

## Office of the Police & Crime Commissioner's Budget

### 1.0 Introduction

- 1.1 The budget proposals for the Office of the Police and Crime Commissioner, Specific Grants, Financial Provisions and Transfers from Reserves have been developed by the Chief Executive and Chief Finance Officer. The summary budget is set out in the table below.

#### Proposed Office of Police and Crime Commissioner Budget 2016/17

	Gross £000	Grants £000	Income £000	Total £000
Office of the Police & Crime Commissioner (OPCC)	1,184	0	0	<b>1,184</b>
Community Safety	1,635	0	0	<b>1,635</b>
Victims Services	1,949	(1,949)	0	<b>0</b>
Financial Provisions	3,571	0	(500)	<b>3,071</b>
Transfers from Earmarked Reserves	1,237	0	(450)	<b>787</b>
<b>Proposed Net Base Budget 2016/17</b>	<b>9,576</b>	<b>(1,949)</b>	<b>(950)</b>	<b>6,677</b>

### Office of Police and Crime Commissioner (OPCC)

- 2.1 The budget for the Office of the Police and Crime Commissioner (OPCC) encompasses the costs of a small team to cover statutory functions including; community engagement, financial management, legal services and complaints handling.
- 2.2 The demands placed upon the OPCC may change over the term of the Commissioner's office. The Commissioner will have particular regard to obtaining value for money in the use of the resources at her disposal, whilst meeting the objectives set out in the Police and Crime Plan to reduce crime, increase public confidence and ensure victims and witnesses are treated with respect and consideration.
- 2.3 The budget for running the OPCC in 2016/17 is £1.2m, which remains unchanged from the start of the PCC office. Any unavoidable increases in pay and running costs have been absorbed by the PCC through efficiencies and savings elsewhere in this budget.
- 2.4 The budget for the OPCC is managed by the Chief Executive Officer and monitored by the Chief Finance Officer.

### Community Safety and Victim Services

- 3.1 A budget for community safety of £1.6m will be available in 2016/17. This has been maintained at the 2015/16 level to provide continuity of funding to Community Safety Partnerships as well as the award of Safer in Sussex grants.
- 3.2 The specific grant to deliver Victim Services, including Restorative Justice, continues in 2016/17. The core grant amount remains at £1.81m with an additional £135,152 being provided in recognition of the increased demand from historic Child Sexual Exploitation (CSE).

3.3 The 2016/17 grant is shown in the table below, compared to prior year:

<b>Victim Support</b>	<b>2015/16</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
Victim Services	1,811	1,814
Child Sexual Exploitation (CSE)	0	135
<b>Total</b>	<b>1,811</b>	<b>1,949</b>

## **Financial Provisions**

4.1 Financial provisions include income and expenditure budgets to support the overall police budget but do not relate to specific operational or OPCC functions. A breakdown of the financial provisions is set out below:

<b>Financial Provisions</b>	<b>Gross £'000</b>	<b>Income £'000</b>	<b>Net £'000</b>
<b>Pay &amp; Price Provisions</b>	<b>386</b>	<b>0</b>	<b>386</b>
<b>Capital Financing</b>	<b>2,984</b>	<b>0</b>	<b>2,984</b>
<b>Treasury Management</b>	<b>201</b>	<b>(500)</b>	<b>(299)</b>
<b>Total Net Budget 2016/17</b>	<b>3,571</b>	<b>(500)</b>	<b>3,071</b>

### **Pay and Price Provisions**

4.2 The Police & Crime Commissioner holds a small contingency to cover additional costs arising from unforeseen increases in pay and non-pay expenditure. This is available in the event that expenditure cannot be met from within the total police fund budget.

### **Capital Financing**

4.3 The capital programme is part funded from the revenue budget (£2.5m). In addition the capital financing budget also includes the Minimum Revenue Provision (MRP) which is the annual revenue provision that the Police & Crime Commissioner is required to set aside in respect of their debts and credit liabilities.

### **Treasury Management**

4.4 Investment interest is generated from reserves and cash flow opportunities during the year. Investments are placed in accordance with the annually approved Treasury Management Strategy and provide income from returns on investment. The budget is based on an average investment return of 0.6%. This budget also includes the costs of servicing a £4.5m loan with the Public Works & Loans Board (PWLb) of £0.2m.

## Transfers to/from Reserves

- 5.1 As set out in the overall Police Fund budget the revenue budget includes a net transfer to earmarked reserves in 2016/17 of £0.8m. This includes:
- a planned contribution from reserves to fund the final year of a three year agreement for renewing the Microsoft Enterprise software licence in 2016/17; and
  - transfer of the collection fund surplus in 2016/17 to the capital and investment reserve.

### Summary of Transfers to/from Reserves 2016/17

Narrative	Reserve	To Reserves £'000	From Reserves £'000	Total £'000
Excess Council Tax Collection Fund Surplus	Investment Reserve	1,237	0	<b>1,237</b>
Microsoft Enterprise licence payment in 2016	Delegated Budget Holder	0	(450)	<b>(450)</b>
<b>Transfer to/(from) reserves</b>	<b>0</b>	<b>1,237</b>	<b>(450)</b>	<b>787</b>

- 5.3 The level of transfers to/from reserves may change during the year subject to approval by the PCC. For example, to carry forward any surplus revenue budget from 2015/16.

## Chief Finance Officer's Statement

- 6.1 Taking into account the factors set out above, the Chief Executive and Chief Finance Officer are satisfied with the robustness of the estimates and adequacy of the PCC budget.

**Carl Rushbridge**  
Chief Finance Officer, Office of PCC

**Mark Streater,**  
Chief Executive, Office of PCC

**APPENDIX A**

**PROPOSED Office of the Police & Crime Commissioners Budget 2016/17**

<b>Office of the PCC</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>
Employee and related pay Costs	810	840
Premises	76	76
Transport, travel and conferences	26	31
IT, website, telephones and other communications	24	24
Internal Audit	78	78
External Audit	37	37
Treasury Management	9	9
Legal	15	15
Bank Charges	20	20
Subscriptions to national bodies	52	52
Other*	37	2
<b>Office of the PCC: Expenditure</b>	<b>1,184</b>	<b>1,184</b>

\*Other includes statutory advertising, printing, stationery and external funding

<b>Commissioned Services</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>
Community Safety Grants	1,634	1,635
Victim Services (inc. Restorative Justice)	1,498	1,949
Grant Income	(1,498)	(1,949)
<b>Net Commissioned Expenditure</b>	<b>1,634</b>	<b>1,635</b>

<b>Financial Provisions</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>
Pay and Price Contingency	350	350
Council Tax Reduction (CTR) Scheme	0	36
<b>Total Pay &amp; Price Provisions</b>	<b>350</b>	<b>386</b>
Contribution to Capital Financing	2,025	2,517
Minimum Revenue Provision, PFI and leases	169	467
<b>Total Capital Financing</b>	<b>2,194</b>	<b>2,984</b>
<b>Total Financial Provisions</b>	<b>2,544</b>	<b>3,370</b>

Loan Interest Payments	254	201
Investment Interest Receipts	(500)	(500)
<b>Total Treasury Management</b>	<b>(246)</b>	<b>(299)</b>

<b>Transfer to/(from) Reserves</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>
Transfers to Reserves	109	1,237
Transfers from Reserves	(1,550)	(450)
<b>Net Transfer to Reserves</b>	<b>(1,441)</b>	<b>787</b>