

'Safer Together'

Medium Term Financial Strategy 2015 -16 to 2018 -19

Annual Budget 2015-16



Devon & Cornwall Police
Building safer communities together



PCC
Office of the Police
and Crime Commissioner
Devon and Cornwall

The Medium Term Financial Strategy : 2015-16 To 2018-19

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Available separately on request

Police and Crime Commissioner's Report to the Police and Crime Panel

Treasurers Report to Police and Crime Commissioner

- * All documents indicated were presented to the Police and Crime Panel on the 6 February 2015
- At that meeting, having considered the evidence presented to them, the Panel agreed the 1.99% increase in the precept proposed.
- Following this approval, the Police and Crime Commissioner decided to increase the precept by 1.99%. This is recorded as decision number: 28 – 7/2/2015 in the Office of the Police and Crime Commissioner decision log.

Relationship between the Medium Term Financial Plan and the Police and Crime Plan

The Police and Crime Commissioner (PCC) has a statutory duty to produce a Police and Crime Plan. The Plan must set out the priorities for policing and community safety in Devon, Cornwall and the Isles of Scilly along with the resources that will be provided to the Chief Constable and others in order to meet those objectives. The Plan must be kept under regular review to ensure it remains appropriate to the needs of local people, the police and partners. The Plan is subject to scrutiny by the Police and Crime Panel.

The Police and Crime Plan can be found at <http://www.devonandcornwall-pcc.gov.uk/Document-Library/Police-and-Crime-Plan>

The Medium Term Financial Strategy is created to support delivery of the Police and Crime Plan. It sets out both the funding available and the forecast spending required to deliver the Plan priorities.

Police and Crime Plan

The Police and Crime Plan has been updated to take account of experiences gained during the first two years of operation and to place a greater emphasis on several areas of emerging threat across Devon and Cornwall. In particular, cyber-crime and child sexual exploitation receive a greater prominence and require specific action from the Chief Constable and partners. The Plan also confirms the work needed to continue to build the Strategic Alliance with Dorset Police and recognises the positive step of establishing the Victim Care Unit in April 2015.

The overarching vision of the Police and Crime Plan remains to make people safer and reduce crime. This is placed at the forefront of an ambitious programme of work based upon strengthening partnerships and improving joint working arrangements whilst addressing the continuing need to make substantial financial savings.

The Police and Crime Commissioner will work with the Chief Constable to look at options to bring more money into the Police Force through fundraising and donor opportunities and by lobbying Government for a fairer share of police grant funding.

The Police and Crime Plan priorities 2015

1: To make our area a safer place to live, work and visit – reducing the likelihood that people will become victims of crime.

- Support neighbourhood policing
- Keep police officer numbers above 3000
- Sustain a strong and clear focus on crime reduction and prevention
- Protect the vulnerable and work with partners to provide effective safeguarding systems

- Encourage increased reporting of crimes causing greatest harm – violent crime, domestic abuse, sexual assault and hate crime
- Continue to enhance services for victims
- Enable greater co-operation with communities, businesses and partners to support policing
- Help rehabilitate offenders and turn them away from crime Ensure that the 999 and 101 services meet public expectations
- Address the impact of emerging threats like cyber crime

2: To reduce the crime and harm caused by the misuse of alcohol.

- Be proactive and tough in response to alcohol related offences and anti-social behaviour
- Develop a clear action plan to tackle pre-loading (the practice of drinking large amounts of alcohol before going out)
- Provide better access to support services for victims and offenders dependant on alcohol
- Encourage responsible sale and consumption Strengthen existing partnerships and build new ones - to provide a co-ordinated approach to the problem and find solutions
- Raise awareness and improve education about the dangers of alcohol abuse

3: To make every penny count in protecting policing for the long term. We need to drive for further efficiency, work to secure more central funding and actively explore all avenues to deliver the significant savings we require from 2017/18 to sustain our services.

- Implement the Financial Roadmap to deliver savings, increase efficiency and generate additional income through innovative practices
- Implement the Strategic Alliance with Dorset Police to reduce costs and share services
- Examine options to share resources with other police forces and with partner organisations
- Investigate new funding streams
- Lobby at national level for a fairer slice of national funding
- Ensure that we charge appropriately for policing services
- Boost productivity, reduce bureaucracy and improve IT efficiency
- Keep PCC support costs as low as possible

4: To promote an effective Criminal Justice System for our area, delivering a high quality service for victims, witnesses and society.

- Work through the Local Criminal Justice Board to deliver key improvements
- Ensure rehabilitation service reforms are locally relevant and effectively managed
- Commission a range of options for victims to influence restorative justice

- Campaign to reduce the number of vulnerable people with mental health issues entering the Criminal Justice System unnecessarily
- Allow young people the chance to make amends, avoiding a criminal record for low level offences
- Improve the scrutiny of out-of-court disposals to make sure they are used appropriately

5: To deliver a high quality victim support service across our area

- Ensure the voice of the victim is heard and understood, and protect the vulnerable
- Drive forward implementation of the National Victims Code locally
- Improve the options available to victims by commissioning a range of restorative justice solutions.
- Utilise the extensive range of voluntary and community support services across the peninsula
- Guarantee the needs of victims are properly understood within Devon & Cornwall Police
- Work towards victim personal statements being used within the Criminal Justice System to help the court understand the impact of the crime on the victim
-

6: To encourage and enable citizens and communities to play their part in tackling crime and making their communities safer.

- Secure active involvement by citizens and communities in policing
- Engage with existing volunteering schemes and organisations Inspire communities to instigate their own safety initiatives
- Work with Devon & Cornwall Police to create new volunteering opportunities
- Consider start-up grants for community projects that promote community action
- Encourage businesses to work more closely with the police to help deter and tackle crime

Delivery & accountability

The Police and Crime Plan will be delivered by the PCC with close co-operation from the Chief Constable and partners taken forward through shared action plans and joint projects.

Each priority will be delivered by a joint OPCC and Force delivery board reporting to the Joint Management Board or to the Performance and Accountability Board. Regular progress reports will be published on the OPCC website.

The Police and Crime Commissioner is required to report regularly to the Police and Crime Panel.

