Comisiynydd Heddlu a Throseddu
Dyfed-Powys
Police and Crime Commissioner

POLICE AND CRIME COMMISSIONER FOR
DYFED-POWYS



SUMMARY STATEMENT OF ACCOUNTS

(Group Accounts)

2025-26

POLICE AND CRIME COMMISSIONER FOR DYFED-POWYS

SUMMARY STATEMENT OF ACCOUNTS (Group Accounts) 2025-26

CHIEF FINANCIAL OFFICER'S STATEMENT

INTRODUCTION

The Summary Statement of Accounts 2025-26 sets out the main revenue and capital activity for the year for Dyfed-Powys Police.

The Statement of Accounts has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (SORP), issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). For the purposes of this Summary Statement, some transactions relating to International Reporting Standards (IFRS) have been excluded to simplify the presentation. Such transactions have no impact on the Police Fund or the amount levied on council taxpayers.

REVENUE EXPENDITURE

The Police and Crime Commissioner set a Revenue Budget of £153.3m for the 2025-26 financial year, representing a 6.5% increase. This incorporated a use of reserves of £1.9m, as well as cost reduction measures totalling £2.8m (1.8%). This still left a council tax increase at Band D of 8.6%.

The 2025-26 budget needed to incorporate the impact of the 4.75% pay increase awarded in September 2024, alongside a significant increase in employer's National Insurance. The Force faced an array of other financial pressures with specific grant funding arrangements being conditional on maintaining the overall officer and PCSO workforce, whilst also adding 33 officers to Neighbourhood Policing functions.

The Police and Crime Commissioner's spending was within budget by £0.1m which resulted in a small movement in reserves being required. This reflected lower spending by the Force and partners.

The revenue out-turn position for the Force was very positive with an underspend of £2.7m in hand overall, before adjusting for budget reserve transfers earmarked for one-off cost pressures arising in 2026-27 in the Medium-Term Financial Plan (MTFP).

RESERVES

The reserve position at the end of the financial year was £20.3m, a decrease of £1.6m from 2024-25.

The reserves figure incorporates a sum of £7.4m to support future capital budget commitments, and a general reserve of £5.5m.

CAPITAL EXPENDITURE

This is expenditure incurred on the acquisition, upgrading or construction of assets, which have a long-term value to the police, such as property, vehicles and Information Technology (IT). Capital Expenditure is accounted for separately from the day-to-day Revenue Expenditure.

Capital Expenditure for the period was £15.4m and was financed through revenue contributions, capital receipts, capital reserves, borrowing and self-financing.

CORPORATE GOVERNANCE AND EXTERNAL ACCOUNTABILITY

A joint Annual Governance Statement (AGS) is issued alongside the Statement of Accounts. This sets out details of how the Commissioner and Chief Constable exercise governance over their affairs. The Statement is a statutory document which aims to aid transparency and understanding to the reader, clearly demonstrating where arrangements are consistent and where they differ between the Commissioner and the Chief Constable. The statement includes an annual review of the adequacy of the governance arrangements and provides assurance on the systems of internal control.

Every year, the Police and Crime Commissioner and Chief Constable's finances are inspected by independent external auditors. The Accounts for 2025-26 have been inspected and the auditors have given an unqualified opinion. This means the Accounts accurately present Dyfed-Powys Police's financial position.

The full published Statement of Accounts can be found here:

