



Constabulary Report to OPCC

TITLE OF REPORT:	Revenue Budget Monitoring 2017/18 Quarter 4 to March 2018 and Provisional Outturn
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DATE OF MEETING:	Public Accountability Conference 10 May 2018
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ORIGINATING OFFICERS:	Mark Carter, Principal Financial Services Officer and Michelle Bellis, Deputy Chief Finance Officer
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PART 1 or PART 2 PAPER:	PART 1 and PART 2 (OPEN & CLOSED)
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<p>Executive Summary:</p> <p>The attached report provides details of the provisional outturn on the Constabulary's revenue budget for 2017/18. The figures quoted at this stage are reported as provisional as the final accounts are still subject to audit but it is not envisaged that there will be any significant changes.</p> <p>The figures show net revenue expenditure on Constabulary controlled and managed budgets amounting to £111.602m which represents an underspend of £41k (0.04%) against the approved adjusted budget of £111.643m.</p> <p>The underspend is made up of an overspend on expenditure budgets of £165k (0.14%) offset by additional income totalling £206k (3.25%).</p> <p>The final underspend of £41k represents a movement of £1,049k compared to the overspend reported at the end of Quarter 3 at 31 December of £1,008k. It should however be noted that of this change, £293k relates to a change in accounting treatment in relation to the apprenticeship levy following recent advice/guidance from CIPFA and the external auditors. Without this adjustment, the Constabulary would be showing an overspend of £252k and the movement from December 2017 would reduce to £756k.</p>
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<p>Recommendation:</p> <p>The Commissioner is asked to note the Constabulary revenue budget provisional outturn for 2017/18.</p>

MAIN SECTION

1. Introduction and Background

- 1.1 The purpose of this report is to provide information on the provisional revenue outturn for 2017/18. Total net expenditure amounts to £111.602m which is £41k below the approved budget. This represents a movement of £1,049k when compared to the forecast overspend reported at the end of Quarter 3 of £1,008k.
- 1.2 The total budget is based on the funding arrangement between the Commissioner and the Chief Constable. This was approved and signed off by both the Chief Constable and Police & Crime Commissioner on 28 February 2017.
- 1.3 The approved funding amounted to £116.391m, which is made up of a net revenue budget of £111.607m plus a plant and equipment capital budget of £4.784m. This report deals solely with the revenue funding. The original approved funding has subsequently been amended by a number of budget adjustments. The revised net revenue budget stands at £111.643m.

2. Revenue Expenditure

The provisional outturn of net revenue expenditure for 2017/18 is £111.602m, which is £41k (0.04%) below the approved adjusted budget of £111.643m, which represents a movement of £1,049k compared to the overspend forecast as at 31 December 2017 (£1,008k). The provisional outturn is made up of an overspend on expenditure of £165k (0.14%) offset by additional income of £206k (3.25%).

- 2.1 The principal variances at the end of the financial year, together with comparatives as reported at December, are outlined in the table below:

NOT PROTECTIVELY MARKED

PAC 2018-05-10 Item 6 - Constabulary Revenue Budget Monitoring Quarter 4 to March 2018 & Provisional Outturn

Description	Revised	Provisional	Provisional	Provisional	Explanation Paragraph	Forecast	Change
	Budget	Outturn	(Under)/	(Under)/		(Under)/	from
	2017/18	2017/18	Overspend	Overspend		Overspend	DEC-17
	£'000s	£'000s	2017/18	2017/18		@ DEC-17	to ADJ-18
			£'000s	%		£'000s	£'000s
Constabulary Funding							
Police Officers	78,704	80,104	1,400	1.78%	2.3	1,458	(58)
Police Community Support Officers	3,071	3,010	(61)	-1.99%	2.4	(51)	(10)
Police Staff	20,186	19,544	(642)	-3.18%	2.5	(405)	(237)
Other Employee Budgets	2,112	2,016	(96)	-4.55%	2.6	196	(292)
Transport Related Expenditure	2,157	2,006	(151)	-7.00%	2.7	(90)	(61)
Supplies & Services	9,545	9,288	(257)	-2.69%	2.8	(72)	(185)
Third Party Related Expenses	2,212	2,184	(28)	-1.27%	2.90	10	(38)
Total Constabulary Funding	117,987	118,152	165	0.14%		1,046	(881)
Income	(6,344)	(6,550)	(206)	3.25%	2.10	(38)	(168)
Total Constabulary Funding Net of Income	111,643	111,602	(41)	-0.04%		1,008	(1,049)

