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Staffordshire Police, Fire and Crime Panel

Monday 2 February 2026

10:00

Oak Room, County Buildings, Stafford

The meeting will be webcast live and archived for 12 months. It can be viewed at the following link: <https://staffordshire.public-i.tv/core/portal/home>

Kate Loader
County Solicitor and Monitoring Officer
23 January 2026

Agenda

1. **Apologies**
2. **Declarations of interest**
3. **Minutes of the meeting held on 17 November 2025** (Pages 5 - 14)
4. **Questions to the PFCC from Members of the Public** (Pages 15 - 24)

Questions to the Commissioner are invited from members of the public who live or work in Staffordshire. Notice of questions must be received by no later than three clear working days before the Panel meeting. More information on where and how to submit a question can be found at <https://bit.ly/34arVDw>

5. **Decisions published by the Police, Fire and Crime Commissioner (PFCC)**

At the date of publication of the agenda, no new decisions had been published on the Commissioners website.

6. **Proposed Police Budget and Precept 2026/27** (Pages 25 - 140)

a) Budget Report 2026/27 including MTFS

- b) Treasury Management Strategy 2026/27
- c) Reserves Strategy Update
- d) Capital Strategy and Capital Programme

7. **Police Misconduct and Complaint Regulations 2020 - Annual Report** (Pages 141 - 150)

8. **National Conference for Police Fire and Crime Panels - 26 November 2025** (Pages 151 - 152)

9. **Questions to the PFCC by Panel Members**

10. **Resignation of Co-opted Independent Member** (Pages 153 - 154)

11. **Dates of Future Meetings and Work Programme** (Pages 155 - 158)

12. **Exclusion of the Public**

The Chairman to move:

"That the public be excluded from the meeting for the following items of business which involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A (as amended) of Local Government Act 1972 indicated below".

Part Two

(All reports in this section are exempt)

13. **Temporary Chief Constable Recruitment Process** (Pages 159 - 166)

(Exemption paragraphs 5 and 7)

Membership	
Charlotte Atkins (Vice-Chairperson) Richard Cox (Chairperson) Carol Dean Chris Elliott Gill Heesom Zdzislaw Krupski	Angela Loughran Vince Merrick Anthony Screen Duncan Walker David Williams



Notes for Members of the Press and Public

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Recording by Press and Public

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Press and Public attendance at meetings

We welcome your attendance at this meeting. To ensure all business can be completed fairly and efficiently, we require a standard of mutual respect. Please be advised that any person causing a disruption or behaving in a manner that prevents the meeting from proceeding will be required to leave the meeting room. Security or local authorities may be called upon to assist if necessary.

Please be prepared to have your bag and/or personal belongings to be searched.



Minutes of the Staffordshire Police, Fire and Crime Panel meeting held on Monday 17 November 2025

Present: Richard Cox (Chairperson)

Attendance	
Charlotte Atkins (Vice-Chairperson) Adrian Bowen Chris Elliott Gill Heesom	Zdzislaw Krupski Vince Merrick Anthony Screen Ian Fordham (Substitute)

Also in attendance: Ben Adams, David Evans, Louise Clayton, Sarah Wilkes and David Greensmith

Apologies: Carol Dean, Majid Khan, Angela Loughran and David Williams

25. Declarations of interest

No declarations were made at the meeting.

26. Minutes of the Panel meeting and Confirmation Hearing both held on 22 September 2025

Resolved: That the minutes of the Panel meeting and confirmation hearing, both held on 22 September 2025 be approved and signed by the Chair.

Action list attached to the minutes – the written response to questions raised on Stalking was noted. The Commissioner explained that a support service was being developed and information on this would be shared with the panel.

Police Governance Reform - Minister of State for Policing and Crime

The Chair allowed the Commissioner to make a statement on the recent announcement by the Minister of State for Policing and Crime that the role of Police Commissioners nationally would be abolished in 2028. More detail would be in the Government's White Paper which would be published soon. The Commissioner was disappointed that the announcement had come without sufficient time to brief all of his teams.

27. Questions to the PFCC from Members of the Public

The Commissioner responded to the questions raised by the public in advance of the meeting. Both the questions and responses were included in the agenda pack.

A) Mr Stock. Two questions relating to an update on actions following the Supreme Court ruling on the meaning of 'sex' in the Equality Act. These were part of the agenda pack, available on the website along with the written response.

The Commissioner added that the National Police Chiefs Council had now provided guidance/clarity on transgender officers searching suspects in accordance with their biological sex and could not search someone who wasn't of the same biological sex, even if that person agreed. Occasionally the service may have to make an appropriate decision to search if it related to a safety risk and it was in the interest of the suspect.

B) Mr Bradbury - Two questions had been received relating to police officers; criminal offences; and pension rights. These were part of the agenda pack, available on the website along with the written response.

Resolved: That the questions and responses be noted.

28. Decisions published by the Police, Fire and Crime Commissioner (PFCC)

The decisions made by the Commissioner since the last meeting were noted.

In relation to SCF/D/202526/001 - Purchase of Fire Appliances 2025/26 and 2026/27 SCF-D-202526-001.pdf it was reported that the total capital value was approximately £1.1m.

Resolved: That the decisions taken be noted.

29. MTFS Update Police

The Medium Term Financial Strategy (MTFS) update report for the Police service was presented by the Commissioner and his Director of Finance and Section 151 officer.

The report set out:

- An update to the current years budget
- An update on future years MTFS assumptions

- Sensitivity analysis around key financial items
- An update on the capital programme.

It was reported that the Budget continued to be challenging with a high level of financial uncertainty in regard to emerging government policy around policing. Issues include:

- No clarity regarding expectations in relation to the Neighbourhood Policing Guarantee (NPG) for 2026/27.
- Above budget pay awards were placing additional strain on forces and whilst the funding anticipated during 2025/26 would cover the increase on a one-off basis, the full year effect of the pay award pressure in 2026/27 won't be covered. The increased pay award in September 2025 was forecast to result in a £3.5m pressure in 2026/27 for the full-year effect.
- The report reflected the grant funding figures provided as part of the 3-year Comprehensive Spending Review (CSR). Further clarity had not been given in relation to top slicing for NPG.
- The CSR headline funding figures include an assumed precept increase, although the exact increase was not yet known. For the purposes of the MTFs update report, the precept increase was assumed at 2.99% or £8.60. If increased flexibility was allowed, an increase in precept would reduce the funding gap.
- The budget assumptions were outlined in the table at 4.21 of the report.

The Budget setting process, savings and pressures were listed in the report.

The proposed budget 2026/27 setting timetable was listed in the report. The quarter 2 Revenue position and Capital programme were set out in the Appendices to the report.

As a result of the presentation and questions from the Panel, the following information was gained. This was in addition to that provided in the written report:

- The overall financial position was on track for this financial year, however there were financial difficulties due to funding uncertainty and constraints which were highlighted in the report.
- Demand pressures on existing business and investment in service enhancements may need to be funded through increases in precept, savings or additional income being sourced.
- There was a projected underspend of £0.785m for this financial year.
- Following a question on paragraphs 4.8 and 4.12 of the report and the impact on community policing, the Commissioner informed the Panel that there was currently a service review and consultation, but confirmed that there would be no reduction of PCSO's numbers or hours. There may be more of a focus on when they work. The panel viewed PCSO's

as a valuable part of the workforce.

- The Commissioner confirmed that PCSO baseline figure of 160 positions would be maintained. The Chief Constables performance meeting on 20 November would look at this in more detail, including the cover available in evenings. The plan would be to provide cover where PCSO's can provide the best support.
- Changes announced to scrap the Commissioners role may impact on budgets going forward, particularly involving the use of reserves. More detail was awaited.
- The timetable included consultation with the public on the budget process. The responses informed decisions.
- The results of the consultation would help determine the level of precept increase. 2.99% would cover inflation. Local Government and council tax increase flexibility would be announced in November.

Resolved: That the update report be noted.

30. MTFS Update - Fire

The Medium Term Financial Strategy (MTFS) update report for the Fire and Rescue Services was presented by the Commissioner and his Director of Finance.

The report set out:

- An executive summary and background to Fair Funding Review
- Update on current year's reported position (Half Year)
- Update on future years' MTFS assumptions
- Sensitivity analysis around key financial items
- Update on Capital Programme and Reserves

Similar financial assumptions to that in the earlier Police MTFS report had been made in this report.

The Comprehensive spending review set out the spending allocation for each government department for the following 3 years. The Fair Funding Review consultation which followed, suggested a reduction of 4% in funding over the next 3 years (over £100m). For Staffordshire this may mean a settlement reduction of £3.5 m over the next 3 years.

The Budget setting process; savings; pressures, along with quarter two Revenue position and Capital programme were set out in the report.

Assumptions on pay had been increased. Paragraph 4.14 detailed the 3 year position. The Panel was informed that reserves had reduced in line with the previously agreed strategy.

During the discussion and question and answer session, the following information was gained:

- The precept increase was assumed at 2.99% or £5 for the 3-year period. The Commissioner would consider any precept flexibility.
- The increase in demand of 22 % over the first half of the year was due to the warm weather and had now returned to normal levels.
- The Commissioner felt that Planning authorities needed to give more attention to the Fire Chiefs Councils directions when considering planning applications and seeking advice from the Fire service on developments; water supplies; and access to sites etc would help to ensure rapid, effective response to incidents/fires.
- Local partnerships and collaboration with land owners was praised, particularly for access to water supplies when tackling fires and also support when addressing floods.
- 'Emergency Services Network' was a project to switch from radio to digital networking (paragraph 4.21). It was reported that this may be a concern in the future as there was currently no knowledge of what technology was needed. There was a need to build reserves to prepare for this.
- The community sprinkler system reductions were due to less need as most of the buildings that caused concerns had responded/ complied and new buildings generally had systems built into their design.
- The detail on schemes/projects in the MTFS which would bring savings was requested in the precept setting report to enable the panel to consider proposals effectively. The Commissioner reminded members that detail was available for both Fire and Police services on his website and in the performance meeting agenda packs.

Resolved: That the update report be noted.

31. Fire Safety Plan update

The Fire and Rescue Safety Plan fulfilled the legislative obligations to publish a Community Risk Management Plan (CRMP) as defined in the Fire and Rescue Service National Framework for England 2018. The report provided the Panel with an update on the delivery of the Safety Plan and Integrated Risk Management Plan.

The Commissioner informed the Panel that most of the areas of improvement

listed in the report had now been achieved. More detail had been emailed to the panel as an update. It was suggested that as the content had a strong link to the assurance statement which was next on the agenda, both reports should be considered as one. This was agreed by the panel and questions on both reports were asked together.

Resolved: That the report be considered with the Fire Statement of Assurance 2024/25 report (next item).

32. Statement of Assurance 2024/25

The Commissioner introduced the report and briefly outlined that the Fire and Rescue National Framework sets out a requirement for fire and rescue authorities to publish Statements of Assurance. It stated that 'fire and rescue authorities must provide annual assurance on financial, governance and operational matters and show how they had due regard to the expectations set out in their integrated risk management plan and the requirements included in the Framework. To provide assurance, the fire and rescue authorities must publish an annual statement of assurance'.

The Panel felt that the infographics and highlight sections of the report were useful for public understanding.

- Hybrid vehicles were being used to save on fuel and help the environment. On call fire fighter numbers were increasing.
- Vulnerable residents and 'safe and well' visits and prevention work would continue.
- Decontamination equipment needed investment for a number of years.
- HMI for the fire service was expected for late spring 2026.
- Following a question on consultation on battery storage and fire risk, it was explained that although there were large numbers of planning applications there were much smaller numbers being developed. Fire currently only provides advice on layout and site access. The Commissioners view was that the service should be a statutory consultee, and this should be funded.

Resolved: That the report be noted.

33. Review of Panels Procedures to Deal with Complaints Against the Police Fire and Crime Commissioner and/or the Deputy Police Fire and Crime Commissioner

The Chair explained that at a meeting of the Working Group which had been set up to look at the panels Terms of Reference and Procedure rules, the way



that the Panel deal with complaints made against the Commissioner was discussed. It was suggested that a detailed review of the procedure take place and the Chair suggested that the Chair and Vice Chair should participate in future complaint investigations.

Resolved: That a further report be considered by the panel on a revised complaints process, which involved the Chair and Vice Chair of the Panel

34. Questions to the PFCC by Panel Members

1. Question: What was the moral of staff given the recent announcement of the Commissioners position being abolished.

Response: The notification came at very short notice. A statement had been made to the Commissioners office and the Police and Fire services. More information would be circulated when it was available.

2. Statement: Thanks were given to all members of the local initiatives to tackle the selling of illegal vapes.

3. Statement: Thanks were given to all members of the local PCSO's, Police and Fire services for all their support which often went unrecognised.

35. Dates of Future Meetings and Work Programme

The next meeting would be held on 2 February 2026.

A further working group meeting would be held as soon as practical.

Resolved: That the Panels Work Programme be noted.

STAFFORDSHIRE POLICE FIRE AND CRIME PANEL
ACTIONS ARISING FROM PREVIOUS MEETINGS

NOTE: The following action or information was requested at a previous meeting(s). When an item has been completed it will be reported to the Panel and then taken off the list.

Meeting / Agenda Item	Action Required	By Whom	Information requested/action taken	Completed or Target date
22 September 2025 – minute 15 – Public questions	The Commissioner asked for more information before he could reply to this question. Mr Bradbury agreed to provide this and the question was referred to the next meeting to be answered in public.	MP to discuss with Mr Bradbury	At the time of publishing the papers officers were unable to make contact. Further questions to the panel	Complete
22 September 2025 – minute 15 – Public questions	A) Brocton Parish Council – A) Brocton Crossroads - More information on how reports were logged would be provided. B) Deer service - The Commissioner responded, more information would be provided c) questions and answerers published on the panels website	PFCC PFCC MP	Emailed to members and published with agenda papers.	Complete
Police and Crime Plan update – Minute 17	Cllr Atkins - It was suggested that there may be a lack of support for victims as they were not taking part in risk assessments.	MP	Attached update	Complete

Police and Crime Plan update – Minute 17	That a report be considered at a future meeting on Stalking and Domestic Abuse and the work taking place locally.	MP	Added to the work programme	Complete
Police and Crime Plan update – Minute 17	The Commissioners consultation exercise was discussed		The results of the Commissioners consultation exercise was emailed to panel members for information	Complete
Fire Safety Plan – minute 18	That the report be deferred to the next meeting of the Panel.	MP	Added to the work programme	Complete
Review of Panels policy and procedure – minute 19	A working group be set up to consider the report in more detail	MP	Meeting held on 7, 13 October 2025 and 29 January 2026.	Continuing.

**STAFFORDSHIRE POLICE, FIRE AND CRIME PANEL –
2 February 2026**
**QUESTIONS FROM THE PUBLIC TO THE POLICE, FIRE AND
CRIME COMMISSIONER**

Report of the Secretary

The Panel's Constitution provides for questions to the Commissioner from members of the public. Questioners can choose to either attend the meeting and ask the question themselves or have the question dealt with in written form and the reply forwarded to them.

K Loader
Secretary to the Panel

Contact Officers: Mandy Pattinson
Mandy.pattinson@staffordshire.gov.uk

1. SYTECH

Question:

Given the increasing reliance on digital evidence across multiple sectors (such as social services, trading standards, education, and immigration enforcement) do you believe Staffordshire Police is sufficiently resourced in terms of digital forensic capability to support these agencies effectively through timely responses? If not, what plans are in place to strengthen capacity and ensure timely, high-quality forensic support for investigations, particularly considering recent concerns such as illegal working practices highlighted by the BBC?

2. D Mallender

Question:

- 1) Given the number of complaints of Child Abuse against Elbit Unmanned Aerial Vehicles Engines Ltd Shenstone with reference to its manufacture and sale of quadcopters, has Staffordshire Police initiated an investigation in line with enforceable UK legislation on Child Abuse?
- 2) Depending - Is Staffordshire Police then complicit in a cover up of that Child Abuse?

3. M Bradbury

1. Since 2012, which Commissioner has been responsible for the biggest amount of overspend/waste – Mathew Ellis or Ben Adams?
2. Can the residents of Staffordshire have confidence in the 2026 financial report?

Police, Fire & Crime Panel – Public Question PFCP0039

Questions Posed:

Given the increasing reliance on digital evidence across multiple sectors (such as social services, trading standards, education, and immigration enforcement) do you believe Staffordshire Police is sufficiently resourced in terms of digital forensic capability to support these agencies effectively through timely responses? If not, what plans are in place to strengthen capacity and ensure timely, high-quality forensic support for investigations, particularly considering recent concerns such as illegal working practices highlighted by the BBC?

Member of the Public: Daren Greener – Director of SYTECH

Question Date: 18 November 2025

Commissioner's Response:

The majority of the work undertaken by the Digital Forensics team in Staffordshire Police, relates to criminal investigations within Staffordshire. On occasions the Digital Forensics team provide mutual aid for other forces and undertake work that relates to investigations by the Independent Office for Police Conduct (IOPC).

Staffordshire Police do not complete Digital Forensic work on behalf of any other agencies such social services, trading standards, education, and immigration enforcement. Though it should be noted that if social services or education sectors had the need for Digital Forensics services that would likely be as part of a criminal investigation, in which case they would be supported and managed by Staffordshire Police.

Trading standards have a national E-Crime team that support criminal investigations in Staffordshire, Immigration Enforcement have Digital Forensic resources available nationally via the Home Office and HM Prison service and HMRC have their own internal Digital Forensic teams. Action Fraud are a national agency that can provide support for partner agencies. There is also a market of private Digital Forensic companies that support law enforcement and other agencies.

Digital Forensics demand is growing UK wide and Staffordshire Police is no different. Staffordshire Police are investing in Digital Forensic capabilities to further improve their capacity and capability to meet this growing demand.

Governments national police reform ambitions also reference Digital Forensics as a potential area for national standardisation and oversight of procurement.

Contact Officer

Author:	Louise Clayton
Position:	Chief Executive
Date:	22 January 2026
PFCP meeting date	02 February 2026

Police, Fire & Crime Panel – Public Question PFCP0040

Questions Posed:

Child abuse legislation, primarily in the UK, centers on the [Children Act 1989](#), establishing welfare as paramount, supported by the [Children Act 2004](#), which fosters agency cooperation for safeguarding, with statutory guidance like *Working Together to Safeguard Children* detailing duties, while the [Human Rights Act 1998](#) and [Equality Act 2010](#) provide broader protections against harm, discrimination, and ensure children's fundamental rights, with ongoing reforms driven by reports like the [IICSA](#).

Key UK Legislation & Guidance:

- [Children Act 1989](#): The foundation, establishing parental responsibility, prioritizing child welfare in court, and obligating local authorities to safeguard children in need or at risk of significant harm.
- [Children Act 2004](#): Strengthens the 1989 Act by promoting inter-agency cooperation and accountability in child protection.
- [Working Together to Safeguard Children](#): Statutory guidance for professionals, updated in 2023, detailing responsibilities for identifying and responding to abuse.
- [Human Rights Act 1998](#): Incorporates the European Convention on Human Rights (ECHR) into UK law, protecting rights like life, freedom from torture, and family life for children.
- [Equality Act 2010](#): Protects children from discrimination, harassment, and victimisation in services, education, and work.
- [Children and Social Work Act 2017](#): Amends previous legislation to improve social work and child protection.

Key Principles:

- **Welfare First**: A child's welfare is the court's primary consideration in any case affecting them.
- **Family Best**: Children are best looked after by their families, but intervention is needed when essential for safety.

- **Inter-Agency Duty:** Agencies (health, education, police, social care) must work together to promote welfare and safeguard children.

Reporting & Enforcement:

- **No General Duty to Report (for individuals):** While not a strict law for everyone, professionals are expected to follow guidance to report concerns immediately if significant harm is suspected.
- **Professional Standards:** Some professions (like teachers and police) have codes requiring reporting, with misconduct penalties for failure.

International Context:

- **UN Convention on the Rights of the Child:** An international treaty affirming children's rights to protection from abuse and to have their best interests prioritized.
- **Influence on Law:** Its principles, like the "best interests of the child" (Article 3), influence UK laws, such as the [Children Act 1989](#).

Question

- 1) Given the number of complaints of Child Abuse against Elbit Unmanned Aerial Vehicles Engines Ltd Shenstone with reference to its manufacture and sale of quadcopters, has Staffordshire Police initiated an investigation in line with enforceable UK legislation on Child Abuse?
- 2) Depending - Is Staffordshire Police then complicit in a cover up of that Child Abuse?

Member of the Public: Deborah Mallender

Question Date: 15 January 2026

Commissioner's Response:

- 1) No
- 2) No

Contact Officer

Author:	Louise Clayton
Position:	Chief Executive
Date:	23 January 2026
PFCP meeting date	2 February 2026

Police, Fire & Crime Panel – Public Question PFCP0041

Questions Posed:

1. Since 2012, which Commissioner has been responsible for the biggest amount of overspend/waste – Mathew Ellis or Ben Adams?
2. Can the residents of Staffordshire have confidence in the 2026 financial report?

Member of the Public: Mr Bradbury

Question Date: 20 January 2026

Commissioner's Response:

The commissioner will provide a verbal response at the panel meeting.

Contact Officer

Author:	Louise Clayton
Position:	Chief Executive
Date:	23 January 2026
PFCP meeting date	02 February 2026

Item No. on Agenda

Report to the Police Fire and Crime Panel – 2nd February 2026

Police and Crime Budget Report for 2026/27

(Including Medium Term Financial Strategy)

Report of the Staffordshire Commissioner

Introduction

The purpose of this report is to set out the proposed budget and precept proposal for the police and crime element of the Staffordshire Commissioner's portfolio for 2026/27. This is the Commissioner's fifth budget in office and delivers one of his key responsibilities under the Police Reform and Social Responsibility Act 2011.

The report sets out the following:

- Net police and crime budget requirement for 2026/27
- Proposed precept for the police and crime element of the council tax 2026/27
- Proposed policing Medium-Term Financial Strategy (MTFS)
- Outline policing capital budget

The report should be read in conjunction with the accompanying:

- Treasury Management Strategy
- Reserves Strategy
- Capital Strategy

Recommendations

The Police, Fire and Crime Panel is asked to:

- Examine the information presented in this report, including:
 - The total 2026/27 net revenue budget requirement of £287.810m (see **Appendix 1**), including
 - A council tax requirement for 206/27 of £112.705m before the collection fund surplus is considered (see **Appendix 5**)
- Support the proposal to increase the 2026/27 precept for the policing element of the

council tax bill by **29 pence per week** (£15 per annum for a Band D property), increasing the council tax to £302.57 for a band D property, an increase of 5.22%.

- Note that the council tax base has increased to 372,491 Band D equivalent properties, equivalent to an increase of 0.79% (**see Appendix 4**).
- The council tax collection fund has also been finalised delivering a surplus of £0.683m (**see Appendix 3**).
- Note the use of £1.488m of revenue reserves to balance the 2026/27 budget (this is in addition to use of other earmarked reserves to support identified purposes).
- Note the MTFS summary financials (**Appendix 6**) and MTFS assumptions (**see paragraph 6.5**)
- Note that the settlement received at the point of submitting this report is partial. Representations on this have been made by both the Commissioner and the Chief Constable to the Home Office on the inadequacy of this.
- Support the delegation to the Director of Finance for the Staffordshire Commissioners Office and the Director of Resources of Staffordshire Police to make any necessary adjustments to the budget as a result of late changes to central government funding (including changes due to the final funding settlement being announced) via an appropriation to or from the budget support reserve.
- Support the proposed four-year Capital Investment Programme (**see Section 9**) totalling £108.615m and the Capital Strategy and Capital Programme paper.
- Note the outcome of the Staffordshire Commissioner's budget consultation within the Commissioner's foreword which included a survey regarding the proposed level of precept for 2026/27 (**see Appendix 9**).

Contact Officers:

John Bloomer FCPFA

Director of Resources / S151 Officer for Staffordshire Police

Sarah Wilkes

Director of Finance / S151 Officer for the Police and Crime Commissioner

Commissioner's Foreword



This is my fifth budget and council tax precept proposal as Police, Fire & Crime Commissioner. I am pleased with the progress Staffordshire Police has made, with improvements across almost all HMICFRS inspection areas reflecting the commitment of all the officers, staff and volunteers. I thank them for their continued dedication to Staffordshire's communities.

Staffordshire Police continues to deliver tangible results for residents. Neighbourhood crime fell by 13% between October 2024 and September 2025, with home burglaries down by 24%. Targeted summer patrols across 19 hotspot locations led to over 90 arrests and a 26% reduction in knife crime in those areas.

Investment in victim care has also paid off. A new victims' portal has helped deliver an 11% increase in positive victim feedback and improved service.

This 2026/27 budget and Medium Term Financial Strategy is set against significant financial uncertainty following the new Fair Funding Review. While the Government has offered PCCs the option to raise council tax above £15 we will not be doing this. I do not believe local taxpayers should be expected to plug gaps created by national funding decisions, particularly given the force's strong financial management.

Even with an above inflation increase of £15, reductions in central government funding are only partly offset, and future pay awards remain a concern.

Despite these pressures, Staffordshire Police is well placed to tackle organised crime and domestic abuse while the recruitment of 100 additional detectives into the Public Protection Unit means better safeguarding of vulnerable children and adults.

Additional officers are improving response times and enforcement, particularly in domestic abuse cases. Specialist teams are making a real difference — from safer roads through the Road Crime Team, to the Proactive and Rural protecting communities from burglary, rural crime and vehicle theft.

Over the past three years, my office and Staffordshire Police have met demanding savings targets through a robust transformation programme. While the force already delivers strong value for money, further efficiencies are needed. A renewed programme will deliver £15m of additional savings next year to protect frontline services.

Taking all of this into account, I propose increasing the 2026/27 police council tax precept by 5.2% — £15 per year, or 29p per week for a Band D property — in line with the referendum limit.

I recognise the pressures facing households and remain committed to keeping council tax as low as possible. However, failing to act now would risk service reductions and higher costs in the future. This budget and MTFS provide the best possible foundation for Staffordshire Police to continue keeping our communities safe.

1. Executive Summary

- 1.1 This report, and the council tax precept proposal within it, considers public and stakeholder consultation, demand for policing services as well as key government announcements.
- 1.2 Following the announcement of the council tax referendum levels and police grant settlement by government, the Commissioner has considered; current and future funding requirements, together with the factors included within his Police and Crime Plan, the results of the survey with local residents, as well as actual and expected cost pressures and efficiency savings from the force and his own office.
- 1.3 Staffordshire Police continues to deliver Value for Money. In the latest HMICFRS Value for Money profiles, Staffordshire Police is one of the lowest funded forces in England and Wales on a per head of population basis but has a level of calls for service significantly above its relative funding level. Staffordshire however continues to be one of the safest places to live, work and visit in the United Kingdom.
- 1.4 The financial landscape in which the decision on the level of precept sits can be characterised by four key themes:
 - Funding uncertainty - The 2026/27 provisional grant settlement was published on 18th December but unusually with no policy information, as the Police Reform white paper is due to be published in January 2026. The settlement outlines Staffordshire will receive the joint 5th lowest percentage grant increase in the country and will receive £0.9m less than had it received the average percentage increase.
 - Underfunding of pay awards and new burdens such as changes to the dangerous dogs legislation leading to accumulated pressures. The CSR was known to be difficult for policing and is based on Commissioners taking the full increase in precept each year. This overall allowed for a 2.3% increase in funding (compared to councils who have a 5.2% increase in funding).
 - Historic protection of Police Officer numbers, leading to a materially smaller area of expenditure from which savings can be made. Flexibility on workforce composition was announced on the 16th January, however the funding received to grow Neighbourhood Policing numbers in 2026/27 only covers c.40% of the employment cost leaving the local taxpayer to fund the balance of the governments policy initiative (or accept service reductions elsewhere).
 - A lack of capital grant which leads to significantly increased borrowing costs being a feature of current and future years' budgets. These financial pressures, expanded upon below, sit alongside the operational pressures on the policing service.
- 1.5 The Government has acknowledged the impact of their funding decision by allowing PCCs to apply to the Home Office for permission to raise precept above the £15 announced in the settlement if they feel a balanced budget cannot be met without significant operational impact. The Commissioner, taking consideration of the response from residents during the

annual Precept Consultation, the views of the Chief Constable and recognising the effective financial management of the service has not applied for further precept flexibility. The Commissioner does not feel that government should expect the local taxpayer to fill gaps created by national policy choices and decisions.

- 1.6 After consideration of all these aspects, the Commissioner is proposing a precept **increase of 29 pence per week** from April 2026. Panel should note the settlement assumes PCCs increase funding by the maximum allowed. This increase supports the budget as the cash increase in grant is lower than the cost of pay awards and NI increases imposed on Policing by the Government since the last MTFS.
- 1.7 The government expects Staffordshire to add an additional 26 officers into Neighbourhood Policing roles in 2026/27. To fund this, they have given a specific grant which covers c.40% of the cost of employment per officer. The additional cost is to either come from further efficiencies, the local taxpayer or from redeploying officers from other functions - redeploying officers from other functions is not favoured due to the impact on those functions and service delivery in the round. This will mean difficult choices going forward around workforce composition.
- 1.8 Despite the difficult funding position from Central Government, with the savings plan developed, continual prudent financial management as well as the precept increase investment will continue to be made in Policing locally. It remains important that investment continues to be made in maintaining a safe and confident Staffordshire. The Commissioner and Chief Constable will make the following headline investments into Policing and Crime since the last MTFS in:
 - The budget protects the growth in police officer numbers, setting an establishment of 2,083 fte, a growth of 71 fte since the last budget. This is the highest number since 2010 and the highest under the Police and Crime Commissioner model and supports the Force in its workforce planning objectives of increasing Police Officer numbers.
 - Investments into Artificial Intelligence around public contact, redaction, statement writing, translation and forensics analysis to improve productivity and thus service to the public.
 - EV infrastructure and sustainability schemes to meet unfunded obligations placed on policing by the government.
 - Recruitment of transferees, bringing experience at pace into Staffordshire Police to complement our existing recruitment of student officers.
 - A capital programme that continues to modernise estate, drive digital improvement as well as continuing our fleet replacement program.
 - Cutting edge equipment for frontline staff including the latest Body Worn Video technology, increasing vehicle based ANPR coverage alongside the latest Taser

technology.

