

Dorset Police and Crime Panel

Police & Crime Plan Monitoring Report – Quarter 3 2019/20

RAG Status	
This Period	Last Period



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2019/20 QUARTER 3 FINANCIAL REPORT- OVERVIEW

The Revenue figures contained within this report are based on information as at 31 December 2019 and include the forecast position as at 31 March 2020.

The Overall Revenue outturn is forecast to be £134.7m against a budget of £134.7m, a small favourable variance of £0.017m or 0.01%. This is an improvement from the Q2 position where an adverse variance of £0.214m was predicted. This position is after the approval of £0.28m carry forward of the Innovation Fund, subject to the final budget position at the year end.

The Reserves Strategy seeks to maintain a General Balance of between 3% and 5% of Net Revenue Expenditure (NRE). The forecast closing balance would be equivalent to 3.3% of budgeted NRE prior to the year end position.

NET REVENUE EXPENDITURE

R1	The Chief Constable's Net Revenue Expenditure for the year is forecast to be £132.847m which is £0.305m (0.23%) below the Revised Budget.
R2	The underspend on the innovation fund as a result of the timing of officer appointments will be carried forward via the Budget Management Reserve, subject to the final outturn position.
R3	Additional government grants, OPCC grants and rental income have been received. The uplift of Police Officers grant in 19/21 is included.
R4	Pay and employment costs are forecast to be higher (0.8%) than the revised budget. Within this are the higher than budgeted pay award, higher Officer overtime, and increased ill health retirements offset by lower staff costs.
R5	The overspend in overheads is forecast to be £0.293m or 0.88% of the revised overheads budget.
R6	The OPCC overspend relates to additional legal costs for officers which OPCC is required to fund. This has been built into the 2020/21 budget.

CAPITAL

The Capital Programme is now expected to total £11.0m in 2019/20 against a revised budget of £12.563m, a favourable variance of £1.553m.

As a result borrowing is now expected to be £2.3m this year compared to the revised budget of £4.5m. This will be managed internally during the year until the final outturn is known. The costs of borrowing are being built into the Medium Term Financial Strategy for future years.

CAPITAL EXPENDITURE AND FINANCING

C1	The total capital expenditure for 2019/20 is forecast to be £11.010m as at Q3, a favourable variance of £1.553m. Of this variance £1.32m is slippage to be carried forward to 2020/21 and £0.232m is underspend against the budget.
C2	Minor overspends on vehicles will be offset by underspends elsewhere in the programme.
C3	Not all major works at Ferndown will be complete by 31 March therefore this will slip into 2020/21. Additional costs of the Winfrith generator will be offset by underspends elsewhere in the programme.
C4	The ICT favourable variance of £662,000 is primarily slippage of the STORM project however underspends on the Body Worn Video and ICT infrastructure projects total £207,000
C5	The equipment budget is predicted to underspend by £333,000 primarily as a result of the digital camera project not now due to complete until April 2020.
C6	Borrowing is now expected to be £1.553m less than the revised budget. As a result, additional borrowing of £1.321m will be required in 2020/21.

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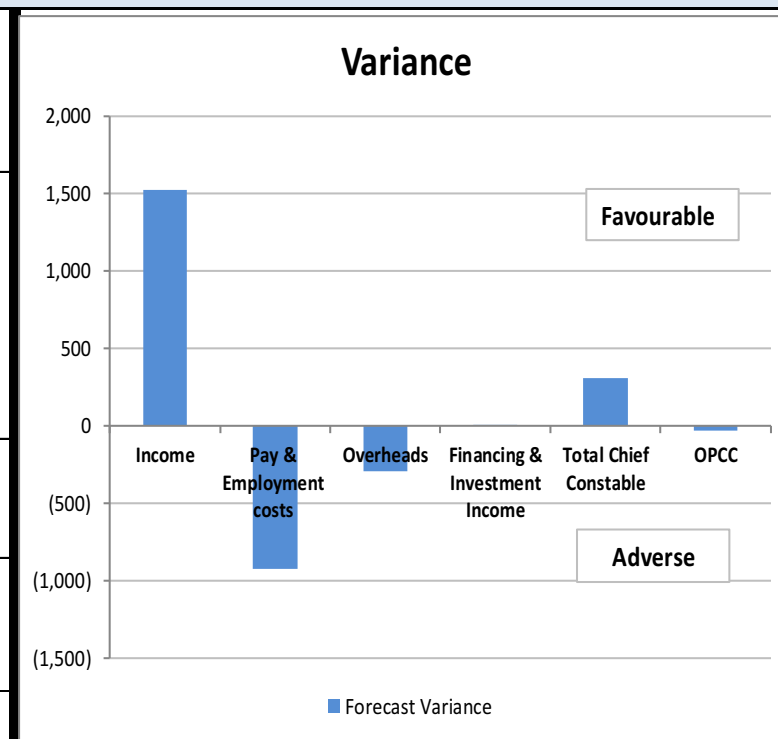
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NET REVENUE EXPENDITURE

