

Police and Crime Board, 6th February 2019 13:00 – 17:00

Venue: Conference Room

Attendees:

- **Police and Crime Commissioner**
- **Chief Constable**
- **Deputy Chief Constable**
- **Director of People and Organisation Development**
- **OCC CFO**
- **OPCC CEO**
- **OPCC CFO**
- **OPCC Head of Commissioning and Partnerships**
- **OPCC Strategic Planning and Performance Officer**

To support the carrying out of the PCC's statutory functions including overseeing delivery of the Police and Crime Plan, being the forum for formal decision making by the PCC and otherwise allowing for the PCC to scrutinise the work, performance, key projects and budget of the Constabulary and other partners.

AGENDA

1. Apologies

2. Minutes

3. Performance against Police and Crime Plan (Focus on Strategic Priority 1 – Protect the Most Vulnerable from Harm)

- a. Assurance Report (specific assurance on the Force response to Domestic Abuse)
- b. Assurance Report (Neighbourhood Policing)
- c. Wood Review and Safeguarding Board arrangements
- d. Performance Overview
- e. Quest – Public Confidence

4. Decisions (to be signed at the meeting)

- 2019/002 - Victims Recommissioning

5. Chief Constable's Update (any risks or issues that the Chief Constable wishes to raise)

6. Key Organisational Risks and Issues

8. Finance:

- a. Q3 Financial Performance Report
- b. Confirm Precept and MTFP

9. Quarterly HR Data

10. Major Projects:

- a. Highlight Report
- b. IT redesign
- c. Tri Force
- d. MFSS

11. Professional Standards Department:

- a. Quarterly Performance Information
- b. IOPC Independent Investigations Update

12. A.O.B

13. Action Update

14. Publication (agree any items for publication other than the Minutes and Decision Notices)

Date of the Next Meeting: 6th March 2019, 13:00 – 17:00

DRAFT Minutes of the Police and Crime Board, 6th February 2019

Attendees:

Sue Mountstevens, Police and Crime Commissioner
Andy Marsh, Chief Constable
Stephen Cullen, Assistant Chief Constable
John Smith, OPCC CEO
Mark Simmonds, OPCC CFO
Nick Adams, OCC CFO
Mark Milton, Director of People and Organisational Development
Sarah Omell, Head of Improvement
Mark Hole, OPCC Head of Commissioning and Partnerships
Karin Takel, Strategic Planning and Performance Officer
Ben Valentine, T/Governance Secretariat Manager
Alaina Davies, Resources Officer

1. Apologies

Sarah Crew, Deputy Chief Constable

2. PCC Update from the Police and Crime Panel

The PCC gave a brief update from the Police and Crime Panel (PCP) meeting yesterday where the precept increase was agreed. The PCC thanked the Constabulary for their support in presenting the case to the PCP. The decision was almost unanimous. The PCP will be looking for clear evidence that the increase in funding is making a visible difference to the service communities are receiving from the police. The Constabulary are already considering a range of ideas to demonstrate the benefits to the PCP of the increase in precept that they have approved – these include real life case studies presented to the panel and hosting panel members so that they can see the success (similar to a ride along). The Constabulary will work closely with the PCC to ensure that any such activities are agreed by her and therefore appropriate and relevant to what the PCP are looking for i.e. focus on Op Remedy.

The PCC congratulated the HR team on their achievements to date and recognise the hard work they have put into achieving the recruitment of officers and PCSOs to full strength. The PCC is now expecting the Constabulary to recruit an additional 100 officers in 2019/20 and requested that she can see by December 2019 that the Constabulary are on the way to delivering this.

One of the areas the PCP are particularly interested in is rural crime and county lines so they will be looking for the benefits in relation to this.

3. Minutes and Action Update

The Board agreed the minutes from the Police and Crime Board Meeting held on 9th January 2019.

4. Performance against the Police and Crime Plan

a) Assurance Report (Focus on Strategic Priority 1 – Protect the Most Vulnerable from Harm)

This assurance reports focuses on the force response to Domestic Abuse (DA). The Constabulary recognise that this is an area where they are under-performing and are already working on identifying where the gaps are. The Constabulary are trying to understand the reasons why officers do not appear to be using their Body Worn Video (BWV) cameras as much as expected and looking into ways to rectify this.

There are issues with officers consistently understanding powers of arrest to take to custody, correctly assessing risk, making links and identifying repeat victimisation. Often scenes of DA can be very complex and chaotic when officers arrive and it is recognised that practical training needs to be developed specifically focusing on scenes of this nature.

The PCC asked how the Constabulary are checking and testing the use of BWV. It is possible that the Qlik My Work App could include BWV usage. It will be easier to flag and track BWV use as from April officers will be able to hold down a button on Airwave which will flag to Storm that BWV is in use.

There are also issues to work through in terms of lack of confidence from officers that the CPS will take forward evidence-led prosecutions (where the victim does not come forward) – there are issues with the CPS accepting BWV in these cases.

There is a lack of consistency regarding officer understanding of special measures which mean the victim would not have to face the perpetrator.

There are a range of issues and the Constabulary have scheduled an Engine Room to look at them all. The OPCC would like the Constabulary to provide a high level baseline for what good looks like for DA in order to report against in the future.

The PCC queried the reasons for time delays in relation to Op Encompass – is it the Police, Schools or Local Authorities? The roll out of digital technology means the referrals are submitted straight away. The Constabulary will inform the PCC if it comes to light the delays are coming from partner agencies so that she can approach them.

The early intervention programme in South Bristol was discussed which focuses on top DA perpetrators. It has all the right elements and it is felt that the area to run this pilot is right, but a proper evaluation has not yet been done and there is no long term commitment from partners.

The PCC was informed that there have been 14 referrals into CARA since it went live at the end of December – this is an out of court disposal process for DA.

b) Assurance Report (Neighbourhood Policing)

This assurance report focuses on the implementation of the new Neighbourhood Policing Model. This model combines traditional values of Neighbourhood Policing with technology for a more efficient and effective approach. The Constabulary are starting to see demand come down. The Constabulary will be looking to measure success of this and also ways of using Qlik as a problem solving tool. The PCC was assured that the Dashboard is in the Qlik workstream and is expected to be ready in a month.

The PCC queried how the pilot use of bicycles has gone as she has heard some concerns that this has not been effective in rural areas and that not enough cars are available to use. The pilot has not yet been evaluated and there has been mixed reviews but the use of bicycles does make officers more visible and accessible.

The OPCC has heard positive feedback from officers with regard to the shift pattern.

Discussed how Op Remedy is going to link in with Neighbourhood Policing and working with partners.

The PCC queried how the Constabulary are going to be determining local priorities. The Constabulary are considering a two way information sharing opportunity with the public on the Beat pages of the website. It was noted that this move would have a knock on effect with the discussion of convergence with Single Online Home.

The Chief Constable highlighted that Response teams are able to respond to demand such that there has been a 20-30% reduction of this type of demand on Neighbourhood teams, freeing up capacity to focus on engaging with local people, problem-solve, manage offenders etc.

c) Wood Review and Safeguarding Board Arrangements

It was identified that the Local Safeguarding Children Boards (LSCB) were ineffective in terms of multi-agency working and governance. The three main agencies will now have shared leadership and responsibility. The Constabulary are currently working with partners to negotiate an effective way for this to run across the area and how the funding should be allocated – the Constabulary's preference was for one Avon and Somerset Wide Board but this was not acceptable to the Local Authorities.

An Independent Consultant has been very useful in helping to navigate the discussions. The Memorandum of Understanding (MOU) will be key. This

needs to be implemented by September 2019 and will be signed off at the May Constabulary Management Board and be presented to the following Police and Crime Board.

d) Performance Overview

Crime recording figures differ from the national crime recording figures and the PCC sought assurance that Avon and Somerset figures are correct. The National figures have a time lag. Small audits are currently carried out but the PCC was assured that a large audit across all crime recording will be carried out in the next 3-6 months.

The PCC commented on the dip in positive outcomes reported this month. Due to the nature of investigations being longer and more complicated this is expected.

An update on victim referrals is scheduled for the Police and Crime Board in April 2019. Actions already identified to make improvements are being worked on. The PCC was assured that Storm now prompts a mandatory referral on all enhanced victims. The Survey Monkey results asking why officers have not been referring are expected next week. The Communications Department are considering internal communications to highlight case studies which demonstrate how important the referral is. The Constabulary are looking to include Lighthouse as part of the Apprenticeship Programme.

The OPCC queried if the new process regarding Warrants is having an impact. Yes as they are now owned by an officer on Niche and assigned a Beat Manager – progress should start to show in the performance reports.

The PCC asked for the total detected speed offences for 2018 as this was not included in the report.

File quality was discussed – this is part of the wider issues the CJ Transformation SRO is looking at and he will link in with the Constabulary.

e) Quest – Public Confidence

This was not reported to Constabulary Management Board (CMB) in January. CMB agreed that Public Confidence should be a wider assurance theme and not a regular engine room. PCB was in agreement with this approach.

5. Decisions

Please note that Decision Notices are published on the PCC website on the Decisions page under the Openness section.

2019/002 Victims Recommissioning – approved the award of contracts across the five lots of victim services that were recently recommissioned and

will go live on 1st April 2019. A lot of work went into this process and the OPCC will look to identify learning from the process. The OPCC thanked the Constabulary Procurement Team for their support and advice in this process. The Decision Notice will be signed and published on the PCC's website.

6. Chief Constable's Update

The Chief Constable raised the following:

- Brexit – the risk of a no deal scenario was discussed and the possible risks associated with this.
- Increased funding – focus on delivering the improvements as a result of the increase in precept funding. Timeline for recruitment of the additional officers which includes recruitment, training and up until they will be operationally available. The Communications Team will need to proactively put out messages regarding successes of Op Remedy.