Summary of Funding Changes and Calculation of Council Tax Requirement

	2014-15 £000	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
Council Tax Increase	1.99%	1.99%	1.99%	1.99%	1.99%
Gross Annual Expenditure	293,154	291,616	294,686	293,881	284,274
Appropriation to/(from) reserves	(530)	(2,033)	(10,540)	(13,208)	(3,688)
Gross Budget Requirement	292,624	289,583	284,146	280,673	280,586
Funding before Council Tax					
Formula Funding	(175,782)	(166,800)	(159,554)	(153,642)	(150,564)
Percentage change in formula funding		-5.1%	-4.3%	-3.7%	-2.0%
Legacy Council Tax Grants	(15,461)	(15,461)	(15,461)	(15,461)	(15,461)
Other Central Government Grants	(2,342)	(3,332)	(3,332)	(3,332)	(3,332)
Total Central Government Funding	(193,585)	(185,593)	(178,347)	(172,435)	(169,357)
Percentage change in central government funding		-4.1%	-3.9%	-3.3%	-1.8%
Surplus on Council Tax Collection Fund	(1,079)	(1,759)	(600)	(200)	(200)
Other income	(5,791)	(6,469)	(6,557)	(6,425)	(6,357)
Total Funding before Council Tax	(200,455)	(193,821)	(185,504)	(179,060)	(175,914)
Council Tax Requirement	92,169	95,762	98,642	101,613	104,672

Summary of Budget Changes

	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
Gross Budget previous Year	292,624	292,624	292,624	292,624
Adjust for contributions to/from reserves	(4,269)	(4,269)	(4,269)	(4,109)
Inflation	3,192	7,659	12,746	17,850
Pay Commitments	(856)	1,120	(814)	(1,777)
Non-Pay Commitments	376	508	1,056	1,217
External funding changes	1,265	1,265	1,265	1,265
Policy Changes/Growth	600	1,800	3,100	4,000
Total Commitments	4,577	12,352	17,353	22,555
Revenue Costs Funded from Reserves	4,773	4,693	3,815	2,297
Net appropriations from funds and reserves	(2,033)	(10,540)	(13,208)	(3,688)
	2,740	(5,847)	(9,393)	(1,391)
Gross Budget before Savings Requirement	295,672	294,860	296,315	309,679
Savings Plan 14-18 : Police Officers	(985)	(2,216)	(2,462)	(2,462)
Savings Plan 14-18 : Police Staff	(1,280)	(3,055)	(5,292)	(10,810)
Savings Plan 14-18 : Non Pay	(3,511)	(4,819)	(4,767)	(5,173)
Savings Plan 14-18 : OPCC and Commissioning	(313)	(624)	(821)	(825)
Unidentified savings	0	0	(2,300)	(9,823)
Gross Budget Requirement	289,583	284,146	280,673	280,586
Deduct specific grant and other income	(9,801)	(9,889)	(9,757)	(9,689)
Net Budget Requirement	279,782	274,257	270,916	270,897

Main Components of the Budget

Line Ref		2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
	Chief Constable				
(1)	Force Gross Budget Requirement	282,763	285,916	284,981	275,129
	Specific Grant and Other Income	(7,994)	(8,082)	(7,950)	(7,882)
	Net Budget Requirement	274,769	277,834	277,031	267,247
(2)	Police and Crime Commissioner				
	Office of the Police and Crime Commissioner	1,512	1,419	1,442	1,459
	Support for Council Tax Collection	56	56	56	56
	Commissioning Budget	4,702	4,586	4,472	4,472
	Specific Grant from Ministry of Justice	(1,807)	(1,807)	(1,807)	(1,807)
		4,463	4,254	4,163	4,180
	Capital Financing				
(3)	Minimum Revenue Provision and interest payments	3,077	3,179	3,303	3,463
(4)	Interest Receipts	(494)	(470)	(373)	(305)
		2,583	2,709	2,930	3,158
(8)	Net budget before contribution to/from Reserves	281,815	284,797	284,124	274,585
(9)	Contribution to/(from) Reserves	(2,033)	(10,540)	(13,208)	(3,688)
	Total Budget	279,782	274,257	270,916	270,897

Revenue Budget Movements

	<----- CSR 2014 ----->			
	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
Funding				
Police Grant	166,800	159,554	153,642	150,564
Legacy Council Tax Grants	15,461	15,461	15,461	15,461
Council Tax	95,762	98,642	101,613	104,672
Surplus on Collection Fund	1,759	600	200	200
Specific grant	3,332	3,332	3,332	3,332
Other Income	6,469	6,557	6,425	6,357
Total Funding	289,583	284,146	280,673	280,586
Council Tax Increase	1.99%	1.99%	1.99%	1.99%
Budget Requirement				
Gross Base Budget 2014-15	292,624	292,624	292,624	292,624
External Income and Specific Grants 2014-15	(8,133)	(8,133)	(8,133)	(8,133)
Net Base Budget 2014-15	284,491	284,491	284,491	284,491
Deduct budgeted contribution to Revenue Smoothing Fund	(3,609)	(3,609)	(3,609)	(3,609)
Deduct budgeted contribution to other earmarked reserves	(660)	(660)	(660)	(500)
	<u>(4,269)</u>	<u>(4,269)</u>	<u>(4,269)</u>	<u>(4,109)</u>
Base Budget Previous Year - excluding appropriations to/from reserves	280,222	280,222	280,222	280,382
External Funding Changes				
Gross expenditure and income adjustment	1,265	1,265	1,265	1,265
	<u>1,265</u>	<u>1,265</u>	<u>1,265</u>	<u>1,265</u>
External income and Specific Grants				
Increases in external income and specific grants	(1,668)	(1,756)	(1,624)	(1,556)
	<u>(1,668)</u>	<u>(1,756)</u>	<u>(1,624)</u>	<u>(1,556)</u>
Inflation				
Provision for Pay and Price Increases	3,192	7,659	12,746	17,850
	<u>3,192</u>	<u>7,659</u>	<u>12,746</u>	<u>17,850</u>
Pay Commitments				
Increments	1,900	3,800	5,800	8,000
Police Officer Turnover	(2,506)	(6,104)	(9,638)	(12,801)
Police Officer transferees	400	400	400	400
National Insurance (single state pension)	0	4,500	4,500	4,500
Change in LGPS Contribution Rate	200	200	200	200
Winsor 2 changes and changes to allowances	(850)	(1,676)	(2,076)	(2,076)
	<u>(856)</u>	<u>1,120</u>	<u>(814)</u>	<u>(1,777)</u>
Non-Pay Commitments				
Capital Financing	143	270	493	723
Major Equipment Replacement	(232)	(262)	63	(6)
Specials Recruitment	35	70	70	70
Forensic Medical Examiners Service	250	250	250	250
Police National Computer (PNC) Charges	180	180	180	180
	<u>376</u>	<u>508</u>	<u>1,056</u>	<u>1,217</u>
Policy Changes				
Strategic Alliance - ICT Convergence	400	1,100	1,900	2,800
Policing Plan Priorities	200	700	1,200	1,200
	<u>600</u>	<u>1,800</u>	<u>3,100</u>	<u>4,000</u>
Revenue Costs Funded from Reserves				
Core Programme revenue implementation costs	1,214	557	1,176	127
Workforce Modernisation	1,620	1,000	0	0
Strategic Alliance	1,000	1,915	1,900	1,450
Police Officer Ill Health	370	445	520	595
Police and Crime Plan Reserve	280	280	0	0
Estates Development	289	496	219	125
	<u>4,773</u>	<u>4,693</u>	<u>3,815</u>	<u>2,297</u>

