



Mae'r ddogfen hon ar gael yn Gymraeg yn ogystal â Saesneg.

This document is available in Welsh as well as English.

Capital Strategy

1 Introduction

- 1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code 2021 requires local authorities to produce a capital strategy to demonstrate that capital expenditure and investment decisions are taken in line with desired outcomes and take account of stewardship, value for money, prudence, sustainability and affordability.
- 1.2 This Capital Strategy sets out the principles that underpin the production of the Police and Crime Commissioner's (Commissioner) forward capital programme. It provides a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the delivery of desired outcomes. It also provides an overview of the governance arrangements for approval and monitoring of capital expenditure, outlines how associated risk is managed and considers the implications for future financial sustainability.
- 1.3 The priorities for policing in the local area are detailed in the Police and Crime Plan (PCP). This document is compiled by the Commissioner in consultation with the Chief Constable. The priorities take account of the views of local people and partners as well as the Commissioner's priorities as the elected representative. The Commissioner published his new PCP in December 2021, the following priorities will underpin and be central to all aspects of operational and organisational delivery:
 - Victims are supported.
 - Harm is prevented.
 - Our justice system is more effective.
- 1.4 The Commissioner and Chief Constable also take account of Strategic Policing Requirements issued by the Home Secretary. The Chief Constable is responsible for supporting the Commissioner in the delivery of the priorities set out in the PCP and has developed a Police & Crime Delivery Plan to support the PCP. His operational delivery, performance monitoring frameworks and financing decisions focus on these priorities. Five key delivery principles will support the PCP:
 - Delivering value for money
 - Public engagement
 - Working together
 - Supporting victims
 - Strong leadership
- 1.5 The Capital Strategy is a tool to support planning and corporate working across the two Corporations Sole helping to ensure that assets are used and

managed well. The Capital Strategy shows how we prioritise, monitor, deliver and evaluate our capital programme using the basic principles of the project methodology.

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

2 Key Partnerships

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

3. Financial Sustainability

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

4 Environmental Sustainability & Decarbonisation

- 4.1 In 2019, the Welsh Government declared a Climate Emergency for Wales, to help trigger more action to address the climate change challenge. The Welsh Government reinforced the ambition for the Public Sector in Wales to be carbon neutral by 2030 and published the report 'Prosperity for All: A Low Carbon Wales (2019)', setting out 100 policies and proposals to decarbonise Wales. This Strategy provides Welsh Police Forces with a framework for prioritisation and support a clear plan of action that can be delivered locally and/or in collaboration by and beyond 2030 and seeks to introduce a series of planned interventions and improvement measures.
- 4.2 As part of an all Wales approach, Dyfed-Powys are firmly committed to playing their part, and have developed a Strategy setting out the ambition for decarbonisation and committed to a long term, future sustainable police service. Achieving net zero carbon will require a thorough transformation of the systems that make up the backbone of our operations, including transport, energy use, procurement of goods and services and the built environment
- 4.3 Dyfed-Powys is very conscious of its obligations in relation to environmental sustainability and these considerations will form an intrinsic part of all capital investment proposals.

5 Capital Programme

- 5.1 Assets are vital to the delivery of efficient services and should be well managed and maintained. Strategies for Estates Management, ICT and Vehicle replacements underpin the Capital Strategy in providing the details for the longevity and the optimum replacement cycles for these items.
- 5.2 The Capital Programme and financing which covers the revised position for 21/22 through to 2026/27 is summarised below:

Table 1- Capital Programme 2021/22 – 2026/27

Capital Programme	21/22	22/23	23/24	24/25	25/26	26/27	Total
	£000k	£000k	£000k	£000k	£000k	£000k	£000k
Land and Buildings	7,927	18,653	14,914	7,349	3,921	1,949	54,712
Vehicles	1,114	1,869	1,625	1,380	1,405	1,600	8,993
IT and Other Strategic Spending	2,226	7,151	4,948	3,737	4,853	3,138	26,054
Capital Expenditure	11,267	27,673	21,487	12,466	10,179	6,687	89,759
Grant Funding	-1,080	0	0	0	0	0	-1,080
Borrowing	-7,297	-19,306	-16,767	-8,832	-5,891	-1,269	-59,361
Contribution from Revenue Account	-2,092	-2,948	-2,407	-3,134	-4,238	-5,369	-20,189
Capital Receipts	-172	-50	-400	-500	-50	-50	-1,222
Sustainability Reserve	-175	-175	-144	0	0	0	-494
Capital Reserve	-451	-5,194	-1,769	0	0	0	-7,414
Capital Financing	-11,267	-27,673	-21,487	-12,466	-10,179	-6,687	-89,759

