

PCC Revenue Budget Monitoring 2019/20

Forecast as at 31 December 2019 to Public Accountability Conference 19 February 2020

PCC Budget Summary at December 2019

The current forecast of net expenditure amounts to £103.737m compared to a revised budget of £104.156m. The variance amounts to a forecast overspend of £414k (0.40%) and is made up of a forecast overspend of £604k (0.50%) in respect of Constabulary budget, a forecast overspend of £52k (0.29%) on budgets managed by the Commissioner and the current assumption that we will receive £242k of additional funding in relation to costs incurred during 2019/20 to service Operation Uplift.

Description	Revised Budget 2019/20 £'000s	Forecast Expenditure / (Income) 2019/20 £'000s	Forecast (Under)/ (Over)spend 2019/20 £'000s	Forecast (Under)/ (Over)spend 2019/20 %	Forecast (Under)/ (Over)spend @ SEP-19 £'000s	Change in Forecast SEP-19 to DEC-19 £'000s
Office of the Police and Crime Commissioner	757	734	(23)	(3.04%)	(24)	1
Other PCC Budgets	(13,521)	(13,446)	75	(0.55%)	103	(28)
Movements To / (From) Reserves	(5,377)	(5,377)	0	0.00%	0	0
Total OPCC Budgets	(18,141)	(18,089)	52	(0.29%)	79	(27)
Funding Provided to the Constabulary	121,883	122,487	604	0.50%	830	(226)
Op Uplift Funding Assumptions	0	(242)	(242)	0.00%	(542)	300
Net Expenditure	103,742	104,156	414	0.40%	367	47
External Funding	(103,742)	(103,737)	5	(0.00%)	5	0
Total	0	419	419		372	47

OPCC Budgets

The forecast underspend on the Commissioner's own office budget arises principally as a result of underspends on staff in the office of the PCC (£12k) and underspends on the running costs of the office of the PCC (£10k).

In respect of other budgets managed by the Commissioner, the forecast overspend arises as a result of an overspend on capital financing (£36k) related to a change in how capital expenditure is financed and an adjustment to grant income received (£25k). There is also a forecast reduction to investment income of £35k, as planned changes to the investment strategy are deferred until the outcome of Brexit and any associated financial implications are more fully understood. These extra costs are partially offset by reduced premises costs associated with rent and rates and underspends on transport insurance as a result of a low claims rebate received in respect of the previous year (£7k).

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Constabulary Budgets

The forecast constabulary overspend is £604k as at the end of December.

The forecast constabulary overspend is as a result of the additional expenditure resulting from the Constabulary's response to the Government's pledge to recruit an additional 20,000 officers nationally known as Operation Uplift forces have been requested to commence the recruitment of officers as quickly as possible to ensure that the Government's target of recruiting the additional officers by the end of 2022/23 is achieved. This report includes £989k of expenditure currently expected to be incurred in 2019/20 to service Operation Uplift and includes the direct costs of the additional officers in relation to pay, uniform and equipment, recruitment costs and enabling police staff posts such as trainers. The Home Office has given Cumbria a target of recruiting an additional 51 officers by March 2021, which is expected to be substantially achieved by March 2020.

The Government has announced that Cumbria will receive additional funding of £242k towards the cost of Operation Uplift.

Forecast underspend on PCSO pay, police staff pay, transport costs and an over-recovery on income offset some of these additional costs.

External Funding – the variance in relation to external funding represents a contribution to district councils in relation to care leavers discount, which is a discount on council tax provided to young people when they leave care and start to live independently.

Police Property Act

At 31 December 2019 the balance on the Police Property Act fund was £62k. In December 2019, awards totalling £27k were made from the fund. Full details of the awards made are available on the PCC website at <https://cumbria-pcc.gov.uk/what-we-do/funding/successful-applicantsgrant-agreements/>