# NORTHUMBRIA POLICE AND CRIME COMMISSIONER

**Key Decision**

**Title and Reference:**

**2025/26 GROUP REVENUE OUTTURN POSITION AND MOVEMENT IN RESERVES**

**(PCC/759/2026)**

**Summary**

The 2025/26 Group Revenue outturn position is set out below, with the movements to/from reserves.

**Recommendation/Findings:**

I. Note the Group revenue outturn position as at 31 March 2026
II. Approve the transfers to/from reserves for the year.

| GROUP REVENUE BUDGET 2025/26 | Approved Budget £000 | Revised Budget £000 | Provisional Outturn £000 | Variance £000 |
|---|---|---|---|---|
| **Group Position** | | | | |
| Chief Constable | 389,091 | 385,321 | 383,063 | (2,258) |
| Police and Crime Commissioner | 2,031 | 2,031 | 1,976 | (55) |
| OPCC Supporting Services | 1,463 | 1,540 | 1,128 | (412) |
| Capital Financing | 12,859 | 11,888 | 10,175 | (1,713) |
| **Group Position Total** | **405,444** | **400,780** | **396,342** | **(4,438)** |
| Central Government Grant | 316,673 | 316,673 | 316,673 | - |
| Council Tax Precept | 83,969 | 83,969 | 83,969 | - |
| **Total Financing** | **400,642** | **400,642** | **400,642** | **-** |
| | | | | |
| **Appropriations (To)/From Reserves** | **4,802** | **138** | **(4,300)** | **(4,438)** |

| Movement in Reserves 2025/26 | Balance at 1 April 2025 £000 | Transfers to Reserves £000 | Transfers from Reserves £000 | Total Movement £000 | Balance at 31 March 2026 £000 |
|---|---|---|---|---|---|
| **General Reserve** | **12,360** | **359** | **-** | **359** | **12,719** |
| | | | | | |
| **Earmarked Reserves** | | | | | |
| Insurance Reserve | **3,000** | - | - | **-** | **3,000** |
| Operational Systems Reserve | **3,400** | - | (2,400) | **(2,400)** | **1,000** |
| Workforce Management Reserve | **1,320** | - | - | **-** | **1,320** |
| ESN Reserve | **2,600** | - | - | **-** | **2,600** |
| Investment Reserve | **23,165** | 3,969 | (138) | **3,831** | **26,996** |
| Pay Inflation Reserve | **2,053** | - | - | **-** | **2,053** |
| OPCC Innovation Reserve | **740** | 118 | - | **118** | **858** |
| External Funding Reserve | **982** | 473 | (159) | **314** | **1,296** |
| National Policing Capabilities / Hosted Services | **783** | 1,157 | (684) | **473** | **1,256** |
| NEROCU Reserve | **423** | 737 | - | **737** | **1,160** |
| **Total Revenue Reserves** | **50,826** | **6,813** | **(3,381)** | **3,432** | **54,258** |

**Northumbria Police and Crime Commissioner**

I hereby approve the recommendation above.

**Signature**

**Date 6/7/2026**

| BUSINESS MEETING | 06 JULY 2026 |
|---|---|
| FINAL REVENUE OUTTURN POSITION AND MOVEMENT IN RESERVES 2025/26 | |
| REPORT OF: GAIL THOMPSON, JOINT CHIEF FINANCE OFFICER | |
| AUTHOR: SARAH GOODMAN, HEAD OF FINANCE | |

## 1. PURPOSE

1.1 The purpose of this report is to present the final Group Revenue outturn position for 2025/26 and to request approval for the transfers to/from reserves, subject to audit.

## 1. RECOMMENDATION

2.1 The Police and Crime Commissioner is requested to:

I. Note the Group revenue outturn position, as at 31 March 2026; and

II. Approve the transfers to/from reserves for the year.

## 2. BACKGROUND

2.1 The Group revenue budget for 2025/26 was agreed at £405.444m, this was revised at Quarter 1 to £400.780m, an overall budget reduction of £4.664m.

2.2 The revised 2025/26 Group revenue budget provided for:

- Budget reductions identified after the original budget was approved.
- Additional budget pressures, approved investment, capital expenditure moved to revenue and additional income.
- The impact of the Neighbourhood Policing Guarantee (NPG) delivery profile.