5.3 Work has continued through the MTFP Group and Finance and Strategy Board to consider financial and investment requirements over a longer time frame. Albeit that it contains a number of assumptions and uncertainties this Capital Strategy includes a capital programme, shown at Appendix G, which has been extended to cover a 10-year period. This programme will be revisited as clarity arises and annually, as part of the formal budget and precept setting.

5.4 Estates

5.4.1 The Commissioner has an Estates Strategy which provides clear guidance and direction around the future strategic and operational Estates requirements for the Dyfed-Powys Force, and provides clarity for budget allocation and future investment requirements.

5.4.2 The aim of this strategy is to:

- Create an efficient, fit for purpose and sustainable estate that delivers value for money and facilitates flexible working in line with the Police and Crime Plan
- Deliver an estate which provides an appropriate level of security for officers and staff and information
- Provide a visible and accessible service which enables multi agency working and promotes visible policing

5.4.3 The main focus will be:

- Investment in the portfolio as required to maintain in line with full operational effectiveness.
- Sale of vacant and redundant properties.
- Construction of the new Carmarthenshire Custody and Station facility in Dafen Llanelli
- Consolidation and collaboration with Local Service Board members and partners.
- Delivering the new Brecon facility to provide collaborative Policing and Custody facility in South Powys
- Agreement on the future of buildings that might require major investment/replacement in order to continue servicing the needs of the community

5.4.4 Governance arrangements around Estates have been strengthened during 2020/21 to ensure that all stakeholders are better represented and to ensure the inherent linkage between operational requirements and estate provision. These will continue to be monitored/reviewed during 2022/23 aligned with the best operational for the delivery of the wider Estates model to support operational Policing.

5.4.5 All intended investment and decisions will be assessed to consider the following criteria:

- Location: Operationally Fit for Purpose
- Public Facing Status - Customer Facing
- Overall Condition of Property and Financial Burden

5.4.6 The Strategic Estates Group have developed a Project Risk Based Assessment Criteria to assist with the prioritisation of capital investment:

- Risk to operational effectiveness (to include smarter working)
- Risk to not meeting a legislative or statutory requirement including ISO accreditation
- Risk to building fabric/system which increases cost with long term implications
- Risk to Force & Commissioner Reputation (including partnership arrangements)
- Risk to Health & Safety
- Risk to the Security of the Site

5.4.7 Critical to the provision of policing within Dyfed-Powys has been the requirement for improved custody and station facilities in Carmarthenshire. This project has been ongoing for a number of years and has faced a number of challenges along the way. The project is seeking to deliver an 18-cell complex with ancillary office accommodation and Police station facilities on the outskirts of Llanelli. The Construction phase of the project commenced in October 2021 where ground clearance and stabilisation works commenced. Timescales are still on track for construction to complete in late May 2023. The project is now expected to cost in the region of

£18.6m. There have been a number of factors that have led to an increase in costs including design changes/refinements, increased security requirements, increased costs for specialised equipment, ground conditions/contamination, inherent construction and materials cost increases as a result of the wider economy including the impact of Brexit and Covid-19. An extensive process to seek value engineering opportunities was also undertaken prior to award and continued focus remains to drive costs out of the scheme where possible. The Project continues to have a formal governance arrangement in place under the Deputy Chief Constable's direction.