Appropriations to/from funds and reserves

	<----- CSR 2014 ----->			
	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
Programme & Projects Reserve	(1,214)	(557)	(1,176)	(127)
Workforce Modernisation Reserve	(2,094)	(2,465)	(2,150)	(500)
Strategic Alliance	451	1,387	182	0
Budget Management Fund	(1,201)	(1,387)	(212)	0
Police Officer Ill Health	(370)	(445)	410	(595)
Police and Crime Plan Reserve	(280)	(280)	0	0
Estates Development Reserve	60	4	(219)	(125)
Capital Financing Reserve	750	750	750	750
	<u>(3,898)</u>	<u>(2,993)</u>	<u>(2,415)</u>	<u>(597)</u>
Base Budget before Savings and Service Reviews	284,006	292,518	297,351	303,081
Identified Budget Reductions and Savings				
Reduction in Police Officer Numbers ¹	(985)	(2,216)	(2,462)	(2,462)
Reduction in Police Staff Numbers ²	(1,280)	(3,055)	(5,292)	(10,810)
Non-Pay Budget Reductions ³	(3,511)	(4,819)	(4,767)	(5,173)
OPCC & Commissioning	(313)	(624)	(821)	(825)
	<u>(6,089)</u>	<u>(10,714)</u>	<u>(13,342)</u>	<u>(19,270)</u>
Unidentified Budget Cuts ⁴	0	0	(2,300)	(9,823)
Total Net Savings	<u>(6,089)</u>	<u>(10,714)</u>	<u>(15,642)</u>	<u>(29,093)</u>
Appropriations to/from Revenue Support Fund				
Revenue Support Fund	1,865	(7,547)	(10,793)	(3,091)
	<u>1,865</u>	<u>(7,547)</u>	<u>(10,793)</u>	<u>(3,091)</u>
Net Budget Requirement	279,782	274,257	270,916	270,897
Add Back External Income and Specific Grants	9,801	9,889	9,757	9,689
Gross Budget Requirement	289,583	284,146	280,673	280,586
Savings Plan 2014-18				
<i>1. Reduction in Police Officer Numbers / Rank Profile / WFP Profile</i>				
Reduction in Numbers	(985)	(2,216)	(2,462)	(2,462)
<i>2. Reduction in Police Staff Numbers</i>				
Savings from Targeted Police Staff Reviews	(1,080)	(1,910)	(1,910)	(1,910)
Delay in Crime Review	300	0	0	0
Police Staff Turnover Allowance	(500)	(500)	(500)	(500)
Strategic Alliance	0	(645)	(2,882)	(5,391)
Strategic Alliance Programme Board Target	0	0	0	(3,009)
<i>3. Non-Pay Budget Reductions</i>				
Estates Strategy	(200)	(200)	(100)	(500)
Estates Strategy - Property Storage	0	(200)	(200)	(200)
Wellness and Carbon Allowances	(300)	(300)	(300)	(300)
Regional forensics	(620)	(920)	(920)	(920)
ICT FM Contract	(950)	(950)	(950)	(950)
Other savings	(820)	(834)	(882)	(888)
Planned Maintenance	(225)	(225)	(225)	(225)
Transport Reductions	(300)	(300)	(300)	(300)
Vehicle reductions	0	(600)	(600)	(600)
Commercial development of sites	0	(100)	(100)	(100)
Programme benefits realisation Mobile data	(96)	(190)	(190)	(190)
<i>4. OPCC</i>				
Commissioning Budgets	0	(200)	(400)	(400)
OPCC Office Costs	(313)	(424)	(421)	(425)
Total Identified Savings	<u>(6,089)</u>	<u>(10,714)</u>	<u>(13,342)</u>	<u>(19,270)</u>
<i>4. Unidentified Budget Cuts</i>				
Further budget cuts to be identified		0		
Total Savings Plan	(6,089)	(10,714)	(13,342)	(19,270)
5. Revenue Support Fund Balance				
Smoothing Fund Balance 1 April	26,578	28,443	20,896	6,103
Smoothing Fund Balance	1,865	(7,547)	(10,793)	(3,091)
Use of Revenue Support Fund to Fund Capital Expenditure			(4,000)	
Smoothing Fund Balance 1 April	28,443	20,896	6,103	3,012

Key Budget Headings

Appendix A

Category	Cost Type	Key Budgets	Budget Metrics (Number or price)	2015-16
				£000
Staff	Police Officer Pay and On Costs	Superintendents and above	34	3,659
		Inspectors and Chief Inspectors	183	12,479
		Sergeants	520	28,611
		Constables	2,283	103,634
		Allowances		6,285
		Operational Overtime		2,026
		Bank Holiday Overtime		1,260
	Police Staff costs	PCSO Pay and Allowances	360	11,254
		Police Staff Pay and Allowances	1,680	55,253
		Police Staff Overtime		755
		Police Staff: Severance		0
		Police Staff: Other		1,220
	Pensions	Injury Awards and Ill Health Retirement		2,757
	Training	Training		809
	Total All Staff Groups			230,002
Non Staff	Premises	Premises		11,397
	Supplies & Services	Facilities		1,122
		ICT FM Contract (BT)		3,110
		ICT costs (exc BT Contract)		7,587
		Forensics and Scientific Equipment		1,585
		Outsourced Services		3,101
		Legal		614

Category	Cost Type	Key Budgets	Budget Metrics (Number or price)	2015-16
				£000
		All other budget costs		6,659
	Transport	Vehicles and Travel		3,027
		Fuel	£1.21 per litre	2,640
	Third Party Payments	Regional Collaboration and National Contributions		4,684
		Other Third Party Payments		937
	Income	Specific Grants		-1,442
		Other Income		-7,044
	Total Non-Staff			37,977
Total Cost Areas	Operational	Major Operations including police officer overtime		800
	Change	Programme & Projects		1,627
	Force Revenue Budget			270,406

Total Cost Areas	Non-Operational Budgets	Office of the Police and Crime Commissioner		1,568
		Capital Financing and Treasury Management	0.6% return	3,077
		Commissioning and Partnership Working		2,895
		Other Contributions to / from Reserves		1,836
	Total Revenue Budget			279,782

Medium Term Financial Strategy 2015-16 - Income

Income Category	Budget 2015-16
	£
Sale of Police Services/Goods	-1,084,860
Firearms Licences	-400,050
Reimbursements from Public Bodies	-2,686,536
Other Police Chargeable Services	-2,294,878
Local Grants and Partnership contributions	-140,688
Total	- 6,607,012

Staffing Analysis (FTE)

		31st March 2016	31st March 2017	31st March 2018	31st March 2019
Police Officers	Opening 1st April	3050	3020	3010	3010
	Change	(30)	(10)	0	0
	Closing 31st March	3020	3010	3010	3010
PCSO's	Opening 1st April	353*	360	360	360
	Change	7	0	0	0
	Closing 31st March	360	360	360	360
*Including 4 externally funded					
Police Staff: Force	Opening 1st April	1771	1741	1711	1711
	Change	(30)	(30)	0	0
	Closing 31st March	1741	1711	1711	1711
Police Staff: PCC*	Opening 1st April	23	23	23	23
	Change	0	0	0	0
	Closing 31st March	23	23	23	23

