

Office of the Police & Crime Commissioner's Budget

Introduction

- 1.1 The budget proposals for the Office of the Police and Crime Commissioner, Community Safety Grants, Financial Provisions and Transfers to 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 2013-14

	Gross £000	Income £000	Total £000
Office of PCC Budget	1,184	0	1,184*
Community Safety	1,901	(1,225)	676
Financial Provisions	2,801	(3,673)	(872)
Transfers to/(from) Earmarked Reserves	2,244	(2,113)	131
Proposed Net Base Budget 2013-14	8,130	(7,011)	1,119

***This includes inflation to cover the cost of a 1% increase in pay from September 2013 in line with Sussex Police budgets.**

Office of Police and Crime Commissioner

- 1.2 The budget for the running of the Office of the Sussex Police and Crime Commissioner (OSPCC) covers the costs of the small team inherited from the Police Authority, the costs of running an office to cover the statutory functions around community engagements, financial management, legal services and complaints handling.
- 1.3 The demands upon the Office of Police and Crime Commissioner may change over the term of office and the Commissioner will have particular regard to obtaining value for money in the use of the resources at her disposal, whilst meeting her objectives as defined in the Police and Crime Plan to reduce crime, increase public confidence and ensure victims and witnesses are treated with respect and consideration.
- 1.4 The budget for the OSPCC is managed by the Chief Executive Officer and monitored by the Chief Finance Officer.

Community Safety Grants

- 2.1 A Community Safety Grant of £1.225m has been allocated to the Police and Crime Commissioner for 2013-14 at a reduced level of 25% to 2012-13 funding. This grant replaces a number of funding streams allocated in 2012-13:

- Drug Interventions Programme (DIP)
- DIP Drug Testing Grant
- Community Safety Partnership Funding

- Youth crime and substance misuse prevention activities
- Positive Futures
- Communities Against Guns
- Gangs and Knives Programme
- Community Action Against Crime:
 - Innovation Fund and Safer Future Communities
 - Ending gang and youth violence funding

2.2 Community and Safety Funding is being made available to Police and Crime Commissioner's to replace the above numerous funding streams. These are currently paid by the Home Office to various organisations and will end in March 2013. Whilst the Government has not published a list of these funding streams, the Home Office state that funding has been allocated to policing bodies according to the funding streams' current distribution. The Community Safety Fund will be rolled into Police Main Grant from 2014-15.

2.3 In line with commitments made by the Police and Crime Commissioner to maintain community safety funding within Sussex at the same level for 2013-14 additional provision of £0.41m has been made. It is proposed to transfer the existing budget of £0.266m held by the Chief Constable for investments in reducing Youth Offending. This provides a total of £1.9m Community and Safety Funding in 2013-14. It is proposed that other partnership budgets will be subject to review in 2013-14 to determine if these should be the responsibility of the PCC.

2.4 In line with the Commissioner's decision and commitment to partners, It is proposed that the Community and Safety grant is maintained at 2012-13 levels and allocated to the relevant partners in 2013-14. Community Safety Grants will be the subject of a full review during 2013-14 to develop and consult on a funding strategy ready for 2014-15.

Financial Provisions

3.1 Financial provisions include income and expenditure budgets which support the overall Police Fund budget but do not relate to specific operational or office of PCC functions. A breakdown of the Financial Provisions is set out below:

Financial Provision	Gross £'m	Income £'m	Net £'m
Investment Income		(0.618)	(0.618)
Council Tax Freeze Grants		(3.055)	(3.055)
Capital Financing	2.216		2.216
Pay and Price Contingency	0.585		0.585
Total Net budget	2.801	(3.673)	(0.872)

3.2 Investment income

Investment interest is generated from reserves and cash flow opportunities during the year. Investments are placed in accordance with the Treasury Management Strategy and provide income based on risk and return on investment.

3.3 **Freeze grants**

Council Tax freeze grants are paid separately by the DCLG as Specific Grants. This includes the 2011-12 and 2013-14 grants.

3.4 **Capital Financing**

Costs of servicing the £4.5m loan with the PWLB.

A sum of £1.64m to support the financing of the capital programme.

3.5 **Pay and price contingency**

The Chief Finance Officer holds a small contingency to cover additional costs arising from unforeseen increases in the costs of pay and non pay expenditure that are unable to be funded from within the total police fund budget

Transfers to/from Reserves

4.1 As set out in the overall Police Fund budget the revenue budget includes transfers to earmarked reserves to fund specific commitments or increase the level of reserves to fund future commitments in line with the medium term financial plans and reserves policy.

4.2 This comprises a planned annual contribution to the Asset Replacement reserve in accordance with the PCC Reserves Policy. A one off contribution to the Major Change Reserve to support investment in flagship projects, is proposed following the better than anticipated grant settlement.

4.3 The level of transfers to reserves may change during the year following revenue or capital proposals or delays slippage in commitments.

Chief Finance Officer's Statement

5.1 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.

John Eagles

Chief Finance Officer, Office of PCC

Dan Steadman,

Chief Executive, Office of PCC

APPENDIX A**PROPOSED Office of the Police & Crime Commissioners Budget 2013-14**

Office of the PCC	£000
Employee Costs	711
Premises	89
Transport, travel and conferences	33
IT, website, telephones and other communications	23
Internal Audit	78
External Audit	94
Treasury Management	14
Legal	15
Bank Charges	20
Subscriptions to national bodies	68
Other*	39
Office of the PCC: Expenditure	1,184

* Other includes statutory advertising, printing and stationery

Note: Total expenditure includes inflation to cover the cost of a 1% increase in pay from September 2013 in line with Sussex Police budgets.

Community Safety Expenditure	
Expenditure	1,901
Grant Income	(1,225)
Net Community Safety: Expenditure	676

Financial Provisions	
Contingencies - Pay & Prices	585
Contribution to Capital Financing	1,644
MRP and PFI	318
Debt Charges	254
Financial Provisions: Expenditure	2,801

Interest Receipts	(618)
Council Tax Freeze 2011-12	(2,175)
Council Tax Freeze 2012-13	0
Council Tax Freeze 2013-14	(880)
Total Specific Grants and Interest Receipts	(3,673)

Net Financial Provisions	(872)
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Transfer to/from reserves	
Transfers To Reserves	2,244
Transfers From Reserves	(2,113)
Total Transfers	131