- 5.4.8 Significant refurbishment works and investment has taken place over recent years to address a considerable programme of condition survey works across the estate, however the extent and inherent deterioration of the estate means that continued investment is required across all four counties.
- 5.4.9 The previous condition survey has helped inform the Estates Strategy in determining which properties to retain and where future moves and accommodation changes need to be planned to meet operational requirement. The future property strategy aligned with force crime Demand analysis data is a priority for the organisation, this work is currently underway and will provide clarity on the optimum operational location of policing hubs, this will provide direction for future collaboration opportunities, and reduce revenue costs where it is deemed that other estate solutions are viable, and complement future policing in a more effective way than the current estate. Pembrokeshire Estate Strategy is a key area of focus which will be reviewed in detail in the coming year, this will determine possible future capital and revenue implications aligned with the current condition of the estate.
- 5.4.10 Due to the deteriorating condition of the existing facility in Brecon, provision of £8.8m has been included for a potential new build. A full intrusive condition survey confirmed that it was cost effective to build new vs refurbishment of the current building, alternative options have been investigated and we are currently progressing a collaborative facility with partners for the possible acquisition of an existing office building where a new custody and Vehicle maintenance facility will be built. The operational requirements have been critically reviewed and have assessed that a considerably smaller footprint is required within Brecon. Albeit that this causes delay, given the scale of investment, ensuring full due diligence of options and progressing with the most cost effective and future proofed solution remains paramount to all involved.
- 5.4.11 The requirement for a firearms training facility to support the southern Welsh Forces collaborative Joint Firearms Unit was identified during 2018/19. The existing range has been deemed not fit for purpose and a new facility is required to meet the very extensive training needs and legal requirements for firearms officers. Considerable discussion has taken place between Commissioners and Forces with a full business case being produced consider a range of options and potential locations for a new facility. Extensive due diligence has been undertaken and negotiations on land purchase have been finalised. Total costs of circa

£30m have been identified with £8.1m being Dyfed-Powys Police's share of costs profiled over the next two financial years. The effects of the Covid-19 pandemic on the scheme in terms of material pricing along with land acquisition delays have meant that progress has been impacted.

- 5.4.12 In addition to these major developments, there will be continued risk assessed programme for planned and reactive maintenance. Prioritisation of works is reviewed based on risk factors aligned to condition of fabric and to the occupant, legislative requirements and business continuity considerations which inform the decision-making process and timescales. Condition surveys have previously been carried out across the whole estate determining the level of investment required at each location by each sub fabric element Custody upgrades are carried out in a phased approach based on risk and corrective actions as identified during HMIC audits.
- 5.4.13 The capital budget supplements a centralised revenue budget for planned and cyclical major buildings works which are programmed based on risk and future strategies for each building. Revenue resources are also held and managed locally for smaller scale repairs, upkeep, and maintenance initiatives/programmes. Investment has been prioritised within the capital programme to achieve efficiencies and reap reductions in revenue expenditure within the estate.
- 5.4.14 The Director of Estates has continued to work closely with the force to develop and deliver the numerous requirements arising from Covid-19. The organisation continues to embed agile and efficient ways of working. This approach will have further longer-term implications for both the estate and for IT which may require some upfront investment to facilitate longer term efficiencies. Assessments of these where required have been included with the capital programme.
- 5.4.15 A Sustainability Group was established during 2019 with this groups terms of reference seeking to explore and maximise sustainability opportunities. This work was paused to prioritise the organisations response to Covid-19 but has re-started during FY 21/22 with an All-Wales strategy and resource pool being used to provide a national unified approach and direction aligned with Blue Light Commercial initiatives and direction. The forward capital programme includes provision for a number of initiatives which as well as considering environmental and sustainable considerations will also seek to achieve efficiencies. This includes the Decarbonisation Plan for Headquarters site, which sees a structured invest to save Capital allocation for reducing the environmental impact of the Estate.
- 5.4.16 The Facilities Management Contract commenced in spring of 2019. A mid contract review was undertaken in 2021. This review confirmed that the arrangements mobilised delivered statutory compliance, but fell short on key aspects of customer service. The next six to twelve months will determine future mid-term strategy for the facilities management contract and solution.

