



**AVON &
SOMERSET**
POLICE & CRIME
COMMISSIONER



Avon and Somerset Police & Crime Commissioner

Medium Term Financial Plan

2026/27 – 2030/31

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Executive Summary

This MTFP reflects the continued tightened financial constraints within which the wider public sector and policing specifically are expected to operate. The plan builds on the limited announcements made so far by the Government in relation to police funding for 2026/27, which include the assumption that the policing precept will increase by £15 p.a. for an average band D property. The plan projects forward using further assumptions in subsequent years, forecasting that revenue funding will **increase by £76.9m/18.0% by the 2030/31** financial year.

At the time of writing this plan we have not yet received the full detail of our funding settlement. The **Police Grant Report**, normally published in December, is what we rely on to provide the breakdown of our grant funding. As at early January **this has still not been published by the Government in full**. While we have been provided with a headline figure for our grant funding (£270.0m in 2026/27) we do not therefore know the full breakdown of this, and importantly what, if any, conditions are attached to any aspects of this. This plan has therefore had to make several assumptions, which will need to be revisited once further detail is provided.

This plan is made within the context that policing in Avon and Somerset continues to be **under-funded compared to our need** and to comparable forces around the country. Our funding per head of population is below national average, and below the funding levels seen in those force areas with one of the other 10 largest cities in England and Wales. The Government continues to acknowledge the need for reform of the funding formula for the distribution of police funding, however, they have yet to commit to a timescale for this work. We remain hopeful that the police reform white paper will address some of this imbalance, but we have not assumed that this will change over the course of this plan.

This plan commits us to continuing to maintain our police officer numbers. The **police officer headcount target we will be maintaining throughout 2026/27 and beyond is assumed to be 3,421**. This is the target we are on track to achieve by the end of March 2026, having uplifted this by 70 officers in 2025/26 with the additional funding provided by the Neighbourhood Policing Grant. We have assumed that £8.0m of our grant funding will continue to be ring-fenced and paid to us only on evidencing we have maintained this number, however, we will need to revisit this once further breakdown of our grant funding is provided.

This plan also recognises growth in costs. The main cost increases relate to pay where we have assumed both annual inflationary increases, and a gradual increase in the average cost of an officer as our profile matures. Inflationary pressures are also forecast for items of non-pay, including increases in the costs of running local and national police IT infrastructure, and acute pressures which are explained in the detail of this report. This plan forecasts that our costs will increase by **£90.7m/21.3% by the 2030/31** financial year (an average of 4% p.a.), reducing to **£82.3m/19.3%** after we have accounted for £8.4m of planned savings.

	Current	MTFP Forecast				
	25/26 £'000	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000	30/31 £'000
Budget requirement	425,864	451,259	469,801	486,405	501,532	516,524
Less; Total funding	-425,864	-446,926	-462,790	-478,041	-490,287	-502,731
(Surplus)/Deficit before savings		4,333	7,011	8,364	11,245	13,793
Less; Planned new savings		-4,333	-7,011	-8,364	-8,364	-8,364
(Surplus)/Deficit after savings		-	-	-	2,881	5,429

At this stage our plan shows that our 2026/27 revenue budget is balanced after accounting for those savings already identified. Based on the assumptions made in future years (which are explained in more detail in the report), we are also forecasting that we will be balanced for each of the next two years as well, achieved through the further delivery of planned savings. However, there remains a residual deficit in the final two years of this plan for which the identification of new savings will be necessary. The Constabulary has delivered more than £100m in savings since 2010/11 and has done so against a backdrop of already being underfunded compared to need.

Further productivity and efficiency savings will remain a focus, particularly where they unlock capacity to manage demand pressures and/or release a cashable saving to help with our financial challenges. It is likely that future savings plans will continue to require a reduction in headcount. With protection on police officer numbers this will require us to further review our police staff numbers as part of the considerations for how we will achieve the savings that deliver a sustainable balanced budget for the medium-term.

Our intention will be to minimise the impact the delivery of these savings will have on successfully achieving both the Government's national '**Safer Streets Mission**' and the PCC's '**Police and Crime Plan**' for Avon and Somerset. To achieve this, we will need to review our demand, particularly our non-crime demand, and to continue to reset expectations as to where policing is best placed to respond and where a response is best provided elsewhere. Through this work we will ensure that our focus remains on that demand and those services which the public rightly expect of their police service.

This MTFP reflects an **increase in council tax of £15/5.1% in 2026/27** for average band D properties. The proposal to increase the precept by £15 is reflective of:

- The need to sustainably **maintain our police officers** for the medium term, while recognising the incremental increase in costs of doing this as pay progression and pay inflation gradually move officer costs upwards.
- The need to **maintain our neighbourhood policing capacity** and the proactive and preventative capability that this provides, having grown this area during 2025/26.
- The need to provision for a reasonable **pay award to officers and staff** to ensure our people continue to receive a fair reward for the roles that they perform, and to support ongoing recruitment and retention.
- The need to manage **inflationary and other acute pressures** on our costs, including pressures on national and local IT infrastructure, pressures on overtime budgets, pressures on postage budgets as well as pressures of energy, fuel and other general inflation which are reflective of the cost-of-living challenges households and organisations continue to see.

The key assumptions that follow from this forecast position are.

- Revenue **funding is forecast to grow by £76.9m/18.0%** p.a. by 2030/31, driven by:
 - Increases to **police grant funding** of £8.7m/3.5% in 2026/27, rising to an increase of £28.4m/11.5% by 2030/31.
 - Increases in **council tax funding** of £12.4m/6.9% in 2026/27, rising to an increase of £48.5m/27.0% by 2030/31, which is achieved through both increases to the precept and tax base.
- Revenue **budget requirement is forecast to increase by £90.7m/21.3%** p.a. by 2030/31, driven by factors such as:
 - Inflationary adjustments to **officer and staff pay**, incorporating the full year effect of the 4.2% 2025/26 pay award, and provisioning for 3.0% p.a. in 2026/27, 2027/28, 2028/29 and then

annual forecasted increases of 2.5% p.a. thereafter. This is an increase in cost of £13.4m in 2026/27 rising to £55.6m p.a. by 2030/31.

- Adjustments to the **average cost of an officer and staff** which reflects the gradual maturing of our workforce profile and the incremental pay progression that is associated with this, resulting in an increase of £1.3m to budgets in 2026/27, increasing to £3.8m by 2030/31.
- **Growth in police officer costs** of £2.3m in 26/27, rising to £3.3m by 2030/31 to reflect the recurring growth delivered in 2025/26 through the neighbourhood policing grant, and the assumption we will permanently retain the additional uplift officers recruited to help ensure that national uplift plans were realised. This is largely offset by the assumption that we will now retain the additional uplift grant funding, which in previous versions of our MTFP we had assumed would cease after 2025/26.
- **Inflationary increases to non-pay costs** reflective of general, specific and acute pressures adding +£1.8m in 2026/27 rising to +£12.2m by 2030/31.
- Combined growth of £3.2m to **support investment in targeted priority areas** in response to increasing demand, legislative and compliance requirements. This includes growth in our:
 - Vetting unit to help manage the increase compliance demands on this critical service.
 - Legal services capacity to support the growth in demand created through increased misconduct procedures.
 - Recruitment capacity to ensure we can continue to maintain our officer numbers in an increasingly challenged and competitive market.
 - Growth for programme fees associated with new Police Constable Entry Programme introduced last year.
 - Growth in IT costs to support the introduction of new solutions to help further unlock our capacity, as well as to support our continued migration of services into the cloud, enhancing the resilience and security of our IT infrastructure.
- The costs of **partnerships** have increased, reflecting the impact of the same assumptions made around pay, a reduction to pension employer contributions and inflation. In total our partnership costs have increase of £1.1m in 2026/27, rising to £4.0m in 2030/31.
- A **reduction to the ringfenced grant funding** which we account for as income. This reflects the expectation that the additional uplift maintenance grant will continue, but at a reduced value of £2.4m (a reduction of £0.7m) which we will need to review once the police grant settlement detail has been shared. This also recognises the loss of funding (£0.4m) to support the additional costs of the XL bully dog ban which we now understand will not be recurring.
- Decreases to **income** budgets of £1.4m in 2026/27 (reducing by £1.6m by 2030/31). These include upward inflationary adjustments to our income budgets where appropriate, which are offset by forecast reductions to our investment income as interest rates start to fall over the medium term, and from the reduction in funding expected to be received for policing at Hinkley Point reflecting the progress of this project.
- Within our budgets we have made several **adjustments** to recognise changes to our previous plans, reducing budgets by £1.8m from 2026/27. This includes previous adjustments to budgets inflated in 2025/26 (e.g. utilities, fuel and IT) where the final costs actually incurred were not as great as previously forecast reflecting the movement in markets or the securing of better pricing through procurement arrangements.
- Realisation of new **revenue savings and adjustments** of £4.3m in 2026/27 rising to £8.4m by 2030/31, reflecting those savings identified and planned to be implemented. This includes

ongoing reduction to police staff headcount as previously announced, as well as savings against non-pay budgets where these have been identified.

- **Revenue contributions to fund the Capital Programme** are increased by £0.7m in 2026/27, and by £1.8m by 2030/31. This reflects adjustments in line with our PFI accounting model and in servicing of new debt expected to be taken in support of our capital plans. This also includes annual increases to our direct revenue funding of capital of £0.25m p.a. from 2026/27, reflecting the ongoing need for inflationary adjustments for capital funding.
- Increases in the costs of **OPCC budgets** of £0.2m in 2026/27 rising to £0.5m by 2030/31 reflecting the inflationary pressures seen across the Constabulary budgets.

Avon and Somerset's continued transformation also requires capital investment. Investments in **digital transformation**, as well as **across our estate and fleet**, require funding to implement. Some of these are locally driven requirements, however, there are also capital investments needed to meet the local costs of national programmes, as well as responding to wider legislative and market movements such as the introduction of electric vehicles. Capital funding is increasingly under pressure to provide for this ambition, at the same time as maintaining and replacing existing asset base. These plans therefore make forward provision for growth in capital funding, including through both direct revenue contributions to capital, as well as planning for the use of borrowing in support of specific estates projects. These plans present a residual capital funding shortfall of £4.05m at this stage of development, and more work will be undertaken to identify opportunities to close this gap, including lobbying and bidding for further capital funding for specific initiatives, as well as through reductions and re-profiling of costs where possible to achieve.

Useable **reserve levels** stood at £53.8m at the end of March 2025 and are forecast to decrease to £43.7m by March 2026. By the end of March 2031, the forecast projects that useable reserves will stand at £21.0m, which reflects the intended use of reserves to fund our capital plans. The value of reserves by the end of this plan represents a recurring prudent level beyond which they are unlikely to drop much further.

Introduction

The Medium-Term Financial Plan (MTFP) provides the financial outlook, context, and resourcing principles for the annual budget setting process. It outlines, in broad terms, the specific service and funding issues over the 5-year period and how the PCC will, within these financial constraints, fund priorities and ensure financial sustainability and resilience. The MTFP needs to be responsive to changing national and local conditions and is therefore a living document subject to annual review, with this plan covering 2026/27 – 2030/31.

This is the second MTFP set by this PCC since her election in May 2024. It has been developed in collaboration between the Office of the PCC and the Constabulary and has been drafted to enable the delivery of the PCC's new Police and Crime Plan. The plan is cognisant of the government's safer streets mission, as well as its commitments to neighbourhood policing and to tackling violence against women and girls, all of which are reflected in the priorities of the police and crime plan.

These priorities are:

- **Strengthening neighbourhood policing**, including tackling anti-social behaviour.
- **Reducing violent crime**, particularly male violence against women and girls and serious youth violence.
- **Preventing crime** by working together with other organisations and the public to build safer communities.
- **Supporting victims** to ensure they get the help they need when they need it.
- **Improving policing standards** so that people receive a fair and effective service.

Neither the summer 2025 Spending Review, nor the Autumn budget Statement, provided a detailed policing funding settlement, offering only high-level spending intentions and leaving significant uncertainty around future police grant allocations. Our early planning from both events has therefore been based on national models of what these most likely mean for funding at local level.

We would normally expect the announcement of a more detailed funding settlement with the publication of the Police Grant Report in December 2025. This announcement provides a more detailed breakdown of our proposed grant funding, as well as confirmation of the council tax setting principles within which a PCC will be expected to operate. However, as we finalise the writing of this plan in early January the detail of the Police Grant report has still not been published. All we have been provided with are a written ministerial statement¹ (totalling four paragraphs), and an accompanying table providing only headline figures for grant funding (with no breakdown). The forecasts and budget proposals included within this plan are therefore presented based on this limited information.

There has also been no further detail provided on the longer-term plans for police reform, beyond the headline announcement that Police and Crime Commissioners will be abolished from 2028. The publication of a White Paper setting out these ambitions was originally expected in the Spring of 2025 but has been delayed several times. We are now told to expect this to be published in early 2026. The absence of the direction that this will provide, further limits the scope and scale of this financial plan.

This MTFP therefore represents the best possible forecasts we can make at the time of writing. We acknowledge that we will need to review these plans as more detail is provided over the coming weeks and months.

¹ <https://questions-statements.parliament.uk/written-statements/detail/2025-12-18/hcws1216>

Demand for policing continues to change:

- During 2025 we recorded 172,646 crimes in Avon and Somerset, an increase of 3.4% on those recorded in 2024, and 52.8% over the last 10 years.
- Of these, we recorded 144,201 victim-based crimes during 2025, an increase of 1.8% on 2024, and 46.5% over the last 10 years.

Within this, more complex crime types, which often require more resource, continue to grow:

- Internet child abuse recorded crimes increased by 9.1% in 2025, and by 693.5% over the last 10 years, reflecting the continued flow of demand to us from the National Crime Agency.
- Recorded hate crime incidents grew by 9.9% in 2025, and by 207.2% over the last 10 years.
- Rape and serious sexual offences are starting to stabilise, with an increase of 1.2% in 2025, however this still represents a 148% increase over the past 10 years.
- Domestic abused flagged crimes are similarly stabilising, with an increase of 2.6% in 2025, and a 111.1% increase over the past 10 years.