7. Key Organisational Risks and Issues

The draft refreshed Police and Crime Plan was discussed. The Constabulary are working on an assurance framework with one delivery plan. All activities will align to the objectives in the Police and Crime Plan and link back to the PCC Priorities. This is a risk based dynamic assurance approach. Information will be dynamic and available at all times.

The Board agreed the Plan's objectives as appropriate and deliverable. They also agreed the measures proposed for the central dashboard as suitable success measures of delivery.

It was agreed that data quality is a critical issue.

Some of the wording in relation to the objectives and measures was queried. The OPCC will work with the Constabulary to agree wording.

The Plan is going to the Strategic Planning Working Group today and will go to the Police and Crime Panel before being launched in April.

8. Finance:

a. Quarter 3 Financial Performance Report

The quarter 3 financial performance report was discussed. The PCC asked why the number of medical retirements is lower than that budgeted for. The Director of People and Organisational Development has been applying careful scrutiny to the cases and sticking firmly to the Police Regulations, but he did comment that he is expecting numbers to go back up to the budgeted level soon.

The PCC queried the projected underspend in relation to capital – it is not yet clear how much spend will come into quarter 4.

The PCC commented that this paper as well as the MTFP is really well set out and clear.

b. Confirm Precept and Medium Term Financial Plan (MTFP)

The Police and Crime Panel adopted the precept increase yesterday with a majority of 14 to 1. The final draft of the Medium Term Financial Plan (MTFP) will be published shortly. The MTFP does show a deficit across the 5 years but a balanced budget for the next 2 years – this is based on prudent assumptions and assuming that the pension grant is only available for one year.

The next round of savings will need to be discussed in order to invest in change and IT programmes. The National discussion around pay increases was highlighted and Avon and Somerset's response to this.

The Capital budget is balanced but assumes £15m of borrowing which will be looked at in the Treasury Management Strategy at the next Police and Crime Board. Avon and Somerset Police are in the top quartile for borrowing but others will come in line with this as they make similar changes to their organisations.

Future funding of transformation costs after 2019/20 needs to be discussed as reserves for this run out. Reserves will be discussed at the next Police and Crime Board.

Agreed that this final MTFP be adopted.

9. Quarterly HR Data

The PCC is expecting the number of officers to go from 2651 in April 2019 to 2751 by April 2020. The Director of People and Organisational Development explained that the Constabulary started 2018/19 with a position of 20 officers under establishment but expect to end the year 20 officers over, which is a great position to be starting from to achieve the additional 100 officers (the Constabulary achieved this at the same time as losing officers through retirement etc).

15th May 2019 will be the first Police Constable degree intake which is set at 30 but the second intake of the year will be larger – the Constabulary are already working on plans to recruit the additional 100 officers and how quickly the organisation can grow in this way, taking into consideration timescales through recruitment to training to an officer being fully operational.

A decision was made to take some focus off Police Officer recruitment to gain PCSO numbers and it was reported that the numbers could be above establishment by April 2019. A number of PCSO applicants are in the vetting process so the exact number is not yet known. There are another 200 PCSO applicants waiting which the Constabulary will process as early as possible in 2019/20 in order that they are not kept waiting too long.

The PCC thanked the HR Team for achieving great things over the past year which gives confidence that they can achieve the additional officer numbers over the next year.

10. Major Projects

Mobilisation – the laptop roll-out and tethering of mobile phone has gone well. It was noted that the original Business Case allowed for many desktops to remain, but it has now been agreed that laptops will be fully rolled out with desktops only remaining in exceptional circumstances. The in-car WiFi was discussed and the need to understand how the data flows through the tethered devices – is in-car WiFi needed with advancing technology?

ICT Redesign – work is ongoing and an update will be provided at the May 2019 Police and Crime Board.

ERP – good work on a three year continuation of SAP agreement. Will then need to start looking at future options.

Digital Evidence – DEMS review of Evidenceworks is on the horizon. Need a longer term solution for BWV. About to be asked to sign up to the national DETS programme. Need to link all these together and prioritise decisions. The OPCC CFO commented that the Constabulary are now really well engaged with national programmes. ESN will have to deliver in 2020 and the Constabulary highlighted the risk of all of this happening at the same time. Abstraction may be needed to support these projects.

Estates – a paper was presented regarding a possible option for the disposal of Taunton Police Station. The Board asked for more work to be done on refining 3rd party costs and improving timeframes – any fees in association with exploring this option should be restricted to no more than £10k.

Tri-Force – the Constabulary reported that positive progress is being made and that the Business Case will be available next month. Still working with the other two force regarding governance of Blackrock. Robust process for re-charging was discussed.

11. Professional Standards Department

a. Quarterly Performance Information

The PCC noted that the number of informal complaints is down.

b. IOPC Independent Investigations Update

The Police and Crime Panel mentioned the number of officer suspensions. The Deputy Chief Constable scrutinises this every month at a meeting with the Federation and Unison. The PCC is assured with the independent

process and understands that Police Officers and Staff are held to account for their actions more robustly than in other organisations.

12. Action Update

An update was given on the actions from previous Police and Crime Board Meetings as follows:

- Hate Crime – the OPCC requested an update on Hate Crime, particularly focusing on progress against the recommendations from the Ebrahimi Enquiry Day in 2018.

13. A.O.B

No items were raised.

14. Publication

The following items were agreed for publication:

- 9th January 2019 Police and Crime Board Agenda
- 9th January 2019 Police and Crime Board Minutes

Actions List:

See Exempt Actions List

Date of the Next Meeting: 6th February 2018

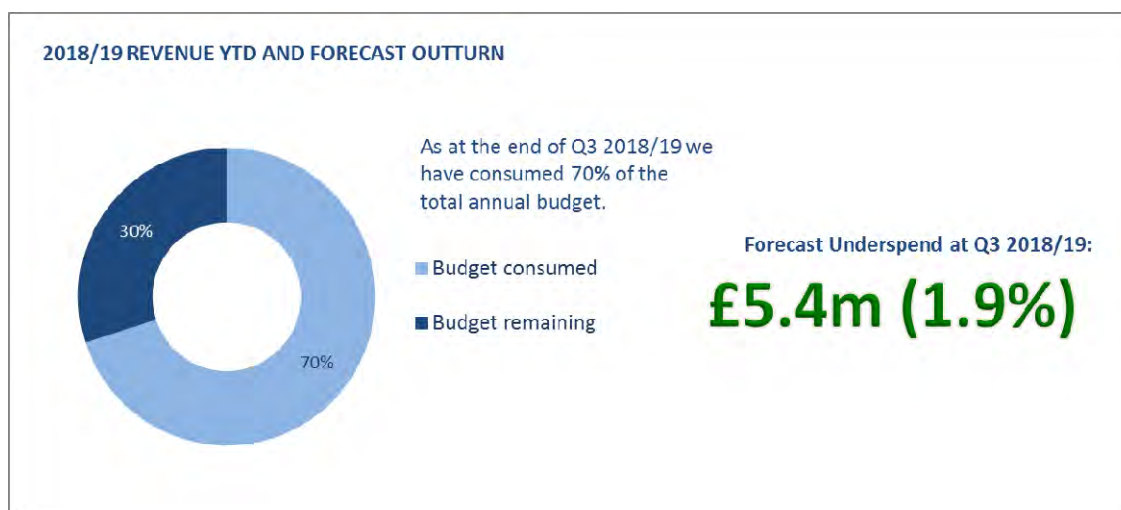
MEETING: Constabulary Management Board	DATE: 31 st January 2019	AGENDA NO: Item 8a
DEPARTMENT: Finance and Business Services	AUTHOR: Chloë Cornock / Suzanne Gimber	COG SPONSOR: Nick Adams
NAME OF PAPER: 2018/19 Q3 Financial Performance Report	PURPOSE OF THE PAPER: Information	OPEN SESSION

1. PURPOSE OF REPORT AND BACKGROUND

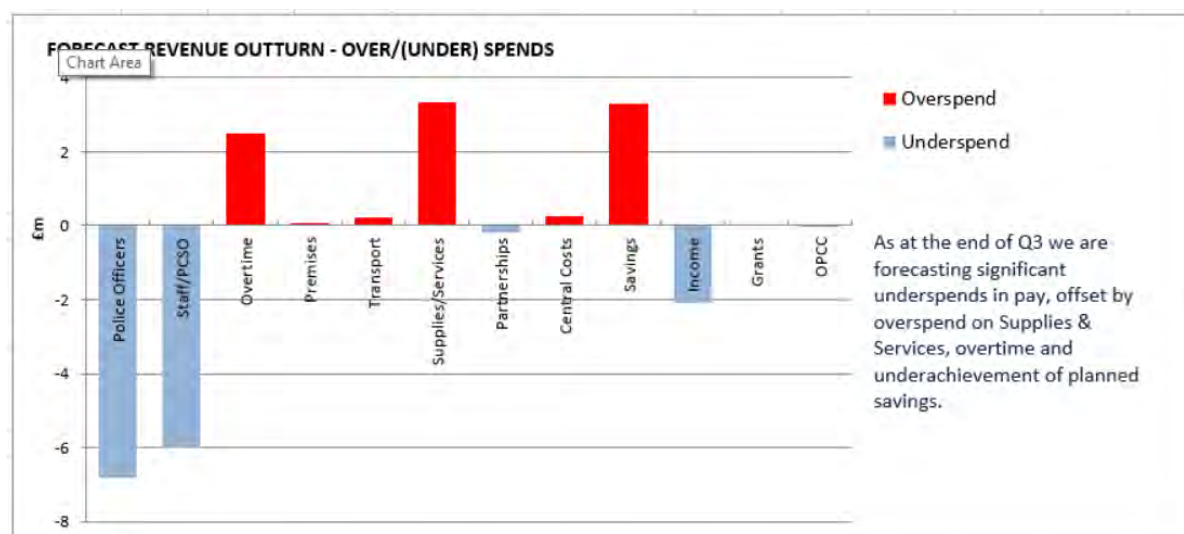
The purpose of this report is to provide an update on the revenue budget and capital programme performance against the plan for 18/19. The attached Appendices A and B includes details of the outturn revenue position as at 31st December 2018, and Appendices C and D provide more detailed information about overtime spend against budget, Appendix E provides the forecast position for the capital programme.