5.5 Fleet

- 5.5.1 The force has a good understanding of the demand for fleet through telematics. Arrangements are in place to ensure that the Fleet make-up continues to match demand and the evolving operational requirement through the Fleet User Group and the Strategic Fleet Management Group.
- 5.5.2 A significant reduction in mileage across the marked and unmarked fleet was experienced in 2020/21 as the force dealt with the pandemic. Whilst the 2022/23 mileage volumes are expected to show an increase from 2020/21, a 10% reduction in mileage is anticipated from the normal baselines as a result of a number of initiatives.
- 5.5.3 The force has already utilised telematics data to reduce the fleet from 415 vehicles in 2017/18 to 404 in 2021/22 and anticipated 385 vehicles by 2024 as a result of the changes including the E2E project and smarter working. The 10-year capital programme fully reflects the replacement requirements based upon value for money considerations around replacements versus servicing costs.
- 5.5.4 Dyfed-Powys is aware of its obligations in terms of sustainability and has started to invest in electric vehicles and charging infrastructure. Further work is being undertaken collaboratively with blue light services and other public sector partners to scope and plan the requirements particularly in relation to carbon neutrality and phasing out of diesel vehicles.
- 5.5.5 The force continues to exploit collaboration through a shared fleet management system across southern Wales, as well as meeting servicing requirements of partner agencies.

5.6 **Information Technology**

- 5.6.1 The Force has a current ICT Strategy which covers the period from 2018 up until 2024, and sets out the Force's ambitious digital transformation aims and the essential ICT infrastructure upgrades necessary to deliver a robust, resilient and performant platform with increased capacity to support the Force's needs over the coming years. The ICT strategy has been complemented by the writing of a Digital Transformation Strategy in 2021 which spans 2021 – 2026 and focuses on exploiting the potential benefits that are possible through the utilisation of emerging digital technology, exploring and experimenting with innovative technologies with the aim to re-imagine the way we work today – to make the organisation more efficient and effective and to develop a strong digital culture within the force.
- 5.6.2 The forward capital strategy takes account of a number of local strategic IT projects and also a number of re-procurement projects involving technologies and IT solutions that have reached the end of contract or end of life of essential equipment. The key IT capital projects which are planned for the 2022/23 period are:
 - 5.6.2.1 The implementation of the Niche RMS has begun and progress has been made in many areas such as:
 - The completion of the to-be processes is planned in for early 2022 leading to the final set of requirements being approved and provided

to Niche which will dictate what will be included in the version of Niche that the force will go live on.

- Data quality / de-duplication activities are continuing in 2022 with the intention to start the MOPI RRD process which will see a significant number of Person and context records disposed off.
- Defining the BRC and Transition work has commenced with the creation of a data staging DB and the writing of BRC scripts, significant effort will be spent during 2022 in testing the loading of BRC data into Niche and testing interfaces to other systems.
- The force has agreed with the West Coast region the detailed project plan for go-live, with Dyfed-Powys Police being given go-live slot of May 2023.

5.6.2.2 Procurement of a new RMS solution will now result in the need to re-integrate / re-design the current mobile solution to work with the new RMS provider. Discussions are underway with Merseyside Police who are also Pronto users to see if Dyfed-Powys Police can utilise Merseyside's version of Pronto, detailed mapping is being undertaken of the differences in Pronto processes with the subject matter experts from the business side.

5.6.2.3 Work has been carried out as part of the Commissioner's reinvestment in CCTV provision across the Force with phases 1 to 3 complete. There are two towns remaining namely Narberth and Aberaeron with work planned to be completed by April 2023 with handover to force communications centre as part of business as usual.

5.6.2.4 The new Contact Management System project has started, the procurement stage is now complete (with Motorola Airwave having successfully secured the contract) and moving to the implementation stage, there are three elements to the new system, emergency telephony, ICCS and CRM (Customer Relationship Management). The intention is to deliver the solution in stages with the emergency telephony part being made available during 2022 with the remaining elements going live in 2023.

5.6.2.5 The contract has been renewed with the incumbent Telematics solution provider for a further five years under a procurement carried out by SWP which has seen a decrease in costs over the 5 year period.

5.6.2.6 The Smarter working project has been set up which is looking at how the force should operate moving forward, with roles being defined as either fixed or agile leading to the decision as to the right IT equipment for each role. For example improvements to the productivity tools on MDTs, with the rollout of NEP and M365 and access to their O365 documents now available to frontline officers. Significant lessons have been learnt from the forced changes to working practices due to the ongoing Covid-19 pandemic. The project will define agile working areas across the force and decide the kind of equipment needed, this will include identifying all roles that require laptops as agile workers, and improvements in technology / infrastructure to accommodate the

increase. The capital program includes a provision for laptop and desktop computer replacements.

