

## NORTHUMBRIA POLICE AND CRIME COMMISSIONER

### Key Decision

#### Title and Reference:

**GROUP REVENUE MONITORING Q1 2022/23**

**(PCC/471/2022)**

#### Summary

The Group Revenue Monitoring as at 30 June 2022 (Qtr.1) is as follows:

	Approved Budget 2022/23 £'000	Forecast Outturn 2022/23 £'000	Variance £'000
<b>Group Position</b>			
Chief Constable	322,788	322,923	135
Officer of Police and Crime Commissioner (OPCC)	1,829	1,829	-
OPCC Supporting Services	1,121	1,121	-
Capital Financing	13,594	13,273	(321)
<b>Group Position Total</b>	<b>339,332</b>	<b>339,146</b>	<b>(186)</b>
Central Government Grant	(276,818)	(276,818)	-
Council Tax Precept	(62,514)	(62,514)	-
<b>Government Grant and Precept Total</b>	<b>(339,332)</b>	<b>(339,332)</b>	<b>-</b>
<b>Appropriations (To)/From Reserves</b>	<b>-</b>	<b>(186)</b>	<b>(186)</b>

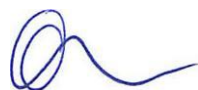
#### Recommendation/Findings:

1. Note the Group forecast outturn of £339.146m which is based on payments processed to date and current projections, against a 2022/23 budget of £339.332m which reflects an in-year underspend position of £0.186m.

#### Northumbria Police and Crime Commissioner

I hereby approve the recommendation above.

Signature



Date 21/7/2022

<b>BUSINESS MEETING</b>	<b>21 JULY 2022</b>
<b>GROUP REVENUE MONITORING Q1 2022/23</b>	
<b>REPORT OF: KEVIN LAING, JOINT CHIEF FINANCE OFFICER</b>	
<b>AUTHOR: LYNDSEY CURRY, FINANCE LEAD FINANCIAL PERFORMANCE</b>	

## 1. PURPOSE

- 1.1 The purpose of this report is to provide an update on the Group revenue monitoring position for the period ending 30 June 2022, Quarter 1.

## 2. RECOMMENDATION

- 2.1 The Police and Crime Commissioner is requested to:
- a. Note the Group forecast outturn of £339.146m which is based on payments processed to date and current projections, against a 2022/23 budget of £339.332m which reflects an in-year underspend position of £0.186m.

	Approved Budget 2022/23 £'000	Forecast Outturn 2022/23 £'000	Variance £'000
<b>Group Position</b>			
Chief Constable	322,788	322,923	135
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## 3. BACKGROUND

- 3.1 The overall Group revenue budget for 2022/23 was agreed at £339.332m, this being the first monitoring report of the Group position for 2022/23.
- 3.2 Within the approved 2022/23 budget the following was provided for:
- £322.788m to fund the cost of Policing in the Force area by the Chief Constable.
  - £1.829m to meet the costs of the Office of the Police and Crime Commissioner.
  - £1.121m to meet the costs of OPCC Supporting Services.
  - £13.594m to cover the costs of capital financing.

## 4. KEY OUTCOMES

## GROUP QUARTER I REVENUE POSITION

### Chief Constable Revenue

- 4.1 Based on the Quarter I spend the forecast outturn is an in-year overspend of £0.135m (0.04%). Within this position there are some budgetary pressures and underspends resulting in the net outturn position.
- 4.2 Workforce budgets continue to be a focus around the forecasting and profiling given they form the majority (86.00%) of the overall force budget. The overarching workforce budget position is projected to be £2.659m under the budgeted position.
- **Police Officers** – Police Officer pay is forecast to be underspent by £0.707m. Profiling of intakes have been flexed to ensure that recruitment in-excess of Uplift can be achieved. Uplift Gold meets on a weekly basis to ensure that this status on track. The current year end position includes 60 Officers over the Uplift target.
  - **Police Staff** – Police Staff core pay is forecast to be under budget by £2.052m. The challenging recruitment market and higher than projected levels of exits are resulting in an increase in vacancy factor. Police Staff recruitment and exit projections have been reviewed to ensure they are robust and reflect the difficult market conditions and challenges currently being faced in this area of business.
- 4.3 Core Police Officer and Staff overtime positions are currently reflecting a overspend of £0.531m. Communications Department accounts for the majority of this overspend. Communications and call times remain a priority. Recruitment to establishment is progressing, however training requirements for key roles mean that a reduction in overtime expenditure is unlikely during 2022. The increase in overtime is partially offset by saving on the Police Staff pay budget as resources were factored into the budget from April.
- 4.4 Other issues of note are set out below:
- Within the current forecast is £2.262m of inflationary pressures. These include pressures on utilities, fuel, and vehicle recovery contracts. These can currently be managed within the overarching budget position.
  - Northumbria aligned to the national Memorandum of Understanding in relation to car mileage claims procedure in June 2020. One of the key changes to the policy is that in the majority of cases there would no longer be a deduction to mileage claims for the commuting distance. This has been seen to increase the cost of mileage claims over and above the level estimated. Post pandemic as officers and staff are increasingly returning to spending time in offices, the increase in face-to-face meetings and the propensity to claim given the cost of fuel, has further increased pressure on this budget heading and the current forecast is a forecast overspend of £0.114m.
- 4.5 The position reported above excludes expenditure which is being met directly from the Covid Enforcement and Operational Reserve with the detail of the approved plan set out below:

Budget Area	Approved Expenditure 2022/23 £000	Projected Outturn at 30 June 2022 £000
People Investment	1,283	650
TVP (Tutor Payments)	54	54
Process Integration Tool	422	422
Cloud and Hosting Assessment	100	100
Clinical Lead OHU Contract	115	115
		-
<b>TOTAL</b>	<b>1,974</b>	<b>1,341</b>

The approved spend plan from the Covid and Operational Reserve is included within the overall budget position. £1.974m has been approved for this year. The spend plan includes 34.46fte fixed term posts for a period of up to 24 months, PDU Tutor Targeted Variable Payments, the costs of a clinical lead added to the OHU contract and IT software. Forecast expenditure against the reserve in 2022/23 is forecast to be £1.341m. The underspend relates to Police Staff posts, some of which will not be filled until later in the year. Any underspend will be carried into 2023/24 and utilised in-line with the spend plan.

#### OPCC Revenue

- 4.6 The projected year-end budget position inclusive of core OPCC revenue and Supporting Services are currently break even and there are no issues to report at this time.
- 4.7 Capital Financing, additional interest on revenue balance of £0.321m is forecast following a succession of bank interest rates rises in recent months, which exceed the budgeted rate.
- 4.8 In addition to core budgets, there are a range of approved funding streams within 2022/23 including VRU, Domestic Abuse Perpetrator, CADA, Grip and Operation Adder. All funding will be fully spent by 31 March 2023.

#### CONCLUSION

- 4.9 The overall group position is forecast underspend of £0.186m and no actions are recommended at this time.

#### 5. CONSIDERATION

Report Exemption	Non-exempt
Consultation	Yes - Information prepared by Finance, where variations have been found to the 2022/23 budget relevant responsible officers have been consulted with to understand the reasoning.
Resource	Yes - As outlined within the body of the report
Equality	No
Legal	No
Risk	Yes - As outlined within the body of the report
Communication	No
Evaluation	No