	136,168	3,552	11	9.41	13.79
West Mercia	740,787	1,235,274	1.7	214,711	4,512	14	11.22	14.37
Cumbria	676,656	498,070	0.7	94,713	2,452	8	11.29	17.03
Wiltshire	348,544	693,671	2.0	106,888	2,954	6	11.65	14.76
Devon & Cornwall	1,026,949	1,692,872	1.6	245,741	7,848	12	15.65	20.89
Warwickshire	197,508	548,729	2.8	91,849	2,958	4	24.47	25.86

Figure 12 Warwickshire Police Force and Neighbouring Areas: Police Stations and Crime



79 Recognising the limitations of this preliminary analysis, it is clear that many of the forces serving low density populations (notably, but not only, West Mercia, Cumbria, Wiltshire and Devon & Cornwall) are faced with considerable additional travel-related costs. The practical implications of this are well-illustrated by Figures 13 and 14, which plot each force's number of police stations against 'to crime/ASB' and 'to RTI' travel distances respectively. Thus, in very approximate terms, Devon and Cornwall Police Force would need about five times as many police stations to achieve similar 'to crime/ASB' and 'to RTI' distances as the Metropolitan Police Service, whilst Cumbria, West Mercia and Wiltshire would require about four times as many police stations; and this would be to serve very much smaller populations, as shown in Table 6 above.

Figure 13 Number of Police Stations and 'to crime/ASB' distances by Police Force

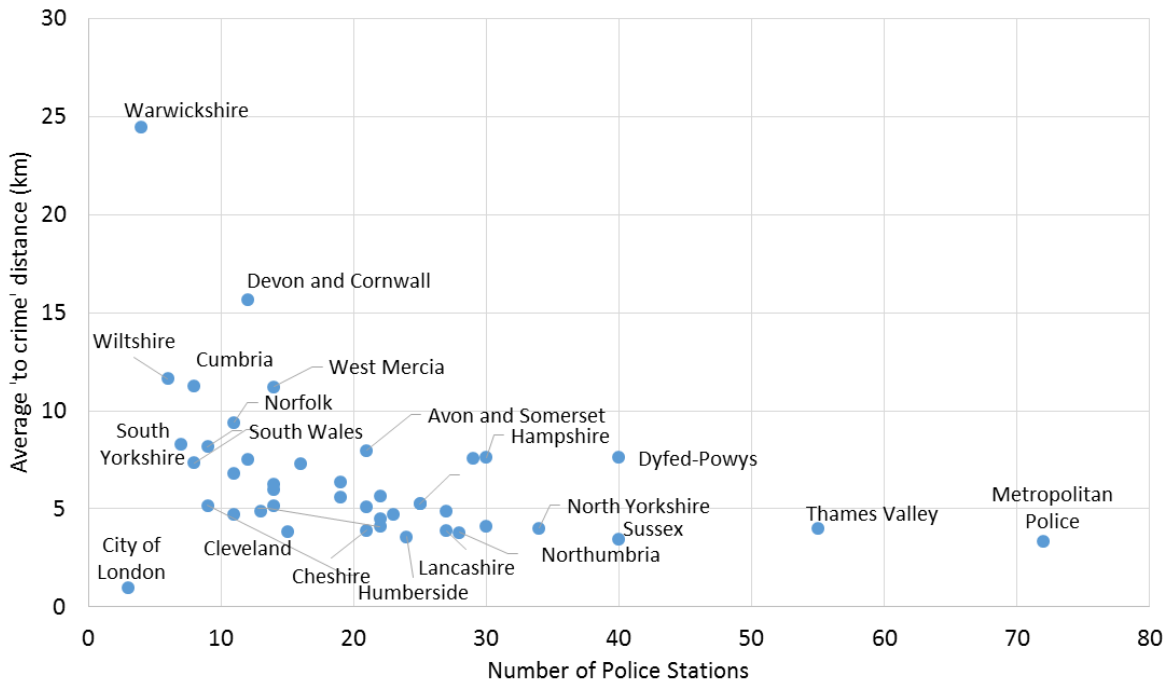
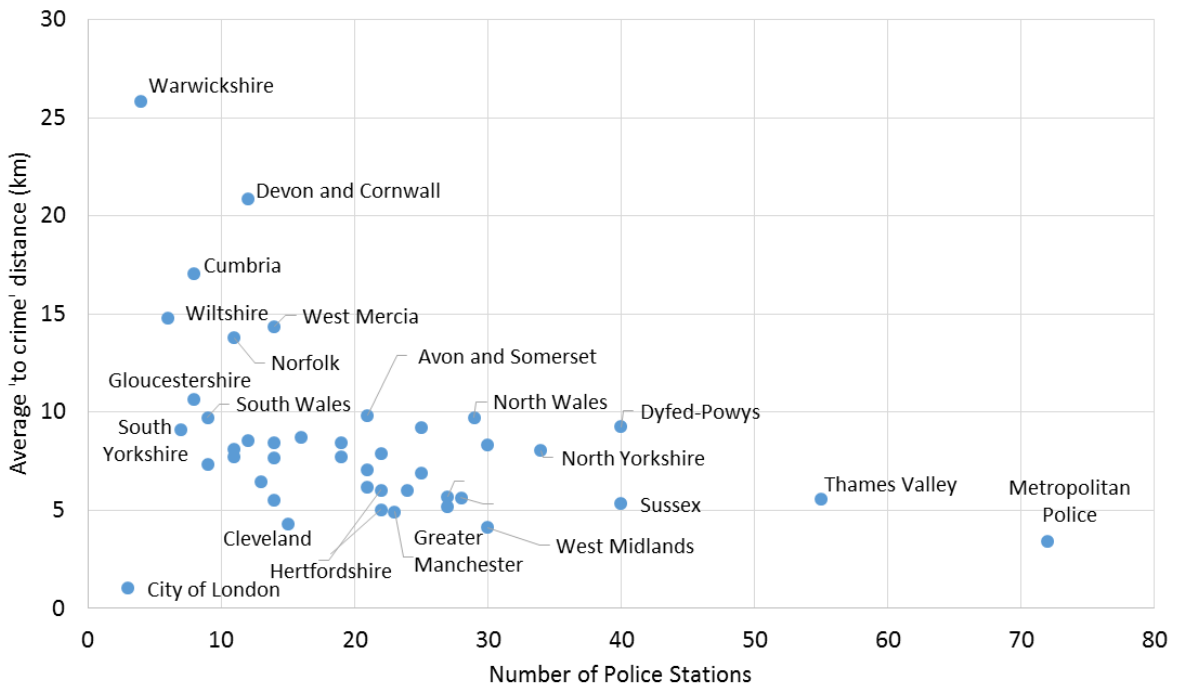
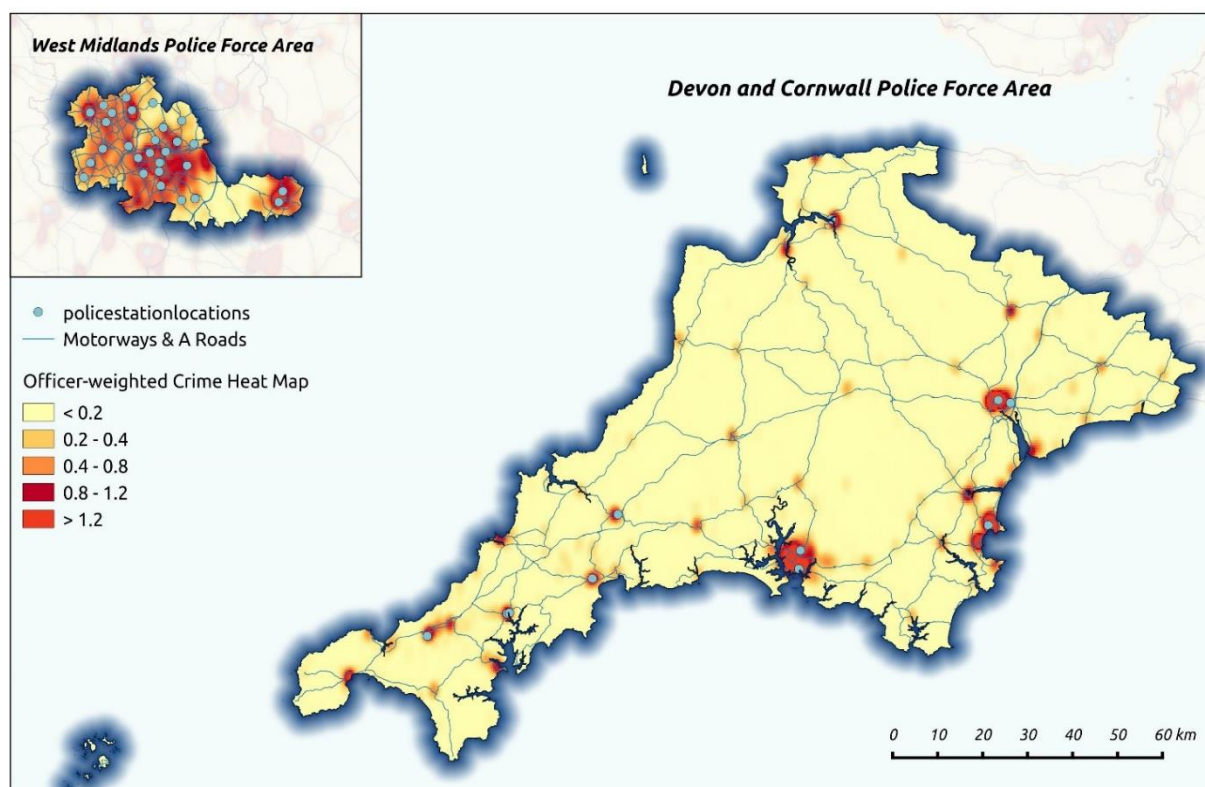


Figure 14 Number of Police Stations and 'to RTI' distances by Police Force



80 The general point is that real and substantive differences in geography will clearly affect the cost of policing different areas and these differences need to be quantified and incorporated into any future formula. For example, Figure 15 below maps police stations, major roads and crime/ASB density (as a heat map showing the number of crimes/ASBs within 3km during 2013/14 and 2014/15 weighted by the number of police officers) in the Devon & Cornwall and West Midlands Police Force Areas.

Figure 15 Contrasting Geographies: Crime/ASB in Devon & Cornwall and the West Midlands



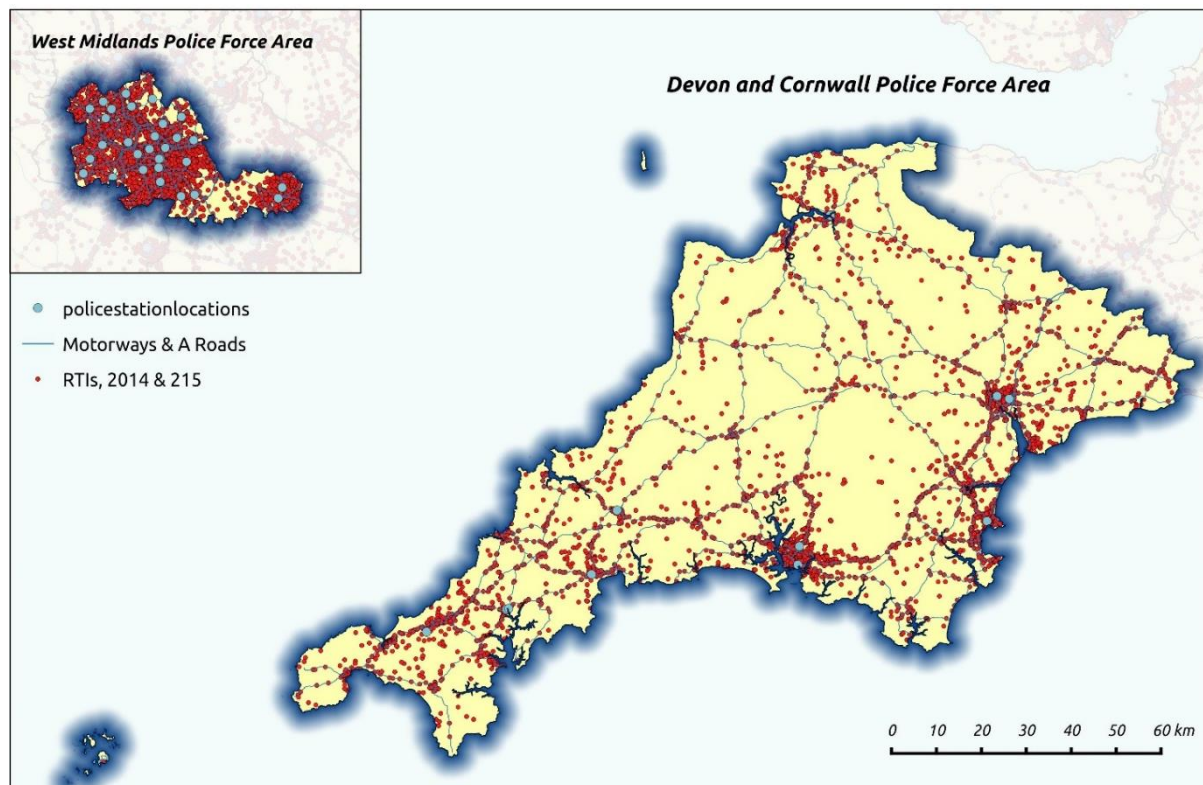
81 Using the same scale for both areas, it illustrates the dispersed nature of crime/ASB incidents in Devon & Cornwall compared to the concentrated pattern of incidents in the West Midlands. Over the two years there were undoubtedly more crimes/ASBs and a higher *per capita* rate in the West Midlands (n=491,298 & 176.5 per 1000 people) than in Devon & Cornwall (n=245,741 & 145.2 per 1000 people), but this is more than made up for by the number of police officers in the two areas. With 7,187 full-time equivalent (FTE) officers (including 3,040 designated 'Local Policing') in the West Midlands, compared to just 3,065 FTE officers (of whom 1,289 FTE were 'Local Policing') in Devon and Cornwall⁶⁰, there were significantly more crimes per officer in Devon & Cornwall than in the West Midlands. In terms of overall FTE officers, the figures were 80.2 crimes/ASBs per officer in Devon & Cornwall compared to just 68.4 per officer in the West Midlands, whilst in terms of 'Local Policing' FTE officers the figures were 190.6 and 161.6 respectively. In other words, the 'per officer' burden in Devon & Cornwall is about 18% more crimes/ASBs than in the West Midlands. This burden is, moreover, distributed (albeit not evenly) over a massively larger area; 1,026,949 as opposed to just 90,164 hectares. It seems inconceivable that this will not impact on the nature and/or quality of the service that can be provided in Devon & Cornwall.

82 Figure 16 below, meanwhile, plots (again at the same scale) the distribution of recorded RTIs across the two police force areas during the 2014 and 2015 calendar years, of which there

⁶⁰ POA staffing data from 2014/15 (<https://www.justiceinspectrates.gov.uk/hmic/media/value-for-money-profile-2014-poa-data.ods>). Devon & Cornwall had 372, and the West Midlands 690, 'Local Policing' Police Community Support Officers (PCSOs; a broadly similar percentage of the underlying number of police officers in each police force (28.9% and 22.5% respectively).

were 10,230 in the West Midlands (across 2,367km of roads spread over 90,164 hectares and policed by 226 'road policing officers'⁶¹) and 7,848 in Devon and Cornwall (across 10,559 km of roads spread over 1,026,949 hectares policed by just 105 'road policing officers').

Figure 16 Contrasting Geographies: RTIs in Devon & Cornwall and the West Midlands



83 This time, although 30% more RTIs were recorded in the West Midlands than in Devon & Cornwall, the *per capita* rate was lower in the West Midlands (3.68 per 1000 people) than in Devon & Cornwall (4.64 per 100 people). The discrepancy between the two forces was even higher in terms of recorded RTIs per FTE 'Road Officer', at 74.7 per officer in Devon and Cornwall and only 45.3 per officer in the West Midlands. The RTI burden on officers in Devon & Cornwall is, in other words, 65% higher than in the West Midlands and, once again, this burden is spread over a very much larger area and over many more kilometres of road. If one additionally allows for the fact that only 10.4% of the Devon & Cornwall force area lies within 10 km of other forces, compared to almost all of the West Midlands Police Force, then it becomes increasingly obvious that the overall 'cost' of policing must be significantly affected by geography.

84 Similarly dispersed patterns of crime/ASB and RTIs can be seen in other police force areas serving areas with dispersed populations and extensive rural hinterlands. In this respect the evidence for North Yorkshire is interesting because, in addition to data on recorded crimes

⁶¹ POA staffing data from 2014/15 (*op.cit.*) reports 105 'Road Policing Officer' FTEs in Devon & Cornwall and 226 in the West Midlands. These forces had a similar number of 'road policing staff' (35 and 43 respectively). Road lengths have been extracted from the Ordnance Survey *Open Roads* digital resource (<https://www.ordnancesurvey.co.uk/business-and-government/products/os-open-roads.html>) using QGIS 2.8.2 (QGIS Development Team, 2016. *QGIS Geographic Information System*. Open Source Geospatial Foundation Project. <http://qgis.osgeo.org>).

and RTIs (Figure 17), we have data extracted from the force's 'Storm' Command and Control system recording Public Safety and Welfare (PSW) and Transport incidents during 2014/15 and 2015/16. Not all these incidents required an immediate or emergency police presence (some could be resolved over the phone), but plotting their locations (Figure 18) illustrates the fact that, although PSW and Transport incidents (like recorded crime) are concentrated in the major towns and cities, only remote moorland is incident-free and the police must be prepared to respond to incidents wherever there are people.

- 85 And what is true for North Yorkshire is true for England and Wales as a whole. Crime, anti-social behaviour, RTIs and, indeed, all police activity responding to Command and Control incidents is concentrated in more populated areas, and will reflect aspects of the socio-economic and environmental characteristics of those areas, but it occurs almost everywhere. For instance, only 4 of the 34,753 lower super output areas (LSOAs) in England and Wales (which are small units of between 1,000 and 3,000 people) did not experience some recorded crime in 2013/14 and 2014/15. Police forces need to be able to respond appropriately to PSW and Transport incidents wherever they may take place and, as this is more challenging when dealing with dispersed populations in rural areas, the underlying geography of different areas needs to be recognised in any future funding formula.
- 86 Developing a universally acceptable 'rurality' element in the formula will not be straightforward, but there is certainly sufficient police operational data collected – specifically through force-level Command and Control systems such as 'Storm' – to better understand the impact of geography on the provision of police services. The above discussion provides a *prima facie* case that 'geography matters', but a far more detailed analysis is necessary. We thus strongly recommend that the Home Office use detailed geo-located Command and Control data drawn from across all forces to investigate (a) patterns of police demand across the country as a whole, (b) variations in the prioritisation of incidents and subsequent response times in different environments, and (c) develop funding formula to ensure that the specific difficulties faced by forces serving dispersed communities and large rural hinterlands do not result in an unacceptably lower police service. To avoid 'postcode lotteries' in service provision, we also recommend, that the Home Office accept 'geographic service equity' as a formal funding formula objective, and explore whether such operational data can be used (without encouraging data manipulation or generating perverse incentives) to monitor the extent to which this objective is being met.

Figure 17 Crime Heat Map with RTIs, North Yorkshire

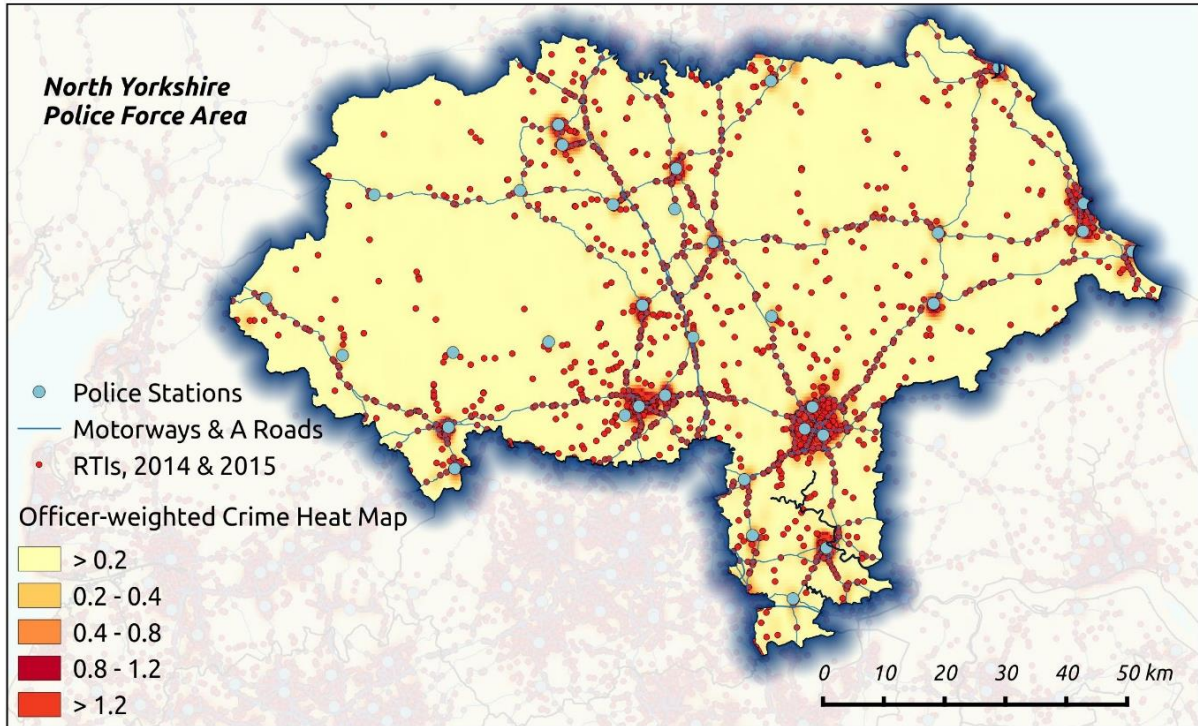
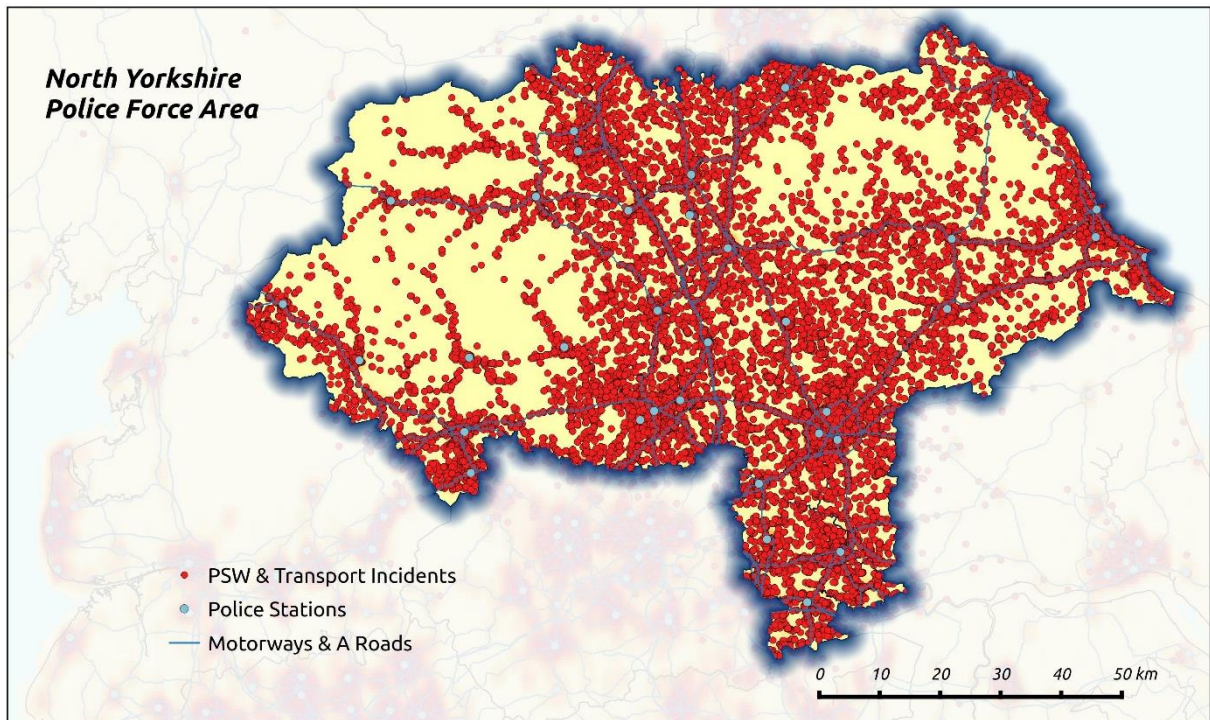


Figure 18 North Yorkshire Police Force Recorded Activity, 2014/15 & 2015/16



Supporting Complex Partnership Landscapes

87 Developing effective partnerships is vital to mitigating the impact of vulnerability on policing demand, and it has been suggested that the complexity of 'partnership landscapes' presents a particular additional challenge to delivering effective policing services, supporting victims and

preventing crime. The Crime Commissioner for Devon and Cornwall, for instance, has suggested the partnership landscape there is particularly challenging; with twelve local authorities, four NHS Care Trusts, two fire services and seven community safety partnerships⁶². Such complexity is not, of course, explicitly linked with rurality *per se*, but it might be assumed that rural forces, because they serve such large areas, may have to maintain partnerships with a wider range of health, social care, local authority and other organisations.

- 88 In fact, Devon & Cornwall is a somewhat unusual rural force in terms of the number of local authorities (LAs=12) and Clinical Commissioning Groups (CCGs=3) with which it must maintain effective partnerships. More generally there is no evidence that rural areas face particular challenges in this respect. The Metropolitan Police Service (serving 8.53 million people) has, of course, the largest number of partner LAs and CCGs (32 as in London LA and CCG boundaries have been aligned), whilst the City of London has the smallest number as it lies entirely within a single LA and CCG. But even forces serving very large areas, such as Cumbria, North Wales and Dyfed Powys, can have relatively few LA and CCG partner organisations (namely 6, 6 and 4 LAs respectively, and 1, 1 and 2 CCGs respectively).
- 89 In general, therefore, rural forces are unlikely to face unusually high additional costs associated with the need to maintain effective relationships with a large number of overlapping partner organisations. Indeed, if anything, this will tend to affect forces serving more densely populated urban areas, particularly if the need to build and maintain effective relationships with neighbouring police forces is to be allowed for. The more general issue, though, is that forces have no control over the 'partnership landscapes' within which they must work and, as such, this may be considered a 'legitimate' driver of resource need which should be recognised in the funding formula. This concept goes to the heart of an evidence-based resource allocation system, whereby factors over which recipient organisations have no control (such as the number of people they serve and, so far as they affect needs, the socio-economic characteristics of populations) are incorporated into the allocative process. It is, for instance, purely a matter of administrative history that the Norfolk Police Force must work with 7 local authorities and 5 CCGs, whereas the slightly smaller Bedfordshire Police Force need work with only 3 LAs and 3 CCGs. If, as suggested by the PCC for Devon & Cornwall, partnership working incurs significant costs then these would need to be recognised and incorporated in any equity-based funding formula.
- 90 Unfortunately, given the time and data available to us we have been unable to adduce evidence upon which to quantify the relative cost of supporting effective partnerships; either relative to the overall cost of policing or in terms of how it varies from force to force in response to the complexity of partnership landscapes. Given the importance of partnership working to both the protection of vulnerable people and in preventing crime, we recommend

⁶² Office of the Police and Crime Commissioner for Devon and Cornwall, *Why the funding formula is unfair. The full story* (Undated; <http://www.devonandcornwall-pcc.gov.uk/fair-funding/why-the-funding-formula-is-unfair/>).

that the Home Office investigate this matter further. This should encompass an analysis of how costs vary relative to 'legitimate' contextual factors over which forces have no effective control, and how the allocation process itself may be used to explicitly support partnership working.