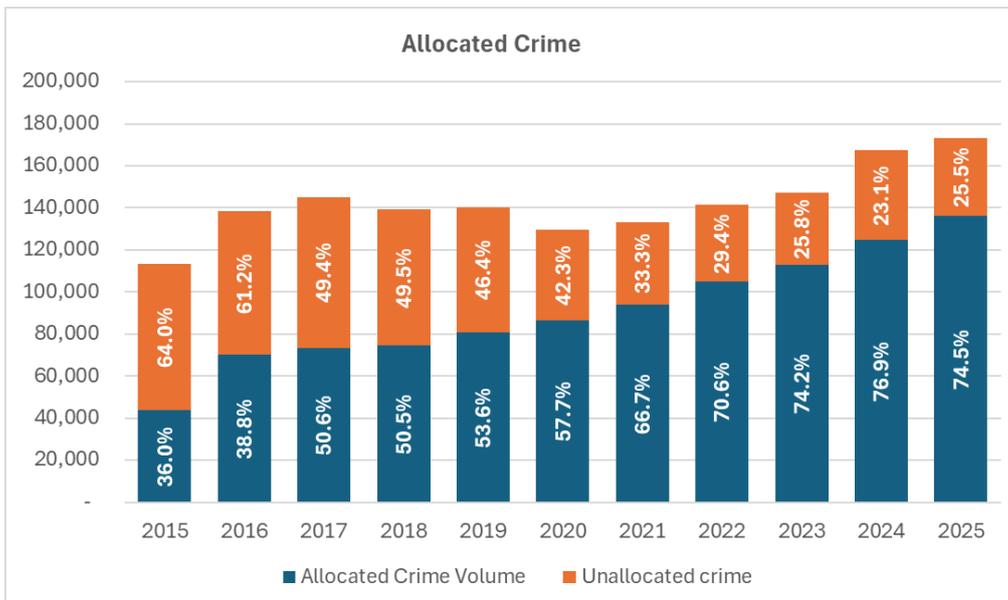
We have also started to see some reductions in crime types, including:

- Recorded knife crime has reduced by 11.1% during 2025, however is still showing a 351.4% increase over the last 10 years.
- Recorded neighbourhood crime (residential burglary, personal robbery, vehicle crime and theft from the person) has reduced by 6% during 2025.
- Recorded shoplifting offences have become stable, with a small reduction of 3.5% for 2025, reflecting in part the increased positive outcomes we are achieving here (21.5% compared to 16% for the prior year). However, shoplifting offences continue to be high by historic standards, with 2025 recorded crimes being 78% higher than those recorded three years ago.

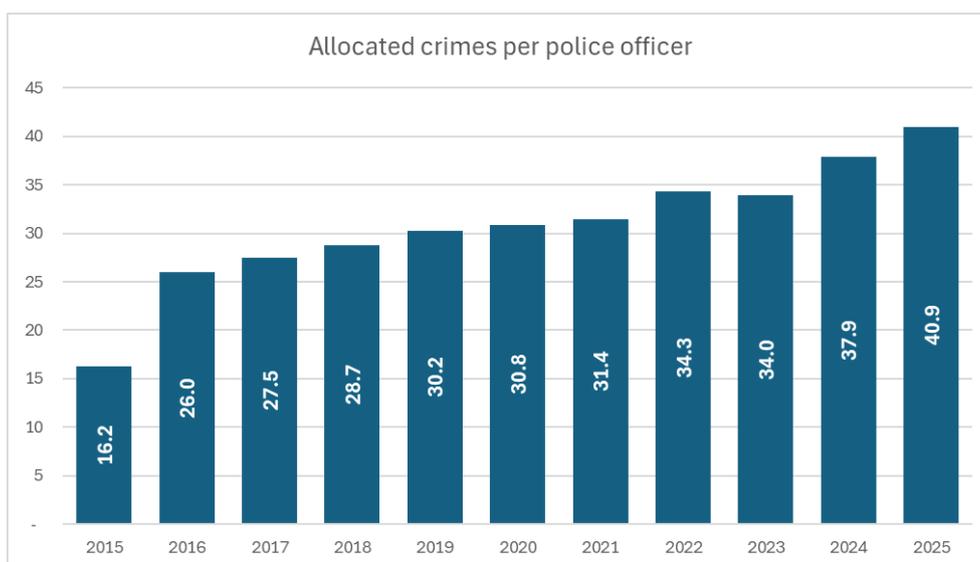
It isn't just crime where our demand continues to change.

- The numbers of registered sex offenders living in our force area needing ongoing risk assessments and visits continues to grow at about 10% p.a., with this number standing at 1,901 as at the end of 2025.
- During 2025 the number of domestic violence disclosure (Claire's law) requests processed increased by 31.1%, with the total number processed in 2025 standing at 2,444 – all of which is new demand introduced in the last 10 years.
- Alongside this we have seen continued strain placed on resources in the policing of protests, with a total of 185 protests needing some form of policing across Avon and Somerset during 2025, up from 150 protests policed in 2024. While we do not centrally record the resources for all protest policing activity, where this is available, we can see that we have committed 13,448 officer and 432 staff hours to protest policing in 2025 (an increase of 5,096/61% officer hours, and 152/54% staff hours compared to 2024).

The increases in complex crime types, combined with growing expectations and requirements on policing to provide a response, has also meant that more of the crimes that are recorded are allocated to officers to follow up investigations. In 2025, 75% of recorded crime, over 136,000 crimes, were allocated for follow up investigation work. This represents a significant increase over the past decade as the below graph demonstrates.



Police officer numbers have regrown in recent years following the new investment provided under the police uplift programme and last year with the neighbourhood uplift. However, while this growth was very welcome it has not kept pace with the growth in demand.



To create capacity to meet this increasing demand the Constabulary are progressing several initiatives designed to reduce non-crime demand and enhance productivity. This includes:

- Continued development and use of our Robotic Process Automation capabilities (for which we are recognised by the Home Office as one of two national pathfinder forces), which during 2025 has delivered the equivalent capacity to 90 FTE members of staff (117,134 hours of activity).
- Continuing to implement the national ‘Right care, Right person’ initiative in Avon and Somerset, ensuring people in mental health or welfare crisis receive support from the most appropriate trained professional – not necessarily the police. Since we started to introduce this initiative (June 2024), we have consistently seen a reduction in the number of incidents logged and attended. In 2025 we estimate that this has contributed to nearly 7,000 fewer incident logs, and nearly 6,000 fewer officer hours at the scene of incidents.
- Further utilisation of the Enhanced Video Response (EVR) function, which was developed initially in Dorset police, and adopted and improved on by us in Avon and Somerset. Through

this we can provide an optional video-based response to the public for non-emergency incidents that do not require an in-person response. Through our trial of this capability, which has been supported by the College of Policing, we have identified benefits both in our service to the public and in the greater efficiency this enables for our staff. This initiative continues to be developed and enhanced, but during the last 2 months of 2025 we responded to 1,208 incidents through this route and have started to introduce AI summarisation capabilities (which is a feature within the video software used), through which we anticipate being able to release up to 6,000 hours of officer time per year once fully adopted.

- Exploration of new initiatives and ideas, including:
 - A new investigative evidence search and discovery tool (known as Sozë) which can manage large volumes of complex data, including communications, images and financial data obtained from multiple devices and platforms. This capability is one we have been piloting for over 12 months now as the first international force outside of its original country of origin (Australia) to do so. Through this we have identified several benefits, including 69% of investigators discovering new/additional evidence; 38% of investigators finding evidence that would have been extremely time consuming to uncover otherwise; and 31% of investigators able to progress analyses which would have otherwise been deemed impractical or impossible to accomplish.
 - Enabling other capabilities to help unlock individual productivity, including the release of Microsoft co-pilot chat for all officers and staff during 2025, and the commission of a training needs assessment by the Open University to identify what training we will need to provide to our staff around the future of Artificial Intelligence.

The fiscal context for this MTFP remains tight, reflecting the position of the UK public finances. The limited detail provided in the funding announcements made by the Home Office in December reflect that, with the headline grant funding being less than we had been previously forecasting based on the Spending Review projections. Our forecasts for funding continue to show a shift in the balance of funding for policing from government grant funding towards council tax funding. This has been the pattern in place for several years now, and the police funding announcements for 2026/27 continue this trend which is expected to last for the duration of this MTFP period.

The basis for distribution of grant funding across policing is widely recognised as needing reform. However, while the new government have acknowledged this position, they are yet to commit to a timescale for this. It is unclear if the Police Reform White Paper will address and therefore this MTFP assumes no change to the model across the next five years.

The plan recognises the ongoing importance of maintaining police officer numbers. However, there is no scope currently within this plan to grow these numbers further, reflecting the tightened funding position announced in December. This plan therefore does not clearly set out how we will continue to realise further growth in the number of officers working in neighbourhood policing in support of the Governments ambition to increase these numbers by 13,000 nationally across this parliamentary term. We will need to review this in light of any further announcements from the government as to how they expect this target to be achieved.

Maintaining our officer numbers will require of us ongoing annual recruitment of between 200 and 250 new officers, and the management of c. 400 - 500 officers at any one time undergoing their initial training to become a police officer. Leading a workforce that requires this level of abstraction, and where more than 40% have less than 6 years' experience will continue to present us with recruitment, training and resourcing challenges and will require ongoing investment into our leadership capabilities.

At the same time the inflationary pressures on our costs continue to grow. Employment costs and pay are the single biggest area of spend supported by this budget and therefore increases in pay and pay related costs are where the most material changes are expected across the medium term. Wider inflationary pressures are also forecast across areas of non-pay, and some investment into new capabilities, particularly those offered by technology, to help in sustainably managing the policing demands we face, are considered in these plans.

The plan also recognises the need for ongoing capital expenditure. This is required to sustain existing capabilities and assets, but also to enable and support larger investments into our estate, to manage the gradual transition of our fleet towards more electric vehicles, and to enable the transition of critical operational communication services as part of the national plan to switch off airwave radio by the end of this decade.

Alongside these cost pressures and investments, the plan also recognises that it will be necessary to continue to identify revenue and capital savings. These are needed to not only ensure that we can continue to balance our budgets, but that we can sustain the new investment needed and expected of us. Our current plans for savings only get us so far, with forecast revenue and capital deficits identified across the medium term. We therefore know that future iterations of this plan will need to bring forward further savings.

In 2026/27, we will continue to see change throughout the Force. This plan commits Avon and Somerset to using the funds available through both government grant and council tax precept growth to:

- **Maintain police officer headcount of 3,421 throughout 2026/27 and across the medium term** – This target officer headcount includes additional officer numbers previously committed to in support of the first year of our neighbourhood policing investment, which were added to the previous growth recognised through the police uplift programme. Our intention will be to maintain this number throughout the medium term, with the detail of any conditional grant funding linked to this yet to be fully understood in the absence of the full police grant report being published.
- **Fund a reasonable pay award for officers and staff** – The government confirmed a pay award for police officers at 4.2% from September 2025, and this was mirrored through the police staff negotiations. The full year cost of this has been included within this plan. Looking ahead we know that there will continue to be pressure for inflationary pay awards that keep pace with the changes to the cost of living, and this plan therefore makes provision for 3.0% annual increase to pay in each of the next three years, and at 2.5% in each of the final two years of this forecast period.
- **Fund inflationary cost pressures** - We expect inflation to remain a key factor throughout the MTFP. This plan contains provision for specific market pressures, including in areas such as IT, forensics, insurance, fuel, utilities and business rates. The plan also makes general inflationary provision at 2% in line with the bank of England's long-term target for inflation, where it is appropriate to do so.
- **Fund increases in the costs of partnerships** – we collaborate with partners in the delivery of policing services in several areas. Each of these are subject to the same pay and inflationary increases we recognise in our own budgets. In addition, we have recognised some joint investment into forensic services with partners to manage the growth in both accreditation compliance costs and in demand of digital evidence. Where possible we have sought to offset these cost increases through savings from collaborations, but net there are increases to these budgets. This plan therefore accounts for our share of increases to these costs.

- **Deliver the existing savings plans and bring forward plans for further savings** across the medium term that will not only enable the balancing of the revenue budget but also support further re-investment into priority areas.
- Fund the ongoing **replacement of existing assets** as they reach the end of their useful lives, as well as **support new investment** in both national and local IT projects, and in the police estate across Avon and Somerset. This will include a new police station in Bath, and a return to our refurbished police station in Yeovil. We will also progress the roll out of electric vehicle charging infrastructure across our estate, enabling the gradual transition of our fleet in line with government policy and market trends.

It is in this national and local context that this MTFP has been prepared.

Revenue Funding

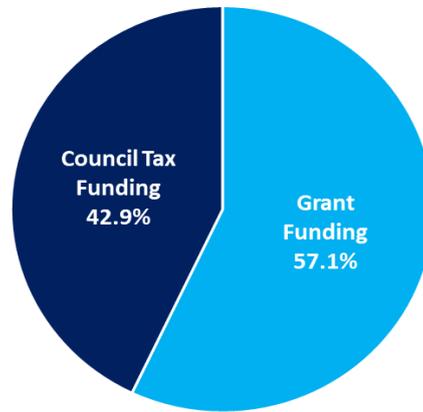
The PCC receives two main sources of funding: -

- Government grant funding; and
- Council tax funding.

Total funding is **forecast to be £447.2m in 2026/27**, the equivalent of £250.57 per head of population. This forecast reflects an increase of £21.3m/5.0% on prior year.

Over the medium-term total funding is forecast to **increase by £76.9m/18.0% by the 2030/31** financial year. This results from forecast increases in both grant and council tax funding.