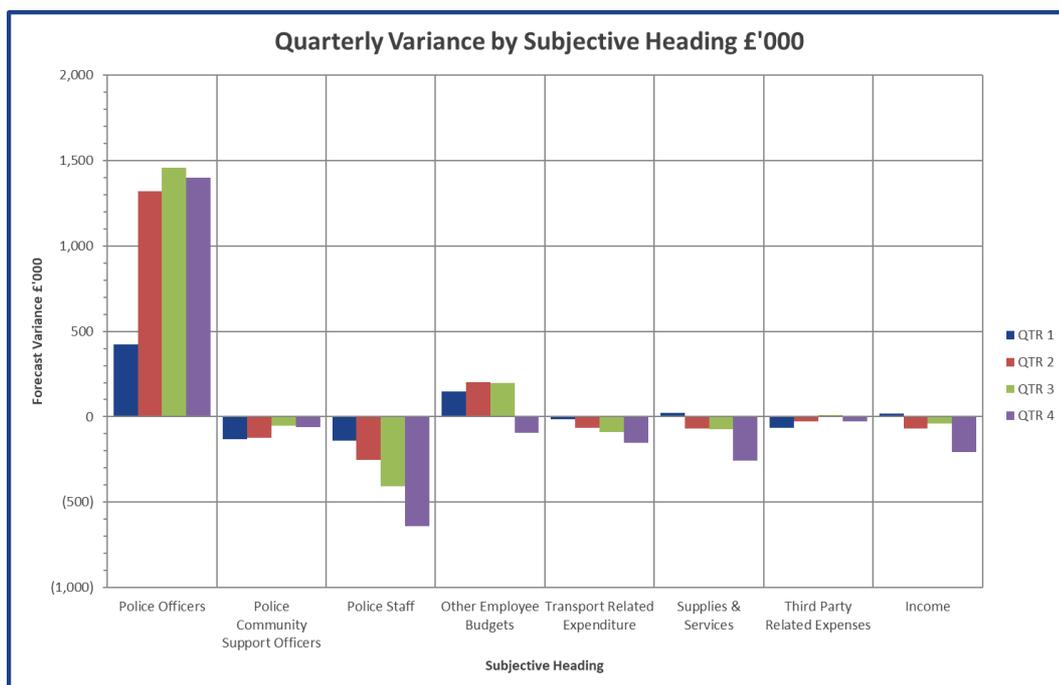
A more detailed analysis of the figures in the above table is provided at **Appendix A**. Commentary on specific variances is provided in the paragraphs below.

- 2.2 The provisional outturn variance reported for 2017/18 is £1,049k different to the variance forecast as at the end of December (Qtr. 3). The main reasons for this difference will be explained in the remainder of Section 2 heading by heading.

The quarterly reported variances for 2017/18 together with the comparators for 2016/17 are summarised in the table below:

Constabulary Reported Variance	(Under)/Overspend	
	2016/17	2017/18
	£000s	£000s
Quarter 1 to 30 June	1,110	257
Quarter 2 to 30 September	881	912
Quarter 3 to 31 December	1,079	1,008
Quarter 4 to 31 March	1,129	(41)

The chart below provides a graphical analysis of the forecast variances for 2017/18 quarter by quarter by subjective heading.



2.3 Police Officer Pay, Allowances and Overtime came in over budget by £1,400k (£1,458k as at December).

Of the total overspend approximately £256k (£263k as at December) relates to the effect of the September 2017 non-consolidated 1% pay award for officers.

The cumulative effect of changes in the number and profile of officer recruitment and leavers against the original workforce plan have given rise to additional expenditure of £1,000k (£896k as at December). These changes include:

- A number of temporary increases in higher ranks (Sergeants, Inspectors, Chief Inspectors and higher ranks).
- Fewer than originally planned retirements and other leavers during 2017/18 (10.9 FTE).
- More than originally planned transferees into the organisation (12.0 FTE).
- More than originally planned new recruits into the organisation (15.00 FTE).
- Increased Employers National Insurance contributions related to the overspend on Police Overtime.
- Starting 2017/18 with fewer officers than originally planned (-3.5 FTE).
- Changes in hours and net movements of seconded officers and career breaks (-6.55 FTE).

The above in year changes to WFP reflect the conscious decision to recruit police officers up to the establishment when the formula funding outlook for the next year or two became more positive. Previously the plan had been to reduce officer numbers on the assumption that formula funding was to reduce. The change between December and March is principally due to changes in the work force plan from the December position.

Appendix B provides more detailed analysis in relation to police officer pay budgets and outturn for 2017/18.

Police Overtime out-turn shows an overspend of £173k (£265k as at December) and has two principal explanations. A more detailed analysis of the overtime position by command/department is provided for information at **Appendix C**.

- Non-public holiday overtime has exceeded the budget by £218k (£309k as at December). This arises principally from additional expenditure in Territorial Policing (£231k). Expenditure on overtime has increased mainly due to the implementation of enhanced patrols to provide public reassurance following the terrorist incidents in Manchester and London during summer 2017 as well as more general staff shortages within Territorial Policing Command. The reduction in the final quarter reflects the pro-active action taken to reduce overtime expenditure.
- Public holiday payments came in under budget by £45k (£44k as at December). Of this £41k relates to Territorial Policing Command and can be related to the number of officers being below strength.

Finally, Police Officer Pensions provisional out-turn shows an underspend of £30k (£64k as at December). This is a result of fewer than expected ill health retirements during the year partially offset by higher than expected Injury Allowance payments, due to one off backdated payments following appeal.

2.4 PCSO Pay, Allowances and Overtime came in under budget by £61k (£51k as at December).

The provisional underspend is as a result of the following changes to the workforce plan for PCSOs:

- Maternity -£13k
- Changes in hours -£4k

- Starting 2017/18 with 4.4 FTE fewer PCSOs than originally planned -£90k
- Fewer starters x 10 FTE -£108k
- Offset by fewer leavers x 9.8 FTE +£136k, the effect of the September 2017 non-consolidated 1% pay award for staff £14k and additional PCSO overtime £3k.

2.5 Police Staff Pay & Allowances came in under budget by £642k (£405k as at December).

The underspend has arisen through a combination of circumstances.

- Starting the year below the originally budgeted number of FTE £161k.
- Leavers / Starters and Vacancies during 2017/18 £145k (£53k as at December).
- ICT Restructure £292k (£207k as at December).
- FMIT posts £164k (£144k as at December).
- Changes in hours and regrades £27k (£24k as at December).

The above underspends are partially offset by the following overspends.

- Effect of the September 2017 non-consolidated 1% pay award for staff £93k.
- Funding of additional posts £70k (£70k as at December).
- Other £3k (£21k as at December).

Police Staff Overtime provisional out-turn shows an underspend by £20k (£1k overspend as at December). The forecast underspend arises principally from reduced expenditure in Territorial Policing (£25k) and Corporate Support (£11k). These reductions are offset by overspending in Crime Command (£10k).