2. EXECUTIVE SUMMARY

The revenue position is forecasting to be **£5.4m underspent at the end of the financial year.** We anticipate that all of this underspend will be used to fund capital thereby closing our forecast capital funding gaps in the medium term, and enabling us to review future levels of borrowing.



FORECAST REVENUE OUTTURN - OVER/(UNDER) SPENDS



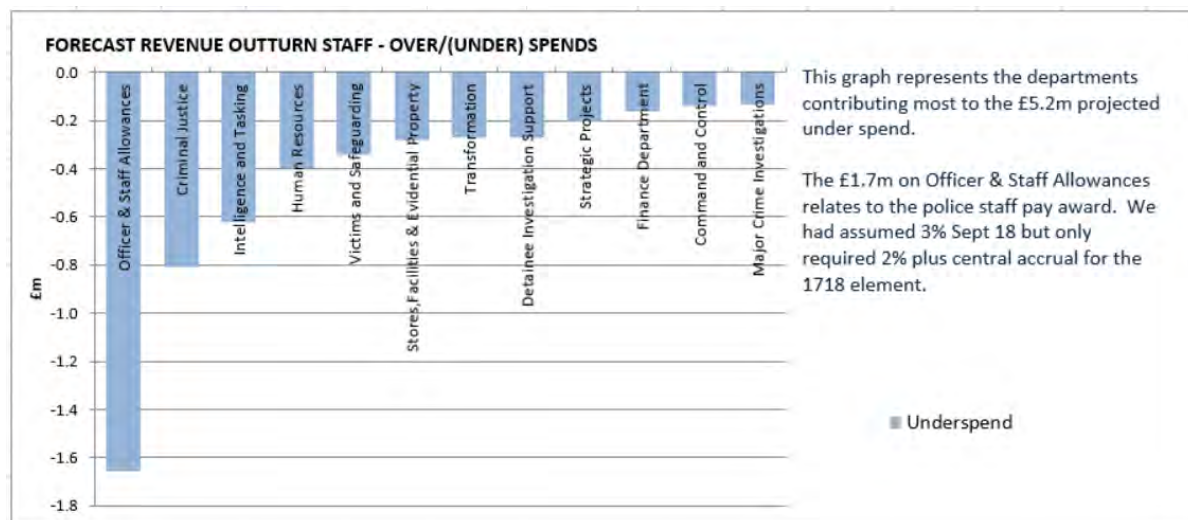
Police Officer Pay & Allowances – This is £5.1m/5.1% underspent YTD, with prediction of £6.8/5% underspend at year end. The figures have been adjusted for student officers, expected retirements, ordinary leavers and medical pensioners. Spend to date on bonus payments for PC / DCs in

Investigations is £140k. No further projections have been made about bonus payments at this time, although we recognise that options and schemes are under consideration.

The main areas driving the £6.8m predicted under spend are:

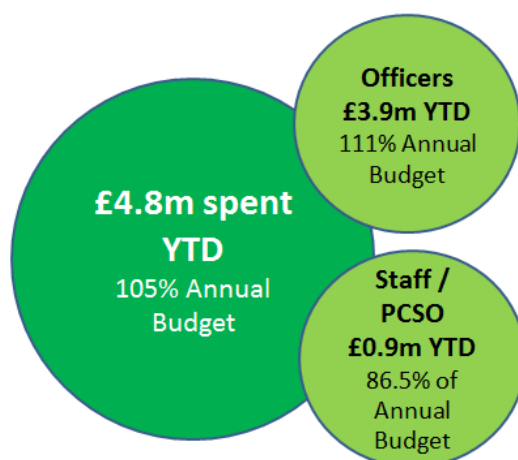
- Patrol £2.8m – PC 37 FTE under strength as per the Dec establishment pack;
- Investigations £1.6m – PC 35 FTE understrength as per the Dec establishment pack;
- Officer & Staff Allowances £1.6m – This is made up of £625k saving on the police pay award as we had initially assumed the 1% bonus paid in Sept 17 would become permanent. In addition £750k was put aside to cover NI on allowances. The related spend is in the individual departments but vacancies are so significant the NI budgets are not under pressure.

Police Staff Pay & Allowances – These are £4.3m/7.6% underspent YTD, with prediction of £5.2m/6.9% underspend at year end. The projection as at Q3 assumes no improvement in the picture for police staffing levels in the larger areas, Command & Control; CJ and Intel & Tasking.



PCSO Pay & Allowances – This is £0.8m/9.1% underspent YTD, with prediction of £0.8m/6.8% underspend at year end. The projection for PCSO pay shows an increase in costs ver the last quarter based on intakes of 10 FTE in January and 36 FTE in March as per Nov trajectory.

Overtime



Police Officer Overtime – As at the end of Qtr. 3 we have consumed 111% of the annual budget. The projection is for an overspend of £2.1m but of that £1.3m is within Operations and will be funded from income, mainly for the two events in Salisbury

Police Staff Overtime – At the end of Qtr. 3 we have consumed 86.5% of the annual budget. We are projecting to overspend at year end by £0.3m. The main areas contributing to this overspend are Investigations (using zero hour contracts to cover vacancies), Criminal Justice, Transport Services and Enquiry Office

Further detail on our overtime spend and forecasts is provided in Appendices C and D at the back of this report.

S&S – Communications and Computing costs - The projected overspend is £2.3m.

Of this, the major factor is Tech Services, where the forecast overspend in this area is £1.9m, reflecting the below forecasts which largely result from the commitments at the end of our Southwest One contract and the extension of our SAP system:

Highlighted IT Directorate Forecast	Q3 Forecast £'000	Annual Budget £'000	(Under) / Over £'000
IBM SAP Software	1,700		1,700
IBM Hardware Maintenance	639	100	539
Various Novated contracts	384	1,317	(933)
IBM SAP Resource	368		368
SAP Product support for large enterprises	200		200
Data Deletion	118		118
Commitments; inc. Openscape and SAP resource assistance	427		427
TOTALS	3,836	1,417	2,419

Mobile Data - estimated saving from changing providers	(378)
National Contracts	(159)
TOTAL	1,882

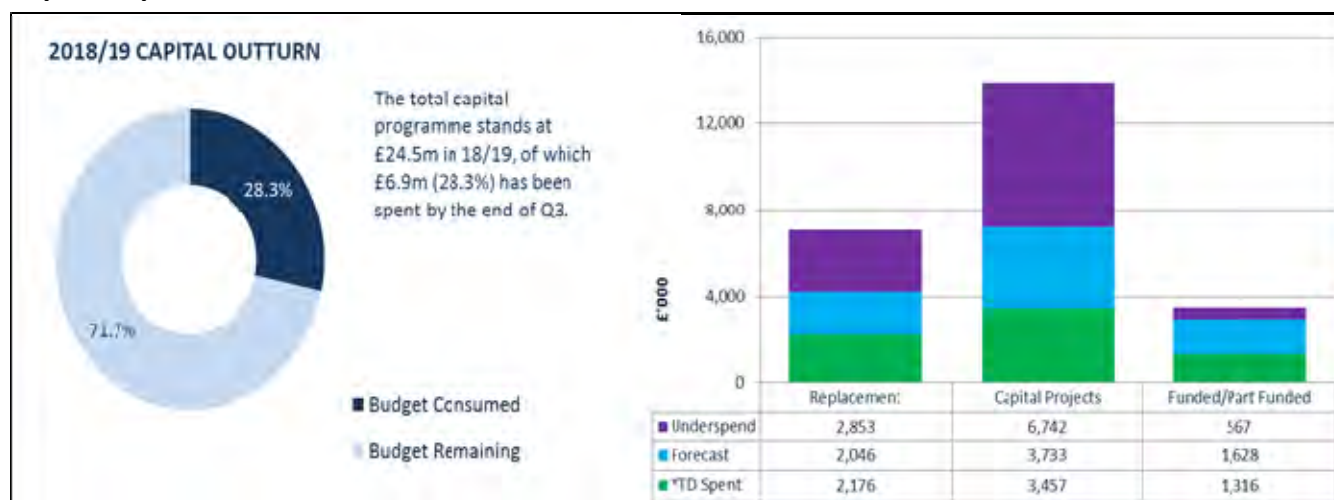
Supplies & Services – Other costs - The YTD £2.7m underspend is driven mainly by the remaining budget relating to MFSS -£2.4m (which offsets some of the budget pressures in IT outlined above). The budget is made up of the £1.9m for MFSS Licences and £0.3m which was not required to fund the staff budgets. The projected spend shows an overspend of £1.3m/8.8%, which is reflective of us including a provision for our remaining liabilities to MFSS. These remain the subject of discussions yet to conclude.

Transfers to / from reserves - The forecast variance against budget of £0.6m almost entirely relates to the Speed Enforcement Unit, where we estimate the income generated will exceed the cost of the unit and this surplus will be taken to our road safety reserve at the end of the year.

Income – Other

The estimated over achievement of income is representative of the mutual aid income we are expecting for the Salisbury operations (Op Fairline & Fortis), which offsets some of the overtime overspends reported above.

