



ORIGINATOR: CHIEF CONSTABLE

PAPER NO. AP13/5

REASON FOR SUBMISSION: FOR INFORMATION

SUBMITTED TO: ACCOUNTABILITY AND PERFORMANCE PANEL

SUBJECT: FINANCIAL MONITORING AS AT 31.1.13

SUMMARY:

1. This submission covers the financial overview of the Constabulary Revenue Budget, Capital Budget, Investments and Reserves as at 31.1.13.

RECOMMENDATION:

1. The Accountability and Performance Panel is asked to note the content of this report.

1. CONSTABULARY REVENUE BUDGET

The total Constabulary Revenue Budget indicates an under-spend of £2.16m against the profiled month 10 budget, and is currently forecast to be under-spent by £2.04m at year-end (1.62% of the gross revenue budget). The main variances producing this under-spend are provided in Table 1 below:

Table 1

No.	Description	Year-to-date under/(over) spend (k)	Forecast under/(over) spend (k)	Variance as a percentage of full year budget
1.	Income	(29)	(100)	0.08%
2.	Police Pay	296	300	0.59%
3.	Police Overtime	290	290	18.0%
4.	Staff Pay	235	300	0.88%
5.	Premises Costs	162	100	2.62%
6.	ICT Costs	201	201	4.23%
7.	Forensic Costs	294	294	26.1%
8.	Medical Costs	142	142	12.9%
9.	PIC Contract	314	314	8.47%
10.	Other	255	199	1.37%
	Total	2,160	2,040	

Income

- 1.1 There is a shortfall of £100k projected on income at year-end. The main cause of this is a shortfall in income relating to National Speed Awareness Courses.
- 1.2 The Constabulary has responded to this income pressure by reducing the establishment in respect of the Collision Reduction Team that would have been supported by the budgeted income. This means that there will be no associated pay costs in 2013-14. Therefore, this income budget can be removed and the shortfall will only occur this year.

Salary Costs

- 1.3 The anticipated year-end underspend for salary costs, covered by items 2, 3 and 4 in the table above is £890k, This is broken down as follows:

Police Pay

- 1.4 Appendix A portrays the police officer strength projections, which take into account the planned recruitment and forecast leavers. The current projections provide an average strength of 1173 FTEs compared to the budgeted average of 1176 FTEs. The forecast year-end under-spend on Police Pay is £300k.

Police Overtime

- 1.5 A prudent budget of £350k was set in relation to overtime as a result of the Olympics in 2012. However, all but £60k of this was ultimately recoverable from the Home Office. As a result £290k will be transferred to the General Reserve at year-end.

Staff Pay

- 1.6 Due to the number of vacancies held, Staff Pay is forecast to be underspent by £300k by year end. This relates to temporary savings in advance of permanent establishment changes as business cases in relation to the Change Programme are approved.

Other Costs

- 1.7 Premises costs are projecting to be underspent by £100k at year end and this relates primarily to under spends on gas, electricity and building maintenance due to a mild winter.
- 1.8 Supplies and services, covered by items 6 to 10 in Table 1, are forecast to be underspent by £1.15m by year end. The primary reasons for this are listed below.
- 1.9 £201k relates to ICT, primarily reduced network and telephone rental costs which have been identified as revenue savings within the Business Support Review.
- 1.10 £142k relates to medical costs and £294k to forensic budgets, continuing the trend of under spending in these areas seen in 2011/12. The budget for 2013/14 has been reduced to reflect the current demand.
- 1.11 £314k relates to the credits received as a result of penalties against the PIC contract. This level of credits is unlikely to be repeated in 2013/14 as the contractor is significantly reducing the number of issues that have given rise to these credits.

Savings

- 1.12 Budgeted savings for 2012/13 are £7.3m. The under-spends outlined above are in addition to this saving requirement.

2. CAPITAL

- 2.1 The Capital budget for 2012/13 is £8.956m plus £2.399m slippage from 2011/12, providing a total capital budget of £11.355m.
- 2.2 The main areas of expenditure include the Joint Property Project and the Estates downsizing re-provision, replacement of major systems and vehicle replacement. The estimated slippage is £1.64m.

3. FINANCIAL IMPLICATIONS

- 3.1 As per the report.

4. OTHER IMPLICATIONS AND RISKS

- 4.1 None.

ORIGINATOR CHECKLIST (MUST BE COMPLETED)	PLEASE STATE 'YES' OR 'NO'
Has legal advice been sought on this submission?	No
Has the PCC's Chief Finance Officer been consulted?	No
Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?	No
Have human resource implications been considered?	N/A
Is the recommendation consistent with the objectives in the Police and Crime Plan?	N/A
Has consultation been undertaken with people or agencies likely to be affected by the recommendation?	N/A
Has communications advice been sought on areas of likely media interest and how they might be managed?	N/A
In relation to the above, have all relevant issues been highlighted in the 'other implications and risks' section of the submission?	N/A