



## Summary Financial Information – 2016-17

### Nottinghamshire Police & Crime Commissioner and Group

The Police and Crime Commissioner for Nottinghamshire and the Chief Constable for Nottinghamshire have a statutory requirement to produce and publish their annual Financial Statements.

The Summary Financial Information for the Police and Crime Commissioner (PCC Group) provides a simple view of the consolidated financial position as at 31 March 2017.

The full published accounts of the PCC Group are available on the Police and Crime Commissioner website at [www.nottinghamshire.pcc.police.uk](http://www.nottinghamshire.pcc.police.uk) in the section 'Our Money'.

This Summary Statement is based upon the published audited accounts, but in itself has not been independently audited.



## Commissioner's Introduction

During the last year I'm pleased to say that we saw change and progress which is reflected in the accounts. There is a new financial team in place to manage the challenges resulting from central funding constraints and improvements in financial administration since 2015-16 have resulted in expenditure remaining below budget in 2016-17. This has led to a bigger contribution to future reserves than we anticipated. We also have a new Chief Constable and new Chief Officer Team to negotiate the challenges presented by crime and develop new ways of responding to threats.

I'm delighted that I awarded a new contract for victims' services designed to improve the support and recovery of vulnerable people who suffer through crime and antisocial behaviour. Victim CARE (Cope and Recovery Empowerment), delivered by Catch 22, is already providing professional one-to-one support to a significant number of victims. This service has been built on the real experiences of victims of crime.

We've also introduced the new target operating model which means that we will be able to recruit more officers in the coming year. This hugely positive move will, I know, be really welcomed by our communities. Nottinghamshire became a national lead on Body Worn Video thanks to Home Office funding provided to the East Midlands Operational Support Service (EMOpSS). This relatively new technology has enhanced our investigation capabilities and evidence gathering, increased officer protection and enabled the Force to demonstrate greater accountability to the public, particularly in the light of Stop and Search powers.

Nottinghamshire's readiness to adapt and remain flexible to meet the changing needs of policing is demonstrated by the recent review of our Estates Strategy. This has resulted in us sharing more premises with our local partners and collaborating our skills and resources in co-location hubs like the one in Mansfield.

Like most forces across the county we saw an increase in offences. However, Nottinghamshire's increase was below the national average with a 13.7% increase in crime up to the end of March 2017. The increase is partly as a result of the robust processes put in place to ensure our compliance with continually changing national recording systems making comparisons with previous years difficult.

There are of course areas of service which require improvement, as Her Majesty's Inspectorate of Constabulary (HMIC) identified in its recent PEEL: Police Effectiveness 2016 assessment. However, these exceptions have and continue to be addressed to put the Force in the best possible position for the future HMIC inspections. Ultimately, my goal and the goal of everyone working for and with Nottinghamshire Police is to reduce harm from our communities and give people the tools they need to making lasting changes. With a new Chief Constable at the helm, the commitment of many partners on-board and the addition of extra police officers in the year ahead, I'm confident we can look forward to a positive future.



## Revenue Income and Expenditure

The table below sets out the cost of policing in Nottinghamshire for 2016-17 financial year, with a comparison to the 2015-16 financial year. Pension cost adjustments for statutory reporting purposes are not included.

	2015-16	2016-17	2016-17
	£m	£m	%
<b>Employees:</b> Employee expenditure on police officers, police staff and police community support officers.	161.7	156.4	75.0
<b>Premises:</b> Operating the buildings.	6.8	5.7	2.7
<b>Transport:</b> Operating vehicles.	6.3	5.4	2.6
<b>Supplies and Services:</b> This includes IT and all other running costs.	22.4	17.3	8.3
<b>Grants:</b> These include supporting victims of crime and initiatives to prevent crime.	4.3	5.7	2.7
<b>Collaborations and partnerships:</b> This includes working with police partners and local authorities to provide services.	12.5	13.7	6.6
<b>Capital Financing:</b> The revenue cost of borrowing to pay for major assets.	3.5	4.3	2.1
<b>Total Expenditure</b>	<b>217.5</b>	<b>208.5</b>	<b>100.0</b>
<b>Income:</b> Generated from services, grants and contributions.	(19.3)	(21.4)	(10.1)
<b>Main Grants:</b> Core government funding.	(136.5)	(135.8)	(63.9)
<b>Council Tax Income:</b> Paid by Nottinghamshire households.	(53.1)	(55.4)	(26.0)
<b>Total Income</b>	<b>(208.9)</b>	<b>(212.6)</b>	<b>(100.0)</b>
<b>Net Expenditure / (Income)</b>	<b>8.6</b>	<b>(4.1)</b>	
Statutory and group adjustments excluding pensions required by proper accounting practice.	6.5	3.2	
<b>Deficit / surplus (-) on the Provision of Services</b>	<b>15.1</b>	<b>(0.9)</b>	