Seasonality and Peak Resource Needs

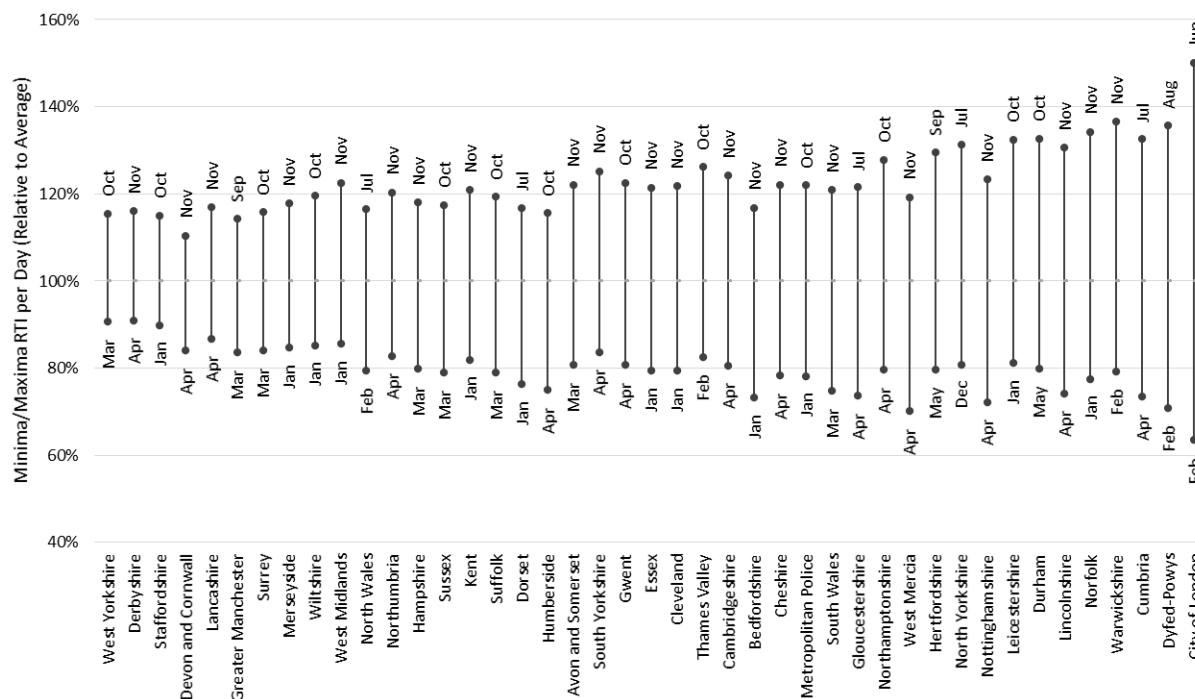
- 91 The proposed use of annual ONS population estimates as one of very few components in the new police funding formula is, as discussed elsewhere, problematic because (a) it ignores both substantial variations in the demographic profile of different populations, and (b) it makes no allowance for the substantial influx of visitors to some police force areas. But areas also vary significantly in terms of how their populations vary over the course of the year, both in terms of absolute numbers and in terms of their demographic profile. It has been suggested that this seasonality has resource implications. In effect, even if forces are funded equitably with respect to their 'mid-year' populations, then those which experience large annual variations in population may struggle to provide an adequate service during peak months.
- 92 For instance, the Police and Crime Commissioner (PCC) for Devon and Cornwall's response to the consultation notes that his area's population increases by up to 21% over the summer months and this results in a 10% increase in both traffic count data and RTIs during the summer months; a 4-6% increase in recorded crime during May and June and a 10% increase in July and August; a slightly higher increase in the number of incidents over the same period; and a 5-7% increase in demand for custody suites⁶³. Estimating an 18% increase in demand for policing resources between May and August, the PCC for Devon and Cornwall's principal argument was that tourist visitors should be incorporated in any population metric used for formula funding⁶⁴, but the implication is that seasonality itself incurs additional costs.
- 93 In fact, as illustrated in Figures 19 and 20 below, all forces experience seasonality in terms of both crime/ASB and RTIs – albeit clearly for different reasons. RTIs peak in October and November, except in those areas where the summer influx of visitors outweighs the effect of poorer driving conditions later in the year: namely in the City of London (where RTIs peak in June); North Wales, Dorset, Gloucestershire, North Yorkshire and Cumbria (July); and Dyfed-Powys (August). All forces need to deploy resources seasonally, but this will be far more difficult in Dyfed-Powys (a large rural area serving a highly dispersed population) with a 91% 'maximum-relative-to-minimum' increase in RTIs than in West Yorkshire (a predominately urban area which includes Leeds and Bradford) with only a 27.2% increase in RTIs. Dealing with RTIs represents, of course, only a proportion of the activity of Road Policing Officers but, if RTIs can be assumed to proxy the wider demand on their time, then it is worth noting that,

⁶³ Joint Response [to the Home Office Consultation] from the Police and Crime Commissioner for Devon and Cornwall and the Isles of Scilly and the Chief Constable of Devon and Cornwall Constabulary, 9 September 2015. (see <http://www.parliament.uk/documents/commons-committees/home-affairs/Annex 2 Devon and Cornwall response to Home Office Funding consultation.pdf>)

⁶⁴ Office of the Police and Crime Commissioner for Devon and Cornwall, *Why the funding formula is unfair. The full story* (Undated; <http://www.devonandcornwall-pcc.gov.uk/fair-funding/why-the-funding-formula-is-unfair/>)

in order to maintain an equitable level of service throughout the year, Dyfed-Powys (with 84 FTE Road Policing Officers in 2014/15⁶⁵) would need to deploy 114 officers in August compared to just 60 in February. This is operationally far more challenging than the equivalent figures for West Yorkshire, namely 222 officers in October compared to 177 in March.

Figure 19 Seasonal Variation: Maximum & Minimum Monthly Average Rates of RTIs per Day



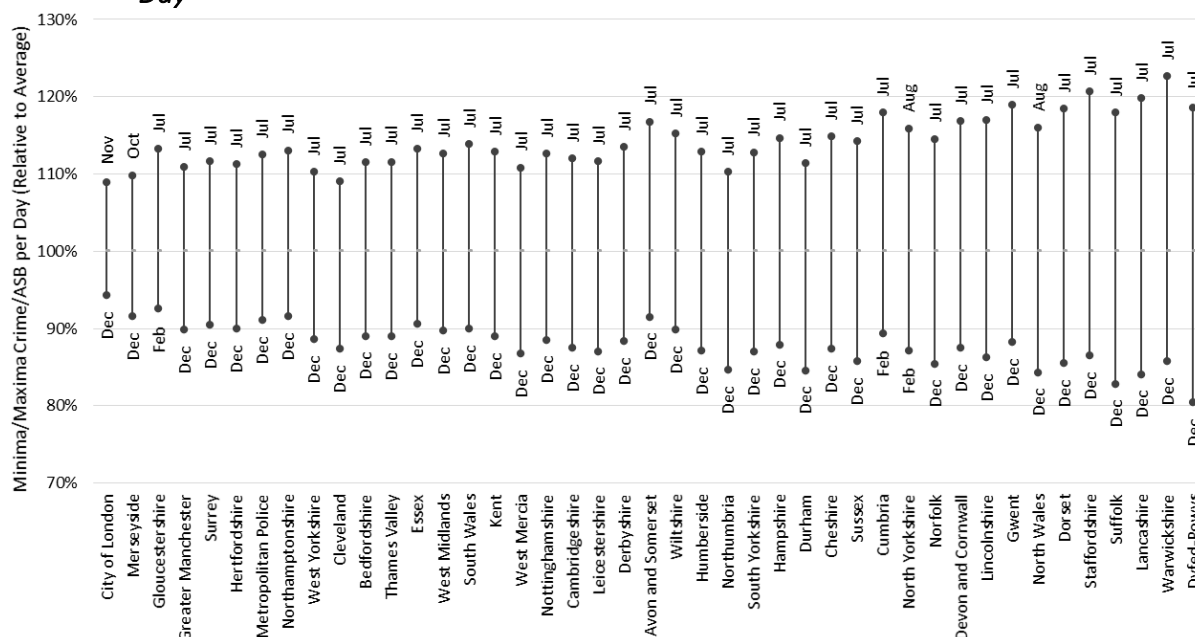
94 Although many of the police forces which must deal with a large seasonal variation in RTIs serve large rural areas (with 8 of the 10 forces with the largest variation in RTIs being either predominately or significantly rural⁶⁶), there is no clear overall pattern – with some rural police forces, such as Derbyshire, Staffordshire and Devon & Cornwall, exhibiting relatively small seasonal variations. However, a much clearer urban-rural pattern emerges with respect to the monthly variation of daily crime and ASB rates (Figure 20), with many rural forces experiencing much higher rates in July and August (when, almost universally, rates are at their highest) than in December or February (when rates are at their lowest). Thus only 5% of the population served by the 10 forces with the smallest ‘maximum-relative-to-minimum’ seasonal increases in crime/ASB live in rural areas, compared to 33.2% of the population served by the 10 forces with the largest seasonal increases in crime/ASB. This is, of course, less to do with rurality *per se* than the seasonally concentrated arrival of large numbers of visitors to these force areas; with there being, *per capita*, nearly twice as many visitors to the

⁶⁵ POA staffing data from 2014/15 (<https://www.justiceinspectrates.gov.uk/hmic/media/value-for-money-profile-2014-poa-data.ods>).

⁶⁶ English forces as categorised in DEFRA’s 2001 Rural Urban Classification of Local Authorities and other geographies (see <https://www.gov.uk/government/statistics/2001-rural-urban-definition-la-classification-and-other-geographies>) with Welsh Authorities classified by ourselves, using the 2011 DEFRA classification of LSOAs (see <https://www.gov.uk/government/statistics/2011-census-rural-analysis-a-guide-to-nomis>), to replicate the English categorisation.

10 force areas with the largest seasonal variation in crime/ASB than to the 10 forces areas with the lowest seasonal variation⁶⁷.

Figure 20 Seasonal Variation: Maximum & Minimum Monthly Average Rates of Crime/ASBs per Day



95 The extent to which daily rates of crime and ASB varies across the year is not as large as with respect to RTIs; varying from a ‘maximum-relative-to-minimum’ increase of 15.5% for the City of London to 47.5% for Dyfed-Powys. Nevertheless, the impact on staff deployment and service provision is still likely to be significant. If the level of crime/ASB can be treated as a proxy for the wider burden on police forces (as is assumed by the proposed funding formula) then, in order to maintain a stable officer per crime/ASB ratio, Dyfed-Powys, with 1,025 operational frontline officers in 2014/15, would need to deploy 1216 officers in July compared to just 817 in December. Whether such variation can be absorbed by normal deployment patterns is at least questionable, and service quality may well be adversely affected by such seasonal variations in demand; particularly in those areas, such as Dyfed Powys, where summer tourism significantly increases RTIs, crime and ASB, and presumably the overall underlying demand on police services.

96 It is not, in other words, simply a case of including visitor numbers in the population metric used in the funding formula; the seasonality of demand must also be recognised. Thus an equitable formula would not only strive to ensure geographic equity, but also that minimum levels of service can be maintained throughout the year. Of course much of this can be achieved through the appropriate deployment of local personnel and resource, and/or through cross-boundary policing arrangements (where these are possible), but an evidence-

⁶⁷ Number of visitors calculated as sum of overnight stays and day visitors. LA-level data, which has been summed to force level, is available from *Volumes and Values of Domestic Tourism in Great Britain – 2014* (<http://tinyurl.com/jmsbhtl>) and *2015 Great Britain Day Visits Survey* (<http://tinyurl.com/hw42p3w>) respectively.

based resource allocation mechanism needs, at the very least, to investigate whether in some areas response times and other performance metrics are being adversely affected by seasonality of demand. Without access to appropriate data we have been unable to do this, but we recommend that the Home Office use operational Command and Control data to test whether the seasonality in RTIs and crime/ASB reported above is accompanied by unacceptable variations in service provision. If so, the Home Office should investigate whether, rather than using a population metric based on each force's annual 'average' population, the population metric should better reflect each force's peak population.

Workforce Composition

- 97 It has been suggested, at least with respect to the provision of health services, that organisations serving less populous rural areas tend to require a more flexible and independent staff, and that this results in the need for a generally higher-grade and more costly workforce⁶⁸. As staffing costs are a significant component of overall costs, it has thus been argued that resource allocation mechanisms should take account of *necessary* differences in the cost of providing *appropriately* skilled workforces in different areas. The first part of this argument seems to apply to policing. Leaving aside the very small and anomalous City of London force (which, at 32.4%, has a very high proportion of staff graded Inspector and above – probably as a direct consequence of being so small), the proportion of higher-grade officers varies from 18.9% to 27.1% (in the Metropolitan and Nottinghamshire Police Forces respectively). In general terms, the proportion of higher-grade officers reflects rurality; with 1 in 4 offices being higher grade in the 10 most rural forces compared to only 1 in 5 in the 10 least rural forces⁶⁹.
- 98 This notwithstanding, it does not appear to translate into a *per capita* staffing resource difference. Police Outcome Activity (POA) FTE and cost data for 2014/15 shows that, in terms of both officers and overall staff (i.e. Police Officers, Police Community Support Officers and 'Other Staff'), per employee costs are slightly lower (by circa 2%) in the 10 most rural forces compared to the 10 most urban forces: and very much lower (by circa 10%) if the Metropolitan and City of London forces, with their London allowances, are included⁷⁰. Rural forces may have a greater proportion of higher-grade officers, but this must be being offset by staff being on generally lower bands within each grade. Whilst it could be argued that this reflects the greater financial pressure being experienced by rural forces (the *per capita* funding for the 10 most rural forces is £172.28, compared to £193.96 for the least rural, rising

⁶⁸ Asthana, S., Gibson, A., Moon, G., Brigham, P. (2003) 'Allocating resources for health and social care: the significance of rurality', *Health and Social Care in the Community*, 11(6):486-93.

⁶⁹ Data on workforce statistics from Home Office, Police workforce, England and Wales: 31 March 2015 (July 2015). See <https://www.gov.uk/government/statistics/police-workforce-england-and-wales-31-march-2015>. The proportion of population in each force area living in rural LSOAs derived from the RUC11 2011 Census classification of LSOAs available via NOMIS (<https://www.nomisweb.co.uk/>). (For further information see <https://www.gov.uk/government/statistics/2011-census-rural-analysis-a-guide-to-nomis>).

⁷⁰ For all staff, the average per employee costs are £43,357 in the 10 most rural forces, and £44,094 in the 10 least rural forces, rising to £49,169 if the two London forces are included. The equivalent figures for police officers are £51,472 and £52,497, rising to £55,888 if London is included. (<https://www.justiceinspectorates.gov.uk/hmic/media/value-for-money-profile-2014-poa-data.ods>).

to £228.39 if the two London forces are included), the fact of the matter is that there is no compelling evidence that rurality incurs additional costs by requiring forces to recruit and maintain a more flexible and skilled workforce. We do not consider this issue to require further investigation.

Fixed Costs and Economies of Scale

99 In theory, an allocative process which makes no allowance for inescapable ‘fixed costs’ which are independent of the size of an organisation will disadvantage smaller forces. It is also arguable whether economies of scale can be achieved across many aspects of policing and that, if this is not taken into account smaller forces will be further disadvantaged. This is not about rurality *per se* but, with the notable exception of the City of London (which serves a residential population of just 8,072 people and daily transient population of 319,200), most of the smaller forces (in terms of population and officer/staff numbers) serve rural areas. Thus only two of the 15 most rural police forces serve more than a million people (Devon & Cornwall and West Mercia) whilst, excepting the ever anomalous City of London, only one of the least rural forces serve less than a million people (Cleveland). In terms of officer numbers, even ignoring the Metropolitan Police Service (with nearly 32,000 officers), the 15 most urban forces have, on average, 3,275 officers compared to just 1,400 in the 15 most rural forces. Rural forces, being predominately smaller, are thus far less likely to be able to benefit from economies of scale.

100 Without access to detailed financial data, we have been unable to undertake any serious analysis of the additional costs that may be associated with force size. There is, however, some evidence that smaller (and predominately rural) forces are facing such additional costs (either because of fixed cost effects or due to economies of scale) and that further investigation is warranted. Thus, excluding the City of London and the Metropolitan Police Service, the 10 smallest forces spend (Gross Revenue Expenditure⁷¹) very nearly the same in *per capita* terms (£198.95) and the 10 largest forces (£195.96), and also very nearly the same in per officer (£52,616 and £52,425 respectively) and per ‘all staff’ terms (£44,253 and £43,531 respectively). But the percent expenditure committed to ‘other costs’ (i.e. non-staff costs) in the 10 smallest forces is, at 22.1%, some 7.1% higher than the 20.7% committed in the 10 largest forces. This is precisely what one would expect if all forces had to cover an initial fixed cost quanta and/or economies of scale were being achieved by the larger forces, and very similar figures are returned if the two London forces are included; namely 22.7% committed to non-staff costs in the 10 smallest forces compared to 20.3% in the 10 largest forces – which equates to a 12% premium for the smaller forces. As equates to £32.1 million across the 10 smallest forces, or the equivalent of over 600 officers (a 5% increase), this represents a substantial additional cost for those forces.

⁷¹ Cost data taken from Police Objective Analysis – Expenditure & Earned Income (GRE, Earned Income and NRE) and staffing data taken from Police Objective Analysis – Staffing (Officers, Staff & PCSO FTEs). Both available in the value-for-money-profile-2014-poa-data.ods spreadsheet (<https://www.justiceinspectorates.gov.uk/hmic/media/value-for-money-profile-2014-poa-data.ods>)

101 This analysis is provisional, and other explanations of this differential in the relative size of 'non-staff' costs, but it strongly suggests that this is an issue which deserves further investigation. Once again the issue is that factors over which forces have no control but which incur additional costs (so-called 'legitimate' factors) should be incorporated in any equitable formula funding mechanism. We thus strongly recommend that the Home Office (a) investigate whether there are identifiable fixed costs that apply to all forces and, if so, introduce an initial fixed funding quanta to be awarded to all forces *prior* to the application of population and needs-based formulae, and (b) investigate whether larger forces are able to exploit economies of scale unavailable to smaller forces and, if so, introduce a suitable mechanism to dampen the effect and thereby ensure a genuinely equitable distribution of available resources.

4 Assessment of Police Funding Formulae

4.1 Introduction

102 In its 2011 review of formula funding of local public services, the National Audit Office (NAO) proposed that Government departments should ensure that funding models are designed to support clear objectives (that is, promote payer's intentions), that there should be transparency about the basis of funding, and that formulae can be monitored and reviewed to understand the extent to which objectives are fulfilled and value for money achieved⁷². Additional criteria that have been proposed include the need for formulae to have a strong underlying logic, to be technically robust and to be resistant to manipulation by providers and budget holders⁷³.

103 This set of key principles provides a useful benchmark against which to assess the quality of funding formulae. There are many lessons to be drawn from the proposed reform of police funding, not least the need for the formula-making machinery of government departments to ensure due process.

4.2 Background to the proposed reform

104 In 2015/16, the Police Grant allocated by central government accounted for 62% of gross revenue expenditure by the 39 police forces in England (a proportion of this is based on funding previously paid through the Revenue Support Grant (RSG) to Local Authorities). A further 6% is provided through special and specific grants (such as the Counter Terrorism Police Grant and additional funding for the two London police forces) and 7% by 'other income', whereby police forces make charges for performing non-statutory functions, such as policing sports events⁷⁴. The remaining 24% of expenditure is paid from council tax, a local tax on domestic properties. Arrangements are similar for the four police forces in Wales. Here however, 37% of gross revenue comes from council tax.

105 This complex set of arrangements means that the efficacy of the funding system rests not only on the Police Allocation Formula but on the formula that determines the RSG and the approach to collecting council tax. It is not within the scope of this report to provide a detailed critique of either system, suffice to say that, although local government finance has experienced significant changes including the introduction of the Business Rates Retention Scheme in 2013 and substantial cuts in funding, the RSG is rooted in historic funding patterns

⁷² NAO (2011). *Formula funding of local public services*. Report by the Comptroller and Auditor General HC 1090 Session 2010–2012. London: The Stationery Office.

⁷³ Rice, N. and Smith, P. (1999). *Approaches to capitation and risk adjustment in health care: an international survey*. University of York, Centre for Health Economics; Segal, L. and Chen, Y. (2001). *Priority setting for health: a critique of alternative models*. Health Economics Unit, Centre for Program Evaluation, Monash University; Smith, P.C. (2006). *Formula funding of public services*. London: Routledge

⁷⁴ Johnston, N. and Politowski, B. (2016). *Police Funding*. Briefing Paper Number 7279. London: House of Commons Library.

determined by the much criticised Four Block Formula⁷⁵; while the council tax system has been described as regressive, outdated and widely discredited⁷⁶.

4.3 Proposed Reform of the Police Funding Formula

106 The Home Office's proposals for reform of police funding arrangements in England and Wales were launched on the 21st July 2015 for a period of public consultation that closed on the 15th September. The intention was to implement this new model from 2016/17, subject to securing broad support for the approach⁷⁷.

107 The document lists three options for a future funding model. It is doubtful that many would disagree with the dismissal of the possibility of maintaining existing arrangements. The Home Office also rejected the option of upgrading the PAF, first because there is currently no suitable alternative data on policing demands (a legitimate observation but one that could have been acted upon) and second because "workload estimates created by complex models such as the PAF are highly sensitive and small changes in data can lead to big changes in funding allocations"⁷⁸. This is a shame in our opinion as an upgraded workload model would likely examine the factors (demographic, socio-economic) associated with national average activity groupings. Moreover, there is no reason to assume that these variables would be any less stable than those identified in the Consultation document (particularly as the use of different Acorn measures results in quite sizeable differences in funding allocations). Finally, insofar as the PAF was designed to reflect the workloads of police forces, its underlying logic was rather more robust than that of the proposed reform.

108 The Home Office's preferred option was to offer a much more simplified model for allocating funding. This, it was argued, should be based on an understanding of the *drivers* of crime and police demand, namely alcohol, drugs, 'character', opportunity, effectiveness of the Criminal Justice System and profit. Insofar as this suggests a shift towards theorising the approach to formula funding (i.e. introducing an underlying logic), it can be welcomed as an attempt to move towards a more normative approach to police funding (that is, from *what is* to *what ought to be*). It should be noted, however, that the proposed drivers are of crime. No attempt was made to theorise about possible drivers of non-crime demands on policing.

⁷⁵ Gibson, A. and Asthana, S. (2012). A Tangled Web: Complexity and Inequality in the English Local Government Finance Settlement, *Local Government Studies*, 38(3): 301-19; Gibson, A. and Asthana, S. (2011). Resource allocation for English local government: a critique of the four block model. *Journal of the Royal Statistical Society, Series A*. 174(3): 1-18

⁷⁶ Leishman, C., Bramley, G., Stephens, M., Watkins, D. and Young, G. (2014). *After the council tax: impacts of property tax reform on people, places and house prices*. York: Joseph Rowntree Foundation.

⁷⁷ Home Office (2015). *Consultation on reform of police funding arrangements in England and Wales*. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/447083/2015_07_20_Police_funding_consultation_doc.pdf

⁷⁸ Home Office (2015). *Consultation on reform of police funding arrangements in England and Wales*. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/447083/2015_07_20_Police_funding_consultation_doc.pdf, p.18

109 Moreover, rather than modelling the factors that might be independently associated with drivers of crime, the Home Office directly analysed *recorded crime* counts. It reduced need for policing to five variables: population, Band D equivalent properties, households with no adults employed and dependent children, hard pressed population (an Acorn classification) and bars per hectare. No exemplifications were given on the impact of funding changes on forces. Nor, despite an acknowledgement of non-crime demands, was any attempt made to model the factors associated with, for example, public safety and welfare.

110 Unsurprisingly, the vast majority of the responses to the consultation were negative. The Home Office responded to these and, in October 2015, offered a revised sets of proposals (removing the Council Tax base indicator, accounting for overall volume of bars as well as bar density and adding an Area Cost Adjustment). The Office of the Devon and Cornwall Police and Crime Commissioner raised questions about the 'Urban Adversity' weighting, going on to that forces, such as South Yorkshire and West Midlands stood to lose £28 million, while the Metropolitan Police gained £181 million, depending on which Acorn measure was used. The fact that a change to the deprivation indicator that is used in the model can result in such a redistribution of resources quite rightly raised alarm bells.

111 Soon after the Home Office was made aware of its calculation error, the Minister for Policing announced that the Government was postponing the implementation of the reformed funding arrangements until 2017-18. In December 2015, the Home Affairs Committee published its Inquiry into the Reform of the Police Formula, which lambasted the Home Office for its misguided approach, deplorable calculation errors and a process that had ended in chaos.

112 It is important to remember, however, that the proposals were rejected, not on the basis of key principles, but due to a technical mistake. Updating the formula to account for such data errors is unlikely to address the more fundamental deficiencies of the proposed reform.

4.3.1 *Technical robustness*

113 Our assessment of the funding formula would suggest that there has not been suitable rigorous examination of the statistical and categorical data used. As noted above, the distribution of funding is sensitive to the Acorn definition that is used (i.e. 'hard pressed families' or 'urban adversity'). The latter category excludes groups that are in the 'financially striving' category such as students, low income pensioners and terraces occupied by many Asian families, even though evidence suggests that these groups are likely to be at increased risk of victimisation and/or in need for reassurance. It also focuses on terraced housing (other than that occupied by many Asian families), while excluding low income groups occupying e.g. semi-rural, right-to-buy or post-war estates. The segmentation of these groups is strongly focused on their internet use and shopping preferences. It is not at all apparent why these categories should be treated as plausible indicators of demand for policing.

114 Greater care to understand the meaning of and variation in the data is necessary, and to use appropriate methodology. The use of Cronbach's alpha statistic, for example, does not guarantee construct validity. More problematically, the correlation coefficients found between model indicators, crime and non-crime are based on analyses of *count* data rather than rates per capita. Here, the varying size of police forces confounds observed relationships. In other words, the high correlation between the number of 'households with dependent children but no adults in employment' and 'Total MAPPA offenders' is simply because you will tend to have large number of both in areas with large populations and small numbers of both in areas with small populations. It says very little more than this.

115 In summary, the proposed reform involved the deployment of ill-understood statistical methods. The use of count as opposed to rate data has resulted in statistic artefact. More generally, without theoretical justification for the choice, exclusion and weighting of variables, the indiscriminate (and, in this case, inappropriate) use of Principal Component Analysis (PCA) has the same 'witch's cauldron' effect as the indiscriminate use of regression analysis. Further comments have been made in Section 1 of this report.

4.3.2 Promoting policy objectives

116 As a flawed statistical analysis of some factors that are associated with police recorded crime, it is difficult to see how the reformed formula promotes policy objectives. It is based on an essentially reactive definition of policing and presents no incentives for proactive demand, for example around public protection work and problem-solving/demand reduction. Nor does it address significant issues of latent demand such as child sexual exploitation, domestic abuse and sexual offences⁷⁹.