Further detail is contained in **Section 5**.

- 1.9 In addition, rates are forecast to gradually fall over the MTFS period but currently remain above an optimum level to be borrowing at. Strategically the capital programme has been constructed to take account of this, with no new long-term borrowing taking place in 2025/26 or 2026/27 and existing loans being repaid. This, alongside a desire to reduce the investment backlog in IT and Estates, sees an increase in capital financing charges into the revenue budget over the life of the MTFS. The Force and Commissioner remain committed to investing in the capital programme.
- 1.10 Panel should note that over the last 4 years the Commissioner has repaid £12.8m of loans (c.17% of the total loans) and taken no new loans out since 2018/19. No new long term loans are required to be taken out to fund capital expenditure in 2026/27 with repayment of maturing loans being made from cash balances in year.
- 1.11 The Commissioner will continue to support the Chief Constable's transformation programme and has committed to providing a capital funding envelope which includes a significant operational investment programme for estates. This paper is accompanied by a Capital Strategy and Treasury Management Strategy which explain how this investment will be afforded. Further detail on the proposed capital investment is contained in **Section 9**.
- 1.12 If the proposals in this document are supported then the Staffordshire Commissioner will have the following funding available in 2026/27:

Table 1 Net Budget Requirement Comparison 2025/26 to 2026/27

Funding	2025/26	2026/27	Change
	£'000	£'000	£'000
Home Office Funding (Non-ringfenced) (a)	166,350	174,423	8,073
Precept	106,274	112,705	6,431
Council Tax Fund Surplus/(Deficit)	(259)	683	942
Total funding for the year	272,364	287,810	15,446
Officer Maintenance Ringfenced Grant (b)	5,275	0	(5,275)
Neighbourhood Policing Guarantee (ring-fenced) (c)	3,014	5,513	2,498
Total funding including specific grants	280,654	293,323	12,669
Total Home Office funding per Settlement (a + b + c)	174,640	179,936	5,296

Spend	2025/26	2026/27	Change
	£'000	£'000	£'000
Staffordshire Commissioner	7,563	7,109	(454)*
Staffordshire Police	260,487	273,691	13,204
Capital Financing & Revenue Contribution to Capital	8,647	9,218	571
Investment Income	(688)	(720)	(32)
Use of Budget Support Reserve for underlying gap	(3,645)	(1,488)	2,157
Total spend (agree to total funding)	272,364	287,810	15,446

*includes an adjustment for the transfer of £0.132m of contracts from PCC to Force

The detailed budgets are shown in **Appendix 1**

2. Funding Settlement and Financial Context

- 2.1 The 3 year Comprehensive Spending Review (CSR) earlier in the year set out dedicated allocations for Policing. This was welcomed as it allows for more developed medium term planning. The CSR was known to be difficult for policing and based on commissioners taking the full increase in precept each year allowed for a 2.3% increase in funding (compared to councils who have a 5.2% increase in funding).
- 2.2 The settlement received on the 18th December is for one year only and does not allocate out the full Comprehensive Spending Review settlement allocation leaving an estimated £196m that has been retained by the Home Office. This has been 'top sliced' and retained within the Home Office for purposes which at the point of preparing our budget is unknown. In addition, it is understood that certain grants have been reallocated on a different methodology. The total estimated impact of this has been to drive a further budget gap of £4.3m.
- 2.3 As a result of this the Commissioner and Force have moved from having a balanced position, based on the CSR assumptions, that allowed for investment into the Police and Crime plan, maintenance of headcount and was based on an increase in precept of 3.8% in line with inflation to one with a £4.3m deficit. Given the partial and late nature of the settlement, alongside the fact that this reduction was not trailed has led to all Forces reconsidering their budget positions.
- 2.4 The Government has acknowledged the impact of their funding decision by allowing PCCs to apply to the Home Office for permission to raise precept above the £15 announced in the settlement if they feel a balanced budget cannot be met without significant operational impact. The Commissioner, taking consideration of the response from residents during the annual Precept Consultation, the views of the Chief Constable and recognising the effective financial management of the service has not applied for further precept flexibility. The Commissioner does not feel that government should expect the Local Taxpayer to fill gaps created by national policy choices and decisions.
- 2.5 However, this leaves difficult choices to be made locally. These choices will still ensure that Police Officer numbers are maintained and are 79 higher than they were for the 2024/25 budget, contact service headcount is maintained and crucial investments into Policing locally are maintained.
- 2.6 Even though rates of inflation have continued to reduce this financial year from the peak of 2022 they are still above the Bank of England target of 2% and there remains the legacy impact of the previously high rates of inflation. As a result, pay settlements have remained higher than otherwise expected for both police officers and police staff. This is compounded by the fact that pay settlements are only partially funded by central

government. This has put police budgets under significant strain and will continue to impact over the period of the medium-term financial strategy (MTFS)

- 2.7 Pay and inflationary pressures were higher in 2025/26 than forecast in the MTFS with the average pay award of 4.2% being announced (2.8% was budgeted for in line with recommendations from Government). Funding was received on a one-off basis in year to cover the differential with Force expected to pick up the difference on an ongoing basis.
- 2.8 In addition, the increase on employers' national insurance charges from April 2025 has increased inflationary pressure into 2025/26 which suppliers have passed on to Policing. These significant inflationary pressures on both pay and prices have been captured in the 2026/27 MTFS, however have necessitated difficult choices on both precept and also savings.
- 2.9 These inflationary increases, alongside a settlement that did not fully cover centrally imposed costs and have made setting the 2026/27 MTFS challenging. The current external environment, seen through inflationary pressures and a move towards above inflation pay awards, remains volatile, increasing the likelihood of budget assumptions being materially challenged in year.
- 2.10 The table below demonstrates the impact of central government decisions on the 2026/27 budget since the MTFS was set in February 2025. This does not account for general inflation or incremental drift on pay which are pressures in addition.

	£m
Headline cash increase in Govt funding (excluding precept increase)	4.5
<i>Minus: Pay Pressures from pay award 2025/26 pay award (4.2% vs 2.8% budgeted)</i>	(3.2)
<i>Minus: Pay award proposal 2026/27 vs MTFS assumption (3% vs 2% budgeted for)</i>	(2.3)
<i>Minus: unfunded Neighbourhood Policing Guarantee costs (c.£4.5m cost vs £3m grant)</i>	(1.5)
<i>Minus: Above budgeted inflation increase in Home Office central IT charges</i>	(0.2)
<i>Minus: New Burdens (XL bully legislation funding one off, fire investigation standards)</i>	(0.4)
Underlying government policy impact on funding (decrease)	(3.1)

- 2.11 The table demonstrates that government policy decisions are increasingly reliant on local funding via above inflation precept increases or by making additional reductions in non ringfenced pay and non pay budgets.
- 2.12 With such a deficient funding settlement the Force's transformation programme will require a number of non police officer posts to be deleted from the establishment. All but 5 of these are currently vacant posts that have been held vacant in anticipation of being deleted from the establishment. This remains in stark contrast to other Policing areas

which have seen significant redundancy programmes, asks for additional precept flexibility or reductions in officer numbers

- 2.13 Despite these challenges the Commissioner is using a smaller amount from the budget support reserve in 2026/27 than in 2025/26. The use of reserves needs to be balanced between the ability of the Force to identify savings at pace given the late and incomplete settlement and the ongoing sustainability of reserve draws.
- 2.14 As at Quarter 3, the forecast outturn for 2025/26 is a £1.310m underspend. Discussions are ongoing as to the use of this underspend with one of the options being to earmark this to support future years budgets.
- 2.15 The MTFS assumptions for future years funding are that core funding will increase by the percentage growth amounts set out in the CSR. The Home Office has provided a one-year local settlement only. This makes future budget estimates and assumptions inherently risky.
- 2.16 Given the inherent risk of a partial settlement a contingency of £0.250m has been included in the budget.

3. The Budget Process

3.1 The 2026/27 budgeting round continues to use a risk-based approach to budget setting which has sought to align the budget process with identified strategic operational priorities and risks, making strategic investments where funding allows in line with the Commissioner's Police and Crime Plan.

3.2 The budget protects the growth in police officer numbers, setting an establishment of 2,083. This is the highest number since 2010 and the highest under the Police and Crime Commissioner model and supports the Force in its workforce planning objectives of increasing Police Officer numbers.

3.3 Underpinning the budget and MTFS process are the principles of setting a good and balanced budget. Whilst setting a balanced budget is a legal requirement, significant focus is spent on ensuring it is a 'good budget'.

A **Balanced Budget** means that:

- Income equals expenditure
- Cost reduction targets and investment proposals are credible and achievable, and:
- Key assumptions are 'stress tested'



A **Good Budget** means that:

- It has a medium term focus, supporting the Policing Plan
- Resources are focused on our priority outcomes
- It is not driven by short term fixes
- It demonstrates how we have listened to our communities through consultation
- It is transparent and well scrutinised
- It is integrated with the capital programme; and
- It maintains financial stability

3.4 The Commissioner and Staffordshire Police have considered key corporate risks when setting the budget. Essentially these risks are operational and organisational around managing people, infrastructure assets, information, commissioning etc.

3.5 The force continues to identify its strategic operational risks as part of the Force Management Statement (a requirement of His Majesty's Inspectorate of Constabulary, Fire and Rescue Service). This has been used to inform resourcing strategies at both command and departmental level.

3.6 The latest MTFS and, in particular, the 2026/27 budget contained within this report aligns financial resources to areas of greatest risk and therefore is fundamental to the performance management of Staffordshire Police and the Staffordshire Commissioner's Office. It should be noted however that the lateness and deficiency within the funding settlement compared to government costs imposed has meant accelerating areas of savings that, whilst are those believed to have minimal impact on performance, will have an impact on capacity and individuals.

3.7 Both Section 151 Officers have worked closely with the wider finance team throughout the year during the budget monitoring process and in preparation of the revenue and capital budgets for 2026/27. In respect of the budget, this has included (but was not limited to), the identification and agreement of assumptions and methodology and challenge and scrutiny of the budget workings across both the Staffordshire Commissioners Office (SCO) and Staffordshire Police.

3.8 The Commissioner and his management team have held regular discussions with the Chief Constable and the Chief Officers throughout the year on the MTFS. These discussions have culminated in a number of full and robust discussions of the budget requirement, the right sizing and funding of the capital programme, national and local operational and financial challenges, the precept options available to the Commissioner and a review of the MTFS and associated risks.

3.9 Furthermore, there has been a significant degree of scrutiny and challenge undertaken by the Commissioner and his team, prior to, during and post the January Strategic Governance Board, culminating in final discussions on the policing budget and decision on precept by the Commissioner. The decision around precept is taken by the Commissioner applying his judgement based upon the above budget process.

3.10 The approach taken to the MTFS is one where we continually seek to be a well-run organisation, scrutinising areas of spend as well as containing pressures. The overall approach to the MTFS process, in the order below, is:

1. Well run

- Containment of pressures,
- Identifying and achieving savings which involve no change to the operating model or incurring redundancy costs,
- Spending every £ wisely

2. Commercially astute

- Income generation
- Asset sales
- Balance sheet management
- Procurement and purchasing efficiencies

3. Transformation

- Changing the way we do things
- Leveraging capital investment to support changes to our staffing model
- Right sourcing of services and support

3.11 In relation to efficiency Staffordshire Police continues to be both one of the most financially stable Police Forces in the United Kingdom despite being poorly funded by Government compared to calls for service.

3.12 In terms of resource allocation, based on current Home Office statistics, Staffordshire has one of the highest percentage of officers in front line roles. In short this means Police

Officers are in roles that require warranted powers, are relatively more visible and can deliver the impact their powers allow.

- 3.13 Staffordshire is also in the top quartile of reported procurement efficiency savings nationally to date in 2025/26. This follows a trend of continual strong performance of driving efficiencies from third party spend and is a theme continued in the MTFS.
- 3.14 Spend on support services is in the bottom quartile. Whilst significant investment has been made in Digital Services, overall support services have been a focus of and will continue to be a focus of efficiency programmes. To support this an investment in systems replacement (ERP) is included in the capital programme.

4. Precept Strategy and 2026/27 Proposal

- 4.1 The 2026/27 proposed precept increase is 5.22%. This increase is 29 pence per week for a Band D property (equivalent to 19 pence per week for the lowest banded property – Band A).
- 4.2 The Council Tax Referendum Principles for 2026/27 state that PCCs can increase the policing element of council tax by £15 per annum before triggering a referendum. This assumption of a maximum increase was made by the Government as part of its decisions on funding Policing nationally for cost pressures imposed on it.
- 4.3 The Commissioner has engaged with local residents and stakeholders on a wide range of matters. In relation to the precept, the recent consultation showed that the majority of respondents support an increase in the police and crime precept.
- 4.4 The Commissioner has listened to this feedback and his intention to increase funding in the coming year by £6.431m (excluding the collection fund positions) from the precept, which will provide additional investment to policing as well as ensuring that material cost pressures are met for the budget year 2026/27. Importantly this increase provides additional protection to services in the medium term.
- 4.5 The table below illustrates the financial impact of the precept changes on the council Band D rate and increase in funding for Police and Crime in Staffordshire.

Table 2: Precept changes

Council Tax (Police & Crime Element)	2025/26	2026/27
Band D Council Tax Proposed	£287.57	£302.57
Increase on Prior Year (Band D)	£14.00	£15.00
Percentage increase on Prior Year	5.12%	5.22%
Total Precept Levied*	£106.274m	£112.705m

Weekly Increase (Band D)	£0.27	£0.29
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**This includes changes in the tax base as well as precept rate changes*

4.6 The increase in council tax funding also takes in to account the actual tax base increase for 2026/27 (0.79%) when calculating the financial impact of the precept flexibility. The proposed council tax increase by banding is shown in **Appendix 5**.

5. Investments in Policing

5.1 The Commissioner, in reaching a decision to increase the policing precept, has considered the need to balance increases in local taxation against the investments required in local policing to continue building back in capability and capacity, as well as enabling Staffordshire Police to respond to new and emerging threats.

5.2 The Commissioner has supported the recruitment of 53 fte additional Police Officers during 2025/26 as a result of the Neighbourhood Policing Guarantee. However, whilst a grant of £3m was received to fund these the actual cost of employment totals c.£4.5m including ancillary costs. Given the increase is mandated the Commissioner and Force are required to offset the additional costs that are not funded. Further to this the additional 26 growth in 26/27 is funded at c.40% if these are new officers.

5.3 Recruitment of transferees, bringing experience at pace into Staffordshire Police to complement our existing recruitment of student officers. Bringing in experienced officers has been key to injecting experience into the Force, a Force that has proportionately one of the most inexperienced front lines in the country.

5.4 Electric Vehicle (EV) infrastructure and sustainability schemes to meet unfunded obligations placed on policing by the government. In Staffordshire this will mean significant amounts are required to be spent on both buying EV vehicles as well as installing charging points. In addition, certain policing tactics and vehicle uses are currently not tenable with Electric Vehicles.

5.5 Funding to invest into Artificial Intelligence (AI) around public contact, redaction, statement writing, translation and forensics analysis to improve productivity and thus service to the public. Investing in AI remains central to both improving policing productivity, and the governments ambitions for driving efficiency in the public sector.

5.6 Cutting edge equipment for frontline staff including the latest Body Worn Video technology, increasing vehicle based ANPR coverage alongside the latest Taser technology. This will support crime detection, deterrence and officer safety.

5.7 Within the wider capital programme there remains a commitment to complete the firearms training facility and re-provision of the public order training facility. Upgrades to

both custody facilities to ensure safe detention and upgrades to operational police stations are to be considered as part of the operational investment programme for estates.

6. The Medium-Term Financial Strategy

- 6.1 The Medium-Term Financial Strategy has been updated as follows and is shown in detail in Appendix 6.
- 6.2 The MTFS is an important document in the overall financial framework of the group's planning. It builds on the budget for 2025/26 and incorporates plans to meet changes in available financing with the need to meet current and future commitments.
- 6.3 It is a requirement that the Police and Crime Plan must cover the period until the end of the financial year however it is prudent to prepare a medium-term financial strategy over a longer period than this and therefore the report focusses on a four-year timeline.
- 6.4 The MTFS is based on full delivery of a number of savings arising through Resource Allocation Challenge panels as included in **Appendix 8**.
- 6.5 The MTFS includes a number of key assumptions covering likely funding levels, inflationary increases and expenditure items. A summary of the main MTFS assumptions are shown below for consideration:

Table 3: Assumptions

Description	2026/27 Budget	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Police Officers				
Pay Award	3.0%	2.5%	2.5%	2.5%
Incremental uplift	2.0%	2.0%	2.0%	2.0%
Pension Contribution	35.3%	35.3%	35.3%	35.3%
Police Staff				
Pay Award	3.0%	2.5%	2.5%	2.5%
Incremental uplift	2.0%	2.0%	2.0%	2.0%
Pension Contribution	17.0%	17.0%	17.0%	17.0%
Non Pay Inflation				
General	3.0%	2.0%	2.0%	2.0%
Utilities & Fuel	3.0%	2.0%	2.0%	2.0%
Funding & Income				
Government Funding	3.03%	3.26%	1.71%	1.96%
Council Tax Base Increase	0.79%	1.0%	1.0%	1.0%
Variable Income Charges	2.0%	2.0%	2.0%	2.0%
Council Tax Precept Increase %	5.22%	2.99%	2.99%	2.99%
Council Tax Precept Increase £	£15.00	£9.05	£9.32	£9.60

- 6.6 All assumptions in the MTFS are subject to change however they are useful in establishing the general size of the underlying pressures in the budget.
- 6.7 Assumptions on inflation have been cross-referenced with other policing and local public sector organisations and believe they are consistent. Panel should note however that in relation to inflation this is continues to be significantly more difficult to forecast.
- 6.8 The CSR likely assumes a mixture of above inflation increases in precept to achieve the spending totals set out over the three years. This is assumed to be a £14 (4.63%) increase in 2027/28 and a £14 (4.42%) increase in 2028/29. The MTFS is modelled on increases of 2.99%.
- 6.9 There remains a significant risk in relation to future pay awards across the public sector. The Commissioner's view is that any nationally agreed pay awards over inflation should be covered by national government funding.
- 6.10 Based on forecast energy usage, targeted investment to reduce consumption and the proposed energy prices from our energy advisors we have seen a reduction of this budget for 2026/27. However, this remains an area of volatility that underpins the need to hold sufficient general fund reserves.
- 6.11 The tax base forecasts are based upon economic growth forecasts from the Office for Budgetary Responsibility (OBR) blended with local insight and knowledge from billing authorities.
- 6.12 The triannual revaluation of the police staff Local Government Pension Scheme has occurred. Due to the overall health of the Police LGPS fund there has been the ability to reduce employer contributions by 4.5% from 21.5% to 17%. This results in c.£3m of reduced employer contributions and is one of the main reason the Commissioner is able to protect front line policing in what has been a constrained and difficult funding settlement.
- 6.13 The Force has articulated a strategic ambition to the Commissioner to increase Police Officer numbers over the life of the MTFS from the 2024/25 base of 2,002 fte to 2,100. This budget allows for 2,083 fte Officers. However, the MTFS contains no further allowance for the remaining 17fte growth as a consequence of the limited nature of the one year settlement received.

7. Risks and Sensitivity Analysis

7.1 The table below sets out a sensitivity analysis on key assumptions within the 2026/27 budget.

Table 4: Sensitivity Analysis on Assumptions

Cost Area	Change	£'000
Police Pay	1%	1,517
PCSO/Police Staff	1%	891
Utilities	1%	20
Vehicle costs	1%	33
Supplies & Services	1%	107
Police Pension Contribution	1%	988
Police Core Grant Funding	1%	1,515
Precept	£1	372
Precept	1%	1,127

7.2 Inflationary pressures remain a significant concern both over the short term and are more likely than not to present a significant challenge around non-pay spend.

7.3 Pay budgeting has increasingly become more volatile over the last few years. Whilst welcome from an employee perspective and has contributed to increasing candidate pols for hard to fill staff roles, it has placed significant strain on budgets. To fund each 1% increase in pay is the equivalent to a c.2.5% rise in precept for no additionality to the local taxpayer – there is a stark reality that continual large pay awards which are set by the Government, that are materially underfunded by central government, place the financial burden on either the local taxpayer, reductions in headcount or both.

7.4 Given the inherent risk of a partial settlement a contingency of £0.250m has been included in the budget.

8. Reserves Position

- 8.1 The Commissioner's Reserve Strategy sets this out the minimum general fund reserve to be 3% of the net revenue budget, with the general fund reserve currently at 3.59% of the 2025/26 net revenue budget.
- 8.2 A number of earmarked reserves are included within the overall reserves position; these reserves exist to cover increased risks in the external environment such as pay and pension changes.
- 8.3 The 2026/27 MTFS includes the use of £1.488m from the budget support reserve to balance the underlying gap, with a further balance to be allocated in future years of the MTFS dependent upon future need.
- 8.4 In 2026/27, in addition to the unwinding of the budget support reserve, other material movements include the further use of the budget support reserve (£0.4m) to support the budget on a one-off basis due to additional bank holidays in 2026/27 compared to the standard financial year, planned use of the IT transformation reserve (£0.400m) to support the Digital, Data and Technology department as set out in the 2024/25 MTFS, and PCC ring-fenced reserves to support commissioned services.
- 8.5 Should a pay award be higher than budgeted (as was the case in 2025/26), this may necessitate the use of the pay and pensions reserve, if this is not fully-funded. This reserve would cover on a one-off basis an unfunded element of c.1.5%.
- 8.6 If the proposals in this report are adopted then the reserves position will be as shown in [Appendix 2](#).

9. Capital Programme 2026/27 to 2029/30

9.1 The Capital Programme and Capital Strategy for 2026/27 to 2029/30 has been developed and is reviewed within the Capital Strategy. The Capital Programme has been developed by the operational budget holders in discussion with the Head of Financial Accounting and the Director of Resources.

9.2 The revenue consequences of the proposed programme have been considered in the development of the revenue budget and the required prudential indicators are set out in the accompanying Treasury Management Strategy.

9.3 Panel should note that over the last 4 years the Force and Commissioner have repaid £12.8m of loans (c.17% of the total loans) and taken no new loans out since 2018/19. No new long term loans are required to be taken out to fund capital expenditure in 2026/27 with repayment of maturing loans being made from cash balances in year.

9.4 Whilst this is a sign of prudent financial management over the long term this direction of travel cannot be maintained without incurring further significant backlog maintenance and driving in inefficiency by not exploiting technology.

9.5 The Force has carried out a comprehensive review of the capital programme for the 2026/27 MTFS, re-baselining the programme and ensuring greater congruence between corporate change programmes and the capital programme.

Table 5 – Changes to Capital Financing Costs

		2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Capital	Financing	Cost	MTFS		
2026/27		9,218	11,678	13,169	14,419
Capital	Financing	Cost	MTFS		
2025/26		11,047	12,240	13,342	14,278
(Reduction)/ Increase		(1,829)	(562)	(173)	141

9.6 In the short term the reduction in capital financing costs has been driven in part by a number of planned interventions including reducing the in year (2025/26) programme, reduction in revenue contribution to capital, and a review of borrowing requirements.

9.7 The table below details the Capital Programme projects and spend over the MTFS period with the expected funding of the programme. The detailed programme for 2026/27 is shown within Appendix 7 – Capital Programme.

Table 6: Capital Programme Spending

Programme	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Estates	20,110	12,316	20,700	21,970
Digital, Data and Technology	5,791	5,640	5,850	6,498
Transport	1,900	2,200	2,250	2,300
Operational Equipment	290	100	100	600
Total Capital Programme	28,091	20,256	28,900	31,368

Funding	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Capital Receipts	0	0	0	0
Capital Grants	(232)	(331)	0	0
Revenue Contribution to Capital	(2,007)	(2,257)	(2,257)	(2,300)
Earmarked Reserves	0	(469)	(2,322)	(703)
Internal Borrowing Requirement	(25,852)	(17,199)	(24,321)	(28,365)
Total Capital Programme Funding	(28,091)	(20,256)	(28,900)	(31,368)

9.8 Whilst the capital programme has been constrained by affordability the Commissioner will continue to seek opportunity to reduce cost and seek alternative funding as well as making additional revenue contributions should the opportunity arise in year to keep down long-term debt

9.9 There remains a desire to address backlog maintenance. This will address areas such as custody, local policing bases as well as specialist headquarters functions and covers a 10 year period.

9.10 The capital programme also includes provision for the replacement of Southern Area Custody Facility (SACF). Whilst a business case has not yet been presented or approved, the most prudent position of providing for the replacement of SACF has been included given the material nature of the expenditure.

9.11 The Commissioner will continue to support the Chief Constable's transformation programme and has committed to providing a capital funding envelope which includes a £5.767m investment programme for the redevelopment and modernisation of operational policing sites.

9.12 This paper is accompanied by a Capital Strategy and Treasury Management Strategy which explain how this investment will be afforded.

10. Statement of the Commissioner CFO on the robustness of the Budget and adequacy of the proposed financial reserves

- 10.1 The Local Government Act 2003, Part 2, Section 25, as amended by the Police Reform and Social Responsibility Act 2013, requires the Commissioner's CFO to report on the robustness of the estimates used for the budget and the adequacy of the proposed financial reserves. The Commissioner is required to have regard to the report of the CFO and the report must be given to the Police and Crime Panel.
- 10.2 It is noted that the budget years 2026/27 onwards are planned with more un-certainty than has been the case in recent years. The external environment continues to be volatile, with significant inflationary pressures and significant uncertainties, including an upcoming spending review. Whilst there remains some uncertainty with regard to future settlement funding, increased pay awards and inflation, estimates have been included within the Medium-Term Financial Strategy and appropriate provision within Earmarked Reserves.