Appendix D provides more detailed analysis in relation to police staff pay budgets and outturn for 2017/18.

2.6 Other Employee Expenditure came in under budget by £96k (£196k overspend as at December).

The primary reasons for the underspend are as follows:

- Training and Conference Fees £337k (£4k overspend as at December). This largest part of this variance (£293k) relates to a late change in accounting treatment in respect of the apprenticeship levy following guidance/advice from the external auditors and CIPFA.

The Constabulary will now recognise only that proportion of the apprenticeship levy that is non recoverable in relation to employees living outside England and the amount drawn down to pay for training associated with apprentices. The balance £293k in 2017/18 will be pre-paid and held on the balance sheet until it is utilised for training. Other Training underspends across the Constabulary amount to £40k.

- Agency Staff £35k (£12k as at December).

These underspends are offset somewhat by the following overspends:

- Redundancy and Actuarial Strain £212k (£181k as at December). These relate to termination costs as a result of Constabulary decisions for which there is no budget provision.
- Staff & Officer Recruitment Costs £60k (£48k as at December). The overspend can be attributed to spend on external assessment centres and other costs of recruitment in light of the large number of new recruits required during 2017/18 and relocation costs.
- Staff Welfare Costs £4k (£16k as at December).

2.7 Transport related expenditure came in under budget by £151k (£90k as at December).

The main reasons for the underspend are as follows:

- Vehicle Fuel £143k underspend (£114k as at December). The underspend can be attributed to a combination of slightly lower starting point for fuel prices at the beginning of the year, price fluctuations throughout the year and lower overall anticipated mileage.
- Vehicle Repair, Maintenance & Other £56k underspend (£21k as at December). The underspend is due to reduced expenditure on tyres, parts and self-insurance repairs.

These underspends are offset somewhat by overspends on Car Hire, Car Allowances & Travel £36k (£29k as at December) due to increased activity and Transport Other £13k (£15k as at December).

2.8 Supplies & Services related expenditure came in under budget by £257k (£72k as at December).

The primary underspends are as follows:

- Communications & Computing £199k (£139k as at December). Computer Software Maintenance £306k underspend due in the main to the delay of the annual penetration testing work, licensing reviews, contracts cancelled/removed. Computer & Printer

Consumables £27k. Postage & Courier services £8k. These underspends are offset by overspends on Telephone Charges £69k (mobile charges); Airwave £19k (additional purchases); Networks £46k (Firewall & Private Circuits) and Website Running Costs £7k.

- Police Doctors & Surgeons £43k (£43k as at December). Custody Medical Contract £50k one off credit (EPA Mobilisation).
- Custody Costs £39k (£41k as at December). Appropriate Adults Services £20k, Consumables, Laundry etc. £20k.
- Forensic Costs £62k (£49k as at December). Submissions actively managed. In addition the level of submissions over the last quarter was reduced due to issues with supplier.
- Reduction in audit fees £15k (£15k as at December). This made up of a rebate in respect of external audit contracts (£7k) and reduced internal audit activity (£9k).
- Contingency £137k (£137k as at December). The contingency was included in the budget to cushion against potential price rises as a result of Brexit and the impact of the weakening of the pound against the dollar (in particular in relation to ICT pricing in dollars), this was ultimately not required 2017/18.
- Efficiency Savings £12k (£24k as at December).

The above underspends are offset by overspends on the following budgets:

- Confiscated Animals £54k (£80k as at December). The cost of kennelling / dealing with confiscated animals.
- Consultants £27k (£64k as at December). UKAS Accreditation £20k, staff engagement surveys £5k etc.
- Office Equipment, Furniture & Materials £33k (£46k as at December). Includes £14k re new franking machines, furniture £33k offset by underspends on publications £10k.
- Subscriptions £40k (£40k as at December). Copyright licenses £20k, Social Media Licenses £15k.
- Catering £26k (£32k as at December) overspend, of this sum £7k relates to increased expenditure in relation to the in house canteen provision, which is offset by increased income (see 2.10 below), the remaining £19k is as a result of increased expenditure on catering for meetings etc. Chief Officers will recall that the decision was taken to bring catering in-house from September 2017. It was always anticipated that there would be a cost associated with this service, compared to the previous arrangement whereby the supplier provided catering services at a nil cost. The additional cost was estimated to be

£22k for a full year and £15k in this first part year where some additional set up costs were envisaged. At the end of March, the net cost over the 4 canteen facilities was £11k, providing an underspend of £4k compared to the anticipated cost. A summary of the position for the in-house catering provision for the part year September to March is provided at **Appendix E. (Note Appendix E to be Part 2 Paper for PCC Decision Meeting)**.

- Other overspends on Supplies & Services :
 - Witness Intermediaries £37k (£25k as at December).
 - Consultants £27k (£64k as at December)
 - Accommodation & Subsistence £0k (£24k as at December).
 - Operational Equipment £5k (£16k as at December).
 - Clothing & Uniform £7k (£8k as at December).
 - Investigative Expenses £12k (£29k as at December).
 - Interpreters & Translators £9k (£19k as at December).

2.9 Third Party related expenditure came in under budget by £28k (£10k overspend as at December).

The primary reasons for the underspend are as follows:

- Payments in respect of the Police National Computer / Database £53k (£53k as at December). This is due to changes to the national products we are asked to support.
- Collaboration Payments £33k (£15k overspend as at December). TITAN Collaboration payments £44k offset by additional spend on regional collaborations £11k (Pensions Board, ANPR, Firearms and ESN collaborations).

