

Report to:	Audit & Scrutiny Panel
Date of Meeting:	12th February 2015
Report Author:	Charlotte Radford
E-mail:	
Other Contacts:	
Agenda Item:	5

Precept and Budget Reports 2015-16

1. Purpose of the Report

To inform members of the decision being taken in relation to the Precept and budget for the 2015-16 Financial Year

2. Recommendations

Members are requested to comment on and note the reports.

3. Reasons for Recommendations

This ensures that the Panel are aware of the key decisions being taken in relation to the budgets, medium term financial planning and supporting strategies.

4. Summary of Key Points

The budgets produced are linked with the resources required to deliver the Police & Crime Plan. There is particular focus on the priorities relating to victims, rural crime, crime prevention and closer working with our partners.

Setting a balance budget is becoming more and more challenging. To date over £42m (20%) will have been delivered in efficiencies and the next CSR period is looking for a further 20+% cut in our grant funding.

The Budget for 2015-16 is based upon a 5.1% (£6.8m) reduction in grant income and increased cost pressures of £8.4m.

We have been working hard with local and regional partners to deliver efficiencies and the force have been redesigning the way in which the service will have to be delivered from 2020.

The Medium Term Financial Plan (MTFP) details the plans in place to meet the financial gaps and shows where further work is to be done. The MTFP is built upon a continuous increase in precept just under and estimated referendum limit of 2%. It also builds in cost pressures for inflation, pay awards and national policy changes such as the NI contributions relation to the state pension.

The Capital Programme supports initiatives to improve the policing presence in communities through improved technology and supports collaborative projects, which attract additional grant funding from the Home Office.

The Reserves Strategy is based upon a pay back of reserves in the following year to their use where that use is pre-planned in the short-term planning. This allows us to maintain an acceptable and reasonable level of reserves which can then be used for the unforeseen events, such as efficiency plans not reaching their planned targets and revenue expenditure budget being overspent at year end. There is also a possibility that these reserves will be needed to meet the future funding gaps that have yet to be bridged and other one-off expenditure items such as litigation.

5. Financial Implications and Budget Provision

Theses have been detailed within the attached reports.

6. Human Resources Implications

These have been detailed within the attached reports.

7. Equality Implications

None

8. Risk Management

There are risks around the achievement of continuous cuts to the scale detailed within the attached reports. And as the budget reduces the chance of potential overspend increases. This is monitored and reported throughout the year to the Strategic Resources and Performance meetings and wherever possible mitigating action is taken.

9. Policy Implications and links to the Police and Crime Plan Priorities

This budget is linked closely to and in support of the achievement of the Police & Crime Plan priorities.

10. Details of outcome of consultation

Consultation has been undertaken and is detailed within the Precept Report attached.

11. Appendices

- a. Precept Report 2015-16
- b. Budget Report 2015-16
- c. MTFP
- d. Capital Programme
- e. Reserves Strategy