Decision Notice

To	Sussex Police & Crime Commissioner
From	Contact: Iain McCulloch, Chief Finance Officer, Office of the Police & Crime Commissioner Email: iain.mcculloch@sussex-pcc.gov.uk
Reference	011/2026
Subject	Sussex Police Fund Group Revenue and Capital Budget Monitoring to 31 March 2026 Quarter 4 2025/26 – Sussex Police Fund Group Monitoring and Key Decision
Date	21 June 2026
Recommendation	That the Police & Crime Commissioner (PCC): • Approves the Revenue budget outturn on 31 March 2026 subject to audit. • Approves the Capital budget outturn on 31 March 2026 subject to audit. • Approves the Revenue and Capital budget transfers (virements). • Approves the transfers to/from reserves • Approves the capital slippage Note all figures and narrative are draft and subject to the audit of the statements of accounts.
Is the decision of significant public interest	Yes– relates to the financial resources for policing
Summary of reasons for decision	Financial Regulations require that Sussex Police and Crime Commissioner publish a Sussex Police Fund budget monitoring report and approve budget changes.
Consultation undertaken	N/A
Approved by legal adviser (if appropriate)	N/A

Approved by finance (if appropriate)	Prepared by the Chief Financial Officer and reviewed by the PCC Chief Finance officer.
Background papers	See the following section.
Identified media issues	The Sussex Police Fund budget and resources are of public interest.

Sussex Police Fund: 2025-26 Budget Overview and Key Deliverables

Main Revenue Budget Figures for 2025/26:

- The net revenue budget for 2025/26 is £425.9 million.
- Funding primarily comes from:
    - Total Policing Grant: £248.1 million, representing 58% of the total funding.
    - Council Tax Requirement (balance to be raised locally): £177.8 million, representing 42% of the total funding.
- The basic amount of Council Tax (Police Precept) for Band D properties is £266.91 per year.
- The Tax Base for 2025/26 is 664,417.8 Band D equivalents.
- Despite these increases, a **£5.0 million funding deficit existed** which required savings and service reductions to balance the budget for 2025/26.
- The General Reserve is estimated to be £16.9 million as of 1 April 2025, adhering to a policy of maintaining a minimum of 4% of the net revenue budget.

Key Deliverables for 2025/26:

- **Maintain and enhance police officer numbers**: Sussex Police committed to maintaining a headcount of at least **3,226 police officers** by 31 March 2026 to secure full government grant funding.
- **Deliver the Police & Crime Plan priorities**: Resources are allocated to support the PCCs strategic priorities: Protect (preventing crime, supporting victims), Catch (investigating crime, bringing offenders to justice), and Deliver (improving trust and building public confidence).
- **Sustain operational capacity and service improvements**: The precept is vital for sustaining current operational capacity and leveraging data and technology to

improve value and outcomes, aiming for quicker responses and better results for victims.

- **Achieve efficiency savings**: Significant efforts will continue through the Service Transformation Programme to identify and deliver savings to contribute to the £5.0 million required for 2025/26. These savings will come from managed workforce plans, strategic use of one-off reserves, estate rationalisation and operating model efficiencies.
- **Invest in critical infrastructure**: The capital programme will focus on essential investments in the fleet, IT infrastructure (including new cloud-based services and digital evidence management systems) and the estate to ensure modern standards and efficiency.
- **Strengthen neighbourhood policing**: Funding is allocated to recruit and redeploy additional police officers, PCSOs, and Special Constables specifically for neighbourhood policing roles.
- **Address key crime concerns**: Continued focus on tackling violence against women and girls (VAWG), reducing knife crime, and combating anti-social behaviour (ASB), as identified through public consultation.
- **Support community safety and victim services**: The PCC will continue to fund Community Safety Partnerships (CSPs) and commission services for victims of crime. The Immediate Justice pilot will also receive additional funding to operate for six months in 2025/26.

Revenue and Capital Budget Monitoring Quarter 4 – 1 April to 31 March 2026

Revenue Budget Highlights

The revenue budget spend underspend by £1.5 million, this includes unplanned additional income and slippage for activity that requires funding to be carried forward into 2026/27.