Figure 1 – Ratio of Grant and Council Tax Funding 26/27

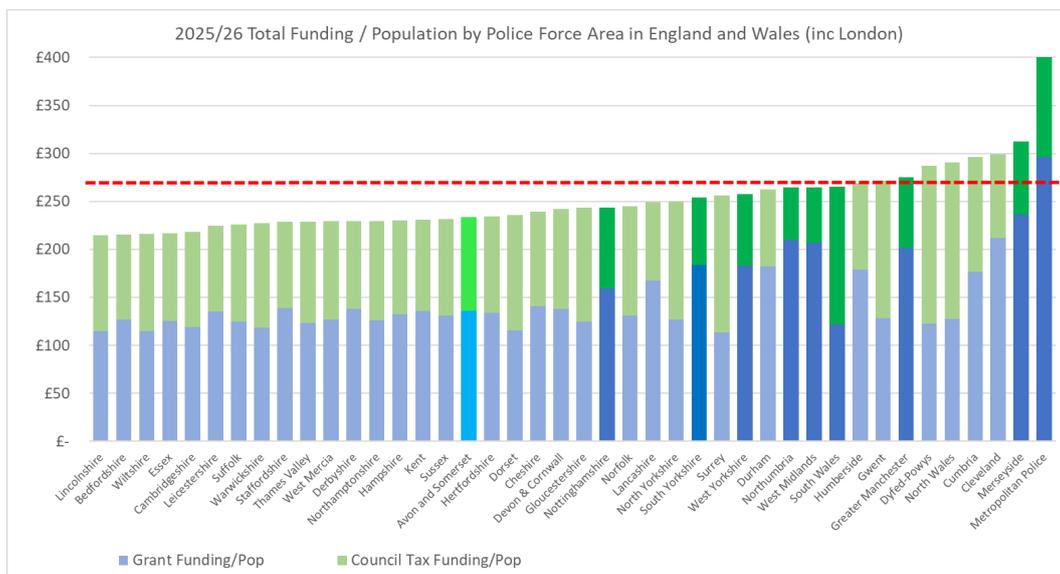


Forecast changes to revenue funding across this MTFP	Current Restated	Forecast				
	25/26 £'000	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000	30/31 £'000
Core Grant funding ²	246,275	254,979	262,476	266,544	270,577	274,677
Council tax funding	179,589	191,947	200,314	211,497	219,710	228,054
TOTAL funding	425,864	446,926	462,790	478,041	490,287	502,731
<i>Increase in funding</i>		+21,062	+36,926	+52,177	+64,423	+76,867

Funding of policing in England and Wales

Compared to other forces across England and Wales, Avon and Somerset is underfunded.

Figure 2: 2025/26 funding per head of population showing grant and council tax breakdown by PCC in England and Wales



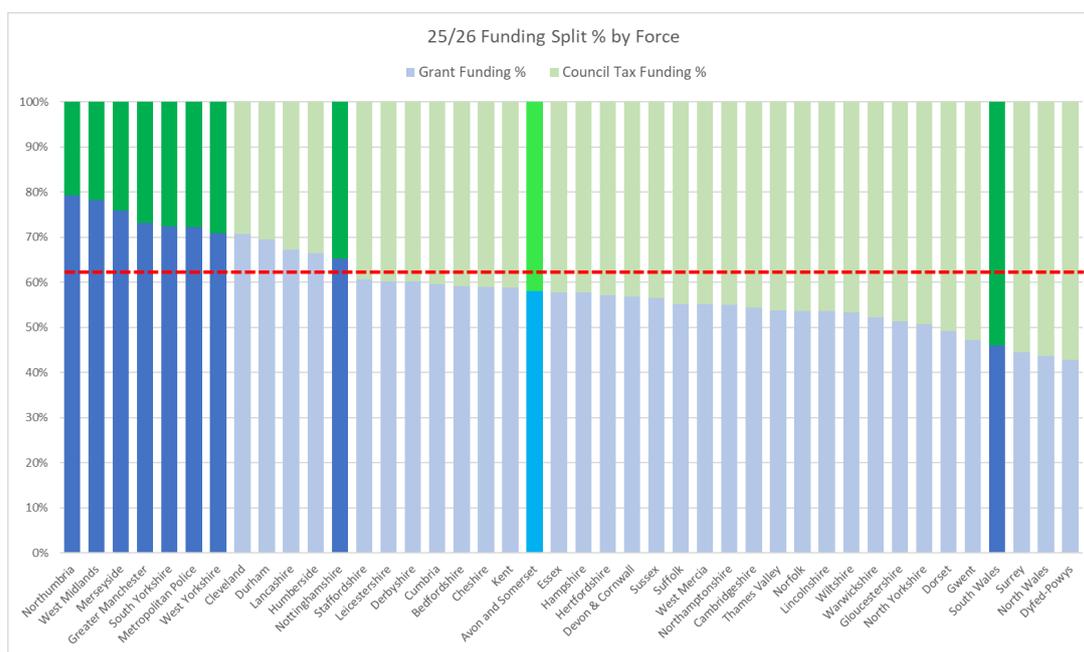
² This reflects the grant funding confirmed annually by the Government for which there is no ring-fenced, conditional purpose.

In 2025/26 the PCC received the equivalent of £233.47 for each person living in Avon and Somerset to provide policing services. Across England and Wales, the average provided to a PCC was £270.57³ per person. If Avon and Somerset were to receive the equivalent funding of the average this would see our funding increase **by £67.4m p.a.**

The position is starker when compared to those forces who have one of the 10 core cities⁴ of which Bristol is one. The average funding provided to the other 9 PCCs for these force areas is £314.11 per person. If Avon and Somerset were to receive the equivalent funding of the average this would see our funding increase by £146.4m p.a.

The ratio of grant funding to council tax funding differs significantly across the country. The reasons for these differences are historic, reflecting the underlying variation in the way in which grant funding is distributed to PCCs, and the local council tax decisions in the context of relative funding levels.

Figure 3: 2025/26 ratio of grant to council tax funding for PCCs in England and Wales



The current formula used to distribute grant funding was designed in the mid 2000’s but was introduced with transitional arrangements that would have taken nearly 50 years to fully be implemented. Had the formula been fully implemented, Avon and Somerset were set to receive c. £20m p.a. more in funding.

When the coalition government came to power in 2010, they in effect paused these transitional arrangements so that uniform reductions to grant funding could be imposed across policing. Grant funding in 2026/27 continues to be distributed under this model – a formula that is 15 years old and which was only ever meant to be a transitional point on a previous implementation plan.

At the same time as the formula was fixed, government instigated tighter control over local council tax levels. Initially Police Authorities were incentivised to freeze council tax (for which they were rewarded with separate grant funding which continues to this day), and then local council tax referendums were introduced. No consideration was given to the relative council tax levels of individual forces, or their relative funding through grant formula. In effect this has locked in significant variation across the country. Avon and Somerset remain the median force area for its council tax levels in England and Wales.

³ Excluding City of London Police, but includes the Metropolitan Police

⁴ London, Birmingham, Manchester, Liverpool, Leeds, Newcastle, Sheffield, Cardiff, Nottingham and Bristol

The reality of funding reform is that it will result in a redistribution of funding. This will create winners and losers, and consequently it has been politically resisted. However, as Government has increasingly intervened to provide additional grant funding to policing (for above inflation pay awards it has approved and for increases to the costs of pensions), they are already seeing a disproportionate impact of the continued use of this formula. Those forces who, for historic reasons, are more reliant on council tax as a proportion of their funding are being penalised as they are seeing less additional grant funding for these cost pressures than their need. While Avon and Somerset are not as impacted by this as some forces are, we are affected by this position.

There would be no guarantee that a review would result in any increase to funding in Avon and Somerset. While we would be justified in a hope that any review would see the need for better funding in our force area, after over a decade of austerity all PCCs and Chief Constables would be forgiven for having similar levels of optimism. While it is possible that the publication of the long-awaited white paper on police reform looks to address this longstanding issue, at this stage we can have no confidence that it will be, or if it is what the outcome might be, and therefore this MTFP assumes no change to the formula will occur.

Grant Funding

The forecasts for future grant funding focus on these areas: -

- Core police grant funding
- Legacy council tax grant funding
- Officer uplift grant funding
- Pensions Grant
- National Insurance Grant
- Neighbourhood Guarantee Grant
- Ministry of Justice grant funding

There are other sources of grant funding (e.g., Counter Terrorism grant funding) but these are all passed straight through to the Chief Constable to support specific activity within the Constabulary.

		Current			Forecast		
		25/26 £'000	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000	30/31 £'000
	Uplift recurring grant	8,006	8,006	8,006	8,006	8,006	8,006
	Uplift additional grant	3,161	2,440	2,440	2,440	2,440	2,440
	Neighbourhood Guarantee grant	4,575	4,575	4,575	4,575	4,575	4,575
MoJ	Victims Services	1,921	1,921	1,921	1,921	1,921	1,921
	Domestic Abuse/Sexual Violence	491	491	491	491	491	491
	ISVA/IDVAs	1,417	1,417	1,417	1,417	1,417	1,417
Within Net Budget Requirement		19,571	18,850	18,850	18,850	18,850	18,850
Home Office	Core Police grant	216,898	225,602	233,099	237,168	241,200	245,300
	Legacy council tax grant	14,709	14,709	14,709	14,709	14,709	14,709
	Pensions grant	8,378	8,378	8,378	8,378	8,378	8,378
	National Insurance grant	6,290	6,290	6,290	6,290	6,290	6,290

Funding of Net Budget Requirement	246,275	254,979	262,476	266,545	270,577	274,677
TOTAL Grant Funding	265,846	273,829	281,326	285,395	289,427	293,527

Core police grant funding – Core police grant funding is the term used to describe the combined value of the Home Office police main grant, and the formula grant element which was historically distributed by the Department for Levelling Up, Housing and Communities but is now controlled by the Home Office.

The distribution of this grant funding to individual PCCs is the result of a historic formula, as explained above. The increase in funding Avon and Somerset would have expected to receive if the current formula had been fully implemented has never been realised. Consequently, Avon and Somerset continue to be relatively under-funded compared to its need, and for the reasons outlined above, this plan assumes that there will be no change to this position over the course of the next five years.

The provisional funding settlement appears to confirm that core grant funding will increase in 2026/27 by £8.7m/3.8% and beyond 2027/28 our plan assumes an increase to grant funding of +3.3% and thereafter an increase of 1.7% p.a., which is in line with the headlines from the Spending Review announcements made in Summer 2025.

Legacy council tax grant funding – This grant funding, which is included in the annual police grant report, but which is analysed separately from the main grant funding, is the combination of: -

- Funding that is paid in recognition of historic council tax freezes (therefore only payable to those PCCs who froze council tax in relevant years); and
- Funding which reflects the abolition of council tax benefit and the replacement of this with local council tax discount schemes (payable to all PCCs to replace funds previously paid through as council tax income).

The expected 2026/27 value of this funding is £14.7m, which reflects a continued freeze at historic levels. We have assumed this continues to remain frozen for the duration of the MTFP.

Officer uplift grant funding – Historically the government has ring-fenced a proportion of its funding to policing and linked the payment of this to the ongoing maintenance of police officer numbers. This grant funding is only received in full upon proof that officers' numbers have been sustained at uplifted levels as at the end of September and the end of March each year.

In 2025/26 the grant funding ringfenced for uplift was £11.2m. Of this £8.0m is conditional on us maintaining an officer headcount baseline of 3,351 as measured both at the end of September 2025 and March 2026. This headcount is inclusive of 60 additional officers above our base headcount target 3,291, reflecting the commitment we made to over-recruiting in support of the wider national uplift plan to compensate for the recruitment challenges being experienced in the Met. The remaining £3.2m is provided unconditionally.

The detail of the funding settlement, which we would normally rely on to provide a breakdown of grant, has not yet been published. The common understanding across policing in the absence of this information, is that the conditional grant funding will remain in place, frozen at prior years value. However, the unconditional element appears to be being redistributed using the formula when previously this was linked to number of additional officers' forces agreed to recruit. The result of this appears to be a reduction of £0.7m in grant for Avon and Somerset, which has been reflected in these forecasts.

There remains some uncertainty here in the absence of the police grant report being published, and this will need to be reviewed once greater detail on the grant settlement is provided.

Police Pensions Grant – this grant was originally introduced in 2019/20 to help forces manage the large increase in employer contributions for police pensions resulting from the 2018 pensions valuation exercise (24% to 31%). The grant was then further increased in 2024/25 in recognition of the new valuations increase to the employer contribution rate (31% to 35%), and in 2025/26 stands at £8.38m.

In 2026/27 we have assumed no change to the value of this grant, and that remains our assumption across the MTFP. We have however, amended the accounting treatment of this grant. Previously this grant has been accounted for as income (i.e. net of our budget requirement) as it was a ring-fenced grant. However, on review it has been agreed nationally that as this grant is not conditional it should be treated as funding. These forecasts account for this change, with the 2025/26 position restated to reflect this.

National Insurance Grant – In the Autumn budget statement the Chancellor announced an increase to the Employer National Insurance by 1.25 percentage points to 15%. To compensate for this increase central government provided grant funding based on workforce headcount as of March 2024. This adds £6.3m earmarked funding in support of the employer NI increases. In 2026/27 we have assumed no change to the value of this grant, however, like the pensions grant, we have amended the accounting treatment of this unconditional grant to now show this as funding.

Neighbourhood Policing Guarantee Grant – In 2025/26 the government announced that we will receive £4.6m in support of the Neighbourhood Policing Guarantee. This funding is earmarked to meet the government’s target of improving neighbourhood policing capacity. Our agreed delivery plan for year 1 of the grant is to increase our Neighbourhood policing capability by 70 officers, and to increase our officer headcount by 70 to enable this change, resulting in a revised headcount target of 3,421 by March 2026. The Constabulary is on track to deliver this plan and meet the conditions of this grant funding.

In the absence of any more detailed information, these forecasts assume that the grant will continue at the same value and will continue to be conditionally ring-fenced for the duration of this MTFP. There remains some uncertainty here in the absence of a more detailed police grant report, and this will therefore need to be reviewed once greater detail on the grant settlement is provided.

Victims grant funding – Grant is awarded to PCCs annually from the Ministry of Justice (MoJ) to support the commissioning of victims’ services. The total value of these grants in 2026/27 is forecast to be £3.8m. This funding is accounted within the calculation of our budget requirement in the following ways: -

- Commissioning of victim’s support services – a grant of £1.8m is forecast, and accounted for as follows: -
 - Funding of £0.7m is accounted for against the Constabulary’s budget requirement, reflecting the part funding provided through this grant for the victim support services provided by the Constabulary; and
 - Funding of £1.1m is accounted for against the OPCC’s commissioning budget requirement, reflecting the funding of victim support services from 3rd parties.
- Grant funding of £0.5m is forecast to provide for Domestic Abuse and Sexual Violence (DA/SV) services and is accounted for within the OPCC’s commissioning budget requirement reflecting the use of these funds to commission services from 3rd parties.

- Grant funding of £1.4m is forecast to provide for Independent Sexual Violence Advisors and Independent Domestic Violence Advisors (ISVA/IDVAs) and is accounted for within the OPCC’s commissioning budget requirement reflecting the use of these funds to commissioning services from 3rd parties.