117 If funding is to respond to the changing nature of policing, including the challenges presented by new types of criminal activity and reflect the longer term benefits of investing resources 'upstream' in prevention rather than on a reactive crisis-driven system, then resources will need to be distributed according to underlying need rather than historic activity and its costs – which have become distorted and inefficient. There is no indication that the Home Office accepts this critique or has plans to explore alternative approaches to formula funding. As a result, the scope for ensuring that funding arrangements shift from 'what is' to 'what ought to be' seems limited.

4.4 Conclusion

118 The Home Office is not alone in failing to more widely communicate how it decides to deploy its share of public expenditure. Many funding formulae have become so statistically complex (some would say incomprehensible to all but specialists) that it is extremely difficult to subject them to proper scrutiny. In the case of police funding, the Home Affairs Committee's inquiry played an important role in highlighting failings of process in the proposed reform of the

⁷⁹ Hales, G. (2015). *Home office police funding consultation: An opaque sticking plaster?* London: The Police Foundation

formula. However, few have engaged with the underlying logic and statistical basis of the proposals. Thus, there is no guarantee that a revised or new formula will be any better.

119 The Four Block Model (4BM), another statistically opaque formula that was used to distribute local government funding, offers salutary lessons in this respect. While objections had been made to the 4BM on the basis of complexity, lack of transparency and unaccountable political interference, it was not until the technical shortcomings of this arbitrary and inequitable model were exposed that it became completely untenable.

120 The public, local police forces, PCCs and Parliament deserve better. The Home Affairs Committee's recommendation that an independent panel be appointed to assist the Home Office in formulating revised proposals would a sensible start. There are precedents for this in the Settlement Working Group, reconstituted in 2016 as the Needs & Distribution Technical Working Group (NDTWG), which is looking at the principles to inform the distribution of local government funding; and the Advisory Committee for Resource Allocation (ACRA) and its Technical Advisory Group (TAG) which oversee the formulae used to allocate NHS resources.

121 ACRA and TAG comprise NHS England analysts, NHS managers, public health experts and senior academics. Thus, their membership is wider than that of the NDTWG. ACRA documents and research reports are published on the NHS England website, as are the technical guide to allocation formulae and accompanying spreadsheets of data and weightings. The Committee works to clear objectives (promoting equal opportunity of access to health care for equal needs and addressing avoidable health inequalities). Thus, while the approach to NHS funding it not without its critics, it is open to expert scrutiny.

122 The two advisory groups for the governance and development of NHS formula funding were first established in the 1990s⁸⁰. Until recently, the deliberation of these committees was confidential (as remains the case with TAG). The growing transparency of NHS funding is to be welcomed but it may reflect the confidence of what is undoubtedly a highly expert team of in-house analysts. Few other departments, including the Home Office, have this level of knowledge and experience. If they are to develop robust systems for formula funding, there is a strong case for inviting cross-department engagement, external oversight and investment in internal expertise.

⁸⁰ Bevan, G. (2009). The search for a proportionate care law by formula funding in the English NHS. *Financial Accountability & Management* 25(4): 391–410

NRCN

National Rural Crime Network

Championing greater understanding of rural crime and taking action to make the countryside safer

FACT

Crime costs rural communities up to £800 million a year

Source: The true cost of crime in rural areas, NRCN, 2015

FACT

Fear of crime affects four out of ten rural people – twice as many as the national average

Source: The true cost of crime in rural areas, NRCN, 2015

FACT

Two out of three rural people think local police fail to deal with the problems that matter to them – twice as many as the national average

Source: The true cost of crime in rural areas, NRCN, 2015

FACT

Rural theft costs more than £44 million and is increasing

Source: NFU Mutual Crime Survey, 2014

The NRCN is working to:

- make the voice of rural communities heard
- help secure fair funding for rural forces
- provide the public, police and partners with examples of best practice
- influence Government policy

Contact details:

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PANEL HEDDLU A THROSEDDU DYFED-POWYS 25/01/19

PRAESEPT YR HEDDLU

Yr argymhellion / penderfyniadau allweddol sydd eu hangen:

Adolygu'r praesept y mae'r Comisiynydd yn cynnig ei gyflwyno ar gyfer y flwyddyn ariannol sydd i ddod ac wedyn cyflwyno adroddiad i'r Comisiynydd ynghylch y praesept arfaethedig hwnnw.

Y rhesymau:

Mae Atodlen 5 o Ddeddf Diwygio'r Heddlu a Chyfrifoldeb Cymdeithasol 2011 yn ei gwneud yn ofynnol i'r Panel gyflawni'r swyddogaeth hon.

Awdur yr Adroddiad:

Cllr. Keith Evans

Robert Edgecombe

Swyddi:

Pencampwr y Panel

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EXECUTIVE SUMMARY
DYFED – POWYS POLICE AND CRIME PANEL
25/01/19

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, within the timescale prescribed by the 2011 Act, 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)

The Panel has identified this matter as one of its priorities for 2018/2019 and has nominated Cllr. Keith Evans to lead on this issue on its behalf. A detailed report prepared by Cllr. Evans is attached.

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-0511/40	County Hall, Carmarthen

Mae'r dudalen hon yn wag yn fwriadol

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 6th 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

Mae'r dudalen hon yn wag yn fwriadol



**COMISIYNYDD
HEDDLU A THROSEDDU
DYFED-POWYS
POLICE AND CRIME
COMMISSIONER**

Police and Crime

Commissioner for Dyfed-Powys

2019/20 – 2024/25 Medium Term Financial Plan

Including

- a. Precept Proposal**
- b. Reserves Strategy**
- c. Capital Strategy**

January 2019

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- 1 **Police and Crime Commissioners Summary and Precept Proposal**
 - 1.1 One of my key responsibilities as your Police and Crime Commissioner (Commissioner) is to set the precept each year. This precept is the amount of taxation that is raised through local council tax payers to support policing services. In doing so, I take into account a number of different factors including the Chief Constable's (CC) future resourcing requirement, the level of reserves, feedback from residents of Dyfed-Powys and future plans for investment in infrastructure.
 - 1.2 The statutory arrangements established under the Police Reform and Social Responsibility Act state that my precept for 2019/20 must be presented to the Dyfed-Powys Police and Crime Panel by 1st February 2019.
 - 1.3 Within corporate governance arrangements, regular discussions take place between the CC and I about the current and future financial position of the Force discussing in detail plans for resourcing levels, police services and future investment needs in agreeing the Force's budget for 2019/10. These are all factors which I consider carefully when determining my proposed level of police precept.
 - 1.4 Recent years have seen unprecedented levels of major incidents and as a consequence of the financial challenges my Chief Finance Officer (CFO) has worked very closely with the Force to further develop arrangements to critically review all areas of financial management.
 - 1.5 Having recognised the critical nature of the financial situation the CC established a Finance Gold group during 2018. This Gold group is chaired by the CC himself and is attended by all senior managers to ensure that there is a very clear and co-ordinated approach to financial management and understanding of financial issues across the organisation.
 - 1.6 Four specific sub groups were established with focussed representation and much of the work undertaken has been consolidated to inform this Budget, Medium Term Financial Plan (MTFP) and my precept proposal:
 - MTFP – reviewing reserves, police officer numbers, external funding;
 - overtime - critical review of arrangements and requirements;
 - procurement - critical review of arrangements and spend for contracts/ supplies & services;
 - Income generation – reviewing opportunities for income maximisation.
 - 1.7 The CC continues to report financial performance monthly through Policing Board and quarterly through Police Accountability Board with updates also being provided as a result of actions arising from the Finance Gold. My CFO meets bi weekly with the Director of Finance (DOF) and works closely with the Corporate Finance team in relation to a number of specific areas of action.

- 1.8 The CC has strengthened his Finance team which will facilitate significant improvements in financial management support arrangements.
- 1.9 The CC submitted the first Force Management Statement during 2018 which comprehensively sets out the current position, priorities and forward plans which consider financial resources, future demand for services and the assets and staffing resources which the Force will need to deliver a fit for purpose policing service in terms of capacity, capability, serviceability and wellbeing.
- 1.10 The Force have continued to make progress achieving an overall 'Good' grading from Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) early 2018. The most recent HMICFRS inspection took place in late 2018 and the results will be published by HMIC in the spring of 2019. This will be the first integrated assessment and covers all aspects of efficiency, effectiveness and legitimacy.
- 1.11 Much has been achieved over the last year with continued investment in critical estates and IT infrastructure with the roll out of Body Worn Video, IR3 Fleet monitoring, use of Mobile Data and continued rollout of CCTV across the Force area. Significant improvements have been made in Crime Data Integrity compliance, Professional Standards performance and Victim Satisfaction. Importantly it is also very pleasing that the view of our communities on whether the police do a good or excellent good is now fourth best in the country at 76%.
- 1.12 I am supportive of the service improvements that the CC continues to implement which support the priorities that I set out in my Police and Crime Plan seeking to protect and safeguard the communities of Dyfed-Powys.
- 1.13 In December 2017 the Minister for Policing announced that investment for police would increase by up to £450m for 2018/19 with most of this additional funding coming from PCCs raising their Band D council tax precept by £12 per year. The Government also outlined clear expectations in relation to productivity and efficiency which if met would see continued precept flexibility and protect future grant settlements.
- 1.14 On 3rd October 2018 the Association of Police & Crime Commissioners (APCC) and National Police Chiefs Council (NPCC) wrote to the Minister setting out their joint requirements for the police settlement in 2019/20. The letter explained the progress being made on efficiency and productivity, referred to the significant impact on policing of the new Public Sector Pensions Valuation Directions and challenged the Home Office to reduce the level 'reallocations' from police grant. They concluded by asking the Minister to consider lifting or removing the referendum cap on council tax precept to allow forces scope to deal better with the financial and operational pressures currently

experienced. Dyfed-Powys has continued to contribute to these national efficiencies and productivities.

- 1.15 On 29 October the Chancellor of the Exchequer, Philip Hammond, made his Autumn Budget 2018 announcement in the House of Commons. This was the Chancellor's third Budget and was the last Budget before the UK's exit from the European Union on 29 March 2019. The Chancellor recognised that the Police were under pressure from the changing nature of crime and stated that there will be further consideration given to police during the provisional settlement in December.
- 1.16 There has been much independent commentary over the last year in relation to Police sustainability, funding, resilience and increased burdens which include increases to employer's pension contributions which highlight and confirm the very critical and precarious position that Dyfed-Powys and the police service in general face. As Commissioner I have both articulated and lobbied local Members of Parliament in relation to the very significant impacts and risks that threaten our local communities.
- 1.17 The CC and I held a Finance Seminar on the 30th November 2018 for members of the Police and Crime Panel, Joint Audit Committee and Wales Audit Office. 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 2019/20 and beyond.
- 1.18 The seminar also covered the steps taken so far in preparing the 2019/20 budget and the draft position, including budget assumptions, funding context, savings and investment. This allowed a valuable opportunity to present on both the operational and financial challenges and context which impact on my plans for the precept for 2019/20.
- 1.19 The CC and I also met with local Members of Parliament on the 4th December to present both current operational and financial contexts with a view to assisting them in their representations ahead of the provisional settlement.
- 1.20 The provisional settlement was announced by the Policing Minister on the 13th December 2018 which included headline figures of £970m additional funding with approximately £813m for local policing: £153m pension grant, £161m additional core grant funding to provide all forces with a 2.1% increase and £509m from additional precept flexibility by raising precept by £24 per year per Band D property.
- 1.21 In outlining the provisional settlements both the Home Secretary and Policing Minister recognised the police services engagement over the last year. This has facilitated Governments appreciation that crime is both changing and increasing in complexity which has resultant impacts on both the demand for resources and the capabilities required to enable response.

- 1.22 The 2019/20 provisional settlement for Dyfed-Powys is £50.348m being £1.035m/ 2.1% higher than 2018/19. I must stress however, that it is vital that this increase is considered in light of the very significant and unforeseen pressures which have arisen from changes to the employer's contribution rate for Police Officer pensions. A new specific grant for pensions has also been awarded for 2019/20 amounting to £1.302m, but even in addition to the uplift in core grant, still leaves a shortfall of £535k to be met.
- 1.23 In 2018/19 I increased the council tax precept by 5%. This resulted in a council tax precept in Dyfed-Powys of £224.56 for an average band D property. This was the lowest in Wales and compared with £233.52 in South Wales, £238.84 in Gwent and £258.12 in North Wales. It is also worth highlighting that Dyfed-Powys has had the fifth lowest council tax precept increases across England and Wales since 2012/13.
- 1.24 In order to fulfil my responsibilities as Commissioner, I have consulted with the public to obtain their views on the level of police precept increase. I was delighted to see an increase in the numbers of Dyfed-Powys residents participating in this consultation. Two thirds, 66%, of those who responded to the Commissioner's survey were to pay an additional £2 each month through the Police Precept. 19% would not wish to pay an additional amount, whilst 25% were willing to pay an additional £1.50 or £1 each month. I have considered these responses carefully in determining my precept proposal for 2019/20. The results of this consultation are outlined in section 15 of this report.
- 1.25 In deciding on a police precept for 2019/20, I have considered very carefully the current financial position of the organisation, future plans, wider financial context and the equality impacts of budgetary options.
- 1.26 At this point there are year to date pressures but the CC is confident that although it has been a challenging year, pressures will be mitigated in year and financial performance will broadly in line with the budget set for 2018/19.
- 1.27 The continued investment in estate and critical infrastructure, use of financial reserves to support priorities and operational delivery within the revenue budget along with meeting the costs of unforeseen events during 2017/18 has seen a significant reduction in the level of reserves over the medium term. Useable reserves stood at £20.480m at 31st March 2018, split between earmarked revenue reserves, capital reserves and a general reserve. Useable reserves are predicted to reduce to £7.028m by 2023/24, albeit that this includes ring-fenced reserves of £1.902m which are being held on behalf of third parties or for collaborative arrangements.
- 1.28 Albeit that this planned utilisation is very much in line with ministerial expectations in relation to the level of reserves being held, it does mean that there will be very little spare capacity to safeguard and

mitigate against the costs of unexpected events and support future capital investment in critical infrastructure.

- 1.29 In addition, the capital grants available are only £325k per annum, which are wholly insufficient to support the comprehensive programme of capital investment in Estates, Fleet and Information Technology that are critical to supporting a modern day policing service. The MTFP therefore includes an increase in revenue contributions to capital along with assumptions in relation to prudential borrowing along with the consequential revenue costs of financing. Ultimately this puts additional pressure on the revenue budget.
- 1.30 Future funding is uncertain but the APCC and NPCC continue to work closely with Home Office and wider policing partners to develop co-ordinated law enforcement submission for Comprehensive Spending Review (CSR) submission which will cover the period 2020/21 through to 2024/25. The outcome from this submission will not be known until the Chancellor's Autumn Budget 2019.
- 1.31 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 after the next CSR. The last, unimplemented formula review would have seen 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 2021/22 onwards to reflect the potential reduction in grant that might occur.
- 1.32 Given the scale of the financial pressures faced I believe that Dyfed-Powys and the police service generally are in critical and precarious position. I have carefully considered the significant impacts and risks that continue to threaten our local communities in conjunction with the expectations detailed in ministerial statements when determining both my precept proposal for 2019/20 and assumptions that underpin the MTFP to 2024/25.
- 1.33 **I therefore submit my precept proposal for scrutiny by the Dyfed-Powys Police and Crime Panel which will raise the average band D property precept by £24 to £248.56, a 10.7% increase. This increase is in accordance with the flexibilities outlined by the Government and will raise a total precept of £55.247m. This will provide a total of central and local funding of £106.897m representing a 7.87% increase on funding levels in 2018/19.**
- 1.34 This level of funding will enable the Force to continue to focus on the delivery of the Police & Crime Plan, address priorities detailed within the Force Management Statement and continue to safeguard the communities of Dyfed-Powys.

- 1.35 I expect to receive notification of the final settlement for 2019/20 in February 2019. I will notify the Panel of any changes to the provisional settlement once I receive them.
- 1.36 This report aims to provide Dyfed-Powys Police and Crime Panel Members with the information necessary to scrutinise my precept proposal and provide information in relation to the operational and financial context which underpin the resourcing requirements and assumptions for 2019/20 and beyond.

2. Organisational Context and Performance

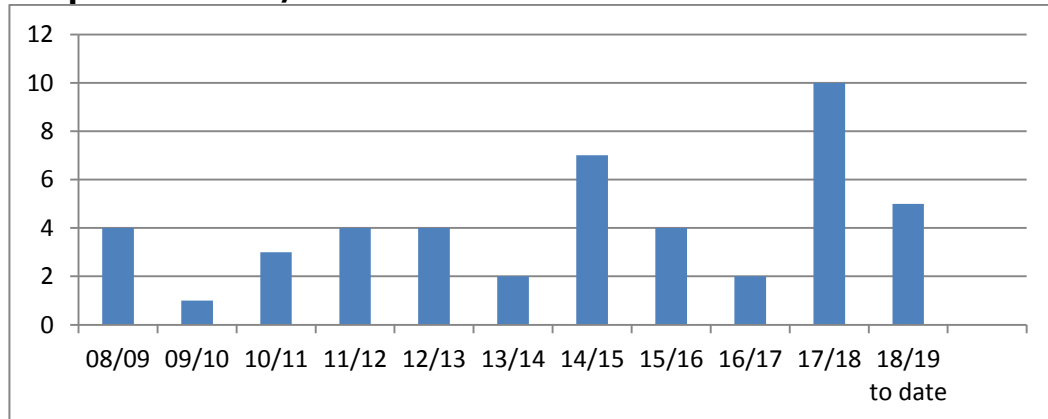
- 2.1 Spanning 4,188 square miles, Dyfed-Powys is the largest force area in England and Wales. With 13,842 miles of roads, 2 large ports, 350 miles of coastline and vast areas of countryside, the geography presents us with significant demand and resourcing challenges.
- 2.2 The resident population of 515,870 is spread across extensive rural areas, holiday and market towns and more heavily populated areas.
- 2.3 The draw of tourism presents unique demands with large numbers of tourists visiting key towns such as Tenby and Brecon. This presents its own implications for crime, anti-social behaviour and roads policing.
- 2.4 Ensuring the workforce is visible to improve victim satisfaction, protect the vulnerable, prevent crime and bring offenders to justice is challenging given the vast area policed.
- 2.5 The Force has invested significantly in digital policing, providing front line officers and PCSOs with access to force systems through mobile data terminals and body worn video cameras, as well as introducing vehicle based telematics to enhance incident response.
- 2.6 In April 2010 the Force had 1195 police officers and the number has remained relatively stable. In this period police staff numbers have fallen from 692 to 595. The workforce also includes 148 PCSOs and 98 special constables.
- 2.7 Since the 2010 comprehensive spending review, central grant funding has reduced by 22% or £14.16million; the Force has been required to make savings of £24.7million.
- 2.8 Against this backdrop, demands continue to grow and become increasingly complex. The Force has experienced increases in recorded crime with incidents involving mental ill-health and more complex inquiries into child sexual exploitation and cybercrime increasing.
- 2.9 The Welsh language is spoken by 32% of Dyfed-Powys residents compared with the national average of 19%. As a service we are committed to ensuring that the workforce is representative of the communities it serves so that members of the public are, whenever possible, afforded the opportunity to communicate with us via the medium of Welsh.
- 2.10 The Force has experienced significant changes to its Chief Officer team but has benefited from recent stable executive leadership and clear strategic direction, evidenced through improved assessments from external regulators.
- 2.11 The four priorities of the Police and Crime Plan underpin all aspects of operational and organisational delivery:

- Keeping our communities safe.
 - Safeguarding the vulnerable.
 - Protecting our communities from serious threats.
 - Connecting with our communities.
- 2.12 The Force has developed both a delivery plan for 2017-21 and Vision for 2025, which are shown in Appendix A and B respectively. These high level documents are underpinned by detailed plans. The plans recognise the challenging operational environment, the need for continued investment to support sustainable services and the requirement to match force resources and assets to meet force demand appropriately.
- 2.13 Recorded crime has increased year on year with the latest figures for 2017/18 at 26,720 total crimes recorded by Dyfed-Powys police. Year to date figure demonstrate 20,248 crimes recorded, an increase of 10% on the same period last year. Recorded crime has increased by 42% since 2015, when recorded crime figures stood at 14,301. This increase has been experienced nationally and therefore, Dyfed-Powys police are in line with national trends.
- 2.14 Call volume to report matters to police has also increased over time and follows a similar trend to the seasonal variance experienced locally. Call volume peaked at 28,716 calls to the FCC in July 2018 and decreased to 20,846 calls in November 2018, however interestingly year to date figures demonstrate that total call volume has decreased by 7% since 2015 (206,512 vs. 192,907 calls).
- 2.15 Key areas of vulnerability for Dyfed-Powys Police are assessed through a risk assessment process known as a MoRiLE (Management of Risk in Law Enforcement) assessment. Partners are brought together to draw on experience and evidence of key areas of threat, risk and harm so as to determine resource allocation and focus for policing. The outcomes of this exercise inform the Control Strategy for Dyfed-Powys Police. As at November 2018, the priorities within the Control Strategy are:
- Class A drugs and New Psychoactive Substances
 - Cyber Dependent Crime
 - Domestic Abuse
 - Impacts arising from the exit from the European Union (Brexit)
- 2.16 The cross cutting themes are County Lines, Vulnerability and Digital Enabled Crime. In the HMIC PEEL inspection of 2017, the Force was graded as Requires Improvement in terms of protecting those who are vulnerable from harm, and supporting victims. Since then, much has been done to improve how we safeguard the vulnerable and give protection from serious harm. All elements of the control strategy have an associated Protect, Prevent, Prepare and Pursue action plan. The action plans are included within the Force Tasking and Co-ordinating Group Meetings that are held quarterly and chaired by the ACC. Control strategy priorities are considered at BCU Performance &

Tasking meetings, while intelligence relating to the control strategy is discussed at both force and county level intelligence meetings.

- 2.17 In terms of the most serious offences Dyfed-Powys Police has recorded 41 homicides since 2008/9; the largest volume of homicides were noted during 2014/15 (7 homicides) and 2017/18 (10 homicides). It should be noted that both the year on year fluctuations and nature of each individual case can have significant impacts on associated costs.

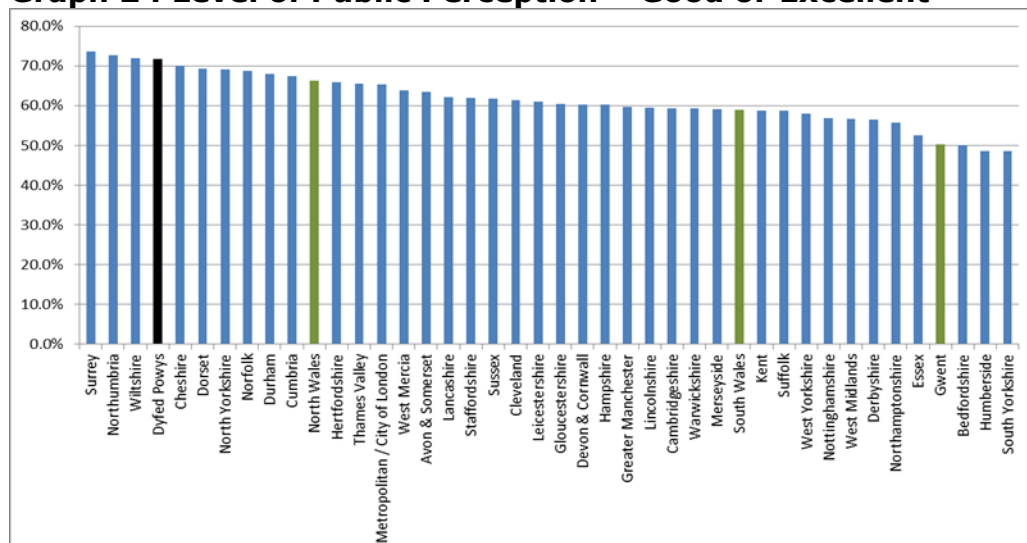
Graph 1 : Profile/ Number of Homicides



- 2.18 To better understand public opinion of local policing two key repositories of information are analysed. These are the Crime Survey for England and Wales which offers public perception of policing and the Victim Satisfaction Survey which provides victim experience of policing. The CSEW is carried out by the ONS and the Victim Satisfaction Survey is carried out by police staff within DPP.

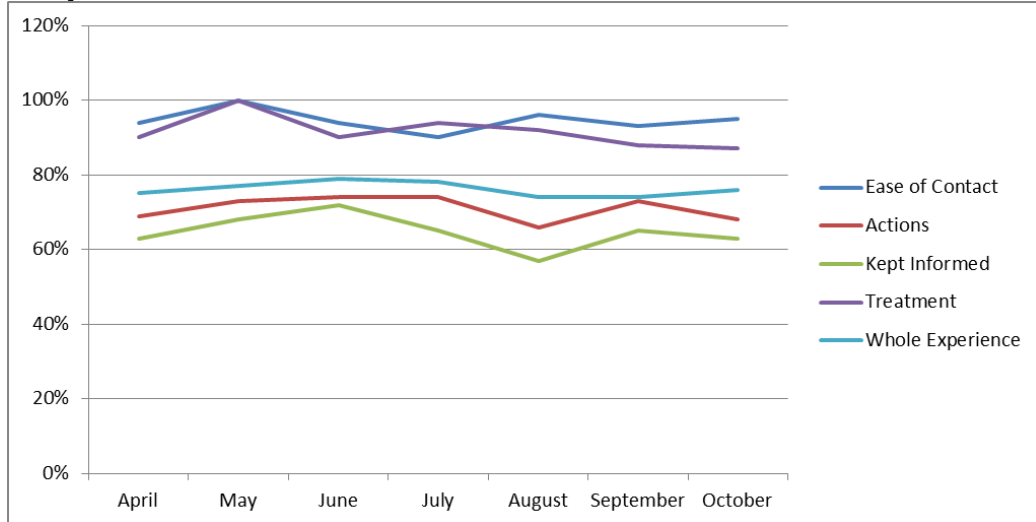
- 2.19 The level of public perception is one of the highest in the country with 71.7% rating the work that Dyfed-Powys Police do as good or excellent:

Graph 2 : Level of Public Perception – Good or Excellent



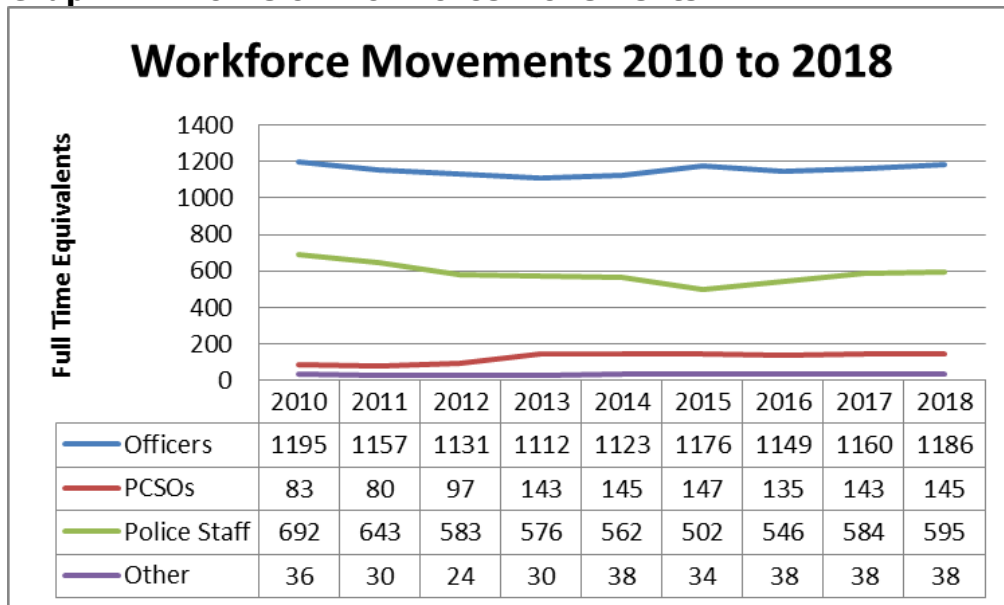
2.24 In terms of Victims Satisfaction 76% were satisfied with their whole experience but the Force recognises that there is work to do to focus on keeping victims up to date.