Of this the Chief Constables Operational Delivery Budget under spent by £1.8 million.

- **Recruitment of more police officers** – Following a public consultation, the PCC was given public support to increase the policing part of the council tax for 2025/26. This added an extra £14 per year for an average Band D property and was supported and endorsed by the Police & Crime Panel at their meeting in January 2025.
- This extra investment ensured that Sussex Police was able to protect and sustain the operational policing capacity, system capabilities and service improvements delivered previously, despite increasing demand and significant financial

challenges. This has included building on the progress already made in crime prevention, response and investigations through further investment in digital support for investigation and analytics to deliver smarter evidence-based policing.

- It has also supported the Force to put resources in the areas that would have the greatest impact and contribute towards delivering the best possible outcomes for victims of crime and members of the public, whilst simultaneously delivering the change programmes required to ensure that the most efficient policing model exists in Sussex to protect communities, catch criminals and deliver an outstanding service.
- The previous Government also extended the maintenance grant to support police force areas in England and Wales to maintain police officer numbers during 2025/26, following the Police Uplift Programme (PUP) which recruited 20,000 new police officers in England and Wales over the three years to 31 March 2023.
- The maintenance grant was confirmed as £377million in 2025/26, with £10.7million allocated to Sussex Police. This comprised a PUP performance grant of £7.5million and an additional recruitment 'top up' grant of £3.2million towards the cost of the additional recruitment over and above the baseline target.
- To qualify for the full funding amount, the Force was required to maintain an enhanced baseline headcount of 3,226 officers at two key checkpoints: 30 September 2025 and 31 March 2026. Sussex Police exceeded the target at both points. Notably, as of 31 March 2026, the Force recorded a headcount of 3,342 officers—representing 73 officers above the enhanced target—which equates to 3,259.68 Full-Time Equivalent (FTE) officers based on actual hours worked.
- In addition to this, Sussex Police & Crime Commissioner was allocated a further £4.3 million from the government's Neighbourhood Policing Grant for the 2025/2026 financial year. This grant was specifically for enhancing neighbourhood policing, with a national goal of adding 13,000 such roles by 2029. The funding enabled Sussex to recruit an additional 43 police officers and more Special Constables during the year. Incorporating these 43 grant-funded officers brought the force's revised target to 3,269 officers
- **Achieve efficiency savings**: Work continues to identify and deliver further savings to meet the savings requirement over the medium term. For 2025/26 £4.4 million of savings were achieved resulting is a shortfall of £0.6 million which will be carried forward into 2026/27.
- **Manage In Year Cost Pressures:** The government announced in August a 4.2% pay rise for all police officers in England and Wales, effective from 1 September 2025. This award, which applies to all ranks up to and including Chief Superintendent, follows the recommendations of the independent Police

Remuneration Review Body (PRRB). The pay increase is backed by an additional £120 million in funding from the Home Office to assist forces with the cost for 2025/26 only, for Sussex this equated to £2.6m.

The Police Staff pay increase was subject to negotiation by the staff representative bodies during this quarter. However, agreement of a 4.2% increase to pay was reached in early November 2025.

The 2025/26 budget included assumptions for what was seen as 'realistic' pay increases for officers and staff. However, that still meant the force faced a deficit of £5m in 2025/26. The pay increase of 4.2% even with the additional grant funding created a further £0.3m budget pressure.

Additional government funding of £0.8 million was also received following a financial claim for the additional policing costs that Sussex Police incurred as a result of the establishment and operation of the Crowborough Camp large asylum site.

The PCC spent £4.4 million. Key highlights in the PCC budget for 2025/26 include:

- **Address key crime concerns**: The PCC as the recipient of Serious Violence Duty (SVD) and Violence Reduction Partnerships (VRP) grant monies continues to oversee the delivery of Sussex Police initiatives including Marshalls and hot spot policing patrols designed to reduce serious violence, knife crime, and combat anti-social behaviour (ASB) in Sussex.
- **Addressing serious crime:** is a key focus for the PCC. Using funding from the Serious Violence Duty (SVD) and Violence Reduction Partnership (VRP) grants, the PCC is overseeing initiatives like the Marshall program and hotspot policing patrols. These are strategically designed to help Sussex Police to actively reduce serious violence, knife crime, VAWG and anti-social behaviour across Sussex.
- **Support community safety and victim services**: The PCC has funded Community Safety Partnerships (CSPs) and has commissioned services for victims of crime.