*Includes PCC and staff within the Office of the Police and Crime commissioner

All staffing forecasts are prior to the unidentified budget savings set out in the Summary of Budget Changes

Specific Grants

	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
Counter Terrorism	1205	1205	1205	1205
Victim support and Restorative Justice	1807	1807	1807	1807
Proceeds of Crime	320	320	320	320
Total	3332	3332	3332	3332

Balances, Reserves & Provisions

	2014-15 Closing Balance	In-Year Movemen t Revenue	2015-16 In-Year Movemen t Capital	Closing Balance	In-Year Movemen t Revenue	2016-17 In-Year Movemen t Capital	Closing Balance	In-Year Movement Revenue	2017-18 In-Year Movement Capital	Closing Balance	In-Year Movement Revenue	2018-19 In-Year Movement Capital	Closing Balance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
General Balances	6,198	0	0	6,198	0	0	6,198	0	0	6,198	0	0	6,198
General reserves:													
Programmes and Projects Reserve	3,247	(1,214)	0	2,033	(557)	0	1,476	(1,176)	0	300	(127)	0	173
Estates Development Reserve	280	60	0	340	4	0	344	(219)	0	125	(125)	0	0
Capital Financing Reserve	4,903	750	(4,560)	1,094	750	(1,759)	85	750	(495)	340	750	(1,005)	85
Strategic Alliance	0	451	(451)	0	(1,915)	(1,387)	0	(1,900)	(182)	0	(1,450)	0	0
Workforce Modernisation Reserve	10,639	(2,094)	0	8,545	(2,465)	0	6,080	(2,150)	0	3,930	(500)	0	3,430
Remuneration Reserve	2,876	0	0	2,876	0	0	2,876	0	0	2,876	0	0	2,876
Police Officer III Health	1,000	(370)	0	630	(445)	0	185	410	0	595	(595)	0	0
Major Operations Reserve	2,376	0	0	2,376	0	0	2,376	0	0	2,376	0	0	2,376
Budget Management Fund	2,800	(1,201)	0	1,599	(1,387)	0	212	(212)	0	0	0	0	0
Police and Crime Plan Reserve	560	(280)	0	280	(280)	0	0	0	0	0	0	0	0
Revenue Support Fund	26,578	1,865	0	28,443	(7,547)	0	20,896	(10,793)	(4,000)	6,103	(3,091)	0	3,012
Sub-total - general reserves	55,259	(2,033)	(5,011)	48,216	(13,842)	(3,146)	34,530	(15,290)	(4,677)	16,645	(5,138)	(1,005)	11,952
Specific Capital Reserves / Grants:													
Capital Grant	59	0	410	469	0	80	549	0	655	1,204	2,600	(3,329)	475
Capital Receipts	4,161	0	11,923	16,084	0	(12,759)	3,325	0	(1,455)	1,870	270	(2,045)	95
Sub-total - specific reserves	4,220	0	12,333	16,553	0	(12,679)	3,874	0	(800)	3,074	2,870	(5,374)	570
Total - Reserves	59,479	(2,033)	7,323	64,769	(13,842)	(15,825)	38,404	(15,290)	(5,477)	19,719	(2,268)	(6,379)	12,522
Provisions													
Insurance	654	0	0	654	0	0	654	0	0	654	0	0	654
Remuneration	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total - Provisions	654	0	0	654	0	0	654	0	0	654	0	0	654
Total Balances, Reserves & Provisions	66,331	(2,033)	7,323	71,621	(13,842)	(15,825)	45,256	(15,290)	(5,477)	26,571	(2,268)	(6,379)	19,374

Sensitivity of Budget Assumptions 2015-16

The Police and Crime Commissioner holds specific earmarked reserves set aside to meet planned, exceptional and unpredictable costs (as set out in the Balances, Reserves and Provisions table on page 24-28). The costs set out below indicate the potential risk of drawing on general balances once the annual revenue budget 2015-16 and earmarked reserves are exhausted. It is not a prediction of potential overspending on the revenue budget in 2015-16, the reason for this is that the risk of spending less than the budget has not been included. This sensitivity analysis shows that the potential risk assessed impact on general balance is less than the General Balances available of £6.198m

Uncertainty	Cause	Basis of calculation	Financial Risk Mitigation	Forecast date of resolution	Assessed Impact * 2014/15 £000
Inflation and other budget pressures	Non pay inflation varies from budget forecast and plan to absorb inflation by cutting real term budgets cannot be sustained	Inflation and other pressures on non-pay budget lines	Costs are absorbed and real terms budget reductions are accepted.	Dec-15	150
Major Operations	Is the Major Operations reserve sufficient to fund a number of major operations?	Reserve stands at £2.4m which is close to the 1% threshold set by the Home Office before it will consider providing additional funding to support the costs of exceptional operations. Support from the Home Office above that threshold cannot be guaranteed and a series of smaller incidents could have an impact. Costs of exceptional major operations likely to increase as Force resources fall and additional reliance is placed on mutual aid.	Major operations reserve and access to Home Scheme to cover exceptional costs	Ongoing	1,375
Service changes cannot be made within approved timescales (police staff reviews)	Due to complexity of interlinking initiatives and the need to maintain service provisions Force unable to deliver police staff savings contained within MTFS	Twenty percent variation on staff turnover and three month delay in delivery of staff reductions		Ongoing	289
Police Officer wastage	Budget assumption that police officers will retire at the earliest opportunity, plus fixed recruitment points means a financial risk occurs if retirement patterns vary from the assumption	Number of officer retiring at earliest opportunity reduces from 90% to 70%	Budget profile reflects existing retirement pattern	Dec-15	125
Service changes cannot be made within approved timescales and budgets (Force Programme)	Force unable to deliver change management and ICT developments within resources available	Variation in costs to be met from Programme and Projects Reserves	Programme and Projects Reserve	Ongoing	250
Legal Challenge	Legal costs and claims increase due to factors outside the Force/OPCC control	Potential impact of increase in insurance deductible and acceleration in current trend in claim costs. Excludes impact of A19 litigation	Careful management of claims and better risk management throughout the organisation.	Mar-16	125
Legal Challenge	Legal costs and claims increase due to factors outside the Force/OPCC control	Potential impact of increase in insurance deductible and acceleration in current trend in claim costs. Excludes impact of A19 litigation	Careful management of claims and better risk management throughout the organisation.	Mar-16	2,250
Investments returns	Inaccurate forecasting of investment returns leads to receipts being less than forecast	Returns 20% lower than forecast for 2015-16	Forecasts based on independent advisers forecast rates	Ongoing	12
Timing of capital receipts	Slippage of capital receipts leads to reduced capital programme	Slippage on receipts delays rationalisation programme- leading to lower savings on ongoing running costs of 50% per annum - no impact until 2015-16	Balance on capital receipts reserve allows for some slippage on receipts	Ongoing	-
					4,576

*assessed impact is based on a quantification of the total financial risk and likelihood assessment