Graph 3 : Victim Satisfaction

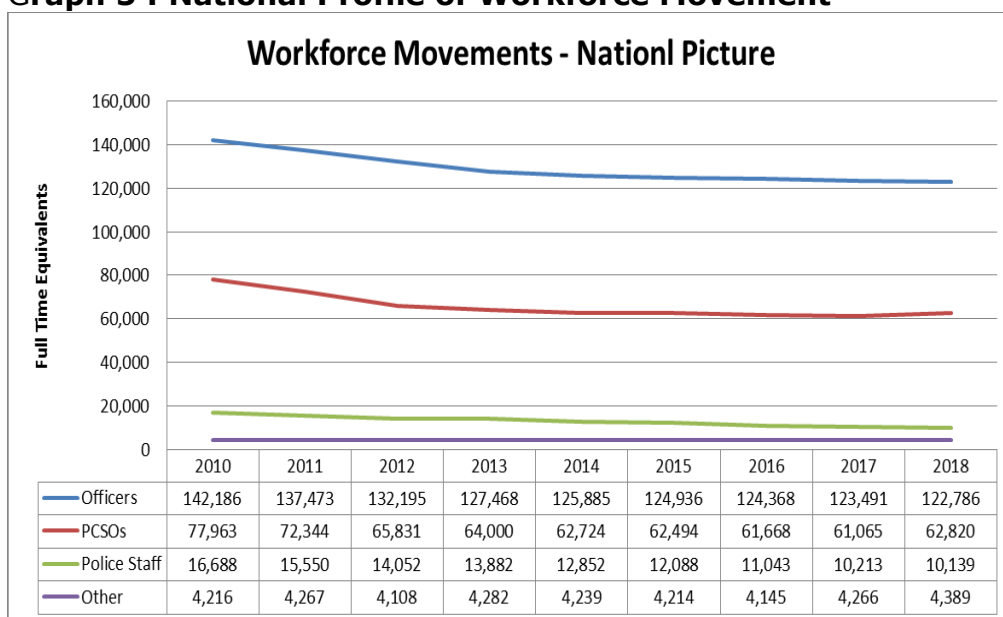


2.25 The following graphs outline the changing profile in Police Officer, PSCO and Police Staff strength over the last 10 years against the wider national picture. The balance of resourcing levels is critical in dealing with ever evolving and changing demands and the CC manages and controls this through internal governance arrangements.

Graph 4 : Profile of Workforce Movements



Graph 5 : National Profile of Workforce Movement



3 Financial Context – Independent Commentary

- 3.1 The financial challenges facing the police service have been well documented and commented upon during 2018 with a number of professional and independent high profile studies and reports. The salient finance issues are highlighted as follows:
- 3.2 The Home Affairs Committee Policing for the Future Report issued on 22nd October 2018 is far reaching and makes 66 very critical conclusions and recommendations based upon research and substantial evidence. Specifically in relation to funding, the report states:
 - a. “The Government must be clear and accurate about police funding, and the resource pressures facing forces. We welcome the Home Secretary’s commitment to prioritising police funding in the next Comprehensive Spending Review (CSR), and the Policing Minister’s clear recognition that the service requires additional resources to enable it to meet changing demands. We agree with them. Policing urgently needs more money. We strongly recommend that police funding is prioritised in both the upcoming Budget and the next CSR.
 - b. Given the complex challenges outlined in this report, we have no doubt that a failure to provide a funding uplift for policing would have dire consequences. Efficiency savings can only go so far, in the context of the challenges that forces now face: substantial increases in serious violence and volume crime; a rise in complex cases, including child sexual offences and domestic abuse; an ever-growing workload from safeguarding vulnerable people, and an explosion of internet crime, with the evidential challenges that creates. Without extra funding, something will have to give, and the police will not be able to fulfil

their duties in delivering public safety, criminal justice, community cohesion and public confidence.

- c. We are extremely concerned by the National Audit Office's recent conclusion that the Home Office does not know whether or not the police system is financially sustainable, and cannot be sure that funding is being directed to the right places. Future investment must be strategic and evidence-based, ensuring that resources are focused in the areas in which they can have the most impact on crime prevention and harm reduction, and not just those areas that might attract the most favourable press coverage.
 - d. The current model for police funding is not fit for purpose, and should be fundamentally revised and restructured. Such heavy reliance on the council tax precept for additional funding is also unsustainable. It is time to stop kicking this problem into the long grass, and create a funding settlement for Forces that is fit for the 21st century, recognising the true cost of policing. This must be based on robust evidence on resource requirements arising from diverse and complex demands. It is also likely to require more resource to be channelled to regional levels, to address the structural challenges outlined later in this report.
 - e. The police service is playing an increasing role in managing vulnerability and risk across public services, and many individuals have complex needs which cross organisational boundaries. In Chapter 2, we referred to models involving the co-location of police officers or PCSOs with other agencies, to work on interventions for individuals in greater need of holistic support. The Government should undertake a review of models that enable the police to pool resources with other public agencies, and facilitate these arrangements where they would enable a more joined-up, effective and cost-efficient response.
 - f. Many witnesses highlighted the challenges created by the short-term approach to police funding. This is an unnecessary obstacle to investment in innovation, and it disincentivises medium and long-term financial planning. The Government should move to a longer-term funding structure, to enable the service to frontload investment in the technology that will enable it to make the best use of its resources and assets. The Police Transformation Fund is a piecemeal and ad hoc method for funding innovation and new technology in policing, and a much more coordinated, long-term approach is required."
- 3.3 On 11 September, the National Audit Office (NAO) released their financial sustainability report for police forces in England and Wales. In 2015, the NAO had previously reported on financial sustainability for police forces and concluded that *'there were significant gaps in the Department's understanding of demand and of pressures on the service, and it needed to be better informed to discharge its duties of overseeing the police and distributing funding'*.

- 3.3.1 The report highlights some very stark figures in relation to both the cuts and top slicing that have dramatically impacted on policing services and the increasing reliance on local funding and points to the disparity between forces' ability to raise income through the precept. Capital funding that forces receive is now minimal with the service becoming increasingly dependent on the sale of land and assets to fund new capital expenditure which the NAO point out that this is not sustainable.
- 3.3.2 The report makes five recommendations:
1. *"The Department should make clear all of the accountability relationships and processes for policing, setting out who is accountable for what at all levels of the system.*
 2. *The Department should develop a clearer ongoing understanding of whether police forces' funding is sufficient to support them to deliver an efficient and effective police service.*
 3. *The Department should review the funding formula and adopt an approach to funding that takes account of forces' local circumstances more fairly.*
 4. *The Department should develop an overall strategy for policing that includes clear thinking on how its support programmes, such as the Police Transformation Fund (PTF), contribute to forces' financial position.*
 5. *When developing an overall strategy for policing, the Department should identify which of its policies and programmes are best delivered locally and which are best delivered nationally and assign them to bodies with the capability to fulfil them."*
- 3.3.3 The report concluded that the Home Office's hands off approach left uncertainty that current funding arrangements secured financial sustainability. Additionally, the Home Office lacked a long-term plan for policing and that there were significant gaps in information regarding the demand on policing services and the associated costs. The way that the HO distributes funding has been too detached from the nature of policing for too long, particularly with the delay of the formula review. The NAO, therefore, concluded that the HO's oversight of the police system was not assuring good value for money.
- 3.4 The Chartered Institute of Public Finance & Accountancy (CIPFA) have highlighted in their 2018 Performance Tracker Report that both central government and local authorities (including police) are passing the costs of services onto local tax payers. CIPFA's Chief Executive commented on the real terms cuts to policing and stated that if the government were to meet communities' expectations for public services they must come up with a new sustainable funding model that

would require bolder, braver and perhaps politically unpopular decisions

4 Provisional 2019/20 Police Funding Settlement

4.1 The Provisional 2019-20 Police Finance Settlement was announced in an oral statement and a letter to the Home Affairs Select Committee by the Minister for Policing and the Fire Service Nick Hurd MP on Thursday 13 December. Full details of the settlement can be found on the Home Office pages of the gov.uk website. The Welsh Government then published their Provisional Settlement for Welsh PCCs.

4.2 In outlining the provisional settlement both the Home Secretary and Minister recognise the police services' engagement which has informed Governments understanding of both the changing nature, complexity and increase in demand along with the capabilities required to enable response.

4.3 The provisional settlement highlighted £970m additional funding for the police service which includes:

- **£161m additional formula funding**, with a £146m increase in core grant funding by 2.1% with the balance to two London forces to recognise the additional costs of policing the Capital, unique local financial pressures and the fact that City of London Police do not benefit from increases in Council Tax precept.
- **£153m of pension grant**, which provides specific additional funding to assist in meeting the cost increases above those estimated at Budget 2016. This funding will be allocated in line with the recommendations of the technical working group we set up on pensions with the Association of Police and Crime Commissioners and the National Police Chiefs' Council. Each PCC will receive a proportionate allocation of the pensions funding, based on their employer pension contributions. The funding is based on a revised calculation of the increase in pension's contributions in 2019/20, following the welcome decision by HM Treasury to cease applying the 2.9% surcharge on police officer employer pension's contributions.
- **£59m additional funding for Counter Terrorism**, which now makes a total of £816 million, £160m more than the original Spending Review 2015 plan.
- **£90m additional funding to tackle Serious and Organised Crime** and to implement the new strategy which will invest in much-needed (SOC) capabilities at national, regional and local levels. £56m of this will be split between the NCA and ROCUs to ensure a flat cash settlement for each, with an additional £38m to strengthen the response to organised crime.

- **£509m as a result of additional council tax flexibilities**, assuming all PCCs across the country raise their precepts by £24 per year.

4.4 In 2019-20 the top-slices/reallocations total £1,029m, £84m higher than 2018-19 (£945m).

Table 1 : National Police Funding –Reallocations/ Adjustments

Police Funding	2017/18 (£m)	2018/19 (£m)	2019-20 (£m)
Reallocations and adjustments	812	945	1,029
PFI	73	73	73
Police technology programmes	417	495	495
Arm's length bodies	54	63	63
Top-ups to NCA and ROCUs			56
Strengthening the response to Organised Crime	28	42	90
Police transformation fund	175	175	175
Special Grant	50	93	73
Pre-charge bail	15	4	4

4.4.1 Investment to enhance digital capability including the development of a national approach to mobile digital working will be maintained at £495m, albeit most of this will be to support the new Emergency Services Network. Agile working is a key enabler to support police access to information and seeks to ensure that forces deliver mobile working consistently to avoid duplication, share best practice and maximise productivity gains.

4.4.2 The Police Transformation Fund will be maintained at £175m for 2019/20 of which £167m will be allocated as follows:

- £40.5m to support the continuation of 15 programmes and 4 serious organised crime projects.
- £102.1m to support national programmes, workforce initiatives and Police ICT Company.
- £24m has also been committed to the firearms uplift.

4.5 Total Police Capital Grants have increased very slightly from £75.2m in 2019/20 to £76m in 2019-20. Dyfed-Powys will receive £0.325m for 2019/20 which reflects a small increase of £7k.

Table 2 – National Police Capital Grant Allocations

2018/19	£m
Police Capital Grant	46.9
Special Grant Capital	1.0
Police Live Services	13.1
National Police Air Service	11.5
Arm's Length Bodies	3.5
Total	76.0

- 4.6 Victim's funding comes from the Ministry of Justice (MoJ) with £597k being allocated for Dyfed-Powys for 2019/20.
- 4.7 The settlement contained no further mention of future settlements other than to say "this is the last settlement before the next Spending Review, which will set long term police budgets and look at how resources are allocated fairly across police forces. The Home Office is grateful to the police for the good work they are doing to build the evidence base to support that work, and we will also want to see evidence that this year's investment is being well spent."
- 4.8 The 2019-20 settlement provided more funding than had been previously expected but four priority areas to "drive efficiency, productivity and effectiveness next year" were included:
1. Continued efficiency savings in 2019-20 through collective procurement and shared services. There will be an expectation that every force contributes substantially to procurement savings and the Home Office will be working with the police to agree the "right force level objectives for 2019-20 and 2020-21.
 2. Major progress expected to resolve challenges in investigative resource identified by HMICFRS, including recruitment of more detectives to tackle the shortfall.
 3. Continue to improve productivity, including smarter use of data to deliver £50m of productivity gains in 2019-20.
 4. Maintain a Serious and Organised Crime response that spans identification and management of local threats as well as support for national priorities.

5 Council Tax Capping/ Referendum

- 5.1 In England, the Ministry for Housing, Communities and Local Government publish council tax referendum principles. In 2019-20 PCCs in England will be allowed to increase band D bills by as much as £24. Under devolution arrangements for Wales the power to determine capping levels on the council tax are administered by the Welsh Government.
- 5.2 There are two forms of capping – designation and nomination. Welsh Government may designate or nominate an Authority for capping its precept if in their opinion its budget requirement is excessive.
- 5.3 Designation requires an Authority to reduce its budget requirement and re-bill the Council Tax payers (through the Unitary Authorities). Nomination effectively puts an Authority on notice that Welsh Government will stipulate a budget limit for the following year. Welsh Government is responsible for determining the criteria (the principles) for capping for all Local Authorities and Police Forces in Wales. The

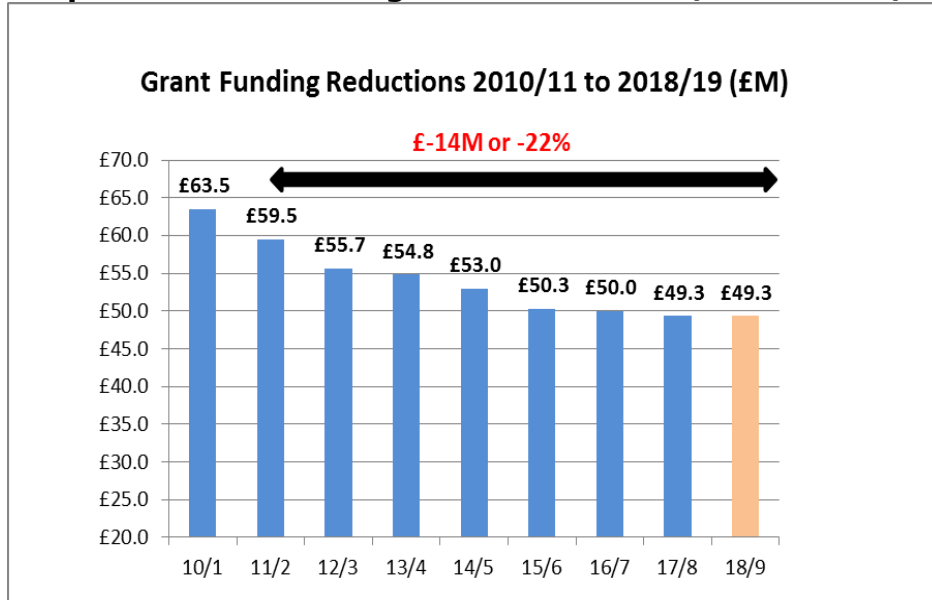
principles must include a comparison between the calculated budget requirement with that calculated for a previous financial year. Ministers are free to include in the principles any other matters they consider relevant.

5.4 Both the Commissioner and CC have maintained effective communications with Welsh Government and ministers to highlight the gravity of the financial pressures that are being faced by Dyfed Powys Police and the wider police service in Wales.

6 Dyfed Powys Police – Financial Context and Police Precept

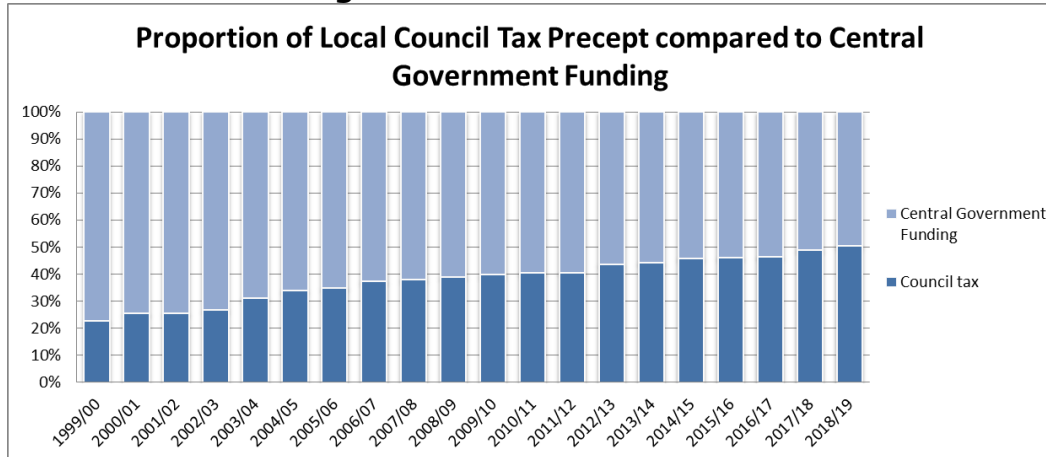
6.1 Dyfed Powys Police have seen grant funding reductions 22%, or £14m since 2010/11 as shown below:

Graph 6 : Grant Funding Reductions 2010/11 to 2018/19



6.2 The following graph shows how the proportion of income that Dyfed-Powys receives from central sources compared with local sources has changed over time:

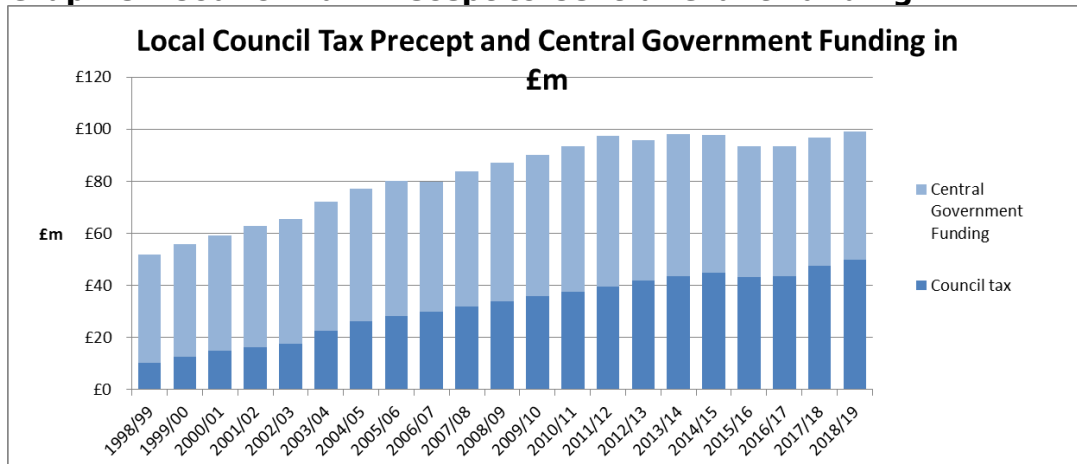
Graph 7 : Proportion of Council Tax Precept to Central Government Funding %



6.3 Historically, central funding provided the vast majority of Dyfed-Powys’ funding. However, the proportion received from central sources has slowly decreased over time and for the first time in 2018/19, local funding (at £49.788m) was greater than central funding (£49.303m). The proportional split or ‘gearing’ will continue to increase as more funding is met from the local tax payer.

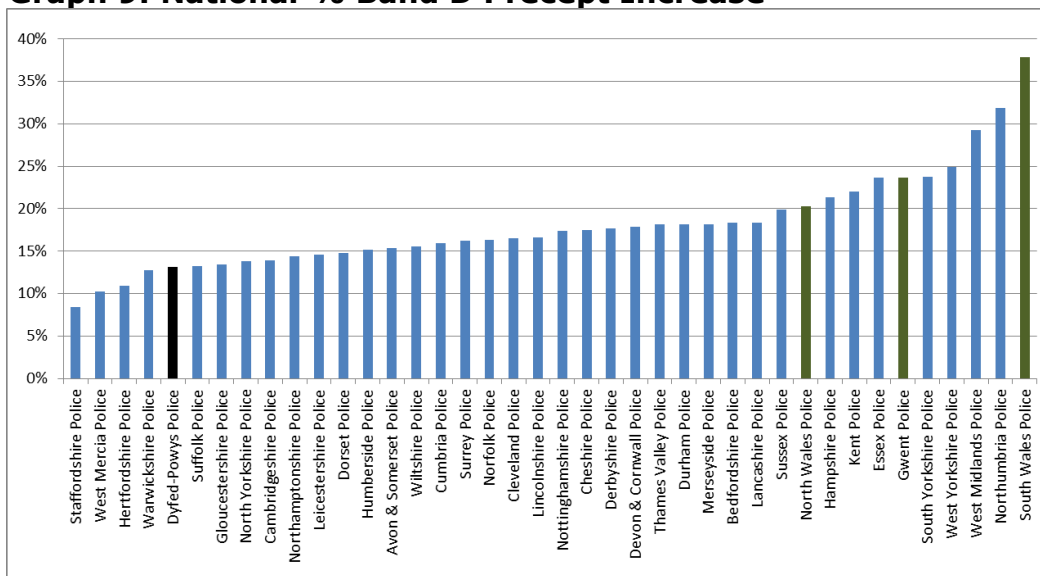
6.4 The following graph shows (in £m) the amount of funding that Dyfed-Powys has received from both local and central sources over time:

Graph 8 : Council Tax Precept to Central Grant Funding £



6.5 Residents in Dyfed-Powys have seen the fourth lowest increase in Band D police precept since 2012/13 as highlighted below:

Graph 9: National % Band D Precept Increase



*excludes Council Tax Freeze grant for England

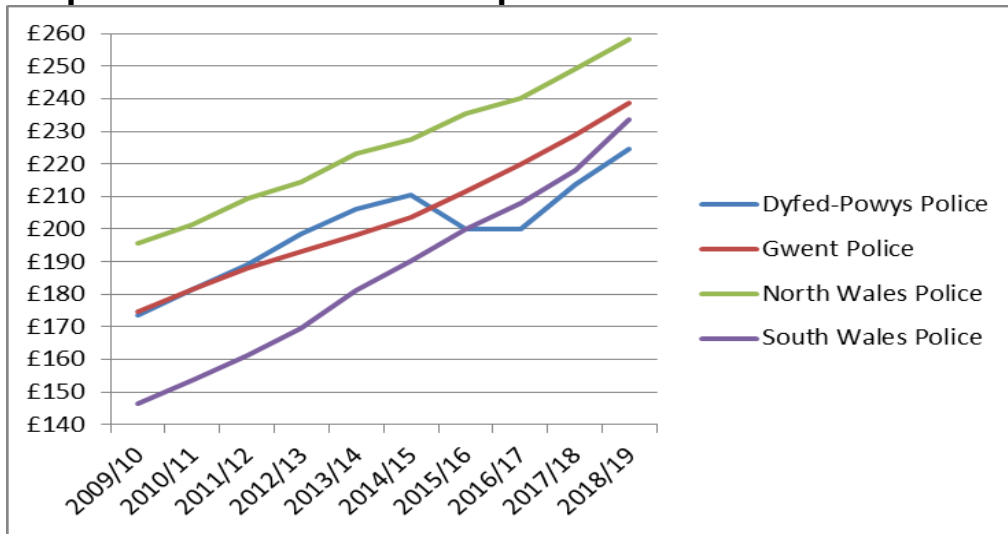
6.6 Residents in Dyfed-Powys have the lowest police precept in Wales:

Table 3 : Precept Levels Wales

Council Tax at Band D (£)	2017/18	2018/19	%
Dyfed Powys Police	213.87	224.56	5.0
Gwent Police	228.84	238.84	4.4
North Wales Police	249.21	258.12	3.6
South Wales Police	218.24	233.52	7.0
Wales	226.70	238.70	5.3

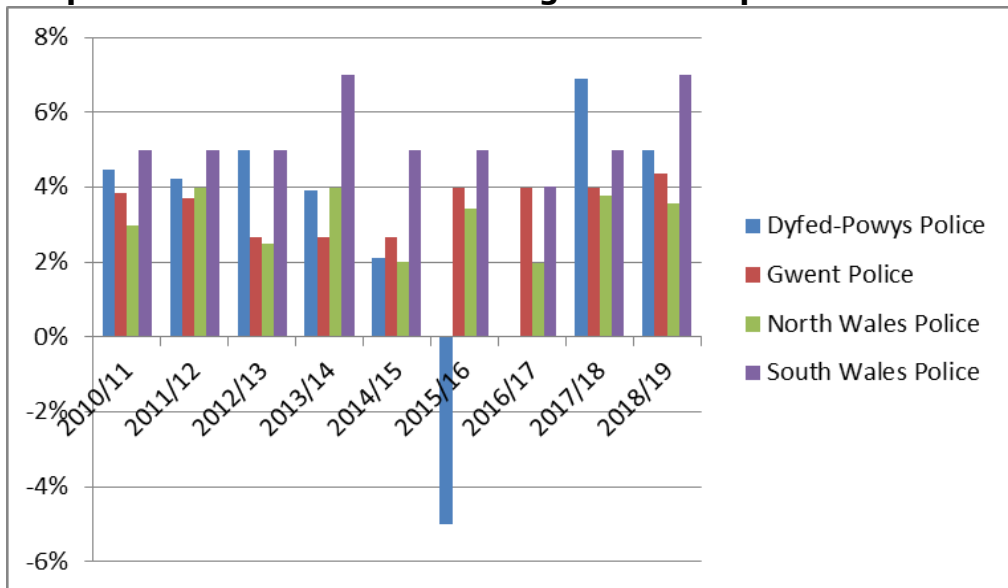
6.7 The following graph shows the change in precept levels for the Welsh forces since 2009/10.

Graph 10 : Increases in Precept levels across Wales



6.8 The percentage year on year change in precept levels for the Welsh forces is shown in the following graph.

Graph 11 : Year on Year % changes in Precept across Wales



7 Council Tax Base

7.1 The Police precept which is raised through local Council Tax payers is allocated to the billing councils on the basis of the relevant tax bases notified by them. The tax base is calculated from the number of properties in each area allocated to each property band and discounted for single occupancy, non-payers, etc. The tax base is expressed as a "Band D" equivalent as follows:

Table 4 : Tax Base Levels

Tax base Band D	2017/18	2018/19	2019/20	Variance
Carmarthenshire	71,598.56	72,153.24	72,440.46	0.40%
Ceredigion	31,893.64	31,683.05	31,648.30	-0.11%
Pembrokeshire	55,920.65	56,103.15	56,055.84	-0.08%
Powys	61,764.29	61,768.85	62,123.50	0.57%
Total Tax base	221,177.14	221,708.29	222,268.10	0.25%
	2.1%	0.24%	0.25%	

- 7.2 The police precept will be added to the figures for the Unitary Authorities and will form part of the overall Council Tax demand bills.
- 7.3 Under the regulations, the billing authority must determine a schedule of instalments for payments to precepting authorities. The agreement is that the Unitary Authorities will pay the Force in 12 instalments on or before the last working day of each month.
- 7.4 It should also be noted that when announcing the provisional police settlement, the Government make assumptions in regard to the tax base changes using information provided by the Office of Budget Responsibility. For Wales a 0.8% increase was assumed, however the actual increase for Dyfed-Powys was only 0.25%. This lower level of increase detrimentally impacts on the announced headline figures both locally and nationally by c£300k for Dyfed Powys Police.