- Dyfed-Powys Police & Crime Commissioner

POLICE AND CRIME COMMISSIONER FOR DYFED-POWYS

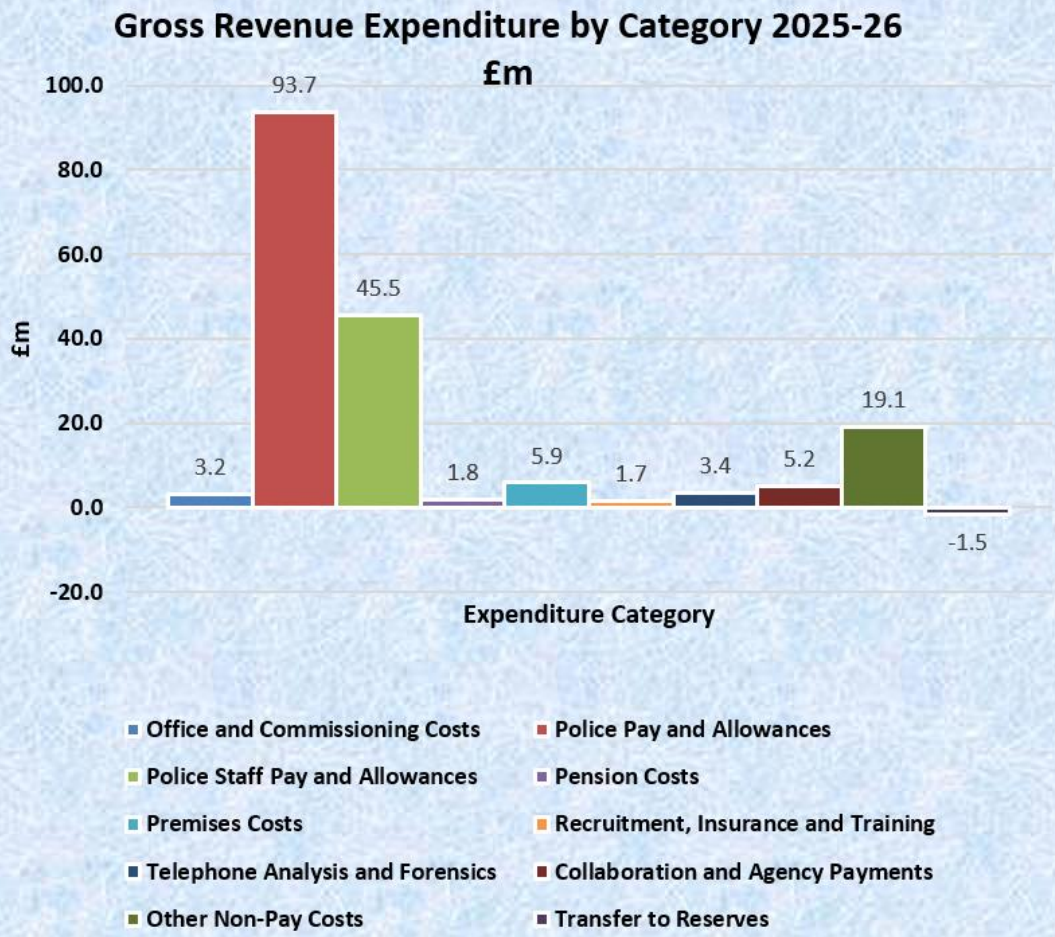
SUMMARY STATEMENT OF ACCOUNTS (Group Accounts) 2025-26

THE COST OF POLICE SERVICES

REVENUE EXPENDITURE

The table below shows what Dyfed-Powys Police spent money on in 2025-26 and where that money came from:

	2025-26 £m
Office and Commissioning Costs	3.2
Police Pay and Allowances	93.7
Police Staff Pay and Allowances	45.5
Pension Costs	1.8
Premises Costs	5.9
Recruitment, Insurance and Training	1.7
Telephone Analysis and Forensics	3.4
Collaboration and Agency Payments	5.2
Other Non-Pay Costs	19.1
Transfer to Reserves	-1.5
Gross Expenditure	**178.0**
Less Grants and Income	-24.7
Net Expenditure	**153.3**
Funded by:	
Council Tax	86.4
Police Grant	58.8
Revenue Support Grant	7.9
Non Domestic Rates	0.2
Total Funding	**153.3**



The £19.1m of 'Other Non-Pay Costs' includes expenditure incurred on Capital Financing (£4.7m), Information Technology (£6.3m), Transport (£2.3m), Equipment (£1.2m), Other Hired and Contracted Services (1.2m), Legal Costs (£0.2m), Printing, Office and Uniform Costs (£0.5m), and Subsistence and Other Expenses (£2.7m).

