

To September 2016 (Quarter 1 to Quarter 2)

Headlines

The current forecast of net expenditure amounts to £96.558m compared to a revised budget of £95.675m.

The variance amounts to a forecast overspend of £883k (0.92%) and is made up as follows:

- A forecast overspend of £2k (0.02%) in respect of the Commissioner's own budgets.
- A forecast overspend on Constabulary budgets of £881k (0.82%) of which, £658k (0.58%) represents an overspend on expenditure budgets and £223k (4.02%) reflects a forecast under recovery of income.

The forecast overspend has reduced by £247k compared to the position reported at the end of Quarter 1 (June).

Police Property Act

The balance in the Police Property Act Fund at the end of Quarter 2 (30 September) was £115k.

During Quarter 2 awards were made to successful applicants totalling £2.8k, details of which can be found on the Commissioners website.

Description	Revised Budget 2016/17 £'000s	Forecast Outturn 2016/17 £'000s	Forecast (Under)/ Overspend 2016/17 £'000s	Forecast (Under)/ Overspend 2016/17 %	Forecast (Under)/ Overspend @ JUN-16 £'000s	Change in Forecast JUN-16 to SEP-16 £'000s
Office of the Police and Crime Commissioner	759	739	(20)	-2.65%	(17)	(3)
Other PCC Budgets	(13,329)	(13,307)	22	-0.17%	37	(15)
Movements To / (From) Reserves	799	799	0	0.00%	0	0
Total OPCC Budgets	(11,770)	(11,768)	2	-0.02%	20	(18)
Funding Provided to the Constabulary	107,445	108,326	881	0.82%	1,110	(229)
Net Expenditure	95,675	96,558	883	0.92%	1,130	(247)
External Funding	(95,675)	(95,675)	0	0.00%	0	0
Total	0	883	883		1,130	(247)

Overview

The overspend on the Commissioner's own budgets arises principally as a result of forecast increases in premises related costs (£26k), these are being largely offset by a forecast reduction in the costs of the Office of the PCC (£20k) and reductions in insurances £4k.

With regard to the Constabulary overspend, the Constabulary is facing a number of budget pressures that have come to light since the budget was set for 2016/17. These funding pressures have been discussed by the Chief Constable and Commissioner, and the Constabulary is currently seeking to manage expenditure during 2016/17 within the overall funding envelope provided by the Commissioner. In the event that this is not possible, a number of options are being developed including the use of the Chief Constable's contingency, reducing the amount of revenue funding required to finance the capital programme and a drawdown of reserves.

Change between June and September

The forecast overspend has reduced by £247k (22%) from £1.130m at June to £0.883m as at September.

Of this reduction, £18k relates to the Commissioner's budgets whereby a forecast increase in premises related costs is being offset by a forecast improvement in investment income.

The forecast overspend in respect of funding provided to the Constabulary has reduced by £229k (21%). This improvement is as a result of corrective action taken by the Constabulary around workforce planning and police officer overtime.