8 Police Officer Pensions 2019/20

- 8.1 As part of the 2016 Pension Valuation, Her Majesty's Treasury (HMT) announced a Public Sector Pension Valuation 'Directions' on 6th September 2018, which serve to increase the Employer's Contribution rate from 2019/20 for Public Sector Pension Schemes (including the Police Pension Scheme).
- 8.2 The main change is the reduction to the 'discount rate', which is used to convert future pension payments into present day value. This rate reflects the Office for Budget Responsibility (OBR) view on the current national economic outlook, which in turn reflects a particularly uncertain period prior to Brexit. The Chancellor suggested at Party Conference that *any* agreement on Brexit would see an improvement on economic growth predictions, however, put simply, markets like certainty. There is a strong argument to say that using the amended rate as outlined below, risks corrective action in the future when markets stabilise.
- 8.3 The Discount Rate has been reduced from 3.0% to 2.4% (although a reduction to 2.8% was contained in the 2016 Budget). The impact of the Valuation Directions results in a sizeable increase in the police

officers employer contribution from 22.1% to 31%, albeit that 24.2% has been paid since the last revaluation. The impact of this increase has been assessed to be £330m.

- 8.4 Considerable national and political representations were made in relation to the impact of this significant and unforeseen pressure. The provisional settlement has now included two elements to partially mitigate the financial impact.
- 8.5 Firstly a new specific grant has been allocated to all Forces, which has been allocated to forces by the Home Office based on averages police officer pension's costs over a three year period, for Dyfed-Powys this has been set at £1.302m. The second is the totality of the additional £161m allocation of core police grant which for Dyfed-Powys totals £1.035m.
- 8.6 The estimate of financial impact of the increase to 31% has been calculated to be £2.872m for Dyfed-Powys. The increase in funding of £2.337m therefore leaves a shortfall of £0.535m which must be met from within the revenue budget.
- 8.7 The impact on individual forces varies considerably across the country with some receiving additional funding to effectively cover the full costs with others having shortfalls to meet and others gaining. It must also be noted that there are risks in relation to the ongoing commitment to both elements of this funding which are mitigating this pressure.

9 Draft Budget for 2019/20

- 9.1 The overall result of the provisional settlement and proposed precept is a total funding increase of £7.797m in 2019/20 compared with 2018/19 as shown in the table below.

Table 5: Total Funding for 2019/20 (Provisional)

	2018/19	2019/20	Change	
	£m	£m	£m	%
Core Police Grant	27.714	28.317	0.603	2.2%
Add Rule 1 + Floor Funding	8.498	8.676	0.178	2.1%
Welsh Government	13.101	13.355	0.254	1.9%
Central Funding	49.313	50.348	1.035	2.1%
Pensions Grant	0	1.302	1.302	-
Council Tax Base (Band D)	221,708	222,268	560	0.3%

Council Tax at Band D (£)	224.56	248.56	24.00	10.7%
Precept	49.787	55.247	5.460	11.0%
Total Funding	99.100	106.897	7.797	7.9%

- 9.2 This has resulted in the following balanced budget being prepared for 2019/20:

Table 6: Draft Revenue Budget for 2019/20

	2018/19	2019/20
	£M	£M
OPCC and Commissioning	1.992	1.946
Estates	3.736	3.993
Force (net of reserve movements)	93.372	100.958
Total	99.100	106.897

- 9.3 A full breakdown of the proposed expenditure for 2019/20 (through to 2024/25) is provided in Appendix C.
- 9.4 In preparing the budget for 2019/20, the following inflationary factors have been applied to the 2018/19 budget which have taken appropriate consideration of current Consumer Price Index CPI and Retail Price Index rates which are running at 2.3% and 3.2% respectively.

Table 7: Budget Assumptions for 2019/20 (compared with 2018/19)

Budget Assumptions (%)	2018/19	2019/20
Police Officers	2.29%	2.00%
Police Staff	2.29%	2.00%
Inflation	2.50%	2.00%
Premises Fuel	2.50%	10.00%
Vehicle Fuel	2.50%	2.00%
Grants	0.00%	0.00%
Income	2.50%	2.00%
Capital Financing	0.00%	0.00%
Pension	3.00%	3.00%

- 9.5 In addition to inflationary pressures in 2018/19, the following additional cost pressures have been identified for 2019/20:
- Overtime – the Force has continued to see unprecedented levels of operational activity and major incidents. As part of the CC's Finance Gold Group, a critical review of all overtime arrangements and requirements has been undertaken with additional controls being put in place. An additional requirement of £510k has been identified within the recurring base budget, although this will be

monitored to ensure that the inevitable year on year peaks and troughs in major/ critical incidents can be managed financially to best effect.

The CC intends to use £100k of this uplift to create an operational reserve to mitigate against the operational costs arising from peaks in major or critical incidents.

- Forensic Analytical Services – Difficulties have been faced in the forensics market over the last year and there are concerns that these will continue and extend. Work is ongoing nationally to meet and negotiate with all providers to come up with proposals to help sustain the market in the short term (12 to 18 months), which will then allow time to work on a longer term solution.

Based on the analysis of Forensic spend nationally so far, it is likely that Forces will be faced with a minimum average price increase across the consortium of approximately 29% with effect from 1 January 2019. To put this into some context, in 2016 the average savings across the consortium was 25%, so this returns Forces back to that pricing point, with a slight RPI increase over the last 2 years.

- Premises fuel costs – The budget for electricity and gas costs have been increased by 10%, which equates to £78k to adequately reflect forecasted usage and the current industry predictions of a rise in fuel charges due to changes in global production and consumption.
- Facilities Management Contract – Historically the maintenance of the Estate has been sporadic and inefficient resulting in large spend on reactive rather than planned works. Failure of plant/equipment and downtime has also caused ongoing problems combined with technical limitations within the Estates team posing operational risk. Through the mobilisation of a Facilities Management contract the aim is to minimise risk whilst increasing the accuracy, efficiency and quality of services provision. Albeit that there is an additional cost of £252k in providing these services there will be opportunities to reduce and refine maintenance service provision which will bring cost efficiencies over the longer term.
- National Enabling Programmes –A significant number of ICT projects are being funded at a National level from the Police Transformation Fund and from Police Technology reallocations. These include:
 - National Enabling Programme
 - Productivity Services – Office 365 / Cloud
 - National Security Management Centre
 - Identity Access management
 - Digital Policing Portfolio

- Digital Public Contact (Single On-line Home)
- Digital Investigation and Intelligence
- Digital First (Electronic Case Files)
- Home Office Programmes
 - Emergency Services Mobile Communications Programme
 - National law Enforcement Data Programme (Police National Databases)
 - National ANPR System
 - Home Office Biometrics

Taken together these projects reflect a significant commitment by the Home Office and National Police Chiefs' Council to streamline National Systems. Although the development costs are covered through central funding, revenue budget consequences and local implementation costs are to be picked up by local Forces through their own Capital and Revenue Budgets. In total a sum of £485K has needed to be included in next year's budget to cater for the increased revenue costs associated with these National Programmes.

- The Force already contribute to a range of national ICT projects but a review of the basis of charging is currently taking place seeking consistency and equity of approach. Historically a number of these have used the respective share of police grant funding as the basis to allocate charges to individual Forces. Due to the very wide disparities of the 'gearing' balance between police grant funding and council tax precept across the country, it is generally being considered that the use of Net Revenue Expenditure (NRE) would be a more equitable and reflective basis of charging for national projects. The impact of this would be £150k for Dyfed-Powys and has been included as a pressure for 2019/20, although representations and discussions are still ongoing.
- National Air Support – work is currently ongoing to review the charging arrangements which underpin the provision of the National Police Air Support service. A number of options have been consulted upon, the outcome of which is uncertain at this time but it is likely that as any new charging arrangement will bring increased costs of £115k as a consequence of both the basis of charging and the increased calls for service within the Force area.
- Regional Organised Crime Unit – the collaborative arrangement between the three southern welsh Forces is partly funded by grant funding and partly from Force contributions. There are both uncertainties over future grant funding which is likely to see a cut in funding in 2019/20 along with additional pressures and IT costs. Whilst due diligence and consideration of options continue £219k has been included within the budget to mitigate these pressures.

- Critical National Infrastructure/ Ports – Counter Terrorism grant funding is received to support Operation Protect which includes both land and waterways. The basis of this grant has always been contributory which has meant that the full costs have not been fully funded. Historically these shortfalls have been met in year from either additional grant bids due utilising national underspends or from efficiencies and savings within the Force budgets. A pressure of £121k has been recognised within the budget to ensure that the full costs are fully reflected from the outset.
- As well as these National and inflationary pressures, the Force is also faced with a number of local cost pressures including police staff and officer pay awards and increments, reductions in income and grants, additional bank holiday working costs, collaboration cost increases and welsh language translation costs

9.6 After a period of discussion and consultation, the CC approved the following prioritised growth bids from a number of organisational business cases:

- General Data Protection Regulations (GDPR) – structural changes and resourcing requirements of £167k as a consequence of the regulations which came into effect in 2018.
- CCTV Co-ordination – additional resources of £108k to ensure that the significant investment in CCTV across Dyfed-Powys is utilised to maximum potential to support local policing.

9.7 The Commissioner is currently evaluating the benefits of the custody triage project in Pembrokeshire to determine whether there is merit in rolling it out across the whole of Dyfed-Powys. Discussions are also ongoing with Welsh Government in relation to grant funding opportunities to specifically support the provision of this service to women. Budgetary provision has been retained within the Commissioning budget pending the outcome of the evaluation.

9.8 The Commissioner has also commissioned an independent needs assessment to better inform the prioritisation of funding for commissioned services. The outcomes from this will be considered by both the Commissioner and the Commissioning Advisory Board to ensure that funds are directed to best effect on a sound and robust evidence base. Having rebased the Commissioning budget, this will now stand at £1.455m a reduction from £1.477m from 2018/19. This budget is supported by Ministry of Justice grant of £0.597m which support Victims support services.

9.10 In addition to the investments above, the outline budget for 2018/19 includes annual recurring cost reductions of £2.932m within the Force as summarised below:

Table 8: Cost Reduction Summary for 2019/20

		Expected Savings
		2019/20
		£'000
Pay/ Allowances	Reduction in allowances	-83
Workforce	Voluntary Early Severance	-390
Workforce	Modernisation/ Workforce transformation	-100
Workforce	Temporary staff reductions	-143
Workforce	Police Pay - Voluntary Early Severance	-1,218
Procurement	Contractual efficiencies/ savings/ collaboration	-525
Procurement	Forensics contractual savings	-205
OPCC	Efficiencies	-128
Commercialisation	Income generation	-60
Other	Other	-80
		-2,932

- 9.11 The MTFP for 18/19 included provision for Voluntary Early Severance (VES) for Police Officers. Rigorous scrutiny and consultation surrounded the implementation of this new policy which aimed to assist with the efficient running of the Force in times of austerity, allows for succession planning and ensures that the Force as an effective skills mix. Having carefully reviewed the financial situation, police officer forecasted establishment levels and MTFP 17 FTEs were approved to exit the organisation.
- 9.12 The Force will see a reduction in Police Officer strength for 2019/20 of around 40 officers which is made up of 17 from VES, 7 as a result of reduction in planned intakes during 2018/19 and 16 as a result of net leavers and secondments, which contributes a further of £1.218m of cost reductions.

10 Future Funding

- 10.1 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.

- 10.2 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.
- 10.3 The settlement for 2018/19 announced in December 2017 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.
- 10.4 Having been satisfied on the progress made in relation to efficiencies, the Rt. Hon Nick Hurd MP announced the draft settlement on the 13th December 2018 which allocated additional core grant funding of £1.036m. However it is important to highlight that in addition to the new pension's grant of £1.302m this only partly mitigates the additional police officer pensions cost of the increase to employers contribution for 2019/20 and leaves uncertainty over future years.
- 10.5 Despite the work that is ongoing in relation to the Comprehensive Spending Review (CSR), a consistent national approach to budgetary assumptions has been advocated by the Police and Crime Commissioners Treasurers Society which is to assume a cash flat settlement for 2020/21. Clearly there are risks attached to this assumption and this position will be monitored carefully in line with the CSR working groups.
- 10.6 The Policing Minister has stated that a new funding formula will not be introduced until 2021/22 at the earliest. The impact of the last (unimplemented) review was a £7.9m loss in grant to Dyfed-Powys. Therefore, with this in mind, the MTFP also incorporates a reduction of 4% in central grant from 2021/22 onwards.

10.7 The current medium term funding position is shown below:

Table 9: Total Funding for 2019/20 to 2024/25

	19/20	20/21	21/22	22/23	23/24	24/25
	£M	£M	£M	£M	£M	£M
Central Grants	50.348	50.348	48.334	46.401	44.545	42.763
Pensions Grants	1.302	1.302	1.302	1.302	1.302	1.302
Precept	55.247	58.155	61.215	64.436	67.827	71.397
Total Funding	106.897	109.805	110.851	112.139	113.674	115.462
Variance to prior year	7.797	2.908	1.046	1.288	1.535	1.788
% Change	7.87%	2.72%	0.95%	1.16%	1.37%	1.57%

10.8 This funding position assumes the following increases in council tax precept and includes an assumption that the council tax base will increase by 0.25% per year:

Table 10: Proposed Precept Level 2019/20 to 2024/25

	19/20	20/21	21/22	22/23	23/24	24/25
	£	£	£	£	£	£
Council Tax Precept	248.56	260.99	274.04	287.74	302.13	317.23
Increase from prior year £	24.00	12.43	13.05	13.70	14.39	15.10
% Change	10.69%	5.00%	5.00%	5.00%	5.00%	5.00%

11 Medium Term Budget 2019/20 to 2024/25

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

Table 11: Inflation Assumptions for 2018/19 to 2023/24

	19/20	20/21	21/22	22/23	23/24	24/25
Police Officers	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Police Staff	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Inflation	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Premises Fuel	10.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Vehicle Fuel	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Grants	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Income	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Capital Financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pension	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

- 11.1 In addition to these increases in base costs, an efficiency and savings plan has been developed that is due to deliver savings amounting to £4.063m over the next five years. These savings are detailed in the table below:

Table 12: Cost Reduction Summary for 2019/20 to 2023/24

	19/20	20/21	21/22	22/23	23/24	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Reduction in allowances	-83					-83
Voluntary Severance Early	-390					-390
Modernisation/ Workforce transformation	-100	-31	0	0	0	-131
Temporary staff reductions	-143	-50	-50	-50	-150	-443
Contractual efficiencies/ savings/ collaboration	-525	-200	-200	-200	-200	-1,325
Forensics contractual savings	-205					-205
Efficiencies	-128					-128
Income generation	-60					-60
Other	-80					-80
Police Pay – Voluntary Severance Early	-1,218					-1,218
	-2,932	-281	-250	-250	-350	-4,063

- 11.2 The impact of the consolidation of the inflationary increases, pressures forecasted changes and resultant funding gaps are detailed as follows:

Table 13 – Cost Variation Statement

Medium Term Financial Plan -Variation Statement 2019/20 to 2023/24						
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Total Funding - Prior Year	-99,100	-106,897	-109,805	-110,851	-112,139	-113,674
Total Funding available -for year	-106,897	-109,805	-110,851	-112,139	-113,674	-115,462
Total Funding Change	-7,797	-2,907	-1,046	-1,288	-1,535	-1,788
Inflationary Pressures						
Pay Inflation - Prior Year	761	805	820	836	853	869
Pay Inflation In Year	1,225	1,249	1,273	1,298	1,323	1,348
Police Staff Increments / LYR Growth	878	0	0	0	0	0
Police Officer Overtime	410	0	0	0	0	0
Other Pay Pressures	308	0	0	0	0	0
Non Pay Inflation	484	404	472	549	645	767
Pensions Costs	2,968	0	0	0	0	0
Reduction In Reserves	1,298	631	346	30	10	10
Capital Financing Costs	540	872	1,264	662	484	484
Loss Of Specific Grants / Income	23	150	0	0	0	0
Unavoidable Increases - Agency / Estates	753	219	219	0	0	0
Increases in Non Pay Costs (Inc ICT)	724	418	130	14	2	2
Growth Bids Included	357	290	21	0	0	0
Savings Plan						
Efficiency	-1,714	-281	-250	-250	-350	-350
Demand Savings Incorporated	-1,218	0	0	0	0	0
Total Cost Pressures	7,797	4,757	4,296	3,140	2,967	3,129
Shortfall (+) / Surplus (-)	-0	1,850	3,250	1,851	1,432	1,341
Cumulative Shortfall (+)	-0	1,850	5,100	6,951	8,383	9,724

- 11.2 Given the future uncertainty of funding and the identified budgetary shortfalls it is prudent for plans to be developed to meet the shortfalls that have been identified. The CC continues to develop options for potential operating models should these scenarios occur. There is no doubt that any significant reductions in central grant funding would have a serious impact on police services and the communities of Dyfed-Powys.

- 11.3 Work continues on a national and all-Wales basis to seek every opportunity for collaboration, consistency of approach and commercial efficiencies.

12 Section 25 and Budgetary Risk

- 12.1 Section 25 of the Local Government Act 2003 requires that the Chief Finance Officer report to the Commissioner, 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, and the adequacy of financial reserves. This report is shown in Appendix D
- 12.2 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.
- 12.3 It is important that budgetary risk has been minimised when the budget is set. The level of budgetary risk must be formally considered by the Commissioner informed by the advice and judgement of his Chief Finance Officer.
- 12.4 The proposed budget for 2019/20 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;
 - Unknown financial consequences arising from the exit from the European Union (Brexit);
 - Further future impacts of pension scheme reviews on employer contribution rates.
 - Financial outcomes of national legal cases and challenges in relation to undercover policing and police pensions.
- 12.5 Appendix E also outlines a risk impact assessment across various budget headings and based on the percentage of the net revenue budget and the known factors which could influence levels of actual expenditure or income.

13 Reserves

- 13.1 In accordance with the Home Office Financial Management Code of Practice (FMCoP) the Commissioner considers the role of reserves when compiling the MTFP and annual budget. The Commissioner, supported by his Chief Finance Officer 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.
- 13.2 The FMCoP requires the Commissioner to establish a strategy on reserves in consultation with the CC. This Strategy is shown in Appendix F and details the approach for 2019/20 and beyond.

13.3 The opening and estimated closing position for reserves during 2018/19 are shown in the table below.

Table 14: Reserve Balances and Utilisation during 2018/19

	Balance as at 31 st March 2018	Net Movement in year	Balance as at 31 st March 2019
	Actual	Estimated	Estimated
	£000k	£000k	£000k
General Reserve	4,032	0	4,032
Earmarked Revenue Reserves	1,687	-363	1,324
Ring-fenced Revenue Reserves	3,560	-348	3,212
Capital Grants	750	-324	426
Capital Reserves	10,451	-4,980	5,471
Total	20,480	-6,016	14,464

13.3 The table below details how the MTFP will impact on reserves over the coming years.

Table 15: Use of Reserves

	19/20	20/21	21/22	22/23	23/24	Total
Use of Reserves	£000k	£000k	£000k	£000k	£000k	£000k
Revenue Reserves (contribution to revenue budget)	-977	-346	0	0	0	-1,323
Earmarked Reserves	-4	-4	-4	26	36	50
Ring-fenced Reserves	0	0	0	0	0	0
Capital Grants	-243	-183	0	0	0	-426
Capital Reserves	-3,150	-2,011	-495	584	-166	-5,238
Total use of Reserves	-4,274	-2,544	-499	610	-130	-6,937
Balance at year end	10,091	7,546	7,047	7,657	7,528	

13.4 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. Given the pressures in 2018/19 revenue budget a decision was taken to draw the remaining reserve not just from 2018/19 but over 3 years with the last planned contribution from reserves in relation to this decision now to be made in 2020/21.

- 13.5 The following table outlines the estimated reserves which underpin the 2019/20-2023/24 MTFP:

Table 16: Estimated Reserves at year end

Estimated Year End Reserves	Balance at 31st March 2019	Balance at 31st March 2020	Balance at 31st March 2021	Balance at 31st March 2022	Balance at 31st March 2023	Balance at 31st March 2024
	£000k	£000k	£000k	£000k	£000k	£000k
General Reserve	4,032	4,032	4,032	4,032	4,032	4,032
Earmarked Revenue Reserves	1,324	446	200	300	400	500
Ring-fenced Revenue Reserves	3,212	3,108	3,004	2,900	2,826	2,762
Capital Grants	426	183	0	0	0	0
Capital Reserves	5,471	2,321	310	-185	399	233
Total	14,464	10,091	7,546	7,047	7,657	7,528

- 13.6 At the end of 2023/24, the general reserve is expected to remain at £4.032m with total reserves amounting to £7.528m. The percentage of general reserve against net revenue budget will fall from 4.1% at the end of 2018/19 to 3.5% as the net revenue budget increases. The reserves are further detailed in Appendix G and also provide the information to accord with the Home Office and ministerial requirements.
- 13.7 The above reserve levels have been considered in the context of risk which 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.*"
- 13.8 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.
- 13.9 Four key risks are specifically 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.

14. Capital

14.1 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 Capital Strategy is shown in Appendix H and underpins the draft capital programme for 2019/20:

Table 17: Draft Capital Programme for 2018/19 to 2023/24

Capital Programme	18/19	19/20	20/21	21/22	22/23	23/24	Total
	£000k	£000k	£000k	£000k	£000k	£000k	£000k
Land and Buildings	2,309	4,250	16,250	3,900	500	500	27,709
Vehicles	953	962	1,095	1,050	1,050	1,050	6,160
IT and Other Strategic Spending	3,217	3,405	2,424	2,160	1,690	1,440	14,337
Capital Expenditure	6,479	8,617	19,769	7,110	3,240	2,990	48,206
Grant Funding	-318	-325	-325	-325	-325	-325	-1,941
Borrowing	0	-4,250	-16,250	-3,900	0	0	-24,400
NPAS Capital	-23	0	0	0	0	0	-23
Capital Grants	-324	-243	-183	0	0	0	-750
Contribution from Revenue Account	0	-500	-1,000	-1,500	-2,000	-2,500	-7,500
Capital Receipts	-2,402	-150	0	-891	-1,500	0	-4,943
Capital Reserve	-3,412	-3,150	-2,011	-495	584	-166	-8,650
Capital Financing	-6,479	-8,617	-19,769	-7,110	-3,240	-2,990	-48,206

14.2 The draft capital programme requires total funding of £48.2m for 2018/19-2023/24 with £10.2m being spent in 2018/19. For the current capital programme to be fully financed over the next six year, capital reserves will be depleted by the end of 2021/22. In addition, it is foreseen that external borrowing of £24.4m will be needed over the same period. The majority of this borrowing will fund the building of a

new custody facility for Carmarthenshire, provide a solution to the ageing police facility in Brecon and fund the new training facility for the Joint Firearms Unit. The cost of these three capital projects are currently expected to be in the region of £22.5m.

15 Public Consultation and Opinion

- 15.1 On the 7th December 2018, the Commissioner launched his public consultation on police funding for 2019/20. It was important to the Commissioner that he sought the views of the public and Dyfed-Powys Police workforce. He urged all to voice their opinion on this critical issue, to ensure that as a Police Force, Dyfed-Powys Police can continue to safeguard its communities with the highest standard of service available.
- 15.2 To assist the public in providing their views, a survey was created and both distributed and promoted widely. The survey closed on Sunday 6th January 2019.
- 15.3 Through a series of posters within the survey the Commissioner demonstrated the impact on Dyfed-Powys Police and its service users should Dyfed-Powys Police receive an additional £1, £1.50 and £2 per month via the Police Precept, and should they receive no additional funding through the Precept.
- 15.4 This year's consultation saw a significant increase in responses from 217 last year to 531 for this year.

Table 18 – 2019/20 Precept Consultation Responses

How much more, if any, would you be willing to pay each month through the police precept?		
Response	No. of responses	% of responses
No more	99	19%
An additional £1	35	6%
An additional £1.50	46	9%
An additional £2	351	66%
Total	531	100%

- 15.5 Two thirds, 66%, of those who responded to the Commissioner's survey would be willing to pay an additional £2 each month through the Police Precept. 19% would not wish to pay an additional amount, whilst 9% would be willing to pay an additional £1.50 and 6% an additional £1 each month.

16 Conclusion

- 16.1 As outlined in the Commissioners summary, given the historic funding decisions and scale of the financial challenges and operational challenges that both Dyfed-Powys and the police service generally face, it is vital to secure a police precept which will safeguard policing and support the continued delivery of the priorities set out the Police & Crime Plan.
- 16.2 The above report sets out the array of internal and external factors and considerations which have informed the development of the MTFP.
- 16.3 The Commissioner submits a precept proposal for 2019/20 and assumptions that underpin the MTFP to 2024/25.
- 16.4 The Commissioner therefore submits a precept proposal for scrutiny by the Dyfed-Powys Police and Crime Panel which will raise the average band D property precept by £24 to £248.56, a 10.7% increase. This increase is in accordance with the flexibilities outlined by the Government and will raise a total precept of £55.248m. This will provide a total of central and local funding of £106.898m representing a 7.87% increase on funding levels in 2018/19.
- 16.5 The impact of this police precept on each property banding are shown below:

Table 18 - Council Tax Bandings

Tax Band	Basis	2018/19	2019/20	Increase
A	6/9ths	£149.71	£165.71	£16.00
B	7/9ths	£174.66	£193.32	£18.66
C	8/9ths	£199.61	£220.94	£21.33
D	9/9ths	£224.56	£248.56	£24.00
E	11/9ths	£274.46	£303.80	£29.34
F	13/9ths	£324.36	£359.03	£34.67
G	15/9ths	£374.27	£414.27	£40.00
H	18/9ths	£449.12	£497.12	£48.00
I	21/9ths	£523.97	£579.97	£56.00

- 16.6 This level of funding will allow the Force to continue to provide focussed funding to meet their operational and strategic delivery plans addressing priorities detailed within their Force Management Statement.

Safeguarding our communities together: Working together to provide a first class service that is visible and accessible, ensuring that our communities remain safe. We will be there when the public need us and we will act with fairness and respect in all that we do.



Intelligence
 Dyfed-Powys Police & Crime Panel
 Commissioned services
 Office of the Police & Crime Commissioner
 Corporate communications
Local Policing
 Business Support Unit
 Continuous Improvement
 Vehicle Maintenance Unit
 Integrated Offender Management
 Equality & Diversity
Partnerships
 Information, Communication, Technology
Department Operations
 Collaboration & Efficiency
Public Protection
 Professional Standards
 People Services
 Criminal Investigation
 Legal & Compliance
 Force communications
 Specialist Operations
 Science of Policing
 Department Operations
 Collaboration & Efficiency
 Public Protection
 Professional Standards
 People Services
 Scientific Support
 Roads Policing
 Special Const. & Volunteers
 Civil Contingencies

POLICE & CRIME DELIVERY PLAN 2017-2021

Heddlu Dyfed-Powys Police TOWARDS 2025



Building a service fit for 2025 and beyond means working together, working smarter and striving for continuous improvement.

We will develop a police service that is forward thinking, innovative and engaged - guided by community needs, demand and intelligence.

Mark Collins, Chief Constable



Local Policing

Local policing will be tailored to the needs of our communities - Informed by their priorities and our evidence.