Council Tax Funding

The value of council tax income received in any one year is determined by three key factors: -

- The value of the **precept** set by the Police and Crime Commissioner.
- The **tax base** (number and profile of properties) from which council tax will be collected.
- Effectiveness of collection in previous year generating a **surplus or deficit on the collection fund**.

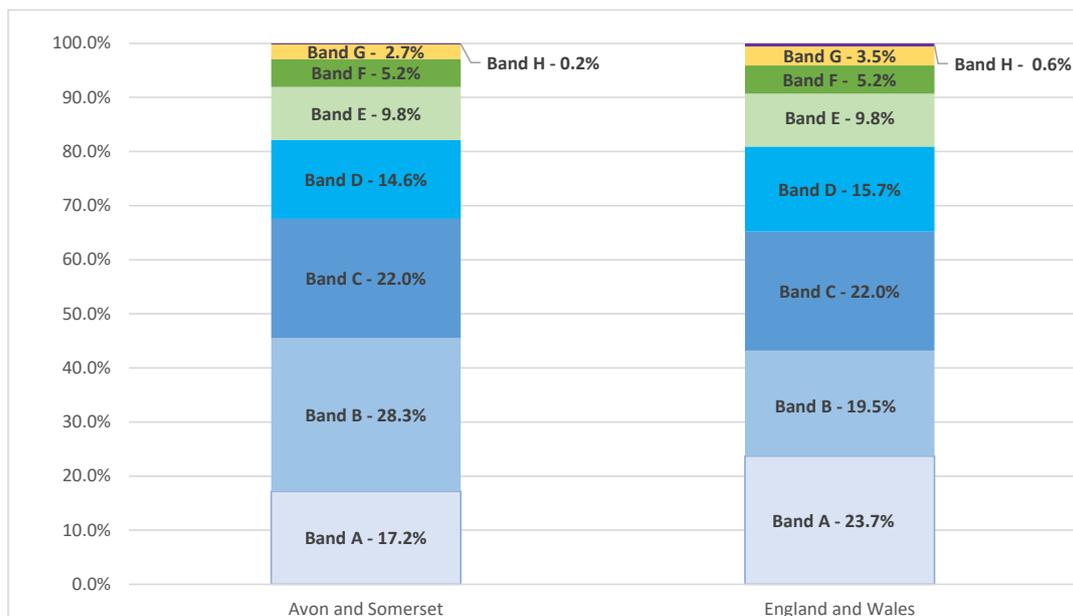
As a result of the assumptions made in this plan across these three factors it is forecast that **council tax funding will increase by £48.5m/27.0% over the next five years**.

	Current	Forecast				
	25/26	26/27	27/28	28/29	29/30	30/31
Precept (£p)	£293.20p	£308.20p	£323.20p	£338.20p	£348.20p	£358.20p
Tax base (No.)	605,858	614,254	619,782	625,360	630,989	636,667
Precept Income (£'000)	177,638	189,313	200,314	211,497	219,710	228,054
Surplus/(Deficit) (£'000)	1,952	2,634	-	-	-	-
Total Council Tax (£'000)	179,590	191,947	200,314	211,497	219,710	228,054

Precept – The value of the precept is defined by the rate applicable to an average band D property. In February 2025 the PCC approved the 2025/26 revenue budget and capital plan, confirming an average band D precept of £293.20, an increase of £14/5.0% per household on the previous year. This is the median council tax level set by all PCCs for 2025/26 across England and Wales.

There are 8 council tax bands in total (A – H), and each property is placed into a band based on the value of the property as of April 1991.

Figure 6: September 2025 % of properties by band Avon and Somerset compared to England and Wales



Overall, there are more properties weighted towards the lower council tax bands in Avon and Somerset than compared to the national position.

- In total there are 67.5% of properties in bands A - C, and 32.5% of properties in bands D - H in Avon and Somerset.
- This compares to 65.2% of properties in bands A - C, and 34.8% of properties in bands D - H nationally.

This position means while we express the precept as an average band D, most properties in our area are in lower bandings than this. This is why many of our local authorities now express their council tax position as band B in their budget discussions as that is often the most common banding for properties in Avon and Somerset.

In December the Ministry of Housing, Communities and Local Government confirmed that PCCs could increase the precept to a maximum of £15, before a precept referendum would be required.

In considering the level of precept to set for 2025/26 the PCC has made consideration of: -

- The views of the public, as expressed through a range of ongoing public engagement activities as well as through the online and telephone survey.
- The views and opinions of the Chief Constable, set out in writing to the PCC.
- The national context which continues to see Avon and Somerset underfunded compared to relative need.
- The economic environment and the scale of savings required over the medium term; and
- The Governments safer streets mission and their ambitions for policing over the course of this parliament.

After due consideration, this plan has been drafted on the basis that **the PCC will increase the average Band D policing precept by £15 in 2026/27**, thereby increasing the precept to the full extent permitted by Government.

Thereafter the plan assumes that the average band D precept will further increase by £15 in 2027/28 and again in 2028/29, after which it is it will grow at £10 p.a.

	Current	Forecast				
	25/26 £p	26/27 £p	27/28 £p	28/29 £p	29/30 £p	30/31 £p
Av. Band D Precept	£293.20p	£308.20p	£323.20p	£338.20p	£348.20p	£358.20p
Annual Increase %		+5.1%	+4.9%	+4.6%	+3.0%	+2.9%
Annual Increase £		+£15.00p	+£15.00p	+£15.00p	+£10.00p	+£10.00p

An increase of £15 in an average band D property for 2026/27, generates the following amounts of council tax for the various bands:

Council Tax Band	£p	% of Properties
A	£205.47	17.2%
B	£239.71	28.4%
C	£273.96	22.0%
D	£308.20	14.6%
E	£376.69	9.8%
F	£445.18	5.2%
G	£513.67	2.7%
H	£616.40	0.2%

Tax base – This is the number of properties against which tax can be collected, expressed as a weighted average at Band D, and adjusted for a collection rate. There are several factors affecting the growth of the tax base figure, with both volume of new house building and entitlement to council tax discount under locally designed schemes being two significant factors.

We have seen growth in the local tax base over recent years which slowed in 2021/22 due to the impact of the Covid-19 pandemic. Since then, the taxbase has returned to a position of growth, and forecasts for 2026/27 continue this trend with a confirmed total position of 614,254 which is an increase of 8,396 (1.39%) from 2025/26:

	25/26 No.	26/27 No.	Change No.	Change %
Bath & North East Somerset	70,973	71,328	354	0.50%
Bristol	136,010	137,029	1,019	0.75%
North Somerset	82,760	83,249	489	0.59%
Somerset	212,484	217,767	5,284	2.49%
South Gloucestershire	103,631	104,881	1,250	1.21%
TOTAL Tax Base	605,858	614,254	8,396	1.39%

As the above table shows, all authorities are showing an increase ranging from a 0.50% increase in Bath & North East Somerset to a forecast 2.49% increase from Somerset.

The MTFP forecast changes to the tax base across the plan are based on the national modelling used by the Home Office, which assumes annual increases of 0.9%. This has resulted in the following forecasts of tax base growth across the period of the plan:

	26/27	27/28	28/29	29/30	30/31
Tax base forecast	614,254	619,782	625,360	630,989	636,667
Change in tax base	+1.39%	+0.90%	+0.90%	+0.90%	+0.90%

Collection fund surplus or deficit – This represents the PCC’s share of any surplus or deficit on the collection fund as calculated by our five collecting authorities. Except for the impact of the Covid-19 pandemic, all local authorities have largely generated surpluses. This remains the case for 2026/27.

The final collection fund surplus forecast for 2026/27 shows current forecasts from the collecting authorities demonstrate a range from one authority showing a deficit of £0.12m to another showing a surplus of £2.3m. Overall, the plan forecasts a **2026/27 surplus of £2.63m** (2025/26 surplus £1.95m).

Predicting with any accuracy the collection fund deficit figures going forward will be particularly difficult given current uncertainties. For the purposes of planning beyond 2026/27 the assumption is **that there will be a net zero surplus/deficit position.**

The revenue budget requirement

The budget requirement accounts for how the PCC will commit expenditure that enables the provision of policing and community safety across Avon & Somerset.

Budget requirement (before savings)

	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000	30/31 £'000
PCC's Office budget	2,755	2,872	2,951	3,025	3,096
PCC's Commissioning budget	2,679	2,679	2,679	2,679	2,679
PCC's TOTAL budget requirement	5,434	5,551	5,630	5,704	5,775
Chief Constables budget	445,825	464,250	480,776	495,828	510,749
TOTAL budget requirement	451,259	469,801	486,406	501,532	516,524

PCC's office budget requirement

This budget reflects the costs of the PCC and her immediate office that enables and supports the fulfilment of the full range of duties of the Police and Crime Commissioner.

	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000	30/31 £'000
2025/26 Base budget	2,666	2,666	2,666	2,666	2,666
Pay Award and Adjustments	+95	+203	+273	+339	+401
Growth and Commitments	-6	+3	+12	+20	+29
OPCC Budget Requirement	2,755	2,872	2,951	3,025	3,096

Base Budget – This budget funds the PCC, and a team of 29.44 FTE (full time equivalent) staff who support the PCC in a range of activities undertaken in the fulfilment of their statutory duties.

Pay and inflationary adjustments – Applying the same assumptions to the OPCC budgets as those used for the Chief Constables budgets (see below for more detail) identifies an inflationary pressure over the MTFP period. This predominantly relates to increased costs for pay as well as non-pay items.

PCC's commissioning budget requirement

This budget supports the commissioning of services from external organisations.

	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000	30/31 £'000
2025/26 Base budget	2,612	2,612	2,612	2,612	2,612
Adjustments	+67	+67	+67	+67	+67
Annual budget requirement	2,679	2,679	2,679	2,679	2,679

This budget is presented inclusive of specific ringfenced grant funding from the MoJ (see grant funding section above), and is used by the PCC to commission core services across the following areas:

	2026/27 £'000
Drug and alcohol referral services (INCS)	599
Victims' services (incl. SARC, but excluding those within Constabulary)	4,268
Lighthouse victims' services contribution	904
Violence Reduction Partnership (incl. Serious Violence Duty)	337
Appropriate adult services	142
Mental health triage service in A&S call centre	144
Police & Crime Grants (community safety & YOT)	450
Proactive Initiatives	259
Police and crime grants for community safety and other 3rd party work	23
MoJ grant top-slice to support OPCC grants process	50
TOTAL Commissioning Expenditure	7,176
MoJ Grant Funding – Victim Services (share of MoJ grant supporting 3rd party services)	-1,946
MoJ – DA/SV/ISVA/IDVA/	-1,959
NHS England – Independent Sexual Violence Advisers services	-136
Appropriate Adults Partner contribution	-69
BCC – Independent Sexual Violence Advisors contribution	-50
Other PCC Commissioning Grants	-337
TOTAL Commissioning Net Budget Requirement	2,679

The commissioning budget provisions for victims' services commissioned from organisations other than the Constabulary. The funding provided to the Chief Constable for the provision of the victim's services is £890k in 2026/27 and is accounted for within the Chief Constable's budget below.

Chief Constable's budget requirement

This budget reflects most of the overall budget requirement, providing funds to support the Chief Constable and the Force in the provision of policing to the communities of Avon and Somerset.

Budget pre-savings	Base	MTFP				
	25/26 £'000	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000	30/31 £'000
Police Officer Costs	225,466	238,639	247,978	255,563	262,239	268,975
PCSO and Staff Pay	128,107	133,342	137,772	141,852	145,553	149,149
Other Pay and Pensions	10,649	11,349	11,614	11,883	12,154	12,431
Non-Pay (incl. partnerships)	99,952	103,496	106,871	111,417	114,583	118,346
Contribution to/(from) reserve	- 437	- 171	404	- 563	- 320	- 375
Capital Financing	19,611	20,174	20,491	20,670	21,749	22,244
Savings Required (-)/Achieved (+)	322	- 451	324	324	324	324
Less; Income & Specific Grants	- 63,083	- 60,554	- 61,204	- 60,371	- 60,454	- 60,346
Total	420,587	445,824	464,250	480,775	495,828	510,748

This base budget makes provision for an establishment of officers and staff, which for 2026/27 before savings will be:

Budgeted Establishment - FTE	Core Funded	Collaboration and Grants	TOTAL
Police Officers	3,151	221	3,372
Police Community Support Officers	231	-	231
Police Staff	2,292	536	2,828
Office of the PCC	29	-	29
TOTAL Budgeted establishment	5,703	757	6,460

Police Officer Costs – represents the single biggest area of spend for the Force. Before accounting for savings and adjustments the plan forecasts that costs will increase by £43.5m/19.3% over the course of the MTFP. The key movements in this budget forecast are:

- **Growth** – Since the publication of our last MTFP we have had chance to review our funding streams, including the provision of the neighbourhood policing grant (newly provided in 2025/26), and the recurrence of the additional uplift officer maintenance funding (now forecast to remain throughout the MTFP). This review has coincided with the restructure of our police service to a geographical command model, which has required us to reset our establishment and ensure that we have the right capabilities where we need them. As a result of these changes this MTFP recognises growth of £2.4m in 2026/27 rising to £3.5m by 2030/31, which is largely offset by the expectation that the additional uplift maintenance grant funding will continue in each year of the MTFP.
- **Pay awards** – In 2026/27 the full year effect of the September 2025 pay award is included and this increases costs by £8.4m. The original planning assumption was 2.8%. Costs have increased by a further 1.4%, reflecting the agreed pay award of 4.2%. The budget assumes an inflationary pay increase of 3.0% with effect from September 2026, increasing costs by £3.8m for the part-year effect in 2026/27. The assumption of 3.0% is based on the National Policing Chiefs’ Council (NPCC) Central Spending Review (CSR) survey. In 2027/28 an increase of 3.0% p.a. is forecasted up until 2028/29 and thereafter the plan assumes a 2.5% pay award, increasing overall costs by £29.3m by 2030/31.
- **Uplift** – the government uplift plans aim to maintain and support police officer numbers through a ring-fence grant allocated for 2026/27. The government remains committed to sustaining police officer numbers and we believe has allocated £10.4m to support this initiative (although as explained above, this is an assumption in absence of the police grant report). This will require the force to maintain a headcount 3,421 throughout the year, which is now inclusive of the additional 70 officers recruited through our neighbourhood policing uplift plan.
- **Adjustments** – In 2026/27 the budget continues to recognise an increase in the average cost of a police officer. In previous years our budget has benefited from a relatively inexperienced workforce due to high volume recruitment and the time required (typically 2-3 years) for officers to complete their police qualifications. However, this trend is now reversing as officers become more experienced and progress to higher pay scales. These adjustments total £0.5m in 2026/27 and increase to £3.0m in 2030/31.

