

For Information	
Public/Non Public*	Public
Report to:	Audit and Scrutiny Panel
Date of Meeting:	9th June 2015
Report of:	Chief Finance Officer
Report Author:	Charlotte Radford
E-mail:	
Other Contacts:	Pamela Taylor
Agenda Item:	15

RESERVES AND PROVISIONS OUT-TURN REPORT 2014-15

1. Purpose of the Report

- 1.1 To inform members on the level of reserves and provisions balances held at the end of the financial year 2014-15.

2. Recommendations

- 2.1 Members are requested to note the attached report.

3. Reasons for Recommendations

- 3.1 This complies with good financial management and assurance.

4. Summary of Key Points

- 4.1 The Police & Crime Commissioner is required to maintain a prudent level of reserves and provisions for items/risks that are known to be accruing and for unforeseen items that might be incurred.
- 4.2 Provisions are held for risks that we know are accruing and where we can reasonably calculate the financial impact.
- 4.3 Reserves are held for potential risks and for items which may become provisions, but where the full cost cannot accurately be calculated at this point in time. The most significant risk we have in relation to this is in relation to the A19 judgement.
- 4.4 In 2013-14 the DCLG undertook a review of local government reserve levels including Policing. At that point we were deemed to have low levels or reserves when compared with many other local government bodies and in comparison with other Police & Crime Commissioners.
- 4.5 The position for 2014-15 is not dissimilar. Like other organisation we have had to utilise the use of reserves to deliver a balanced budget and to meet the shortfall on savings not achieved during the year.

- 4.6 The reserves and provisions we hold are considered healthy but not excessive.
- 4.7 It should be noted that not all of our reserves and balances are cash backed. A significant amount of them are recurrently utilised as part of our planned under borrowed position.
- 4.8 The Treasury is currently undertaking a detailed review of all reserves held by local government bodies.

5. Financial Implications and Budget Provision

- 5.1 This report complies with reporting requirements, good financial management and financial regulations.

6. Human Resources Implications

- 6.1 None as a direct result of this report.

7. Equality Implications

- 7.1 None as a direct result of this report.

8. Risk Management

- 8.1 The holding and use of reserves is done to manage significant risks as they arise.

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

- 9.1 The use of reserves is linked to the achievement of the Police & Crime Plan priorities.

10. Changes in Legislation or other Legal Considerations

- 10.1 None as a direct result of this report. This report complies with financial accounting requirements.

11. Details of outcome of consultation

- 11.1 Not applicable.

12. Appendices

- 12.1 A – Reserves and Provisions Out-turn Report 2014-15