Capital Expenditure



The capital programme is forecasting **£14.4m of expenditure** this financial year, which reflects 58.6% of our plan. YTD spend of £6.9m has been incurred to the end of Q3, reflecting further capital expenditure of £7.5m forecast in the final quarter of the year. Particular areas of spend within our forecast are in relation to our digital and infrastructure programmes.

3. PART ONE – 18/19 REVENUE BUDGET PERFORMANCE

The revenue position is forecasting to be £5.4m/1.9% underspent at the end of the financial year.

NEIGHBOURHOOD & PARTNERSHIPS DIRECTORATE

	YTD Actual				18/19 Projected Outturn £'000	18/19 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %				
Neighbourhood Policing	20,242	20,576	(334)	(1.6%)	27,175	27,362	(187)	(0.7%)
Road Safety	41	147	(106)	(72.4%)	136	175	(39)	(22.2%)
Offender Management	3,635	3,657	(23)	(0.6%)	4,817	4,864	(46)	(1.0%)
Victims and Safeguarding	2,903	3,106	(202)	(6.5%)	3,779	4,065	(285)	(7.0%)
NEIGHBOURHOOD & PARTNERSHIP	26,821	27,486	(665)	(2.4%)	35,908	36,465	(557)	(1.5%)

YTD Variances

Neighbourhood – Variance relates to an underspend on PCSO's reflective to the number of vacancies. Along with this there is a year to date over achievement on income and the supplies and services are not spent to budget. However these underspends are being offset against overspends on police staff and officer pay and transport costs.

Road Safety – Significant variance reported due to the amount of income that has been received year to date and the equipment budget not being spent to budget allocation for the year so far.

Victims & Safeguarding – The underspend is largely reflective of staff vacancies, which is offset by officer overspends driven by having 2.43 FTE PS posts and 1.00 FTE inspector over establishment. There have been adjustments made to show the full expenditure for the contributions to the safeguarding boards.

FORECAST Variances

Neighbourhood Policing – As with the monthly variance the underspend is in the main due to the vacancies within the PCSO's this is offset by overspends in officer pay as a result of being 12.04 FTE over-established. There is an overspend of travel costs which is due to the claims made by Specials which are underfunded (this is being corrected for in our MTFP).

Road Safety - Are underspent due to income in the main from the AA.

Offender Management - variance is due to underspends on police pay due to vacant posts and also the supplies and services as well as projection to slightly overachieve the income.

Victims & Safeguarding- The savings from the review have been taken. There remain vacancies which are being recruited to and underspends against the supplies and services budget.

RESPONSE DIRECTORATE

	YTD Actual				18/19 Projected Outturn £'000	18/19 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %				
Command and Control	13,065	13,224	(159)	(1.2%)	17,480	17,674	(194)	(1.1%)
Patrol	34,948	36,913	(1,966)	(5.3%)	46,926	49,520	(2,594)	(5.2%)
Detainee Investigation Support	4,372	4,688	(316)	(6.7%)	5,839	6,281	(442)	(7.0%)
RESPONSE	52,385	54,825	(2,441)	(4.5%)	70,245	73,475	(3,230)	(4.4%)

YTD Variances

Patrol – Variance is due to the officer vacancies that exist in Patrol which has slightly been offset by overspends on overtime which is again due in the main to the vacancies. Travel remains underspent as does supplies and services - this is due to the equipment not yet bought in full. Adjustment has been made to recognise 12 PC transfers from Patrol to Investigations in Jan, Feb and March.

Detainee Investigation Support - Variance is due to the vacancies of both Police officer and police staff

FORECAST Variances

Command & Control - Variance in this area is due to the forecast vacant staff posts.

Patrol - The variance is due to the number of vacant officer posts and the way they are funded. The budget is set on an average cost for PC, Sgt & Insp ranks at a set point in time. As the workforce in Patrol has more new recruits, the average cost is reducing generating an underspend against budget. An adjustment to our standard unit costing is being made in our MTFP to account for this change.

Detainee Investigation Support - variance is due to the number of vacancies of both officers and staff.

OPERATIONAL SUPPORT DIRECTORATE

	YTD Actual							
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %	18/19 Projected Outturn £'000	18/19 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
Criminal Justice	7,745	9,207	(1,462)	(15.9%)	11,666	12,060	(395)	(3.3%)
Operations	5,448	5,388	60	1.1%	7,374	7,215	159	2.2%
Operations Major Incidents	76	126	(51)	(40.0%)	207	207	(0)	(0.0%)
Intelligence and Tasking	8,827	9,198	(370)	(4.0%)	11,859	12,319	(460)	(3.7%)
OPERATIONAL SUPPORT	22,095	23,918	(1,823)	(7.6%)	31,106	31,802	(696)	(2.2%)

YTD Variances

Criminal Justice - £1m Speed Enforcement which is from excess income over budget and staff vacancies. £416k CJU from vacancies and fees such as Doctor Fees and Interpreters.

Operations – overspend here relates to costs in relation to rechargeable operations which we are yet to receive income for.

Intel & Tasking - underspend is due to staff vacancies.

FORECAST Variances

Criminal Justice – The Speed Enforcement Unit is forecasting a surplus of £578k which will be transferred to our earmarked road safety reserve. The £395k reported above is the out-turn for the Criminal Justice Unit only and reflects the level of vacancies and some underspends within non-pay.

Operations – The majority of the overspend is for irrecoverable costs on football operations (£114k).

Intel & Tasking - underspend is due to staff vacancies.

INVESTIGATIONS DIRECTORATE

	YTD Actual				18/19 Projected Outturn £'000	18/19 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %				
Investigation	17,548	18,696	(1,148)	(6.1%)	23,860	24,927	(1,067)	(4.3%)
Investigation Major Incidents	865	599	266	44.4%	878	842	36	4.3%
INVESTIGATION	18,413	19,295	(882)	(4.6%)	24,738	25,770	(1,031)	(4.0%)

YTD Variances

Investigations - the YTD underspend is due to the level of officer vacancies across the Directorate. This is reducing, but a number of vacancies remain.

Major Incident - £125k is costs on operations for other Forces which will be recharged in due course. The remainder £140k is a budget pressure.

FORECAST Variances

Investigations – forecast underspend is reflective of vacancies, but recognises the planned transfer of 12 PCs from Patrol to Investigations for the remainder of the year.

Major Incident - The Major Incident is forecasting an overspend and is based on the assumption Operations major incident will underspend and offset overspends here. Given the nature of operations it is difficult to accurately predict costs.

COLLABORATIONS

	YTD Actual				18/19 Projected Outturn £'000	18/19 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %				
Triforce Specialist Operations	8,733	8,856	(122)	(1.4%)	11,908	11,730	178	1.5%
Scientific Investigations	3,318	3,375	(57)	(1.7%)	6,713	6,720	(7)	(0.1%)
Major Crime Investigations	3,492	3,643	(151)	(4.1%)	4,529	4,781	(251)	(5.3%)
South West ROCU	3,015	3,015	0	0.0%	3,015	3,015	0	0.0%
Special Branch	714	745	(31)	(4.1%)	972	1,040	(68)	(6.6%)
Black Rock	387	394	(7)	(1.7%)	788	788	0	0.0%
Counter Terrorism Specialist Firearm	491	624	(133)	(21.2%)	590	815	(225)	(27.7%)
Tri Force ACC	89	84	5	5.9%	99	84	15	18.5%
COLLABORATION	20,240	20,735	(495)	(2.4%)	28,614	28,972	(358)	(1.2%)

YTD Variances

CTSFO – 5 PC vacancies part way in the year offset by increase in supplies & services spend as grant budget almost exhausted.

MCIT– Officer (4 FTE) vacancies and staff vacancies (8 FTE) are the key drivers behind this underspend.

Tri-force Operations – Vacancies, offset by overtime spend.

FORECAST Variances

CTSFO - variance reflects continued forecast vacancy position.

MCIT - variance reflects continued forecast vacancy position.

INFORMATION TECHNOLOGY DIRECTORATE

	YTD Actual				18/19 Projected Outturn £'000	18/19 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %				
Technology Services	12,740	10,521	2,219	21.1%	17,195	15,026	2,169	14.4%
SWOne Unitary Charge	1,585	1,660	(75)	(4.5%)	1,585	1,660	(75)	(4.5%)
INFORMATION TECHNOLOGY DIRECT	14,325	12,181	2,144	17.6%	18,780	16,686	2,094	12.5%

YTD Variance

A YTD variance of £2,219k/21.1% is reported at Q3 for the IT Directorate. £1,882k of this overspend is reflective of the pressures outlined in the Executive Summary above. In addition there is also a £216k adverse variance reported against licences (in support of additional Microsoft licences purchased earlier in the year).

FORECAST Variance

The forecasted year end position for the IT Directorate is £2,169k/14.4%. The forecasted outturn for the IT directorate is showing a slight improvement when compared to the YTD actual position. There are some opportunities in cost savings against mobile telephony (-£371k), support and maintenance contracts (-£221k) and national technology systems (-£158k) which help reduce the overall pressures showing against the directorate.