PCSO and Police Staff Costs – Budgets for PCSO and police staff pay, before savings and adjustments, are forecast to increase by £21.0m/16.4% over the course of the MTFP. The key movements in this budget forecast are:

- Pay awards – In 2025/26 we have included the full year effect of 2025/26 pay award; this increases costs by £5.2m. The budget assumes an inflationary pay increase of 3.0% with effect from September 2026, increasing costs by £2.3m in 2026/27. The assumption of 3.0% mirrors the NPCC central spending review assumptions. For 2027/28 and 2028/29 an increase of 3.0% is forecasted, and thereafter the plan assumes a 2.5% pay award, increasing overall costs by £17.5m by 2030/31.
- PCSO & Police Staff Employer Pension Contribution – The local government pension scheme has been subject to a triennial valuation during 2025. The results of this indicate a reduction in our primary employer pension contributions to 15.7% (from the current 18.6%). The scheme is now also assessed as fully funded, meaning no lump-sum contributions will be required for deficit recovery purposes. In total this reduces our employer pension contributions by £3.7m p.a. for 2026/27 onwards.
- Growth – the budget recognises growth in support of adding capacity and resilience to key functions. This includes:
 - Vetting (growth of £0.39m from 26/27) – which reflects the ongoing demand pressures we are facing in our vetting team. This is a direct result of tighter and more demanding vetting standards introduced through national reviews.
 - Recruitment (growth of £0.16m from 26/27) – which reflects the ongoing pressures on our recruitment team to both manage the officer recruitment process and provide wider organisational support for other forms of recruitment (e.g. PCSOs and Police Staff).
 - Legal Services (growth of £0.19m from 26/27) – which reflects the sustained rise in the volume of complex legal cases, particularly our misconduct cases. Additional investment is intended to enable swifter conclusion of these misconduct cases, thereby reducing the time and cost currently associated with these.

Other Pay and Pensions – The budgets here before savings and adjustments are forecast to increase by £1.8m/16.7% over the course of the MTFP. The key movement in this budget forecast are:

- Apprenticeship Levy – The forecast includes an increase to apprenticeship levy payments. We are required to pay this levy based on a % of our overall pay costs. As these increase across the medium term, in line with assumptions for pay awards and other factors, this levy cost is also forecast to increase. This increases costs by £26k in 2026/27 and rises to £0.1m by 2030/31.
- Injury pensions – The forecasts include provisions for the cost of new officers retiring on medical grounds with injury awards as well as inflation increases for the existing injury awards. These costs are indexed linked to inflation measures; we forecast this to add £1.7m in costs over the MTFP period.

Non-Pay – Budgets for non-pay costs, before adjustments and savings, are forecast to increase by £18.4m/18.4% over the course of the MTFP. The key movements in this budget forecast are:

- Premises – Several inflationary pressures are forecast over the course of the MTFP which, when combined with other budget adjustments, amount to £3.0m before any savings are applied. The most significant pressures relate to increases in utilities, business rates and cleaning costs, the latter driven by uplifts in the National Minimum Wage. In addition, inflationary and contractual indexation within PFI arrangements continues to place upward pressure on premises budgets. As set out below, a proportion of these cost increases have been mitigated through the release of identified savings within the premises portfolio.

- Transport – Over the life of the MTFP, transport and travel costs are forecast to increase by £0.8m. This growth is primarily driven by inflationary pressures, particularly increases in fuel prices, vehicle repairs and maintenance costs, and wider travel-related expenditure. The forecast includes £0.4m relating to fuel inflation and a further £0.3m attributable to inflation on vehicle repairs and travel budgets. These pressures are partially offset by savings, mainly reflecting a reduction in the hired vehicle budget, as outlined within the savings proposals below. In addition, the base budget has been reduced by £0.3m through the rebasing of fuel budget to reflect recent reductions in fuel prices.
- Supplies and Services – The plan is forecasting growth in these budgets before savings and adjustments of £10.6m over the course of the MTFP. Of this:
 - £9.2m is a direct consequence of assumptions around inflation across all areas of non-pay budgets by 2030/31, including specific rises to IT costs of £5.8m, national IT systems cost inflation of £1.1m, general inflationary rises of £1.5m and specific rises to insurance costs of £0.8m.
 - £1.2m increases to IT costs, which recognises several things, including the ongoing transition of services and systems into the cloud (£0.4m), upgrades to Digital Evidence Management System (DEMS) at £0.4m, investment in pilot for enhanced video response (£0.1m) and other contractual adjustments and commitments. These increases in IT costs are offset by savings identified against IT spend which are explained as part of our savings below.
 - Speed Enforcement Unit budget is forecasted to increase by £0.3m in 2026/27. The increase reflects a combination of higher national postal tariffs and sustained enforcement volumes. Statutory requirements to issue Notices of Intended Prosecution and associated correspondence by post remain unchanged, and despite continued efforts to maximise digital efficiencies where possible, a significant proportion of communications must still be issued via mail. The cost pressure therefore represents unavoidable inflationary impact driven by external pricing increases.
 - To maintain future officer recruitment levels, we recognise the need to introduce alternative entry routes for new officers. Alongside our existing Police Constable Degree Apprenticeship (PCDA) and Degree Holder Entry Programme (DHEP) pathways, we have introduced a new course under the Police Constable Entry Programme (PCEP). This provides an additional accredited entry route which does not result in a degree and therefore is not classified as an apprenticeship. As the course fees are not funded through the apprenticeship levy, we must continue to accommodate these costs within our local budget planning. This MTFP includes growth of £0.3m in 2026/27 and each year thereafter for these fees in line with our projected recruitment plans.
 - The Criminal Justice budget has increased by £0.1m to reflect unavoidable cost pressures arising from higher demand and inflationary impacts. This includes increased expenditure on drug and medical requisites to meet operational and custody requirements. Alongside rising costs associated with the enhanced cleaning of custody cells and operational vehicles. These pressures are demand-led and largely non-discretionary, reflecting the need to maintain safe, compliant, and hygienic environments.

In addition, we have also undertaken a series of baseline budget reviews as part of our budget setting. This has enabled us to revisit prior inflationary and contractual adjustments and review

their ongoing need. These adjustments resulted in a reduction to our budget requirement of £1.0m in 2026/27 and each year thereafter.

- **Partnerships** – The MTFP forecasts cost growth of £4.2m by 2030/31, primarily driven by inflationary pressures. This is largely attributable to the full-year impact of the 4.2% pay award in 2025/26, assumptions on future pay award, and is partially offset by a reduction in police staff employer pension contributions. In the main partnership budgets relate to collaborative arrangements (for example Southwest Forensics, Major Crime Investigation, Southwest Regional Organised Crime Unit), where officers and staff are seconded to work alongside colleagues from other forces. Collaboration related cost pressures have been partially offset through planned savings, identified as part of the wider savings programme for this area.

Capital Financing – Capital financing costs are forecast to increase by £2.6m over the life of the MTFP. This includes an increase of £1.8m in direct revenue capital funding, representing the revenue contribution set aside to support the Capital Programme. This comprises a £0.6m uplift and ongoing inflationary growth of £250k per annum to ensure sufficient provision is made for both existing and future Capital Programmes. In addition, the forecast includes increased minimum revenue provision (MRP) of £0.6m to repay borrowing, together with a further £0.6m increase in loan interest costs over the life of the plan. These cost pressures are partially mitigated by a £0.4m reduction in the financing costs associated with PFI arrangements.

Contribution to/from Reserves – these are planned to reduce by £0.3m in 2026/27 and then reduce to £0.1m in 2030/31. This budget area is supporting one off or time bound cost pressures. The main adjustment reflected here relates to our policing support at Hinkley Point. This reserve, which is directly funded by EDF, is used to offset costs incurred for Hinkley Point policing arrangements.

Income – The plan forecasts a reduction of £2.5m in income budgets in 2026/27, prior to savings and other adjustments. As noted above, the Home Office Pension Grant (£8.4m) and the Home Office National Insurance Grant (£6.3m) have been removed from the income section and reclassified within the funded-by section to ensure the correct accounting treatment in the PCC and Chief Constable Statements of Accounts.

The Home Office police officer uplift maintenance grant, which supports the costs of maintaining 60 surplus officers has been reduced by £0.7m because of this now being distributed on a formula basis, as explained above. Following a review of earmarked grant funding, the Constabulary has reassessed the provision previously set aside for XL Bully dog related activity. Although operational responsibilities, and particularly the kennelling costs, arising from the XL Bully dog ban continue, we understand the Government is not intending to provide recurring funding to support police forces in delivering this work. Considering this, £0.4m p.a. in grant income is removed from 2026/27 onwards.

We have reduced interest receivable income by £1.3m, reflecting current and forecast Bank of England inflation and interest rate assumptions. This reduction is expected to unwind gradually over life of the MTFP.

In 2026/27, income of £0.8m relating to the Glastonbury Festival has been excluded on a temporary basis, as this is a fallow year for the event. This income is assumed to be reinstated in 2027/28. Hinkley Point has also been reduced by £0.4m to reflect a revised construction timetable and the associated reduction in policing requirements as the development moves closer to completion.

Across other income budgets, general inflationary uplifts of £0.2m have been applied, alongside a £0.1m increase linked to the forecast 2026/27 pay award. In addition, several smaller adjustments

totalling £0.4m have been made, primarily reflecting increased transport services insurance recharge income and adjustments related to the funding of external roles in 2026/27.

Savings requirement

After having made all the assumptions around both funding and pay outlined above, the following overall position is established:

	Forecast				
	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000	30/31 £'000
Total Funding Forecast	446,926	462,790	478,041	490,287	502,731
Less; PCC's Office budget	-2,755	-2,872	-2,951	-3,025	-3,096
Less; PCC's Commissioning budget	-2,679	-2,679	-2,679	-2,679	-2,679
Funding left to support Chief Constable	441,492	457,239	472,411	484,583	496,956
Less; Chief Constable budget requirement	445,825	464,250	480,775	495,828	510,749
Standstill Deficit	4,333	7,011	8,364	11,245	13,793

Accounting for identified savings

Against this, the Force has identified initial savings. Through these savings we can balance three years of the MTFP from 2026/27 to 2028/29, thereafter we continue to forecast a deficit budgetary position from 2029/30 onwards:

	Forecast				
	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000	30/31 £'000
Standstill Deficit	4,333	7,011	8,364	11,245	13,793
Officer Pay and Allowances savings	-5	-5	-5	-5	-5
Staff Pay and Allowances savings	-1,336	-2,689	-4,042	-4,042	-4,042
Premises cost savings	-494	-820	-820	-820	-820
Transport cost savings	-55	-55	-55	-55	-55
Supplies and service cost savings	-2,113	-3,112	-3,112	-3,112	-3,112
Partnership cost savings	-6	-6	-6	-6	-6
Central savings	-324	-324	-324	-324	-324
Revised Surplus/Deficit	-	-	-	2,881	5,429

The savings identified in 2026/27 include the following:

- Officer pay and allowance savings – We have identified a recurring reduction in Officer Allowances of £5k in 2026/27. This largely reflects the gradual reduction in historic allowances that have ceased because of changes to terms and conditions and are therefore payable to fewer officers over time.
- Staff pay and allowances savings – Further savings of £1.3m are identified from 2026/27 rising to £4.0m in 2030/31 in the following areas:

- Police staff investigators – As part of the 2024/25 budget strategy, plans were approved to reduce police staff investigator (PSI) posts by 86. Progress has already been made against this target with reductions delivered and further savings of £1.6m forecast to be achieved in 2025/26. Future phases of the Operating Model programme will extend beyond Neighbourhoods and Patrol to include wider operational areas including CID and DIT. As a result, the outstanding PSI review and associated savings (£2.2m) will now be reviewed and delivered through Phase 2 of our geographic model changes, with the savings starting to be delivered in 2027/28.
- Annual budget reviews – through ongoing annual scrutiny of budgets we have identified 7 posts from our enabling services, and 2 posts from our operational support directorate, which can be released as a saving. These 9 posts combined offer savings of £0.4m, which are expected from the start of 2026/27.
- Enabling Services savings – We have identified staff savings of £0.3m from our Finance and Business Services and People and Organisational Development functions resulting from the implementation of our new ERP system in 2026/27. These savings will start to be realised from 2027/28.
- Pension contribution reduction – The latest actuarial valuation of the Local Government Pension Scheme (LGPS), which sets employer contribution rates for the period of 1 April 2026 to 31 March 2029, has identified an initial improved funding position. The valuation reviews the financial health of the pension fund. As a result, the Avon and Somerset share of the fund is now determined to be fully funded, allowing us to reduce the lump-sum deficit recovery payment we had been making, thereby generating a saving of £936k per annum.
- Premises savings – Premises budgets have identified £0.5m in savings in 2026/27 rising to £0.8m by 2030/31. These savings reflect lease rationalisation including the release of a non-public facing building in Portishead, and the relocation of the team based here to Police Headquarters. Further savings are driven by a reduction in the overall estate footprint, alongside efficiencies achieved in Minehead, Bath, and Yeovil following the implementation of new stations in each of these locations.
- Fleet savings – Recurring saving of £55k have been identified within the hired vehicle budget. Improved utilisation of the internal fleet has reduced reliance on hired vehicles while continuing to support operational demand, enabling a permanent release of budget previously allocated to hired transport.

Separately, the fuel budget has been reduced by £0.3m to reflect lower than anticipated fuel prices. This has been treated as a base budget adjustment rather than an ongoing saving, recognising the inherent volatility in fuel pricing and the potential need to reinstate fuel budgets should prices increase in the short-term. Further fuel savings are anticipated over the medium term as the fleet transitions towards electric vehicles, plans remain in development, and no additional savings have therefore been reflected in the forecasts at this stage.

- Supplies and services savings – Recurring savings of £2.1m in 2026/27 have been identified across all supplies and services budgets, this increases to £3.1m in 2030/31. These savings include those expected as we switch off legacy IT systems and support contracts. We have also identified cost savings linked to the maintenance of ANPR cameras and a reduction in the number of software licences required in applications such as Microsoft 365. Where identified by business leads, we have also accounted for a 1.0% recurring annual business-efficiency saving, delivered through improved ways of working, cost control and operational efficiencies.