BUDGET V FORECAST Q3 2019/20

2019/20	Original Budget	Revised Budget	Actual Year to Dec	Full year Forecast	Variance fav / (adverse)	ref
	£000's	£000's	£000's	£000's	£000's	
Chief Constable						
Income	(15,115)	(15,002)	(12,122)	(16,523)	1,521	R3
Pay & Employment costs	113,344	113,036	84,562	113,963	(927)	R4
Overheads	33,268	33,384	22,181	33,677	(293)	R5
Financing & Investment Income	1,734	1,734	463	1,730	4	
Total Chief Constable	133,231	133,152	95,084	132,847	305	R1
OPCC	2,076	2,156	1,319	2,191	(35)	R6
Total Net Revenue Expenditure	135,308	135,308	96,403	135,039	270	
Reserves	(640)	(640)	(27)	(387)	(253)	R2
Net Budget	134,668	134,668	96,376	134,652	17	



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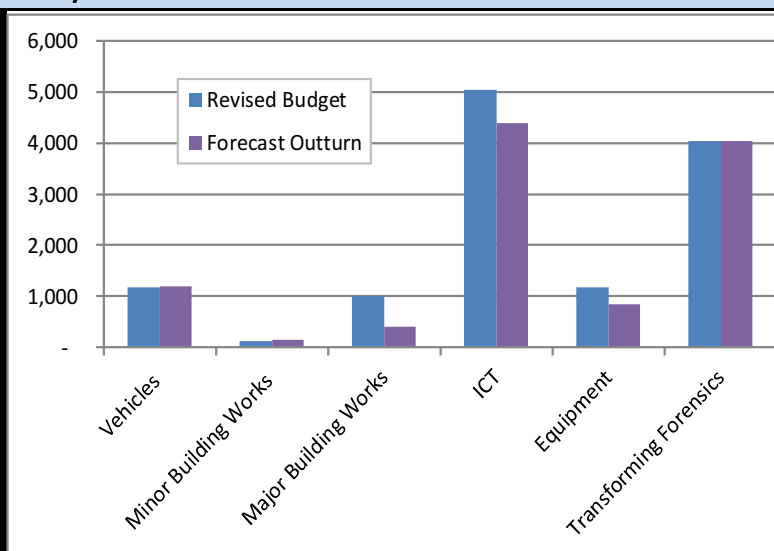
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CAPITAL EXPENDITURE AND CAPITAL FINANCING

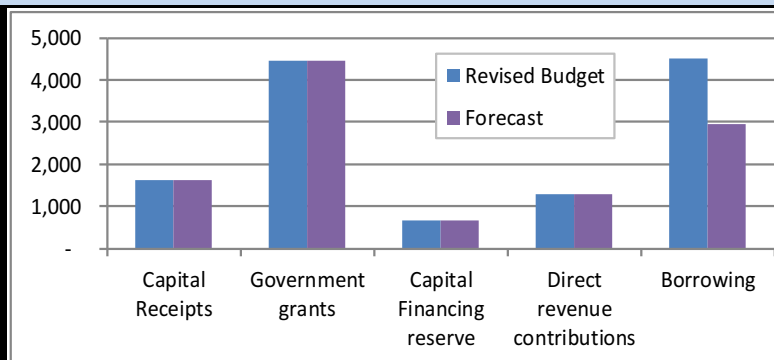
BUDGET v Q3 2019/20

2019/20	Original Budget	Revised Budget	Forecast Outturn	Variance Fav / (Adverse)	Ref
	£000's	£000's	£000's	£000's	
Capital Investment					
Vehicles	1,541	1,174	1,188	(14)	C2
Minor Building Works	1,090	128	158	(30)	C3
Major Building Works	1,050	1,016	414	602	C3
ICT	6,149	5,048	4,386	662	C4
Equipment	1,055	1,170	837	333	C5
Transforming Forensics	4,027	4,027	4,027	0	
Slippage	(2,529)	-	-	0	
Total Capital Programme	12,383	12,563	11,010	1,553	C1



CAPITAL FINANCING

Sources of Finance					
Capital Receipts	5,662	1,631	1,631	0	
Government grants	4,448	4,448	4,448	0	
Capital Financing reserve	-	665	665	0	
Direct revenue contributions	1,100	1,300	1,300	0	
Borrowing	1,173	4,519	2,966	1,553	
Total Capital Funding	12,383	12,563	11,010	1,553	C6



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USABLE RESERVES

BUDGET V FORECAST Q3 2019/20

2019/20	Opening Balance at 1/4/19	Budgeted transfer to/(from) reserves	Forecast Transfer to/(from) reserves	Forecast balance at 31/3/20	Variance against budgeted transfer	Comment
Reserve	£000's	£000's	£000's	£000's	£000's	
Budget Management Fund	27	0	253	280	(253)	Carry Fwds
Capital Financing Reserve	665	0	(665)	0	665	Carry Fwds
Major Operations Reserve	738	0	0	738	0	
Police and Crime Plan Reserve	1,063	(757)	(757)	306	0	
Regional Collaboration Reserve	231	(194)	(194)	37	0	
Workforce Change Reserve	1,333	(647)	(647)	686	0	
Total Earmarked Reserves	4,057	(1,598)	(2,010)	2,047	412	
General Fund Balance	3,957	452	452	4,409	0	
Total Revenue Reserves	8,014	(1,146)	(1,558)	6,456	412	
Capital Receipts Reserve	1,123	(1,123)	(1,123)	0	0	
Total Usable Reserves	9,137	(2,269)	(2,681)	6,456	412	