Commissioning Intentions Strategy 2015/16

Area	Devon	Cornwall	Plymouth	Torbay	Isles of Scilly	Totals
	£	£	£	£	£	£
Community Safety Partnerships	557,781	467,329	417,258	209,974	16,690	1,669,032
Childrens Safeguarding			17,111			85,037
Adults Safeguarding						72,000
Integrated Safeguarding Hubs *						20,000
SARCS	70,000	70,000	70,000			210,000
YOTS	209,718	157,288	99,616	57,672		524,294
Plan Priority Support Fund						100,000
Victims Services						1,808,000
Circles of Support-(8)						54,458
Draft Total	837,499	694,617	603,985	267,646	16,690	4,542,821
Commissioning Posts						145,000
Contingency						15,000
Total	837,499	694,617	603,985	267,646	16,690	4,702,821
MTFS Totals						
Grant						
Commissioning Budget						4,702,000
Existing Grant						-542,000
Additional Grant						-1,265,000
Net Commissioning Budget						2,895,000

* Additional funding over that shown is to be made available from the 2014-15 Budget

Council Tax Information and Precept

Tax base, collection variations and precepts					
	Tax Base declared by Councils	Total Precept payable by Councils £	Surplus (Deficit) on collection £	Amount due from Councils £	% share payable by Councils
East Devon	55,289.00	£9,369,826.83	£107,733.00	£9,477,559.83	9.72%
Exeter	34,750.00	£5,889,082.50	£27,436.00	£5,916,518.50	6.07%
Mid Devon	27,289.76	£4,624,795.63	£32,734.00	£4,657,529.63	4.78%
North Devon	31,715.01	£5,374,742.74	£60,149.89	£5,434,892.63	5.58%
Plymouth	68,460.00	£11,601,916.20	£53,588.00	£11,655,504.20	11.96%
South Hams	36,606.88	£6,203,767.95	£87,000.00	£6,290,767.95	6.45%
Teignbridge	45,746.00	£7,752,574.62	£104,956.00	£7,857,530.62	8.06%
Torbay	42,370.75	£7,180,571.00	£131,240.00	£7,311,811.00	7.50%
Torridge	22,219.21	£3,765,489.52	£86,498.00	£3,851,987.52	3.95%
West Devon	19,457.00	£3,297,377.79	£39,558.28	£3,336,936.07	3.42%
Cornwall	179,845.00	£30,478,332.15	£970,000.00	£31,448,332.15	32.27%
Isles of Scilly	1,321.40	£223,937.66	£0.00	£223,937.66	0.23%
	<u>565,070.01</u>	<u>£95,762,414.59</u>	<u>£1,700,893.17</u>	<u>£97,463,307.76</u>	<u>100.0%</u>

Police element of Council Tax due for each Property Valuation Band						
Valuation band	Government multiplier Ratio		Council Tax by band 2015-16		Increase per week	%
A	6 / 9	0.667	£112.98	£110.77	+ 4.3 p	
B	7 / 9	0.778	£131.81	£129.24	+ 4.9 p	
C	8 / 9	0.889	£150.64	£147.70	+ 5.7 p	
D	1	1.000	£169.47	£166.16	+ 6.4 p	1.99%
E	11 / 9	1.222	£207.13	£203.08	+ 7.8 p	
F	13 / 9	1.444	£244.79	£240.01	+ 9.2 p	
G	15 / 9	1.667	£282.45	£276.93	+ 10.6 p	
H	18 / 9	2.000	£338.94	£332.32	+ 12.7 p	

Calculation of relevant basic amount of Council Tax			
Council Tax Requirement	£ 95,762,414.59		Band D Council Tax
		=	£169.47
Tax Base	565,070.01		

Four Year Capital Programme 2015-16 to 2018-19

Introduction

1. The following work has been undertaken to develop the four year capital programme 2015-16 to 2018-19:
 - A review of the current ICT Strategy and Roadmap
 - A review of the ICT convergence requirements arising from the Strategic Alliance
 - Updating of the Vehicle Replacement programme
 - Updating of both the costs and the income associated with the Exeter Criminal Justice Centre
 - A review of the Estates Rationalisation Programme
 - Identification of new estates requirements arising from property health checks

Resources Available to Fund to Capital Programme

2. The funding sources available to fund the capital programme are as follows:

Planned Borrowing – the PCC's strategy is to borrow for longer life assets only (i.e. assets with a life of over 10 years). The reason for this is that shorter life assets create a higher charge to the revenue budget as the minimum revenue provision (MRP) that must be set aside to repay the debt is based on the cost of the borrowing divided by the life of the asset.

When the planned borrowing for the period of the MTFS (as set out in table 1) is added to the borrowing now required to fund the relocation of the Air Support unit; the total borrowing is £10m more than the borrowing included in the current MTFS. This increases the cost of capital financing by approximately £0.9m by 2018-19.

Capital Financing Reserve – this reserve has been built up by contributions from revenue under-spending to fund specific projects and by a budgeted contribution of £250k per annum. This contribution has been increased to £750k per annum for 2015-16 onwards in order to help fund shorter life assets.

Strategic Alliance Reserve – this reserve is to be established from the forecast 2014-15 revenue budget under-spend and will be used to fund the ICT convergence strategy for the Strategic Alliance

Revenue Support Fund – the draft 2015-16 capital programme exceeds the funding available by approximately £14m, it is proposed that this gap is bridged by additional borrowing of £10m as described above and by a contribution from the Revenue Support Fund in 2017-18 of £4.0m.

Capital Grants and Contributions – The Home Office capital grant for 2014-15 was £2.6m, the 2015-16 grant has not yet been announced. The revenue grant settlement letter indicated that there may be some top slicing of the grant. If there

is a significant top-slice the capital programme and its funding will need to be re-considered.

Capital Receipts – the capital receipts have been analysed into the receipts related to the Exeter CJC project (including the receipt from the sale of Heavitree Road Police Station) and the other capital receipts that arise from the Estates Rationalisation programme. The rationalisation receipts are based on the current rationalisation programme and the current disposal decisions.

3. The resources available to fund the capital programme are contained in table 1.

Table 1

	Capital Financing Resources	As at 31 March 2015 £000	Additional Resources			
			2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
1	Planned Borrowing	N/A	1,396	2,336	4,530	1,215
2	Capital Financing Reserve	4,903	750	750	750	750
3	Strategic Alliance Reserve	0	451	1,387	182	0
4	Revenue Support Fund	0	0	0	4,000	0
5	Capital Grants and Contributions	59	2,628	2,600	2,600	2,600
6	Capital Receipts – Exeter CJC project	0	15,885	3,625	0	0
7	Other Capital Receipts	4,161	2,205	2,785	870	270
8	Total Capital Resources	9,123	23,315	13,483	12,932	4,835

Proposed Programme

4. The overall programme is summarised in Annex 1 and described in the detail below.

Property Schemes

5. The property programme is in line with the current Estates Strategy that was approved in February 2010. The main elements of the property programme are summarised in the table 2.
6. **Exeter Criminal Justice Centre and related works** – this project has been included on the basis of the COG preferred option. When the project was first envisaged it was planned that it would funded entirely from the receipts from the sale of land at Middlemoor. Changes in the build cost and significant and changing uncertainty with regard to the resources available to fund the project mean that it is necessary to include a contingency of £9.7m within the programme to support this project. The proposed funding of this contingency is shown below.