- Partnership savings – Our regional collaborations have been tasked with identifying further savings and cost reductions. In 2026/27, these include reduction in pension costs, staff head count and reduction in IT costs. The estimated value of these savings is £1.0m, which has been used to offset the overall budget requirement for the regional partnerships in 2026/27.
- Central savings – Recurring savings of £0.3m are forecast from 2026/27. These savings primarily arise from lower than anticipated cloud migration costs. In addition, savings are achieved from the cessation of the Project ADDER grant (Addiction, Diversion, Disruption, Enforcement and Recovery), with all associated budgets removed from the baseline following the expiry of the grant.

The application of these savings against our budgets results in the following:

Budget post-savings	Base	MTFP				
	25/26 £'000	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000	30/31 £'000
Police Officer Pay	225,466	238,634	247,973	255,557	262,234	268,969
PCSO and Staff Pay	128,107	132,007	135,083	137,810	141,512	145,107
Other Pay and Pensions	10,649	11,349	11,614	11,883	12,154	12,431
Non-Pay	99,952	100,828	102,878	107,424	110,590	114,353
Contribution to/(from) reserve	-437	-171	404	-563	-320	-375
Capital Financing	19,611	20,174	20,491	20,670	21,749	22,244
Savings Achieved	322	-775	-	-	-	-
Less; Income & Specific Grants	-63,083	-60,554	-61,204	-60,370	-60,455	-60,345
Total Constabulary Budget	420,587	441,492	457,239	472,411	487,463	502,384
OPCC Commissioning	2,611	2,679	2,679	2,679	2,679	2,679
OPCC Office	2,666	2,755	2,872	2,951	3,025	3,096
TOTAL Budget	425,864	446,926	462,790	478,041	493,168	508,160

Residual savings requirement

	Forecast				
	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000	30/31 £'000
Deficit after identified savings	-	-	-	2,881	5,429

Although savings have been identified to balance the revenue budgets in 2026/27 to 2028/29, the need to identify new savings from 2029/30 and future years remains.

Given the profile of our budgets, releasing the scale of savings required may well require further headcount reduction beyond our existing plans. With the expectation that we will continue to see grant funding ring-fenced and only paid on the condition we maintain our police officer strength, we recognise that continuous review of our police staff establishments may therefore be needed to identify savings that help us to deliver a sustainable balanced budget for the medium term.

Our continued work to identified savings will include consideration of the following areas:

- Further **automation** and digitalisation across both operational and corporate processes and ways of operating to realise efficiencies and opportunities for savings.
- Review channels for **public contact** to continue to ensure that the Force are providing the right means and capabilities for this contact to happen in the most efficient and effective way.
- Review the **allocation of police officer growth** across the organisation, ensuring that this provides the best means of delivering our ambitions and unlocking savings as part of our overall workforce mix.
- Identify opportunities across our **enabling services** to improve transactional processes and realise the benefits of investments in the new ERP system.
- Continue to **benchmark** budgets and areas of spend against other police forces to consider opportunities this presents to learn from others.
- Consider opportunities across current **collaborations**, as well as identifying opportunities for new collaborations with supporting and like-minded partners.
- Ongoing **procurement savings** which may enable avoidance of some of the forecast uplift in costs through commercial or collaborative deals struck, including through further national procurement savings expected through greater use of national contracts.
- Ongoing review of our **estates footprint** and work to realise energy efficiency savings to improve our energy consumption.

At the heart of this work will be our ongoing focus on creating capacity, thereby ensuring our officers and staff are able to be as productive and effective as possible. This work will require us to continue to innovate and provide focus on how effectively we manage and meet our demand but will also require us to take a fresh look at the demand we're responding to and managing to ensure that this reflects what the public expect of their police service.

Through this work we hope to further identify improvements in our capacity which will enable us to review how we best deploy our resources to:

- Deliver the Governments priorities, including their neighbourhood policing guarantee.
- Delivery the priorities of the PCC's Police and Crime Plan; and
- Deliver the savings needed to balance our budgets.

Capital Programme and Funding

The Medium-Term Financial Plan recognises the importance and complexity of capital planning, and how integral this is in the context of our wider financial planning. This section sets out the context and framework within which these capital plans have been prepared, and in doing so fulfils the requirements of a capital strategy as required under the CIPFA Prudential code.

Our assets are essential to the provision of an effective policing service. To sustain this service and meet the objectives and ambitions set out in the Police and Crime Plan it is important that we set out how we intend to maintain and develop our assets, identifying investments we plan to make. These are required to both support the refresh of existing assets and infrastructure, as well as to invest in new transformative initiatives which will help to realise improvements in operational efficiency and effectiveness.

Capital plans are, by their nature, complex and require detailed planning and forecasting. This requires support and understanding of colleagues across the organisation. It also requires a large degree of wider environmental scanning to assess the impact of national projects and initiatives which will require support to implement locally.

The capital funding position is also complicated, relying on multiple sources of funding to be able to support planned expenditure. Forecasting our funding is therefore based on many assumptions and inter-dependencies which are subject to ongoing change both in value and timing.

The delivery of capital plans continues to be hampered by the environment within which we are operating. Current economic pressures, price inflation and the uncertainty of scope of future police reform, make planning and forecasting in this area particularly difficult. We do not expect this uncertainty to end any time soon, and therefore we recognise that it will be necessary to continue to refine and reassess our cost projections and funding considerations on a recurring basis.

Developing the Capital Programme

Assets are integral to the delivery of efficient policing services. Maintaining the optimum use of resources whilst securing best value in relation to both cost and quality are key considerations. This is done by following best practice in relation to procurement, sales, and construction, taking external legal and professional advice where required.

Our assets fall into four broad categories:

- Buildings – all buildings are owned by the PCC, and the PCC's office retain responsibility for key decisions around the purchase and disposal of buildings, maintaining close oversight of the estate management and planning to fulfil this role. The day-to-day management of the estate is undertaken by the Force's estates department, within the Finance and Business Services directorate.
- Information and communication technology – all ICT assets are managed and maintained through the Force's IT Directorate. Forward planning of these assets is informed by considerations of longevity and optimum replacement cycle. This enables effective planning of renewal and replacement activity to be considered alongside new transformative initiatives and projects, either local or national, that may see the type and nature of our assets continue to change.
- Fleet – all vehicles are maintained through the Force's transport services department within the Finance and Business Services directorate. All fleet assets are maintained and managed

through the fleet management system, which provides information that enables effective optimisation of the usage of our fleet as well as planning around replacement activity.

- Capital equipment – This will include equipment in use across the Force, where the responsibility for its management and maintenance rests with the responsible department of the Constabulary.

The capital programme is developed to consider all requirements for maintenance and investment across these categories of assets. The programme produced therefore is reflective of a mixture of:

- Asset replacement and renewal – recognising the optimum operating life for all assets, and where necessary, ensuring that plans provision for the replacement of them.
- New initiatives and projects – recognising new investments to realise the priorities of the Police and Crime Plan and meet the objectives of the Force.

The programme is developed jointly between the PCC and the Force and is realised through wide stakeholder engagement. The finalised programme reflects a list of anticipated and recommended projects that enables high level planning across a medium-term horizon. The programme, and the approval of it through the medium-term financial plan, reflects approval for the next 12 months replacement and renewal activity, but recognises individual business cases are still required to progress new initiatives and projects.

These business cases, all of which will be approved in accordance with the PCC's scheme of governance, will be delivered using a prescribed format, and will cover:

- Clear definition of the objectives of the proposal.
- Baseline assessment of the "as is" position, and how this compares with user specifications and force standards.
- Consideration, assessment, and appraisal of possible options – including alternative ways of procuring assets (e.g., leasing, partnership arrangements) where these are viable options.
- Financial appraisal of the options, to include identification of capital funding source and consideration of whole life costs and ongoing impact on revenue budgets.
- Risk appraisal, enabling decision makers to reach a decision informed by a clear understanding of the risk and allowing these to be clearly included on risk registers for management as appropriate.

The delivery of capital projects will be overseen either by the department responsible, or in the case of larger projects, through specific project boards reporting into the Constabulary's Portfolio Steering Board and up to the PCC's Governance and Scrutiny Board. In monitoring the delivery of capital projects particular focus is placed on:

- Delivery is on time and achievement of the intended outcome/s.
- The overall use of capital and revenue funding is as close as possible to original plans; and
- When the above factors are not achieved, variations are reported appropriately.

Progress against the capital programme, including considerations of capital financing, is reported quarterly to our Finance and Assets Committee, to the Constabulary Management Board and to the Governance and Scrutiny Board. The quarterly finance performance paper, which includes the reporting of performance against our capital plan, is published on the PCC's website once it has been reviewed at GSB.

Upon completion of a capital project, consideration will be given to the use of a Post Implementation Review (PIR). This review will provide a check against the performance compared to the original proposal. It will focus on the outcomes achieved, the extent to which the benefits claimed are being realised, and the actual costs both revenue and capital. Through the use of these types of review we would capture learning that can inform our future projects and programmes for the better.

The Capital Programme

The table below summarises the current capital forecast and our forward 5-year capital plan:

	Current	MTFP					Total
	25/26	26/27	27/28	28/29	29/30	30/31	
	£'000	£'000	£'000	£'000	£'000	£'000	
Capital Expenditure	23,795	35,506	20,413	18,841	16,203	10,087	124,845
Less; Capital Funding	(23,795)	(35,506)	(20,413)	(14,866)	(13,776)	(12,441)	(120,798)
Deficit / (Surplus)	-	-	-	3,975	2,427	(2,354)	4,049

Capital Expenditure

The emerging picture identifies that the current year (2025/26) of capital spend, plus the planned spend over the next five years (through until 2030/31) totals £124.8m. Against this we have identified and forecast funding sources of £120.8m, thereby leaving a residual deficit in capital funding of £4.0m over the next 5-year period.

Focussing on the next five years, the plan looks like this:

	MTFP					Total
	26/27	27/28	28/29	29/30	30/31	
	£'000	£'000	£'000	£'000	£'000	
Asset replacement	11,498	8,013	6,162	7,299	6,802	39,772
Capital projects	23,176	11,452	11,599	7,258	1,952	55,437
Funded projects	832	949	1,080	1,647	1,333	5,842
TOTAL	35,506	20,413	18,841	16,203	10,087	101,051

Asset replacement – Our asset replacement plans total £39.8m, accounting for 34% of our capital plan spend. This provides for the ongoing maintenance, replacement and renewal of our existing assets.

	MTFP					Total
	26/27	27/28	28/29	29/30	30/31	
	£'000	£'000	£'000	£'000	£'000	
ICT replacement	2,117	2,095	1,698	2,972	1,826	10,708
Estates replacement	3,841	685	781	470	636	6,413
Fleet replacement	4,802	4,681	3,332	3,557	4,040	20,412
Equipment replacement	738	551	350	300	300	2,239
TOTAL	11,498	8,013	6,162	7,299	6,802	39,772

ICT replacement – The plan assumes the following renewal and replacement activity:

- End User Devices (£10.4m) – We expect all end user devices to need at least one replacement during the life of this plan. This includes:
 - replacement and new issue of laptop devices and monitors - £8.2m.
 - replacement and new issue of mobile phones and headsets - £1.5m.
 - ongoing replacement of body worn video cameras and video conferencing - £0.5m.
- Infrastructure (£0.3m) – over the course of the plan we have made provision for replacement and enhancements to our IT infrastructure, including:
 - Fire wall capability - £0.2m.
 - Smaller projects - £0.1m.

Estates replacement – The plans predict £6.4m will need to be spent on the replacement and repair of our estate, including the following areas of activity:

- Electrical, fire and central heating systems (£2.8m) – This is informed through building condition surveys as well as the requirements of our wider plans.
- Repairs and maintenance of our buildings (£3.6m) – This includes the chiller replacement within HQ operations building, HQ training school, security and CCTV replacement works, a forensic garage provision and window replacement works.

Fleet replacement – The fleet replacement plan reflects the activity required to maintain our current fleet numbers. Our plans predict we will need to spend £20.4m for the replacement of our fleet. This includes the replacement of response fleet (£4.0m); the replacement of road policing and specialist response fleet (£8.5m); and the replacement of neighbourhood fleet (£3.6m). The total expenditure will remain dependent upon the ongoing review of our fleet to further rationalise and identify savings where appropriate.

Equipment replacement – The plan for the replacement of capital equipment is as follows:

- Automatic Number Plate Recognition (ANPR) (£1.1m) – over the course of the plan to both maintain and replace the current ANPR asset estate, as well as upgrade certain units with newer technology.
- Taser replacement (£0.5m) – this is the direct replacement of tasers currently used by the Force.
- Annual provision for smaller capital assets (£0.6m) – an annual provision of £0.1m is planned to provide for the replacement of many smaller value assets.

Capital projects - The planned capital projects total £57.3m, accounting for 45% of our total capital plan:

	MTFP					Total
	26/27	27/28	28/29	29/30	30/31	
	£'000	£'000	£'000	£'000	£'000	£'000
Digital Projects	2,940	2,440	4,780	3,090	-	13,250
Revenue Projects	5,833	3,585	2,701	2,252	1,952	16,324
Estates Projects	14,403	5,426	4,118	1,916	-	25,863
TOTAL	23,176	11,452	11,599	7,258	1,952	55,437

Digital Projects

- **ICT Capital Projects** – We have forecast £13.2m for a number of ICT projects, including:
 - Body worn video contract – £2.5m has been provided for from 2026/27
 - Other Projects – £3.3m has been provided to implement the replacement of several different areas, such as server replacements and storage.
 - Emergency Services Network - £8.4m has been included in the plan for the local costs of implementing this national project to replace our critical radio communications system (Airwave) with a new digital network. This national project has been the subject of several delays and consequently the timing and value of costs associated with this remain under review. We expect the costs and timing of this project to become clearer the closer we get to implementation, which is expected to commence in 2028/29.

Revenue Projects

- **ICT Revenue Projects** – These plans predict that we will spend £16.3m as part of our ICT projects which will not result in a specific asset. These include:
 - Enterprise Resource Planning systems – £3.0m is planned over the next two years to support the implementation of this replacement of key corporate systems for the management of HR, finance and procurement related functions.
 - Customer Experience Platform – £3.0m is planned over the 5 year planning period to implement a new customer experience platform.
 - Other projects – £3.3m has been allocated to several smaller projects across the 5 years. This includes the costs of transitioning our website to the national single online home portal, the introduction of video analytics capabilities, and data platforms.