POLICE AND CRIME COMMISSIONER FOR DYFED-POWYS

SUMMARY STATEMENT OF ACCOUNTS (Group Accounts) 2025-26

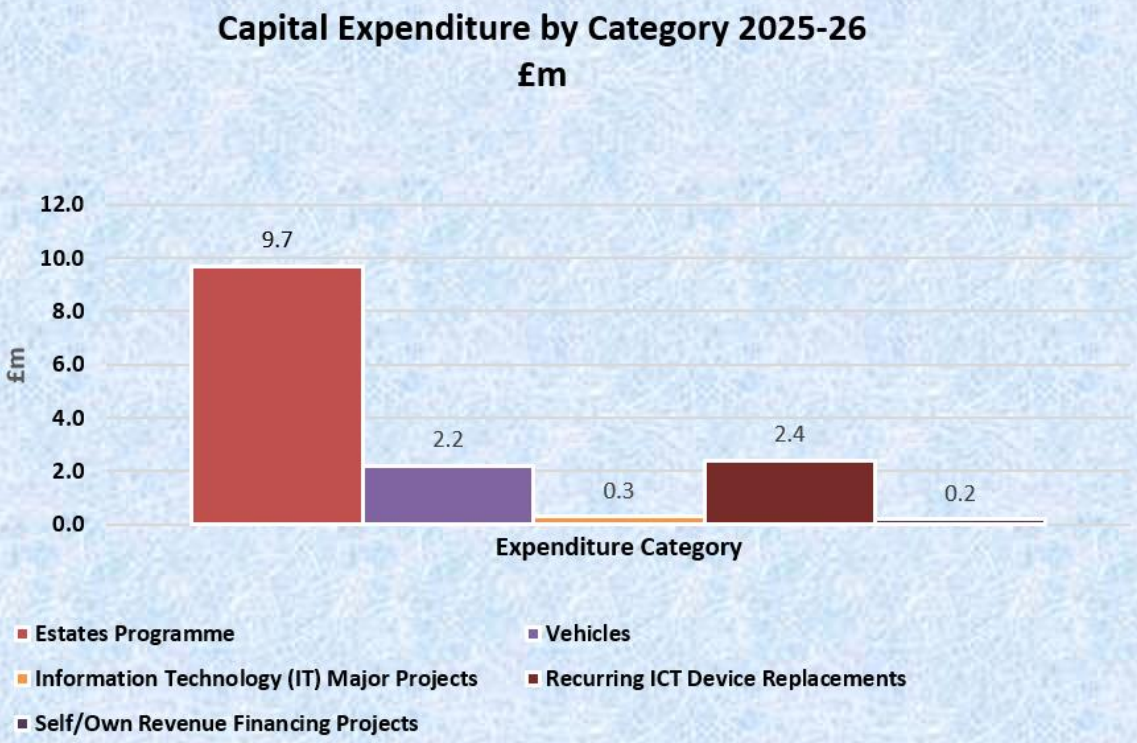
THE COST OF POLICE SERVICES

CAPITAL EXPENDITURE

The tables below shows what Dyfed-Powys Police spent money on in 2025-26 and where that money came from:

Capitalised Expenditure	2025-26 £m
Estates Programme	9.7
Vehicles	2.2
Information Technology (IT) Major Projects	0.3
Recurring ICT Device Replacements	2.4
Other Capital Equipment Replacements	0.6
Self/Own Revenue Financing Projects	0.2
Total Expenditure	**15.4**

Financing	2025-26 £m
Revenue Contributions	-2.9
Capital Receipts	-1.0
Use of Capital Reserves	-2.2
Borrowing	-8.8
Self/Own Revenue Financing Projects	-0.5
Total Financing	**-15.4**



POLICE AND CRIME COMMISSIONER FOR DYFED-POWYS

SUMMARY STATEMENT OF ACCOUNTS (Group Accounts) 2025-26

THE COST OF POLICE SERVICES

CAPITAL EXPENDITURE (Contd.)

For the financial year 2025-26, the Police and Crime Commissioner set an original budget of £28.2m for Capital Expenditure. This budget was reduced to £17.6m in February 2026 due to delays in relation to some major schemes.