I conclude, therefore, that the budget for 2026/27:

- Is balanced and has been prepared on a robust basis,
- Is accompanied by a Capital, Treasury Management and Reserves Strategy

Sarah Wilkes

Director of Finance / S151 Officer for the Staffordshire Commissioner's Office

Appendix 1

Revenue Budget 2026/27

	Original Budget 2025/26	Restated Budget 2025/26	Budget 2026/27	Year on Year Change
	£'000	£'000	£'000	£'000
Pay				
Police Officer Pay Costs	141,663	142,458	151,663	9,205
PCSO Pay Costs	8,073	8,077	7,867	(210)
Police Staff Pay Costs	80,763	80,938	81,185	247
Other Employee Costs	4,020	3,950	4,020	70
Police Officer Pensions	4,403	4,403	4,535	132
Total Pay	238,922	239,826	249,271	9,444
Non Pay				
Repairs & Maintenance	32	32	48	16
Other Premises Costs	6,771	6,538	6,442	(96)
Vehicle Costs	3,988	3,133	4,056	923
Other Travel Costs	802	748	668	(80)
Operational Supplies & Service	7,619	7,409	7,802	393
Communications & Computers	13,138	13,211	14,367	1,156
Administration	1,630	1,639	1,847	209
Other Supplies & Services	988	1,344	1,090	(253)
Total Non Pay	34,968	34,052	36,320	2,267
Contracted				
Third Party Payments	18,127	18,772	18,456	(317)
Total Contracted	18,127	18,772	18,456	(317)
Capital Financing Cost				
Capital Financing Costs	8,647	6,404	7,211	807
Revenue Contribution to Capital	0	2,257	2,007	(250)
Total Capital Financing Cost	8,647	8,661	9,218	557
Income				
Grants & Contributions	(8,789)	(17,157)	(14,211)	2,946
Reimbursements	(5,943)	(5,929)	(5,997)	(68)
Sales, Fees & Charges	(1,527)	(1,617)	(2,094)	(477)
Recharge Direct to Capital	0	(126)	(126)	0
Other Income	(750)	(750)	(685)	65
Total Other Income	(17,009)	(25,579)	(23,112)	2,466
Unallocated Savings				
Unallocated Savings	(873)	(133)	(133)	0
Total Unallocated Savings	(873)	(133)	(133)	0
Total Revenue Budget before Reserves	282,781	275,601	290,019	14,418
Transfers to/(from) Reserves	(5,141)	(3,236)	(2,209)	1,029
Total Revenue Budget	277,640	272,364	287,810	15,446
Financed By:				
Home Office Funding	171,625	166,350	174,423	8,073
Council Tax Funding	106,014	106,014	113,387	7,373
Total Financing	277,640	272,364	287,810	15,446

Appendix 2

Useable Reserves Forecast

	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000	£'000	£'000	£'000	£'000
General Fund	11,094	11,094	11,094	11,094	11,094
Capital Receipts Reserve	0	0	0	0	0
Capital Grants Unapplied	331	331	331	331	331
Budget Support Reserve	4,783	2,882	2,882	2,882	2,882
Capital Reserve	947	1,313	1,679	2,045	2,410
Collaboration Reserve	691	691	691	691	691
ESN Reserve	2,422	2,422	1,953	0	0
Insurance Reserve	1,621	1,621	1,621	1,621	1,621
IT Transformation Reserve	2,243	1,843	1,443	1,443	1,443
Major Events Policing Reserve	104	104	104	104	104
Operational Reserves	12,784	12,510	12,347	12,184	12,020
Pay and Pension Reserve	3,836	3,836	3,836	3,836	3,836
Reshaping the Future Reserve	1,246	1,246	1,246	1,246	1,246
Uplift Reserve	1,610	1,610	1,610	1,610	1,610
Total Earmarked Reserves	32,287	30,078	29,412	27,662	27,863
Total Usable Reserves	43,712	41,503	40,506	38,756	38,957

Appendix 3

Council Tax Report 2026/27

Council Tax Surplus / (Deficit) by Billing Authority

	2025/26 £000	2026/27 £000	Change £000
Cannock Chase	(152)	85	237
East Staffordshire	99	(26)	(125)
Lichfield	2	128	127
Newcastle	0	(80)	(81)
South Staffordshire	142	76	(66)
Stafford	(138)	245	383
Staffordshire Moorlands	116	(30)	(146)
Tamworth	45	89	44
Stoke City Council	(374)	195	570
Total	(259)	683	942

Appendix 4

Council Tax Base by Billing Authority

	2025/26 (Band D Equivalent)	2026/27 (Band D Equivalent)	Change (Band D Equivalent)
Cannock Chase	29,999	29,863	(136)
East Staffordshire	41,575	41,513	(62)
Lichfield	41,523	42,132	610
Newcastle	39,807	40,258	451
South Staffordshire	40,191	40,492	301
Stafford	49,634	50,296	662
Staffordshire Moorlands	34,382	34,455	73
Tamworth	23,596	24,073	477
Stoke City Council	68,851	69,408	557
Total	369,558	372,491	2,933

**n.b. figures are rounded to the nearest whole Band D equivalent*

Appendix 5

Council Tax Report 2026/27

Council Bands for Each Band and Billing Authority Precepts

Based upon a Band D increase of 5.22%

Band	2025/26	2026/27	Annual Increase	Increase per week
	£	£	£	£
A	191.71	201.71	10.00	0.19
B	223.67	235.33	11.67	0.22
C	255.62	268.95	13.33	0.26
D	287.57	302.57	15.00	0.29
E	351.47	369.81	18.33	0.35
F	415.38	437.05	21.67	0.42
G	479.28	504.28	25.00	0.48
H	575.14	605.14	30.00	0.58

	2025/26	2026/27	Change
	£	£	£
Cannock Chase	8,626,833	9,035,636	408,803
East Staffordshire	11,955,780	12,560,649	604,869
Lichfield	11,940,683	12,748,000	807,317
Newcastle	11,447,299	12,180,863	733,564
South Staffordshire	11,557,726	12,251,664	693,939
Stafford	14,273,293	15,218,155	944,862
Staffordshire Moorlands	9,887,232	10,425,049	537,818
Tamworth	6,785,502	7,283,768	498,266
Stoke City Council	19,799,425	21,000,839	1,201,415
Total	106,273,771	112,704,623	6,430,852

Appendix 6

MTFS Summary Financials 2026/27 to 2029/30

	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30
	£'000	£'000	£'000	£'000
Pay				
Police Officer Pay Costs	151,663	159,221	166,311	173,721
PCSO Pay Costs	7,867	8,679	9,080	9,500
Police Staff Pay Costs	81,185	85,258	89,049	93,093
Other Employee Costs	4,020	4,086	4,173	4,259
Police Officer Pensions	4,535	4,610	4,687	4,764
Total Pay	249,271	261,854	273,301	285,337
Non Pay				
Repairs & Maintenance	48	48	49	50
Other Premises Costs	6,442	6,569	6,706	6,844
Vehicle Costs	4,056	4,254	4,313	4,372
Other Travel Costs	668	684	699	715
Operational Supplies & Service	7,802	7,903	8,003	8,158
Communications & Computers	14,367	15,362	15,621	15,892
Administration	1,847	1,881	1,918	1,952
Other Supplies & Services	1,090	1,100	1,108	1,113
Total Non Pay	36,320	37,801	38,418	39,095
Contracted				
Third Party Payments	18,456	18,421	18,340	18,479
Total Contracted	18,456	18,421	18,340	18,479
Capital Financing Cost				
Capital Financing Costs	7,211	9,420	10,912	12,119
Revenue Contribution to Capital	2,007	2,257	2,257	2,300
Total Capital Financing Cost	9,218	11,677	13,169	14,419
Income				
Grants & Contributions	(14,211)	(14,260)	(13,996)	(13,996)
Reimbursements	(5,997)	(6,007)	(6,012)	(6,012)
Sales, Fees & Charges	(2,094)	(2,015)	(1,903)	(1,894)
Recharge Direct to Capital	(126)	(126)	(126)	(126)
Other Income	(685)	(365)	(240)	(165)
Total Other Income	(23,112)	(22,773)	(22,277)	(22,193)
Unallocated Savings				
Unallocated Savings	(133)	(133)	(133)	(133)
Total Unallocated Savings	(133)	(133)	(133)	(133)
Total Revenue before Reserves	290,019	306,848	320,818	335,004
Net use of Reserves	(2,209)	(197)	203	203
Transformation Requirement	0	(9,308)	(15,881)	(21,982)
Total Revenue Budget	287,810	297,342	305,139	313,225

Financed By:				
Settlement Funding				
Home Office Funding (non-ringfenced)	174,423	180,106	183,189	186,371
Total Settlement Funding	174,423	180,106	183,189	186,371
Council Tax	113,387	117,236	121,950	126,854
Total Financing	287,810	297,342	305,139	313,225

Appendix 7 – Capital Programme

Estates Capital Programme

Package	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
Investment Programme						
Weston Road Headquarters						
Armed Police Training Facility	The continued construction of the armed policing training facility, including professional fees. Whilst the scheme has yet to be approved this forecast represents the latest estimated cost.	10,335	0	0	0	10,335
HQ Block 1	A minor improvement scheme to include roof repairs and automated door replacement.	45	0	400	0	445
HQ Block 5	Upgrade to the windows and doors from the stock condition surveys.	18	0	0	0	18
HQ Block 7	An upgrade to the Heating, Ventilation and Cooling system within the main conference and visitor block at HQ is required to replace a failing end of life system.	95	300	0	0	395
HQ Block 8	Upgrade to the windows and doors from the stock condition surveys.	25	0	0	0	25
HQ Block 9	Minor improvement scheme to address elements of backlog maintenance. Investment required to maintain HQ estates.	250	45	50	1,670	2,015
HQ External and M&E Works	Mechanical and Engineering works to improve/ replace gates, generators, lifts and Dog Training Facilities.	349	160	0	0	509
Custody Facilities						



Package	Description	2026/27	2027/28	2028/29	2029/30	Total
Northern Area Custody	Investment required to maintain the facility, and to deliver safer detention standards. This site has seen minimal investment since it was built in the late 1990's.	3,079	4,781	0	0	7,860
Watling Custody	Mechanical and Engineering works to replace generator	140	0	0	0	140
Custody	A review of custody facilities to ensure they meet the longer-term requirements of modern policing.	300	4,200	18,000	18,000	40,500
Driver Training						
Driver Training Site	As a result of changes to College of Policing licensing requirements, there is a requirement to relocate the driver training team.	200	0	0	0	200
Operational Sites						
Operational Investment Programme	Investment required to maintain and refurbishment of operational policing site, to meet the needs of modern policing.	2,717	1,000	1,000	1,050	5,767
Sensitive Interview and Clinical Suites	Investment required to maintain sensitive policing sites	200	540	0	0	740
Various Sites	Replacement of CCTV	80	40	0	0	120
Burslem Police Station	Replacement of roof	160	0	0	0	160
Other Sites						
Lindum House	In the short-term minor improvement scheme to address elements of backlog maintenance.	115	0	0	0	115
Ranleigh Street- Forensics	Investment into Forensic stores	150	0	0	0	150
Other Activities						
Government Environmental Obligations	Investment for decarbonisation & EV points. Local cost due to lack of Central Government funding to support policy decisions.	1,352	750	750	750	3,602



Package	Description	2026/27	2027/28	2028/29	2029/30	Total
Capitalised Maintenance Programmes	UPS, Fire Safety and Emergency Repairs	500	500	500	500	2,000
Total Estates Capital Programme		20,110	12,316	20,700	21,970	75,096

Digital Data and Technology Capital programme

Page	Package	Description	Budget 2026/27 £'000	Forecast 2027/28 £'000	Forecast 2028/29 £'000	Forecast 2029/30 £'000	Total £'000
53		Investment Programme					
	Network Improvement Programme	Improvements to the networks – ISE, Wifi and core network	285	150	150	0	585
		Business Systems					
	New ERP System	Replacing outdated systems with a modern, integrated ERP platform. This will streamline processes across finance, HR, and operations, improve data accuracy, and provide real-time insights. The investment supports transparency, compliance, and long-term cost savings, aligning with our digital transformation strategy.	0	2,750	2,750	0	5,500
		Digital Asset Management					
	Digital Interview Recording	Rolling replacement programme	0	0	0	359	0
	Body Worn Video	Rolling replacement programme	0	0	0	2,259	0



Package	Description	Budget 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Total
Force Contact Centre (FCC)						
Storm	Migrate to the new system, STORM. This is essential as STORM MA is end-of life from December 2026	180	0	0	0	180
FCC Delivery	External resources that have detailed, niche, technical experience to support the specific technical programme deliverables	935	0	0	0	935
CRM Call Assist	Improvements in customer contact and service including introducing automated updates to individuals around ongoing crime matters	390	0	0	0	390
Gazetteer	System upgrade	60	0	0	0	60
ICCS Hardware	The project involves the acquisition of essential hardware from ICCS to support the organization's IT infrastructure upgrade and ensure compliance with security and performance standards.	0	0	0	600	600
DN to SIP Migration Programme	IT infrastructure upgrade and ensure compliance with security and performance standards.	550	0	0	0	550
Redbox	Procure and implement Redbox to modernize IT infrastructure, improve system resilience, and support strategic digital initiatives.	200	0	0	0	200
Device Replacement						
Mobile device refresh	Rolling replacement programme	280	290	50	50	670
Laptops & Desktops refresh	Rolling replacement programme	600	600	600	600	2,400
ANPR Static Cameras	Replacing the existing cameras to new ANPR cameras.	261	0	0	380	641
Audio Visual Conferencing	Rolling replacement programme	50	50	50	0	150
DDaT Infrastructure refresh	To replace end of life IT infrastructure.	1,000	1,000	1,000	1,000	4,000



Package	Description	Budget 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Total
National Systems						
ESN Programme	Nationally mandated scheme to replace airwave.	0	800	1,250	1,250	3,300
AI Transformation/ Development Fund	strategic investment in advanced technologies to enhance operational efficiency, decision-making, and service delivery across the organization	1,000	0	0	0	1,000
Total Digital Data and Technology Capital Programme		5,791	5,640	5,850	6,498	23,779

Project Capital Programme

Package	Description	Budget 2026/27 £'000	Forecast 2027/28 £'000	Forecast 2028/29 £'000	Forecast 2029/30 £'000	Total £'000
Fleet Refresh Programme						
Vehicle Replacement Programme	The replacement of vehicles selected through a process of evaluation, considering the age, mileage and condition of every vehicle. These have been identified as critical for replacement due to either excessive mileage, age or being no longer operationally fit.	1,900	2,200	2,250	2,300	8,650
Total Fleet Programme		1,900	2,200	2,250	2,300	8,650



Operational Equipment Capital Programme

Package	Description	Budget 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Total
		£'000	£'000	£'000	£'000	£'000
Investment Programme						
Replacement Programme	Ensuring that Staffordshire Police has a modern & fit for purpose equipment provision. This provision includes tactical body armour and specialist forensics and investigative equipment and ANPR	290	100	100	600	900
Total Operational Equipment Programme		290	100	100	600	1,090

Appendix 8 – Savings Proposals

Savings Theme	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
Corporate Savings						
Capital Financing	Reduction in capital financing cost compared to 2025/26 budget as a result of capital programme review. This incorporates the benefit from having no need to borrow in 2026/27	(1,579)	1,316	390	314	441
Capital Financing	Reduction in Revenue Contribution to Capital financing on a one off basis and a corresponding reduction in the Vehicle Replacement Programme. Vehicle telematics investment in previous years have enabled decisions to be taken around replacing general purpose vehicles of low use	(250)	250			0
Interest Receivable	As a result of the capital programme review, higher cash balances are forecast in 2026/26 and available for investment. In addition interest rates have been marginally higher than forecast	(324)	240	65	75	56
Rank Mix	A review of the levels of command in Force with a view to increasing spans of control where appropriate.	(100)	(100)			(200)
Police Staff Vacancy Factor	For the purposes of budgeting a historic 5% vacancy factor is included on non ringfenced areas of business (Police Officers, contact staff, Digital services and SCO). Given the current vacancy rate is running at 7% (before deleting vacant posts) the vacancy factor will be increased to 6% on an ongoing basis.	(715)				(715)



Savings Theme	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
Absorption of Neighbourhood Policing costs	The Neighbourhood Policing Guarantee allowed for a contribution towards corporate costs. These corporate costs have been subsumed in existing budget as part of wider efficiency reviews and as such the specific budget line will be removed. Noting overall NPG is a pay pressure on Officer pay	(464)				(464)
National Insurance contingency	The 2025/26 MTFS included an allowance for third party NI increases passed on to Policing. These have now been captured in the wider MTFS and thus the specific residual budget line is being released	(71)				(71)
Staffordshire Local Government Pension Scheme Employer Contribution Rate	Following a revaluation exercise, the employer contribution rate has reduced from 21.5% to 17%	(3,109)	(140)	(146)	(153)	(3,548)
Total Corporate Savings		(6,613)	1,566	309	236	(4,502)

Enabling Services						
Gas and Electricity	Reduction in budget required as a result of price stabilisation and reduced usage vs budget	(200)				(200)
Gas and Electricity	Sustainability savings from installing solar panels and more energy efficient lighting	(63)				(63)



Savings Theme	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
Procurement savings	As a result of national work on procurement there is an expectation that this delivers savings for Forces. This will be in conjunction with local work. Based on historic trends a saving has been included beyond savings already identified at the point of budget setting	(250)				(250)
Procurement savings - Software	Saving as a result of reduced scope and volume on IT licenses	(115)				(115)
Fleet running costs	Reduction in fuel and oil spend as a result of lower prices and more fuel efficient vehicles. More efficient vehicle use from telematics	(90)				(90)
Estates rationalisation	Estates consolidation programme savings from collaboration, reduced third party costs and proposed sale of Hearn Court	(163)				(163)
Facilities Management contract	Saving as a result of changes to Facilities Management provision from contract renegotiation	(280)				(280)
Firearms Range	Reduction in estimated running costs vs budgeted allocation, including the impact of solar panel installation, changes to range heating temperatures alongside stabilisation in electricity prices	(400)				(400)
Driver training income generation	Additional income receivable from selling driver training courses to a number of other Forces	(100)				(100)
University subcontracting	Additional income from the renegotiation of subcontracting arrangements for the PCER programme	(43)				(43)
Training Costs	Reduction in training costs	(109)				(109)



Savings Theme	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
Secondary Data Centre Relocation	Relocation of the secondary data centre	(101)	(5)			(106)
IT provided services	Reduction in third party costs based on previous assumptions. Home Office central IT charges continue to run ahead of inflation however will increase by less than initially notified 12 months ago alongside requirement for Forces to fund Home Office dual running costs	(791)				(791)
IT Peripherals	Reduction in the spend on IT peripherals	(25)				(25)
Collaboration Overheads	Recharge of collaboration overheads to partner agencies to reflect the true cost of service delivery	(42)				(42)
Gage G eet Services	Removal of role	(43)				(43)
Commercial Services	Removal of vacant role from within structure	(43)				(43)
Commercial Services non pay	Reduction in various non pay budgets as a result of efficiency review	(44)				(44)
Income generation	Income from collaborated posts being recharged to partner agencies above budgeted changes	(22)				(22)
People & Organisational Development non pay	Reduction in various non pay budgets as a result of efficiency review	(53)				(53)



Savings Theme	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
People & Organisational Development	Removal of vacant role from within structure	(36)				(36)
Total Enabling Services Savings		(3,014)	(5)			(3,019)

Deputy Chief Constables Command						
Professional Standards	Changes to supervision and removal of vacant grade H role	(69)				(69)
Income generation	One off income generation from documentary	(5)	5			(0)
Non pay review	Reduction in various non pay budgets as a result of efficiency review	(106)				(106)
Staffing Review	Removal of 2 vacant E grade posts	(70)				(70)
Deputy Chief Constables Command Total		(249)	5			(244)



Savings Theme	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
Force Contact and Operations Command						
Non pay review	Reduction in various non pay budgets as a result of efficiency review	(202)				(202)
Staff payments	Review of one off payments made to staff and officers in line with regulations and terms and conditions	(5)				(5)
Staffing Review	Removal of vacant post following service redesign and upskilling. CDO's now complete ID capture in custody as part of their role. Vacant ID staff role removed	(46)				(46)
Income Generation	Disposal of small scale items via e-bay account	(20)				(20)
Staffing Review	Review of vacant posts within command – removal of E grade vacant post	(37)				(37)
Staffing Review	Review of vacant posts within command – removal of F grade vacant post	(45)				(45)
Staffing Review	Review of vacant posts within command – removal of D 0.75fte grade vacant post	(24)				(24)
Income Generation	Additional income as a result of cabling cars at the roadside	(30)				(30)
Income Generation	Provision of dog training to third parties	(44)				(44)



Savings Theme	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
Staffing payments	Removal of on call payments above police regulations	(13)				(13)
Criminal Justice	Removal of two vacant posts within criminal justice	(66)				(66)
Income Generation	Salary costs reimbursed from partnerships	(353)				(353)
Income Generation	Increased income generation from wide loads following upskilling and additional investment into function	(120)				(120)
Income Generation	Secondment income from National Police Air Service	(9)				(9)
Income Generation	Increase in immigration detainees funded by UK Border Agency	(20)				(20)
Income Generation	Firearms licensing collaboration income growth	(12)				(12)
Cost Reduction	Reduction in budget required to support intoxiliser replacement programme	(48)				(48)
Firearms licensing renewals	Increase in income target based on Home Office data for the next 4 years	(116)				(116)
Force Contact and Operations Command Total		(1,251)				(1,251)



Savings Theme	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
Local Policing Command						
Rank Mix review	Reduction in 3 Chief Inspector Posts and 1 Chief Supt post and replacement with PC posts	(209)				(209)
Bank Holiday Reduction	Reduction in bank holiday shifts from 9 hours to 8 hours removing shift overlaps	(75)				(75)
PCSO Allowances	Full-year effect of allowances review		(270)			(270)
PCSO recruitment timeline	One off saving on PCSO recruitment intake dates vs budget driven by need to prioritise L&OD capacity to support Officer Uplift	(667)	667			0
Local Policing Command Total		(950)	397			(554)

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Public Protection Command						
Robotic Process Automation	Removal of 2 IFD research posts as a result of RPA	(74)				(74)
External funding	One off external funding secured from Department for Education to support post within PPU Child	(70)	70			0
Contribution to Partnerships	Removal of partnership contribution due to changes in agreed structure	(37)				(37)
Procurement saving	New contract agreed for TechSafe SkyGuard – saving vs budget	(4)				(4)



Savings Theme	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
Staffing Review	Review of staff roles within PPU including removing vacant posts	(128)				(128)
Public Protection Unit Total		(313)	70			(243)

Specialist Crime Command						
Non pay review	Reduction in various non pay budgets as a result of efficiency review	(11)				(11)
Forensics Outsourcing	Reduction in forensics outsourcing following underspend achieved in 2025/26 as a result of process improvement and internal investments	(300)				(300)
Digital Forensics Programme	Resulting savings from transformation business case	(170)				(170)
Contribution to Partnerships	Reduction in the cost of NABIS as a result of review. NABIS is hosted by West Midlands Police on behalf of all Forces	(22)				(22)
Pathology	Forensic Post-Mortem – reduction in spend vs budget. Note charges are nationally set by Home Office	(8)				(8)
Allowances	Review of allowances paid within directorate	(20)				(20)
Investigative Officers	One off saving on IO recruitment intake dates vs budget driven by need to prioritise L&OD capacity to support Officer Uplift	(193)	193			0



Savings Theme	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
Staffing Review	Review of staff roles within SCC including removing vacant posts	(228)				(228)
ROCU	Removal of vacant staff role from ROCU establishment as a result of ROCU efficiency programme	(52)				(52)
Specialist Crime Command Total		(1,012)	193			(819)

Staffordshire Commissioner's Office						
Removal of Council Tax Leaflet Distribution		(28)				(28)
Reduction of Custody Visitor Costs		(7)				(7)
Reduction in Audit Committee Allowances		(17)				(17)
Removal of IT Software Purchase		(70)				(70)
Reduction of Office Equipment		(3)				(3)
Triage		(22)				(22)
Buddi Tags		(16)				(16)



Savings Theme	Description	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
Navigators		(14)				(14)
Reduction in Commissioning work		(169)				(169)
Staffordshire Commissioner's Office						
Total		(345)				(345)

Total Force & Corporate Savings		(13,402)	2,226	309	236	(10,631)
Total Staffordshire Commissioner's Office		(345)				(345)
Total Group Savings		(13,747)	2,226	309	236	(10,976)

Appendix 9 Survey

Precept consultation outcomes 2026/27

Purpose of report

This report is a summary of the results obtained from the public and stakeholder consultation undertaken to seek views on the amount of council tax the people of Staffordshire and Stoke-on-Trent are willing to pay towards their Police and Fire & Rescue services.

Background

Funding for Police and Fire & Rescue services is made up of a mix of central government grants, combined with the 'precept' – the contribution residents make as part of their annual council tax.

The Staffordshire Commissioner is responsible for setting the budget for Staffordshire Police and Staffordshire Fire & Rescue Service, including the amount of council tax used for both services.

It is the Commissioner's responsibility to ensure Policing, Fire & Rescue and community safety is properly funded in 2026/27 to provide the services expected by those who live, work and visit Staffordshire and Stoke-on-Trent.

A formal consultation took place between 18 December and 19 January. A range of methods were used to encourage participation, resulting in responses from **2,370** people from Staffordshire and Stoke-on-Trent.

The views from this consultation will help the Commissioner arrive at his proposals for the setting of the 2026/27 budgets.

How we did it

We used a range of methods to promote the consultation including:

- **Social media** – Multiple social media posts were issued from the Staffordshire Commissioner's Office (SCO), Staffordshire Police and Staffordshire Fire & Rescue Service. Platforms include Facebook, Instagram, X, Nextdoor and Tik Tok. Paid adverts also ran on Nextdoor and Tik Tok targeting residents of Staffordshire and Stoke-on-Trent
- **Media** – A press release issued to inform local media of the importance of the consultation
- **Stakeholders** – Emails sent from the Commissioner requesting key partners' involvement including local MPs, Councillors, volunteers, community groups and business owners
- **Smart Alert** – Multiple messages issued to over 24,000 residents via Staffordshire Smart Alert
- **Internal** – Internal message sent to Police and Fire & Rescue staff to encourage participation

Commissioner's Consultation foreword

Dear resident, this is proving to be another challenging year for setting the budgets for our local Police and Fire & Rescue services. Once again government grant funding does not fully cover the increased cost of inflation, pay rises, or national policy decisions. The government talks publicly about increased 'spending power' for our emergency services but unfortunately this relies on above inflation increases in local council tax.

In recent years, you have supported small council tax increases. These increases amount to only a few pounds extra a year, but I remain very aware that everyday life is becoming more expensive.

I would like to understand whether you would support a small increase – just a few pounds above inflation – to allow these investments in your community safety to continue.

My preference would be not to raise council tax at all. However, this would lead to real cuts in your services and a reduction in their capability to keep you safe, and I do not believe that is what any of us want. You have my assurance that every penny raised will be focused on strengthening both services so they are fit for the future. I expect this approach, coupled with robust savings will mean we are all better off and safer. It will allow us to continue investing in police officers and staff, to maintain our fire-fighter numbers, and ensure they have the equipment and skills required to keep themselves – and you – safe.

All comments submitted as part of this consultation will be carefully considered before I set the budget in the New Year. Please do let me know your views on your local Police and Fire & Rescue services.

Here is a snapshot of what your council tax is already helping to deliver:

Staffordshire Police

- **13%** reduction in neighbourhood crime (burglary, robbery, theft from a person and theft of and from a vehicle) from 1 October 2024 to 30 September 2025, compared to the same period last year. Home burglaries dropped by **24%** in the same period
- Extra pro-active patrols over the summer, targeting 19 different hotspot locations as part of a strategy to reduce serious violence, knife crime and anti-social behaviour. The additional patrols saw at least **90** people arrested and a **26%** reduction in knife crime in targeted areas
- A dedicated victims' portal, giving regular updates on the progress of their investigation, has contributed to an **11%** increase in victims' positive opinion after contact with Staffordshire Police
- **100** more detectives in Staffordshire Police's Public Protection Unit which focuses on protecting vulnerable children and adults

Staffordshire Fire & Rescue Service

- Attended **5,409** incidents between April and September 2025 (an increase of 21.93% on the same period last year) as a result of summer's hot, dry weather and a significant rise in smaller 'secondary' fires

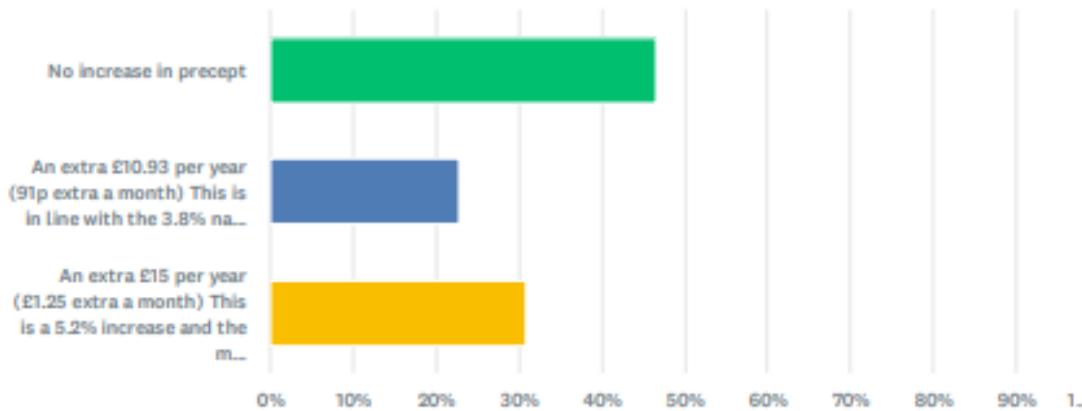
- **7,665** Safe and Well Visits were completed between April and September 2025, helping to ensure vulnerable residents remain safe at home
- Continued work with the NHS. Since the falls response service went live in December 2022, there have been **2,802** mobilisations, responding to vulnerable people falling in their homes. A scheme helping vulnerable discharged patients return safely home from hospital supported **3,433** people between its launch in December 2023 and September 2025

Ben Adams
Staffordshire Commissioner for Police, Fire & Rescue and Crime

The results

Q2 The following options are based on a Band D property currently paying £287.57 each year for Police services. How much more would you be prepared to pay per year for your Police services?

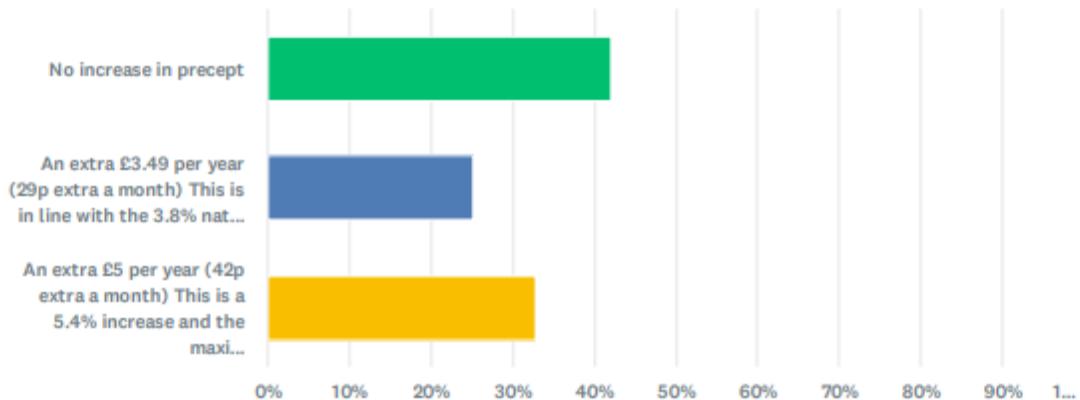
Answered: 2,341 Skipped: 29



Answer Choices ↓	Percentage ↓	Responses ↓
No increase in precept	46.48%	1088
An extra £10.93 per year (91p extra a month) This is in line with the 3.8% national inflation rate	22.73%	532
An extra £15 per year (£1.25 extra a month) This is a 5.2% increase and the maximum precept limit set by government	30.80%	721
Total		2341

Q3 The following options are based on a Band D property currently paying £91.77 each year for Fire services. How much more would you be prepared to pay per year for your Fire & Rescue services?

Answered: 2,328 Skipped: 42



Answer Choices ↓	Percentage ↓	Responses ↓
No increase in precept	42.01%	978
An extra £3.49 per year (29p extra a month) This is in line with the 3.8% national inflation rate	25.21%	587
An extra £5 per year (42p extra a month) This is a 5.4% increase and the maximum precept limit set by government	32.77%	763
Total		2328

Trends over the last 5 years

Year	Number of respondents	Percentage not supporting an increase for Police	Percentage supporting an increase for Police
2026/27	2370	46.48%	53.52%
2025/26	2345	45.56%	54.44%
2024/25	1985	37.90%	62.10%
2023/24	1945	41.50%	58.50%
2022/23	964	31.99%	68.01%

Year	Number of respondents	Percentage not supporting an increase for Fire	Percentage supporting an increase for Fire
2026/27	2370	42.01%	57.99%
2025/26	2345	46.50%	53.50%
2024/25	1985	39.88%	60.12%
2023/24	1945	41.68%	58.32%
2022/23	964	30.11%	69.89%

Common themes from the precept consultation

1036 respondents provided comments in the question 4 free text box which asked, 'If you have any additional comments, please include these in the box below'. The following sections include key themes from the responses.

Police & Crime

A number of comments were locally focused and expressed concerns about the lack of visible policing in their communities. A number of respondents also expressed concerns over efficiency, issues with contact, not dealing with the issues that matter to people, and distractions from national issues.

"Given the volume of new houses in the area, this additional council tax should support the increased budgets. I'm not aware of either the police or fire department recruiting more staff or buying more fire engines for the increase in houses so will not be happy with any increases. Especially given prior year increases."