## Financial Performance

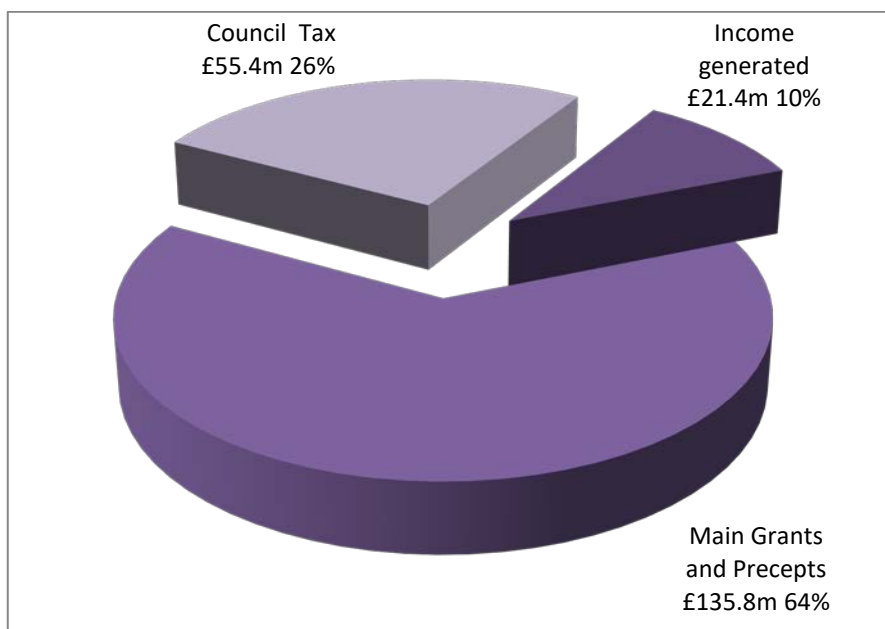
The actual net operational expenditure reported for the year is set out below and compared with the approved original budget for the year, pension costs and other adjustments are excluded.

SERVICES	Original Budget	Actual	(Under)/Over Spend
	£m	£m	£m
PCC	4.7	3.9	(0.8)
Chief Constable	184.5	183.2	(1.3)
Chief Constable planned repayment of reserves			(1.0)
Council Tax Surplus			(1.0)
<b>Net Expenditure / (Income)</b>			<b>(4.1)</b>
<b>Appropriated to Usable Reserves</b>			<b>4.1</b>

## Income

Income received in 2016-17 was £212.6 million. The majority of the income was from Central Government, with 26% funded locally from Council Tax. The policing element of the Council Tax for a standard Band D property was £179.91 and £119.94 for a Band A property. Most properties in Nottinghamshire are classified as Band A or Band B.

Where the money came from:



## Expenditure & Staffing

The Police and Crime Group spend mainly on people both directly employing police officers, police community support officers and staff and indirectly through the collaborations partnerships and grants given. Direct expenditure on employees accounts for 75% of all expenditure.

The Police and Crime Group employs approximately 1,886 police officers 184 PCSOs and 239 Specials and 1,168 staff in full-time and part-time positions. Active recruitment plans for 2017-18 include positive action to improve the diversity and reflect more closely that of the County.

The College of Policing is working actively to provide apprenticeship entry into Policing. Nottinghamshire will pay an apprenticeship levy from April 2017, equating to 0.5% of the total pay bill. This can be utilised to pay for apprenticeship training and to accredit specific specialist roles to a professional standard, including degree level. This will allow Nottinghamshire to focus on areas of skills shortage and future skills growth areas.

### Overall Equality Characteristics

Ethnicity	Headcount	%
Asian/Asian British	80	2.3
Black/Black British	41	1.2
Mixed	38	1.1
White/White British	3,197	91.9
Other	2	0.1
Not Known/Provided	119	3.4

Self-Declared Disability	Headcount	%
No	3,287	94.6
Yes	88	2.5
Unspecified	102	2.9

Age Band	Headcount	%
25 and under	222	6.4
26-40	1,423	40.9
41-55	1,563	45.0
56 or over	269	7.7

Gender	Headcount	%
Male	2,005	57.7
Female	1,472	42.3

## Balance Sheet as at 31 March 2017

The table below shows the overall financial position at the end of the financial year. It shows, in particular, the value of the assets owned and any sums owed by the Police and Crime Group.

The figures exclude the future pension liability of £2,734.3m, which will be paid for in increased contributions over the coming years. This is excluded because of the distorting effect on the balance sheet.

