

**ORIGINATOR:** PCC CFO

**DECISION NUMBER:** 20-2019

**REASON FOR SUBMISSION:** FOR DECISION

**SUBMITTED TO:** POLICE AND CRIME COMMISSIONER

**SUBJECT: 2018-19 OUTTURN- CAPITAL SLIPPAGE, TRANSFERS TO AND FROM RESERVES, AND  
CHANGE TO PROPOSED USE OF RESERVES IN 2019-20.**

**SUMMARY:**

1. In order to comply with the requirement to publish the draft Statement of Accounts for the year ending 31 March 2019 by the due date of 31 May 2019, the Police and Crime Commissioner must approve the capital slippage funding and movement on reserves in order to incorporate these financial transactions in the draft Statement of Accounts.
2. The planned use of reserves for the PCC Group in 2018-19 was £1.654m and the actual requirement was £0.980m (a benefit to reserves of £0.674m).
3. In addition the final underspend for the group was £0.772m. Of this, £0.046m related to a net underspend on the PCC budget, £0.068m related to the PCC Commissioning budget, and £0.658m underspend related to the budgets of the Constabulary.
4. Since the approval of the MTFP more detailed information is now available about the 2019/20 financial impact of the Police Education Qualification Framework. The proposed use of reserves includes a contribution of £1.087m towards these costs, together with a proposed contribution towards the cost of drugs wipes as a result of the additional police prosecution income.
5. The capital budget for 2018-19 was £7.385m, and spending against this budget was £4.694m, an underspend of £2.691m. Slippage against the schemes in the 2018-19 programme was £2.469m. The reason for this slippage was predominately caused by the re-profiling of the Estates programme.
6. The detail for the above is in the 2018-19 Outturn Report.

**RECOMMENDATION:**

**It is recommended that the PCC approves:**

- the final reserve movements for 2018/19 as set out in the table in the body of this report.
- the additional requirement for reserves in 2019/20.
- the slippage on the capital programme from 2018/19 into 2019/20.

**APPROVAL BY: PCC**

The recommendation set out above is agreed.

**Signature**

*Tina Parnore*

**Date**

*31<sup>st</sup> May  
2019*

## DETAIL OF THE SUBMISSION

### 1. KEY ISSUES FOR CONSIDERATION:

- 1.1 This paper is requesting approval for the use of reserves in 2018/19, additional use of reserves in 2019/20 and slippage against the 2018/19 capital programme into 2019/20.
- 1.2 The planned use of reserves for the PCC Group in 2018/19 was £1.654m and the actual requirement was £0.980m (a benefit to reserves of £0.674m).

The detail is shown in the table below:

<b>(Use of) / Contribution to Reserves</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
Crime and Disorder	-50	0	-50
Budget Reserve - contribution	429	429	0
Cost of change	-1,000	-438	-562
Temporary posts	-337	-297	-40
Other reserves	-324	-124	-200
Transfer re Specified Purposes Fund	-372	111	-483
ERSOU		60	-60
Police Prosecution Income		66	-66
Capital programme funding		-439	439
<b>Total net transfer from Reserves (budgeted)</b>	<b>-1,654</b>	<b>-632</b>	<b>-1,022</b>
<b>Transfer from Reserves re Safecam</b>		<b>-348</b>	<b>348</b>
<b>Net transfer from Reserves</b>	<b>-1,654</b>	<b>-980</b>	<b>-674</b>

- 1.3 In addition the final underspend for the group was £0.772m. Of this, £0.046m related to a net underspend on the PCC budget, £0.068m related to the PCC Commissioning budget, and £0.658m underspend related to the budgets of the constabulary.

This is set out in the table below:

	<b>£000</b>
Transfer to PCC Reserve	46
Transfer to Crime and Disorder Reduction Reserve	68
Transfer to Budget Support Reserve	658
<b>Total</b>	<b>772</b>

- 1.4 Since the approval of the MTFP more detailed information is now available about the 2019/20 financial impact of the Police Education Qualification Framework. The proposed use of reserves includes a contribution of £1.087m towards these costs, together with a proposed contribution of £0.066m towards the cost of drugs wipes as a result of the additional police prosecution income.

- 1.5 Appendix B from the outturn report provides the proposed reserve movements and the forecast use of reserves over the MTFP period.
- 1.6 The capital budget for 2018/19 was £7.385m, and spending against this budget was £4.694m, an underspend of £2.691m. Slippage against the schemes in the 2018/19 programme was £2.469m. The reason for this slippage was predominately caused by the re-profiling of the Estates programme. Appendix C from the outturn report provides the detailed capital programme.
- 1.7 The level of spending in 2018/19 for revenue and capital is now confirmed and will only change should any issues be picked up during the audit process (but these are unlikely to be significant).
- 1.8 This proposal has been considered by both the Assistant Chief Officer of the constabulary, and the Chief Finance Officer of the Office of the Police and Crime Commissioner and the recommendation from both Section 151 officers is as set out above.

## **2. FINANCIAL IMPLICATIONS:**

- 2.1 Details of the financial consequences in respect of the recommended transfers to and from reserves for 2018/19, proposed use in 2019/20 and recommended capital slippage are set out in Appendices B, C(i) and C(ii).

## **3. OTHER IMPLICATIONS AND RISKS:**

- 3.1 There are no other implications and risks associated with the recommendation.

<b>ORIGINATOR CHECKLIST (MUST BE COMPLETED)</b>	<b>PLEASE STATE 'YES' OR 'NO'</b>
Has legal advice been sought on this submission?	N/A
Has the PCC's Chief Finance Officer been consulted?	Yes – PCC CFO is originator of this report
Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?	N/A
Have human resource implications been considered?	N/A
Is the recommendation consistent with the objectives in the Police and Crime Plan?	Yes
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
Have all relevant ethical factors been taken into consideration in developing this submission?	N/A

In relation to the above, please ensure that all relevant issues have been highlighted in the 'other implications and risks' section of the submission.

**APPROVAL TO SUBMIT TO THE DECISION-MAKER** (this approval is required only for submissions to the PCC).

**Chief Executive**

I am satisfied that relevant advice has been taken into account in the preparation of the report and that this is an appropriate request to be submitted to the (add decision-maker's title e.g. the PCC).

Signature:



Date **28 May 2019**