These underspends are offset by overspends on the following areas:

- Mutual aid from other forces £25k (£18k as at December). Includes use of drugs dogs at Kendal Calling and police horses at CUFC matches.
- Other payments £35k (£31k as at December) NPCC payments re Op Elter £35k.

2.10 Recovery of income has exceeded the budget by £206k (£38k as at December).

The main areas of over recovery of income are:

- Mutual Aid income £168k (£66k as at December). Income from mutual aid to offset plain time costs and other overheads.
- Other Reimbursements – Inter Force £64k (£0k as at December). Income from Northumbria (transformation funding) in relation to the specialist safeguarding team that has been incorporated into the control room to focus on domestic violence.

- Reimbursed Services £70k (£64k as at December). Reimbursement of staff costs re work done for the National Crime Agency.
- Costs Awarded to Police £28k (£20k as at December).
- Warrant Officer Income £10k (£7k as at December).
- Rental income £40k (£48k as at December) in respect of rental of Barrow Market Street prior to disposal and the HQ mast to EE.
- Proceeds of Crime Income £22k (£11k under recovery as at December). Final quarter income was higher than expected.
- Vehicle Recovery Income £21k (£18k as at December).

This over recovery of income is offset somewhat by the following areas of under recovery of income:

- Abnormal Loads £125k (£91k as at December). The under recovery relates to a number of special policing services events being delayed beyond 2017/18.
- Other Specialist Policing Services Income £9k (£5k as at December).
- General Trading Income £81k (£76k as at December) includes Insurance Income, Estates Management Fees and other reimbursements.
- Sale of Assets & Goods £6k (£21k as at December) includes Sale of Vehicles and Canteen income. Of this sum, £12k relates to increased income in relation to the in-house canteen provision which offsets the increased spend of £7k as outlined in 2.8 above.

3. Sponsorship Activity

3.1 Under the terms of the funding arrangement, the Chief Constable is required to include in the annual revenue outturn report details of sponsorship activity undertaken/received in the year. Chief Officers responsibilities with regard to sponsorship are set out in section C13 of the Financial regulations and include:

- To determine whether gifts, loans or sponsorship will be accepted
- To ensure there are guidelines in place for staff with regard to gifts, loans and sponsorship and that all staff are aware of and operate within the guidelines.
- To ensure guidelines provide that the Joint CFO is advised of any gifts, loans or sponsorship prior to acceptance to ensure that decision making takes into consideration any financial implications including those pertaining to insurance and taxation.

3.2 During 2017/18 only one item of sponsorship has been notified as accepted. This relates to a vehicle provided by Lloyd Mini for use in the work of the mini constabulary and the promotion of that initiative. Although the sponsorship offer was accepted in the 2017/18 financial year the vehicle (Mini) will not be handed over until early 2018/19. In addition, the Constabulary utilises a vehicle provided by DSG Ltd Morecambe for use by the community safety team in the south of the county, this vehicle is replaced on a regular basis.

4. Bad and Doubtful Debts

4.1 In accordance with the funding arrangement, this revenue outturn report is required to include details of bad debts written off during the year and any provision for bad and doubtful debts made at 31 March 2018.

During 2017/18 a total of 19 debtor invoices with a combined value of £2,554.68 were approved for write off by the Joint Chief Finance Officer Roger Marshall. A schedule of all debt write offs is provided at **Appendix F** (Note Appendix F to be Part 2 Paper for PCC Decision Meeting).

4.2 At 31 March 2018 a provision for bad and doubtful debts has been established for an amount of £2,839. This provision relates to 4 debtor invoices for which uncertainty exists as to whether the debt will be recovered. A schedule of these doubtful debts is provided at **Appendix G** (Note Appendix G to be Part 2 Paper for PCC Decision Meeting).

4.3 At 31 March 2018 the accounts receivable (debtors system) recorded that there were 122 invoices outstanding with a combined total of £983k arising from 74 separate customers. Of this sum, £741k (75%) relates to invoices that are classed as current as they have not yet met their due date. A further analysis of debtors as at 31 March 2018 is provided at **Appendix H**. (Note Appendix H to be Part 2 Paper for PCC Decision Meeting).

6. Supplementary Information

6.1 Appendices to this report are provided as follows:

- Appendix A – Constabulary Revenue Budget monitoring as at the end of 2017/18.
- Appendix B – Police Officer Pay Further Analysis.
- Appendix C – Police Officer Overtime Analysis 2017/18.
- Appendix D – Police Staff Pay Further Analysis.
- Appendix E – In House Catering Provision **(Part 2)**
- Appendix F – Schedule of Bad Debts Written Off During 2017/18 **(Part 2)**
- Appendix G – Calculation of Provision for Bad & Doubtful Debts at 31 March 2018 **(Part 2)**.
- Appendix H – Analysis of Debts at 31 March 2018 **(Part 2)**.

The Chief Constable for Cumbria Constabulary**Revenue Budget Monitoring Full Year 2017/18**