- Police Officers and PCSOs will be located in the places where our analysis tells us they are needed.
- We will also be visible and accessible online - Available to engage with our communities in ways that suit their needs.
- We will adopt a multi-agency problem solving approach to community problems, focusing on early intervention from the most appropriate agency.



Specialist Capabilities

We will build our capacity and continue to test ourselves, so that we are prepared and ready to respond to existing and emerging crime types.

- We will build specialist capability with other Welsh forces to respond to existing and emerging threats e.g. terrorism, serious and organised crime and cybercrime.
- We will exercise for these threats together, ensuring we are ready to respond when needed.
- We will develop one approach to accreditation of specialist services within Wales (e.g. Collision Investigation), reducing costs and avoiding duplication of effort.



Workforce

We will work to retain and recruit confident and capable professionals, empowered to do their best for the communities we serve.

- We will have a skilled and agile workforce that reflects our communities and look to standardise staff terms and conditions to allow regionalised service delivery.
- We will develop a more responsive approach to workforce planning and use sophisticated demand analysis to inform resource decisions.
- We will embed the Transformational Leadership Programme across Dyfed Powys Police as part of our leadership approach.



Digital Policing

New technology will make it easier for our communities to speak with us. It will remove waste from our work and improve processes.

- We will develop, improve and integrate our digital policing programme to support operational policing and to improve accessibility for the public.
- We will implement a new records management system, reducing bureaucracy and enhancing the scope for collaboration with other Welsh forces.
- We will make best use of digital and mobile services, maximising the time that officers remain operational within their community.



Business Delivery

We will be flexible in the way we work - Looking for opportunities to do more with others, reducing waste and duplication.

- Our procurement processes will seek to maximise on economies of scale, deliver efficiencies and secure ethical arrangements with local suppliers.
- We will actively explore delivery mechanisms for shared services across public sector, balancing the need for high quality cost effective services with the retention of local employment.
- With other public sector bodies we will reduce the public sector estate in Wales and the associated costs, by exploring co-location and limiting our carbon footprint.



Governance & Accountability

Clear arrangements for accountability and transparency will make us more agile and adaptable as circumstances change.

- We will be open to robust scrutiny and challenge, through internal quality assurance arrangements, external audit and inspection.
- We will play an active role within each Public Service Board to improve the economic, social, environmental and cultural well-being.
- We will recognise and address gaps in service through the annual production of a Force Management Statement.

Revenue Budget 2018/19 to 2024/25								
		Final Budget	Proposed Budget	Financial Outlook				
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Budget for OPCC and Commissioning								
	Staff Costs	685	703	717	731	746	761	776
	OPCC Non Pay	336	284	290	295	301	307	313
	Commissioning Staff	95	100	102	105	107	109	111
	Commissioning Non Pay	1,477	1,455	1,484	1,514	1,544	1,575	1,607
	Commissioning Income	-600	-597	-597	-597	-597	-597	-597
	Estates Staff	720	713	728	742	757	772	788
	Estates Non Pay	3,016	3,280	3,319	3,359	3,399	3,441	3,483
	Total OPCC Costs	5,728	5,939	6,043	6,150	6,258	6,369	6,482
Budget for Chief Constable and Staff under Direction and Control of Chief Constable								
Employees								
	Police Officers	53,210	53,403	54,456	55,551	56,667	57,806	58,968
	Police Staff	22,064	23,547	23,948	24,400	24,840	25,187	25,541
	PCSO's	4,922	5,021	5,122	5,225	5,330	5,437	5,546
	Police Pensions (net)	12,052	15,083	15,386	15,695	16,010	16,332	16,660
	Indirect Staff Costs	885	929	947	966	986	1,005	1,025
	Total Employee Costs	93,134	97,983	99,859	101,837	103,832	105,767	107,741
Running Expenses								
	Premises Costs	332	367	374	381	388	395	403
	Transport Costs	1,779	1,966	2,005	2,044	2,084	2,124	2,166
	Supplies & Services	9,869	10,426	11,369	11,786	12,165	12,629	13,214
	Agency & Contracted Services	2,307	2,841	3,121	3,407	3,475	3,545	3,616
	Total Running Expenses	14,286	15,601	16,868	17,618	18,112	18,693	19,399
	Capital Financing Costs	440	776	1,648	2,913	3,575	4,059	4,543
	Total Expenditure	107,861	114,359	118,376	122,368	125,519	128,519	131,682
Financed By:								
Income								
	Specific Grants	-6,924	-6,959	-6,856	-6,904	-6,953	-7,004	-7,055
	Other Income	-5,286	-5,461	-5,559	-5,658	-5,760	-5,863	-5,969
	Total Income	-12,209	-12,420	-12,415	-12,563	-12,713	-12,867	-13,024
	Net Costs - Force	95,651	101,940	105,961	109,805	112,806	115,652	118,658
	% Change	0.0%	6.6%	9.7%	3.5%	2.7%	2.5%	2.5%
Contribution From Reserves								
	Use of / Contribution to Reserves	-2,279	-981	-350	-4	26	36	46
		-2,279	-981	-350	-4	26	36	46
	Net Costs - Force	93,372	100,958	105,611	109,801	112,832	115,688	118,704
	Total Costs for OPCC and Force	99,100	106,897	111,655	115,951	119,090	122,057	125,186
	Net Cost of Policing To be Funded From Grants and Precepts	99,100	106,897	111,655	115,951	119,090	122,057	125,186

Revenue Budget 2018/19 to 2024/25								
		Final Budget	Proposed Budget	Financial Outlook				
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Grants and Precepts								
		0.0%	0.0%	0.0%	-4.0%	-4.0%	-4.0%	-4.0%
	Police Grant	-27,724	-36,993	-36,993	-35,514	-34,093	-32,729	-31,420
	Floor Funding	-8,874	0	0	0	0	0	0
	NNDR	-8,161	-13,355	-13,355	-12,821	-12,308	-11,815	-11,343
	RSG	-4,554	0	0	0	0	0	0
Total External Support		-49,313	-50,348	-50,348	-48,334	-46,401	-44,545	-42,763
	Pensions Grant	0	-1,302	-1,302	-1,302	-1,302	-1,302	-1,302
	Precepts on Billing Authorities	-49,788	-55,247	-58,154	-61,215	-64,436	-67,827	-71,396
TOTAL RESOURCES		-99,100	-106,897	-109,805	-110,851	-112,139	-113,674	-115,462
	Difference (Deficit / Unidentified Savings)	0	0	1,850	5,100	6,951	8,383	9,724
Taxbase								
		221,708	222,268	222,824	223,381	223,939	224,499	225,060
COUNCIL TAX LEVEL		£ 224.56	£ 248.56	£ 260.99	£ 274.04	£ 287.74	£ 302.13	£ 317.23
Council Tax Increase		5.0%	10.7%	5.0%	5.0%	5.0%	5.0%	5.0%
Taxbase @ Band D								
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2023/24
	Carmarthenshire	72,153	72,440.46	72,622	72,803	72,985	73,168	73,351
	Ceredigion	31,683	31,648.30	31,727	31,807	31,886	31,966	32,046
	Pembrokeshire	56,103	56,055.84	56,196	56,336	56,477	56,619	56,760
	Powys	61,769	62,123.50	62,279	62,435	62,591	62,747	62,904
	Taxbase	221,708	222,268.10	222,824	223,381	223,939	224,499	225,060
		0.24%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%

1. Section 25 of the Local Government Act 2003 requires that the Chief Finance Officer report, to the Commissioner, at the time the budget is being set, on the following matters:
 - the robustness of the estimates made for the purposes of calculations;
 - and the adequacy of the proposed financial reserves.
2. Both the Commissioner and Police and Crime Panel are required to have regard to this report when considering and making decisions in connection with the budget.
3. The proposed budget presented in this report is based upon robust figures, prepared by the Director of Finance. The detailed estimates have been prepared on a realistic basis and a result of comprehensive work undertaken by Corporate Finance in liaison with senior officers across the Force and have been subject to review and discussion through formal and informal meetings. Proper provision has been made for assumed pay and price increases, achievable levels of income and deliverable efficiency savings.
4. The CC continues to report financial performance monthly through Policing Board and Police Accountability Board. Updates are also provided as a result of discussion of actions arising from the Finance Gold Group which was established during 2018/19. Bi weekly meetings take place between the Director of Finance and I there is close working with the Corporate Finance team in relation to a number of specific areas which impact on the budget preparation and the MTFP.
5. The Efficiency Plan is the sensible and measured way to reduce expenditure in a controlled and structured manner. It is recognised however that the plan carries a higher risk than the budget in terms of attainment. The Efficiency Plan for 2019/20 is forecast to deliver sufficient savings to balance the 2019/20 but savings and efficiencies are proving harder and the current plan is insufficient to produce a balanced budget throughout the MTFP which coupled with the potential loss of core police grant shows a residual budget gap of £9.7M. There will need to be a continued focus on efficiencies and transformation over the next 4 years if operational effectiveness is to be sustained and improved.
6. The use of General Reserves in 2017/18 now means that its adequacy needs to be closely monitored to ensure that it is maintained at a sustainable level. The assumed profile of funding and cost of services within the MTFP sees a reduction of General Reserves falling from 4.07% of Net Revenue Expenditure at the end of 2018/19 to 3.30% by the end of 2023/24. This reduction is due to the increases in the net revenue budget rather than the utilisation of reserves. These levels assume that there are no calls on general reserves to meet unforeseen financial burdens.
7. There has been a planned use of useable specific reserves to support and underpin the revenue budget. The only specific reserves that will remain are effectively held on behalf of third parties (Go Safe/

Collaborative Arrangements) or for specific road safety initiatives. The 2019/20 budget includes additional provision for overtime with a plan to create an operational contingency reserve which will be held to assist in mitigating the financial impacts of annual peaks and troughs in critical and major incidents.

8. The previous decision to utilise revenue reserves to underpin revenue costs has undoubtedly caused additional sustainability strain over the medium term. As detailed in the reserves strategy the adequacy of both the General reserve and specific reserves will be kept under constant review.
9. The robust approach on risk management and prioritisation of investment has enabled critical infrastructure developments and ensure a sustainable police service. However, despite the assumed increases in council tax precept, and use of revenue reserves there are significant shortfalls over the term of the MTFP. There are a number of uncertainties and risks which are detailed within the MTFP including those in relation to both core and specific grants and it is clear that the financial environment will remain extremely challenging for the foreseeable future.
10. This MTFP has fully considered and documented the array of known issues and assumptions which impact over the period of planning period and I am satisfied that the proposals for 2019/20 produce a balanced budget and that the current level of reserves are adequate. Dyfed Powys Police will however face difficult decisions over coming years and there is a need to develop comprehensive savings and efficiency proposals to address the residual budget gap of £9.7m to ensure both financial resilience and sustainability

Beverley Peatling

**Chief Finance Officer to the Police and Crime Commissioner for
Dyfed-Powys**

Budget area	% of net costs	Risk level	Identified Risk	Mitigating factor
Police Officer Salary Costs	50.0%	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>Assumptions have been made in relation to future pay awards but until finalised remain uncertain.</p> <p>Additional costs may arise as a result of a legal challenge in relation to the 2018/19 pay award for police officers as the recommendations of the independent Pay Review Body were not accepted.</p>	<p>The Finance Gold Group which was established during 2018 has put in place additional controls in relation to all aspects of financial control and has a specific sub group in relation to overtime. Additional authorisation processes for overtime were put in place in summer 2018 and financial reporting was strengthened to facilitate timely and accurate monitoring.</p> <p>The 2019/20 budget includes provision to establish an operational contingency fund to assist in smoothing the financial impacts of the annual peaks and troughs of major and critical incidents.</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</p>

Budget area	% of net costs	Risk level	Identified Risk	Mitigating factor
				Procurement Group.
Police Staff Salary Costs (including PCSO's)	28.1%	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 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	14.1%	Medium	<p>Given the recent pensions directions there is a risk of future increased contributions. Also, changes in the way certain elements such as injury payments are treated pose a risk.</p> <p>Additional costs may arise from the legal challenge in relation to the move to Care Average pensions.</p>	<p>Linked to police officer salary costs above.</p> <p>Ability to amend recruitment profiles during the year.</p> <p>Historically any major changes which have significant financial implications have been funded through the Home Office and then factored into subsequent actuarial reviews.</p>
Indirect Staff Costs	0.9%	Medium	<p>These might increase above budget.</p> <p>Uncertainty exists around the ongoing funding of the new police recruitment</p>	<p>Training budgets have been set to reflect operationally critical requirements. Budgets are monitored on a monthly basis and a Training</p>

Budget area	% of net costs	Risk level	Identified Risk	Mitigating factor
			for the Police Education Qualification Framework (PEQF) requirement from March 2019.	<p>Prioritisation Group considers training priorities before training is delivered.</p> <p>The PCC and CC continue to discuss and monitor training requirements at Policing Board.</p> <p>Discussions are ongoing with Welsh Government in relation to future funding to support PEQF.</p>
Premises Costs	3.4%	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 costs may continue as a result of more extreme weather conditions.</p>	<p>The capital programme is considered as part of Medium Term Financial Strategy and annual budget setting process.</p> <p>Review of energy utilisation to seek efficiencies and invest to save opportunities.</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	1.8%	Medium	<p>Although there are planned changes to the fleet size, the costs of fuel are prone to significant fluctuation and could increase in running costs.</p> <p>The exit from the European Union may lead to increased fuel costs in the future and impact on the availability and costs of spare parts.</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> <p>The potential impacts of the exit from the European Union are being monitored at a local, regional and national level.</p>
Supplies and Services and Commissioning	10.0%	Medium	<p>Non purchase orders could result in over spends against the budget.</p> <p>The exit from the European Union may lead to shortages in supply and increases in costs.</p>	<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	4.0%	Medium	<p>Additional and increasing costs arising from the collaboration arrangements</p>	<p>Work is ongoing to strengthen the governance and financial management arrangements surrounding</p>

Budget area	% of net costs	Risk level	Identified Risk	Mitigating factor
Services			- specifically the Regional Organised Crime Unit, Joint Firearms Unit and JFU training facility's	collaboration. Additional financial provision has been made for 2019/20 with options being further explored.
Capital Financing	0.7%	Medium	Borrowing costs could increase if there is a rise in interest rates	External advise from Treasury Management Consultants The Capital Strategy, Investment Strategy and Medium Term Financial Plan are aligned.
Specific Grant	-7.1%	High	Critical services which are supported by Grant cannot be sustained. Additional financial burdens incurred as a result of lost/ reduced grant funding. 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. Comprehensive exit plans to be developed for each specific activity supported by external grant. PCC Commissioned services are authorised by the Director of Commissioning after consultation with the Chief Finance Officer.
Other Income	-5.1%	Medium	Income targets are under achieved as a result of lower than forecasted activity levels.	Finance Gold Group established a sub group to consider all aspects and maximisation of income generation. Income will be reviewed and monitored as part of financial management and budgetary control arrangements.
Use of Reserves	-0.9%	High	Reserves are underpinning the revenue budget which causes	Annual review and consideration of reserves Strategy which outlines the approach and arrangements



Budget area	% of net costs	Risk level	Identified Risk	Mitigating factor
			<p>sustainability difficulties in future years.</p> <p>Unexpected demand led pressures on budgets cannot be met without an adverse impact.</p>	<p>MTFP reduces level of reserves which are underpinning the revenue budget over next 2 years.</p> <p>Creation of operational reserve to mitigate peaks in critical and major incidents.</p> <p>Regular monitoring of the financial position occurs through the forces' Chief Officer Group (COG) and Policing Board.</p>
Capital	N/A	High	<p>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.</p>	<p>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.</p>



RESERVES STRATEGY

RESERVES, BALANCES AND PROVISIONS

1 Introduction

- 1.1. The requirement for financial reserves is acknowledged in statute. Sections 32 and 43 of the Local Government Finance Act 1992 which require local authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating their budget requirement.
- 1.2. The Financial Management Code of Practice states that the Police and Crime Commissioner (Commissioner) should establish a strategy on reserves (including how they might be used by the Chief Constable (CC)) and provisions in consultation with the CC. This should have due regard to the need to ensure the on-going funding of policing activities and the requirement to meet exceptional or extraordinary policing operations.
- 1.3. Reserves are an essential part of financial management. They help the Commissioner and CC cope with unpredictable financial pressures and plan for future spending commitments.
- 1.4. All reserves will be held by the Commissioner and managed to balance funding and spending priorities and to manage risks. This forms an integral part of the medium-term financial planning process.

2. Definitions

- 2.1. Reserves and balances are different from provisions from an accounting perspective. In the case of useable reserves (as opposed to unusable reserves) and provisions, both amounts represented on the balance sheet should be matched by physical cash balances, unless internal borrowing has taken place.
- 2.2. **Usable Reserves** – are balances which are generally held for three specific purposes and are categorised as general reserves or earmarked reserves:
 - A working balance to help smooth the impact of uneven cash flows – general reserves;
 - A contingency to deal with unexpected events – general reserves;
 - A means of building up funds to meet known or predicted requirements – earmarked reserves.
- 2.3. **Earmarked Reserves** – these are balances that are being held by the for a specific initiatives and purposes.

- 2.4. **Ring-fenced Reserves** - these are balances that are being held by the Commissioner on behalf of third parties and cannot therefore be utilised without specific direction.
- 2.5. **Unusable Reserves** - do not have equivalent cash balances and are held for accounting purposes.
- 2.6. **Provisions** – are required for any liabilities of uncertain timing or amount that have been incurred.

3. Governance Arrangements

- 3.1. Minimum governance requirements in respect of reserves and balances are:
 - The Commissioner has a soundly based strategy on the level and nature of reserves and balances it needs which will be considered by the Joint Audit Committee;
 - The required levels of reserves and balances should be reflected in the annual budget and Medium Term Financial Plan (MTFP);
 - The Commissioner monitors and maintains the level of reserves and balances within the range determined by its agreed policy, advised by the CFO who will ensure that there are clear protocols for their establishment and use;
 - The Commissioner retains adequate reserves so that unexpected demand led pressures on budgets can be met without adverse impact on the achievement of the key priorities;
 - The Commissioner’s strategy for reserves and balances is based on a thorough understanding of needs and risks, and is properly and clearly reported at the time the budget and precept are set. The level of balances is kept under review and managed to ensure that financial standing is sound and supports the Commissioner in the achievement of their long term objectives;
 - Where target levels for reserves and balances are exceeded, the opportunity costs of maintaining these levels has been established, compared to the benefit accrued.
- 3.2. Locally agreed Financial Regulations and the Scheme of Consent should:
 - Contain full details of how the Reserves and Balances strategy will operate locally;
 - Ensure that the annual budget includes a realistic amount of operational contingency that is available to the CC for operational priorities without the need for additional approval; and
 - Make provision, where appropriate, for budgets to be carried forward from one financial year to the next.

Statutory Responsibilities

- 3.3. The “CIPFA Statement on the Role of the Chief Finance Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable” sets out the five principles that define the core activities and behaviours that belong to the role of the CFO and the organisational arrangements needed to support them.
- 3.4. For each principle the Statement sets out the governance arrangements required within an organisation to ensure that CFOs are able to operate effectively and perform their core duties.
- 3.5. Governance arrangements required in respect of reserves and balances and which are the responsibility of the CFO are:
- 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.
- 3.6. Both should be undertaken in consultation with the Director of Finance (CFO Chief Constable).
- 3.7. There are also a range of safeguards in place that militate against the Commissioner 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 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 organisation’s 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.

5. Home Office Guidance on Police Reserves

- 5.1 On 31st March 2018 the Minister for Policing and the Fire Service published new guidance on the information that each PCC must publish in terms of police reserves.
- 5.2 One of the key requirements is that the information on each reserve should make clear how much of the funding falls into each of the following three categories:
- Funding for planned expenditure on projects and programmes over the period of the current medium term financial plan
 - Funding for specific projects and programmes beyond the current planning period

- As a general contingency to meet other expenditure needs held in accordance with sound principles of good financial management.

5.3 The Minister also outlined that future grant funding levels would take into account the transparent publication of this information across the service.

6. Assessing the Appropriate Level of Reserves

6.1 The Commissioner is responsible for ensuring that the level of reserves is appropriate for local circumstances, and is accountable to taxpayers for the decisions made. The CFO (PCC) has a duty to provide the Commissioner with the advice they need to make good decisions.

6.2 Reserves are maintained as a matter of prudence. They enable the organisation to provide for cash flow fluctuations and unexpected costly events and thereby help protect it from overspending the annual budget, should such events occur. Reserves for specific purposes may also be maintained where it is likely that a spending requirement will occur in the future.

6.3 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 organisation would have sufficient resources to cover the expense without recourse to overspend.

6.4 In order to assess the adequacy of reserves, the CFO (PCC) should include an up-to-date assessment of the strategic, operational and financial risks facing the organisations.

6.5 Setting the level of reserves is one of several related decisions that must be taken when preparing the MTFP and the budget for a particular financial year.

6.6 Assessing the required level of reserves should involve carrying out an analysis of the Balance Sheet on an annual basis and projecting forward the key items of the Balance Sheet. This projection incorporates forecasting levels of reserves and balances over a three year time horizon to cover the MTFP and capital programme.

6.7 In assessing the level of reserves due consideration is also taken of the Government support arrangements:

- Welsh Government Emergency Financial Assistance Scheme to help Forces faced with financial burden as a result of providing relief and carrying out immediate work in response to large scale

emergencies. The scheme is subject to a threshold which is set at 0.2% of the revenue budget.

- Home Office Special Grant to meet additional costs that would be incurred from policing unexpected and exceptional events within their areas. If approved forces are expected to meet the additional costs of the event up to 1% of the revenue budget

6.8 An effective reserves and balances strategy should consider the organisations approach to treasury management, capital expenditure plans and the need for external borrowing, against the use of balances and reserves.

6.9 CIPFA guidance suggests that in addition to cash flow requirements, the following factors should be considered:

Budget Assumptions	Financial Standing and Management
The treatment of inflation and interest rates	The overall financial standing of the organisations (level of borrowing, debt outstanding, council tax collection rates etc.)
Estimates of the level and timing of capital receipts	The organisations track record in budget and financial management including the robustness of the medium term plans.
The treatment of demand led pressures	The organisations capacity to manage in-year budget pressures
The treatment of planned efficiency savings/ productivity gains	The strength of the financial information and reporting arrangements
The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments	The organisation's virement and end of year procedures in relation to budget under/over spends at organisational and departmental level
The availability of other funds to deal with major contingencies and the adequacy of provisions	The adequacy of the organisation's insurance arrangements to cover major unforeseen risks.

6.10 The Commissioner must have due regard to the need to ensure the on-going funding of policing activities (including the requirement to meet exceptional or extraordinary operations). The annual budget should include a realistic amount of operational contingency to be available to the Chief Constable to meet operational priorities without the need for additional approval.

6.11 The CC will ensure that the annual revenue budget is sufficient to finance foreseeable operational needs by presenting a business case as part of the MTFP and annual budget setting process to the CFO (PCC)

and Commissioner for one-off expenditure items to be funded from earmarked reserves.

- 6.12 The business case should include consideration of the level of reserves required for major incident investigations and other operational requirements, the amount of reserves required and timescales for their use.
- 6.13 Approval of business cases for the use of reserves will be subject to the authorisation limits set out in Financial Regulations, to assist with day to day operational decision making.

7. General Reserves

- 7.1 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.*"
- 7.2 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."
- 7.3 Setting the level of earmarked and general reserves is just one of several related decisions in the formulation of the 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 organisations financial management arrangements.

8. Earmarked Reserves including Ring-fenced Reserves

- 8.1 The current accounting Code requires the purpose, usage and basis of transactions of earmarked reserves to be clearly identified. A review of the purpose and level of reserves will be carried out annually during the budget setting process and details of the use of reserves included in the relevant note to the Statement of Accounts.
- 8.2 Earmarked reserves are categorised as either "usable" reserves or "unusable" reserves. Usable reserves can be applied to fund expenditure, unusable reserves are not resources backed and therefore do not have equivalent cash balances.
- 8.3 It is the Commissioner's policy to use reserves to fund non-recurring purchases to reduce the impact on the council tax precept. This includes using capital reserves to reduce the Capital Financing

Requirement (CFR), if appropriate, which in turn will reduce the Minimum Revenue Provision charged to the revenue account annually.

- 8.4 The target level of earmarked reserves will therefore fluctuate annually but will always be justifiable and monitored to ensure levels of earmarked reserves are not too high or too low. Should the Commissioner deem that the level of usable reserves that he holds is above and beyond the levels reasonably required and specifically earmarked for future projects, the Commissioner may return reserves to the public. This is to be achieved by first utilising reserves to fund one off investments.
- 8.5 The reason useable reserves are held will be classified in line with the new Home Office classifications as outlined above.
- 8.6 Unusable reserves currently held include:
- **Revaluation Reserve** - The Revaluation Reserve contains the gains arising from increases in the value of Property, Plant and Equipment and Intangible Assets. The balance is reduced when assets with accumulated gains are revalued downwards or impaired, consumed through depreciation, or disposed of and the gains are realised;
 - **Capital Adjustment Account** - The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions;
 - **Accumulated Absences Account** - The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account;
 - **Pensions Reserve** - The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions.

9 Reporting Framework

- 9.1 The Commissioner has a fiduciary duty to local taxpayers and must be satisfied that the decisions taken on balances and reserves represent proper stewardship of public funds.
- 9.2 The level and utilisation of reserves will be informed by the advice and judgement of the CFO (PCC). To enable the Commissioner to reach their decision, the CFO (PCC) will report the factors that influenced their judgement and ensure that the advice given is recorded formally within the Medium Term Financial Plan. This report will include as a minimum a statement:

- detailing the level of general reserve and any movements on the fund;
- on the adequacy of the earmarked reserves, relative to spending and an estimate of provisions in respect of the forthcoming financial year and the MTFP;
- how reserves have changed over time;
- on the annual review of earmarked reserves including estimates of the year end balances. The statement will list the various reserves, their purpose, when they will be utilised and appropriate level; and
- An assessment of the risk of major incidents (operational and non-operational) occurring which is reflected in the budget and MTFP.

9.3 This report will be provided annually based on estimates to the Commissioner prior to approval of the council tax precept. The report will be updated with the year-end position for the PCC prior to the approval of the Statement of Accounts.

9.4 A mid-year report will be provided to the PCC for monitoring purposes. This will set out any changes in the status of the risks that reserves are being held to mitigate.

9.5 As outlined above the Home Office issued specific guidance on Police Finance Reserves in January 2018 which seeks enhanced transparency across the service to demonstrate clear utilisation plans. The reporting framework detailed above addresses these requirements.

10 The “Opportunity Cost” of Holding Reserves

10.1 The external auditor encourages a statement within the Reserve Policy on the opportunity cost of holding reserves. “Opportunity Cost” is an economic theory term, which means if you spend something on one thing you cannot spend it on something else.

10.2 Applied to reserves, this means that if reserves are held which are too high, then an organisation is foregoing the opportunity to lower the Council Tax. This theory does not however lend itself well in practice where levels of council tax increase can be capped.

10.3 During the budget setting process the Commissioner considers using reserves for one off investments. This is considered a more sustainable use of ‘excess’ reserves and reduces the impact on the council tax precept.

10.4 It is essential that the Commissioner’s decisions on reserves are communicated clearly to local taxpayers to promote accountability.