	£m
Application of part of the receipt from sale of Heavitree Road Police Station	0.7
Use of Revenue Support Fund	4.0
Additional Borrowing	5.0
	9.7

7. Given the level of uncertainty a re-working the business case to provide options will be undertaken in the next month and the details brought forward to JMB in February or March.
8. **Estates rationalisation programme** – this part of the programme aims to rationalise Force accommodation and reduce the running costs of the estate by £1m (as compared to 2011-12) by 2019-20. The programme is self funding as receipts from disposal of current property are used to fund the re-provision of more efficient accommodation. An extension to the rationalisation programme that would see a reduction in the overall number of locations that the Force operates from is currently under consideration but is not reflected in the proposed capital programme for 2015-16 to 2018-19.
9. **Refurbishment Programme** – the focus of the Estates Capital Programme over the last three years has been on the rationalisation programme. Property health-checks on the Estate have, however, identified a number of premises where refurbishment or improvement works are required. This programme totals £4.8m over the 4 year period of the MTFS and includes additional works to custody facilities at Camborne and Barnstaple. The full list of projects is attached at Annex 2.

Table 2

	Property Programme	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
	Capital Spending				
1	Exeter Criminal Justice Centre and related works	2,345	14,150	6,350	0
2	Estates rationalisation programme	1,060	3,563	0	0
3	Relocation of OPCC and associated works	780	0	0	0
4	Refurbishment schemes	608	1,639	1,430	1,215
5	Property Store	0	750	750	
5	Sub total				
6	Carry-forward from 2014-15	1,622			
7	Total Spending	6,415	20,102	8,530	1,215
	Financing				
8	Long-term borrowing	1,396	2,336	4,530	1,215
9	Temporary Borrowing	28	0	0	0
10	Revenue Reserves	621	0	4,000	0
11	Capital Receipts	4,370	17,766	0	0
12	Total Financing	6,415	20,102	8,530	1,215

Risk Factors in the Estates Programme

10. The main risk factors with the property programme are as follows:

Realisation of the Capital Receipts

11. Approximately 50% of the total capital programme is funded by receipts from the sale of property. Some receipts will be applied to non estates projects in order to optimise the use of the resources available and minimise charge to the revenue budget for borrowing. Any delay in the programme to achieve the receipts will lead to additional temporary borrowing costs which will impact on the revenue budget. In addition failure to achieve the market values forecast will lead to a financing gap in the capital programme.
12. The property programme and the disposal schedule will require careful management and monitoring to ensure that commitments are not entered into that exceed the guaranteed receipts available.

Changing requirements in relation to the Force's policing delivery model

13. It may be necessary to make changes to the programme to provide accommodation to fit the Force's integrated policing delivery model. It should be noted that the scope for changes is very limited without introducing additional borrowing at a cost to the revenue budget.

Information and Communication Technology

14. The ICT requirements over the next four years have been reviewed , with reference to:
- a. National developments, for example, the replacement of Airwave;
 - b. The cost of converging the ICT systems in order to facilitate the Strategic Alliance with Dorset;
 - c. Local requirements;
 - d. Ensuring that when end of life systems are replaced the optimum replacement solution is obtained
15. **ICT Roadmap** – the Roadmap has been updated to include the investment required to ensure all key systems continue to operate effectively.
16. **Airwave** – the expenditure in 2017-18 and 2018-19 is the replacement of the current Airwave system with the new national communication system. This expenditure is highly dependent on the national programme to replace emergency communications systems. Some national funding specific to this project may be available but this has not been included in the funding of the programme as the level of funding to be provided by the Home Office will not be known before 2016-17.

17. **ICT Convergence “enabling and additional” projects** – these projects have been included on the basis of indicative arrangements agreed to date by the Alliance Executive Board, however, no formal agreement has been reached as to the level of investment. These will be considered when the formal Strategic Alliance decision is taken.

18. **ICT Convergence “inevitable” projects** – these projects where the timing of the expenditure is influenced by the Strategic Alliance but where investment by Devon and Cornwall Police would have been required in due course irrespective of the Alliance requirements.

19. **Mobile Data** - this is the capital expenditure required to complete the mobile data project.

Table 3

	Information and Communication Technology Programme	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
	Capital Spending				
1	ICT Roadmap	2,082	1,578	1,120	1,939
2	Airwave/ Mobile Communication	471	250	1,800	2,025
3	ICT Convergence “enabling and additional” projects	626	1,937	182	0
4	ICT Convergence “inevitable” projects	230	784	0	0
5	Mobile Data	147	0	0	0
6	New Technology for Investigation	50	0	0	0
7	Carry forward from 2014-15	559	0	0	0
8	Total Spending	4,165	4,549	3,102	3,964
9	Capital Grant			200	914
10	Revenue Reserves	4,165	3,146	577	1,005
11	Capital Receipts		1,403	2,325	2,045
11	Total Financing	4,165	4,549	3,102	3,964

Vehicles and Workshops

19. The vehicle replacement programme is based on current vehicle numbers. A tracker system will be introduced on a phased basis over the coming year. This will not require any additional funding as it will be funded from savings within the vehicle replacement programme or from revenue savings generated by the implementation of the system.

Table 4

	Vehicle Replacement Programme and Workshop Equipment	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
	Capital Spending				
1	New capital spending	1,720	2,420	1,745	2,315
2	Carry forward from 2014-15	370	0	0	0
3	Total Spending	2,090	2,420	1,745	2,315
4	Capital Grant	2,090	2,420	1,745	2,315
5	Total Financing	2,090	2,420	1,745	2,315

Equipment

20. The 2014-15 Capital Programme made provision for a phased replacement of body armour. During 2014-15, following concerns about the body armour no longer being covered by warrantee it was decided that budget provision should be brought-forward to allow for full replacement in 2014-15. The proposed capital programme 2015-16 to 2018-19 includes provision for replacement of specialist sets as required.
21. The carry-forward is for ANPR equipment included in the 2014-15 programme which is forecast to slip to 2015-16.

Table 5

	Equipment	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
	Capital Spending				
1	Body Armour	100	100	100	100
2	Carry Forward	225			
3	Total Spending	325	100	100	100
4	Capital Grant	100	100	0	100
5	Capital Financing Reserve	225	0	100	0
6	Total Financing	325	100	100	100

Revenue Implications of the Proposed Programme

22. The additional capital financing cost of the proposed programme is £0.9m. This is the cost of interest and MRP payments in 2018-19 as compared to the budget for 2014-15. This reflects both the £10m of additional borrowing required needed by the end of the 4 year MTFS to support the programme and the need to reduce the level of internal borrowing used to support the capital programme as revenue reserves decline in the latter years of the MTFS.
23. As noted in paragraph 7 significant savings are forecast on the running costs of building as a result of the rationalisation programme. There are no other significant revenue implications of the capital programme.