Estates Projects – our estates projects are categorised as follows: -

	MTFP					Total
	26/27	27/28	28/29	29/30	30/31	
	£'000	£'000	£'000	£'000	£'000	£'000
Somerset Projects	9,898	306	-	-	-	10,204
Bristol Projects	-	1,762	926	-	-	2,688
South Glos Projects	482	-	-	-	-	482
BANES Projects	1,715	-	-	-	-	1,715
Force wide Projects	1,480	3,359	3,192	1,916	-	9,947
TOTAL Estates Projects	14,403	5,426	4,118	1,916	-	25,863

- Somerset Projects – The capital plan includes £10.2m over the next two years to progress estates projects in Somerset. This supports our work reviewing our estate at several locations, including Yeovil, Somerton and Crewkerne.
- Bristol Projects – The capital plan includes £2.7m over the next three years to progress estates projects in Bristol relating to our Trinity Road police station (Old Market), which has been sold to a social housing developer for re-development incorporating a new neighbourhood police station.

- South Glos Projects – The capital plan recognises the need for refurbishment at Chipping Sodbury and Almondsbury stations in 26/27.
- BANES Projects – The capital plan includes the work to introduce our new police station for Bath (Plymouth House) in 2026, as well as the refurbishment of our police station at Radstock.
- Force wide Projects – The capital plan includes £9.9m over the five years for the continued investment in electric car charging infrastructure (£8.2m), our training and learning estate (£0.6m) and Achieving Best Evidence Suites (£1.1m).

Capital Funding

Under the provisions of the Prudential Code, the PCC can invest in a capital programme so long as its capital spending plans are “affordable, prudent and sustainable”.

The capital programme is reflected in the PCC’s Treasury Management Strategy, which is presented annually to the Governance and Scrutiny Board, and regularly reviewed by the PCC’s Chief Finance Officer. This sets out the prudential indicators, which determine the limits set against the requirements of affordability, prudence, and sustainability.

The PCC, in consultation with the Chief Constable, will identify available sources of funding in support of the capital programme. This will include the identification of potential capital receipts from the disposal of property.

The sources of capital funding available are detailed below.

	MTFP					Total
	26/27	27/28	28/29	29/30	30/31	
	£’000	£’000	£’000	£’000	£’000	£’000
Specific Purpose Funding	1,465	962	1,094	1,660	1,391	6,572
Revenue Contribution	9,750	10,000	10,250	10,500	10,750	51,250
General Capital Reserve	3,217	-	-	-	-	3,217
ESMCP Reserve	-	-	734	-	-	734
Capital Receipts (Estate)	8,639	4,030	428	-	-	13,097
Capital Receipts (Other)	300	300	300	300	300	1,500
New Borrowing	12,135	5,121	2,061	1,316	-	20,633
TOTAL	35,506	20,413	14,867	13,776	12,441	97,003

- Specific Purpose funding – This includes the partnership contributions to fund capital expenditure in relation to those collaborations which are hosted by Avon and Somerset, as well as the of earmarked reserves and ringfenced grant funding.
- Revenue contribution – This reflects the annual recurring general revenue contribution for capital funding which is set aside in our revenue budgets. Recognising the inflationary pressures and constabulary requirements on capital costs, this has been increased by £250k per year from 26/27 onwards.
- General capital reserve – This represents historic and ongoing funds which have been set aside to support general capital investment. The above plan shows we intend to fully exhaust these by the end of 2027/28.

- Emergency Services Mobile Communications Programme Reserve – This is grant funding received and now ring fenced for the national Emergency Services Network project, which has been delayed with no confirmed completion date. This funding does not cover the anticipated costs of the national project that we have estimated at £8.4m, and therefore in the absence of further grant funding local resources will be needed to make up the shortfall in funding here.
- Capital receipts (Estate) – Over the next 3 years the plan identifies potential future capital receipts from the sale of Minehead, which when combined with previous receipts totals £12.1m to be used in support of this plan. There remains risk over those receipts not yet received both in terms of the value (subject to market factors at the point at which the asset is sold) and the timing (subject to us being able to release the asset from operational use) which will continue to be monitored.
- Capital receipts (Other) – Over the course of the plan it is assumed some receipts will be generated from the sale of vehicles and other assets that have reached the end of their useful life. On average we expect to generate £0.3m p.a.
- New borrowing – this reflects the current assumed profile of borrowing which will be taken in support of capital expenditure. At present this is assessed at £20.6m of new borrowing. Our plan assumes that this level of borrowing will be needed, and the revenue costs of this in the form of a Minimum Revenue Provision (MRP) to provide for the repayment of this borrowing has been factored into our revenue costs. In doing so the general principle applied when allocating funding in support of the capital plan is that for shorter-life assets, sources of funding other than borrowing will be used. Borrowing is therefore planned to be used only against longer-life assets, where the MRP needed to set aside for the repayment of the borrowing can be taken over a longer timeframe. This ensures that the annual cost to our revenue budgets remains sustainable.

Because our cash reserves remain strong, our intention in this plan is not to draw down on the full amount of this borrowing, but rather to internally borrow against cash reserves initially. We have assumed that we will need to borrow 50% of this value (£10.3m) mid-way through this five-year plan, and therefore the interest costs of this have been factored into our plans on this basis.

All borrowing undertaken can only be done with the approval of the PCC, and must be prudent, affordable, and sustainable. The timing of when borrowing is taken will remain under review and be managed as part of wider treasury management considerations.

Capital programme deficit

Our forecasts for capital expenditure show a deficit of £4.1m at the current time. This is after we have accounted for the costs of both financing the introduction of electric vehicle charging infrastructure across our estate (£8.2m) and our costs to implement the national Emergency Services Mobile Communication Programme (£8.4m) that will replace airwave radios. Both are national requirements that will apply to all police forces and over which we have little local discretion.

In addition to lobbying for funding in support of these specific costs, we will continue to review our plans to identify possible alternative sources of funding. We will also continue to identify where possible we can value engineer our planned expenditure down or delay the timing of this where the need for expenditure is less urgent and can be postponed.

Reserves and Risk

Reserves

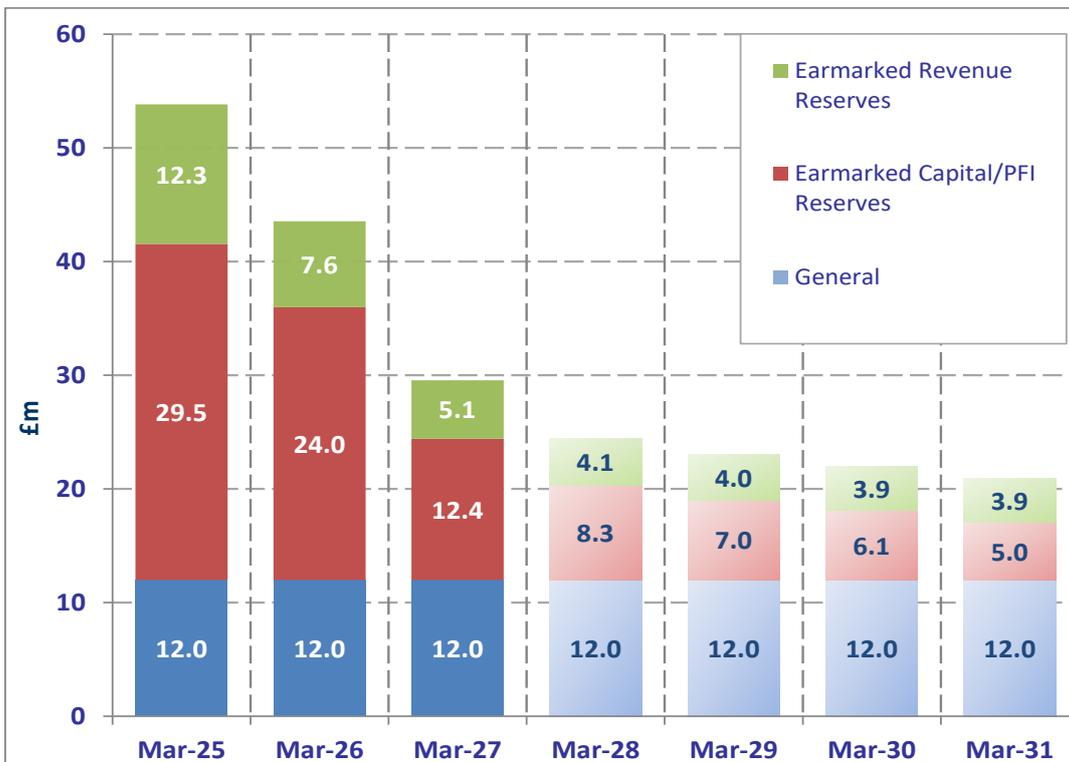
The PCC holds reserves to:

- Support capital and revenue investment to continue our further transformation and change.
- Manage uncertainty and risk in our future; and
- Comply with accounting practice and convention.

As reported in the financial statements at the end of March 2025 the PCC had total usable reserves of £53.8m. This reflected a decrease of £5.8m/9% compared to the balance held 12 months previously, mainly due to utilisation of our capital reserves and discretionary reserves. Our useable reserve levels are forecast to stand at £43.7m by the end of the 2025/26 financial year (a decrease of £10.0m).

The current projections estimate a £10.0m decrease in reserves during the 2026/27 financial year, with further reductions of £13.9m to March 2027. The main reasons for the reduction over this period is the consumption of our capital reserves in line with our capital plans, and the reduction in our discretionary earmarked reserves reflecting the planned use of reserves during 2026/27. We currently show the utilisation of £1.0m of the overtime liability reserve due to the new process of overtime payments made in line with the new functionality of our new ERP system. As the graph demonstrates, from 2028/29 financial year we expect the reserves level to stabilise, with reserves standing at £21.0m by the end of the MTFP period (March 2030). This reflects a projection only at this stage and will therefore be subject to ongoing review and refinement as our plans crystallise.

Figure 8: Useable reserve projections over the life of the MTFP



The reserves largely fall into the following categories: -

- The **general fund** is set annually by the PCC’s Chief Finance Officer in consultation with the Chief Constable’s Chief Finance Officer, and after a consideration of all risks facing the PCC and the Force. We are proposing to keep the fund at £12m for the duration of this plan. The risk

level, and our appetite for the financial provision needed to assure ourselves, may change over the medium-term requiring change in the level of this reserve. At this stage the proposed general fund balance (£12.0m) represents 2.7% of our planned 26/27 Net Revenue budget.

- The **PFI reserves** are used to equalise the phasing of our income (in the form of PFI credits) to our forecast expenditure. In the early years of the contract, we generate a surplus which the accounting model requires us to put into reserves, to be released against the annual deficit in funding forecast in the later years of the contract. By so doing the financial impact on the revenue budget is smoothed over the life of these assets. By March 2030 it is forecast that our PFI reserves will stand at **£5.0m**. Our financial model forecasts that the reserves will begin to gradually reduce as we use the funds to help top-up our revenue budgets. Our modelling identifies that this reserve will not fully unwind until the 2038/39 financial year which will coincide with the end of our PFI contracts.
- The **capital reserves** consist of both the capital financing reserve and the capital receipts reserve. The general capital reserve represents historic and ongoing funds which have been set aside to support general capital investment. It is expected that we will have fully utilised the capital financing reserve by the end of 2026/27 in line with our capital plans. The capital receipts reserve holds receipts from the sale of assets, mainly buildings. It is expected we will fully exhaust this reserve by the end of 2028/29 in line with our capital plans.
- The remainder of the reserves have been **earmarked for specific revenue purposes**. The earmarked reserves are expected to decrease by £3.2m between March 2025 and March 2026. The remaining reserves reflect lots of smaller annual amounts projected to be held at any given year-end which relate to ring-fenced activity. This includes the value on our non-returnable detained property fund, specific grants, and ring-fenced receipts of funding unspent at any given year-end. Also included are a road safety reserve generated through income received from speed awareness course referrals, and reserves held on behalf of collaborations which are hosted by Avon and Somerset.

Risk

Given the extent of the modelling and assumptions required across the development of our MTFP, it is important that we have consideration of risks and the potential impact these could have on these forecasts and plans. The table below highlights some of the key risks identified:

Risk	Potential scale	Mitigation
Grant Funding Value – the value of future grant levels is higher or lower than currently forecast owing to decisions made by the Government about the overall funding available to provide to PCCs.	1.0% of total grant funding is £2.5m p.a.	Grant funding is expected to increase in 2026/27 by £8.7m/3.5% incorporating some provision for the 2025 pay award. Beyond 2026/27 we have assumed annual increase to grant funding of 3.3% in 2027/28 and thereafter 1.7% per annum. These forecasts are based on the projection of the headlines from the SR. There remains some risk that these headlines do not reflect the level of grant funding to PCCs. We will therefore continue to track our assumptions against that being made by other forces across the country, and where necessary adjust future plans.