2015-16 £m	Police and Crime Group Balance Sheet	2016-17 £m
51.5	Property, Plant and Equipment	41.2
0.4	Investment Property	0.4
0.5	Intangible Assets	0.5
<b>52.2</b>	<b>Long Term Assets</b>	<b>42.1</b>
1.0	Assets Held for Sale	2.8
0.2	Inventories	0.3
27.7	Short-Term Debtors	32.2
9.2	Cash and Cash Equivalents	2.0
<b>38.1</b>	<b>Current Assets</b>	<b>37.3</b>
(13.3)	Short-Term Borrowing	(7.3)
(26.7)	Short-Term Creditors	(23.2)
(3.6)	Provisions	(3.3)
<b>(43.6)</b>	<b>Current Liabilities</b>	<b>(33.8)</b>
(31.2)	Long-Term Borrowing	(33.6)
(2.3)	Other Long-Term Liabilities	(1.9)
<b>(33.5)</b>	<b>Long Term Liabilities</b>	<b>(35.5)</b>
<b>13.2</b>	<b>Net Assets</b>	<b>10.1</b>
(16.2)	Usable Reserves	(22.2)
3.0	Unusable Reserves	12.1
<b>(13.2)</b>	<b>Total Reserves</b>	<b>(10.1)</b>

## Useable Reserves 2016-17

The table below gives more detail about the usable reserves held by the Group.

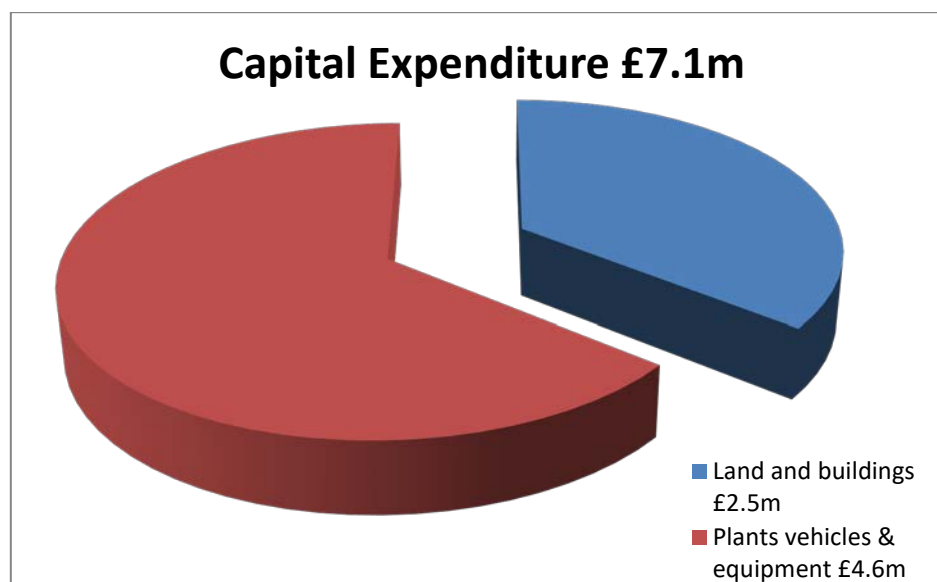
Reserves	Balance at 31 March 2016	Transfers In 2016-17	Transfers Out 2016-17	Balance at 31 March 2017
	£m	£000	£000	£m
<b>Earmarked Reserves:</b>				
Police Property Act	0.1	0.1	0	0.2
Drug Fund	0.1	0	0	0.1
PFI Life Cycle Costs	0.3	0	(0.3)	0.0
Revenue Grants	2.5	0.6	(0.4)	2.7
Medium Term Financial Plan	1.1	2.2	0	3.3
Tax Base Reserve	0.2	1.0	0	1.2
PCC	0.6	0	0	0.6
Grants and Commissioning	1.9	0.6	0	2.5
PCC Night Time Levy	0.2	0.1	0	0.3
Earmarked Reserve - Other Joint Operations	1.2	0	(0.3)	0.8
<b>Total Earmarked Reserves</b>	<b>8.2</b>	<b>4.7</b>	<b>(1.1)</b>	<b>11.7</b>
General Fund Reserve	7.1	0	0	7.1
Capital Receipts	0.6	2.7	0	3.3
Capital Grants	0.3	2.4	(2.7)	0.0
<b>Total Usable Reserves</b>	<b>16.2</b>	<b>9.8</b>	<b>(3.8)</b>	<b>22.2</b>



## Capital Expenditure

Capital expenditure represents money spent on acquiring, upgrading and improving assets and major operational equipment. It relates to the provision of assets which will bring long-term benefit to the Police and Crime Group. The chart below sets out the capital investments made in 2016-17. The £7.1m of capital expenditure was financed by using £2.7m of capital grants and £4.4m of external borrowing.

The cost of servicing debt is a revenue expense.





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