As yet Unidentified Capital Requirements and Capital Investment beyond 2018-19

24. Part 3 of Annex 1 shows the balance of unapplied capital financing resources as at 31 March 2014 and for the four following years. As at 31 March 2015 available resources are forecast to be £9.1m, over the four year period of the capital programme, this balance is then used to fund the planned projects within the programme so that by 31 March 2017 the balance is £0.7m. Furthermore by 2018-19 additional capital resources received during the year (excluding borrowing) have reduced to £3.6m as shown in table 1. Capital expenditure on short life assets in 2018-19 is forecast at £6.4m and this means that there is a “structural” gap in financing short life assets of £2.8m in 2018-19. This gap can be filled in

2018-19 by the resources carried forward as at 31 March 2018 (£3.4m) but by 31 March 2019 this balance has declined to £0.6m and this means that alternative funding sources will need to be found for short-life assets in 2019-20 onwards.

Annex 1

Summary Programme 2015-16 to 2018-19						
	As at 31 March 2015	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000	Total £000
ICT Roadmap MTFS 14/15 - 18/19		2,591	1,578	1,120	1,939	7,228
Airwave		471	250	1,800	2,025	4,546
ICT Convergence Enabling and additional		626	1,937	182	-	2,745
ICT Convergence Inevitables		230	784	-	-	1,014
New Technology for Investigation		100	-	-	-	100
Mobile Data		147				147
Estates Programme:						
Exeter CJC Hub		2,150	14,150	6,350	-	22,650
Rationalisation programme		4,025	5,952	780	-	10,757
Refurbishment Programme		240		1,400	1,215	2,855
Vehicle Replacement Programme		2,090	2,420	1,745	2,315	8,570
Body Armour Replacement		100	100	100	100	400
ANPR		225	-	-	-	225
		12,994	27,171	13,477	7,594	61,236
Add unfinanced spend to 31/3/2015 Exeter CJC	2,629	1,797				4,426
		14,791	27,171	13,477	7,594	65,662
Funding						
Grant		2,218	2,520	1,945	3,329	10,012
Capital Financing Reserve & Strategic Alliance Reserve		5,011	3,146	677	1,005	9,839
Revenue Support Fund				4,000		4,000
Capital Receipts		6,167	19,169	2,325	2,045	29,706
						-
Borrowing	2,629	1,396	2,336	4,530	1,215	12,106
		14,791	27,171	13,477	7,594	65,662
Resources						
Borrowing	- 2,629	- 1,396	- 2,336	- 4,530	- 1,215	- 12,106
Grant	- 59	- 2,628	- 2,600	- 2,600	- 2,600	- 10,487
Funds & Reserves	- 4,903	- 1,201	- 2,137	- 4,932	- 750	- 13,923
Capital Receipts	- 4,161	- 18,090	- 6,410	- 870	- 270	- 29,801
	- 11,752	- 23,315	- 13,483	- 12,932	- 4,835	- 66,317
Financing Resources	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 31 March 2019	
Grant	- 59	- 469	- 549	- 1,204	- 475	
Funds & Reserves	- 4,903	- 1,094	- 85	- 340	- 85	
Capital Receipts	- 4,161	- 16,084	- 3,325	- 1,870	- 95	
	- 9,123	- 17,647	- 3,959	- 3,414	- 655	

Annex 2

Refurbishment Projects	15-16 £	16-17 £	17-18 £	18-19 £	Total £
Barnstaple Police Station		500,000			500,000
Barnstaple Police Station - New Custody Project	168,000				168,000
Bideford Police Station			200,000		200,000
Camborne Police Station	200,000	500,000			700,000
Camborne Police Station - New Custody Project		386,000			386,000
Launceston Police Station			250,000		250,000
Newquay Police Station			500,000		500,000
Newton Abbot Police Station			250,000		250,000
Penzance Police Station			200,000		200,000
Plymouth Charles Cross Police Station	120,000			880,000	1,000,000
Plymouth Crownhill Police Station	120,000			335,000*	455,000
St. Austell Police Station		200,000			200,000
Total	608,000	1,586,000	1,400,000	1,215,000	4,809,000

*To be completed in 2019/20

Capital Expenditure & Prudential Indicators

Capital Programme 2015-16 onwards

	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000	Total £000
Total Programme	12,994	27,171	13,477	7,594	61,236
Financed by:					
Borrowing	1,396	2,336	4,530	1,215	9,477
Home Office Capital Grant	2,218	2,520	1,945	3,329	10,012
Reserves	5,010	3,146	4,677	1,005	13,838
Capital Receipts	4,370	19,169	2,325	2,045	27,909
Total Financing for Current Capital Programme	12,994	27,171	13,477	7,594	61,236

Prudential Indicators

The Police and Crime Commissioner is required to consider a range of indicators in order to form a judgement about whether the proposed level of debt is affordable, prudent and sustainable.

The indicators below show the impact of the capital expenditure and the level of debt on the revenue budget and hence provide information on the affordability of the capital expenditure plans.

(i) Estimate of the ratio of net capital financing costs to revenue budget

Capital financing costs comprise minimum repayment of "loan principal" and interest paid on loans and finance leases, offset by interest received.

	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
Minimum Revenue Provision (MRP)	1,489	1,533	1,573	1,627
Finance Lease MRP	186	63	0	0
Interest payable on Long Term Borrowing	1,588	1,646	1,730	1,836
Interest Received (net)	(494)	(470)	(373)	(305)
Capital Financing Costs	2,769	2,772	2,930	3,158
 Net Budget Requirement	 279,864	 274,374	 271,035	 271,021
 Ratio of financing costs to net revenue stream	 0.99%	 1.01%	 1.08%	 1.17%

(ii) Incremental Impact on Council Tax

This indicator shows the incremental impact on the Band D council tax payer of the additional capital expenditure funded from borrowing included in the 2015-16 capital programme.

	2015-16	2016-17	2017-18	2018-19
Incremental increase in Council Tax arising from Capital Expenditure Plans	£0.04p	£0.18p	£0.28p	£0.37p

Treasury management indicators are set out in the Treasury Management Strategy.