"The police need fundamental reform, to turn them back into a service, rather than an entitled institution, shifting the culture and attitude from authority to servant."

"We never see any police walking or driving around our area, getting through on a phone call is nigh on impossible."

"I keep paying more and more tax and I keep getting less and less of a service. The government should be funding the emergency services correctly not expecting to keep raising council taxes again and again to fund them."

"Both services are corrupted by political activism and lack of impartiality. They are both putting the public at risk by employing unsuitable people."

"When the police start doing their jobs properly, stop pandering to the Palestinian groups, being antisemitic and look after locals when protests are taking place, then an increase would be fine. Two-tier policing is not what we pay for. The police have become a laughing stock."

"Police should be wholly funded centrally and deal with theft and cybercrime properly."

"I would be inclined to pay more if the services save money on spending in diversity managers and diversity initiatives. The fire service would have my support, but it's hard to support police who don't come out to crime but will arrest people for social media posts."

"Getting through to police is harder and harder. I tried to report issues in the past and after waiting for over 30 mins I gave up. If we can't get through, the crimes logged are not a true reflection of the numbers. I had a case previously that I needed to chase up progress. I couldn't get through, officer was always on leave or a different shift and no-one else could update on their behalf. When I got through to the officer the case had been handed to, they were in the wrong area and it would have to be handed to another officer in the correct area. The most frustrating issue is that I couldn't pop into the police station in Codsall to chase progress or speak to someone."

"Start dealing with crimes like money laundering (nail bars, "Turkish" barbers, car washes), E-Scooters on pavements and I might think about paying more."

"No additional funding for police until personal freedoms are restored and the two-tier justice system is fixed."

"I would only be in favour of these increases if my area was policed properly (which it is not at the moment)"

"Council tax has already increased each year with wages unfortunately reflecting this increase, we already go without holidays."

"If these services were private, we would get better value for money. I would support increases if we had a breakdown of where the money is being spent. All we see is this going on pay rises and wasted."

"The police haven't helped with anti-social behaviour or kept me informed. I'm a nurse so a professional also but do not get wage rises. At least I keep patients informed though."

“The approach to efficiency savings needs to be more aggressive. You only have to look at the number of police cars/vans that are sitting idle every single day in the compound suggests that assets are not being used as efficiently as possible. Same applies to the property portfolio, etc.”

“The spending needs to be reviewed based on what the government sets out as part of their policies. We are paying too much on council tax as it stands.”

“We have seen the improvements from the police and fire departments over the year and realise the increases in crime and accidents plus weather change etc are seriously affecting our county and country. Sadly, years of underfunding by governments in recent years have led to inevitable cuts in resources and jobs in particular. This has to be corrected and even though we are all under financial pressures with the “cost of living” and inflation we will support paying more for our safety services whomever they are. Please keep your promise that all money will go to the two services and carry on the improvements in all services to improve our lives.”

“I would like to see better, more effective use of the resources we already have. To prioritise important crimes and redistribute officers spending time on following up drop social media posts.”

“I do not believe that the money paid for council tax is being spent wisely. I have never seen a police patrol where I live, despite their claims that they are regular. The police are practically uncontactable with hour-long waits if you call them.”

“The current budget should be used more efficiently. With regard to the Police, there should be a review into unnecessary paperwork/red tape, that prevents officers from completing their duties efficiently.”

“The idea of putting up council tax year on year to address funding does not show any proactive approach to address funding. It is in bad taste whilst building a multimillion-pound firearms facility in which a small percentage of people will have use to then suggest to others to fund the core principles of policing. I am reticent to agree to any increase when it appears year on year without forethought to look to avoid this issue.”

“Police presence has dropped, and they still do not take minor issues like theft (which are still serious) seriously.”

Fire & Rescue

Fewer responses were received about Staffordshire Fire & Rescue Service, but those that did included comments around demand, the role Fire & Rescue could play in supporting other emergency services and the importance of engagement with communities.

“I live in Uttoxeter and know that the fire engine in Uttoxeter is hardly ever on the run due to manning problems.”

“Fire Service drastically underfunded. I could easily foresee a scenario in which the service has to deal with two mass casualty incidents that require fire service (low-rise or high-rise fires) that occur at the same time, SFRS does NOT have the resources to deal with both and delay in getting other counties assistance would be too long and would cause unnecessary delay and loss of life I believe. Stop cutting the fire brigade. SFRS has had enough cuts. Just cut the amount of PCSOs by 50%.”

“Just ensure fire engines are crewed properly with five on a fire engine instead of running on bare minimum.”

“Would only be willing to pay more for the fire service if they did more. Fire are sat around at a fire station for a job to come in, whereas police are out all day dealing with historic incidents and incoming demand; seems very unfair.”

“The fire service is in desperate need of funding we can't take any more cuts these cost lives.”

“Staffordshire Fire already have an unworkable on-call model which needs a full review! The false facade adding Police to on-call Fire stations, when in reality there are no additional or deployed Police is absolutely ridiculous.”

“The fire services do a lot more in the community than I realised and I would be happy to support them.”

“Our fire officers are a visible community asset, who already work as another branch of the NHS. I don't believe that they get the recognition they deserve.”

“Gone are the days of lots of house fires etc. The fire brigade should now be supporting the roles of the ambulance service as they do in the USA. There is a lot of down time in the fire force.”

“Fire service has been already stripped down to the bone. I'm not sure that right now if there were two big fires somewhere in a short timeframe that the current fire service here could handle it without committing pretty much all its resources. That's not acceptable for a county this size.”

“I have had personal experience of the Fire and Rescue Service on the recent past and cannot talk too highly of what they did for me.”

“Fire demand is still not high enough to justify an increase in funding. I believe serious decisions should be made about how fire resources are available as I don't think you can justify whole time watches that spend most of their time with their feet up.”

“The Fire and Rescue Service offers good value for money.”

“I feel that further cuts could be made to make the fire service more efficient. They run very well in many areas on a 'retained' basis, which avoids paying for staff to be on a standby basis on night shifts, they also have numerous, expensive stations in each area which must be costing the public purse a huge amount. They are often seen driving through town centres on Saturday nights, using expensive fuel for what appears to be their own entertainment!”

Supporting an increase

A number of comments explained the reasons why they would support an increase in council tax as long as the money went to frontline services and more visible policing to keep communities safe.

"Happy to pay more but PLEASE can we have greater visibility of officers. We NEVER see a PCSO or Police Officer in Meir Heath – you have to go down to Longton Tesco where they are all dealing with the shoplifters. Law-abiding citizens would like to see them patrolling our streets."

"The fire and rescue service is a successful and high performing organisation and could do more with additional monies. The £5 is a small sum but could really help them to do more."

"Fire desperately need that extra £5 if they are to continue to provide the excellent service they do to the communities of Staffordshire. With the impact of central government cuts in funding to cut any more from the fire would have a significant detrimental impact on the safety of the people of Staffordshire and the firefighters too."

"The Police need more money so we can have more PCSOs and PCs in Local neighbourhoods and patrolling the streets. This will help to reduce crime. I'm happy to pay more money if this will increase front line offices (PCSO and PC)."

"You only get what you pay for I believe."

"All emergency services should have their pay increased by at the minimum 20%. They are always there to protect, save, help. Not enough credit and respect is shown to these wonderful human beings."

"I would pay the extra if it was spent on increasing police on the street. The police are invisible at the moment. Closed police stations is not acceptable."

"Prepared to pay even more to see police on the streets at night in Leek."

"Policing needs significantly more investment, even beyond the £15/year suggested."

"We can't afford to be without our emergency services! They do an amazing job."

"I think both services need the investment and resources to do the job. As long as waste is avoided and there is efficiency, prudence in the costs and demonstration of service improvements I would be happy to pay more."

"Would be happy to pay extra but only if it actually does go into policing! We didn't have a reduction in what we pay when we had a massive reduction in services from the police."

"I'd be happy to pay a lot more towards the police in particular if they continue the visibility (bobbies on the beat) that I've noticed recently! As a single female, I've felt so much safer when I'm out on my own seeing officers on walkabouts. Also happy paying more towards FRS, as they are worth their weight in gold."

"My agreement to paying the maximum precept limit of an additional £15 is subject to the Staffordshire Police becoming more visible and more responsive, particularly in rural areas."

"You can have what you like, but stop wasting it. I don't want money for the police force wasted on useless non-crime rubbish. Use the police force to enforce the law and give those who don't wish to follow it a problem. Likewise, you can have what you want for the fire service, but use it to make

the service the best it can be, not waste it by making sure time is wasted interviewing and appointing all and sundry because they happen to tick a box.”

“I feel we should support the emergency services especially as people and the government expect more but as usual, the government refuses to fund the ‘improvements’ they demand.”

“I would be happy to pay extra for our valuable police, but only if there was more of them to deal with the area. It is very rare I see any police on the beat, or when I had a problem, someone stealing parcel off my doorstep in a cul-de-sac, it had been dealt with properly and not by myself doing all the work and still nothing had been done. I know in this day and age that is minor with what goes on but it matters to me that the area I live in is monitored more closely.”

Not supporting an increase

The majority of additional comments were against an increase in council tax, with rising household bills and national issues outside Policing and Fire & Rescue’s remit being a factor. There were also concerns about performance in particular, and a number of responses calling for greater efficiencies rather than increased taxation. There were also a significant number of negative comments made in the comment section on a facebook post.

“I considered the higher increase for police. However, I am very concerned at police actions regarding the unacceptable crack down on free speech. I accept this is political and hope that future governments will leave the police to tackle real crime and not become involved in ‘hurty words’.

“No increase for police. I have been injured twice by mobile e scooters and when I reported this to the police was told not to get involved and let them continue and I should be more aware of my surroundings.”

“Don’t see any value as never see any Police presence in our area. Even when calling can never get through... the speeding up of answering calls is a con... you get answered quickly by Triage - if they agree you have a valid call you are then put on hold for another call taker for at the very least 45 mins to an hour... but sometimes longer.

Most give up... why pay for this service?”

“I haven’t seen any police patrols in my locality for many years now, so I don’t feel any increase will help this situation at all.”

“Why should we pay more when the government are putting illegal people in Tamworth and we have paid more and more year on year and got less and less , so no more Tax and the commissioner should be ashamed of himself for even suggesting it.”

“We keep throwing money at the police and we have seen no difference, all you see is police officers being suspended or sacked for misconduct on a full pension that’s paid for by the taxpayer, and to be quite honest the money gets stopped weather we agree or not!!!! get the government to take it out of the asylum seekers budget!!!”

“I pay enough for all of these services and get nothing back. No police available when needed. No police help provided at crucial times. Police show no interest in anything that means they have to work for!”

“I do not see any evidence of police in this locality, so why should there be any increase?”

"I would not consider an increase in police services. There are next to no Police Stations left and you never see any actual policeman/woman/person in the local area outside of the occasional vehicle. The lack of visibility is contributing to an unsafe feeling. Why would I want to pay extra for what seems to be a poorer service."

"I feel these increases need to be made from central government and not the household taxpayer."

"As a pensioner we pay enough council tax and it's getting to the stage where we will not be able to afford to live with everything going up. What do the police do about all shops being robbed of goods? Most shopkeepers say they don't attend as not interested in petty theft."

"Can't get police to attend so deduct from police and give to fire service until police can provide the service they are paid to provide."

"I would not be prepared to pay any more than currently until the current services, particularly police, provide a service worthy of what is currently being paid. It seems like every year there is an increase for a decreased service. In the current economic climate with cost of living, utility costs etc increasing at phenomenal rates, it is unrealistic and unfair to expect people to pay more for a sub-standard service."

"I would rather pay less than currently, same applies to council tax. Too much money is wasted."

"We want the precept reduced. We don't get value from our council tax as it is, so any additional police and fire funding should come from the council tax, not via an additional precept."

"We are already overtaxed. I object to paying even more for services that continue to get worse due to wasteful spending by the council."

"We are already charged enough every month as it is. This is a government-level issue as to your lack of funding, not the public."

"I pay the most ridiculous amount as a single occupant. I get absolutely nothing for my money. The only thing I am entitled to is a police service , which is appalling in the rural community that I live in, and the fire service in case I need it. Why on earth should I be made to pay anymore? I have no streetlights, no public transport and I have no children! So please tell me what I actually get for my money?"

"Council tax is already way too high, and too much taxpayer's money is wasted on trivia instead of concentrating totally on essential services."

"No increases as the government has already made an increase in significant costs in all households through stealth taxes and this would just be a further burden on the people of Staffordshire."

"No increase as service non-existent. Loads of e-scooters on roads going 35mph. Driving using mobile phones. Nothing done to stop these law breakers."

“This is an unreasonable ask, when households are faced with Council Tax reviews and increases. We also see and hear little from Police or Fire to suggest we currently get value for money.”

Commissioner’s Office

A number of responses specifically mentioned the role and cost of the Commissioner and his office, feeling the money would be better spent on frontline services – particularly since the Government announcement that the role would be abolished.

“Shut your office before 2028 as is planned and give us two years of savings that can be used without asking council taxpayers to pay. It will put over £500,000 back into services instead of coming cap in hand to sustain your ineffective office for two years. That would be selfless public service.”

“I believe you are soon to lose your office, this cannot come into force soon enough. I am sure your wage and that of your team would be better distributed between the services you speak of.”

“I fundamentally disagree with the Commissioner position and have done since its inception. I believe that national government has withdrawn funding for various public bodies over the last 15-20 years and funding needs to be re-instated. It should not be the public, as part of their council tax, to pay for services that the national government should fund. We should tax the ultra-rich to fund these services rather than charge the general public, who are experiencing a cost of living crisis.”

“Get rid of the commissioner office and staff. Give the Chief Constable more beat officers and fewer civilians to help run the Police.”

“Don’t wait until 2028 to rid of PCC office , do it now and save that unnecessary cost.”

“Once the commissioner’s role has gone, can we please make sure that money goes to operational policing and not admin?”

“Get rid of commissioners and their support staff and associated expenses and reinvest that for a start.”

“Let some of your own office staff go to recover any increases. You can’t keep pushing your extravagant costs onto the general public.”

“I don’t agree with the commissioner post. I would prefer that the money paid to the commissioner and support staff go directly to services. We need more frontline not managers.”

“The money squandered on the position of Commissioner and the associated framework of extra jobs , offices and infra structure is a national disgrace. I suggest that when these positions no longer exist, that saving goes into the pot instantly.”

“I have only approached the Commissioner on one occasion and that resulted in a very unsatisfactory response.”

“Get rid of the Police Crime Commissioner role now not in two years and his support staff and put money into more police on the streets, NHS, Fire Service, Doctors surgeries etc instead of penpushers making poor decisions.”

“I was wondering in the interest in transparency would you be willing to put an email out of the amount of funds your department is allocated and a breakdown of where the funds are spent, including staff salary including any pay rises over the past 12 months?”

“I’m not prepared to pay any more precept until the office of the crime commissioner is gone! Bring policing back into the control of the chief constable. As a retired officer since Commissioners there has been a downward spiral in quality of policing and accountability. Waste of public money! Just think of how many officers that could of been recruited instead of funding an office that’s not required.”

“This is the reason you are leaving in 2028 as you cannot manage a budget. When you are gone there will be a whole load of extra money – so won’t have to always ask for more.”

“As per most recent announcement, the office of crime commissioner is being dissolved to be replaced by locally elected Mayors. Would it not be better to generate the extra income by commencing now the streaming of the commissioner’s office and staff? This could be reviewed on an annual basis until the dissolution is complete.”

Additional comments

“This is going to trigger so many people. There IS money in England and also Stoke, it’s just the government and local council haven’t got a clue what they’re doing and throwing the money anywhere. The environment is so toxic within most areas of the council that staff are leaving hand over fist. In one department 6 or 7 staff left or transferred to a different dept having 25-30 years EACH experience. Total bullying environment now with inexperienced staff and managers so will only go further downhill.”

“Why is this consultation not considering health and welfare for those in society who need extra help, ie those with genuine disabilities and elderly care requirements – perhaps a fund separated for this would be a good option so the funds can be managed and channelled by a group specifically formed to do so.”

“I live in band F, and I know I am not getting value for money from SSC & SSDC. However, we do need good policing and fire protection. Kick Highways, we need potholes and drains rectified and made good, plus roads put back in order.”

“We pay all this and only get our bins emptied. Nobody can afford higher payments and it’s not a quality service.”

“I think the council need to look at their budgeting skills. I do not currently see any benefit to the tax I pay. Roads are poor around Tamworth. Green areas are unkempt. Litter everywhere. I have to pay an additional £45 to have my green bin emptied. Where is the money going?”

“Please make it clear to whoever will listen that I am happy to pay whatever it costs to provide all the necessary services which are controlled by local government – health, education, environmental

improvements etc. I am not, however, happy to pay the large salaries of senior local government officials!"

"If residents want a service they should pay for it. We can't expect to manage increases in pay without expecting increase in overall costs. Personally, if we could guarantee great health, social care, education, law and order, and emergency services, I'd pay 40% tax on all earnings."

"There are more and more houses and business units being built, every single patch of green in our towns and villages is being developed. Use the extra council tax income from these additional dwellings and business premises rather than continuing to increase your precept on existing residents. Particularly as every year you reduce the 'service' you provide in exchange for your funding."

"I am a single income household. I have a well-paid job, work exceptionally hard and I am a single parent to two children, one in university and one hoping to attend in 2026. My water bill increased by 71% in the autumn and my gas and electricity has just increased by 25%. My pay rise this year was 2%. The cost of living crisis continues and is absolutely destroying me. Any additional increases in council tax will result in some very difficult decisions for me. I urge you not to put any further tax burden on your residents."

"The council need to use council tax money properly! Sort potholes... stop wasting the money on rubbish (eg poor 'murals' painted in Cannock; additional cost to empty brown bins). Use the money where it is needed to support communities..."

"We have lived in the Moorlands since 1985 and having worked for the same local company since 1980 have seen quite a few changes. The only one we are not in favour of is being dragged into Stoke!"

"This is a horrible and divisive newsletter, you should be asking are people willing to pay more for better services. It is wrong to ignore education ,health, public transport, youth services etc. To highlight two services is totally wrong."

"As a pensioner, not on pension credit, with a small private pension, I can't really afford to pay more council tax but if it's necessary to keep up standards of care, that's OK. What I would like to see is less freeloading by subsidising government officials, eg councillors, council staff and especially at MP & Lords level. So much wasted money that could be diverted back into services."

"I believe it is a mistake to consult the public. We do not have the data available to us to form any sort of informed opinion. You are specifically paid, or have taken on the mantle to all intents and purposes, to make those decisions and now you will not be campaigning for re-election you should feel empowered to do what you feel is right."

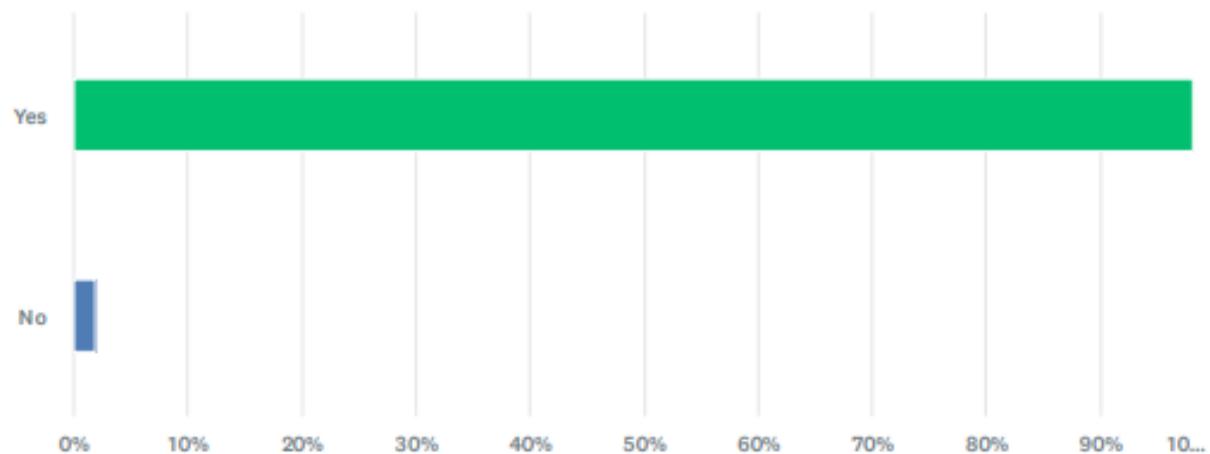
"Vast majority of taxpayers do not use any of these services. The current cost is excessive before increases hit. Why not reduce annual salaries of the 100s of politicians, councillors and vanity expenditure? There is no meaningful data to measure performance of these agencies, just the reporting criteria to fit the current narrative."

"The problem is we are all paying high enough rates and taxes, the highest in the G7, however the social welfare budget is out of control and taking money for police, services, defence and roads and transport, and the councils and government seem to have lost control."

Additional Questions

Q1 Are you responsible for paying council tax?

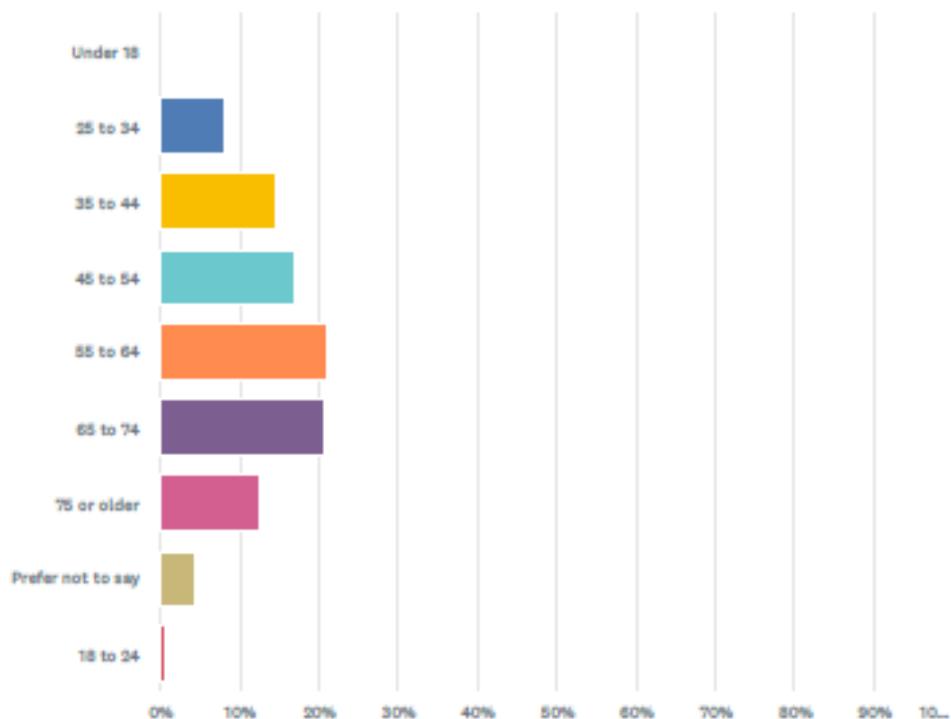
Answered: 2,280 Skipped: 90



Answer Choices ↓	Percentage ↓	Responses ↓
Yes	98.11%	2237
No	1.89%	43
Total		2280

Q5 What is your age?

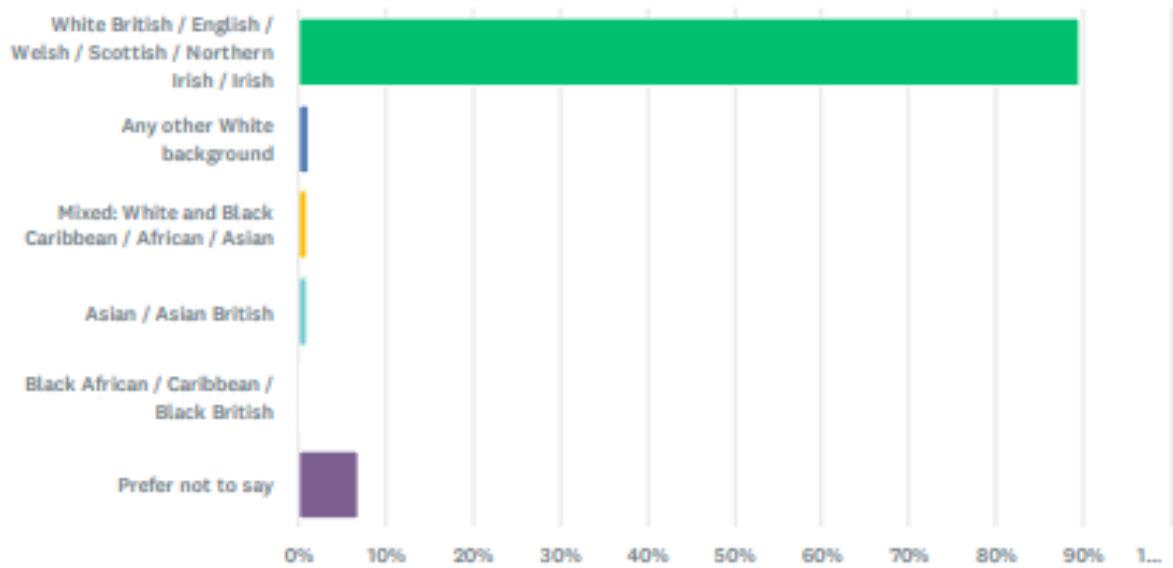
Answered: 1,592 Skipped: 778



Answer Choices	Percentage	Responses
Under 18	0%	0
25 to 34	8.29%	130
35 to 44	11.04%	185
45 to 54	13.85%	232
55 to 64	21.04%	335
65 to 74	20.85%	332
75 or older	12.75%	203
Prefer not to say	4.46%	71
18 to 24	0.94%	15
Total		1592

Q6 What is your ethnic origin?

Answered: 1,580 Skipped: 790



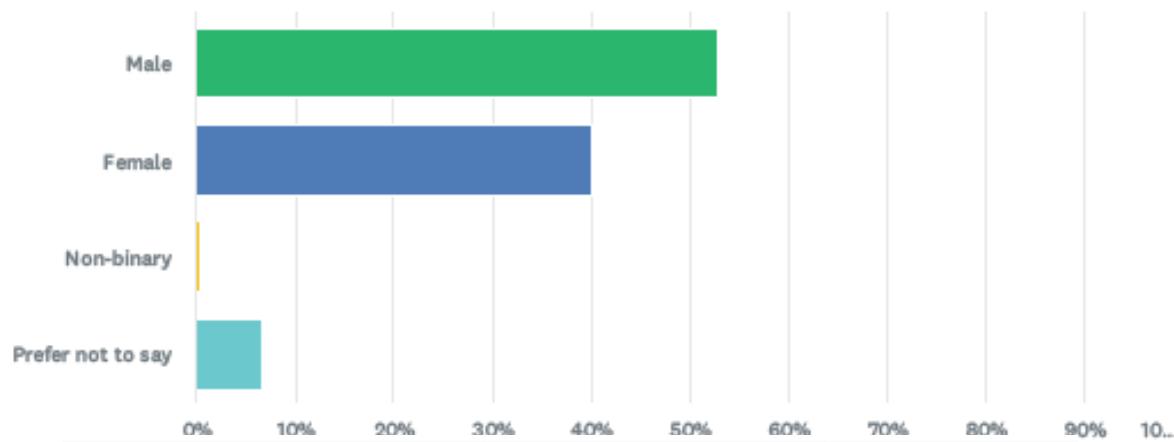
Answer Choices ↓	Percentage ↓	Responses ↓
White British / English / Welsh / Scottish / Northern Irish / Irish	89.68%	1417
Any other White background	1.27%	20
Mixed: White and Black Caribbean / African / Asian	0.89%	14
Asian / Asian British	1.01%	16
Black African / Caribbean / Black British	0.25%	4
Prefer not to say	6.90%	109

[Show comments](#)

Total	1580
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Q7 Are you?

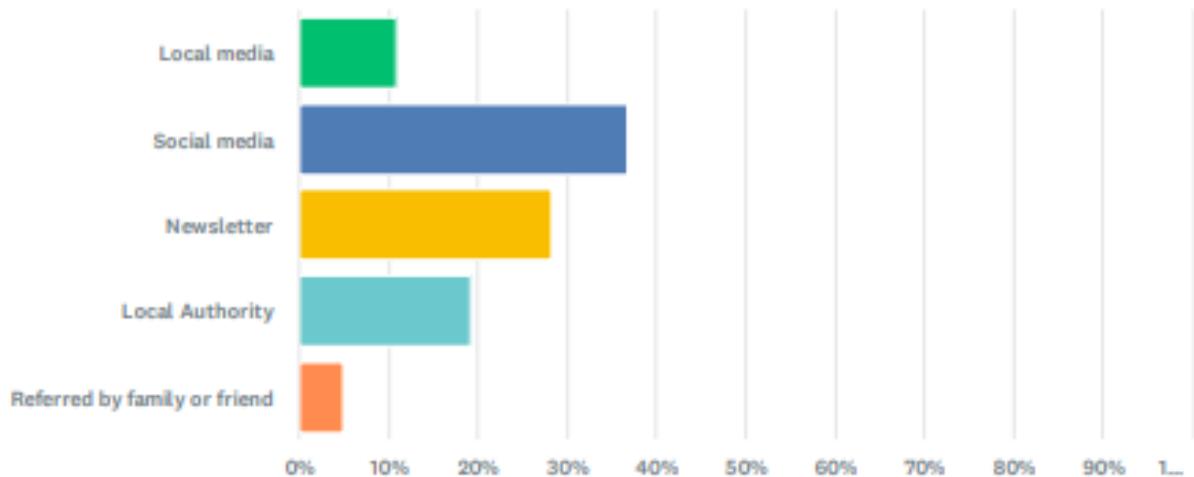
Answered: 1,583 Skipped: 787



Answer Choices ↓	Percentage ↓	Responses ↓
Male	53.00%	839
Female	40.05%	634
Non-binary	0.38%	6
Prefer not to say	6.57%	104
Total	1583	

Q8 Where did you hear about this consultation?