Description	Detailed Schedule	Base Budget	Revised Budget	Provisional Outturn	Provisional (Under)/Overspend	Provisional (Under)/Overspend	Forecast (Under) / Overspend @ DEC-17	Change DEC-17 to ADJ-18
		2017/18 £	2017/18 £	2017/18 £	2017/18 £	2017/18 %		
Constabulary Funding								
Police Officers	Schedule 1	77,868,264	78,703,526	80,103,615	1,400,089	1.78%	1,458,332	(58,243)
Police Community Support Officers	Schedule 2	3,070,990	3,070,990	3,010,030	(60,960)	-1.99%	(51,042)	(9,918)
Police Staff	Schedule 3	19,999,852	20,186,071	19,544,176	(641,895)	-3.18%	(404,804)	(237,092)
Other Employee Budgets	Schedule 4	1,636,769	2,112,397	2,015,915	(96,482)	-4.57%	195,889	(292,371)
Transport Related Expenditure	Schedule 5	2,221,995	2,156,714	2,006,303	(150,411)	-6.97%	(89,952)	(60,460)
Supplies & Services	Schedule 6	9,292,698	9,545,068	9,288,472	(256,597)	-2.69%	(71,831)	(184,766)
Third Party Related Expenses	Schedule 7	2,198,592	2,211,597	2,183,718	(27,879)	-1.26%	10,033	(37,912)
Total Constabulary Funding		116,289,161	117,986,363	118,152,229	165,865	0.14%	1,046,626	(880,761)
Income	Schedule 8	(4,682,310)	(6,343,855)	(6,549,859)	(206,004)	3.25%	(38,321)	(167,683)
Total Constabulary Funding Net of Income		111,606,851	111,642,508	111,602,370	(40,138)	-0.04%	1,008,306	(1,048,444)

A further analysis of the figures is provided in the detailed schedules of Appendix B.

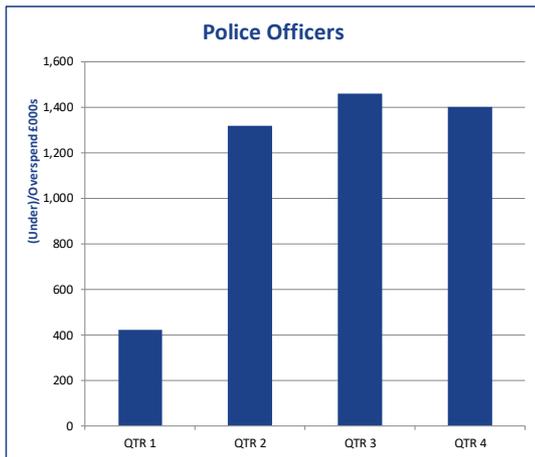
Appendix B

Police Officer Pay

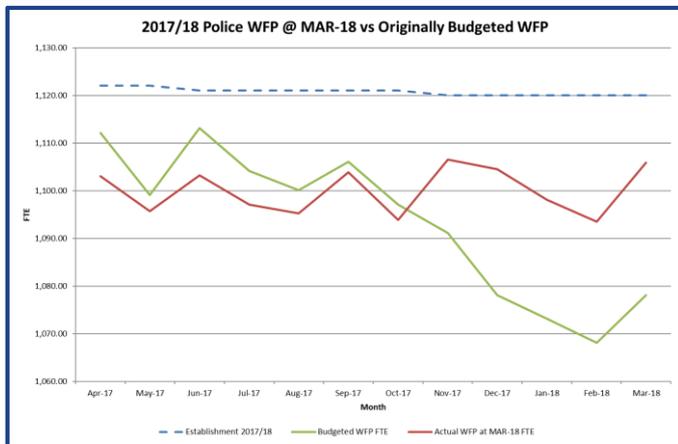
The table below provides a greater level of detail of the final year-end figures.

Description	Revised Budget 2017/18 £000	Provisional Outturn 2017/18 £000	Provisional (Under)/Overspend £000	Projected Variance DEC-17 £	Change DEC-17 to YR-End £
Police Officers					
Police Officer Pay	41,883	40,221	(1,662)	(1,640)	(22)
Police Officer National Insurance	4,906	4,814	(92)	(210)	118
Police Officer Employers Pension Contributions	29,337	29,115	(222)	(223)	1
Police Officer Contribution to Pension Fund	1,133	1,102	(31)	(47)	17
Police Officer Allowances & Other Payments	1,514	1,775	261	277	(16)
Police Officer Overtime	1,299	1,517	218	309	(91)
Police Officer Overtime - Public Holiday	652	607	(45)	(44)	(1)
Police Officer Turnover	(3,002)	0	3,002	3,002	0
Police Officer Ill Health & Injury Pensions	982	952	(30)	34	(64)
	78,704	80,104	1,400	1,458	(58)

Appendix E provides a more detailed analysis of police officer overtime and public holiday payments.



This chart shows how the police officer pay forecast has changed on a quarterly basis. The large increase in forecast between Quarter 1 and 2 reflects the decision taken to increase the number of police officer intakes in light of the change in assumptions in relation to formula funding for the next two years.



This chart illustrates the actual WFP compared with the original WFP budget and budgeted establishment. Where the actual WFP (red line) falls below the original WFP budget (green line) an underspend will result, where the workforce plan rises above the original budget line an overspend will result. Although we began the year with actual officer numbers below the originally budgeted figures it was decided to increase recruitment during the year, this has resulted in an increase in expenditure above the budgeted figure for 2017/18.

Police Officer Pay (Continued)

The table below shows the police officer pay outturn by individual command/department.

Command/Department	Revised Budget 2017/18 £000	Provisional Outturn 2017/18 £000	Provisional (Under)/ Overspend £000
Business Improvement Unit	609	763	154
Chief Officers	1,076	937	(139)
Crime Command - General	116	1,008	892
Crime Operations	8,572	7,987	(585)
Information Communications Technology	30	(0)	(30)
Intelligence	4,364	4,301	(63)
Learning & Development	561	867	306
Operational Support	13,413	13,214	(199)
People Management	706	777	71
Special Constabulary	0	2	2
Territorial Policing Command - General	396	382	(14)
TPA North	8,530	7,568	(962)
TPA South	8,548	8,117	(431)
TPA West	8,268	7,530	(738)
Seconded	839	839	0
Earmarked Funds	554	558	4
Projects	140	157	17
Ill Health & Injury Pensions	982	952	(30)
Police Pension Fund Account	22,050	22,020	(30)
Turnover	(3,002)	0	3,002
Total	76,752	77,979	1,227

The table below shows the police officer pay outturn (excluding pensions and ill health) by rank.