5.6.2.7 In 2022 the Digital Crime Unit working with ICT will need to define the strategic direction for their long term sustainable digital media storage requirements and to consult with other forces as to suitable secure viable options. This is likely to result in investment in 2022 -2023.

4.7.3 The forward capital strategy takes account of national programmes of work that are being taken forward by the NPCC's and the Home Office. There are numerous schemes being taken forward nationally including the following:

4.7.3.1 National Law Enforcement Database (NLEDP) programme has adopted a new approach to deliver the replacement for PNC (PND is now out of scope), they are taking an agile software development approach and aim to provide drops of useful functionality to forces on a regular basis. They are currently progressing the following areas, some are likely to land during 2022/23:

- Property Service
- Roadside Driver Check
- Vehicle Check
- Wanted on Court Warrant – which is the first product under development within the “Person” domain.

4.7.3.2 NIAM – National Identity Access Management is required in order that as a force we can consume new national services – such as LEDS.

4.7.3.3 Digital Public Contact – Single Online Home has a detailed future capability roadmap that is planned over the next few years, which will require continued support from with the organisation to ensure our public facing website develops in-line with the national programme and has the latest advancements.

4.7.3.4 A National Automatic Number Plate Recognition Service.

4.7.3.5 The National Enabling Programme are delivering three separate strands:

- The force is currently rolling out the NEP Microsoft Office 365 productivity tools, delivered via the Microsoft Cloud based on a nationally assured solution blueprint design and template. The force is nearing the completion of the full rollout stage and will be moving next to expand the use of MS Teams across the force and ensuring guest access and file management and retention are properly aligned with national policies. The project team are developing a roadmap for the introduction of further M365 applications.
- IAM – Identity and Access Management is now embedded with work ongoing with SWP and Gwent Police to assist with collaboration across the region.
- NMC – National Monitoring Centre providing national level security operations capability to respond to cyber threats has been rolled out in force and monitoring of both cloud and on premise servers is now fully embedded and are investigating

further increasing our cyber resilience by looking at more advanced products such as MS Sentinel.

- 4.7.3.6 Emergency Services Mobile Communications Programme to replace the existing Airwave radio system – whilst there is continued uncertainty in respect of the programme timescales one of the first phases on ESN adoption will be delivered to Dyfed-Powys in mid 2022 known as Dispatch Communication Server. The work undertaken in the CMS project will prepare the force in readiness for the adoption of ESN.
 - 4.7.3.7 The current contract for Body Worn Video expires December 2022 and the force are looking at options for the procurement of a replacement solution with a view of a longer term contract. The procurement will look to standardise on a Digital Evidence Management System platform for the storage of all digital evidence material linking into Niche to provide a seamless experience for the officer.
- 4.6.4 The force has set up an Emerging Technology and Transformation Group to explore and to capitalise on the benefits of more innovative technology options such as artificial intelligence, facial recognition, augmented reality technology and robotic process automation (RPA). The initial focus has been on RPA, and a project has been kicked off to identify an initial set of suitable processes to implement using RPA, the next stage is to move to run a proof of value exercise. The aim is to look at digital innovation through experimentation – a reduced risk iterative innovation approach – ensuring cost effective investment. This is based on an internal Rapid Digital Innovation Delivery model, where the methodology is based on Look, Try, Prove and Extend. The intention is also to approach other forces that are more advanced in this space and consider sharing common processes, thereby speeding up delivery.