Risk	Potential scale	Mitigation
<p>Grant Funding Distribution – the value of future grant levels is higher or lower than current forecast owing to decisions made by the Government about how to distribute overall funding available to PCCs.</p>	<p>1.0% of formula grants (inc uplift and NHP grants) funding is £2.5m p.a.</p>	<p>The results of the Home Office consultation on proposals to change the current formula has been delayed for nearly 2 years now. It is possible that a white paper on wider police reform proposes how this will be addressed, but we will not know until we see this. We will continue to monitor this position and assess any impact as appropriate.</p>
<p>Council Tax Base – the increase in council tax base currently forecast is higher or lower than current forecast (1.39% growth in 2026/27, +0.90% thereafter).</p>	<p>1.0% of council tax income is £1.9m p.a.</p>	<p>Our forecasts reflect the national average used by Government for modelling taxbase increases. Historically we have trended to slightly higher taxbase increases locally, which suggests some prudence in our approach here. We will ensure our forecasts for council tax base are adjusted regularly, and where we have confidence in doing so will ensure that our forecasts reflect those being made by local authorities themselves.</p>
<p>Council Tax Surplus / Deficits – the current forecasts by the local authorities are higher or lower than current forecasts (£2.6m surplus 2026/27 and net zero position thereafter)</p>	<p>10% of surplus is £0.26m p.a.</p>	<p>Our forecasts reflect no assumption of either a surplus or a deficit at this stage. Historically we have largely seen net surpluses of variable values, although we note that some local authorities have reported deficit positions. Our approach is therefore considered to be prudent, and we will continue to update our forecasts in line with information provided by our local authorities on an annual basis.</p>
<p>Council Tax Precept – the referendum cap is set at a lower level than that which is planned within our forward projections.</p>	<p>1.0% of council tax income is £1.9m p.a.</p>	<p>The government announcement in December 2025 confirmed the principles for the PCC to set the precept in 2026/27 with a limit of £15 imposed. Beyond this there is no certainty around the referendum cap.</p> <p>Thereafter our assumption is that precept will remain at the maximum of £15 for two years which reflects the national modelling consensus across policing. For the final two years of this plan, we have assumed that council tax will grow at £10 which is a more prudent assumption at this stage.</p> <p>We will continue to monitor this closely and seek intelligence through the PCC and through national forums, as to any potential changes to the principles within which the policing precept will be expected to be considered.</p>

Risk	Potential scale	Mitigation
<p>Pay Inflation – the increase in pay is higher or lower than currently forecast (3.0% increase in 2026/27, 3.0% in 2027/28 & 2028/29 and thereafter 2.5% increase p.a.).</p>	<p>1.0% of officer and staff pay is £3.7m p.a.</p>	<p>At 3% provision for the next three years, we believe we have set a fair assumption for pay. However, there remains risk that the Government are persuaded to fund higher pay awards, and that consequently we are unable to fund this without further savings and potential cuts to service. We will continue to monitor Government and sector statements regarding future pay awards and benchmark our assumptions against other forces to ensure that we are not an outlier.</p>
<p>Officer Pensions – the MTFP reflects the increase from the most recent valuation, which saw employer contributions increase to 35.3% with effect from April 2024. The MTFP recognises the extra cost and the increase in the pensions grant funding to offset this pressure, that the Government confirmed in the December 2024 settlement announcement.</p>	<p>1.0% change in employer contribution is £0.5m p.a.</p>	<p>We do not expect the rate to change until it next comes under review. This will likely occur with effect from April 2028, for a full year effect from 28/29. It is hard to determine the likely outcome of this review; however, the cost of pensions (at 35.3%) are already historically high so it would seem to be unlikely that these can increase much further without the need for further reform. Given the experience of increases in pension costs being funded through the provision of grant, we would assume at this stage that in event of future increases, this pattern would be repeated. If this were not the case, then we would need to consider what savings would be needed to support any cost increases.</p>
<p>Staff Pensions – the MTFP reflects a decrease arising from the 2026 valuation exercise. Employer contribution rates reduce from 18.6% to 15.7% with effect from April 2026. In addition, the secondary lump sum top up payment reduces by £0.9m over the life span of the MTPF.</p>	<p>Additional 1.0% contribution is £0.2m p.a.</p>	<p>The recent valuation, which is resetting rates from April 2026, will stand for the next three years. We can therefore expect that there will not be a further review of this that will have an impact before 2029/30. Monitor the ongoing position of actuarial reviews, engaging with this process through representation on the Somerset Council Pension Committee.</p>
<p>Inflation – the global and UK economic and political position carries a lot of uncertainty and risk at present which could lead to fluctuations in inflation. Our assumptions for non-pay inflationary provisions, might not be appropriate to keep pace with increases in price.</p>	<p>Additional 1.0% on non-pay budgets is £0.8m p.a.</p>	<p>We have included provision for inflation where appropriate to do so. We will continue to monitor areas of acute risk in inflation (including in areas such as insurance, forensics and IT), as well as wider economic indices to determine whether our current assumptions remain appropriate or require revision.</p>

Risk	Potential scale	Mitigation
<p>Capital Affordability – Our capital plans set out our ambitions in relation to both local and national projects and plans. They include a share of maintaining and replacing existing capabilities and infrastructure, with enhancements to support the realisation of the vision of providing outstanding policing in Avon and Somerset. However, we recognise the affordability challenges of our current plan in the latter years. Failure to close this gap will lead to us having to reduce the scope of our plans and/or identify alternative funding sources with resultant impacts on our revenue budgets.</p>	<p>Currently the deficit in our capital plan stands at £4.0m over the next five years.</p>	<p>This plan has closed the level of deficit from previous years through increases to our revenue funding of capital. However, a residual deficit remains, driven in no small part by the forecast local costs of implementing national projects (e.g. ESN) or in having to provide for the infrastructure to enable the transition to electric vehicles (resulting from the Governments mandate and the response of the market here).</p> <p>We will therefore continue to lobby for national funding to support unavoidable capital costs, particularly those relating to ESN and to the transition to electric vehicles. Alongside this we will also ensure that we are identifying and bidding for any new funding streams where appropriate to do so.</p> <p>We will participate in national buying and procurement arrangements (e.g. for fleet or for IT end user devices) to maximise the potential for cost savings achieved through greater economies of scale.</p> <p>We will continue to review and refine plans, ensuring scrutiny of business cases as they are brought forward for consideration.</p>

Appendix A – MTFP – Revenue Forecasts

2026/27 - 2030/31 Medium Term Financial Plan - Revenue						
	Current Year	MTFP Period				
	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000
Constabulary Budgets						
Police officer costs	225,466	238,634	247,973	255,557	262,234	268,969
Police community support officer costs	10,984	11,373	11,745	12,107	12,426	12,744
Police staff costs	117,123	120,633	123,338	125,703	129,086	132,362
Other current and former employee costs	10,649	11,349	11,614	11,883	12,154	12,431
Premises costs	17,901	17,645	17,999	19,448	19,495	20,071
Transport costs	5,667	5,681	5,825	5,964	6,107	6,255
Supplies and services costs	44,824	44,765	45,872	47,913	50,046	52,275
Partnership costs	31,559	32,737	33,183	34,099	34,941	35,752
<i>Plus</i>						
Contribution to/(from) reserve	- 437	- 171	404	- 563	- 320	- 375
Capital financing costs	19,611	20,174	20,491	20,670	21,749	22,244
Outstanding savings target	322	775	-	-	-	-
<i>Less</i>						
Income (inc Specific Grants)	- 46,451	- 44,644	- 45,293	- 44,459	- 44,543	- 44,434
Constabulary costs before specific grants	437,218	457,402	473,150	488,322	503,374	518,295
<i>Less</i>						
Home Office - Uplift recurring grant	- 8,006	- 8,006	- 8,006	- 8,006	- 8,006	- 8,006
Home Office - Uplift additional grant	- 3,161	- 2,440	- 2,440	- 2,440	- 2,440	- 2,440
Home Office - Neighbourhood Policing grant	- 4,575	- 4,575	- 4,575	- 4,575	- 4,575	- 4,575
Ministry of Justice - Victims commissioning grant	- 890	- 890	- 890	- 890	- 890	- 890
TOTAL constabulary costs	420,586	441,491	457,239	472,411	487,463	502,384
OPCC Budgets						
PCC commissioning costs	2,612	2,679	2,679	2,679	2,679	2,679
Office of the PCC costs	2,666	2,755	2,872	2,951	3,025	3,096
TOTAL OPCC costs	5,278	5,435	5,551	5,630	5,705	5,776
Net Revenue Expenditure	425,864	446,926	462,790	478,041	493,168	508,160
<i>Funded by:</i>						
Home Office - Core police grant	- 216,898	- 225,602	- 233,099	- 237,168	- 241,200	- 245,300
Home Office - Legacy council tax grant	- 14,709	- 14,709	- 14,709	- 14,709	- 14,709	- 14,709
Home Office - Pension grant	- 8,378	- 8,378	- 8,378	- 8,378	- 8,378	- 8,378
Home Office - National Insurance grant	- 6,290	- 6,290	- 6,290	- 6,290	- 6,290	- 6,290
Council Tax - Precept	- 177,638	- 189,313	- 200,314	- 211,497	- 219,710	- 228,054
Council Tax - (Surplus)/Deficit	- 1,952	- 2,634	-	-	-	-
TOTAL Revenue Funding	- 425,864	- 446,926	- 462,790	- 478,041	- 490,287	- 502,731
Surplus (-) / Deficit (+) before use of reserves	-	-	-	-	2,881	5,429
Planned Contribution (from)/to reserves	-	-	-	-	-	-
Surplus (-) / Deficit (+) after use of reserves	-	-	-	-	2,881	5,429

Appendix B – Planned Savings

Savings (By Subjective Category)	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000
Police Officer Pay and Allowances - Savings	- 5	- 5	- 5	- 5	- 5
PCSO Pay and Allowances - Savings	-	-	-	-	-
Staff Pay and Allowances - Savings	- 1,336	- 2,689	- 4,042	- 4,042	- 4,042
Other Pay and Pensions Cost - Savings	-	-	-	-	-
Premises Cost - Savings	- 494	- 820	- 820	- 820	- 820
Transport Cost - Savings	- 55	- 55	- 55	- 55	- 55
Supplies and Services Cost - Savings	- 2,113	- 3,112	- 3,112	- 3,112	- 3,112
Partnership Cost - Savings	- 6	- 6	- 6	- 6	- 6
Transfers to / from reserves	-	-	-	-	-
Income - Savings	-	-	-	-	-
Savings - Savings	- 324	- 324	- 324	- 324	- 324
TOTAL Savings	- 4,333	- 7,011	- 8,364	- 8,364	- 8,364

Appendix C – Capital Programme

Capital Plan	Current Yr	MTFP Period					5 Yr Plan
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CAPITAL PLAN EXPENDITURE							
Information and Communication Technology	3,799	2,117	2,095	1,698	2,972	1,826	14,507
Estates	1,455	3,841	685	781	470	636	7,868
Fleet	4,096	4,802	4,681	3,332	3,557	4,040	24,508
Equipment	570	738	551	350	300	300	2,809
TOTAL Maintenance and Replacement	9,920	11,498	8,013	6,162	7,299	6,802	49,692
Revenue Projects	5,554	5,833	3,585	2,701	2,252	1,952	21,878
Digital Projects	702	2,940	2,440	4,780	3,090	-	13,952
Somerset Projects	1,848	9,898	306	-	-	-	12,051
Bristol Projects	-	-	1,762	926	-	-	2,688
South Glos Projects	-	482	-	-	-	-	482
BANES Projects	3,850	1,715	-	-	-	-	5,566
North Somerset	-	827	-	-	-	-	827
Other Projects	628	1,480	3,359	3,192	1,916	-	10,575
Estates Projects	6,327	14,403	5,426	4,118	1,916	-	32,190
Funded projects	1,297	832	949	1,080	1,647	1,333	7,139
TOTAL Capital Plan	23,800	35,506	20,413	18,841	16,203	10,087	124,850

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Partner contributions	- 1,362	- 832	- 949	- 1,080	- 897	- 583	- 5,704
Specific Capital Grant Funding	- 145	- 633	- 13	- 13	- 763	- 808	- 2,377
Direct Revenue Funding	- 8,992	- 9,750	- 10,000	- 10,250	- 10,500	- 10,750	- 60,242
Capital Reserves	- 7,182	- 3,217	-	-	-	-	- 10,399
Capital Receipts	- 300	- 8,939	- 4,330	- 728	- 300	- 300	- 14,897
ESMCP Reserve	-	-	-	734	-	-	734
Borrowing	- 5,814	- 12,135	- 5,121	- 2,061	- 1,316	-	- 26,446
TOTAL Grant Funding	- 23,795	- 35,796	- 20,413	- 14,866	- 13,776	- 12,441	- 121,088
Surplus (-)/Deficit (+)	0	0	0	3,975	2,427	(2,354)	4,048

Capital Reserve						
B/Fwd	- 12,697	- 12,757	- 4,458	- 428	-	-
Additions	- 360	- 640	- 300	- 300	- 300	- 300
Use of	300	8,939	4,330	728	300	300
C/Fwd	- 12,757	- 4,458	- 428	-	-	-

Capital Receipts Reserve						
B/Fwd	- 10,399	- 3,217	-	-	-	-
Additions	-	-	-	-	-	-
Use of	7,182	3,217	-	-	-	-
C/Fwd	- 3,217	-	-	-	-	-

Appendix D – Reserves Forecast

	ACTUAL		FORECAST				
	Bal as at 31st March 2025	Bal as at 31st March 2026	Bal as at 31st March 2027	Bal as at 31st March 2028	Bal as at 31st March 2029	Bal as at 31st March 2030	Bal as at 31st March 2031
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Carry Forwards	32	90	90	90	90	90	90
Operations reserve	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Overtime - liability for new ERP switch on	1,000	1,000	0	0	0	0	0
Buildings and sustainability	290	290	0	0	0	0	0
Budget Support Reserve	1,352	0	0	0	0	0	0
New PCC Fund	640	461	461	461	461	461	461
DISCRETIONARY RESERVES	4,814	3,341	2,051	2,051	2,051	2,051	2,051
SW ROCU (ASP Share)	455	100	0	0	0	0	0
Proceeds of Crime	488	249	199	149	99	49	0
DPR Reserves	553	540	527	514	501	488	475
Specific revenue grants	1,971	444	445	47	50	55	60
Hinkley Point	808	500	500	500	500	500	500
Road Safety	341	266	166	66	0	0	0
LRF Reserve	75	0	0	0	0	0	0
LRF Projects reserve	202	128	52	0	0	0	0
Victims and Commissioning	1,447	966	606	606	606	606	606
Miscellaneous Reserve	265	212	187	162	174	174	174
Regional Programme Reserve	311	341	0	0	0	0	0
Pension Fund McCloud	555	478	402	0	0	0	0
NON-DISCRETIONARY RESERVES	7,471	4,224	3,084	2,044	1,930	1,872	1,815
Capital Financing reserve	10,399	3,217	0	0	0	0	0
Capital earmarked reserves	19	1,558	1,558	1,558	1,558	808	0
PFI Change Reserve	457	457	457	457	457	457	457
PFI Sinking Fund Reserve	5,243	5,253	5,218	5,136	5,005	4,821	4,582
ESMCP Reserve	734	734	734	734	0	0	0
Capital Receipts Reserve	12,697	12,757	4,458	428	0	0	0
CAPITAL AND PFI RESERVES	29,549	23,976	12,425	8,313	7,020	6,086	5,039
General Fund	12,000	12,000	12,000	12,000	12,000	12,000	12,000
TOTAL Useable Reserves	53,834	43,541	29,560	24,408	23,001	22,009	20,905