The Capital Programme was updated as part of the Medium-Term Financial Planning process. The MTFP is a 10-year plan that reflects asset replacement and enhancements covering estates, fleet and IT, linked to long-term strategies and replacement programmes.

The year end position for Capital overall was £2.2m within the revised budget of £17.6m in 2025-26. Slippage in spending of £2.2m has meant that the Commissioner has not needed to borrow as much as anticipated. The Commissioner has approved slippage of £2.0m to be carried forward to support the capital schemes ongoing into 2026/27. This includes £1.0m towards the Tri-Force Firearms Range project, £0.3m towards other minor Estates projects, £0.2m towards vehicles and £0.5m towards CCTV replacement and other ICT projects.

CASH FLOW

The money which moved into and out of the Police Bank Accounts during the year was as follows:

	2025-26 £m
Bank Current accounts as at 31 March 2025	5.5
Cash in	356.2
Cash out	-356.6
Bank and Current accounts as at 31 March 2026	**5.1**

BALANCE SHEET

The table below is a summary of the Balance Sheet for Dyfed-Powys Police as at 31 March 2026 and shows what Dyfed-Powys Police 'owns' and what it 'owes' to others:

Balance Sheet	2025-26 £m
Fixed and other long term assets	122.5
Assets held for sale	0.2
Stock	0.7
Cash in bank	5.1
Short-term Investments	2.1
Cash Equivalents (instant access investments)	3.0
Debtors (Money owed to DPP)	23.2
Creditors (Money owed by DPP)	-29.7
Amounts set aside for future settlements	-2.8
Borrowing to fund fixed assets	-25.2
Less Unusable Reserves	-78.8
Net Assets	**20.3**
Financed by:	
Usable Reserves	-20.3
Total Net Worth	**-20.3**

This summary Balance Sheet differs to the one included in the Statement of Accounts since it excludes the adjustments made in respect of FRS17 Pension Liabilities and the associated negative Unusable Pensions Reserve. The Unusable Reserves figure of £78.8m includes technical adjustments that are made to the accounts, such as adjustments made to assets for depreciation and revaluations, and adjustments in respect of accumulated absences and collaboration fair share. These Unusable Reserves are not cash-backed reserves.

POLICE AND CRIME COMMISSIONER FOR DYFED-POWYS

SUMMARY STATEMENT OF ACCOUNTS (Group Accounts) 2025-26

INVESTMENTS

During the year, security of capital remained the Police and Crime Commissioner's main investment objective. This was maintained by following the counterparty policy set out in the Treasury Management Policy Statement for 2025-26 and resulted in investments only being made with institutions defined as "high credit quality" - those having a long-term credit rating of (A-) or higher.

As at the 31 March 2026, the Police and Crime Commissioner for Dyfed-Powys had £3m invested in Money Market Funds, which are Instant Access Accounts. As these investments are readily convertible to cash, they are classified as cash equivalents on the balance sheet rather than investments.

The table below shows the year end position on cash equivalents and investments. There were no long-term investments being held at 31 March 2026. This was due to the timing of commitments to the capital programme, and the resulting temporary cash flow shortages, which meant that cash balances such as earmarked reserves, were being used to fund expenditure as opposed to being invested on a long-term basis.

	Cash equivalents	Short-term investments	Long-term investments	Total as at 31 March 2026
	£m	£m	£m	£m
Local Authority	0.0	0.0	0.0	0.0
Bonds	0.0	0.0	0.0	0.0
Money Market Funds	3.0	0.0	0.0	3.0
Debt Management Office	0.0	0.0	0.0	0.0
UK Banks	0.0	2.1	0.0	2.1
	3.0	**2.1**	**0.0**	**5.1**

BORROWING

The Police and Crime Commissioner's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

Interest rates have seen substantial rises over the last three years, although these rises have now begun to plateau. On 31st March 2025, the PWLB certainty rates for maturity loans were 5.46% for 10-year loans, 5.92% for 20-year loans and 5.67% for 50-year loans. Their equivalents on 31st March 2026 were 5.77%, 6.24%, and 6.08% respectively.