FINANCE AND BUSINESS SERVICES DIRECTORATE

	YTD Actual				18/19 Projected Outturn £'000	18/19 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %				
Chief Officer Group	1,458	1,411	46	3.3%	1,920	1,927	(7)	(0.3%)
Stores, Facilities & Evidential Property	2,462	2,976	(514)	(17.3%)	3,611	3,871	(260)	(6.7%)
Transport Services	3,091	3,277	(186)	(5.7%)	4,689	4,510	178	3.9%
Services Hub	2,688	2,882	(194)	(6.7%)	3,805	4,011	(207)	(5.2%)
Finance Department	1,103	1,180	(77)	(6.5%)	1,417	1,545	(129)	(8.3%)
Strategic Procurement Services	274	381	(106)	(27.9%)	422	507	(85)	(16.8%)
Estates	9,544	9,469	75	0.8%	11,848	11,682	166	1.4%
Corporate Information Management	364	263	100	38.2%	364	264	100	37.8%
FINANCE & BUSINESS SERVICES	20,983	21,839	(856)	(3.9%)	28,074	28,317	(243)	(0.9%)

YTD Variances

Chief Officer Group - is reporting a YTD variance of £46k/3.3%. The variance is driven mainly against police officer pay and relates to a realignment of budget to the Service Hub.

CIM - is reporting a £100k/38.2% variance against the planned budget. The YTD variance is due to the removal of pay budgets for savings targets as the department was disbanded under the Enabling Services Review.

Estates - is reporting a £75k/0.8%. This variance relates to budget pressures against responsive maintenance.

Finance Department - is reporting a -£77k/-6.5% variance at the end of Q3. The variance is being driven mainly against pay costs with a significant number of vacancies within the department

Services Hub - is reporting a -£194k/-6.7% YTD variance at the end of Q3. The YTD variance is a result of savings against supplies and services at, including postage, stationery and licences cost. There is

also a saving of £46k against third party payments which relates to a reduction in the Agilisys contract.

Stores, Facilities & Evidential Property - is reporting a -£514k/-17.3% variance at the end of Q3. The YTD variance is being driven by police staff pay vacancies at -£283k and a variance of -£251k against supplies and services. The reported variance on supplies and services is in relation to uniform issues and returns.

Strategic Procurement - is reporting a -£106k/-27.9% variance at the end of Q3. The YTD variance is largely driven by vacancies against police staff pay.

Transport Services - is reporting a -£186k/-5.7% variance at the end of Q3. The YTD variance is being generated by savings against transport related costs such as tyres, repairs and maintenance costs (non-insurance work) and hire vehicle costs.

FORECAST Variances

CIM – this variance mirrors the YTD position explained above.

Estates - is reporting a forecasted year end position of £166k/1.4% against the planned budget. The responsive maintenance and utilities budget remain under pressure and this is reflected in the forecast.

Finance Department - is reporting a forecasted year end position of -£129k/-8.3%. The forecasted variance is being driven by pay as the department continues to hold a number of vacancies.

Services Hub - is reporting a forecasted year end position of -£207k/-5.2%. The variance is largely driven against officer pay (-£101k), third party payments (-£46k) and the supplies & services budget (-£95k). The department continues to hold vacancies however an element of the pay variance will be banked as savings as it relates to the Enquiry Office business case.

Stores, Facilities & Evidential Property - is reporting a forecasted year end position of -£260k/-6.7% against the planned budget. The forecasted variance is mainly against police staff pay at -£283k. The department is approximately 16.1% under their authorised establishment. Some of the pay variance is being absorbed by cost pressures against supplies & services (£73k).

SPS - is reporting a forecasted year end position of -£85k/-16.8% against the planned budget. The variance is being driven by pay as the department holds a number of vacancies.

Transport Services - is reporting a forecasted year end position of £178k/3.9% against the planned budget. The forecasted variance is being driven by savings against tyres, repairs and maintenance and hire vehicles costs, offset by vehicle write off costs.

PEOPLE AND ORGANISATONAL DEVELOPMENT DIRECTORATE

	YTD Actual				18/19 Projected Outturn £'000	18/19 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %				
Human Resources	3,211	3,443	(232)	(6.7%)	4,260	4,475	(215)	(4.8%)
Staff Associations	598	519	79	15.2%	767	679	88	13.0%
Learning	3,554	3,498	56	1.6%	4,759	4,661	98	2.1%
Legal Services	861	682	179	26.2%	931	856	75	8.7%
Occupational Health	637	570	68	11.9%	887	690	197	28.6%
Health & Safety	73	68	5	7.8%	97	91	6	6.5%
PEOPLE & ORG DEVELOPMENT	8,934	8,780	154	1.8%	11,701	11,452	249	2.2%

YTD Variances

HR Operations - YTD underspend is due to the department being under-establishment by 24.53% (26.91 FTE vacant posts). This is partially offset by overspend on Agency Staff £283k.

Learning - variance is comprised of underspends on both police officer and staff pay, offset by an approved overspend on TASER and Shield costs, now estimated at £283k. These are known budget pressures.

Legal Services - variance is a result under achievement of income, which in large part is reflective of legislation change - Subject Access Request is free of charge under GDPR. The department also has an approved overspend of £20k relating to laptops.

FORECAST Variances

HR Operations - variance is largely driven by staff pay underspend offset by overspends on overtime £23k and partnership costs (Lead Manager seconded from Wiltshire £30k plus £100k for new recruits attending SEARCH assessment at Thames Valley Police).

Learning – pay underspends offset by TASER purchases and under achievement of income in relation to external training and the bar.

Legal Services - variance is as explained in YTD position above.

Occupational Health - is reporting a forecasted year end position of £197k/28.6% against the planned budget. The variance is being driven by staff pay £96k (reflecting additional staff brought in to support recruitment), £38k due to the number and cost of reviews and £70k of undelivered savings.

TRANSFORMATION & IMPROVEMENT DIRECTORATE

	YTD Actual				18/19 Projected Outturn £'000	18/19 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %				
Transformation	571	787	(216)	(27.4%)	776	1,046	(270)	(25.8%)
Improvement	1,422	1,594	(172)	(10.8%)	1,927	2,121	(194)	(9.1%)
Force Crime & Incident Registrar	181	169	12	6.9%	246	226	19	8.5%
Strategic Projects	1,721	1,824	(104)	(5.7%)	2,339	2,881	(541)	(18.8%)
Corporate Communications	610	651	(41)	(6.3%)	843	869	(26)	(3.0%)
Professional Standards Department	1,406	1,320	86	6.5%	1,930	1,760	170	9.7%
TRANSFORMATION & IMPROVEMENT DIR	5,911	6,345	(435)	(6.8%)	8,061	8,903	(842)	(9.5%)

YTD Variances

Professional Standards – The overspend is primarily a result of being 2 officers over-establishment, as well as overspends on staff pay as a result of the vacancy topslice factor.

Transformation – The underspend of £216k/27.4% is entirely driven by police staff vacancies against core establishment.

Strategic Projects – The underspend of £104k/5.7% reflects underspends on staff pay, offset by small overspend on officer pay.

Improvement – The underspend of £172k/10.8% is predominantly as a consequence of underspends on officer pay where 3.7 FTE vacancies exist.

FORECAST Variances

Professional Standards - Variance is largely as explained in YTD position above.

Transformation – Variance is largely as explained in YTD position above.

Strategic Projects – The underspend is as explained above, with addition of forecast reduction in the contributions required to support the regional change programme – reflecting the underspends being reported here also.

Improvement – Variance is largely as explained in YTD position above.

CENTRAL COSTS

	YTD Actual				18/19 Projected Outturn	18/19 Annual Budget	Over/ (Under)	Over/ (Under)
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %				
Pensions	7,482	8,006	(524)	(6.5%)	10,403	10,489	(85)	(0.8%)
Officer & Staff Allowances	462	3,704	(3,242)	(87.5%)	1,045	4,614	(3,569)	(77.3%)
Central Costs	(1,669)	1,001	(2,670)	(266.8%)	3,289	3,080	209	6.8%
Central Savings	0	(3,157)	3,157	(100.0%)	0	(3,157)	3,157	(100.0%)
Student Officers	1,511	1,679	(168)	(10.0%)	2,297	2,855	(558)	(19.5%)
CENTRAL COSTS	7,787	11,234	(3,447)	(30.7%)	17,034	17,880	(846)	(4.7%)

YTD Variances

Pensions - £524k YTD underspends relate to profile of medical retirements (we budget for one per month and only 6 to date).

Officer & Staff Allowances – variance is the pay award saving (assumed 3%, required 2%), and central accrual for the 17/18 element of the police staff Sept 17 pay award (which we could release to local budgets but given underspends elsewhere reported this is not considered necessary) and £420k NI on overtime budget held centrally.

Central Costs – underspend relates to the remaining budget for MFSS -£2.2m. The budget is made up of the £1.9m for MFSS Licences and £265k which was not required to fund the staff budgets. This underspend is largely offset by overspends reported in the IT Directorate – a position which has been corrected for in the MTFP.

Central Savings – variance relates to outstanding savings from the enabling services review. Some of these are yet to be adjusted for in the budget, all of which have been re-profiled in the MTFP.

FORECAST Variances

Pensions – Estimate of new medical retirements is 12 for the year (assuming a further 6 retirements in the final quarter). Underspend comes from against forecast for injury basic pension for the year, which is coming in lower than anticipated.

Officer & Staff Allowances – the projected underspend is the continuation of the YTD position identified above.

Central Costs – overspend reflects provision for anticipated liabilities with MFSS, offset by savings against MFSS budgets, as well as some underspends on capital funding (MRP and interest payable) achieved as a consequence of our passive borrowing position.

MISCELLANEOUS, GRANTS & SECONDEES

	YTD Actual				18/19 Projected Outturn	18/19 Annual Budget	Over/ (Under)	Over/ (Under)
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %				
MISCELLANEOUS	(69)	(33)	(36)	109.0%	(33)	(33)	0	0.0%
GRANTS	84	58	25	43.8%	150	0	150	
SECONDEES	16	(0)	16		0	0	0	

The projected overspend on grants £150k for DSP at the Airport. Grant provider has stated they will not cover accommodation costs £100k and overtime £50k.