11 Provisions

11.1 Provisions are required for any liabilities of uncertain timing or amount that have been incurred. Provisions are required to be recognised when:

- the local authority has a present obligation (legal or constructive) as a result of a past event;
- it is probable that a transfer of economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

11.2 A transfer of economic benefits or other event is regarded as probable if the event is more likely than not to occur. If these conditions are not met, no provision should be recognised.

11.3 The requirement for provisions will regularly assessed.

Appendix G– Reserves 2018/19 -2023/24

Revenue & Capital Reserves	Narrative Comment	Home Office Classification	Actual Reserves at 31st March 2018 £000k	Estimated Reserves at 31st March 2019 £000k	Estimated Reserves at 31st March 2020 £000k	Estimated Reserves at 31st March 2021 £000k	Estimated Balance at 31st March 2022 £000k	Estimated Reserves at 31st March 2023 £000k	Estimated Reserves at 31st March 2024 £000k
		see below							
General Reserves	The requirements of operational policing vary significantly from year to year. This General Reserve ensures that funds are available to respond to and mitigating the in year financial impacts of major incidents or unknown events. The PCC considers a number of factors in determining the level of reserves namely: Overall financial position and adequacy of financial control; Risk exposure and risk assessment; and Public opinion. This reserve which equates to 3.8% of the 19/20 revenue budget may also assist in mitigating any detrimental impact as a result of the Comprehensive Spending Review and changes to the police funding formula. Further information can be found within the published Reserves Strategy.	C	4,032	4,032	4,032	4,032	4,032	4,032	4,032
General Reserve as % of net revenue budget				4.07%	3.77%	3.61%	3.48%	3.39%	3.30%
Go Safe' Road Safety Partnership Reserve	This earmarked reserve is held on behalf of the all Wales 'Go Safe' Road Safety Partnership and will be utilised in line with their business requirements which may be beyond the life of the current planning period.	B	1,480	1,480	1,480	1,480	1,480	1,480	1,480
Regional Collaboration Reserve	This reserve represents the fair share of funds held for collaborative police services which include the Regional Organised Crime Unit and Regional Task Force. These funds will be utilised in line with business requirements to support operational delivery and subject to decisions by the Wales Collaboration Board may go beyond the life of the current planning period.	B	422	422	422	422	422	422	422
Total Ring-fenced Revenue Reserves			1,902	1,902	1,902	1,902	1,902	1,902	1,902
Earmarked Revenue Reserve	This reserve is being held to support the revenue budget over the next 3 years to mitigate future funding gaps and detrimental impact on service delivery as a direct result of the previous PCC's decision to reduce the council tax precept for 2015/16 by 5% and to utilise reserves to underpin the revenue budget.	A	1,687	1,324	346	-	-	-	-
Driver Retraining Scheme	This reserves is being held specifically to support activities in relation to road safety initiatives. Further opportunities will be explored to ensure that these reserves are utilised to optimal effect for the communities of Dyfed-Powys.	B	1,247	977	953	927	902	877	852
Proceeds of Crime Act	This reserve comes from funds which have been allocated to Dyfed-Powys as a result of confiscation orders arising from proceeds of crime. These reserves are then utilised to support operational activities which assist in bringing criminals to justice e.g. financial investigators.	A	241	203	164	125	86	47	8
Chief Constable Operational Fund	This is a new reserve being established to assist in mitigating against the consequential costs of notable peaks in operational activity.	A	-	-	100	200	300	400	500
Drug Intervention	This reserve will be utilised to support drug testing.	A	170	130	90	50	10	-	-
Total Earmarked Revenue Reserves			3,345	2,634	1,653	1,302	1,298	1,324	1,360

Appendix G– Reserves 2018/19 -2023/24

Revenue & Capital Reserves	Narrative Comment	Home Office Classification	Estimated Reserves at 31st March 2018 £000k	Estimated Reserves at 31st March 2019 £000k	Estimated Reserves at 31st March 2020 £000k	Estimated Reserves at 31st March 2021 £000k	Estimated Balance at 31st March 2022 £000k	Estimated Reserves at 31st March 2023 £000k	Estimated Reserves at 31st March 2024 £000k
Capital Grants	These capital grants are held to specifically support IT projects within the capital programme This reserve will be utilised to support the significant capital investment in Estates, Information Technology and Fleet including a new custody and station facility within Carmarthenshire, providing a solution to ageing police facility in Brecon and will support a range of both national and local technological developments.	A	750	426	183	-	-	-	-
Capital Reserve		A	10,451	5,471	2,321	310	185	399	233
Total Capital Reserves			11,201	5,897	2,504	310	185	399	233
Total Reserves			20,480	14,464	10,091	7,546	7,047	7,657	7,528

Home Office Police Finance Res	Classifications
Funding for planned expenditure on projects and programmes over the period of the current medium term financial plan	A
Funding for specific projects and programmes beyond the current planning period	B
A general contingency or resource to meet other expenditure needs held in accordance with sound principles of good financial management	C

Classifications as outlined in the Home Office guidance on Police Finance Reserves which was issued on the 31st January 2018

How reserves support the priorities of the Police & Crime Plan	General Reserve	Capital Reserve
Keeping our communities safe	✓	✓
Safeguarding the vulnerable	✓	✓
Protecting our communities from serious threat	✓	✓
Connecting with communities		✓



Capital Strategy

1 Introduction

- 1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code 2017 requires local authorities to produce a capital strategy to demonstrate that capital expenditure and investment decisions are taken in line with desired outcomes and take account of stewardship, value for money, prudence, sustainability and affordability.
- 1.2 This Capital Strategy sets out the principles that underpin the production of the Police and Crime Commissioner's (Commissioner) forward capital programme. It provides a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the delivery of desired outcomes. It also provides an overview of the governance arrangements for approval and monitoring of capital expenditure, outlines how associated risk is managed and considers the implications for future financial sustainability.
- 1.3 The priorities for policing in the local area are detailed in the Police and Crime Plan (PCP). This document is compiled by the Commissioner in consultation with the Chief Constable (CC). The priorities take account of the views of local people and partners as well as the Commissioner's priorities as the elected representative. The Commissioner published his PCP on 31st March 2017. His priorities are:
- Priority One: Keeping our communities safe;
 - Priority Two: Safeguarding the vulnerable;
 - Priority Three: Protecting our communities from serious harm;
 - Priority Four: Connecting with communities.
- 1.4 The Commissioner and CC also take account of Strategic Policing Requirements issued by the Home Secretary. The CC is responsible for supporting the Commissioner in the delivery of the priorities set out in the PCP and has developed a Police & Crime Delivery Plan to support the PCP. His operational delivery, performance monitoring frameworks and financing decisions focus on these priorities. Five key delivery principles will support the PCP:
- Delivering value for money
 - Public engagement
 - Working together
 - Supporting victims
 - Strong leadership
- 1.5 The Capital Strategy is a tool to support planning and corporate working across the two Corporations Sole helping to ensure that assets are used and managed well. The Capital Strategy shows how we prioritise, monitor, deliver and evaluate our capital programme using the basic principles of the project methodology.

- 1.6 Dyfed-Powys is geographically the largest police area in England and Wales covering over half the landmass of Wales. It is particularly affected by the challenges associated with policing a largely rural area which includes two significant Ports, the major installations at Milford Haven and a vibrant tourist industry. Capital Assets, whether Police Stations, Police Houses, Radio Masts, Vehicles or Information Technology and other operational equipment play a vital role in the delivery of policing services across the area and in terms of delivering Police and Crime Plan priorities.

2 Key Partnerships

- 2.1 In delivering each element of the strategy, the Commissioner plans to take due account of the continuing collaboration agenda and will take every opportunity to engage with neighbouring Forces and other constituent Authorities in developing strategies to counter common problems. This Capital Strategy takes account of the continuing need to invest in these key priority areas working with partners in the future.

3. Financial Sustainability

- 3.1 For many years Dyfed-Powys has benefitted from significant levels of capital reserves which have been supplemented by the sale of operational buildings or police houses.
- 3.2 These reserves have historically underpinned capital investment but over the next 4 years the position moves away from the use of reserves into a position of funding through either direct revenue financing or borrowing. This therefore adds pressures to the revenue budget and consequentially to the council tax precept. It must also be noted that is also in a continued period of revenue pressures, increased demand and funding uncertainty.
- 3.3 The strategic approach is therefore to invest in core infrastructure now that will not only offer overall service improvements to the public, but also maximise revenue savings into the future through more efficient and mobile use of police personnel, enabled by improved Information and Communication Technology systems and other core infrastructure for example, connected vehicle fleet and building assets.
- 3.4 Capital investment will also be influenced by and take account of national visions for policing, the strategic policing requirement and both regional and local priorities.

4 Capital Programme

- 4.1 Assets are vital to the delivery of efficient services and should be well managed and maintained. Strategies for Estates Management, ICT and Vehicle replacements underpin the Capital Strategy in providing the details for the longevity and the optimum replacement cycles for these items.
- 4.2 The Capital Programme and financing which covers the revised position for 2018/19 through to 2023/24 is summarised below:

Table 1- Capital Programme 2018/19 – 2023/24

Capital Programme	18/19	19/20	20/21	21/22	22/23	23/24	Total
	£000k	£000k	£000k	£000k	£000k	£000k	£000k
Land and Buildings	2,309	4,250	16,250	3,900	500	500	27,709
Vehicles (Including Boat)	953	962	1,095	1,050	1,050	1,050	6,160
IT and Other Strategic Spending	3,217	3,405	2,424	2,160	1,690	1,440	14,337
Capital Expenditure	6,479	8,617	19,769	7,110	3,240	2,990	48,206
Grant Funding	-318	-325	-325	-325	-325	-325	-1,941
Borrowing	0	-4,250	-16,250	-3,900	0	0	-24,400
NPAS Capital	-23	0	0	0	0	0	-23
Capital Grants	-324	-243	-183	0	0	0	-750
Contribution from Revenue Account	0	-500	-1,000	-1,500	-2,000	-2,500	-7,500
Capital Receipts	-2,402	-150	0	-891	-1,500	0	-4,943
Capital Reserve	-3,412	-3,150	-2,011	-495	584	-166	-8,650
Capital Financing	-6,479	-8,617	-19,769	-7,110	-3,240	-2,990	-48,206

- 4.3 The capital investments seeks to contribute to cashable efficiencies in the future delivery of policing in the Dyfed-Powys area in the following ways:
- A reduction in revenue expenditure through a programme of potential buildings refurbishments and rationalisation as outlined in the estates strategy;
 - Ensuring that planned building maintenance is prioritised on the basis of risk and statutory compliance;
 - Centralisation of custody in Carmarthenshire;
 - New partnership facilities in Brecon;
 - New collaborative firearms Range to support the training needs and requirements of the Joint Firearms Unit;
 - Delivery against the Digital Policing Strategy and Roadmap which entails investing in mobile data, record management system, digital policing and continued investment in IT systems, Body Worn Video, CCTV and ANPR technology to maintain productivity and performance levels;
 - Ensuring that opportunities for collaboration and sharing of buildings and other assets continue to be explored.

4.4 Estates

- 4.4.1 The Commissioner has an Estates Strategy which provides clear guidance and direction around the future strategic and operational Estates requirements for the Dyfed-Powys Force, and provides clarity for budget allocation and future investment requirements.
- 4.4.2 The aim of this strategy is *"to provide a cost effective and operationally relevant estate that supports and compliments the services we provide to the community"*
- 4.4.3 Critical to this is the provision for improving custody facilities in Carmarthenshire which is expected to cost in the region of £11m. The project is seeking to deliver an 18 cell complex with ancillary office accommodation and Police station facilities on the outskirts of Llanelli. The project is currently at design Royal Institute of British Architects (RIBA) stage 3 which in principal denotes preparing and issuing the proposed design for planning Ecological, geotechnical and ground surveys have already been undertaken during 2018 and planning approvals are now being sought. Subject to planning approvals and contract, the project timescales are envisaged to be 18 to 20 months with public consultation planned for early 2019 and construction commencing in Autumn 2019.
- 4.4.4 Significant refurbishment works and investment has now taken place to address a considerable programme of condition survey works across the estate within all four counties, some residual works will be completed during 2019/20. The condition survey has also informed the Estates Strategy in determining which properties to retain and where future moves and accommodation changes need to be planned
- 4.4.5 Due to the deteriorating condition of the existing facility in Brecon, provision of £5.5m has been included for a potential collaborative opportunity, albeit there will be proceeds of sale arising from existing station of c£1.5m. Funding was received during 2018 to assist in developing a business case on behalf of partners and this work is ongoing. A potential site has been identified and subject to the outcomes of the business case, and relevant feasibility studies it is anticipated that construction will commence in 2020/21.
- 4.4.6 In addition to this, there will be a rolling custody upgrade programme and a continuing planned maintenance programme which will be funded from both the revenue and capital budget. Custody upgrades are carried out in a phased approach based on risk and corrective actions as identified during HMIC audits. Condition surveys have been carried out across the whole estate determining the level of investment required at each location by each sub fabric element. Prioritisation of works is reviewed based on risk factors aligned to condition of fabric and to the occupant, legislative requirements and business continuity considerations which inform the decision making process and timescales.
- 4.4.7 A new requirement for a firearms training facility to support the southern Welsh Forces collaborative Joint Firearms Unit was identified during 2018/19. The existing range has been deemed not fit for purpose and a

new facility is required to meet the very extensive training needs and legal requirements for firearms officers. Considerable discussion has taken place between Commissioners and Forces and a full business case is currently being developed which will consider a number of options and potential locations for a new facility. Extensive due diligence is and will continue to be applied. At this stage total costs of c£24m have been identified with £6m being Dyfed-Powys' share of costs profiled over the next two financial years.

4.4.8 As outlined, the capital budget supplements a centralised revenue budget for planned and cyclical major buildings works which are programmed based on risk and future strategies for each building. Revenue resources are also held and managed locally for smaller scale repairs, upkeep, and maintenance initiatives/programmes. Investment has been prioritised within the capital programme to achieve efficiencies and reap reductions in revenue expenditure within the estate. A number of procurement arrangements were reviewed during 2018 to ensure the efficient and effective use of resources in maintaining the estate and a Facilities Management Contract will commence in the spring of 2019.

4.5 Fleet

4.5.1 In relation to Fleet, telematics devices were fitted into the Forces' vehicles during the course of 2017/18. This has provided the Force with the first tranche of fleet utilisation and driver behaviour data which is currently being analysed to inform the optimal operational fleet size and deployment profile along with informing operational driver training requirements. Revenue efficiencies have already been realised as a consequential result of the installations. An initial replacement programme has been developed and the cost implications are included in the forward capital plan.

4.5.2 A Strategic Fleet Management Group meets quarterly to provide overall governance and operational assurance which in turn reports into a Joint Assets Board. Vehicle requirements are considered in detail at the vehicle user group which is attended by operational and support representatives. The Force continues to utilise the National Framework agreement to procure operational vehicles. Currently the replacement programme is on target to fully spend the budget for the 2018/19 financial year. The Force continues to actively pursue collaboration opportunities and is fully engaged with the National Police Chief's Council work in relation to fleet efficiency and sustainability and is currently trialling the use of hybrid and electric vehicles which upon evaluation will inform its future programme.

4.6 Information Technology

4.6.1 The Force has a current ICT Strategy Document which covers the period from 2018 up until 2024, and sets out the Force's ambitious digital transformation aims and the essential ICT infrastructure upgrades necessary to deliver a robust, resilient and performant platform with increased capacity to support the Force's needs over the coming years.

4.6.2 The forward capital strategy takes account of a number of local strategic IT projects and also a number of re-procurement projects involving technologies and IT solutions that have reached the end of contract or end of life of essential equipment. The key IT capital projects which are taking place over planned for the 2019/20 period are:

- A business case has been developed for the procurement of an integrated Records Management System (RMS), which represents a significant investment in ICT and will result in substantial business change across operational policing whilst also affecting most areas of business. There are a number of reasons why the Force sees moving to an RMS as important at this time. One of the reasons being the identified need for a RMS that is interoperable between Forces with shared business processes, this is seen as a key component and enabler for collaboration. The ultimate vision should encompass systems that allow staff to work seamlessly across boundaries with the same ICT functionality. This business case will be considered within normal governance arrangements and if supported will lead to a procurement exercise and the commencement of the implementation during 2019 / 20.
- Depending on the decision regarding a new RMS solution it may lead to the need to re-integrate / re-design the current mobile solution to work with the new RMS provider.
- The work has been carried out as part of the Commissioner's reinvestment in CCTV provision across the Force. The rollout is well underway and should be completed by the end of 2019.
- The current contract for body worn video comes to an end in November 2019 – there is a requirement to re-procure and implement a replacement solution during 2019 / 20.
- The procurement of an In Car Video solution has been concluded with the implementation planned for Q1/Q2 2019.
- Mobile device replacement has occurred under a phased procurement over 2 years (18/19 and 19/20), with the Force upgrading to the Samsung Note 8s. Deployment to begin in Q1 2019 in line with the replacement of the MDM (Mobile Data Management) solution. The new MDM will provide a far richer set of capabilities in terms of remote device management and software deployment and improved user experience / functionality (e.g. secure containerisation)
- Due to delays in the delivery of ESN (Emergency Services Network) it is critical that the Force purchases a stock of Airwave handsets to enable continuity of service to frontline officers, the National ESN position is being closely monitored to ensure investment is kept to a minimum in the short term.
- The replacement negotiation of new Digital Interview Recording contract has been completed and following approval the upgrade of the system including a hardware refresh can be rolled out during early 2019.
- The Force has also expanded its capacity in relation to fixed and mobile Automatic Number Plate Recognition (ANPR) with a focus on more rural parts of the Force area. Significant investment has also

been made in relation to Cyber and Digital Crime capabilities in relation to ICT infrastructure.

4.6.3 The forward capital strategy takes account of National Programmes of work that are being taken forward by the National Police Chief's Council and the Home Office. There are some 17 schemes being taken forward nationally including the following:

- National Law Enforcement Database programme which will replace the Police National Computer (PNC) and Database (PND), with a modern 21st century solution for policing, built on a set of open source products and delivering a rich set of services that will enable greater interoperability between local systems and the new LEDS solution.
- Digital Policing Portfolio are delivering three separate strands:-
 - Digital Public Contact – which is seeking to standardise the design, user experience of police Force websites and provide a consistent set of web enabled on-line transactional processes across policing,
 - Digital First – which is seeking to facilitate video enabled justice, virtual remand hearings, Digital Evidence Transfer Service (DETS) and digital case files nationally,
 - Digital Investigations and Intelligence – a programme looking to enable digital crime prevention and detection, to provide a toolkit for Forces to assess their digital capabilities against a national standard applied to roles within the Force.
- A National ANPR Service (NAS)
- The National Enabling Programme are delivering three separate strands:-
- A set of enabling technologies by introducing the Microsoft Office 365 productivity tools, delivered via the Microsoft Cloud based on a nationally assured solution blueprint design and template.
- IAM – Identity and Access Management
- NMC – National Monitoring Centre providing national level security operations capability to respond to cyber threats.
- Emergency Services Mobile Communications Programme to replace the existing Airwave radio system
- Home Office Biometrics

4.6.4 Due to key infrastructure projects having been delivered in the previous financial year the Force has capacity to capitalise on the benefits of nationally enabled programmes and activities as well explore some more innovative technology options such as artificial intelligence, facial recognition and augmented reality technology etc. during the latter part of the developing plan.

5 Capital Requirements and Resources

5.1 There has been a significant reduction in core capital funding allocated by the Home office over recent years. In 2019/20 a total capital grant of £325 will be available for the Commissioner. In addition, central funding

will be available to part fund the Emergency Services Network, although £2.6m of the future costs of this programme will need to be funded.

- 5.2 As part of his integrated service and financial planning arrangements, the Commissioner estimates the level of capital resources available for subsequent years in order to draw up a forward capital programme.
- 5.3 The Commissioner and Chief Constable have prioritised investment in the capital programme towards strategic priorities, unavoidable spending and towards areas that reduce future revenue expenditure and a revised capital programme for 2018/29 to 2023/24 totalling £48.206m.
- 5.4 In order to meet future capital investment requirements and mitigate the reductions in capital grant funding, the medium term financial plan and capital programme include revenue contributions to capital from 2019/20 and also external borrowing requirements to support the Carmarthenshire Custody development, Brecon policing facility, the new Joint Firearms Unit training facility and other elements of critical investment.
- 5.5 The profiled level of capital investment and external resources are used to assess the need for both short and long term borrowing. The strategy also feeds into the considerations that the Commissioner makes annually in setting prudent sustainable and affordable borrowing levels and indicators.
- 5.6 Local Authorities, including the Police, can set their own borrowing levels based on their capital need and their ability to pay for the borrowing. The levels will be set by using the indicators and factors set out in the Prudential Code. The borrowing costs are not supported by the Government so DPP needs to ensure it can fund the repayment costs. The authority's Minimum Revenue Provision (MRP) Policy sets out a prudent approach to the amount set aside for the repayment of debt. These are set out separately under the Treasury Management Strategy which is considered and approved by the Joint Audit Committee.
- 5.7 In addition to their own capital programme, the Commissioner and CC work with partners and the Home Office to secure additional capital and revenue resources to further partnership and transformational objectives. These are dealt with through complementary processes. The resources levered in are not included in the capital programme unless they form part of a direct Dyfed-Powys Police led project. Innovation and transformation fund bids will also be considered to bolster further capital projects in future years.

6 Governance Arrangements

6.1 Identifying and Prioritising Capital Projects

- 6.1.1 As outlined the capital programme has been prioritised by Commissioner and CC who appraise requirements against strategic priorities. The processes recognise the varying scale and complexity of capital projects and incorporate a proportionate approach to capital project appraisal, monitoring and evaluation.

- 6.1.2 The Commissioner manages his capital strategy operationally through the Policing Board, which oversees the major change projects for both capital and revenue. In addition, the Joint Assets Board will support delivery and monitor specific programme risks. Detailed implementation work is assigned to key individuals and overseen by the Strategic Estates, Strategic ICT Group and Vehicle User Groups or at specific Project Board.
- 6.1.3 Major projects are managed in accordance with project management best practice in terms compliance with PRINCE 2 project methodology. Links have been established between benefits management on key projects, efficiency planning and costing information.
- 6.1.4 The Capital project proposals are considered and prioritised with reference to a business case and are considered against the following factors:
- Strategic importance - how the bid supports the Commissioner's priorities and wider national and regional priorities;
 - The outcomes that will be achieved and the specific benefits and impacts;
 - Sustainability - whether costs are realistic and the level of future revenue implications;
 - What options have been considered;
 - What other funding sources may be available;
 - The degree to which the proposals support partnership working.
- 6.1.5 Prioritisation is then made, based on four categories, which are listed below in order of priority:
- Unavoidable (statutory, contractual or tortuous liability);
 - Corporate Priority (relating directly to the Corporate Aims and priorities for improvement);
 - Service Priority (meeting stated service priorities);
 - Other (payback, invest to save, leverage of external funding etc).
- 6.1.6 Lower priority projects which cannot be delivered within available resources can only be considered and undertaken if additional resources or an under-spend on the approved capital programme is identified during the year.

6.2 Implementing and Monitoring Capital Projects

- 6.2.1 Progress against capital schemes is reported on at least a quarterly basis to the Policing Board and the Force Executive Board.
- 6.2.2 Following approval of the capital programme, a project manager and a user representative is identified for each capital project. The project manager is responsible for managing the project implementation and delivering its objectives. For all projects within the capital programme an officer is identified as project sponsor.
- 6.2.3 The user representative is responsible for representing users and customers and for defining the quality requirements. Both roles reflect the

underlying principles of the PRINCE 2 project management methodology. The project manager produces a project plan for approval. Progress against the project plan is reported to the Programme Management Board and Project Sponsor.

6.3 Evaluating Completed Capital Projects

6.3.1 Once projects have been completed the project manager completes a post implementation review for the major capital projects. This includes identifying at what stage the post project review will be carried out. The post project report is reviewed by the Joint Assets Board and escalated to the Policing Board if required.

6.3.2 To evaluate the actual success and outcomes of capital projects a post project review is also carried out. The depth of this review is proportionate to the scale of the project and the benefits set out in the initial Project Initiation Documentation.

6.3.3 This review is in effect a check of performance against the original proposal. It focuses on the outcomes achieved, the extent to which the benefits claimed are being realised, the actual costs, both revenue and capital, and the impact of other funding and partnership working. Dyfed-Powys can then use this information to learn lessons and make any improvements identified during project implementation.

6.3.4 The ongoing success of projects is monitored through a number of mechanisms such as officer feedback, public consultation and customer feedback.

7 The Disposal of Assets

7.1 The Commissioner and Chief Constable recognise the need to dispose of surplus or unsuitable assets to help achieve its corporate aims and deliver its capital programme and the detailed process for disposal of assets is included in the Corporate Governance Framework. A number of properties were disposed of during 2017/18 with plans to market further redundant properties in due course.

8 Revenue Implications of Capital Investment

8.1 Particular attention has been paid to on-going revenue costs stemming from capital projects within the appraisal process. All potential capital bids identify ongoing revenue costs and consider how these can be met. Once approved, revenue costs stemming from capital schemes including any prudential borrowing requirements are built into the medium term financial plan.

9 Conclusion

- 9.1 This Capital Strategy considers all aspect of capital management, sets out the methods for assessing capital projects and assets and outlines the revised capital programme for the period 2018/19 to 2023/24. The strategy should be read in conjunction with the detailed Estates and ICT Strategies, annual Vehicle Replacement Plan and Treasury Management Strategy which covers the requirements of CIPFAs Prudential Code.

Mae'r dudalen hon yn wag yn fwriadol

PANEL HEDDLU A THROSEDDU DYFED-POWYS 25/01/19

PENDERFYNIADAU A WNAED GAN Y COMISIYNYDD

Yr argymhellion/penderfyniadau allweddol y mae eu hangen:

Ystyried y penderfyniadau a wnaed gan y Comisiynydd a gwneud y fath adroddiad neu argymhellion ag y gwêl y Panel yn briodol.

Rhesymau:

Mae dyletswydd statudol ar y Panel i wneud hyn.

Awdur yr Adroddiad:

Robert Edgecombe

Swydd:

Rheolwr Gwasanaethau
Cyfreithiol

Rhif Ffôn:

01267 224018

Cyfeiriad e-bost:

rjedgeco@carmarthenshire.gov.uk

**EXECUTIVE SUMMARY
DYFED – POWYS POLICE AND CRIME PANEL
25/01/19**

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-0511/40	County Hall, Carmarthen

Mae'r dudalen hon yn wag yn fwriadol

Decisions made by the Commissioner (including those made at Policing Board) 12th November 2018 – 15th January 2019

Title & Summary	Date
<p>Extension of Restorative Justice contract 2019/20</p> <p>Wales Community Rehabilitation Company (CRC) has been providing a restorative justice service since 1st April 2015. The aim of the service is to deliver victim-led restorative justice at all stages of the criminal justice system. Take up of the service remains low, however after recent Police Officer training, there are now more occasions where Police Officers are seeking information on restorative justice from the CRC. The Commissioner approved a decision to extend the contract for a further 12 month period in order that the referral pathway from Goleudy to the CRC can be further established, ensuring that a fully victim-led service can be provided to all victims of crime.</p>	12 th of Nov
<p>The PCC awards a single tender award to CIPFA for software to automate the statement of accounts.</p> <p>The Commissioner, in consultation with the Chief Constable, approved a decision to share costs with Dyfed-Powys Police for a three year contract with CIPFA for software developed to assist with the completion of the statement of accounts. The OPCC will fund £8,450 in the first year of the contract, with £5,125 being funded in both the second and third years.</p>	20 th Nov
<p>PCC agrees to Microsoft Enterprise Subscription Agreement</p> <p>The Force's current Microsoft Enterprise Agreement comes to an end on the 31st March 2019 and there is a requirement to have a new Enterprise Subscription Agreement in place to replace and provide continuity of service. The National Enablers Program (NEP) under the Productivity Services strand have worked with Microsoft to provide a bespoke package for UK policing which provides the police with the tools and capabilities for the future. The NEP have delivered an MOU with Microsoft, which provides forces with the best available price for the products they require. The NEP will ensure that forces have a secure platform which has been accredited by the Police national Accreditor.</p> <p>In order to purchase the licenses the force has run a procurement exercise under National Procurement Service (NPS) framework to select a Microsoft Licensed Reseller to award the contract for the supply of licenses. The Commissioner, in consultation with the Chief Constable, approved a decision to award a Microsoft Enterprise Subscription to Insight at a cost of £1,729,750.</p>	6 th Dec

PCC agrees to Award of Mobile Devices Contract6th Dec

The mobile devices currently in use by frontline officers are four years old and the Android operating system operated on them is no longer supported. In order to achieve compliance in the future there is a requirement to upgrade the phone to supported software.