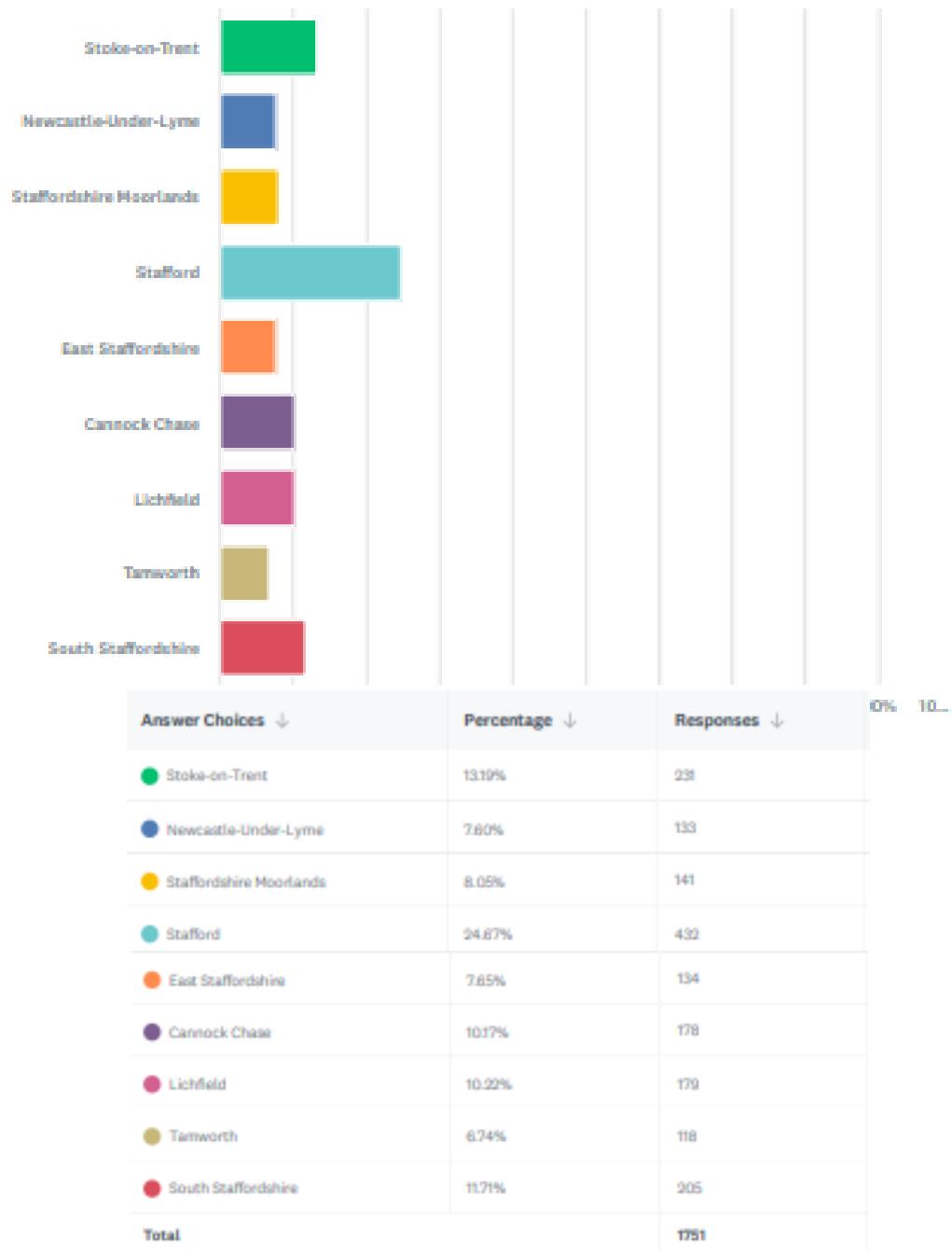
Answered: 1,321 Skipped: 1,049



Answer Choices ↓	Percentage ↓	Responses ↓
● Local media	10.83%	143
● Social media	36.79%	486
● Newsletter	28.31%	374
● Local Authority	19.15%	253
● Referred by family or friend	4.92%	65
Total		1321

Q9 Which area of Staffordshire or Stoke-on-Trent do you live in?

Answered: 1,751 Skipped: 619



Item No on Agenda

Report to the Police Fire and Crime Panel

2nd February 2026

Treasury Management Strategy Report 2026/27

Report of the Staffordshire Commissioner

1. Background

- 1.1 In addition to the existing role overseeing Staffordshire Police, the Staffordshire Commissioner became responsible for the governance of the Staffordshire Fire and Rescue Service from August 2018. However, both remain separate organisations, with separate budgets and governance processes.
- 1.2 This report will detail the Treasury Management Strategy for Staffordshire Police only; a separate report has been completed for the Staffordshire Fire and Rescue Service. Therefore, reference is made only to the **Staffordshire Police and Crime Commissioner ('the Commissioner')** as part of this report.

2. Introduction

- 2.1 This report outlines the Commissioner's Treasury Management Strategy for 2026/27.
- 2.2 Treasury management comprises the management of the Commissioner's cash flows, borrowings and investments, and their associated risks. The Commissioner has borrowed and invested large sums of money and is, therefore, exposed to financial risks, including the effects on revenue from changing interest rates on borrowings and investments, and the risks of a potential loss of invested cash. It is important that the Commissioner successfully identifies, monitors and controls financial risk as part of prudent financial management.
- 2.3 The Commissioner conducts its treasury risk management within the framework of the Chartered Institute of Public Finance and Accountancy's (CIPFA) *Treasury Management in the Public Services Code of Practice 2021 Edition* (the CIPFA Code). The CIPFA Code requires that the Commissioner approves a treasury management strategy before the start of each financial year. In addition, this report fulfils the legal obligation to have regard to the CIPFA Code under the Local Government Act 2003.
- 2.4 The Annual Investment Strategy (AIS) for 2026/27 meets the requirements of the statutory guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG) in its *Guidance on Local Government Investments 2018 Edition*.
- 2.5 This strategy has been prepared in conjunction with the Treasury team at Staffordshire County Council (SCC), after consultation with the Staffordshire Commissioner's Office and Police Finance Team.

3. Summary

3.1 The Police, Fire and Crime Panel note the proposed borrowing strategy for the 2026/27 financial year. The main features are:

- to continue with the use of cash as far as practical, with the ability to raise long-term loans following consultation with the Director of Finance for the Commissioner;
- a loan restructuring strategy that is potentially unlimited where this rebalances risk; and
- monitor the cash balances and possible need to borrow in the coming years.

3.2 The Police, Fire and Crime Panel in accordance with the MHCLG's Guidance on Local Authority Investments, note the adoption of the Annual Investment Strategy (AIS) 2026/27 as detailed in **Section 7** of this report and summarised in **Appendix 4**. Also, to note the policies on:

- reviewing the Treasury Management Strategy;
- use of external advisers; and
- investment management training.

3.3 All of the above will operate within the prudential limits set out in **Appendix 1** and will be reported to the Director of Finance at the Commissioner and reported retrospectively to the The Police, Fire and Crime Panel, in respect of decisions made for raising new long-term loans, early loan repayments and loan rescheduling.

4. External Context

Economic background

4.1 The economic back drop to this report for the first part of 2025/26 saw:

- The Bank of England (BoE) reducing interest rates by 0.75%, from 4.50% to 3.75% as detailed in **paragraph 4.2**;
- Short, medium and long-dated gilt yields remaining elevated;
- Fluctuating UK Consumer Price Index (CPI) finishing November 2025 at 3.20%;
- The 10-year gilt yield fluctuating between 4.40% and 4.80%, ending the half year at 4.70%, before falling back to 4.51% in early November 2025, and falling further to 4.44% by mid-January 2026; and
- UK GDP fell in Quarter 1 by 0.30% but rebounded by 0.30% during Quarter 2 before flatlining for a period, then grew by 0.10% in the three months ending November 2025.

- 4.2 The BoE continued its loosening cycle in May 2025 with a 0.25% base rate cut to 4.25%, and sustained this approach at its August 2025 meeting, lowering rates a further 0.25% to 4.00%. The base rate was cut by a further 0.25% in December 2025 to 3.75%. Rates are subsequently predicted to fall to 3.50% in June 2026 and to 3.25% in December 2026, where they are forecast to remain. The ultra-low-interest rate environment of the recent past is not expected to return in the coming years.
- 4.3 CPI inflation settled at 3.20% in November 2025, the lowest level in five months, down from 3.60% recorded in October 2025. The figure fell below expectations from both the BoE and market analysts to the lowest level in eight months. The fall has been driven mainly by falls in food and drink, clothing, household goods and hospitality prices. Monetary policy is acting to ensure that longer-term CPI expectations are in line with the 2.00% target.
- 4.4 The yield on the 10-year gilt rose from 4.46% to 4.60% in early July 2025 as reduced spending cuts and uncertainty over Chancellor Reeves' future raised fiscal concerns. Although the spike proved short lived, it highlighted the UK's fragile fiscal position. In an era of high debt, high interest rates and low GDP growth, the markets are now more sensitive to fiscal risks than before the pandemic. During August 2025, long-dated gilts underwent a particularly pronounced sell-off, climbing 0.22% and reaching a 27-year high of 5.60% by the end of the month. While yields have since eased back, the market sell-off was driven by investor concerns over growing gilt supply-demand imbalances, stemming from unease over the lack of fiscal consolidation and reduced demand from traditional long-dated bond purchasers, like pension funds. For 10-year gilts, by late September 2025, stubborn inflation, resilient activity data, and a hawkish BoE kept yields elevated over 4.70% although by mid-December 2025 yields had fallen back again to a little over 4.50% and have continued to fall to mid-January 2026. The overall longer-run trend is for gilt yields and Public Works Loan Board (PWLB) rates, as forecast by the County Council's treasury adviser MUFG, to fall back over time, up to March 2028, as inflation reduces.
- 4.5 From a GDP perspective, the financial year got off to a bumpy start with the 0.30% month on month fall in real GDP in April 2025, in anticipation of US tariffs in Quarter 1 weighing on activity. Despite the underlying reasons for the drop, it was still the first fall since October 2024 and the largest fall since October 2023. However, the economy returned to growth in May and June 2025 with quarterly growth ending up 0.30% quarter on quarter. A 0.00% month on month change in real GDP in July 2025, followed by a 0.10% month on month increase in August 2025 and a decrease to 0.10% in September 2025 indicated a general flatlining in growth. November 2025 figures, however, showed the economy growing by 0.10% across the previous three months. GDP growth for both 2025 and 2026 is currently forecast by the BoE to be in the region of 1.40% before picking up in 2027.
- 4.6 Due to the ongoing risks in the economy, the treasury strategy retains the low-risk approach adopted in recent years, based on prioritising security, liquidity and then yield.

Credit outlook

4.7 Credit Default Swaps (CDS) are an additional indicator of risk that is used to assess the financial strength of an institution, rather than just relying on credit ratings. CDS stability is always a concern, as market fluctuations and economic uncertainty can significantly impact the pricing and reliability of these financial instruments. However, CDS prices are constantly monitored by the Commissioner in conjunction with the Treasury team at SCC in respect of this.

4.8 Geopolitical and environmental factors can impact on sovereign and bank credit ratings. During the past year several countries and banking institutions credit ratings have changed, some up and some down, reflecting current volatility. Nonetheless, when setting minimum sovereign debt ratings, the Commissioner will not set a minimum rating for the UK.

4.9 The potential for bank losses remains a risk and a cautious approach to bank deposits in 2026/27 is still advisable. The Commissioner is exposed to bail-in risk, as the Government will no longer support banks if they fail but rather it will be the investors who primarily bear the financial burden of rescuing the bank.

5. Local Context

5.1 On 31 December 2025, the Commissioner held £61.0 million of external borrowing and had £34.7 million temporarily invested. The Commissioner's future requirements for borrowing and investments can be considered in the context of its balance sheet forecasts described in the following paragraphs.

Balance sheet

5.2 In terms of borrowing, the Commissioner discloses its Capital Financing Requirement (CFR) as part of its Statement of Accounts. This represents the underlying need to borrow for capital purposes i.e. the amounts that have been financed through external and internal borrowing rather than being permanently financed.

5.3 If the Commissioner increases debt to fund additional capital expenditure, this will increase its Loans CFR; conversely repaying debt through the Minimum Revenue Provision (MRP) will reduce its Loans CFR. The table below shows forecasts for the Commissioner's Loans CFR and how this will be financed through external and internal borrowing.

	31.03.25 Actual £m	31.03.26 Estimate £m	31.03.27 Forecast £m	31.03.28 Forecast £m	31.03.29 Forecast £m
Loans CFR	82.1	106.4	124.7	136.1	154.7
Less external borrowing	(61.5)	(59.7)	(58.0)	(53.8)	(50.8)

Less: Capital financing from revenue/ grants/ receipts	(3.7)	(4.7)	(2.2)	(3.1)	(4.6)
Internal/ (Over borrowing)	16.9	42.0	64.5	79.2	99.3

5.4 The table above shows that the Commissioner's Loans CFR is due to increase over the period of the TMSS due to the level of the capital programme which includes significant investment across estates, technology, and fleet to maintain operational resilience, compliance, and future capability. This investment is essential to meet statutory obligations, enhance operational efficiency, and support long-term strategic priorities. This will mean that despite using reserves for some of its capital financing, the Commissioner's internal borrowing requirements will increase to unsustainable levels, and further external borrowing will be required imminently. A number of existing external loans also mature during the period, which further increase the borrowing requirement.

5.5 CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Commissioner's total external borrowing should be lower than its highest forecast CFR over the next three years; the previous table shows the Commissioner will comply with this recommendation in 2026/27 and going forward.

5.6 For investments, the Commissioner's total resources available are measured by its usable reserves and working capital less any amounts that have been internally borrowed. This is shown in the following table:

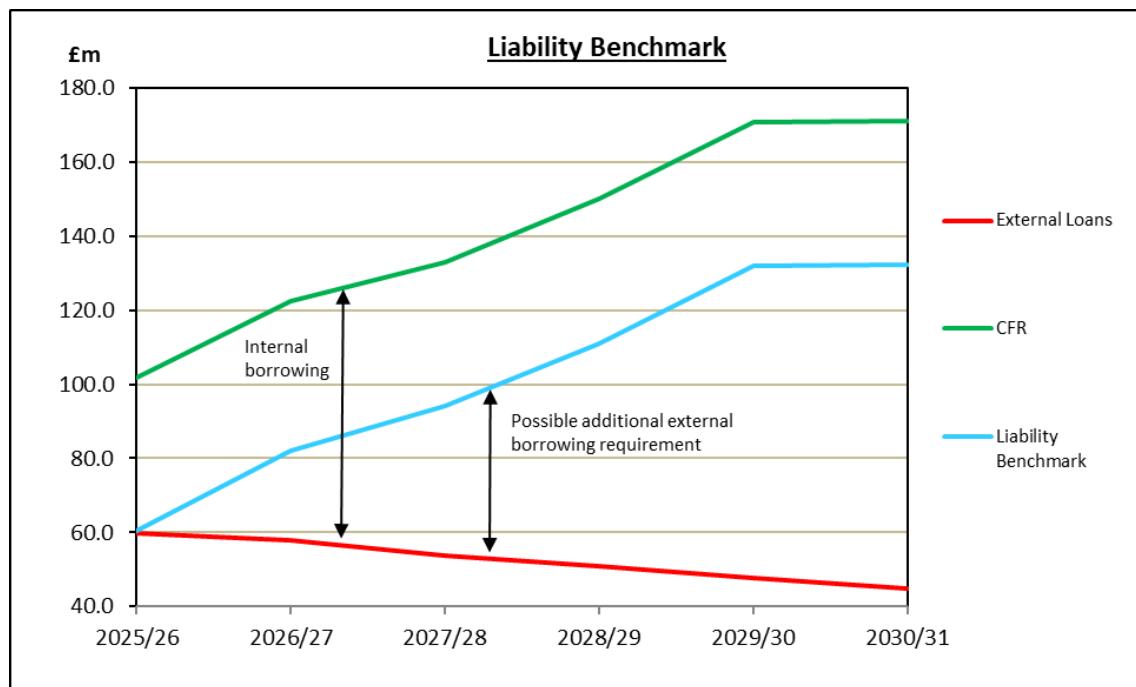
	31.03.25 Actual £m	31.03.26 Estimate £m	31.03.27 Forecast £m	31.03.28 Forecast £m	31.03.29 Forecast £m
Usable reserves	47.5	41.2	40.5	38.8	39.0
Working capital surplus	0.0	0.0	0.0	0.0	0.0
Less internal borrowing	(16.9)	(42.0)	(64.5)	(79.2)	(99.3)
Investment / (New borrowing)	30.6	(0.8)	(24.0)	(40.4)	(60.3)

5.7 This demonstrates the Commissioner's past strategy of using internal borrowing to reduce the need for external borrowing and as a result, reduce temporary investment levels. However, this strategy going forwards will not be sustainable, as the table indicates that the Commissioner will not have sufficient internal resources to cover the internal borrowing requirement and therefore will need to borrow from external sources. Depending on the actual reserve levels, capital programme expenditure and cashflow, the Commissioner may need to borrow from external sources during the latter part 2025/26 and in future years.

Liability benchmark

5.8 The CIPFA Prudential Code requires local authorities to develop their own liability benchmark to manage treasury management risk. The liability benchmark represents the minimum amount of loans required to maintain cash balances at nil i.e. when all usable reserves and working capital surpluses are used to offset the amount of loans borrowed.

	31.03.25 Actual £m	31.03.26 Estimate £m	31.03.27 Forecast £m	31.03.28 Forecast £m	31.03.29 Forecast £m
External Loans	61.5	59.7	58.0	53.8	50.8
(Less investments) / add new borrowing	(30.6)	0.8	24.0	40.4	60.3
Liability benchmark	30.9	60.5	82.0	94.2	111.1



5.9 The chart shows that the Commissioner's CFR (green line) has been financed through a combination of external borrowing (red line) and internal borrowing, (shown above as the difference between the red line and green line). The data points on the chart represent the end of the financial year.

5.10 The chart indicates that during 2025/26, the Commissioner's level of external loans may fall below the minimum indicated by the liability benchmark and this gap continues to widen over the period. This is due to the Commissioner's CFR, and hence its liability benchmark, increasing for the next few years, driven by its capital investment which requires funding. At the same time, the Commissioners level of external loans fall during this period as several loans are repaid upon maturity.

5.11 Given these forecasts, the Commissioner may need to borrow externally towards the end of 2025/26 as it may not have sufficient usable reserves and working capital to cover the amounts required internally and may also have to borrow in the coming financial years. Therefore, the liability benchmark has an impact on the Commissioner's borrowing strategy for 2025/26 and beyond.

6 **Borrowing strategy 2026/27**

6.1 As at 31 December 2025 the Commissioner held £61.000 million in external loans. There is a redemption of £1.350 million to be paid by 20 February 2026 leaving a balance of £59.650 million at the beginning of 2026/27, which is funding previous years capital programmes. The Commissioner will need to ensure total amounts borrowed do not exceed the authorised limit of £147.4 million, as disclosed in **Appendix 1**.

Objectives

6.2 The primary objective for the Commissioner when considering the need to borrow money is to strike an appropriate balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The risks associated with the Borrowing Strategy are detailed in **Appendix 2**.

Strategy

6.3 Given the ongoing financial pressures on public services and local government funding, the Commissioner continues to address the key issue of affordability without compromising the long-term stability of its loan portfolio. As short-term interest rates have been lower than long term interest rates for a long period of time, it has been more cost effective for the Commissioner to use its internal cash resources in lieu of borrowing in the short term.

6.4 The current economic environment continues to favour using cash in lieu of external borrowing, where balances are sufficient as:

- Short, medium and long-dated gilts remain elevated and the margin the PWLB add on to onward lend to local authorities means it is cheaper to use cash than to borrow;
- Due to bail-in legislation it is important to minimise investment risk, as using cash in lieu of borrowing reduces investment balances;
- Using cash in lieu of external borrowing within practical cash management limits would meet key parts of the current government guidance on local government investments, i.e. managing the security and liquidity risks for investments; and
- Continuing to use cash in lieu of external borrowing would meet the objective of bringing down the average rate of interest for financing the CFR and provide an opportunity to fund the capital programme at low cost.

- 6.5 In the past, cash balances have been sufficient to allow the strategy of using cash without the need to raise further external loans. The balance sheet analysis at **paragraph 5.6** and the liability benchmark analysis at **paragraph 5.8** both indicate the Commissioners cash balances will be lower in the coming years and externally borrowing will need to be taken.
- 6.6 The Commissioner will monitor the benefits of internal borrowing on a regular basis. This strategy must be balanced against the possibility that long-term loan costs may increase in future years, leading to additional costs as a result of deferring external borrowing. The Commissioner will need to determine how much it externally borrows, at long term fixed rates in 2026/27, with a view to minimising future interest costs. The Commissioner will consult with the Treasury team at SCC in respect of this.
- 6.7 The proposed borrowing strategy is one that aims to balance the liquidity needs of day-to-day cash management with the low-risk approach that is maintained by using cash in lieu of external borrowing.

Sources of borrowing

- 6.8 The approved sources of long term and short-term borrowing are:
 - The Public Works Loans Board (PWLB);
 - UK Municipal Bonds Agency Plc and any other special purpose companies created to enable local authority bond issues;
 - Other UK public sector bodies;
 - UK public pension funds;
 - Approved banks or building societies authorised to operate in the UK; and
 - Any institutions approved for investments.

Short-term loans

- 6.9 Short-term loans raised from money markets are typically under 12 months duration. These can be lower cost, and the Commissioner can respond flexibly to liquidity pressures by raising these when needed. The disadvantage of short-term loans is one of availability and it can be difficult to raise them quickly from banks and building societies.
- 6.10 The local authority lending market has progressed considerably in recent years and loans are generally available in the short to medium term. However, future availability cannot be predicted as loans raised depend upon other local authorities having available cash balances and being prepared to lend them to the Commissioner.

Long-term loans

- 6.11 Long-term loans are those for a duration of more than 12 months. The Commissioner has previously raised most of its long-term borrowing from the PWLB, a statutory body that issues loans to local authorities. Government

consent is not ordinarily required, hence the PWLB continues to be the 'lender of first resort' because of the flexibility and ease of access. However, local authorities are required by law to have regard to the Prudential Code and only borrow within relevant legislation and their borrowing powers.

- 6.12 HM Treasury have also put measures in place to prevent public bodies using PWLB funding to finance any commercial investments and there are mechanisms in place to recall such funding if this is found to be the case. In addition, the latest Prudential Code explicitly prevents Local Authorities borrowing to fund commercial ventures.
- 6.13 Where the Commissioner has a long-term borrowing need, it can consider the alternative sources of borrowing other than the PWLB highlighted in **paragraph 6.8**. Seeking lower interest costs may introduce greater administrative and resource costs as well as increased risk, and this would need to be balanced against the ease of access to loans from the PWLB.
- 6.14 The exact type of loan to be raised by the Commissioner and its duration would have to be considered at the time; along with the current interest rates and the maturity profile of the existing loan portfolio, detailed in **Appendix 3**.
- 6.15 The optimum timing for borrowing cannot be foreseen, and decisions often need to be taken at short notice, therefore, it is proposed to delegate the decision to borrow long-term loans to the Director of Finance at the Commissioner and report retrospectively to The Police, Fire and Crime Panel. In addition, the treasury management outturn and half-year reports will update the position later in the year.
- 6.16 The overall strategy of maximising the use of cash in lieu of external borrowing is still considered a relatively low risk strategy, although it is impossible to eliminate all treasury risk. The consequences of using cash are the possibility of increased costs in the future if interest rates rise further; this must be balanced with the extra cost now if loans are raised (the cost of carry).

Loan restructuring

- 6.17 Movements in interest rates over time may provide opportunities to restructure the loan portfolio in one of two ways:
 - Replace existing loans with new loans at a lower rate (known as loan rescheduling); and
 - Repay loans early, without replacing the loans, although this would increase the use of cash which may not be possible given the levels of reserves available.
- 6.18 Market conditions have changed in the last 3 years, and gilt yields have risen from the historic lows. This sustained rise in gilt yields means that there is a possibility that PWLB premiums may be low and could be offset by interest savings on extinguished

loans, in addition discounts may be offered on some loans. The Commissioner, in conjunction with the County Council's Treasury team, will continue to monitor the market and identify possible savings arising during 2026/27.

6.19 The Commissioner's ability to adjust its loan portfolio through restructuring is only possible if:

- the Government allow it; PWLB rules have been changed in the past with no notice; or
- market conditions allow economically beneficial repayment.

6.20 Market conditions and regulations are not constant and do change and loan restructuring should only be carried out when conditions are favourable. The decision as to when to undertake loan restructuring will be delegated to the Director of Finance for the Commissioner and reported retrospectively to the Police, Fire and Crime Panel.

7. Annual Investment Strategy (AIS) 2026/27

7.1 It is the Commissioner's Borrowing Strategy that determines its Investment Strategy. In the current economic environment, where short term investment rates are lower than loan rates, this still favours the use of internal cash instead of external borrowing, hence balances available for temporary investments are likely to be less.

7.2 The Commissioner may have significant levels of cash to invest at different points of the year; this usually represents income received in advance of expenditure plus balances and reserves held. In the first half of 2025/26, the Commissioner's investment balances ranged between £15.1 million and £80.6 million due to timing differences between income and expenditure.

MiFID II

7.3 Following the introduction of the second Markets in Financial Instruments Directive (MiFID II) regulations from January 2018, local authorities will automatically be treated as retail clients by financial services firms, unless they meet the criteria and 'opt up' to be professional clients. As a retail client, the Commissioner would receive enhanced protections, but this would also mean they may face increased costs and restricted access to certain products including money market funds, pooled funds, treasury bills and treasury advice.

7.4 The commissioner meets the criteria set out under MiFID II and having chosen to 'opt up', will continue to be treated as a professional client by regulated financial services firms in 2026/27.

Objectives

- 7.5 The CIPFA Code requires local authorities to invest their cash prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return or yield.
- 7.6 The Commissioner's objective when investing its cash is to strike an appropriate balance between risk and return, thereby minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Strategy

- 7.7 The main characteristics which should determine an investment strategy are:
 - the credit risk of the counterparties invested with;
 - the length of the investment; and
 - the type of financial instrument that is used.
- 7.8 The Commissioner has taken a low-risk approach to investment and the AIS for 2026/27 will continue to do so. The Commissioner will continue to concentrate its short-term investments in secure money market funds and government investments, together with a low-risk pooled fund in 2026/27.
- 7.9 MHCLG Guidance on Local Government Investments specifies the types of financial instruments that local authorities can invest in, and the Commissioner has divided its approved treasury investments into Standard Investments and Non-Standard Investments.

Standard investments

- 7.10 The Commissioner considers Standard Investments to be those made with approved counterparties that do not require further approval from the Director of Finance and the Commissioner. These investments tend to be for a period of less than a year and are those most frequently used by the Commissioner. Standard Investments can be invested with:
 - UK Government – central government or local authority, parish council or community council;
 - short term money market funds (MMFs); and
 - bank and building society investments.

UK Government

- 7.11 The Commissioner invests with central government by using its Debt Management Account Deposit Facility (DMADF) account. Funds held in the

DMADF account are backed by the UK Government, so they are very secure; however, returns may be lower than those received from elsewhere.

- 7.12 The Commissioner can invest in term deposits with local authorities which can provide a higher return depending on the availability of, or the need for cash, in the local authority lending market. Like central government investments, local government investments are not subject to bail in risk. However, the market has reduced since the pandemic due to a lack of local authority borrowers.
- 7.13 Although investments in the local authority lending market have a low risk of insolvency, they are not completely without risk. The financial risks of some local authorities have been well documented in the press; the Commissioner will continue to monitor such developments and seek information from the Treasury team at SCC where necessary.

Money Market Funds (MMFs)

- 7.14 Money Market Funds have high credit quality and are pooled investment vehicles consisting of money market deposits and similar instruments. Short-term MMFs that offer same day liquidity can be used as an alternative to instant access bank accounts. Same day notice MMFs have been used by the Commissioner for some time as they have tended to provide greater security and a higher yield than bank accounts.
- 7.15 EU regulation, introduced in January 2019, meant most same day notice MMFs have converted from a Constant Net Asset Value (CNAV) to a Low Volatility Net Asset Value (LVNAV) structure. The assets of LVNAV MMFs are marked to market, meaning the dealing NAV (unit price) may fluctuate. However, LVNAV MMFs are allowed to maintain a constant dealing NAV provided they meet strict criteria and minimum liquidity requirements. Public debt CNAV MMFs are still available where 99.5% of assets are invested in government debt instruments.
- 7.16 MMFs are a key tool to manage credit and liquidity risk, and the Commissioner will continue to use same day notice MMFs that meet the criteria listed below. These are considered to have sufficient high credit quality to be included on the Commissioner's Approved Lending List:
 - Diversified – MMFs invest across many different investments meaning they achieve more diversification than the Commissioner could achieve on its own account;
 - Short liquidity – cash can be accessed daily;
 - Ring-fenced assets – the investments are owned by investors and not the fund management company; and
 - Custodian – the investments are managed by an independent bank known as a custodian, who operates at arms-length from the fund management company.

7.17 Like all treasury instruments, MMFs do carry an element of risk. The failure of one or more of an MMF's investments could lead to a run on MMFs, especially during a financial crisis, although MMF regulations do limit this risk to some extent.

Bank and building society accounts

7.18 The Commissioner can make investments with banks and building societies that meet the minimum threshold (**see paragraph 7.31**) by using call accounts or term deposits, but these investments will run the risk of credit loss via a bail in, if the regulator determines that the bank is failing or likely to fail. Due to this issue, and a general cautious approach to bank and building society investments, currently the only bank or building society in use by the Commissioner is its banking provider, Lloyds Bank (see section below). Use of any further banks or building societies is delegated to the Director of Finance for the Commissioner, with the outcome reported in the regular treasury management reports to the Police, Fire and Crime Panel.