Rank	Revised Budget 2017/18 £000	Provisional Outturn 2017/18 £000	Provisional (Under)/ Overspend £000
Chief Officers	459	483	24
Chief Superintendent	346	299	(47)
Superintendent	684	793	109
Chief Inspector	906	1,229	323
Inspector	3,838	3,928	89
Sergeant	9,868	10,521	653
Constable	58,136	58,202	66
Total	74,237	75,455	1,218

Police Officer Overtime Analysis 2017/18

2017/18 Police Overtime (Excluding Public Holiday Working) : ADJ-18

Command / Directorate	Department	Revised Budget 2017/18	Provisional Outturn 2017/18	Provisional (Under)/Overspend 2017/18
		£	£	£
Chief Officers	Chief Officers	32,000	1,127	(30,873)
Chief Officers Total		32,000	1,127	(30,873)
Crime Command	Crime Command - General	0	22,433	22,433
	Crime Operations	271,540	268,703	(2,837)
	Intelligence	131,032	124,998	(6,034)
Crime Command Total		402,572	416,134	13,562
Territorial Policing Command	Territorial Policing Command - General	88,809	190,037	101,228
	Operational Support	240,525	419,690	179,165
	TPA North	87,820	76,249	(11,571)
	TPA South	99,820	99,321	(499)
	TPA West	108,820	71,528	(37,292)
Territorial Policing Command Total		625,794	856,826	231,032
Corporate Support	Learning & Development	0	2,533	2,533
	People Department	2,035	3,117	1,082
Corporate Support Total		2,035	5,650	3,615
Corporate Improvement	Business Improvement Unit	0	270	270
Corporate Improvement Total		0	270	270
Seconded - Keeley	717570-Seconded - North West ROCU (Merseyside)	4,505	4,506	1
	717580-Seconded - North West UC Online (Merseyside)	266	266	(0)
Seconded - Keeley Total		4,771	4,771	0
Earmarked - Crime Command	747005-CT Prevent	920	920	(0)
	829005-SO13 Recharges	27,953	27,953	(0)
Earmarked - Crime Command Total		28,873	28,872	(1)
Earmarked - Territorial Policing	752005-Appleby Fair	36,147	37,127	980
	862000-One-off Mutual Aid	150,978	150,544	(434)
Earmarked - Territorial Policing Total		187,125	187,672	547
Earmarked - Sellafield	760000-Sellafield Site Policing	13,644	13,644	0
Earmarked - Sellafield Total		13,644	13,644	0
Projects - ICT	068A - Red Sigma	2,461	2,461	(0)
Projects - ICT Total		2,461	2,461	(0)
Grand Total		1,299,275	1,517,426	218,151

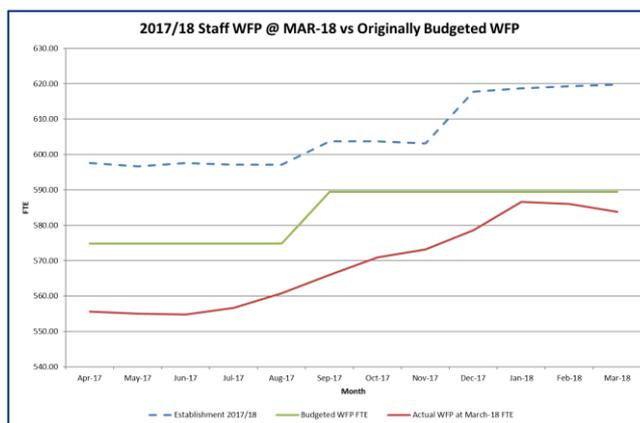
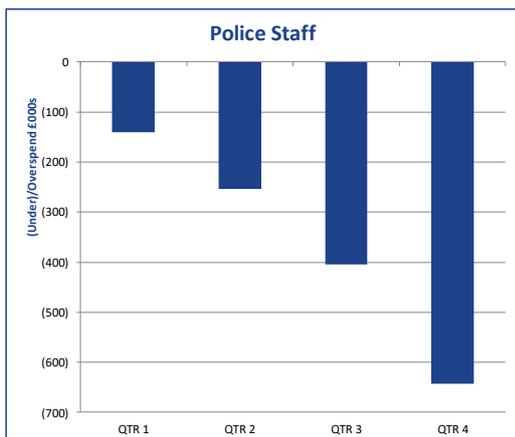
2017/18 Police Overtime (Public Holiday Working only) : ADJ-18

Command / Directorate	Department	Revised Budget 2017/18	Provisional Outturn 2017/18	Provisional (Under)/Overspend 2017/18
		£	£	£
Crime Command	Crime Command - General	0	1,005	1,005
	Crime Operations	88,152	68,795	(19,357)
	Intelligence	0	17,814	17,814
Crime Command Total		88,152	87,614	(538)
Territorial Policing Command	Territorial Policing Command - General	3,836	7,819	3,983
	Operational Support	232,110	192,447	(39,663)
	TPA North	106,246	95,572	(10,674)
	TPA South	103,246	119,720	16,474
	TPA West	110,246	98,799	(11,447)
Territorial Policing Command Total		555,684	514,357	(41,327)
Seconded - Keeley	717570-Seconded - North West ROCU (Merseyside)	437	437	0
Seconded - Keeley Total		437	437	0
Earmarked - Crime Command	829005-SO13 Recharges	291	291	0
Earmarked - Crime Command Total		291	291	0
Earmarked - Territorial Policing	752005-Appleby Fair	5,969	2,941	(3,028)
	862000-One-off Mutual Aid	1,481	1,481	0
Earmarked - Territorial Policing Total		7,450	4,422	(3,028)
Earmarked - Sellafield	760000-Sellafield Site Policing	0	0	0
Earmarked - Sellafield Total		0	0	0
Grand Total		652,014	607,122	(44,893)

Police Staff Pay

The table below provides a greater level of detail of the final year-end figures.