Further details of the work of the Sussex Police and Crime Commissioner can be found in the 2025/26 Annual Report which will be published here during the summer of 2026.

Capital Budget for 2025/26

- **The capital and investment programme for 2025/26** was budgeted at £28.0 million, with a total of £116.1 million planned over the next four years. The Sussex Police Capital Programme is a comprehensive plan to manage and invest capital, ensuring all spending aligns with strategic goals and is both sustainable

and affordable. By strengthening core assets and systems, the plan aims to enhance policing capabilities while also reducing future resource demands.

- **Spending is strategically focused on three core areas:** Fleet, Information Technology (IT), and the Estate. For 2025/26, the programme has allocated £7.8 million for fleet replacement, £9.7 million for the estate strategy, and £4.4 million for IT upgrades. These investments will modernise the force's infrastructure, transitioning to cloud-based services, upgrading data and vehicle systems, and improving properties to ensure police can operate effectively.
- **The program's funding model** has adapted since a dedicated government grant for capital investment ended. It now relies on a range of sources to finance its projects. Key funding streams include £8.9 million in capital receipts from the sale of surplus assets, £6.9 million from the revenue budget, and the use of earmarked reserves. Over the next four years, the PCC also plans to finance capital investment through borrowing.
- **The capital programme is governed by a robust framework**, with the PCC holding ultimate authority for approval. This includes oversight from various boards and committees, such as the Portfolio Strategic Board and the Joint Audit Committee, to ensure all decisions are prudent and align with financial constraints. Regular monitoring and reporting are conducted to track progress and manage potential risks.
- **Risk management is a critical component**, addressing challenges such as project cost overruns, a reliance on declining capital receipts, and the impact of high interest rates on borrowing. The strategy is designed to maintain a low level of risk for all capital projects while actively seeking opportunities for continuous improvement and innovation within the Sussex Police force.
- **Position at Quarter 4:** The Capital budget was reduced during the year to £21.9 million due to adjustments arising from close monitoring of the programme spends.
- The total capital expenditure (outturn) is £14.0 million, which results in an overall underspend of £7.9 million. The main reasons for this underspend are:
    - Estates Transformation: An underspend of £2.1 million
    - Estates & Facilities: An underspend of £1.4 million
    - Cost of Change: Slippage of £2.4 million due to the phasing of projects.
    - Other Projects: A few small variances.

Changes to the Allocation of Resources Since the Budget Was Approved

Virements, also known as budget transfers, are a way for the Chief Constable to manage police finances with flexibility. Think of it like this: if one department has extra money and another needs a bit more to cover an unexpected cost, a virement allows the Chief Constable to move the money between them. This helps ensure resources are used in the best way possible to meet the force's needs.

The Chief Constable can make these transfers on their own up to a value of £500,000. These smaller transfers are simply reported to the PCC through the standard financial reports.

However, the Chief Constable must get approval from the PCC for any budget transfer that:

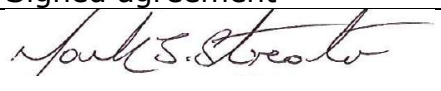
- Is over £500,000.
- Changes the overall financial plan or policy set by the PCC.
- Creates a new financial commitment that will continue into future years.

It is important to note that money from the day-to-day running budget (revenue) can be moved to pay for bigger, long-term items like new police cars (capital), but money for big capital projects cannot be used to cover daily running costs.

Changes to the Revenue and Capital Budget have been approved

Financial implications
Within the report.

Other implications and risks
Within the report.

Officer approval	Signed agreement	Date
Mark Streater Chief Executive & Monitoring Officer		21.06.2026

Iain McCulloch Chief Finance Officer		21.06.2026
Katy Bourne OBE Police and Crime Commissioner for Sussex		21.06.2026