5 Capital Requirements and Resources

- 1.1 There has been a significant reduction in core capital funding allocated by the Home Office over recent years with only £85k being received for 2021/22. The funding settlement for 2022/23 announced that all capital funding directly to Commissioners will cease and be redirected to national projects. This erosion has caused additional burden on revenue budgets with capital funding needing to be met from reducing capital reserves, increased direct revenue contributions from revenue and prudential borrowing which brings long term additional burdens on the revenue budget to fund both interest and minimum revenue provisions.
- 1.2 In addition, to the array of investment requirements for critical local and regional infrastructure there are also financial burdens arising from a number of mandatory national Information Technology projects which in the main, are outside of the control of Dyfed-Powys. These projects continue to cause concern both in terms of delays, cost increases with much dialogue continuing between the APCC, the NPCC and the Home Office. HMICFRS State of Policing report for 2021 also made specific critical comment,

- 1.3 As part of his integrated service and financial planning arrangements, the Commissioner estimates the level of capital resources available for subsequent years in order to draw up a forward capital programme.
- 1.4 The Commissioner and Chief Constable have prioritised investment in the capital programme towards strategic priorities, unavoidable spending and towards areas that reduce future revenue expenditure and a revised capital programme for 2021/22 to 2026/27 totalling £89.759m.
- 1.5 In order to meet future capital investment requirements and mitigate the cessation of capital grant funding, the medium term financial plan and capital programme include an increasing trajectory of revenue contributions to capital with external prudential borrowing to support investment in critical infrastructure.
- 1.6 The profiled level of capital investment and external resources are used to assess the need for both short and long term borrowing. The strategy also feeds into the considerations that the Commissioner makes annually in setting prudent sustainable and affordable borrowing levels and indicators.
- 1.7 Local Authorities, including the Police, can set their own borrowing levels based on their capital need and their ability to pay for the borrowing. The levels will be set by using the indicators and factors set out in the Prudential Code. borrowing costs are not supported by the Government so DPP needs to ensure it can fund the repayment costs. The authority's Minimum Revenue Provision (MRP) Policy sets out a prudent approach to the amount set aside for the repayment of debt. These are set out separately under the Treasury Management Strategy which is considered and approved by the Joint Audit Committee. The Code is explicit that authority must not borrow to invest primarily for financial return.
- 1.8 In addition to their own capital programme, the Commissioner and Chief Constable work with other partners to secure additional capital and revenue resources to further partnership, transformational and sustainability objectives wherever and whenever possible. These are dealt with through complementary processes.

2. Governance Arrangements

- 2.1 As outlined the capital programme has been prioritised by Commissioner and Chief Constable who appraise requirements against strategic priorities. The processes recognise the varying scale and complexity of capital projects and incorporate a proportionate approach to capital project appraisal, monitoring and evaluation.
- 2.2 The Commissioner manages his capital strategy operationally through the Policing Board, which oversees the major change projects for both capital and revenue. In addition, the Finance and Strategy Board will support delivery and monitor specific programme risks. Detailed implementation work is assigned to key individuals and overseen by the Strategic Estates, Strategic ICT and Strategic Vehicle User Groups or at specific Project Boards including the Capital Build Group which are established to oversee and govern major capital schemes.
- 2.3 Major projects are managed in accordance with project management best practice in terms compliance with PRINCE 2 project methodology. Links have been established between benefits management on key projects, efficiency planning and costing information.
- 2.4 A project proposal form has been developed to capture project considerations, risks, costings, timescales and business benefits in a consistent manner across the organisation. All project proposals will be considered by the Recovery, Change & Transformation Group.
- 2.5 The Capital project proposals are considered and prioritised with reference to a business case and are considered against the following factors:
 - Strategic importance - how the bid supports the Commissioner's priorities and wider national and regional priorities;
 - The outcomes that will be achieved and the specific benefits and impacts;
 - Financial Sustainability – whether costs are realistic and the level of future revenue implications;
 - Environmental Sustainability;
 - What options have been considered;
 - What other funding sources may be available;
 - The degree to which the proposals support partnership working.
- 6.6 Particular consideration is given to on-going revenue costs stemming from capital projects within the appraisal process. All potential capital bids identify ongoing revenue costs and consider how these can be met. Revenue costs stemming from capital schemes including any prudential borrowing requirements are built into the medium term financial plan.
- 6.7 Prioritisation is then made, based on four categories, which are listed below in order of priority:
 - Unavoidable (statutory, contractual or tortious liability);
 - Corporate Priority (relating directly to the Corporate Aims and priorities for improvement);
 - Service Priority (meeting stated service priorities);