Description	Revised Budget 2017/18 £000	Provisional Outturn 2017/18 £000	Provisional (Under)/Overspend £000	Projected Variance DEC-17 £	Change DEC-17 to YR-End £
Police Staff					
Police Staff Pay	16,295	15,244	(1,051)	(860)	(191)
Police Staff National Insurance	1,521	1,459	(62)	(49)	(13)
Police Staff Pensions	2,415	2,302	(113)	(85)	(29)
Police Staff Allowances & Other Payments	176	284	108	92	16
Police Staff Overtime	214	215	1	19	(18)
Police Staff Overtime - Public Holiday	62	42	(20)	(18)	(3)
Police Staff Turnover	(497)	0	497	497	0
	20,186	19,544	(642)	(405)	(237)



The change in forecast quarter by quarter reflects changes in the WFP and a change in assumptions in relation to when vacant posts will be filled. One of the main influencing factors in 2017/18 has been in relation to the ICT review and the delay in implementation (compared to original budget) and the difficulty experienced in filling some posts.

The chart above illustrates the actual WFP compared with the original WFP budget and budgeted establishment. Where the actual WFP (red line) falls below the original WFP budget (green line) an underspend will result, where the workforce plan rises above the original budget line an overspend will result. The increase in budgeted establishment in September reflects the original planned start date for the revised ICT structure, the actual implementation was subsequently phased in from December 2017.

Police Staff Pay (Continued)

The table below shows the police staff pay outturn by individual command/department. It should be noted that the budget includes an allowance for expected turnover. This is a complicated formula but basically reflects that on average there will be 15 police staff vacancies at any point in time.

Command / Department		Revised Budget 2017/18 £000	Provisional Outturn 2017/18 £000	Provisional (Under)/ Overspend £000
Chief Officers	Chief Officers	89	92	3
Crime Command	Crime Command - General	0	2	2
	CID Volume Crime	1,427	1,319	(108)
	CID PPU & Major Crime	985	837	(148)
	CID Intelligence	1,009	990	(19)
	Territorial Policing Command	1	0	(0)
Operational Support	Operational Support	5,809	5,514	(295)
	TPA North	205	177	(27)
	TPA South	299	251	(48)
	TPA West	299	283	(15)
	Corporate Support	Corporate Support - General	105	105
Central Services		832	807	(25)
Estates & Fleet		516	463	(53)
Fleet Services		387	387	0
Financial Services		537	541	4
Information Communications Technology		2,854	2,583	(271)
Learning & Development		444	411	(33)
Procurement & Stores		314	274	(41)
People Department		1,450	1,444	(6)
Corporate Improvement		Business Improvement Unit	107	114
	Change Team	49	12	(37)
	Corporate Improvement	150	151	0
	Marketing & Communications	355	361	6
Strategic Development	Strategic Development	349	314	(35)
	Legal Services	396	398	2
Unison	45	60	15	
Seconded	424	430	5	
Earmarked Funds	969	969	(0)	
Turnover	(497)	0	497	
Total		19,910	19,288	(623)

It should also be noted that during 2017/18 budgets amounting to £339k were vired from police staff budgets into other employee expenses to fund agency staff covering vacant posts, without this virement the true underspend (excluding turnover budget) compared to budget would have been £1.5m. Based on an average salary of £30k, this level of underspend would equate to an average 50 vacancies over the year.

In-house Catering Provision (September 2017 – March 2018)

The part year transactions in respect of the in-house catering provision are set out in the table below. The initial report to Chief Officers had anticipated that there would be an annual cost associated with the in-house catering provision, the report estimated a full year impact of £22k with a part year impact in this first year of £15k. The actual net expenditure across the four canteen facilities for the part year ended 31/03/18 was £11k, providing an underspend of £4k.

Description	HQ Canteen	Barrow Canteen	Carlisle Canteen	Workington Canteen	Total £	Budget £	Variance (under)/ overspend
Employee Pay Costs	39,395	13,372	12,188	12,278	77,234	78,177	(943)
Other Employee Costs	474	270	168	98	1,009	0	1,009
Office Equipment/Consumables	148	(57)	7	(26)	71	5,250	(5,179)
Catering Equipment/Consumables	506	30	30	1,182	1,747	5,000	(3,253)
Food Supplies/Ingredients	36,022	10,639	11,884	7,756	66,301	50,608	15,693
Total Expenditure	76,544	24,253	24,277	21,288	146,363	139,035	7,328
Income	(84,384)	(17,627)	(20,829)	(12,985)	(135,824)	(124,300)	(11,524)
Total (Profit)/Loss	(7,840)	6,626	3,448	8,304	10,539	14,735	(4,196)
Income as Percentage of Expenditure	110%	73%	86%	61%	93%	89%	

Appendix F (Part 2 Only)

