



**Report for Information**      2013 - 009

**Title: Revenue monitoring 2012/13**

**Executive Summary:**

The financial outlook for the Force for the current year continues to be positive with the Force continuing its high level of service provision whilst remaining within the approved budget. The £17.8m of savings identified through the Productivity Strategy and removed from the base budget, will be fully delivered this year.

Despite the financial constraints, the Force is in a strong financial position for the current year and the expectations are, as we approach the last quarter, that the Force will be able to continue its high level of service provision and remain comfortably within the approved budget.

As at the end of January 2013 the overall budget is £1.248m underspent against profile, a significant element of which is in staff related costs in both the PCC and Force budgets. The full year forecast is for an underspend of £0.810m which represents a variance of just 0.2% against the annual cost of services of £408.410m.

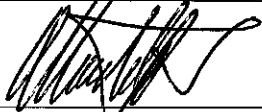
The detailed monitoring report is attached at Appendix 1.

**Recommendation:**

The PCC is asked to NOTE the contents of the detailed monitoring report, attached at Appendix 1.

**Police and Crime Commissioner**

I hereby approve the recommendation above.

**Signature**            **Date** 14/3/13

## **PART 1 – NON-CONFIDENTIAL**

### **1 Introduction and background**

- 1.1 This is the sixth revenue monitoring report for 2012/13. The detailed report, attached at Appendix 1, provides a comparison of the actual expenditure and income to 31st January 2012 against the profiled estimate for the same period. The column in Appendix 2 headed 'YTD Spend' shows all invoices processed for payment before the end of December. No provision for commitments is made although the budget profiles used reflect as far as possible the expected pattern of actual payments and receipts.

### **2 Issues for consideration**

- 2.1 In the knowledge that Government grants will continue to be cut year-on year for at least the next 4 to 5 years and with limits also being placed on the annual increase in council tax precept, it is imperative that the Force and Office of the PCC are able to demonstrate robust and accurate management of the budget, and that previously identified budget reductions, through the Productivity Strategy process, are being implemented in full without a detrimental impact on operational performance or other related budgets.

### **3 Financial comments**

- 3.1 The format of Appendix 2 has been changed to improve clarity between the PCC controlled expenditure and the TVP Operational Budget under the direction and control of the Chief Constable. The "Cost of service" reflects total cost of the services funded by government grants, council tax and specific grant income. The impact of this is that the Cost of Service is now £408.410m compared to the previously reported net budget of £371.162; the change of £37.248m representing the reclassification of specific grants.
- 3.2 As at the end of January 2013 the overall budget is £1.248m underspent against profile, a significant element of which is in staff related costs in both the Office of the PCC (OPCC) and Force budgets. The full year forecast is for the Force to move slightly closer to budget with a year-end underspend of £0.810m, of which £0.503m relates to the OPCC, £0.200m to property savings and £0.107m to capital financing.
- 3.3 The predicted underspend equates to just 0.2% of the cost of police services of £408.410m.

### **4 Legal comments**

- 4.1 No specific implications arising from this report

### **5 Equality comments**

- 5.1 No specific implications arising from this report

### **6 Background papers**

**Public access to information**

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website within 1 working day of approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

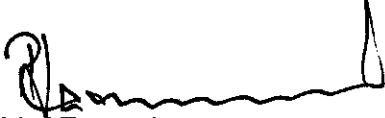
Is there a Part 2 form? No

Name & Role	Officer
<b>Head of Unit</b> The force will remain within its budget allocation for the financial year 2012/13, delivering both on performance and the achievement of £17.8m of productivity strategy savings.	Director of Finance
<b>Legal Advice</b> No implications arising directly from this report	Chief Executive
<b>Financial Advice</b> The budget is being managed effectively and robustly. The predicted underspend represents just 0.2% of the annual cost of services of £408.410m. This is a good position to be in as we continue to implement significant budget cuts over the next 4 years	PCC Chief Finance Officer
<b>Equalities &amp; Diversity</b> No specific implications arising from this report	Chief Executive

**OFFICER'S APPROVAL**

We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.

We are satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

  
 Chief Executive

Date 14/3/13

  
 Chief Finance Officer

Date 14/3/13