In December 2025, there was a need for the Police and Crime Commissioner to address temporary cash flow shortages, and a decision was made to externalise some of our internal borrowing. Various borrowing options were explored, and a Fixed Rate EIP Loan for £10m was arranged with the PWLB. A Fixed Rate EIP Loan is where interest and principal payments are made over the term of the loan. The loan was agreed for a period of five years, at a certainty rate of 4.57%. During March 2026, an additional borrowing requirement was identified. Following an assessment of the available options, a £5m one-year, Fixed Rate Maturity Loan was arranged at a certainty rate of 5.32%. A Fixed Rate Maturity Loan is where interest only is paid during the term of the loan, and principal is repaid at the end of the loan.

The table below summarises the movement in borrowing during 2025-26:

	Balance as at 1 April 2025 £m	Debt Maturing £m	New Borrowing £m	Balance as at 31 March 2026 £m
Total PWLB borrowing	20.6	-10.4	15.0	25.2

POLICE AND CRIME COMMISSIONER FOR DYFED-POWYS

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OPERATIONAL OVERVIEW

From a Force perspective, performance against key objectives is monitored and reported locally at all levels within the organisation as well as at weekly, monthly and quarterly force performance events and two-weekly Policing Board meetings.

During 2025/26, a total of 35,905 crimes were recorded, compared with 37,939 in 2024/25 – representing a decrease of 2,034 offences (5.36%), as shown in the following table:

Crimes Recorded by Crime Type	2024-25 Number of Recorded Crimes	2025-26 Number of Recorded Crimes	Difference Number of Recorded Crimes	Difference %
Violence Against the Person	17,958	16,771	-1,187	-6.61%
Theft	4,617	4,277	-340	-7.36%
Arson and Criminal Damage	4,011	4,077	66	1.65%
Public Order Offences	3,938	3,479	-459	-11.66%
Drug Offences	1,797	2,051	254	14.13%
Sexual Offences	1,756	1,658	-98	-5.58%
Burglary	1,601	1,350	-251	-15.68%
Miscellaneous Offences	1020	1,038	18	1.76%
Vehicle Offences	719	675	-44	-6.12%
Possession of Weapons	418	431	13	3.11%
Robbery	104	98	-6	-5.77%
Total	**37,939**	**35,905**	**-2,034**	**-5.36%**

Looking at the year's figures, further improvements have been made in crime recording to comply with the changes to the Home Office Counting Rules (HOCR), alongside increased proactivity in ensuring adherence to both the National Crime Recording Standard (NCRS) and the HOCR. Anti-Social Behaviour and Harassment offences have been subject to increased scrutiny nationally, which is reflected by a reduction in public order offences. This area of work remains under scrutiny, and further work is planned to ensure no crimes are being overlooked. Malicious Communication offences also remain in the spotlight to ensure the threshold is met before an offence is recorded.

35,905 crimes were assigned an outcome during 2025/26. 15% of these were Solved Outcomes (Previously referred to as 'Positive Outcomes': Outcomes 1 – 8, excluding Outcome 5), 4% were Resolved (Outcomes 5,9,10,20,22 – policing has done what it can, there is sufficient evidence, however offender not alive to prosecute, it is not in the public interest, or a diversionary route can address the behaviour). Noteworthy improvements have been made with the Solved Outcome rates for Sexual Offences (2025/26: 11%) and Shoplifting (2025/26: 35%).

The Force continues to maintain an effective and efficient 999 telephony service. 999 calls are, inevitably, prioritised above all others as they represent urgent emergency requests for assistance where time is of the essence. 67,545 999 calls were received during 2025/26 (9.3% increase). Reflecting on national reported data during the period 2025/26, the Force's average call wait time was 4.84 seconds. In terms of the Force's performance, cognisance must be given to the latency time – the time taken for a call to be transferred from the BT exchange to the Force Control Centre which is included within this reported data. Dyfed-Powys Police maintain a performance record which provides reassurance that, during the period 2025/26, 95.1% of 999 calls were answered in under 10 seconds. The Force has consistently met the monthly National Home Office 999 Key Performance Indicator (KPI) of

90% of all 999 calls presented to the Force answered within 10 seconds, monthly since January 2025. This performance evidences the continued positive impact of the new telephony and radio system that went live in November 2024, supported by additional staffing.