Bad Debts Written Off During 2017/18

Customer Number	Invoice Number	Customer Name	Invoice Date	Due Date	Amount £
2520	804887	Assured Fire & Security	27/02/2018	20/03/2018	0.02
2000	804045	International Nuclear	30/01/2017	20/02/2017	0.01
7562	804522	Amberstone Tech Ltd	11/09/2017	02/10/2017	0.04
3961	804453	High Security Group	01/08/2017	22/08/2017	0.01
7421	804038	Megan Wise	26/01/2017	16/02/2017	150.00
5004	802197	Paul Savage	21/11/2014	12/12/2014	53.89
7342	803926	The Mealpot	05/12/2016	26/12/2016	186.00
7469	804091	Andrew Lee Pedley	13/02/2017	06/03/2017	190.00
7470	804090	Barrie Lee	13/02/2017	06/03/2017	132.00
7471	804089	Carl Weston	13/02/2017	06/03/2017	177.60
7472	804088	Charlotte Johnstone	13/02/2017	06/03/2017	186.00
7346	803929	Chattanooga	05/12/2016	26/12/2016	210.00
7348	803931	Electronic Monitoring	05/12/2016	26/12/2016	108.00
5967	803923	Flimby Newagents	05/12/2016	26/12/2016	348.00
7441	804073	Gareth Cairns	03/02/2017	24/02/2017	117.75
7465	804094	Lee Clark	13/02/2017	06/03/2017	168.00
7466	804093	Mr Jonathan Daivd Nelson	13/02/2017	06/03/2017	201.36
7463	804096	Mr Mark Trengrove	13/02/2017	06/03/2017	140.00
7468	804092	Mr Elaine Connors	13/02/2017	06/03/2017	186.00
					2,554.68

NOT PROTECTIVELY MARKED

PAC 2018-05-10 Item 6 - Constabulary Revenue Budget Monitoring Quarter 4 to March 2018 & Provisional Outturn

**Appendix G
(Part 2 Only)**

Provision for Bad and Doubtful Debts as at 31 March 2018

Customer Number	Invoice Number	Invoice Date	Debtor Name	Bad Debt Provision B/Fwd 01/04/17	Funds Received 2017/18	Items Written off in 2017/18	New Items To Be Provided For	Bad Debt Provision 31/03/18	Details
5004	802197	21/11/2014	Paul Savage	53.89	0.00	(53.89)	0.00	0.00	Amount written off 11/08/17
2703	800856	28/03/2013	Peter William Martin	1,036.40	(156.00)	0.00	0.00	880.40	Included in Bad Debt Provision 2014-2015 Payment plan - all supporting documentation is attached to Oracle Failed payment plan to Legal Services HEP 12.03.15 further email to Legal Services for update HEP 23.03.15 update – Heather Keiller has sent a letter to Mr Martin again requesting the amount to be paid on the 20th March and I will wait to see what reply we get to this, if we do. Further £6 received 24.02.16 Pays £6 monthly 31.03.17 Payments recived monthly 31.03.18
5741	802669	23/06/2015	Endurance Sports Limited 07846 468664	0.00	0.00	0.00	293.36	293.36	Payment Plan??? Not had payment for few months, emailed Mike James Direct on 03/11/2016 for Update. Emailed 07/12/16 £50 paid 29/12/16 Paid £50 19/04/17 Emailed 01/11/2017 to see when next payment going to be. No reply. Emailed again 13/12/17 Emailed again 07/03/2018
5741	804855	31/01/2018	Endurance Sports Limited 07846 468664	0.00	0.00	0.00	395.42	395.42	New invoice been sent - Advised MW about bad payments 21/02/18
5103	802254	23/12/2014	Marco Bouguila	0.00	0.00	0.00	1,269.94	1,269.94	Payment plan £10 monthly from 15.12.14 see Oracle attachment for details HEP £10 received 01.06.15 nothing further 14.08.15 I will update you once I have had the opportunity of writing to him Joel 11.09.15 Legal Services update see Oracle attachment HEP £10 received 08.10.15 > 04.12.15 email to J Tomlinson re failed payment HEP 10.12.15 £20.01 received>see Oracle att for Jan16 payment update HEP 08.01.16 £20.01 received HEP. £10.01 Received March 16 - Payment Plan Chased Jonathan in legal - not had payment for months 27/07/17 Emailed Tom in legal for update 02/11/17. Emailed Legal 13/12/17 - Legal looking into March 2018
Totals				1,090.29	(156.00)	(53.89)	1,958.72	2,839.12	
			Opening Bad Debt Provision 01/04/2017					1,090.29	
			Less Payments received during 2017/18					(156.00)	
			Less Items Written Off During 2017/18					(53.89)	
			New Items to Include in Bad Debt Provision at 31/02/18					1,958.72	
			Total Bad Debt Provision as at 31/03/18					2,839.12	

Debtors Analysis as at 31 March 2018

The debtors balance at 31 March 2018 was £983k and related to 122 invoices spread over 74 customers. Of this sum, £742k (75%) related to current debt (invoices that are not yet overdue), leaving a balance of £241k (25%) in relation to 72 invoices, spread over 48 customers that is overdue for payment. The table below shows the age profile of the debt outstanding as at 31 March 2018.

Age Profile of Debt	Amount Outstanding £	Number of Invoices	Percentage of Total
Current Debt (Not Yet Due)	741,905.40	50	75%
1-30 Days Past Due	144,776.30	22	15%
31-60 Days Past Due	25,273.79	15	3%
61-90 Days Past Due	27,897.94	9	3%
91-180 Days Past Due	25,541.93	16	3%
181-360 Days Past Due	9,996.64	5	1%
361+ Days Past Due	7,564.02	5	1%
	982,956.02	122	100%

The table below shows the top 10 outstanding debtors in relation to the non-current debt. The top 10 account for £221k (92%) of the non-current debt.

Customer	Amount Outstanding £
International Nuclear Services	128,676.69
Carlisle Utd AFC (1921)	31,469.61
The Police and Crime Commissioner for Merseyside	15,070.83
NPoCC	11,552.92
Barrow AFC	7,990.20
Sellafield Ltd	6,420.40
North West Ambulance Service NHS Trust	6,000.00
GCS Johnson	5,531.10
Robert Cubby	4,430.32
Civil Nuclear Constabulary	3,960.00
Total	221,102.07