The EE Special Service Offering (SSO) in conjunction with the Police ICT Company was part of a Direct Award under Lot 6 of Network Services RM1045. Therefore, Dyfed Powys Police are entitled to purchase any other services published in the EE catalogue of services including hardware as we have signed up to the terms and conditions of this framework.

The Commissioner, in consultation with the Chief Constable, approved a decision to award a Mobile Devices Contract to EE at a cost of £541,836.

PCC approval of Forensic Analytical Services contract6th Dec

Dyfed-Powys Police is a member of the West and South Coast Consortium (WSCC). WSCC consists of 19 member forces which act as a consortium for the purpose of contracting with Forensic Analytical Service Providers.

Whilst management structures and operating models have been significantly reviewed, ongoing contact and scrutiny of the Forensic Analytical Service provider indicates that the company continues to operate at a loss and are considering all options for their long-term position in the market. Whilst committed to delivering success, they indicate that their losses are not sustainable beyond the end of the calendar year.

It is the intention that The National Team and Reps from each of the Regions will meet and negotiate with all FSP's to come up with a proposal to help sustain the market in the short term (12 to 18 months), which will then allow time to work on a longer term solution.

Based on the analysis of Forensic spend nationally so far, it is likely that Forces will be faced with a minimum average price increase across the consortium of approximately 29% with effect from 1 January 2019. To enable talks with the financial services providers to proceed, Forces were requested to confirm agreement to this estimated 29% average increase.

Following consideration of specialist advice from the Assistant Director – Scientific Support and the Chief Constable, the Commissioner approved a provision of £169, 000 toward a Forensic Analytical Service as part of the West and South Coast Consortium for the purpose of contracting with service providers.

<p>Complaints Scrutiny Framework</p> <p>As part of The Policing Protocol Order 2011, there is a requirement to monitor all complaints made against officers and staff (Part 1 S17(n)), therefore the purpose of the Framework is to provide an action plan in respect of monitoring/auditing complaint matters both internally i.e. complaints raised with the OPCC and externally i.e. complaints raised with Dyfed Powys Police Force, Independent Office for Police Conduct (IOPC) etc.</p> <p>The Commissioner approved the framework to monitor/audit complaints matters both internally and externally, in line with the Policing Protocol Order 2011.</p>	13 th Dec
<p>Award of contract for Commissioned Services Needs Assessment</p> <p>The Commissioner has awarded a contract to George Partnership Ltd to complete a Needs Assessment for the Dyfed-Powys area. It is intended that this will be used as the evidence base for future service configuration, commissioning and partnership arrangements. It will also look to identify where potential cross overs exist with government or partner funded initiatives, to allow the Commissioner to decide on services to offer the best possible outcomes without creating duplications of effort.</p>	13 th Dec
<p>Decision to remain in current Fishguard P/S premises following public consultation</p> <p>The Commissioner approved a decision for Dyfed-Powys Police to remain at the current Fishguard Police Station site for another year, with a view to reviewing the decision next year in light of expected national developments which may impact on policing decisions.</p>	8 th Jan
<p>Pembrokeshire People First to facilitate engagement day on the behalf of OPCC with a view to regularly call upon them to ask their members for their opinion.</p> <p>The Commissioner approved a decision for Pembrokeshire People First to host an engagement day on behalf of the OPCC to gather their members' views on a variety of policing matters.</p>	10 th Jan
<p>Trial a comprehensive engagement day in Tregaron in partnership with other organisations</p> <p>The Commissioner approved a decision to trial a comprehensive engagement day in consultation with various community groups in order to identify specific local policing issues and concerns.</p>	10 th Jan

<p>Tregaron was identified as a trial community following information provided by the residents of Tregaron through Dyfed-Powys Police's Operation Cynefin work which identified that Tregaron residents did not feel well informed of local policing issues.</p>	
<p>To spend WG funding for Hate Crime Awareness Week 2018 on specific youth-related projects across the region.</p> <p>Welsh Government provided £5,000 of funding for Hate Crime Awareness Week between the 13th and 20th of October 2018. The Commissioner approved the proposal to utilise this funding in conjunction with the Force to undertake a series of engagement activities, including booklets for victims of Hate Crime and engagement activity with youths.</p>	10 th Jan
<p>Establishment of Youth Forum and new youth engagement approach</p> <p>The Commissioner approved a decision to establish a Youth Forum after consulting widely with young people and youth partners in the latter part of 2018. Youth Ambassadors on the Forum will represent young people's voice on Policing and Crime matters at Forum events/meetings, and be the Police and Crime Commissioner's voice on the ground. Information gathered will feed into the OPCC's work.</p>	10 th Jan
<p>Decision to sell the Old Kidwelly Police Station to the Police Federation</p> <p>The Commissioner, in agreement with the Chief Constable, agreed to sell the old Kidwelly Police Station to the Police Federation at a value of £170,000.</p>	15 th Jan
<p>Decision to award the Facilities Management Tender</p> <p>The Facilities Management tender was initially issued with a very clear set of objectives as noted below, these will form part of the ongoing contract along monthly Key Performance Indicators demonstrating improvement as the contract progresses.</p> <ul style="list-style-type: none"> • 100% Statutory Compliance; • High levels of confidence and customer satisfaction across the in-scope service delivery elements; • Carbon reduction across the estate aligned to effective management and improvement initiatives; • Granular cost certainty by sub service line and building system/asset element; • Failure rates and management information across all assets; • Timely and effective management information which support 	15 th Jan

<p>capital investment and a fit for purpose asset replacement programme;</p> <ul style="list-style-type: none"> • Realisation of savings opportunities and innovative approaches in the delivery of the services; • Strategic win/win relationship; • Transparency in a mutually beneficial partnered approach; • Working to the standards of ISO 41001; • Delivery of value for money; • Ethical standards are met and maintained; • Enhance community benefits/ drive job creation in the local economy • The employer’s strategy to support local communities and businesses/ facilitate growth within businesses; • Release the employer estates team to focus on effective maintenance of the building fabric elements • Provide systems and standards, which the employer estates team can align to, providing a unified approach to facilities management (FM) • Growth and development of the employer team through the experience of effective management and coordination of the FM contract <p>Following a robust procurement process, the Commissioner, in agreement with the Chief Constable, awarded the Facilities Management Tender to CBRE Ltd for a period of 3 years with the option of up to 2 annual extension periods. The cost for maintenance will be £1, 173,967.</p>	
<p>Decision to approve Dyfed-Powys Police’s Charging for Special Police Services Policy</p> <p>The Commissioner, in agreement with the Chief Constable, approved Dyfed-Powys Police’s Charging for Special Police Services Policy. The aim of this policy is to provide a clear charging framework for all goods and services provided by the police to others.</p>	<p>15th Jan</p>
<p>Decision to award the In Car Video Solution contract</p> <p>The Commissioner, in agreement with the Chief Constable, awarded the contract for the provision of an In Car Video Solution to Axon Public Safety UK Ltd for a period of 3 years with the option of up to 2 annual extension periods. The total value of the contract will be £313,570.00.</p>	<p>15th Jan</p>
<p>Decision to sign the Armed Forces Covenant Pledge</p> <p>The Commissioner, in agreement with the Chief Constable, agreed</p>	<p>15th Jan</p>

to sign the Armed Forces Covenant Pledge in a national collective effort to support Ex Armed Service Personnel within the Criminal Justice System, co-ordinated by the IOM StoMP project.

Decision to award the Digital Interview Recording Solution

15th Jan

The Commissioner, in agreement with the Chief Constable, awarded the Digital Interview Recording Solution contract to Capita for a period of five years. The total value over the five year term will be £482,724.70.

Decision regarding the Joint Legal Service Unit

15th Jan

The Commissioner, in agreement with the Temporary Deputy Chief Constable, agreed that Dyfed-Powys Police will not be joining South Wales Police and Gwent Police to form a Joint Legal Service Unit.

PANEL HEDDLU A THROSEDDU DYFED-POWYS 25/01/19

COFNODI DATA TROSEDDAU – ADRODDIAD GAN AROLYGIAETH CWNSTABLIAETH A GWASANAETHAU TÂN AC ACHUB EI MAWRHYDI

Yr argymhellion / penderfyniadau allweddol sydd eu hangen:

Nodi'r adroddiad gan Arolygiaeth Cwnstabiliaeth a Gwasanaethau Tân ac Achub Ei Mawrhydi a holi'r Comisiynydd ynghylch ei ymateb iddo.

Y rhesymau:

Mae'r adroddiad yn mynegi pryderon ynghylch rhai troseddau a gofnodir gan Heddlu Dyfed-Powys.

Awdur yr Adroddiad:

Robert Edgecombe

Swydd:

Swyddog Arweiniol

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EXECUTIVE SUMMARY
DYFED – POWYS POLICE AND CRIME PANEL
25/01/19

CRIME DATA RECORDING – REPORT BY HMICFRS

On the 5th December 2018 the HMICFRS published its report following an inspection of how well Dyfed-Powys Police records crimes.

The overall judgement of the report was that improvement is required by the force.

Based upon its examination of crime reports during the period 1st October 2017 to 31st March 2018 HMICFRS estimates that Dyfed-Powys Police are failing to record over 3,300 reported crimes each year and that these include sexual offences, public order, and violence offences.

HMICFRS expressed concern that the recording rate for violent crime is only 84.4% (compared to an overall recording rate of 87.8 %.) It was particularly concerned about the recording of domestic abuse, stalking and harassment offences.

HMICFRS attributes this performance to a lack of understanding by staff of the crime-recording rules and limited supervision to correct errors.

HMICFRS acknowledged however that matters had improved since the last inspection in 2014 and that the current leadership of the force in respect of this issue was good.

HMICFRS identified 5 areas that require improvement and have made 4 recommendations which it expects the force to immediately act upon.

A copy of the HMICFRS report is attached.

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-0511/40	County Hall Carmarthen

Mae'r dudalen hon yn wag yn fwriadol

Dyfed-Powys Police: Crime Data Integrity inspection 2018

1. Overall judgment
2. Summary of inspection findings
3. How effective is the force at recording reported crime?
 1. Overall crime-recording rate
 2. Violence against the person
 3. Sexual offences
 4. Rape
4. How efficiently do the systems and processes in the force support accurate crime recording?
 1. Crime reports held on other systems
 2. Modern slavery
 3. Timeliness
 4. Cancelled crimes
 5. Code of Practice for Victims of Crime
 6. Equality
 7. Officer and staff survey
5. How well does the force demonstrate the leadership and culture necessary to meet the national standards for crime recording?

Overall judgment

 Requires improvement

Dyfed-Powys Police has made a concerted effort to record crime more accurately since our [2014 crime data integrity inspection report](#). Most officers and staff have made progress in putting the victim at the centre of their crime-recording decisions. We also found the force has:

- recorded all but one of the modern slavery offences disclosed during investigations;
- recorded nearly every offence of taking or sharing indecent images of a young person;
- implemented all but one of the recommendations in our 2014 report; and
- introduced effective processes in the force communication centre (FCC) so that victims receive a good service from the staff taking their calls.

Despite advances, work remains to be done. We examined crime reports from 1 October 2017 to 31 March 2018. Based on this, [we estimate that the force fails to record over 3,300 reported crimes each year](#). This is a recording rate of 87.8 percent (with a confidence interval

of +/- 1.69 percent). The 12.2 percent of reported crimes that go unrecorded include sexual offences, public order and violence offences. It is a cause of concern that the recording rate for violent crime is only 84.4 percent (with a confidence interval of +/- 2.71 percent). The force must improve in these areas.

We consider that officers and staff not understanding the crime-recording rules leads to these failures. This is made worse by limited supervision to correct these decisions as soon as possible.

Summary of inspection findings

The force has improved its crime-recording processes since our 2014 report. We found that it has:

- developed a process where an incident, crime and allocation team (ICAT) deals with more crime reports and records more crimes at the point of reporting;
- an effective process for giving feedback to staff and officers who make poor crime-recording decisions;
- developed specific crime-recording training targeting the areas where officers and staff regularly make the same mistakes;
- made good progress implementing changes recommended in our 2014 report, fully completing all but one of these recommendations; and
- introduced processes to make sure it uses out-of-court disposals, such as cautions, youth cautions and community resolutions, appropriately.

The force crime incident registrar (FCR) and her deputy – responsible for oversight and audit of crime-recording arrangements – have both completed a [national College of Policing course](#) and are fully accredited. The FCR is supported by a small team that undertakes regular audits of reported and recorded crime. The deputy FCR and a small team of auditors and designated decision makers (DDMs) support the FCR's work. We welcome the progress the force has made.

But we found that the force's crime recording needs to improve in the following areas:

- There is not always supervisory oversight of crime-recording decisions arising from domestic abuse incidents.
- There is too often no crime recording bureau oversight of records opened as a crime incident but closed without a crime record being created.
- Where counter allegations are made, officers sometimes don't record the crime or explain why a crime should not be recorded.
- The force must collect more information about the effect of criminality on identifiable groups within communities.

The force is currently under-recording:

- public order crimes;

- violence crimes, especially crimes of harassment, common assault and malicious communications; and
- domestic abuse-related crimes.

Incorrect recording decisions are often caused by officers and staff not understanding the crime-recording rules. Limited supervision of crime-recording decisions makes these errors worse.

These areas require improvement.

We note that the chief officer team is relatively new, and the deputy chief constable is overseeing a programme of improvements. This programme is governed by a comprehensive crime-recording action plan, designed to improve the service provided to crime victims in Dyfed-Powys.

The introduction of the ICAT has been positive. The force now creates more crime records close to the point of reporting and the team is conducting proportionate investigations. This has removed the need for officers to attend these crime incidents. We expect that this will help the force to improve its crime recording.

We found the FCC staff to be professional, courteous and helpful. They accurately recorded the details received during initial calls for service. And they consistently applied the THRIVES (threat, harm, risk, investigation, vulnerability, engagement and safeguarding) risk assessment to decide on the response required.

These are welcome developments.

Cause of concern

Dyfed-Powys Police is failing to ensure it records all violent crimes (in particular domestic abuse) reported to it. In most cases where the force fails to record domestic abuse crimes, officers and staff do not complete domestic abuse, stalking and harassment (DASH) assessments. There is also limited supervision to correct these recording decisions at the earliest opportunity.

Recommendations

The force should immediately:

- take steps to identify and address gaps in its systems and processes for identifying and recording all reports of violent crimes (in particular those that are domestic abuse-related);
- ensure officers and staff complete DASH assessments in all domestic abuse cases;
- ensure that adequate supervision is applied to **all** crime-recording decisions made by officers and staff; and
- ensure that **all** identified crimes are recorded without delay and in any case within 24 hours.

Areas for improvement

The force should make sure that it:

- records all reports of crime made by a professional third party acting in a professional capacity on behalf of the victim;
- records all counter allegations as crimes or explains why it has not done this;
- develops and operates effective procedures to supervise crime-recording decisions throughout the force;
- takes immediate steps to make sure that it records all reported crimes of rape without delay and that it uses classification N100 correctly; and
- improves how it collects diversity information from crime victims and uses this to inform its compliance with its equality duty.

How effective is the force at recording reported crime?

●●○○ Requires improvement

Overall crime-recording rate

87.8% of reported crimes were recorded

Over **3,300** reports of crime a year are not recorded

The force must do more to make sure it records all crime reports in accordance with the [Home Office Counting Rules](#) (HOCR).

We examined reports of crime the force received, and for which it had created an [auditable record](#). The force told us that 86.2 percent of crime that it records (except fraud) comes through an auditable crime reporting route. This doesn't mean that 86.2 percent of crimes reported to Dyfed-Powys Police come through these routes, but that 86.2 percent of crime is recorded this way.

We found that the force recorded 87.8 percent of these crimes (with a confidence interval of +/- 1.69 percent). [We estimate the force is not recording over 3,300 reports of crime each year](#). These failings are potentially depriving many victims of the services they are entitled to.

Of a total of 1,372 reports of crime we audited, we found 349 crimes related to [domestic abuse](#). Of these, the force had recorded 283. The 66 offences not recorded included violence offences, sexual offences and public disorder. The force had not considered safeguarding requirements in all cases and had completed an investigation in less than ten of these cases.

The force allocates most domestic abuse crimes to an officer to attend and make a crime-recording decision. In addition, officers should complete a DASH assessment in every domestic abuse case. We found that too often this was not happening, meaning that too many victims didn't have proper consideration of their safeguarding needs. But we did find that the FCC call takers were conducting a THRIVES risk assessment every time. We also found that when officers created a crime record in a domestic abuse case, they explained on the crime record what safeguarding measures had been taken.

Because of not conducting DASH assessments in domestic abuse cases, the force doesn't always consider and provide the safeguarding these most vulnerable victims require. This is concerning.

Domestic abuse often involves victims who are particularly vulnerable to further offences being committed against them. So it is vital to record reported crimes of [domestic abuse](#).

The force's crime-recording processes, and its workforce's crime-recording knowledge, are contributing to its under-recording.

The force must improve its crime-recording processes. We found that:

- officers sometimes don't record crimes when attending crime reports, because they don't understand the crime-recording requirements, particularly where offences of harassment, common assault, public order and malicious communications are disclosed;
- officers and staff don't always record a proper explanation for why they haven't recorded a crime; and
- because there isn't enough supervision, officers' and staff's crime-recording decisions aren't challenged enough.

Response officers aren't always sure of crime-recording requirements when dealing with complex crimes.

When third parties acting in a professional capacity make reports of crime to the force, officers and staff often fail to record the crimes.

Violence against the person

84.4% of reported violent crimes were recorded

Over **1,500** reports of violent crime a year are not recorded

We found that the force records 84.4 percent of violent crimes reported to it (with a confidence interval of +/- 2.71 percent). This is lower than the overall crime-recording rate noted above. [By our estimate, this means the force fails to record over 1,500 violent crimes that are reported to it each year.](#) As violent crime can be particularly distressing for the

victim, and many of these crimes involve injury, better recording of reported crime is particularly important.

In most cases where reported violent crimes were not recorded, we found this was because of:

- the processes for recording a reported crime (described earlier);
- officers and staff not properly understanding the crime-recording rules; and
- inadequate supervision of crime-recording decisions.

Victims of violence and serious violence often need a lot of support. This support comes from the police and other appropriate agencies, such as [Victim Support](#). In these circumstances, crime recording is even more important. If the force fails to record a violent crime properly, it can mean victims aren't referred to Victim Support. This deprives victims of the support they need and deserve.

Sexual offences

93% of reported sex offences were recorded

Over **70** reports of sex offences a year are not recorded

The force is good at recording reports of sexual offences. We found it records 93 percent of sexual offences that are reported to it (with a confidence interval of +/- 2.79 percent). [We estimate the force is not recording over 70 reported sexual offences each year.](#)

Despite the good performance the force can do better. We found that it had failed to record reports of sexual offences against both adults and children. These included reports of sexual assaults and of children being incited to engage in sexual activity.

As before, the force is under-recording sexual offences because of:

- poor processes for recording a reported crime;
- officers and staff not understanding crime-recording rules, particularly third-party reporting;
- officers not recording all the crimes disclosed to them by the same victim; and
- inadequate supervision of crime-recording decisions.

Significantly though, the force had recorded nearly every offence of taking or sharing indecent images of a young person. It recently provided training to all officers and staff, leading to this good performance.

Rape

62 of 68 audited rape reports were accurately recorded

Rape is one of the most serious crimes a victim can experience, so it is especially important that reports of rape are recorded accurately. It helps to make sure victims receive the service and support they deserve. And it helps the police identify the nature and extent of sexual violence in their local area.

We found that 62 out of 68 rapes reported to the force had been correctly recorded. These include reports from the force incident system and from investigations, involving vulnerable victims, conducted by specialist officers dealing with adult and child protection. The force had investigated all of these cases and provided safeguarding to every victim.

However, the force needs to improve its understanding and use of the Home Office classification N100. The N100 was introduced in April 2015. Its purpose is to explain why reported incidents of rape or attempted rape, whether they are reported by victims, witnesses or third parties, haven't immediately been recorded as a confirmed crime. This can include instances where new information confirms the rape didn't take place, or where the rape took place in another force area and was transferred to the relevant force to record and investigate.

From our audit, we found 17 N100s that should have been recorded. Of these, the force had recorded only 11. We also examined 20 occasions where the force completed N100 records. Of these, 19 were recorded correctly and one was correctly turned into a rape.

It is important the force improves the understanding of N100 classifications among its officers and staff for it to satisfy itself fully that it always takes the correct crime-recording decisions following a report of rape.

How efficiently do the systems and processes in the force support accurate crime recording?

●●●○ Good

Crime reports held on other systems

37 of 44 vulnerable victim crimes were recorded

To be confident that vulnerable victims always get the support they need, the force must make sure that it always records crimes reported directly to its public protection teams.

We examined 50 vulnerable victim records: 25 adult records and 25 relating to children. We found 44 crimes that should have been recorded, but the force only recorded 37. The

unrecorded crimes included a theft and a common assault against adults and five sex offences involving children. Four of these offences were committed against one victim.

Our examination of these records showed that safeguarding had been provided to each victim. The force took positive action in every case including, where appropriate, proportionate investigations.

We found that specialist detectives and staff in the central referral unit, who liaise directly with third-party professionals, clearly understood the crime-recording rules for offences reported by these professionals.

Modern slavery

Offences relating to modern slavery are an important and recent addition to the crimes that forces must record and investigate. So, we examined how well the force records reports of modern slavery offences. We also examined the force's understanding of the origin of such reports.

We examined seven modern slavery referrals made to the force. We found that the force should have recorded seven modern slavery crimes and had recorded six of these. The force had also recorded every other crime disclosed during modern slavery investigations. This is a good result.

We also found that the force undertook safeguarding in all cases.

The force's modern slavery lead works at local, regional, and national levels with other forces and interested parties. Officers understand modern slavery at a local level. The force gave us details of effective operations it had conducted. The force is considering the impact that Brexit will have on the border it shares with the Republic of Ireland. It is considering this impact in terms of modern slavery, among other things.

Timeliness

If the information the force gets at the first point of contact satisfies the national crime recording standard, the force should record crimes straight away, and in any case within 24 hours.

We found that, of the reports the force had recorded, it had only recorded the following number within 24 hours of receiving the report:

- 50 out of 62 reports of rape;
- 411 out of 532 reports of violent crime; and
- 151 out of 199 sexual offences (excluding rape).

This must improve.

Although some victims might be referred to support agencies in other ways, recording reported crimes late leads to delays in referring victims to Victim Support. This is unacceptable, as some victims would benefit from the early support this team can give.

Cancelled crimes

If additional verifiable information shows that a recorded crime didn't take place, the crime record can be cancelled. We found that the force's performance in this area needs to improve.

In Dyfed-Powys Police, only the FCR and her staff can cancel recorded crimes. This should be a good and effective process.

We reviewed a sample of cancelled records of rape, other sexual offences, violence and robbery. We found that the FCR had correctly authorised the cancellation of 12 out of 13 rape offences. DDMs working with the FCR had correctly cancelled:

- 18 out of 20 sexual offences;
- 18 out of 20 violence offences; and
- 3 out of 3 robbery offences.

If a crime has been cancelled or transferred to another force for investigation, victims should always know the status of their reported crime. If the force decides to cancel a recorded crime, the very least the victim should expect is an explanation of why the force decided this. We found that the force had informed victims of this decision on only 36 out of 41 occasions when it should have done.

Code of Practice for Victims of Crime

The [Code of Practice for Victims of Crime](#) gives police forces clear guidance about the service they should give crime victims. We have concluded that the force is aware of its responsibilities under this code. In particular, after the force records a crime, it sends victims a standard letter with information about the offence which they have been subject to. At this point the force also refers the case to Victim Support, to give the victim further support and advice.

Staff are also aware of their responsibilities under the code. We found many examples of the force giving crime victims a good service, and sometimes an enhanced service.

Equality

We found that the force must improve how it collects information about the effect of criminality on identifiable groups.

Protected characteristics, such as gender, sexuality, disability, ethnicity, religion and age, don't necessarily make someone more vulnerable to the risk of crime. However, it is important that the force records information about the victims' characteristics. This helps to identify any patterns between different community groups and how vulnerable they are to (or how likely they are to report) different types of crime.

We found that the force collects equality information when recording hate crimes, but only obtains basic information in all other cases. Importantly, if the force fails to record this information on every occasion, it won't be able to understand clearly whether its crime-recording decisions are consistent across different community groups. Therefore, this is an area for improvement.

Officer and staff survey

We carried out a survey of officers and staff in Dyfed-Powys Police about their experience of crime recording. Over 200 respondents took part. We were pleased that most respondents said the force's approach to crime recording had improved since our 2014 inspection. And officers and staff do not feel any pressure to minimise the number of crimes recorded because of performance targets.

How well does the force demonstrate the leadership and culture necessary to meet the national standards for crime recording?

 Good

The force's culture and leadership of crime recording is good.

Senior officers demonstrate strong leadership around crime-recording expectations. Messages from the chief constable and the chief officer group are clear and unequivocal. We found that most officers and staff relied on the victim's initial account when making their crime-recording decisions, but the force still has work to do in this area. A small minority of officers and staff do not always rely on that initial account. Too often these officers would say that the victims weren't harassed, alarmed or distressed and didn't consider themselves crime victims. This was often despite the fact that victims had initially phoned the force in a distressed state to report a crime.

We found evidence of strong governance, with crime-recording standards included in the agenda for the deputy chief constable's improvement group. The force has been implementing a crime data integrity action plan designed to serve victims better. This has included developing training products and using feedback to make sure that it improves understanding and compliance.

The force has made good progress with making changes recommended in our [2014 report](#). It has fully completed all but one of these recommendations. The force has also made good progress against the national action plan, introduced by the national policing lead on crime statistics following our 2014 report.

Conclusion

Dyfed-Powys Police has improved its crime-recording processes since 2014. However, it still needs to improve.

We welcome its strong leadership and the positive approach among most officers and staff toward victims. However, the force needs to further improve its crime-recording processes. It

should also make sure that its staff and officers fully understand the crime-recording standards expected of them, and that it supervises these standards effectively.

What next?

We note that after our audit, the force immediately acted to make sure that every missed crime we found was retrospectively recorded and assessed for investigation. The force also began work to find out how it could further improve its crime recording. We welcome this and will continue to monitor progress.

As with all police forces, we may carry out another unannounced crime data integrity inspection of this force at any time.

Mae'r dudalen hon yn wag yn fwriadol