4. PART TWO – 18/19 CAPITAL BUDGET PERFORMANCE

In January 2018 the anticipated new capital plan for 18/19 totalled £20.1m with the addition of carry forwards of capital schemes in progress amounting to £3.6m at the end of 17/18. The capital plan has since been reviewed and schemes have been added, removed or profiled into future years as necessary. Further details of the capital funding are shown later in the report. These adjustments show a revised capital plan for Avon and Somerset of £24.5m for 18/19.

The table below summarises this movement:

	18/19 Plan	C/Fwd from 17/18	TOTAL Plan	Adjustments	TOTAL Revised Plan
	£'000	£'000	£'000	£'000	£'000
Asset Replacement & Renewal	6,102	472	6,574	501	7,075
Digital Programme	2,462	1,086	3,548	1,549	5,097
Infrastructure & Assets Programme	5,525	249	5,774	21	5,795
Service Workforce and Development programme	3,089	632	3,721	(1,301)	2,420
Other projects	350	270	620	0	620
Funded or part funded projects	2,608	893	3,501	10	3,511
TOTAL	20,136	3,602	23,738	780	24,518

18/19 CAPITAL PROGRAMME OUTTURN

	TOTAL Plan	Actual Outturn		Forecast Outturn	Over/(Under)	
	£'000	£'000	%	£'000	£'000	%
Asset Replacement & Renewal	7,075	2,176	30.8%	4,222	(2,853)	(40.3%)
Digital Programme	5,097	1,769	34.7%	3,122	(1,975)	(38.8%)
Infrastructure & Assets Programme	5,795	765	13.2%	2,182	(3,613)	(62.4%)
Service Workforce and Development programme	2,420	764	31.6%	1,387	(1,033)	(42.69%)
Other projects	620	159	26.7%	499	(122)	(19.6%)
Funded or part funded projects	3,511	1,316	37.5%	2,944	(567)	(16.6%)
TOTAL	24,518	6,949	28.3%	14,356	(10,163)	(41.5%)

At the end of Q3 18/19 £6.9m (28.4%) of the capital programme had been spent; further details of which are included within Appendix F.

The key highlights of the capital plan are as follows:

ASSET REPLACEMENT AND RENEWAL

The expenditure at the end of Q3 is £2.2m (30.8% of the plan) with a forecast of £4.2m (59.7%) to the end of the financial year. The key highlights from this element of the plan are:

- IT Renewal and replacements - £0.3m expenditure incurred to date on the data centre strategy consolidation project £0.2m and network security £0.1m. The forecast for 18/19 is £1.0m includes further expenditure on network security £0.2m, infrastructure refresh £0.2m and video conferencing equipment £0.2m;

- Estates rolling replacement and renewal – £0.2m expenditure to date include the replacement of a boiler in the training block and the commencement of works on the lighting upgrades, with an anticipated cost of £0.3m by the end of the financial year. It is anticipated that the replacement generator works will start in 18/19 £0.5m and complete in early 19/20 £0.4m;
- Vehicle replacements - £1.5m has been spent to on replacement vehicles to date with a further £0.6m anticipated to be spent in 18/19. Due to delays in identifying the requirements of some vehicles and placing the orders, it is anticipated that the £1.2m will slip into 19/20;
- ANPR – Expenditure of £0.1m on replacement ANPR equipment and ANPR on strategic routes is anticipated to be incurred during 18/19.

DIGITAL PROGRAMME

Expenditure in Q3 was £1.8m (34.7% of the plan) with a forecast of £3.1m (61.3% of the plan) for 18/19. The key highlights from this element of the capital plan are as follows:-

- Digital Mobilisation – £1.5m expenditure was incurred by the end of Q3 with a forecast expenditure for 18/19 of £2.7m, with the mains areas of spending being on mobile devices, laptops and desktops with the view to complete the roll out by the end of the financial year;
- Digital Evidence – £0.3m has been spent on additional body worn video cameras and a further £0.1m is planned to be spent on the digital evidence interface developments.

INFRASTRUCTURE AND ASSET PROGRAMME

In Q3 £0.8m (13.2% of the plan) was spent on the infrastructure programme the forecast expenditure in 18/19 is £2.1m (37.7% of the plan). The key highlights of this programme include:

- New Enquiry office and neighbourhood base in Southmead is anticipated to be completed in early 19/20 with £0.3m of the cost to be incurred during 18/19 and the remainder £0.1m to be carried forward into 19/20;
- Taunton response and enquiry office £0.8m;
- Work on the HQ traffic and security is completed £0.2m;
- Kenneth Steel House refurbishment works – £0.6m is planned to be spent in 18/19 with the work being completed over 3 years with a total project cost £3.65m;
- Fees have been incurred during 18/19 with the various Police stations with plans for work to start in 19/20 over various sites including Yeovil, Wells, Shepton Mallet.

SERVICE REDESIGN AND DEVELOPMENT

The forecast expenditure for the service redesign and development for 18/19 is £1.4m (57.3% of the plan), which includes:

- £0.8m was incurred for the purchase of SAP hardware from the exit of Southwest One;
- £0.6m is going to be incurred in 18/19 for the WAN project.
- The forecast for the ERP Solution MFSS has been removed leading to a £1.0m underspend on the budget in 18/19.

OTHER PROJECTS

The key highlights from this element of the capital plan are:

- £0.1 has been spent to date on the NDG DR provision;
- Voice and Data Communications – £0.2m is planned to be spent in 18/19 to complete the project;
- LAN refresh – £0.2m is planned to be spent during 18/19.

FUNDED OR PART FUNDED PROJECTS

£2.9m is anticipated to be spent in 18/19 and the key highlights from this element of the capital plan includes:

- Multi Agency Integrated Analytics – £1.9m Police transformation grant is to be received during 18/19 and working is underway to complete the project;
- CTSFO estates works – has completed during 18/19 costing £0.65m;

5. EQUALITY ANALYSIS

All business cases in support of change, both with revenue and capital implications are subject to an equality impact assessment. This way we can ensure that those decisions on how we allocate our funding across budgets and plans are cognisant of equality issues.

6. SUSTAINABILITY

Sustainability is important in regard to ensuring the organisation is living within both its financial limits (financial sustainability) as well as within its environmental limits through ensuring effective and efficient use of natural resources. In fulfilling the objectives in terms of financial sustainability, the PCC has adopted the set of Key Financial Health Indicators which are reported on within the content of this report. Wider environmental sustainability considerations are also accounted for within the budget and capital programme.

7. CONCLUSIONS AND RECOMMENDATIONS

The estimated underspend of £5.4m will be used to fund our capital plans, closing our forecast gap on capital funding across the medium term and enabling us to consider our approach to further borrowing which in turn may provide more flexibility across our medium term revenue position.

Members of CMB are invited to review and discuss this financial performance report.

ANNEX A - Subjective Structure 2018/19 Revenue Outturn December 2018	YTD Actual				18/19 Projected Outturn £'000	18/19 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
	18/19 YTD Actual £'000	18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %				
Police Officer pay and allowances	95,946	101,130	(5,184)	(5.1%)	128,736	135,538	(6,802)	(5.0%)
Police Officer Overtime	3,864	2,227	1,637	73.5%	5,647	3,492	2,154	61.7%
Police Staff pay and allowances	52,534	56,876	(4,342)	(7.6%)	70,581	75,813	(5,231)	(6.9%)
Police Staff Overtime	901	688	212	30.8%	1,370	1,056	314	29.7%
PCSO pay and allowances	7,769	8,544	(774)	(9.1%)	10,610	11,387	(777)	(6.8%)
PCSO Overtime	15	2	13	598.6%	23	3	20	593.5%
Indirect Employee Expenses	941	915	26	2.8%	1,252	1,221	30	2.5%
Pensions	5,239	5,778	(540)	(9.3%)	7,620	7,704	(83)	(1.1%)
EMPLOYEE COSTS	167,209	176,162	(8,953)	(5.1%)	225,839	236,215	(10,376)	(4.4%)
PREMISES COSTS	10,225	10,071	154	1.5%	12,711	12,624	87	0.7%
TRANSPORT COSTS	3,890	3,617	274	7.6%	5,144	4,930	213	4.3%
S&S - COMMUNICATIONS AND COMPUTING COSTS	11,095	8,799	2,296	26.1%	14,543	12,495	2,048	16.4%
S&S - FORENSICS COSTS	55	35	20	55.7%	59	46	12	27.0%
S&S - OTHER COSTS	8,899	11,629	(2,730)	(23.5%)	15,891	14,603	1,288	8.8%
PARTNERSHIP COSTS (3RD PARTY PAYMENTS)	9,754	9,861	(107)	(1.1%)	14,181	14,378	(197)	(1.4%)
TRANSFERS TO/(FROM) RESERVES	(3,611)	(3,220)	(391)	12.2%	(2,618)	(3,192)	574	(18.0%)
CAPITAL FINANCING COSTS	7,845	8,089	(244)	(3.0%)	11,425	11,740	(315)	(2.7%)
OUTSTANDING SAVINGS TARGET	0	(3,183)	3,183	(100.0%)	0	(3,279)	3,279	(100.0%)
TOTAL CONSTABULARY EXPENDITURE	215,361	221,861	(6,499)	(2.9%)	297,175	300,561	(3,386)	(1.1%)
INCOME - SPECIAL GRANTS	(5,642)	(5,642)	(0)	0.0%	(7,523)	(7,523)	(0)	0.0%
INCOME - OTHER	(11,825)	(9,580)	(2,245)	23.4%	(15,390)	(13,316)	(2,075)	15.6%
TOTAL CONSTABULARY INCOME	(17,467)	(15,222)	(2,245)	14.7%	(22,913)	(20,838)	(2,075)	10.0%
TOTAL CONSTABULARY (exc Misc/Grants/Secondees)	197,895	206,639	(8,744)	(4.2%)	274,262	279,723	(5,461)	(2.0%)
MISCELLANEOUS	(69)	(33)	(36)	109.0%	(33)	(33)	0	0.0%
GRANTS	84	58	25	43.8%	150	0	150	
SECONDEES	16	(0)	16		0	0	0	
TOTAL CONSTABULARY	197,925	206,664	(8,739)	(4.2%)	274,379	279,690	(5,311)	(1.9%)
OFFICE OF THE POLICE AND CRIME COMMISSIONER	945	1,061	(116)	(10.9%)	1,421	1,428	(7)	(0.5%)
COMMISSIONING COSTS	1,160	2,526	(1,366)	(54.1%)	3,332	3,368	(36)	(1.1%)
TOTAL OPCC AND COMMISSIONING	2,106	3,587	(1,481)	(41.3%)	4,753	4,796	(43)	(0.9%)
TOTAL REVENUE EXPENDITURE	200,031	210,251	(10,220)	(4.9%)	279,132	284,486	(5,354)	(1.9%)