Operational bank account

7.19 The Commissioner's banking provider is Lloyds Bank. Cash is retained with Lloyds Bank each night earning interest at below market rate; the amount retained will be set in line with the diversification policy set out at **paragraph 7.22** onwards.

7.20 In respect of the Bank ring-fencing legislation Lloyds Bank has a relatively small investment banking operation meaning that 97% of the bank's assets remain within the 'retail bank' ring-fence. The Commissioner's business with Lloyds Bank will take place within the 'retail bank' ring-fence (Lloyds Bank Plc) and not form part of their investment banking operations (Lloyds Bank Corporate Markets).

7.21 Should the Lloyds credit rating fall below the Commissioner's minimum threshold, then minimum balances will be retained with the bank for operational efficiency. The Commissioner will continue to seek support from the County Council's Treasury team on bank credit risk, and any changes will be determined by the Director of Finance at the Commissioner.

Standard Investment diversification

7.22 Risks to investments, such as those discussed for MMFs in **paragraph 7.17**, point towards the fundamental need for diversification across counterparties and investment categories, where possible. Diversification can help to protect the security of investments by limiting the Commissioner's loss in the event of a counterparty default. Diversification will not protect the Commissioner from a systemic failure of the banking sector even if the risk of this has diminished following the bail-in banking regulations.

7.23 Diversification can be achieved by setting a maximum amount to be invested with each counterparty to limit risk and to ensure a spread of investments:

- No limits are proposed for government investments as these may be utilised for all the Commissioner's investments in certain circumstances;
- For MMF's a standard limit of £5 million per MMF is in place to meet liquidity requirements; and
- For Lloyds Bank a limit is set of the lower of 10% of total balances or £1 million (subject to a minimum upper level of £500,000). This amount will minimise processing costs and provide additional liquidity for the Commissioner. The Treasury team at SCC will review and reset this limit once a month.

7.24 In the last few financial years, the Commissioner has held additional balances throughout the year leading to higher cash balances. To allow flexibility for investments, the Director of Finance for the Commissioner agreed to increase the standard limits to temporary limits of £10 million for MMFs. The Commissioner will continue to use the higher temporary limits in 2026/27 until the level of cash balances fall sufficiently to allow reverting to using the standard limits.

7.25 Where cash balances are low then this may mean that all investments are placed with the MMFs and Lloyds Bank. However, balances will be within the limits stated above.

7.26 The application and amendment of this policy are delegated to the Director of Finance at the Commissioner with the outcome reported in the regular treasury management reports to the Police, Fire and Crime Panel.

Non-Standard Investments

7.27 The Commissioner considers Non-Standard Investments to be all other types of approved investment counterparties that are not included as part of Standard Investments i.e. those investments that are used less frequently and may require further approval from the Director of Finance at the Commissioner.

7.28 Collective Investment Schemes are Non-Standard Investments that range from enhanced MMF's to property and equity funds. These all have varying risk and return profiles. The Commissioner began to use this category of investment in 2022/23 by investing £5 million into the Royal London Fund, a AAA rated enhanced Cash Plus MMF with a 3-day liquidity notice period.

7.29 The financial limit for the Royal London Cash Plus MMF had been set at £1.5 million but was temporarily increased to £5 million due to the increased levels of cash balances, following approval by the Director of Finance at the Commissioner in January 2023. The Commissioner will continue to use the higher temporary limit in 2026/27 until the level of cash balances fall sufficiently to allow reverting to using the standard limit.

Credit Management Strategy 2026/27

7.30 Investments made by the Commissioner should be of 'high credit quality'. Although this can be difficult to define, credit ratings can be used as published by external credit rating agencies (the three main agencies are Moody's, Standard & Poor's and Fitch). Credit ratings can be obtained from the County Council's Treasury team, where available.

7.31 For 2026/27, the minimum credit-rating thresholds are set at a long-term rating of A- or A3 (A- Fitch/Standard & Poor's, A3 Moody's) where available. Counterparties that are rated below this level are excluded. However, credit ratings are not the only aspect of how creditworthiness is assessed.

7.32 The following elements are also factored in when evaluating creditworthiness:

- "Watches" and "outlooks" from credit rating agencies;
- Potential government support;
- Credit Default Swap (CDS) prices, i.e. the cost of insuring against counterparty default;
- Share prices and bond yields;
- Balance sheet structure;
- Macro-economic factors; and
- A subjective overlay, i.e. a judgement being made about whether the counterparty should be recommended or not.

7.33 The Commissioner remains responsible for all its investment decisions. The Treasury team at SCC will continue to have treasury management meetings with the Commissioner on a quarterly basis where a review of the Lending List will take place.

7.34 Under stressed market conditions, additional meetings with the Treasury team at SCC may take place at very short notice. A decision may be made to adjust the Commissioner's investment risk profile. This may result in moving investments to lower risk counterparties or instruments.

Non-treasury investments

7.35 Under the CIPFA Code and MHCLG Guidance, local authorities may invest in other financial assets and property for financial return and also make loans and investments for service purposes.

7.36 Such non-treasury investments should be assessed as part of a separate commercial investment strategy. They should set out the specific policies and arrangements for non-treasury investments and ensure the same robust procedures for the consideration of risk and return are applied to these, as for treasury investments.

7.37 In the absence of any legal powers to do so the Commissioner does not currently hold any non-treasury investments and, therefore, no additional commercial investment strategy is required.

Risk

7.38 Although guidance sets out security and liquidity as being the main treasury risks, they are not the only investment risks faced by the Commissioner. **Appendix 5** sets out a high-level risk assessment for six of the key risks which are summarised in the following table:

Risk	Assessment
Security	Low
Liquidity	Low to Medium
Interest rate	Low to Medium
Market	Low
Refinancing	Low to Medium
Regulatory and legal	Low

7.39 Within the Commissioner's AIS there is a balance to be made between the security of investments and liquidity; the safest investments are not necessarily the most liquid and so a pragmatic approach must be taken.

7.40 The proposed AIS has been evaluated against these risks, and the most significant risks have been reduced as far as possible. This is not to say that all risk has been eliminated as this is not possible in treasury terms.

8. Review of strategy

8.1 The Commissioner will prepare a revised strategy when there are significant changes to the following factors:

- the economic environment;
- the financial risk environment;
- the budgetary position; or
- the regulatory environment.

8.2 The responsibility for assessing these circumstances and proposing changes to the strategy is allocated to the Director of Finance at the Commissioner.

9. Policy on the use of external service providers

9.1 Currently the Commissioner has no contracted external treasury adviser, and this is considered appropriate with the simple arrangements set out.

10. Investment management training

- 10.1 Treasury management is a specialised area requiring high quality and well-trained staff that have an up-to-date knowledge of current issues, legislation and treasury risk management techniques.
- 10.2 SCC's Treasury team who provides the treasury service are senior qualified finance professionals. Treasury practitioners also attend regular CIPFA and treasury adviser training seminars throughout the year and have any training needs identified during the Council's staff review process. The function is also subject to regular audit and independent checks.
- 10.3 Training needs for Commissioner staff who attend quarterly meetings with SCC's Treasury team are assessed on an ongoing basis by local managers.

11. SCC Memorandum of Understanding

- 11.1 SCC provides treasury management and banking services as part of a Service Level Agreement (SLA) with the Commissioner. The SLA does not constitute a formal contract but is a document of good practice; it outlines the range of services provided by SCC, and the degree of co-operation required from the Commissioner for SCC to fulfil its role.

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Background Documents

1. Treasury Management in the Public Services: Code of Practice (CIPFA) (2021)
2. Prudential Code for Capital Finance in Local Authorities (CIPFA) (2021)
3. The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003
4. Statutory Guidance on Local Government Investments – Issued under Section 15(1) (a) of the Local Government Act 2003 (2018)
5. Statutory Guidance on Minimum Revenue Provision – Issued under section 21 (1A) of the Local Government Act 2003 (2018)
6. Localism Act 2011 – Guidance on the General Power of Competence in sections 1 to 6.

Appendix 1

The Police, Fire and Crime Panel 2 February 2026 Treasury Management Indicators

Indicator	Estimate 2026/27	Estimate 2027/28	Estimate 2028/29
1. External debt			
Authorised limit	£137.6m	£148.0m	£165.0m
Authorised Limit for other liabilities	£9.8m	£9.3m	£8.8m
TOTAL	£147.4m	£157.3m	£173.8m
Operational boundary	£121.9m	£130.7m	£142.4m
Operational Boundary for other liabilities	£9.8m	£9.3m	£8.8m
TOTAL	£131.7m	£140.0m	£151.2m
External Loans	£93.0m	£107.4m	£124.9m
Other long-term liabilities	£9.8m	£9.3m	£8.8m
TOTAL	£102.8m	£116.7m	£133.7m
<i>The authorised limit is the maximum level of external borrowing which should not be exceeded. It is linked to the estimated level of borrowing assumed in the capital programme.</i>			
<i>The operational boundary represents the Director of Finance's estimate of the day-to-day limit for treasury management activity based on the most likely i.e. prudent but not worst-case scenario.</i>			
2. Interest rate exposures			
a. Upper limit (fixed)	£123m	£133m	£150m
b. Upper limit (variable)	(£80m)	(£80m)	(£80m)
<i>Upper limits of fixed and variable borrowing and investments are required to be set. This limits exposure to both fixed and variable interest rate movements as part of the overall risk management strategy for treasury management activities. Negative figures are shown in brackets; these relate to investments at a variable rate which are not offset by variable borrowings.</i>			
3. Maturity structure of borrowing	Upper Limit	Lower Limit	
Under 12 months	10%	0%	2.7%
12 months and within 24 months	10%	0%	7.2%
24 months and within 5 years	30%	0%	15.1%
5 years and within 10 years	50%	0%	12.2%
10 years and above	100%	25%	62.8%
<i>This indicator identifies the amount of loans maturing in specified periods. The overarching principle is that steps should be taken from a risk management point of view to limit exposure to significant refinancing risk in any short period of time. As a result, no more than 10% of fixed rate loans are planned to mature in any one financial year.</i>			
4. Total principal sums invested for periods longer than a year	£	£	£
Any investments made for longer than a year will be in accordance with the limits on non-specified investments.	nil	nil	nil

Appendix 2

The Police, Fire and Crime Panel
2 February 2026
Risk assessment – Borrowing strategy

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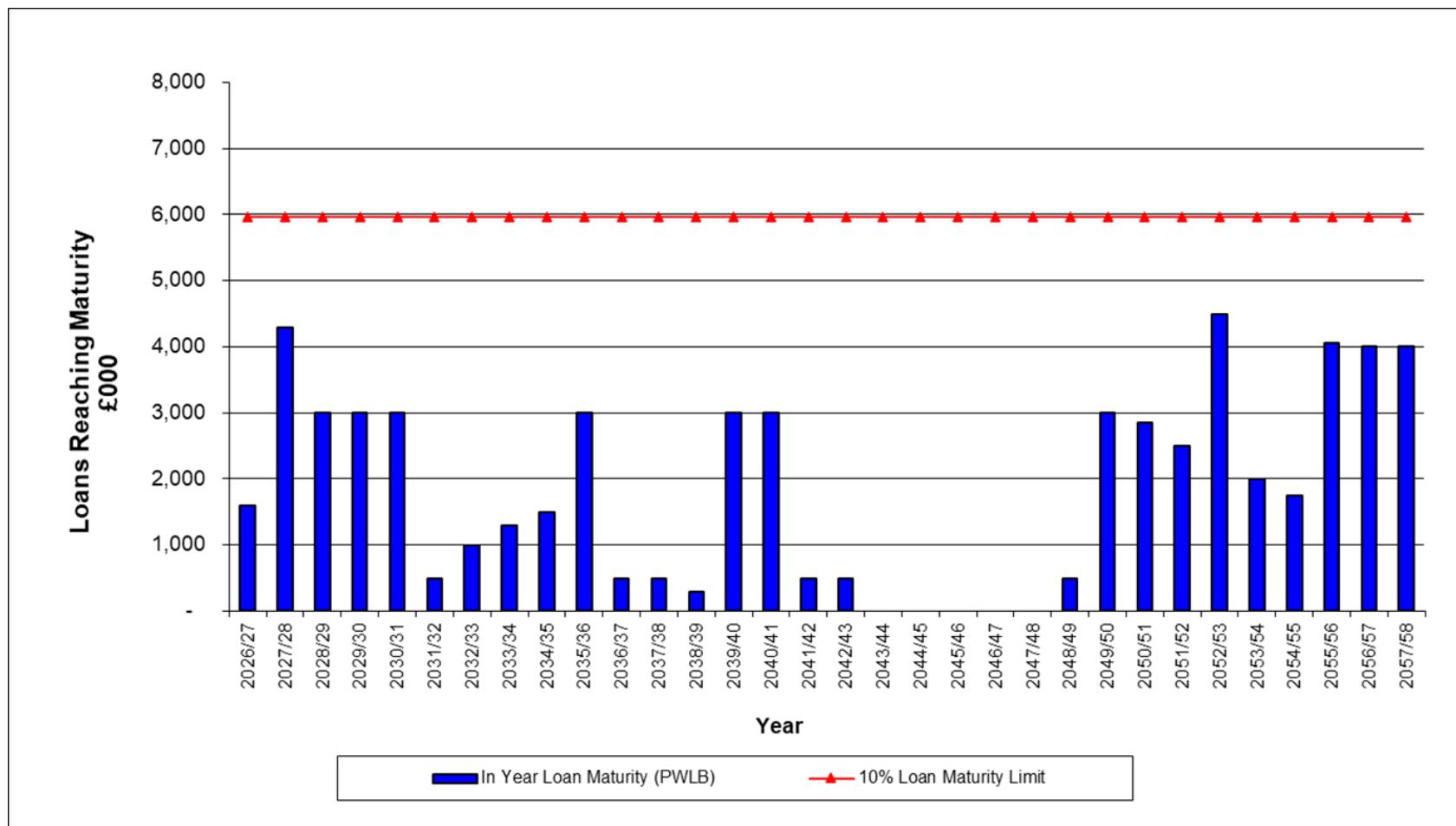
Risk	Risk description	Relevance to borrowing	Key control	Assessment	Borrowing strategy
Security	A third party fails to meet its contractual obligations (i.e. counter party risk).	Unlikely there would be a failure between the agreement to borrow and sums being received. Exposure to investment risk if borrow in advance and invested until needed.	Usually borrow from the Government (PWLB or its successor body) with 2-day gap between agreement to borrow and receipt of money.	LOW	Use of cash to fund debt reduces this risk. There is insufficient cash to fully fund debt so it is likely that borrowing will be required.
Liquidity	Cash is not readily available when it is needed.	Usually borrow for capital from Government (PWLB or its successor body). Can also borrow for the short-term e.g. from other local authorities.	Prudential rules on borrowing and consideration of whether Government is secure.	LOW to MEDIUM	Use of cash to fund debt increases this risk as liquidity is reduced when borrowing is avoided. Any increase in borrowing decreases this risk.
Interest rate	Unexpected <u>reduction</u> in short term interest rates.	Depends on the mix between fixed and variable rate borrowing. Higher exposure to variable rate borrowing helps the budget.	The control is set out below.	LOW to MEDIUM	Pursuing a strategy of using cash reduces the overall net exposure to sudden interest rate falls.
Interest rate	Unexpected <u>increase</u> in short term interest rates.	Depends on the mix between fixed and variable rate borrowing. Lower exposure to variable rate borrowing helps the budget.	Limit variable rate borrowing to a relatively small proportion (e.g. 20%).	LOW to MEDIUM	20% limit provides a suitable risk control.

Appendix 2 (continued)

Risk	Risk description	Relevance to borrowing	Key control	Assessment	Borrowing strategy
Market	The market value of loans change substantially (i.e. how much is the borrowing strategy exposed to long term interest rate change).	How much risk is built into the maturity profile of the loans structure.	This is inversely linked to refinancing risk below.	MEDIUM	Use of cash will shorten the duration of the loan portfolio and reduces this risk. Without the use of cash this risk assessment would probably be high.
Refinancing risk	Maturing transactions cannot be renewed on similar terms.	To avoid a high level of borrowing over a short period with exposure to high interest rates.	The Commissioner has a policy of limiting maturing loans to 10% of the loans portfolio.	MEDIUM	Using cash to fund debt potentially increases the refinancing risk. Without the use of cash this risk assessment would probably be low.
Regulatory and legal risk	Rules governing local government borrowing are changed or amended without notice, which has happened in the past.	Local government heavily reliant upon PWLB or its successor body. Cost and ability to reschedule / manage loans are determined by the Government. The Government could close the PWLB or its successor body and force local authorities to use market loans for all new borrowing.	Market loans will be evaluated and will be taken if they are good overall value.	MEDIUM	Use of cash means that PWLB (or its successor body) loans may not be taken. However, there is insufficient cash to fully fund debt in the medium term so it is likely that borrowing will be required. If the PWLB or its successor body was closed to new business, then other loans would have to be taken.

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Loan Maturity Profile

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Lending List – January 2026

Investment	Time Limit
<i>Regulation Investments</i> UK Government DMADF account UK Local Authority	6 months 12 months
<i>Banks and Building Societies</i> Lloyds (as banker) (£1 million limit)	overnight
<i>MMF's</i> Aberdeen Standard (£10 million limit) CCLA (£10 million limit) Morgan Stanley (£10 million limit) SSGA/ State Street (£10 million limit)	call only call only call only call only
<i>Enhanced MMF</i> Royal London Cash Plus (£5 million limit)	3-day notice

The Police, Fire and Crime Panel
2 February 2026
Risk assessment - Investments

Risk	Risk description	Relevance to investment	Key control	Assessment	Approved Investment Strategy (AIS)
Security	A third party fails to meet its contractual obligations (i.e. counter party risk).	Crucial that money invested is returned (principal and interest).	Relies on credit management policy including credit risk; duration of investment and amount; as well as an ongoing review of the credit environment. Prudential limit on investment over 1 year.	LOW	<p>Use of the investments identified within the AIS reduces this risk to a low level.</p> <p>The borrowing strategy identified will reduce cash balances and the resulting security risk.</p> <p>With the exception of regulation investments, counterparties also have a financial limit to ensure funds are spread amongst them.</p> <p>Overall, this remains a low-risk strategy.</p>
Liquidity	Cash is not readily available when it is needed.	Need to plan investment to match cash requirements.	Managed through detailed cash flow forecast and investments in highly liquid funds.	LOW TO MEDIUM	<p>Same day access accounts are held with four MMFs.</p> <p>Balances are held with Lloyds Bank Plc overnight on account.</p> <p>Cash flow plans are completed annually and regularly updated.</p>
Interest rate	Unexpected reduction in Interest rate.	Reduces the return on investment and reduces the level of reserves.	Can reduce risk by; A) netting off investment against borrowing to reduce net exposure B) investing for longer periods.	LOW	Investments will be mainly short term – this does not protect against an interest rate reduction.

Appendix 5 (continued)

Risk	Risk description	Relevance to investment	Key control	Assessment	Approved Investment Strategy (AIS)
Interest rate	Unexpected <u>increase</u> in interest rates.	To take advantage of the unexpected return, would need to keep investment short term and increase the amount of cash invested (e.g. by not using cash in lieu of borrowing).	Controlled through the overall strategy.	MEDIUM	<p>Current policy allows upturns to be taken advantage of as investments are not fixed for long periods.</p> <p>Using cash to fund debt (the proposed borrowing strategy) reduces this risk as the overall exposure to short term interest rates is less.</p>
Market	Unexpected need to liquidate market instrument quickly and accept 'price on the day'.	Only relevant if invest in market instruments (e.g. CD's, gilts).	<p>Limit investment in market instruments or alternatively have capacity to borrow to avoid need to liquidate.</p> <p>Controlled by limits on non-specified investments.</p>	LOW	Market instruments are not in use.
Refinancing risk	Maturing transactions cannot be renewed on similar terms.	Reflected in the term (duration) of investments. Shorter term investments have a higher refinancing risk.	Proportion of investments maturing in the short term.	LOW to MEDIUM	<p>The current policy is to invest in the short term. There is an increased risk with this strategy due to frequent 'refinancing'. This is advantageous in a higher rate environment.</p> <p>Using cash to fund debt (the proposed borrowing strategy) reduces this risk as the overall exposure to short term interest rates is less.</p>

Appendix 5 (continued)

Risk	Risk description	Relevance to investment	Key control	Assessment	Approved Investment Strategy (AIS)
Regulatory and legal risk	Rules governing local government investment powers are changed or amended without notice.	Investment powers are granted through statute and guidance.	None.	LOW	<p>The current policy of using cash in lieu of borrowing reduces the authority's dependency on interest receipts.</p> <p>The AIS is low risk and uses liquid and conservative investment instruments.</p>

Staffordshire Police, Fire and Crime Panel

2nd February 2026

Reserves Strategy Update

Report of the Staffordshire Commissioner

INTRODUCTION

Statutory provision is made within the Local Government Finance Act 1992 that requires precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure. The Director of Finance / S151 Officer for the Staffordshire Commissioner's Office has a duty to report on the robustness of estimates and adequacy of reserves (under section 25 of the Local Government Act 2003) when the authority is considering its annual budget requirement.

This paper gives due consideration to the overall level of reserves held as at 31 March 2025 and the forecast position as at 31 March 2026. The Panel are asked to note the overall impact on Reserves as incorporated within the approved Medium-Term Financial Strategy (MFTS).

The Reserves Strategy was last approved in February 2025 as part of the budget setting process for 2025/26 and has now been updated to incorporate and reflect:

- The updated MFTS for 2026/27 to 2029/30
- The actual Reserves position as per the Statement of Accounts for 2024/25, and a forecast for 2025/26
- The impact of approved reserve utilisation as per the current and updated strategy

A number of different reserves are held by the Staffordshire Commissioner (both usable and unusable) in line with the CIPFA guidance, however this paper focuses on the two key areas of reserves that impact on the future financial strategy:

- **General Reserve**, to allow for unexpected / emergency events – balance as at 31 March 2026 is forecast to be £11.094m (see **Appendix 1**),
- **Earmarked Reserves** – to meet future known or predicted requirements – balance as at 31 March 2026 is forecast to be £32.287m (See **Appendix 1**)

Overall, the level of Usable Reserves at 31 March 2025 was £47.812m (includes capital grants unapplied of £0.331m) and forecast to reduce by £4.100m in year to £43.712m by March 2026. The general reserve will be increased to £11.094m (assumes that the current forecast underspend as reported at Quarter 3 2025/26 is transferred here) across the MTFS period while the earmarked reserves (including capital reserves) are forecast at £27.863m by March 2030. These reserves are in line with sector standards.

RECOMMENDATIONS

That the Police Fire and Crime Panel note:

1. the overall reserves position for both General and Earmarked Reserves as contained within this report,
2. to consider the adequacy and proposed earmarking of the reserve that will be incorporated into the budget setting exercise for 2026/27, and utilisation of reserves as incorporated within the updated MTFS.

Ben Adams
Staffordshire Commissioner

Contact Officers:

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Director of Finance / S151 Officer for the Staffordshire Commissioner's Office

John Bloomer
Assistant Chief Officer – Director of Resources / S151 Officer for Staffordshire Police



1. Prudential Code and Capital Spend

- 1.1. The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires Chief Finance Officers in local authorities to have full regard to affordability when making recommendations about the local authority's future capital programme. Such consideration includes the level of long-term revenue commitments. In considering the affordability of its capital plans, the Staffordshire Commissioner is required to consider all of the resources available, together with the totality of its capital plans and revenue forecasts for the forthcoming year and into the medium term.
- 1.2. The statutory reporting regime discussed within this paper and effective financial management underpin the need for clear, transparent reporting arrangements for reserves and CIPFA recommend that there should be clear protocol setting out the following:
 - the reason for / purpose of the reserve;
 - how and when the reserve can be used;
 - procedures for the reserve's management and control; and
 - timescale for review of the reserve to ensure continuing relevance and adequacy.
- 1.3. Whilst it is primarily the responsibility of the Staffordshire Commissioner and its S151 Officer to maintain a sound financial position, our external auditors Azets annually review for any material uncertainties and test to ensure that Staffordshire Police remain a going concern. However, it is not the responsibility of the auditors to prescribe the optimum or minimum level of reserves for authorities in general. A separate Going Concern report is submitted annually to the external auditor and is also reviewed by the Ethics Transparency and Audit panel.

2. Types of Reserve

- 2.1. When considering the Medium-Term Financial Strategy and preparing annual budgets the Staffordshire Commissioner should consider the establishment and maintenance of reserves. Reserves can be held for these main purposes:
 - a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves;
 - a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves;
 - a means of building up specific funds, often referred to as earmarked reserves, to meet known or predicted requirements; and
 - A capital receipts reserve generated from the sale of surplus assets, which in line with legislation can only be re-invested back into capital goods (or whilst specific legislation allows transformation spend).

3. Reporting of Reserves

- 3.1. The IFRS-based Code of Practice on Local Authority Accounting in the United Kingdom (the Code) introduced the Movement in Reserves Statement to local authority financial statements in the 2010/11 financial year. This Statement presents the movement in the



year of the reserves of the Authority analysed into usable reserves, (e.g. General and earmarked reserves) and unusable reserves.

3.2. The total usable reserves as per the unaudited statement of accounts is £47.812m as at 31 March 2025, being the general fund £9.784m, earmarked reserves £37.697m, and capital grants unapplied £0.331m.

The Movement in Useable Reserves Statement can be found within the statutory accounts for 2024/25, and is shown below:

	Balance at 31 March 2024 £'000	Balance at 31 March 2025 £'000
General Fund	9,636	9,784
Capital receipt reserve	0	0
Capital grants unapplied	331	331
Reshaping the Future	2,089	1,471
IT Transformation Reserve	2,634	2,243
Insurance Reserve	314	919
Pay and Pension Reserve	5,688	4,027
Collaboration Reserve	618	716
Capital Reserve	1,378	1,283
ESN Reserve	2,422	2,422
Major Policing Events Reserve	473	473
Budget Support Reserve	5,751	8,428
Operational Reserves	14,516	15,716
Total Earmarked Reserves	35,883	37,697
Total Usable Reserves	45,850	47,812

3.3. Unusable reserves arise out of the interaction of legislation and proper accounting practice either to store revaluation gains or as adjustment accounts to reconcile accounting requirements (i.e. reconciliation of reporting standards to statutory requirements)

3.4. Section 26 of the Local Government Act 2003 gives ministers in England and Wales a general power to set a minimum level of reserves for local authorities. However, the government has undertaken to apply this only to individual authorities in the circumstances where an authority does not act prudently, disregards the advice of its Chief Finance Officer and is heading for serious financial difficulty.

3.5. Whilst it remains the responsibility of the Director of Finance/S151 Officer for the Staffordshire Commissioner to advise on the overall level of reserves that are held; the Staffordshire Commissioner should assist by providing clear protocols for the establishment and use of reserves, as reserves should not be held without a clear purpose.



3.6. The Staffordshire Commissioner has indicated that the level of general reserves be set at a minimum level of 3% of the annual revenue budget. The Panel should note that the level of general reserves is currently £9.784m or 3.59% of the 2025/26 net revenue budget. The reserves forecast currently shows the forecast underspend for the financial year as going to the general fund. It should be noted that consideration will be given to transferring the underspend at the end of the financial year to the budget support reserve.

4. Reserves Strategy and Future Outlook

4.1. This paper gives due consideration to the overall level of reserves held as at 31 March 2025 and the forecast position for 31 March 2026, and the panel are asked to note the overall position as scheduled in **Appendix 1**.

4.2. General Reserve

4.2.1 The Commissioner's policy for the general reserve fund is for it to hold as a minimum a balance of 3% of the net revenue budget of the combined budgets of the Commissioner and Staffordshire Police. This is currently considered to be a minimal safe level which would afford two incidents of maximum exposure to loss in any one year.

4.2.2 The maximum exposure to loss for a particular event is understood to be 1% of net budget in the light of the guidance which is issued by the Home Office relating to the police special grant. This guidance establishes that in the event that a force can prove it has proportionately policed a major incident which has created an unaffordable cost in one year, and that is independently reviewed by HMICFRS, the force can claim for costs exceeding 1% of the net budget for each incident. This guidance was updated in May 2021 and we expect it to continue to be in place during the period of the MTFS.

4.2.3 At the end of March 2025, the general reserve was £9.784m; this represents 3.59% of the annual revenue budget for 2025/26. It is assumed that the forecast underspend in 2025/26 goes to the general reserve. It should be noted that consideration will be given to transferring the underspend at the end of the financial year to the budget support reserve.

4.3. Earmarked reserves

4.3.1 The earmarked reserve provision is required not only to fund future projects and investments but also to provide funding:

- To cover specific risk items that are excluded from the MTFS but may present as financial pressures over the life of the MTFS such as the current age discrimination changes to public sector pensions;
- To cover areas of the budget subject to fluctuations in spend based on risk such as self-insured Insurance claims;
- To support transformation. Whilst current legislation allows for the use of capital receipts to fund transformation this means these receipts would be used on revenue spend as opposed to re-investing back into assets (which would increase long term debt). The Commissioner is re-investing all receipts back into the acquisition of new assets;



- To provide for future contingent liabilities that have been identified within the statutory accounts;
- To provide budgetary support. This reserve is earmarked to support the budget on a one-off basis whilst efficiency savings are phased in with a view to implementing these savings in the most sustainable manner possible;
- Reserves held for specific operational requirements.

4.3.2 The balance on these reserves as at 31 March 2025 was £37.697m and is forecast to reduce in year by £5.410m to close the year at £32.287m. This decrease is mainly driven by the use of the capital reserve to support the capital programme, the use of the Budget Support Reserve to support the 2025/26 budget, the use of the Pay and Pensions reserve to fund pensions remedy costs and the draw down of various operational reserves.

5 Reserve Forecast

5.1 The following table represent the forecast use of reserves as stated in the MTFS, with other known adjustments (figures shown represent estimated balance as at the 31st March).