The public largely consider the 101 service to be a contact channel for reporting non-emergency incidents to the Police (generally, calls that do not warrant a 999 call). 176,971 101 calls were received during 2025/26 (2.5% increase). The Force has maintained its performance with answering 101 calls, with the average call waiting time for 2025/26 being 42 seconds. This is a vast improvement from 140 seconds recorded for 2024/25. This reduction in the answer time has consequently meant that callers have been less likely to abandon their calls whilst queuing, which has been positively reflected in the abandonment rate.

Abandonment levels on this service were recorded as 8.3% in March 2026. The Force has consistently remained within the national KPI of a 10% abandonment rate since January 2025. This is a vast improvement from the 33.09% abandonment rate recorded in April 2024.

OPERATIONAL OVERVIEW (contd.)

The maintained increase in performance has been attributable to a number of considered measures introduced, namely the implementation of a new telephony system, a significant investment in staffing levels, changes to the existing operating model including the introduction of an omni-competent programme intended to strengthen resilience across the department, as well as the introduction of a new rota and shift pattern. This has enabled on-duty staffing levels to be maximised at any one time in line with the demand profile.

The Force offers a 24/7 Digital Contact Service which includes the Single Online Home online reporting platform (accessed via the Force website) and two-way social media communications.

During 2025/26, a total of 24,821 Single Online Home forms were submitted, an increase of 15.1% from the previous year (data source: Knowledge Hub). This demand is ever increasing with new submission form categories and services being introduced regularly. In terms of various social media channels and email communication, data shows that during 2025/26, a total of 17,897 conversations were held through social media (these include both direct messages and conversations on open channels) - this is a 7.8% increase from 16,595 conversations in 2024/25. While not yet fully quantified, direct email contact is estimated at approximately 200 emails per day.

LOOKING AHEAD

The financial environment remains very challenging in terms of the overall economic position, with the cost-of-living crisis and further ongoing conflict and tensions which are creating further inflationary and interest rate risks. Cost reduction measures of over £11m have been achieved since 2023/24 with a further £3.5m being included in the budget for 2026/27. There remains a risk that the pay award in September 2026 will exceed the 3% assumed at budget setting time. The Police Remuneration Review Body recommends a pay increase of 3.5%, which could cost an additional £0.4m). In addition, fuel price escalations since March 2026 has led to weekly fuel costs increasing by around £6k, creating a further potential cost pressure.

The full MTFP document for 2026-27 can be found at:

- https://www.dyfedpowys-pcc.org.uk/en/finance/precept-and-medium-term-financial-plan/

Setting future inflationary assumptions is difficult, and with each percentage change from assumed levels making a significant difference in monetary terms. A 1% change in all Medium-Term Financial Plan assumptions would result in a £1.1m deficit/surplus in 2026/27, rising to £4.0m million deficit/surplus in future years. Cumulatively, this would need to be addressed through further cost reductions or council tax adjustments. The Plan is particularly sensitive to variations in pay awards, precept levels and settlements.

The second stage of the 2025 Comprehensive Spending Review, reported on 11 June 2025, included total policing allocations for three years from 2026/27. These were incorporated into the Medium-Term Financial Plan. Announcements on Police Reform came too late to be incorporated. Work on an updated MTFP for 2027/28 has commenced since June 2025.

The Commissioner and the Force face numerous unknown and uncertain potential future financial commitments and liabilities, which are referred to further in the Contingent Liabilities and Pensions notes. The UK Government recommenced the Funding Formula Review in May 2021, however this is unlikely to progress in the medium term and is being incorporated into wider considerations around Police Reform. The outcome of this work and potential financial consequences remains a risk.

Despite the assumed increases in council tax precept, there is a need for continued efficiency and productivity requirements over the term of the MTFP. Uncertainties around future core and specific grant funding, complexities in relation to pensions costs, Police Reform and the workforce set against the wider economic landscape mean that the financial environment is likely to remain challenging for the foreseeable future.