OFFICIAL

ANNEX B - Mgt Structure 2018/19 Revenue Outturn December 2018	18/19 YTD Actual £'000	YTD Actual 18/19 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %	18/19 Projected Outturn £'000	18/19 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
Neighbourhood Policing	20,242	20,576	(334)	(1.6%)	27,175	27,362	(187)	(0.7%)
Road Safety	41	147	(106)	(72.4%)	136	175	(39)	(22.2%)
Offender Management	3,635	3,657	(23)	(0.6%)	4,817	4,864	(46)	(1.0%)
Victims and Safeguarding	2,903	3,106	(202)	(6.5%)	3,779	4,065	(285)	(7.0%)
NEIGHBOURHOOD & PARTNERSHIP	26,821	27,486	(665)	(2.4%)	35,908	36,465	(557)	(1.5%)
Command and Control	13,065	13,224	(159)	(1.2%)	17,480	17,674	(194)	(1.1%)
Patrol	34,948	36,913	(1,966)	(5.3%)	46,926	49,520	(2,594)	(5.2%)
Detainee Investigation Support	4,372	4,688	(316)	(6.7%)	5,839	6,281	(442)	(7.0%)
RESPONSE	52,385	54,825	(2,441)	(4.5%)	70,245	73,475	(3,230)	(4.4%)
Criminal Justice	7,745	9,207	(1,462)	(15.9%)	11,666	12,060	(395)	(3.3%)
Operations	5,448	5,388	60	1.1%	7,374	7,215	159	2.2%
Operations Major Incidents	76	126	(51)	(40.0%)	207	207	(0)	(0.0%)
Intelligence and Tasking	8,827	9,198	(370)	(4.0%)	11,859	12,319	(460)	(3.7%)
OPERATIONAL SUPPORT	22,095	23,918	(1,823)	(7.6%)	31,106	31,802	(696)	(2.2%)
Investigation	17,548	18,696	(1,148)	(6.1%)	23,860	24,927	(1,067)	(4.3%)
Investigation Major Incidents	865	599	266	44.4%	878	842	36	4.3%
INVESTIGATION	18,413	19,295	(882)	(4.6%)	24,738	25,770	(1,031)	(4.0%)
Triforce Specialist Operations	8,733	8,856	(122)	(1.4%)	11,908	11,730	178	1.5%
Scientific Investigations	3,318	3,375	(57)	(1.7%)	6,713	6,720	(7)	(0.1%)
Major Crime Investigations	3,492	3,643	(151)	(4.1%)	4,529	4,781	(251)	(5.3%)
South West ROCU	3,015	3,015	0	0.0%	3,015	3,015	0	0.0%
Special Branch	714	745	(31)	(4.1%)	972	1,040	(68)	(6.6%)
Black Rock	387	394	(7)	(1.7%)	788	788	0	0.0%
Counter Terrorism Specialist Firearms	491	624	(133)	(21.2%)	590	815	(225)	(27.7%)
Tri Force ACC	89	84	5	5.9%	99	84	15	18.5%
COLLABORATION	20,240	20,735	(495)	(2.4%)	28,614	28,972	(358)	(1.2%)
Technology Services	12,740	10,521	2,219	21.1%	17,195	15,026	2,169	14.4%
SWOne Unitary Charge	1,585	1,660	(75)	(4.5%)	1,585	1,660	(75)	(4.5%)
INFORMATION TECHNOLOGY DIRECTORATE	14,325	12,181	2,144	17.6%	18,780	16,686	2,094	12.5%
Chief Officer Group	1,458	1,411	46	3.3%	1,920	1,927	(7)	(0.3%)
Stores, Facilities & Evidential Property	2,462	2,976	(514)	(17.3%)	3,611	3,871	(260)	(6.7%)
Transport Services	3,091	3,277	(186)	(5.7%)	4,689	4,510	178	3.9%
Services Hub	2,688	2,882	(194)	(6.7%)	3,805	4,011	(207)	(5.2%)
Finance Department	1,103	1,180	(77)	(6.5%)	1,417	1,545	(129)	(8.3%)
Strategic Procurement Services	274	381	(106)	(27.9%)	422	507	(85)	(16.8%)
Estates	9,544	9,469	75	0.8%	11,848	11,682	166	1.4%
Corporate Information Management	364	263	100	38.2%	364	264	100	37.8%
FINANCE & BUSINESS SERVICES DIRECTORATE	20,983	21,839	(856)	(3.9%)	28,074	28,317	(243)	(0.9%)
Human Resources	3,211	3,443	(232)	(6.7%)	4,260	4,475	(215)	(4.8%)
Staff Associations	598	519	79	15.2%	767	679	88	13.0%
Learning	3,554	3,498	56	1.6%	4,759	4,661	98	2.1%
Legal Services	861	682	179	26.2%	931	856	75	8.7%
Occupational Health	637	570	68	11.9%	887	690	197	28.6%
Health & Safety	73	68	5	7.8%	97	91	6	6.5%
PEOPLE & ORG DEVELOPMENT DIRECTORATE	8,934	8,780	154	1.8%	11,701	11,452	249	2.2%
Transformation	571	787	(216)	(27.4%)	776	1,046	(270)	(25.8%)
Improvement	1,422	1,594	(172)	(10.8%)	1,927	2,121	(194)	(9.1%)
Force Crime & Incident Registrar	181	169	12	6.9%	246	226	19	8.5%
Strategic Projects	1,721	1,824	(104)	(5.7%)	2,339	2,881	(541)	(18.8%)
Corporate Communications	610	651	(41)	(6.3%)	843	869	(26)	(3.0%)
Professional Standards Department	1,406	1,320	86	6.5%	1,930	1,760	170	9.7%
TRANSFORMATION & IMPROVEMENT DIRECTORATE	5,911	6,345	(435)	(6.8%)	8,061	8,903	(842)	(9.5%)
Pensions	7,482	8,006	(524)	(6.5%)	10,403	10,489	(85)	(0.8%)
Officer & Staff Allowances	462	3,704	(3,242)	(87.5%)	1,045	4,614	(3,569)	(77.3%)
Central Costs	(1,669)	1,001	(2,670)	(266.8%)	3,289	3,080	209	6.8%
Central Savings	0	(3,157)	3,157	(100.0%)	0	(3,157)	3,157	(100.0%)
Student Officers	1,511	1,679	(168)	(10.0%)	2,297	2,855	(558)	(19.5%)
CENTRAL COSTS	7,787	11,234	(3,447)	(30.7%)	17,034	17,880	(846)	(4.7%)
TOTAL CONSTABULARY (exc Misc/Grants/Secondees)	197,895	206,639	(8,744)	(4.2%)	274,262	279,723	(5,461)	(2.0%)
MISCELLANEOUS	(69)	(33)	(36)	109.0%	(33)	(33)	0	0.0%
GRANTS	84	58	25	43.8%	150	0	150	
SECONDEES	16	(0)	16		0	0	0	
TOTAL CONSTABULARY	197,925	206,664	(8,739)	(4.2%)	274,379	279,690	(5,311)	(1.9%)
OFFICE OF THE POLICE AND CRIME COMMISSIONER	945	1,061	(116)	(10.9%)	1,421	1,428	(7)	(0.5%)
COMMISSIONING COSTS	1,160	2,526	(1,366)	(54.1%)	3,332	3,368	(36)	(1.1%)
TOTAL OPCC AND COMMISSIONING	2,106	3,587	(1,481)	(41.3%)	4,753	4,796	(43)	(0.9%)
TOTAL REVENUE EXPENDITURE	200,031	210,251	(10,220)	(4.9%)	279,132	284,486	(5,354)	(1.9%)