	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000
General Fund	11,094	11,094	11,094	11,094	11,094
Capital Receipts Reserve	0	0	0	0	0
Capital Grants Unapplied	331	331	0	0	0
Budget Support Reserve	4,783	2,882	2,882	2,882	2,882
Capital Reserve	947	1,313	1,679	2,045	2,410
Collaboration Reserve	691	691	691	691	691
ESN Reserve	2,422	2,422	1,953	0	0
Insurance Reserve	1,621	1,621	1,621	1,621	1,621
IT Transformation Reserve	2,243	1,843	1,443	1,443	1,443
Major Events Policing Reserve	104	104	104	104	104
Operational Reserves	12,784	12,510	12,347	12,184	12,020
Pay and Pension Reserve	3,836	3,836	3,836	3,836	3,836
Reshaping the Future Reserve	1,246	1,246	1,246	1,246	1,246
Uplift Reserve	1,610	1,610	1,610	1,610	1,610
Total Earmarked Reserves	32,287	30,078	29,412	27,662	27,863
Total Usable Reserves	43,712	41,503	40,506	38,756	38,957

5.2 The levels of reserves held is under constant review in order to ensure that any identified risks and issues are adequately provided for. It may be necessary to transfer monies between reserves in future periods in order to meet need, or where it is no longer felt necessary to hold a reserve for the originally intended purpose.

6 Review of Reserves

6.1 Following a review of the reserves, it is proposed that the Uplift Reserve is renamed to the Officer Maintenance Reserve. This will take effect from 1st April 2026.



Appendix 1

Usable Reserves Forecast 31 March 2026

Actual 31/03/2025 £000		Transfer	Transfer	Forecast
		In £000	Out £000	31/03/2026 £000
9,784	General Fund	1,310	0	11,094
0	Capital Receipts Reserve	0	0	0
331	Capital Grants Unapplied	0	0	331
8,428	Budget Support Reserve	0	(3,645)	4,783
1,283	Capital Reserve	1,345	(1,681)	947
716	Collaboration Reserve	0	(25)	691
2,422	ESN Reserve	0	0	2,422
919	Insurance Reserve	800	(98)	1,621
2,243	IT Transformation Reserve	0	0	2,243
473	Major Events Policing Reserve	1	(370)	104
13,815	Operational Reserves	1,443	(2,474)	12,784
4,027	Pay and Pension Reserve	0	(191)	3,836
1,471	Reshaping the Future Reserve	0	(225)	1,246
1,900	Uplift Reserve	0	(290)	1,610
37,697	Total Earmarked Reserves	3,589	(8,999)	32,287
47,812	Total Usable Reserves	4,899	(8,999)	43,712

The following earmarked reserves have been established (or aggregated as shown above) for the following purposes:

Budget Support Reserve – this reserve was included within the previous MTFS and additional balances have been transferred during the year. This use of this reserve has been included within the updated MTFS in 2026/27.

Capital Reserve – to fund future capital projects on assets with a short asset life, as well as to support any urgent H&S works of a capital nature.

Collaboration Reserve – to support the one-off costs associated with local public sector collaboration. This reserve is used to either support projects aimed at generating a financial return on the one-off investment or improving partnership working and outcomes.

Emergency Services Network (ESN) Reserve – the ESN programme will see the current Airwave based communications system replaced with a new 4G based service. Funding will be required for the replacement of devices.

Insurance Reserve – provides for the self-funding of certain uninsurable risks and also to cover the excess (£100,000) for any unknown claims before the insurance cover is applied.



Major Events Policing Reserve – this reserve holds funds to contribute towards the costs of policing major events should the need arise.

Pay and Pension Reserve – provides provision around future unknown costs relating to pay and the public sector pensions age discrimination case (McCloud) as well as for flexibility in the payment of ill health pension payments to the pension fund.

Transformation – these reserves are held to support transformation activity and are divided between a general transformation reserve (Reshaping the Future) and an IT/Digital specific transformation reserve.

Uplift Reserve – to support the further training and development of the force as it brings in new officers. Please note that as stated above, this reserve will be known as the **Officer Maintenance Reserve** with effect from 1st April 2026.

Operational Budget Reserves – this includes a number of specific earmarked reserves.

Staffordshire Police Fire and Crime Panel

2nd February 2026

Police Capital Strategy and Capital Programme 2026/27 to 2029/30 (Incl. Minimum Revenue Provision Policy)

Report of the Staffordshire Commissioner

INTRODUCTION

As part of the overall financial strategy for the Staffordshire Commissioner a four-year Capital Programme has been prepared. This report schedules the proposed investment programme for 2026/27 to 2029/30 and presents the indicators required within the updated Prudential Code. This all-forms part of the Capital Strategy for the Staffordshire Commissioner, covering the policing requirements for the next four years.

The Prudential Code requires local authorities to determine that capital expenditure and investment decisions are affordable, prudent and sustainable, and to set limits on the amount they can afford to borrow in the context of wider capital planning. The Capital Strategy is part of the Staffordshire Commissioner's medium term financial planning process, ensuring there is a clear strategy supporting the next four years of capital investment.

The Capital Strategy sets out how the long-term context in which capital investment and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes in line with the current Staffordshire Policing Plan. It also demonstrates that the Staffordshire Commissioner takes capital and investment decisions in line with the objectives and properly takes account of stewardship, value for money, prudence, sustainability and importantly affordability.

This report should also be considered alongside the Treasury Management Strategy, with both reports covering the reporting requirements of CIFPA's Prudential Code and Treasury Management in the Public Sector. The Commissioner reports internally within the guidelines set out within the Prudential Code.

RECOMMENDATIONS

That the Police Fire and Crime Panel note:

- a) The four-year Capital Programme for 2026/27 to 2029/30 as set out in **Appendix 1**,
- b) The Capital Strategy for 2026/27,
- c) The Prudential Indicators that are set out within **Appendix 2** including the Capital Financing Requirement for the four-year period

- d) That the funding of capital expenditure from Reserves for the period 2026/27 to 2029/30 is in line with the updated Reserves Strategy
- e) Note the Minimum Revenue Provision (MRP) policy statement incorporated within this report.

Ben Adams
Staffordshire Commissioner

Contact Officers:

Sarah Wilkes
Director of Finance / S151 Officer for the Staffordshire Commissioner's Office

John Bloomer
Assistant Chief Officer/ S151 Officer for Staffordshire Police

1. Background

- 1.1. The Capital Strategy forms a key part of the Staffordshire Commissioner's overall Corporate Planning Framework. It provides a mechanism by which the Commissioner's capital investment and financing decisions can be aligned over the medium-term planning horizon.
- 1.2. The Strategy sets the framework for all aspects of the Commissioner's Police capital and investment expenditure, including planning, outcomes, prioritisation, management, funding and repayment.
- 1.3. There are four main areas of spend which feature within the Capital Programme.
 - Estates
 - Transport
 - Operational Equipment
 - Digital Data and Technology (DDaT)

2. Objectives

- 2.1. The key aims of the Capital Strategy are to:

- provide a clear set of objectives and a framework within statutory legislation that proposes new capital expenditure to be evaluated to ensure that all new capital investment is targeted to meet the vision, aims and priorities of the Commissioner and Staffordshire Police;
- set out how the Commissioner and Staffordshire Police identify and prioritise capital requirements and proposals;
- consider options available for funding capital expenditure and how resources may be maximised to generate investment in the area and to determine an affordable and sustainable funding policy framework, whilst minimising the ongoing revenue implications of any such investment;
- identify the resources available for capital investment over the MTFS planning period;
- ensure the strategy has an overall balance of risk on a range of investments over timespan, type of investment and rate of return;
- establish effective arrangements for the management of capital expenditure including the assessment of project outcomes, budget profiling, deliverability, value for money and security of investment;
- deliver projects that focus on delivering the long-term benefits to the communities served within Staffordshire.

3. Governance of the Capital Programme

- 3.1. A governance process is clearly established within the Force following standing orders and financial regulations to ensure that available resources are allocated optimally and deliver value for money. Capital programme planning is determined in parallel with the revenue budget planning process within the framework of the MTFS. These include:

- The Strategic Governance Board (SGB) which is ultimately responsible for approving the Capital Strategy for investment and the Capital Programme for approving changes to the programme within financial regulations and for the approval of business case submissions for large projects.
- The Joint Audit and Risk Committee (JARC) which is responsible for scrutiny of the MTFS documents and can make recommendations to the Strategic Governance Board (SGB).
- The Financial Investment Review Board (FIRB) which has responsibility for ensuring a realistic, affordable and deliverable capital programme is prepared and included within the MTFS; monitoring of the capital programme; and for sign off of outline business cases within delegated limits after legal and finance approval.

3.2. The capital monitoring update is included within the quarterly reports which is shared with the Joint Audit and Risk Committee. This detailed report, on a project by project basis, is formally recorded at SGB. The Head of Financial Accounting regularly meets with each capital lead to discuss the capital monitoring position and to scrutinise capital spend.

4. Capital Priorities

- 4.1. The Capital Strategy must recognise that the financial resources available to meet the requirements of the current Staffordshire Policing Plan and its four key pillars.
- 4.2. The bringing together of blue light services under a single governance route to the Staffordshire Commissioner provides opportunities to co-locate and share assets to the good of the community, delivering efficiencies and savings.
- 4.3. The Staffordshire Commissioner will seek to prioritise investment in order to deliver economy and efficiency within the organisation as well as address backlog maintenance and health and safety issues.
- 4.4. As with the majority of public sector organisations backlog investment, particularly into estate, has been an area historically where difficult choices have been made to defer this. the capital strategy and programme aims to reduce the backlog investment, noting that the programme of investment stretches beyond the life of the MTFS.

5. Funding Approach

- 5.1. The Staffordshire Commissioner approach for police's capital investment falls within, and needs to comply with, the "Prudential Code for Capital Finance in Local Authorities" (The Code). Under the Code, local authorities have greater discretion over the funding of capital expenditure especially with the freedom to determine, within the regulatory framework of the Code, the level of borrowing they wish to undertake to deliver their capital plans and programmes.

5.2. The main sources of capital funding are summarised below:

- **The use of internal cash balances**

Internal borrowing occurs when the Commissioner uses its own cash resources to finance capital expenditure rather than new borrowing. This is more favourable when the cost of borrowing is higher than the returns on investment.

- **The use of earmarked reserves**

The Staffordshire Commissioner has a Reserves Strategy which includes the Earmarking of Reserves to support the capital programme. Funding into the medium term has been identified through this approach and remains a key funding strategy.

- **The use of capital receipts**

Disposing of surplus assets is a good way to reinvest in the capital programme. Receipts will be targeted at the shortest life assets and then their use considered widely within any flexibility allowed by the appropriate government authority. In accordance with statutory instruments capital receipts may also be used for the repayment of debt.

- **Direct revenue funding**

Capital expenditure may be funded directly from revenue (CERA – capital expenditure charged to revenue account). In addition to specific revenue funds previously set aside, such as repairs and renewal funds, capital expenditure may be funded by specific revenue budget provision. Where opportunity presents in a year to increase revenue contributions these will be made to reduce long term borrowing requirements.

- **Borrowing and leasing**

Under the Prudential Code, the Staffordshire Commissioner has discretion to undertake borrowing to fund capital projects with the full cost of that borrowing being funded from the project returns or upon agreement to include within the MTFS estimates.

This discretion is subject to complying with the Code's regulatory framework which essentially requires any such borrowing to be prudent, affordable and sustainable (Local Government Act 2003). Prudential borrowing does provide an option for funding additional capital development but one which has to be funded each year from within the revenue budget or from generating additional ongoing longer term income streams.

The Staffordshire Commissioner will test the prudence of the borrowing predictions against the prudential indicators set under the Code every year as part of the MTFS process and report on progress against those indicators half yearly (see Appendix 2), in line with the Treasury Management Strategy.

This prudent approach to borrowing will continue into the medium term. However, should borrowing be required the Commissioner will continue to consider on a cautious and prudent basis as informed by a specialist team contracted from Staffordshire County Council in relation to Treasury Management who work closely with the finance team.

6. Risk Management

- 6.1. Risk is the threat that an event or action will adversely affect the ability to achieve a desired outcome or execute strategies successfully.
- 6.2. To manage risk effectively, the risks associated with each capital project need to be systematically identified, analysed, influenced and monitored.
- 6.3. The Commissioner will require the Chief Constable to put in place a mechanism to manage risk. The Commissioner and Staffordshire Police consider its appetite to risk being low. Risks are assessed continually from both an operational and financial perspective.
- 6.4. In carrying out due diligence, potential project risks are identified and relevant mitigation measures documented prior to approval.
- 6.5. All risks are then managed in line with the force's Risk Management Policy which includes documenting risks on a risk register, assigning owners, regular review of risks and Red Amber Green (RAG) rating.
- 6.6. The Section 151 Officers will report on the deliverability, affordability and risk associated with this Capital Strategy and the associated capital programme. Where appropriate they will have access to specialised advice to enable them to reach their conclusions.
- 6.7. There are many categories of risk to be mindful of; these are detailed in **Appendix 3**:
 - Credit Risk
 - Liquidity Risk
 - Interest Rate Risk
 - Exchange Rate Risk
 - Inflation Risk
 - Legal and Regulatory Risk
 - Fraud, Error and Corruption

7. Capital Programme 2026/27 to 2029/30

- 7.1. The proposed capital programme for 2026/27 to 2028/30 is contained within **Appendix 1** of this report. The total capital programme for 2026/27 has been estimated at £28.1m, £20.3m for 2027/28, £28.9m for 2028/29 and £31.4m for 2029/30.
- 7.2. The Staffordshire Commissioner is required to set estimates, impose limits and to report and publish actuals in line with The Prudential Code. The indicators for adoption by the Authority for 2026/27 to 2029/30 are set out in **Appendix 2**.

7.3. The revenue consequences of the proposed programme have been taken in to account in the development of the revenue budget and the required prudential indicators are set out in **Appendix 2** and the accompanying Treasury Management Strategy.

7.4. Panel should note that over the last 4 years the Force and Commissioner have reduced the capital financing requirement (e.g. 'debt') to support investment in front line policing. Long term this direction of travel cannot be maintained without incurring further significant backlog maintenance and driving in inefficiency by not exploiting technology.

7.5. The capital programme will see debt repayments, as a percentage of the net revenue budget, increase in the next four years. On this metric the affordability of the capital programme will continue to consume a greater percentage of revenue spend over the MTFS period. However, compared to other local public sector bodies these repayments remain low. The Commissioner is committed to maintaining revenue contributions to the capital programme, in particular for purchasing short life assets. This strikes a fair balance between the need for investment and the burden left to future taxpayers to service these investments.

7.6. A full review of the capital programme has been undertaken for the 2026/27 MTFS, which results in a considerable investment in Estates and IT across the period compared to the 2026/27 MTFS as shown in the table below:

	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Capital Financing Costs MTFS 2026/27	9,218	11,678	13,169	14,419
Capital Financing Costs MTFS 2025/26	11,047	12,240	13,342	14,278
(Reduction)/ Increase	(1,829)	(562)	(173)	141

7.7. In the short term the reduction in capital financing costs has been driven in part by a number of planned interventions including reducing the in year (2025/26) programme, reduction in revenue contribution to capital, and a review of borrowing requirements.

7.8. Digital, Data and Technology investment is proposed to maintain the improvements in capability seen due to previous investments, to improve core infrastructure, build on the benefits from insourcing Technology Services and for improvements in digital capabilities to be leveraged. The main proposed investments in the four-year programme are:

- £0.585m to improve network resilience and functionality
- £5.500m has been allocated for the implementation of a new Enterprise Resource Planning (ERP) system. This project is critical to modernise and integrate core business processes, including finance, HR, procurement, and payroll, into a single

streamlined platform. The new ERP system will enhance data accuracy, improve reporting capabilities, and support more efficient decision-making across the organization. The project also underpins the delivery of the force's efficiency programme.

- A capital investment of £11.079m is planned over the Medium-Term Financial Strategy (MTFS) period to support critical technology upgrades across the force. This includes device replacement to maintain operational efficiency, deployment of Body-Worn Video (BWV) to enhance evidential integrity and officer safety, expansion of Automatic Number Plate Recognition (ANPR) capabilities to strengthen intelligence and enforcement, and improvements to core IT infrastructure. These investments are essential to ensure digital resilience, support frontline policing, and enable compliance with national standards.
- £3.300m for national mandatory projects Emergency Services Network within the capital programme. Whilst work is ongoing to ensure the costs passed to Forces and Commissioners is minimised this is included as a planning assumption based on the latest Home Office ESN funding model. The ESN reserve will be unwound in 2027/28 to part-fund the costs of the project.
- £0.200m has been provisioned for the RedBox project. This funding will support the implementation and integration of secure digital evidence and media management solutions, enabling the force to store, manage, and share evidential material efficiently and in compliance with legal and security standards. The investment will enhance operational workflows, reduce reliance on legacy systems, and improve accessibility for investigators and partner agencies.
- £1.000m has been allocated to drive the force's AI-enabled digital transformation program. This initiative will leverage artificial intelligence and advanced analytics to modernise core processes, enhance decision-making, and improve operational efficiency across policing and support functions. Key objectives include automating routine tasks, improving data-driven insights for resource deployment, and strengthening predictive capabilities for crime prevention.

7.9. All vehicles are maintained through our Joint Transport and Engineering Service. All fleet assets are maintained and managed through a fleet management system which provides information to enables effective and optimisation of fleet usage as well as planning around replacement activity.

- The vehicle replacement programme investment of £1.900m 2026/27 will allow for the replacement of c.70 vehicles, with the vehicles proposed for replacement being on average 7 years old. The further proposed investment in the replacement programme from 2027/28 to 2029/30 will be £6.750m.

7.10. The estates programme focusses on the costs of maintaining the current estate as well as delivering major projects and backlog maintenances. The main proposed investments in the four-year programme is:

- A provision of £7.860 million has been allocated for the refurbishment of the Northern Area Police Custody facilities. This investment is critical to ensure the continued safety, compliance, and operational effectiveness of the custody environment. The current infrastructure is aging and requires significant upgrades to meet modern standards for detainee welfare, staff working conditions, and legal obligations.
- An approved capital budget of £10.335 million has been allocated to ensure the continuation and completion of the Armed Training Facility project. This investment is essential to deliver a state-of-the-art training environment that meets operational requirements for specialist firearms officers.
- A provision of £40.5 million has been included within the capital programme to deliver a new custody facility in the southern region. This investment is essential to manage organisational risks and meet statutory requirements, improve detainee welfare, and enhance operational resilience. The project aligns with the long-term estate strategy and policing priorities, ensuring sufficient custody capacity for future demand.
- A capital investment of £5.767 million has been allocated for the redevelopment and modernization of operational policing sites. This funding will deliver essential upgrades to aging infrastructure, improve operational efficiency, and ensure compliance with current building and security standards. The investment will enhance working environments for officers and staff, strengthen public-facing facilities, and support the delivery of high-quality policing services across these key locations. These improvements are critical to maintaining resilience and future-proofing the estate for long-term operational needs.
- £0.740 million has been allocated for essential improvement works across Sensitive Interview and Clinical Suites. This funding will focus on stock condition repairs and general maintenance to address aging infrastructure and ensure compliance with health and safety standards. These works are necessary to maintain operational continuity and improve staff working environments.
- £3.602m investment into sustainability initiatives which will help drive efficiency savings and enhance capabilities to support the objectives of the Policing Plan.
- £2.015 million has been allocated for essential works at headquarters. This investment will fund stock condition improvements and general maintenance to ensure the building remains safe, compliant with health and safety standards, and fit for purpose. As a critical site for managing emergency calls and public contact, these works are vital to maintaining operational resilience and service delivery
- £4.227 million has been allocated for general force-wide stock condition works and essential maintenance across the estate. This funding will address priority repairs, improve asset resilience, and ensure compliance with health and safety

standards. In addition, the investment includes provision for professional fees to support planning and design work for future refurbishment projects beyond the current Medium-Term Financial Strategy (MTFS) period.

8. Funding the Programme

- 8.1. Appendix 1 also details the proposed funding strategy for the 2026/27 programme together with indications for the funding of the following three years.
- 8.2. During the four-year programme a combination of capital receipts (previous and future), earmarked reserves, direct funding of capital expenditure from revenue, capital grant and the use of internal cash and short-term borrowing requirement. This is also reviewed within the Treasury Management Strategy Report.
- 8.3. It will remain a key priority to fund as much of the programme as possible through direct revenue contribution should additional savings be available in year, with funding of short life assets the key priority to reduce future MRP requirements.

9. Minimum Revenue Provision (MRP) Policy Statement

- 9.1. The Staffordshire Commissioner for Police is required each year to set aside some of its revenues as provision for debt repayment. This MRP provision essentially allows the Authority to “pay off” an element of the Capital Financing Requirement annually through a revenue charge known as the Minimum Revenue Provision (MRP).
- 9.2. The MRP was previously defined by statute with regulations providing for MRP as a 4% charge in respect of the amount of the Capital Financing Requirement (CFR). Under current regulations, the rules have been replaced with a general duty for a local authority to make an MRP charge to revenue which it considers prudent. The new regulation does not itself define “prudent provision”. However, guidance has been issued specifying methods for MRP calculation, which the Secretary of State considers prudent thereby effectively determining prudent provision.

9.3. The Commissioner's MRP Policy is as follows:

- For capital expenditure incurred before 1st April 2008, MRP will be determined as 2% of the Capital Financing Requirement in respect of that expenditure
- For unsupported capital expenditure incurred after 31st March 2008 and before 1st April 2018, MRP will be determined by charging the expenditure over a standard 40 years
- For unsupported capital expenditure incurred after 1st April 2018, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset in equal instalments, starting in the year after the asset becomes operational.
 - Vehicles 5 years
 - Equipment 10 years

■ IT	10 years
■ Estates	40 years
■ Freehold Land	50 years

- MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charges over 20 years
- For assets acquired by finance lease or the Private Finance Initiative, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.
- For assets acquired with a shorter life than the policy, MRP will be determined by the life span of the asset.

9.4. This MRP Policy option is supported by the Commissioner's treasury management advisors, as a prudent provision to repay borrowing.

9.5. Regulations require the Authority to approve an MRP Statement in advance of each year. It is recommended that the Authority continue to apply a MRP to capital expenditure funded by borrowing under the 'Asset Life Method': which calculates the MRP charge based on the estimated life of the asset for which the borrowing is undertaken.

9.6. The total level of debt for the Staffordshire Commissioner as of 31 March 2026 is forecast to be around £110.2m and is forecast to increase to £181.4m by March 2030 based upon the capital investment requirements outlined within this paper.

Appendix 1

Staffordshire Commissioner Police

Summary Proposed Capital Programme 2026/27 to 2029/30

Capital Programme

Department	2026/27 Budget £'000	2027/28 Estimate £'000	2028/29 Estimate £'000	2029/30 Estimate £'000
Estates	20,110	12,316	20,700	21,970
Digital, Data and Technology	5,791	5,640	5,850	6,498
Transport	1,900	2,200	2,250	2,300
Operational Equipment	290	100	100	600
Capital Programme	28,091	20,256	28,900	31,368

Funding				
Capital Receipts	0	0	0	0
Capital Grants	(232)	(331)	0	0
Revenue Contribution to Capital	(2,007)	(2,257)	(2,257)	(2,300)
Earmarked Reserves	0	(469)	(2,322)	(703)
Borrowing Requirement	(25,852)	(17,199)	(24,321)	(28,365)
Total Funding	(28,091)	(20,256)	(28,900)	(31,368)

Note: See Budget / MTFS report for further details on the four-year investment programme

**Staffordshire Commissioner Police
Prudential Indicators**

A. Indicators for Affordability, Prudence and Capital Expenditure

1. Ratio of Financing Costs to Net Revenue Stream

Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/30
%	%	%	%
3.20%	3.93%	4.32%	4.60%

This shows the capital financing costs (interest charges/receipts and repayment of loans) as a proportion of government grant (revenue) and Council Tax. This allows the Authority to track how much of its annual income is needed to pay for its capital investment plans proportionate to its day to day running costs.

2. Estimates of Capital Expenditure

Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/30
£m	£m	£m	£m
28.1	20.3	28.9	31.4

Expressed in absolute terms rather than as a ratio, this shows the overall level of capital investment irrespective of how it is being funded.

3. Capital Financing Requirement/Gross Debt

Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/30
£m	£m	£m	£m
122.5	133.0	150.0	170.9

This indicator effectively shows the level of the authority's underlying need to borrow for capital purposes.

Net borrowing is not expected to exceed the total of the capital financing requirement (except in the short term)

It is a key indicator of prudence that, over the medium term, net borrowing is only for capital purposes.

B. Indicators for Treasury Management

1. Treasury Management Code of Practice

The Authority has adopted the CIPFA Code of Practice on Treasury Management

2. External Debt

	Estimate 2026/27 £m	Estimate 2027/28 £m	Estimate 2028/29 £m
Authorised Limit	£147.4m	£157.3m	£173.8m
Operational Boundary	£131.7m	£140.0m	£151.2m

This indicator identifies two limits in relation to external debt, and other liabilities.

The Authorised Limit is the maximum level of external borrowing which should not be exceeded. The limit is linked to the estimated level of borrowing assumed in the Capital Programme.

In addition, an Operational Boundary is required which represents the Treasurer's estimate of the day to day limit for the Treasury Management activity based on the most likely i.e. prudent but not worst-case scenario.

Appendix 3

Glossary of Risk Management Categories

Credit Risk is the risk that the organisation with which we have invested capital monies becomes insolvent and cannot complete the agreed contract. Accordingly, we will ensure that robust due diligence procedures cover all external capital investment. Where possible contingency plans will be identified at the outset and enacted when appropriate.

Liquidity Risk is the risk that the timing of any cash inflows from a project will be delayed, for example if other organisations do not make their contributions when agreed. This is also the risk that the cash inflows will be less than expected, for example due to the effects of inflation, interest rates or exchange rates. The exposure to this risk will be monitored via the revenue and capital budget monitoring processes. Appropriate interventions will occur as early as possible.

Interest Rate Risk is the risk that interest rates will move in a way that has an adverse effect on the value of capital expenditure or the expected financial returns from a project. Interest rates will be reviewed as part of the on-going monitoring arrangements to identify such adverse effects. As far as possible our exposure to this risk will be mitigated via robust contract terms and when necessary contract re-negotiations.

Exchange Rate Risk is the risk that exchange rates will move in a way that has an adverse effect on the value of capital expenditure or the expected financial returns from a project. Where relevant, exchange rates will be reviewed as part of the ongoing monitoring arrangements to identify such adverse effects. As far as possible our exposure to this risk will be mitigated via robust contract terms and when necessary contract re-negotiations.

Inflation Risk is the risk that rates of inflation will move in a way that has an adverse effect on the value of capital expenditure or the expected financial returns from a project. Rates of inflation will be reviewed as part of the ongoing monitoring arrangements to identify such adverse effects. As far as possible any exposure to this risk will be mitigated via robust contract terms and when necessary contract re-negotiations.

Legal and Regulatory Risk is the risk that changes in laws or regulation make a capital project more expensive or time consuming to complete, make it no longer cost effective or make it illegal or not advisable to complete. Before entering into capital expenditure or making capital investments, we will understand the powers under which the investment is made. Forthcoming changes to relevant laws and regulations will be kept under review and factored into any capital bidding and programme monitoring processes.

Fraud, Error and Corruption is the risk that financial losses will occur due to errors or fraudulent or corrupt activities. Officers involved in any of the processes around capital expenditure or funding are required to follow the agreed Code of Corporate Governance. This is supported by the national Code of Ethics and detailed policies such as Counter-Fraud and Corruption and Declaration of Interests.

Capital Schemes must comply with legislation, such as the Disability Discrimination Act, the General Data Protection Regulations (GDPR), building regulations etc



Police, Fire and Crime Panel – 2 February 2026

Police and Fire Complaints Update Annual Report

Report of the Staffordshire Commissioner

1. Purpose of Report

- 1.1. This report is to update the Police, Fire and Crime Panel on the Commissioner's statutory function relating to reviews conducted in accordance with the police misconduct and complaint reforms implemented in February 2020. The panel are reminded that the intention of these reforms was to increase and strengthen independence and improve complaints handling, ensuring the public can maintain confidence in the integrity of policing.
- 1.2. Given the Commissioner's governance of Staffordshire Fire and Rescue Service, similar oversight and review arrangements are in place for misconduct and complaint matters relating to service staff and the opportunity is taken to update the panel accordingly.
- 1.3. All data relates to the calendar year to 31 December 2025.

2. Recommendation

- 2.1. That the Panel note the contents and agree to receive annual updates for scrutiny at future meetings.

3. Background

- 3.1. The police complaints system is the mechanism for members of the public to raise their concerns about the service they receive from the police. The system was updated by the Policing and Crime Act 2017, and the Police (Complaints and Misconduct) Regulations 2020. The new complaints system brought a more streamlined, easier to access and more efficient complaints process. It introduced statutory responsibilities for PCCs for:
 - the local oversight of complaint handling;
 - acting as an independent Review Body for some complaints that have been made through the formal complaints system;
 - dealing with complaints made against the Chief Constable, a role known as the Appropriate Authority.
- 3.2. The legislation also offered PCCs the opportunity to play a wider role in the administration and handling of complaints against the police through three operating model options:
 - Model 1, the 'oversight and review' model, is the compulsory option, whereby PCCs form a formal part of the system for complaints against all officers and staff. This includes independent reviews where matters are not deemed serious enough under the legislation to

be referred to the Independent Office for Police Conduct (IOPC) for review.

- Model 2, the 'Customer Service Resolution and Recording' model, sees the PCC also becoming the first point of contact for people wishing to make a complaint about operational policing matters.
- Model 3, the 'Contact' model, goes a step further and sees the PCC also being responsible for keeping complainants updated and providing the final outcome.

3.3. In Staffordshire, Model 1 has been adopted since 2020. The force's Professional Standards Department remain the initial point of contact and are responsible for recording and handling the complaint, managing ongoing contact with complainants and informing them of the final outcome.