- Other (payback, invest to save, leverage of external funding etc.).
- 6.8 Lower priority projects which cannot be delivered within available resources can only be considered and undertaken if additional resources or an underspend on the approved capital programme is identified during the year.
- 6.9 Progress against capital schemes is reported as part of financial reporting to Finance and Strategy Board, Policing Board, Force Executive Board and quarterly to Policing Accountability Board. Specific projects and reports are also considered by the respective governance groups, which sit below these Boards i.e. Strategic Estates Group, Capital Build Group, Strategic IT Group and Strategic Fleet User Group, with risks and highlight reporting escalated through the governance structure as appropriate.
- 6.10 Following approval of the capital programme, a project manager and a user representative is identified for each capital project. The project manager is responsible for managing the project implementation and delivering its objectives. For all projects within the capital programme an officer is identified as project sponsor.
- 6.11 The user representative is responsible for representing users and customers and for defining the quality requirements. Both roles reflect the underlying principles of the PRINCE 2 project management methodology. The project manager produces a project plan for approval. Progress against the project plan is reported to the Programme Management Board and Project Sponsor.
- 6.12 Once projects have been completed the project manager completes a post implementation review for the major capital projects. This includes identifying at what stage the post project review will be carried out. The post project report is reviewed by the Finance and Strategy Board and escalated to the Policing Board if required.
- 6.13 To evaluate the actual success and outcomes of capital projects a post project review is also carried out. The depth of this review is proportionate to the scale of the project and the benefits set out in the initial Project Initiation Documentation.
- 6.14 This review is in effect a check of performance against the original proposal. It focuses on the outcomes achieved, the extent to which the benefits claimed are being realised, the actual costs, both revenue and capital, and the impact of other funding and partnership working. Dyfed-Powys can then use this information to learn lessons and make any improvements identified during project implementation.
- 6.15 The ongoing success of projects is monitored through a number of mechanisms such as officer feedback, public consultation and customer feedback.

7 The Disposal of Assets

- 7.1 The Commissioner and Chief Constable recognise the need to dispose of surplus or unsuitable assets to help achieve its corporate aims and deliver

its capital programme and the detailed process for disposal of assets is included in the Corporate Governance Framework. A number of properties have already been disposed of and plans to market further properties will be done in conjunction with delivering the Estates Strategy.

8. Conclusion

8.1 This Capital Strategy considers all aspect of capital management, sets out the methods for assessing capital projects and assets and outlines the revised capital programme for the period 2021/22 to 2026/27 with wider outlook 2030/31. The strategy should be read in conjunction with the detailed Estates, ICT and Fleet Strategies, Sustainability & Decarbonisation Strategy and the Treasury Management Strategy which covers the requirements of CIPFAs Prudential Code.

Capital Programme	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	Total
	£000k	£000k	£000k	£000k	£000k	£000k	£000k	£000k	£000k	£000k	£000k
Land and Buildings	8,412	19,305	14,978	7,349	3,921	1,949	1,908	1,711	2,541	2,541	64,614
Vehicles	1,114	1,869	1,625	1,380	1,405	1,600	1,505	1,530	1,491	1,491	15,009
IT and Other Strategic Spending	2,226	6,382	5,717	3,737	4,853	3,138	4,074	4,749	4,978	3,177	43,033
Capital Expenditure	11,752	27,556	22,320	12,466	10,179	6,687	7,488	7,990	9,010	7,209	122,656
Capital Grants	-1,080	0	0	0	0	0	0	0	0	0	-1,080
Borrowing	-7,782	-19,189	-17,600	-8,832	-5,891	-1,269	-2,069	-2,571	-3,591	-1,790	-70,583
Contribution from Revenue Account	-2,092	-2,948	-2,407	-3,134	-4,238	-5,369	-5,369	-5,369	-5,369	-5,369	-41,664
Capital Receipts	-172	-50	-400	-500	-50	-50	-50	-50	-50	-50	-1,422
Sustainability Reserve	-175	-175	-144	0	0	0	0	0	0	0	-494
Capital Reserve	-451	-5,194	-1,769	0	0	0	0	0	0	0	-7,414
Capital Financing	-11,752	-27,556	-22,320	-12,466	-10,179	-6,687	-7,488	-7,990	-9,010	-7,209	-122,656