	2014-15										
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Opening Balance	External Grants & receipts	Budgeted Contributions	Budgeted Applications	Other Internal Financing	Total before Financing	Financing Cap Prog	Budget balance	In-Year Policy Decisions	Forecast budget variations	Closing Balance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
						(1 : 5)		(6 : 7)			(8 : 10)
General Balances	6,198					6,198		6,198			6,198
Earmarked revenue reserves:											
Transformation											
H62 Programmes & Projects Reserve	7,127			(3,225)		3,902		3,902	(518)	(137)	3,247
H72 Estates Development Reserve	681		160			841		841	(117)	(444)	280
H69 Capital Financing Reserve	7,383		500			7,883	(4,180)	3,703		1,200	4,903
Strategic Alliance	0					0		0			0
Reserves for Exceptional Costs											
H63 Workforce Modernisation Reserve	9,199			(1,457)	(500)	7,242		7,242		3,397	10,639
H88 Remuneration Reserve	2,876					2,876		2,876			2,876
Reserves for Unpredictable Costs											
H57 Police Officer Ill Health	500				500	1,000		1,000			1,000
H59 Major Operations Reserve	2,376					2,376		2,376			2,376
Revenue Smoothing and Budget Mgt											
H58 Budget Management Fund	1,505					1,505		1,505	(1,505)	2,800	2,800
H89 Police and Crime Plan Reserve	560					560		560			560
H73 Revenue Support Fund	22,969		3,609			26,578		26,578			26,578
Sub-total - general reserves	55,176	0	4,269	(4,682)	0	54,763	(4,180)	50,583	(2,140)	6,816	55,259
Specific Capital Reserves / Grants:											
N71 Capital Grant	1,359	2,923				4,282	(4,223)	59			59
N83 Capital Receipts	3,396	2,107				5,503	(1,342)	4,161			4,161
Sub-total - specific reserves	4,755	5,030	0	0	0	9,785	(5,565)	4,220	0	0	4,220
Total - Balance sheet "Reserves"	59,931	5,030	4,269	(4,682)	0	64,548	(9,745)	54,803	(2,140)	6,816	59,479
Provisions											
Insurance	1,389		385	(385)		1,389		1,389		(735)	654
Remuneration	544					544		544		(544)	0
Other	370					370		370		(370)	0
Sub-total - Balance sheet "Provisions"	2,303	0	385	(385)	0	2,303	0	2,303	0	(1,649)	654
Total - Balances and Reserves 2014-15	68,432	5,030	4,654	(5,067)	0	73,049	(9,745)	63,304	(2,140)	5,167	66,331
			Borrowing (including Minimum Revenue Provision)				(1,130)				
					Capital Funding		(10,875)				

	2015-16										
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Opening Balance	External Grants & receipts	Budgeted Contributions	Budgeted Applications	Other Internal Financing	Total before Financing	Financing Cap Prog	Budget balance	In-Year Policy Decisions	Forecast budget variations	Closing Balance
	£000	£000	£000	£000	£000	£000 (1 : 5)	£000	£000 (6 : 7)	£000	£000	£000 (8 : 10)
General Balances	6,198					6,198		6,198			6,198
Earmarked revenue reserves:											
Transformation											
H62 Programmes & Projects Reserve	3,247			(1,214)		2,033		2,033			2,033
H72 Estates Development Reserve	280			(289)		(9)		(9)	349		340
H69 Capital Financing Reserve	4,903		750			5,653	(4,560)	1,094			1,094
Strategic Alliance	0			(1,000)		(1,000)	(451)	(1,451)	1,451		0
Reserves for Exceptional Costs											
H63 Workforce Modernisation Reserve	10,639			(1,620)		9,019		9,019	(474)		8,545
H88 Remuneration Reserve	2,876					2,876		2,876			2,876
Reserves for Unpredictable Costs											
H57 Police Officer III Health	1,000			(370)		630		630			630
H59 Major Operations Reserve	2,376					2,376		2,376			2,376
Revenue Smoothing and Budget Mgt											
H58 Budget Management Fund	2,800					2,800		2,800	(1,201)		1,599
H89 Police and Crime Plan Reserve	560			(280)		280		280			280
H73 Revenue Support Fund	26,578		1,990			28,568		28,568	(125)		28,443
Sub-total - general reserves	55,259	0	2,740	(4,773)	0	53,226	(5,011)	48,216	0		48,216
Specific Capital Reserves / Grants:											
Capital Grant	59	2,628				2,687	(2,218)	469			469
Capital Receipts	4,161	18,090			(1,797)	20,454	(4,370)	16,084			16,084
Sub-total - specific reserves	4,220	20,718	0	0	(1,797)	23,141	(6,588)	16,553	0	0	16,553
Total - Balance sheet "Reserves"	59,479	20,718	2,740	(4,773)	(1,797)	76,367	(11,599)	64,769	0	0	64,769
Provisions											
Insurance	654		385	(385)		654		654			654
Remuneration	0					0		0			0
Other	0					0		0			0
Sub-total - Balance sheet "Provisions"	654	0	385	(385)	0	654	0	654	0	0	654
Total - Balances and Reserves 2015-16	66,331	20,718	3,125	(5,158)	(1,797)	83,219	(11,599)	71,621	0	0	71,621
			Borrowing (including Minimum Revenue Provision)				(1,396)				
					Capital Funding		(12,994)				

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←-2017-18→											
	(1) Opening Balance	(2) External Grants & receipts	(3) Budgeted Contributions	(4) Budgeted Applications	(5) Other Internal Financing	(6) Total before Financing	(7) Financing Cap Prog	(8) Budget balance	(9) In-Year Policy Decisions	(10) Forecast budget variations	(11) Closing Balance
	£000	£000	£000	£000	£000	£000 (1 : 5)	£000	£000 (6 : 7)	£000	£000	£000 (8 : 10)
General Balances	6,198					6,198		6,198			6,198
Earmarked revenue reserves:											
Transformation											
H62 Programmes & Projects Reserve	1,476			(1,176)		300		300			300
H72 Estates Development Reserve	344			(219)		125		125			125
H69 Capital Financing Reserve	85		750			835	(495)	340			340
Strategic Alliance	0			(1,900)		(1,900)	(182)	(2,082)	2,082		0
Reserves for Exceptional Costs											
H63 Workforce Modernisation Reserve	6,080					6,080		6,080	(2,150)		3,930
H88 Remuneration Reserve	2,876					2,876		2,876			2,876
Reserves for Unpredictable Costs											
H57 Police Officer Ill Health	185			(520)		(335)		(335)	930		595
H59 Major Operations Reserve	2,376					2,376		2,376			2,376
Revenue Smoothing and Budget Mgt											
H58 Budget Management Fund	212					212		212	(212)		0
H89 Police and Crime Plan Reserve	0					0		0			0
H73 Revenue Support Fund	20,896			(10,143)		10,753	(4,000)	6,753	(650)		6,103
Sub-total - general reserves	34,530	0	750	(13,958)	0	21,322	(4,677)	16,645	0	0	16,645
Specific Capital Reserves / Grants:											
Capital Grant	549	2,600				3,149	(1,945)	1,204			1,204
Capital Receipts	3,325	870				4,195	(2,325)	1,870			1,870
Sub-total - specific reserves	3,874	3,470	0	0	0	7,344	(4,270)	3,074	0	0	3,074
Total - Balance sheet "Reserves"	38,404	3,470	750	(13,958)	0	28,666	(8,947)	19,719	0	0	19,719
Provisions											
Insurance	654		385	(385)		654		654			654
Remuneration	0					0		0			0
Other	0					0		0			0
Sub-total - Balance sheet "Provisions"	654	0	385	(385)	0	654	0	654	0	0	654
Total - Balances and Reserves 2015-16	45,256	3,470	1,135	(14,343)	0	35,518	(8,947)	26,571	0	0	26,571

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