3.4. Where complainants are dissatisfied with the final outcome or the way in which the complaint has been handled, they can apply for a review. The Independent Review Manager assesses whether the force took reasonable and proportionate action to address the complaint but cannot reinvestigate complaints. They are also the decision maker and manage the process in accordance with the regulations. Following the completion of a review there is no further right of appeal. If the complainant remains dissatisfied the only remaining option open to them is to pursue civil proceedings or a judicial review application.

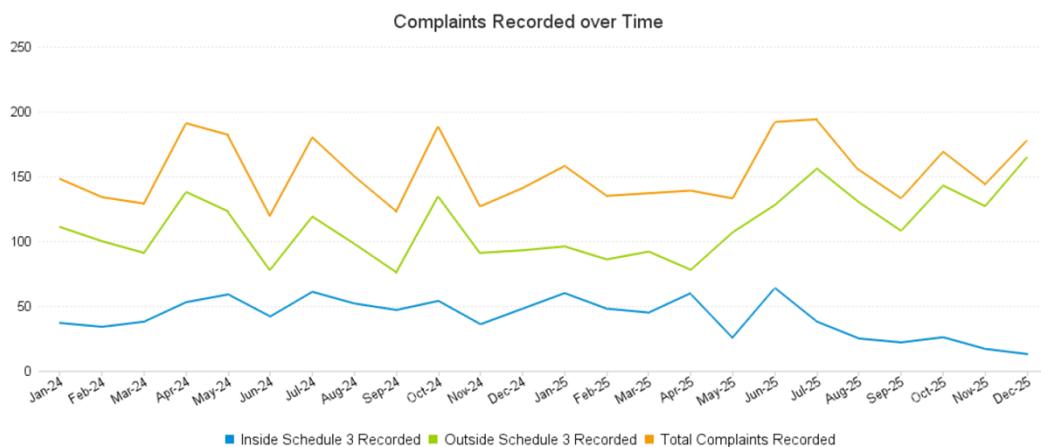
3.5. The Commissioner maintains oversight of professional standards in several ways. Summary complaints data form part of wider performance management frameworks and scrutinised through Strategic Governance Boards and Public Performance Meetings. Internal police and fire meetings are attended by the Commissioner's Office to ensure that trends and outcomes from conduct and complaint matters are properly incorporated into organisational learning. The performance of the service's Professional Standards functions form part of regular discussions between the Commissioner and Chief Executive and the service's Chief Officers.

3.6. In respect of police complaints, the IOPC publish quarterly statistical bulletins and annual performance packs which provide useful benchmarking data. The Commissioner also holds quarterly meetings with the IOPC Director with responsibility for the region and there are quarterly detailed performance review meetings between the IOPC Liaison Officer and representatives of the force Professional Standards Department and Commissioner's Office.



4. Police Complaints

4.1. The chart below shows the number of complaints received by Staffordshire Police has remained stable. A total of 1,814 complaints were received in 2024 and 1,867 in 2025.



4.2. Complaints are managed by the Professional Standards Department either within or outside Schedule 3. Those dealt with outside Schedule 3 relate to less serious matters where informal resolution or service recovery is possible. The process aims to satisfy the complainant quickly but, if this is not possible, they retain the right for their complaint to be managed within Schedule 3. This accounted for 1,416 complaints in 2025 (76% of all complaints), compared with 1,273 in 2024 (70% of all complaints). The introduction of a Triage Team continues to have a positive impact in ensuring a higher proportion of complaints are resolved through this route with the added benefit that a minimal number of complaints are sent out to local policing teams for resolution, allowing more time to be spent on core policing work.

4.3. Schedule 3 is the formal process, mandatory for serious allegations or where referral to the IOPC is required. Formal investigation will be required and the complainant has the right to review if they are dissatisfied with the outcome. Depending on the allegation, the review body will either be the Staffordshire Commissioner's Office or the IOPC. 444 complaints were dealt with inside Schedule 3 in 2025 (24% of all complaints), compared with 542 in 2024 (30% of all complaints). Of the 444, the Commissioners Office was the review body for 322 (73%).

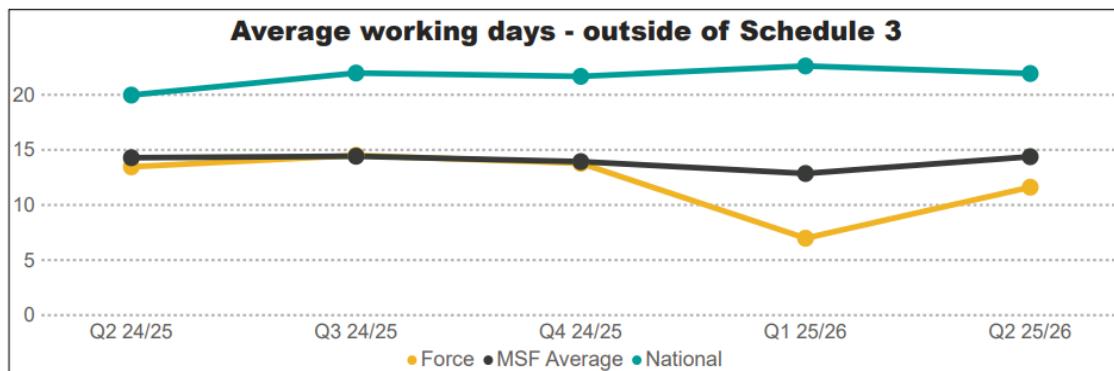
4.4. All data is recorded and published by IOPC and can be found at [Staffordshire Police | Independent Office for Police Conduct \(IOPC\)](#). The statistical bulletins set out Staffordshire's performance against a number of measures in comparison to their Most Similar Force (MSF) group where applicable and to all forces nationally. The MSF group is Avon & Somerset, Derbyshire, Hertfordshire, Essex, Cheshire, Hampshire and Nottinghamshire. The data is used by IOPC to discuss performance on a quarterly basis with the Professional Standards Department and the Commissioner's Office, to establish where Staffordshire is an outlier, identify areas for improvement and recognise good practice.



4.5. The latest available IOPC bulletin (1 April to 30 September 2025) shows that Staffordshire's complaint levels are slightly lower than those for similar forces. The time taken to contact complainants has improved and is in line with similar forces and better than the national average. The time taken to log complaints is longer than the average for similar forces but better than the national average.

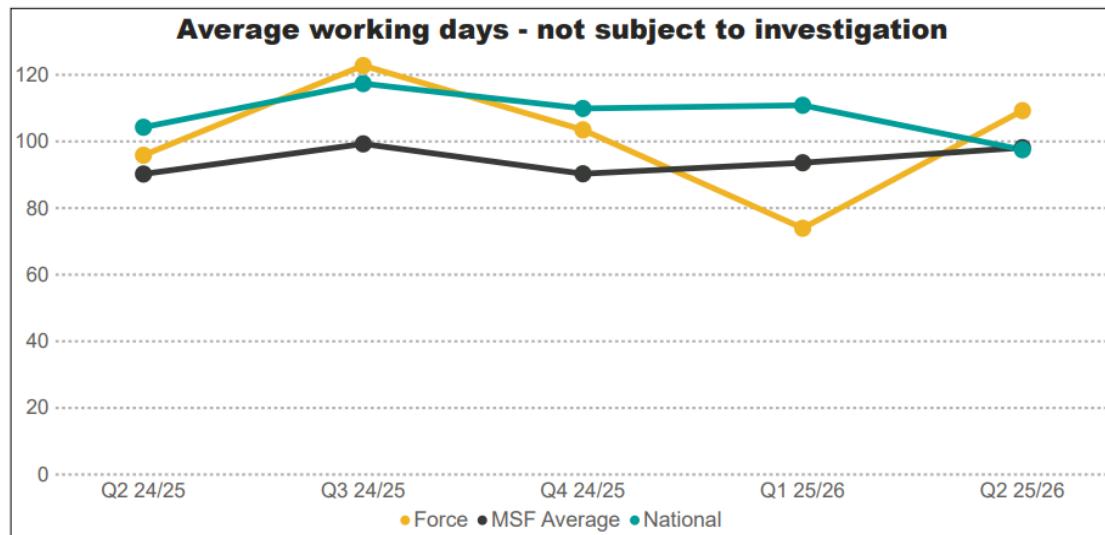
Year to Date	Complaints Logged	Per 1000 employees	Allegations Logged	Per 1000 employees	Average working days to contact complainants	Average working days to log complaints
Staffordshire	941	247	1,569	412	5	5
Same period last year	932	244	1,683	441	9	5
MSF Average	1,226	256	2,301	478	5	3
National Average	54,025	214	92,398	367	8	8

4.6. The time taken to resolve complaints outside of Schedule 3 remains in line with similar forces and significantly better than the national average. Timeliness is calculated from the date the allegation was received by the force to the day the complainant is informed of the allegation decision.



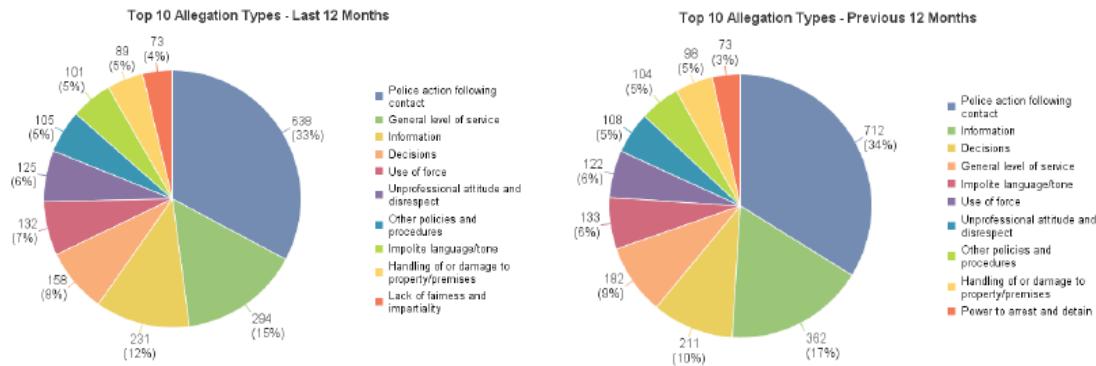


4.7. For complaints dealt with inside Schedule 3 and not subject to an investigation directed by the IOPC, case duration is longer but Staffordshire's performance remains broadly in line with MSF and national averages.



4.8. For any cases of over 12 month's duration, Staffordshire Police must write to the Commissioner and the IOPC to inform them of the reasons and actions being taken to progress the complaint. Further communication is required every 6 months thereafter until the complaint is finalised.

4.9. The recording of allegations is based on categories defined by the IOPC. There may be multiple allegations relating to an individual complaint. 69% of all allegations in 2025 are categorised as relating to 'delivery of duties and service', sub-categories of which are police action following contact, decisions, information and general level of service. This is similar to 2024 when 70% of allegations related to delivery of duties and service, although there are minor variations between sub-categories.



4.10. Staffordshire Police's Professional Standards Department continues to ensure that members of the public are aware of how to make a complaint and that the system is accessible for all.



Mechanisms include posters, booklets and engagement with communities through local policing teams. Comprehensive information is also provided online at [Complaints | Staffordshire Police](#).

4.11. The Professional Standards Prevent Officer continues to identify learning opportunities arising from local, regional and national incidents and misconduct matters and engage with officers and staff to support organisational learning. This is carried out through communication campaigns focused on the top categories of complaints, engaging with officers who are subject to a high number of complaints to identify any underlying factors that need to be addressed. Teams channels are in place to share and discuss areas of good and bad policing practice and also used to brief officers. The Prevent Officer provides input on day one to every new recruit course on the standards of professional behaviour expected. Further input is provided 3-6 months into their service, focused on complaints received by the force.

5. Police Complaint Reviews

5.1. The Commissioner's office continues to offer members of the public varied options to make a review and how that review outcome is delivered. This demonstrates transparency, openness and independence, fundamental elements of PCCs' role in the process.

5.2. During 2025, of the 322 inside Schedule 3 complaints where the Commissioner's Office is the review body, a total of 83 review applications were received (26% of the total). This compares to 104 received in 2024, which represented 23% of 449 inside Schedule 3 complaints where the Commissioner's Office is the review body.

	2025	2024
Number of Reviews	83	104
Live Reviews	2	3
Reviews Not Valid	0	1
Upheld	16	13
Not Upheld	65	88
% Upheld	19.2%	12.5%

5.3. Of the 83 reviews considered so far there have been 11 'lessons learnt' recommendations:

- 4 Learning by reflection
- 4 Organisational learning
- 2 where feedback was given to officers
- 1 where other action was taken.

Themes include:

- Providing a response to a complainant's request that their case be considered to fit the mandatory referral criteria to the IOPC.
- Verifying with the complainant that all their areas of concern have been captured and



addressed.

- Continuous learning and professional development processes should be reviewed.
- Policy and guidance on the return of seized vehicles should be reviewed.
- When dealing with an unexpected death, officers should be considered in their actions and words. Where it is necessary to preserve the scene of death the reason must be clearly explained to the deceased's family or loved ones.
- Ensuring sufficient information is provided to detainees at the time of arrest.

5.4. IOPC performance data shows that the average time taken for the Staffordshire Commissioner's Office to complete a review is far below the national and similar force averages:

Number of days to complete local policing body reviews	
Staffordshire	36
Same period last year	35
MSF Average	68
National Average	46

6. Fire & Rescue Complaints

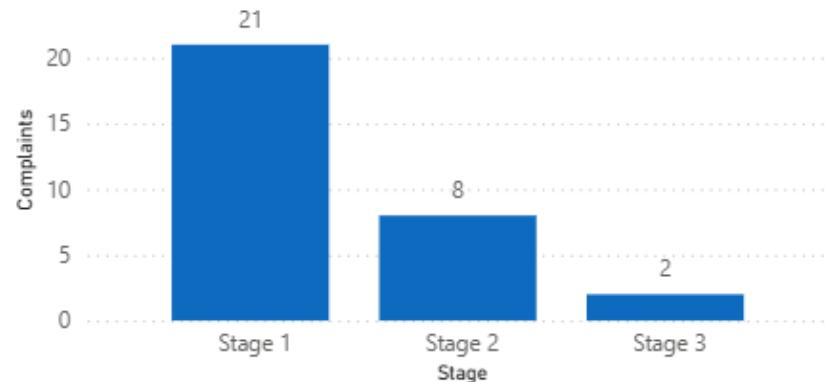
6.1. The Commissioner's Office is the review body for complaints against Staffordshire Fire and Rescue Service where the complainant remains dissatisfied with the outcome. To ensure consistency the Commissioner's Office has adopted the same approach for fire reviews as it has with force complaints. The process is documented on Staffordshire Fire and Rescue's website alongside relevant policy documents.

<https://www.staffordshirefire.gov.uk/contact-us/complaints/>

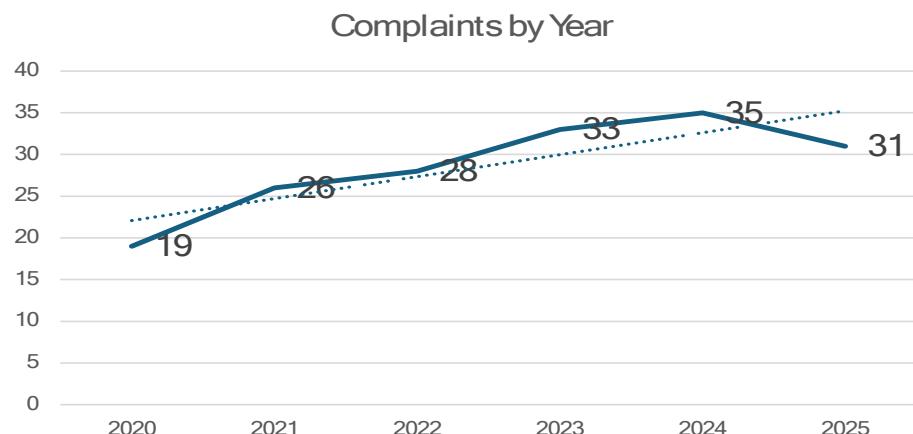
6.2. During 2025 the service recorded a total of 31 complaints, reflecting ongoing engagement with stakeholders and the importance of maintaining high service standards. These complaints were distributed across various stages, with the majority resolved at Stage 1, indicating that most issues were addressed promptly without escalation.



Complaint by Stage

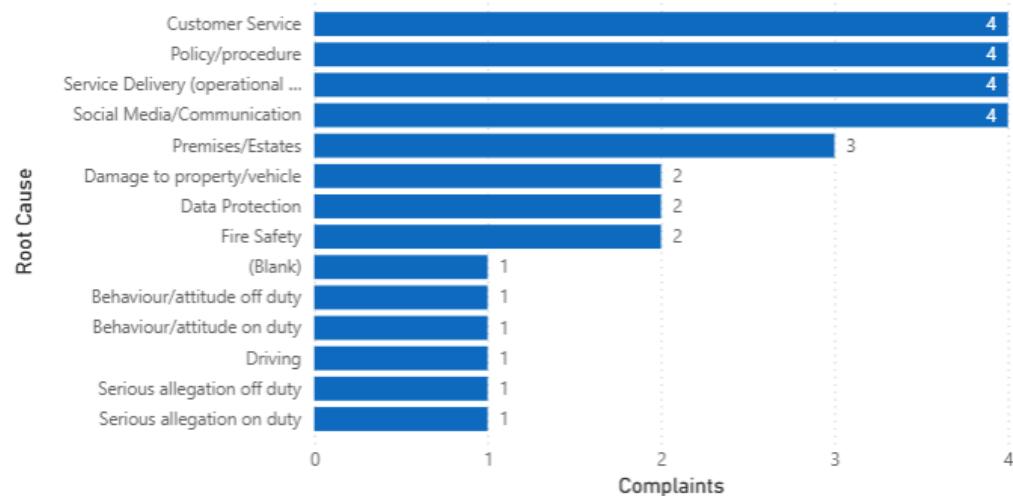


6.3. From 2020 to 2025, complaint volumes have shown a gradual upward trend. Average resolution times have reduced from 18.7 days in 2021 to 9.5 days in 2025, demonstrating enhanced efficiency in complaint handling.



6.4. Root cause analysis highlights recurring issues in customer service and staff behaviour, both on and off duty. Complaints related to damage to property or vehicles also feature prominently. These areas require targeted interventions to improve service delivery and maintain public trust.

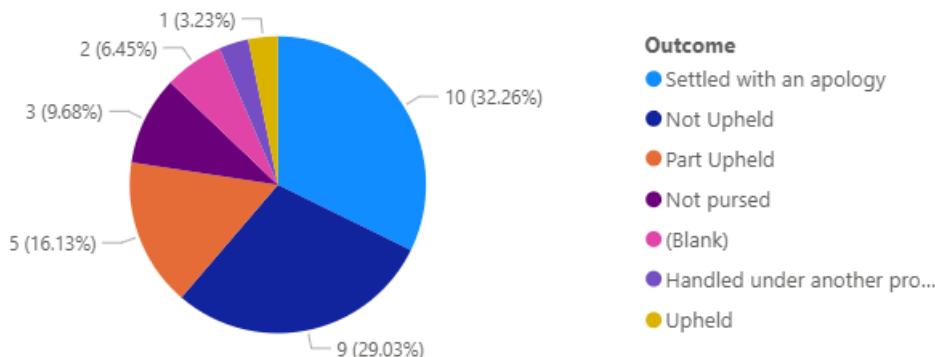
Root Cause



6.5. Certain complaints, particularly those involving conduct issues, are addressed through alternative processes and are referred to HR for investigation. Two cases were referred under this process during 2025. One is under investigation, and the other has been concluded with no action taken. Performance in these areas remains steady, ensuring that such cases are appropriately managed without impacting the core complaint resolution workflow.

6.6. Analysis of complaint outcomes indicates that most cases were resolved satisfactorily, with complainant satisfaction recorded in several instances where feedback was explicitly provided. While some outcomes remain marked as “unknown” due to incomplete feedback, the trend suggests that most complaints are addressed effectively at early stages, minimising escalation. This reflects a commitment to timely and fair resolution, though continued efforts are needed to improve feedback capture and ensure transparency in outcome reporting.

Outcome

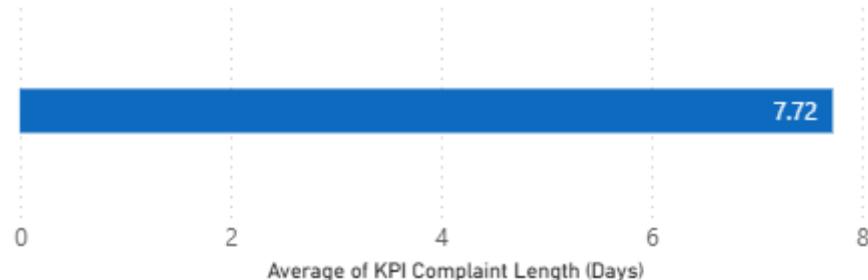


6.7. The service continues to monitor resolution times against policy targets: Stage 1 complaints aim for resolution within 7 working days, while Stage 2 and 3 complaints target 28 working days.



Current performance indicates that most complaints are resolved well within these timescales, with recent averages falling below 10 days, reflecting strong adherence to service standards.

Average of KPI Complaint Length (Days)



6.8. To strengthen continuous improvement, a Recommendations and Learning Log has been introduced. This tool tracks progress, identifies process gaps, and enhances complaint learning. At present, there are three open items, including two related to the publication of internal/external documents and procedures and one concerning the updating of contact details on the internet. These actions aim to improve transparency and accessibility for stakeholders.

Ben Adams

Staffordshire Commissioner Police | Fire and Rescue | Crime

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**STAFFORDSHIRE POLICE FIRE AND CRIME PANEL –
2 FEBRUARY 2025**

**NATIONAL CONFERENCE FOR POLICE, FIRE AND CRIME
PANELS - 26 NOVEMBER 2025**

1. Report of the Chair

The Panels Chair, Councillor Cox and Support Officer Mandy Pattinson, attended the National Conference for Police, Fire and Crime Panels hosted on line on 26 November 2025.

**2. National Association Police Fire and Crime Panels -
Annual General Meeting (AGM)**

The AGM was chaired by John Gili-Ross. The following items were briefly discussed:

1. Recent Government announcement to abolish the position of Police Commissioners – more information was awaited.
2. Annual report - [National Association of Police, Fire and Crime Panels SIG - annual report to LGA Board 2025 | Local Government Association.](#)
3. Response to consultations on Remote and proxy voting - awaiting further guidance from the home office.
4. NAPFCP activity during 2025:
 - Working with Policing TV
 - Short videos on role of panel, aims of association, remit of the panel and a typical confirmation hearing.
 - Panel support hub delayed - Training and advice still fundamental for panels
 - Force on Police officer and support staff vetting – how is it done
 - Police funding formula
 - Regular meetings with the home office and APCC

2. National Conference – Followed AGM.

The National Conference organised by Frontline Consulting and chaired by Dave Burns. Representatives of most Panels in England and Wales joined the meeting.

2025- main events:

- Elections and New Mayors
- Announcement by Government - Wales may be different as no Mayors and synod elections in 2026.

- Announcement of a centralized policing unit – more detail to come.
- Police force vetting – local areas – who checks how this is done? Will it be centralized or included in a centralized unit? More information was being requested. Documents will be circulated including Hansard link when available.
- Where Commissioners have taken over Fire and Rescue services, they will switch with Police – more detail awaited.
- Announcement due in December – open to consultation.
- Opportunity to work with the Commissioner – when more detail – to design new structure, influence transition.
- Police and crime plans and Fire and rescue plans -statutory requirement to scrutinize so need to continue.
- Commissioner Office staff will have a role to play on the new structure. Policing Boards will need to be led by a lead officer – OPCC CEO?
- Panels and regional networking groups e.g. East of England – Next meeting is in March 2026 - date details to be confirmed. On line meetings. More detail on proposed changes should be available then.

Staffordshire Police Fire and Crime Panel

2 February 2026

Resignation of Co-opted Independent Member

Report of the Secretary

1. Purpose of the report

- 1.1 To inform members of the resignation of Co-opted member, Mr Bowen with effect from January 2026.

2. Recommendation

- 2.1 That the Panel note the resignation of co-opted member, Mr Bowen and start the recruitment process for a new co-opted member.

3. Background

- 3.1 The Police Reform and Social Responsibility Act 2011 requires that the Panel appoint two independent co-opted members. In doing so the Panel must take account of the need for its membership to meet the balanced objective in skills, knowledge and experience necessary to discharge its functions effectively.

- 3.2 Mr Bowen has served as a co-opted member of the Panel since June 2021.

Kate Loader

Panel Secretary

Contact Officer

Name and job title: Mandy Pattinson, Support Officer to the Panel

Email: mandy.pattinson@staffordshire.gov.uk

STAFFORDSHIRE POLICE, FIRE AND CRIME PANEL

2 February 2026

WORK PROGRAMME PLANNING 2025/26 and draft 2026/27

Report of the Secretary

Recommendation

That the Panel note the dates of future meetings and considers the contents of its future Work Programme.

Background

By Regulation this Panel is required to meet on a *minimum* of 4 occasions each year with the facility to convene additional meetings as and when required.

There are a number of reports/matters which the Panel is required to consider:

Police and Crime Matters: the proposed Policing and Crime Precept each year, the Police and Crime Plan, The Commissioners Annual Report on the delivery of the Plan, Confirmation Hearings for a number of key posts and Reports on the Handling of Complaints.

Fire and Rescue Service Matters: The proposed Fire and Rescue Service Precept each year, the draft Fire and Rescue Plan/Corporate Safety Plan (incorporating the Integrated Risk Management Plan), the Annual Statement of Assurance and Confirmation Hearings for key posts in the Service.

Panel Meeting date	Agenda Items
19 June 2025 10am	<ul style="list-style-type: none">Panel training- private meeting
23 June 2025 10am	<ul style="list-style-type: none">Panel members - meet the Commissioner and tour Pirehill Fire service facilities
28 July 2025 10am	<ul style="list-style-type: none">Appointment of ChairmanAppointment of Vice-ChairmanAnnual Report on the Management of Complaints and Conduct Matters against the Police, Fire and Crime Commissioner and Deputy Police, Fire and Crime CommissionerHome Officer Grant 2024/25

	<ul style="list-style-type: none"> • Consideration of the Commissioners Annual Report 2024/25 • Decisions made by the Commissioner. • HMICFRS inspections of Police Force and Fire
22 September 2025 10am	<ul style="list-style-type: none"> • Police and Crime Plan / Fire and Rescue Plan Update • Fire Safety Plan update - deferred to next meeting • Decisions made by the Commissioner. • Panel review – report of the Chair and Secretary (July 2025 minute 12) • Questions from the public • Chief Constable Suspension – information report
22 September 2025 12.30	<ul style="list-style-type: none"> • Confirmation Hearing – Section 151 officer – Police
17 November 2025 10am	<ul style="list-style-type: none"> • MTFS/Budget Update – Policing Service • MTFS/Budget Update - Fire and Rescue Service • Fire and Rescue Annual Assurance Statement • Fire Safety Plan update – deferred from September meeting • Panels processes to deal with complaints against the commissioner. • Decisions made by the Commissioner. • Questions from the public
2 February 2026 10am	<ul style="list-style-type: none"> • PFCC's proposed Police Budget and Precept 2026/27 • Police and Fire Misconduct and Complaint – annual report • Annual Conference for PFCP's – report of Chair • Decisions made by the Commissioner. • Public questions • High Court Judgment
9 February 2026 10am	<ul style="list-style-type: none"> • Consideration of the PFCCs proposed Fire and Rescue Budget and Precept 2026/27 • Fire and Rescue Service Safety Plan - Update Report (Considered at the November 2025 meeting) • Decisions made by the Commissioner
9 February 2026 11.30am	<ul style="list-style-type: none"> • Provisional Confirmation Hearing (Chief Fire Officer)
16 February 2026 10 am	If required , further consideration of proposed Police and/or Fire and Rescue Budget and Precept 2026/27
13 April 2026 10am	<ul style="list-style-type: none"> • Business TBC
DRAFT 2026/27	
22 June 2026 10am	Panel training- private meeting

27 July 2026 10am	<ul style="list-style-type: none"> • Appointment of Chairman • Appointment of Vice-Chairman • Annual Report on the Management of Complaints and Conduct Matters against the Police, Fire and Crime Commissioner and Deputy Police, Fire and Crime Commissioner • Home Officer Grant 2025/26 • Consideration of the Commissioners Annual Report 2025/26 • Decisions made by the Commissioner.
21 September 2026 10am	<ul style="list-style-type: none"> • Police and Crime Plan / Fire and Rescue Plan Update • Fire and Rescue Service Safety Plan - Update Report Decisions made by the Commissioner. •
16 November 2026 10am	<ul style="list-style-type: none"> • MTFS/Budget Update – Policing Service • MTFS/Budget Update - Fire and Rescue Service • Fire and Rescue Annual Assurance Statement • Decisions made by the Commissioner. •
1 February 2027 10am	<ul style="list-style-type: none"> • PFCC's proposed Police Budget and Precept 2027/28 • Police and Fire Misconduct and Complaint – annual report • Annual Conference for PFCP's (if held) – report • Decisions made by the Commissioner.
8 February 2027 10am	<ul style="list-style-type: none"> • Consideration of the PFCCs proposed Fire and Rescue Budget and Precept 2027/28 • Fire and Rescue Service Safety Plan - Update Report • Decisions made by the Commissioner
15 February 2026 10 am	If required , further consideration of proposed Police and/or Fire and Rescue Budget and Precept 2027/28
12 April 2027 10am	Business TBC
Pending items	
<ol style="list-style-type: none"> 1. Custody Suite redevelopment – requested at 28 July meeting – at an appropriate time 2. That a report be considered at a future meeting on Stalking and Domestic Abuse and the work taking place locally. – requested at 22 September meeting minute 	

Working Group - update

At its meeting on 22 September, the panel established a working group to review its Terms of reference, policies and procedure. The group has met on 2 occasions and is working through the documentation.

K Loader (Secretary to the Panel)
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of Part 1 of Schedule 12A
of the Local Government Act 1972

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