## 3. REVENUE OUTTURN POSITION 2025/26

3.1 The Group revenue outturn position is an underspend of **£4.432m**, this reflects an increase in underspend of **£2.224m** since the position reported at the end of Quarter 3. The breakdown is set out in the table below:

| GROUP REVENUE BUDGET 2025/26 | Approved Budget £000 | Revised Budget £000 | Outturn Position £000 | Variance £000 |
|---|---|---|---|---|
| **Group Position** | | | | |
| Chief Constable | 389,091 | 385,321 | 383,066 | (2,255) |
| Police and Crime Commissioner | 2,031 | 2,031 | 1,979 | (52) |
| OPCC Supporting Services | 1,463 | 1,540 | 1,128 | (412) |
| Capital Financing | 12,859 | 11,888 | 10,175 | (1,713) |
| **Group Position Total** | **405,444** | **400,780** | **396,348** | **(4,432)** |
| Central Government Grant | 316,673 | 316,673 | 316,673 | - |
| Council Tax Precept | 83,969 | 83,969 | 83,969 | - |
| **Total Financing** | **400,642** | **400,642** | **400,642** | **-** |
| **Appropriations (To)/From Reserves** | **4,802** | **138** | **(4,294)** | **(4,432)** |

### CHIEF CONSTABLE

3.2 The Chief Constable's revenue position is broadly in line with the provisional outturn reported on 11 June 2026. A small movement of £0.003m relates to a year-end accounting movement in the provision for bad debt.

### OFFICE OF POLICE AND CRIME COMMISSIONER

3.3 The OPCC Revenue position is broadly in line with the provisional outturn reported on 11 June 2026 with a minor movement of £0.003m.

### CAPITAL FINANCING

3.4 The Capital Financing position is in line with provisional outturn reported on 11 June 2026

## 4. MOVEMENT IN RESERVES 2025/26

4.1 The total movement in the Commissioner's revenue reserves for the 2025/26 financial year is set out in the following table, reflecting an overall increase of **£3.432m**:

| Movement in Reserves 2025/26 | Balance at 1 April 2025 £000 | Transfers to Reserves £000 | Transfers from Reserves £000 | Total Movement £000 | Balance at 31 March 2026 £000 |
|---|---|---|---|---|---|
| **General Reserve** | **12,360** | **359** | - | **359** | **12,719** |
| | | | | | |
| **Earmarked Reserves** | | | | | |
| Insurance Reserve | **3,000** | - | - | - | **3,000** |
| Operational Systems Reserve | **3,400** | - | (2,400) | **(2,400)** | **1,000** |
| Workforce Management Reserve | **1,320** | - | - | - | **1,320** |
| ESN Reserve | **2,600** | - | - | - | **2,600** |
| Investment Reserve | **23,165** | 3,969 | (138) | **3,831** | **26,996** |
| Pay Inflation Reserve | **2,053** | - | - | - | **2,053** |
| OPCC Innovation Reserve | **740** | 118 | - | **118** | **858** |
| External Funding Reserve | **982** | 473 | (159) | **314** | **1,296** |
| National Policing Capabilities / Hosted Services | **783** | 1,157 | (684) | **473** | **1,256** |
| NEROCU Reserve | **423** | 737 | - | **737** | **1,160** |
| **Total Revenue Reserves** | **50,826** | **6,813** | **(3,381)** | **3,432** | **54,258** |

4.2 Reserve movements are further explained below:

4.3 Planned use of reserves for 2025/26 was **£0.138m** shown against the Investment Reserve.

4.4 The revenue outturn position is an underspend of **£4.432m**. The impact on reserves is:

- The underspends against the Chief Constable's budget of **£2.255m** and the Capital Financing budget of **£1.713m** are transferred to the Investment Reserve, a total increase of **£3.969m** resulting in a balance of **£26.996m** as at 31 March 2026.

- The underspend against the Police and Crime Commissioner's budget of **£0.052m** has been transferred to the General Reserve.

- The underspend against the OPCC Supporting Services budget is **£0.412m**, of which **£0.118m** is transferred to the OPCC Innovation Reserve for committed use in 2026/27. The balance of **£0.294m** is transferred to the General reserve.

4.5 In addition to the budget outturn position there is movement on estimated costs of the Riot Compensation Act of **£0.013m** net reduction, resulting in a transfer to the General Reserve.

4.6 General Reserve balance of **£12.719m** reflects a total increase of £0.359m and represents just over 2.9% of the revenue budget 2026/27.

4.7 The net transfer of **£0.313m** into the External Funding Reserve comprises a funding transfer into reserves of **£0.472m**, and a net transfer out of **£0.159m** relating to income and expenditure incurred for those schemes in-year.

4.8 The net transfer of **£0.474m** to the National Policing Capabilities/Hosted Services Reserve comprises a transfer of funding in of **£1.157m**, and a net transfer out of **£0.683m** relating to income and expenditure incurred for those schemes in-year.

4.9 The net movement of **£0.737m** (increase) against the Northumbria share of the North East Regional Organised Crime Unit (NEROCU) Reserve reflects the outturn position for the year, which is reported through the NEROCU Management Board and Joint Committee.

4.10 The movement on the Operational Systems Reserve is the planned use of **£2.400m** reserves to support capital financing in relation to Digital Schemes and is reported in the 2025/26 Capital Outturn report to the Business Meeting on this agenda.

## 5. CONSIDERATIONS

| | |
|---|---|
| **Government Protective Marking Scheme** | Not Protectively Marked |
| **Freedom of Information** | Non-exempt |
| **Consultation** | Yes - Information prepared by Finance, where variations have been found to the 2025/26 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 |