OFFICIAL

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Police Officer Overtime December 2018	TOTAL	YTD Budget	YTD Variance	YTD %	Projection Q3	Annual Budget	Projected Outturn
Neighbourhood Policing	64.6	56.7	7.9	14.0%	94.8	85.1	9.7
Road Safety	-	-	-		-	-	-
Offender Management	17.6	16.8	0.8	4.8%	26.4	25.2	1.2
Victims and Safeguarding	4.8	7.0	- 2.2	-31.7%	7.2	10.5	- 3.3
NEIGHBOURHOOD & PARTNERSHIP	87.0	80.5	6.5	8.1%	128.3	120.8	7.5
Command and Control	0.1	3.5	- 3.5	-98.2%	0.1	5.3	- 5.2
Patrol	875.9	707.7	168.2	23.8%	1,394.1	1,164.1	230.0
Detainee Investigation Support	40.2	35.6	4.6	13.0%	70.0	58.1	11.9
RESPONSE	916.1	746.8	169.3	22.7%	1,464.3	1,227.5	236.8
Criminal Justice	92.7	64.6	28.1	43.4%	146.3	104.9	41.4
Operations	1,272.2	161.4	1,110.8	688.3%	1,560.3	235.1	1,325.2
Operations Major Incidents	7.3	89.9	- 82.7	-91.9%	177.0	155.0	22.0
Intelligence and Tasking	33.5	53.6	- 20.1	-37.4%	52.7	83.9	- 31.2
OPERATIONAL SUPPORT	1,405.7	369.6	1,036.1	280.4%	1,936.3	578.9	1,357.4
Investigation	480.6	301.2	179.4	59.6%	742.2	473.0	269.2
Investigation Major Incidents	321.3	268.8	52.5	19.5%	384.3	384.3	-
INVESTIGATION	801.9	570.0	231.9	40.7%	1,126.5	857.3	269.2
Triforce Specialist Operations	411.3	180.5	230.8	127.8%	632.4	285.8	346.6
Scientific Investigations	0.0	-	0.0		0.0	-	0.0
Major Crime Investigations	7.0	10.9	- 3.9	-36.0%	14.3	18.0	- 3.7
South West ROCU	-	-	-		-	-	-
Special Branch	11.9	7.0	5.0	71.1%	16.6	10.8	5.8
Black Rock	-	-	-		-	-	-
Counter Terrorism Specialist Firearms	64.9	6.1	58.8	965.1%	82.0	9.5	72.5
Tri Force ACC	-	-	-		-	-	-
COLLABORATION	495.2	204.5	290.7	142.1%	745.4	324.1	421.3
Chief Officer Group	1.0	-	1.0		1.0	-	1.0
FINANCE & BUSINESS SERVICES DIRECTORATE	1.0	-	1.0		1.0	-	1.0
Human Resources	0.8	-	0.8		1.1	-	1.1
Staff Associations	-	0.2	- 0.2	-100.0%	-	0.3	- 0.3
Learning	2.6	3.5	- 0.8	-24.2%	6.3	5.2	1.1
PEOPLE & ORGANISATIONAL DEVELOPMENT DIRECTORATE	3.4	3.7	- 0.3	-7.4%	7.4	5.5	1.9
Transformation	-	-	-		-	-	-
Improvement	0.2	3.9	- 3.6	-94.2%	0.3	5.8	- 5.5
Force Crime & Incident Registrar	-	-	-		-	-	-
Strategic Projects	0.0	-	0.0		-	-	-
Corporate Communications	-	-	-		-	-	-
Professional Standards Department	2.1	1.2	0.9	75.4%	2.9	1.8	1.1
TRANSFORMATION & IMPROVEMENT DIRECTORATE	2.3	5.1	- 2.7	-53.9%	3.2	7.6	- 4.4
Pensions	-	-	-		-	-	-
Officer & Staff Allowances	150.4	247.0	- 96.7	-39.1%	217.2	370.7	- 153.5
Central Costs	0.0	-	0.0		16.8	-	16.8
Central Savings	-	-	-		-	-	-
Student Officers	0.7	-	0.7		-	-	-
CENTRAL COSTS	151.1	247.0	- 95.9	-38.8%	234.0	370.7	- 136.7
TOTAL CONSTABULARY (exc Misc/Grants/Secondees)	3,863.8	2,227.2	1,636.6	73.5%	5,646.5	3,492.4	2,154.1
MISCELLANEOUS	0.5	-	0.5		-	-	-
GRANTS	45.8	91.3	- 45.5	-49.9%	-	108.7	- 108.7
SECONDEES	20.3	28.3	- 8.0	-28.3%	-	37.7	- 37.7
TOTAL CONSTABULARY	3,930.3	2,346.7	1,583.6	67.5%	5,646.5	3,638.8	2,007.7

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Police Staff Overtime December 2018	TOTAL	YTD Budget	YTD Variance	YTD %	Projection Q3	Annual Budget	Projected Outturn (under) / over
Neighbourhood Policing	8.3	6.7	1.6	23.7%	12.6	10.1	2.5
Road Safety	-	-	-		-	-	-
Offender Management	19.7	7.9	11.7	148.1%	29.5	11.9	17.6
Victims and Safeguarding	9.9	14.5	- 4.6	-31.8%	18.4	21.9	- 3.5
NEIGHBOURHOOD & PARTNERSHIP	37.9	29.1	8.7	30.0%	60.5	43.9	16.6
Command and Control	194.3	188.8	5.5	2.9%	307.8	297.3	10.5
Patrol	0.5	-	0.5		0.5	-	0.5
Detainee Investigation Support	12.8	19.5	- 6.7	-34.2%	22.3	32.1	- 9.8
RESPONSE	207.6	208.3	- 0.7	-0.3%	330.5	329.4	1.1
Criminal Justice	109.3	74.6	34.7	46.5%	168.3	114.9	53.4
Operations	18.3	2.8	15.5	558.9%	24.7	4.5	20.2
Operations Major Incidents	9.5	6.7	2.9	42.8%	11.0	10.0	1.0
Intelligence and Tasking	33.7	28.8	4.9	17.1%	52.5	45.0	7.5
OPERATIONAL SUPPORT	170.7	112.8	58.0	51.4%	256.6	174.4	82.2
Investigation	77.2	5.9	71.4	1217.0%	116.0	8.8	107.2
Investigation Major Incidents	110.6	100.5	10.1	10.0%	150.0	150.0	-
INVESTIGATION	187.8	106.4	81.5	76.6%	266.0	158.8	107.2
Triforce Specialist Operations	0.2	0.9	- 0.7	-78.6%	0.3	1.4	- 1.1
Scientific Investigations	47.4	41.1	6.3	15.4%	72.9	61.7	11.2
Major Crime Investigations	29.8	9.8	20.0	204.2%	39.6	15.5	24.1
South West ROCU	-	-	-		-	-	-
Special Branch	0.8	0.4	0.4	105.7%	1.1	0.6	0.5
COLLABORATION	78.3	52.2	26.0	49.8%	114.0	79.2	34.8
Technology Services	14.6	54.8	- 40.2	-73.4%	21.9	82.2	- 60.3
SWOne Unitary Charge	-	-	-		-	-	-
INFORMATION TECHNOLOGY DIRECTORATE	14.6	54.8	- 40.2	-73.4%	21.9	82.2	- 60.3
Chief Officer Group	6.5	12.2	- 5.7	-47.0%	9.7	18.3	- 8.6
Stores, Facilities & Evidential Property	19.2	12.3	7.0	56.8%	25.8	18.4	7.4
Transport Services	52.5	33.7	18.9	56.1%	99.0	50.5	48.5
Services Hub	37.2	5.9	31.3	530.9%	57.8	9.4	48.4
Finance Department	3.4	-	3.4		3.4	-	3.4
Strategic Procurement Services	-	-	-		-	-	-
Estates	4.5	1.5	3.0		4.5	2.5	2.0
Corporate Information Management	0.1	-	0.1		0.1		0.1
FINANCE & BUSINESS SERVICES DIRECTORATE	123.3	65.5	57.8	88.3%	200.3	99.1	101.2
Human Resources	19.4	4.0	15.4	385.8%	29.1	6.0	23.1
Staff Associations	0.3	-	0.3		0.5	-	0.5
Learning	17.9	2.1	15.8	764.9%	10.6	3.1	7.5
Legal Services	0.7	-	0.7		1.1	-	1.1
Occupational Health	-	-	-		-	-	-
Health & Safety	-	-	-		-	-	-
PEOPLE & ORGANISATIONAL DEVELOPMENT DIRECTORATE	38.3	6.1	32.3	532.0%	41.3	9.1	32.2
Transformation	0.3	-	0.3		0.5	-	0.5
Improvement	2.0	0.8	1.2	145.3%	22.3	1.2	21.1
Force Crime & Incident Registrar	-	-	-		-	-	-
Strategic Projects	0.3	-	0.3		0.3	-	0.3
Corporate Communications	11.3	13.7	- 2.5	-17.9%	18.0	20.8	- 2.8
Professional Standards Department	6.9	1.7	5.1	297.0%	8.6	2.6	6.0
TRANSFORMATION & IMPROVEMENT DIRECTORATE	20.7	16.3	4.5	27.6%	49.7	24.6	25.1
Pensions	-	-	-		-	-	-
Officer & Staff Allowances	36.8	39.3	- 2.4	-6.2%	52.5	58.9	- 6.4
Central Costs	-	-	-		-	-	-
Central Savings	-	-	-		-	-	-
Student Officers	-	-	-		-	-	-
CENTRAL COSTS	36.8	39.3	- 2.4	-6.2%	52.5	58.9	- 6.4
TOTAL CONSTABULARY (exc Misc/Grants/Secondees)	916.1	690.7	225.4	32.6%	1,393.4	1,059.6	333.8
MISCELLANEOUS	0.2	-	0.2		-	-	-
GRANTS	8.6	4.1	4.5	108.1%	-	5.5	- 5.5
SECONDEES	13.7	-	13.7		-	-	-
TOTAL CONSTABULARY	938.6	694.8	243.8	35.1%	1,393.4	1,065.1	328.3
OFFICE OF THE POLICE AND CRIME COMMISSIONER	2.6	5.0	- 2.4	-47.5%	-	7.5	- 7.5
COMMISSIONING COSTS	-	-	-		-	-	-
TOTAL OPCC AND COMMISSIONING	2.6	5.0	- 2.4	-47.5%	-	7.5	- 7.5
TOTAL REVENUE EXPENDITURE	941.3	699.8	241.4	34.5%	1,393.4	1,072.6	320.8

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Project Name	PLANNED BUDGET		QTR 3 YTD			FORECAST TO YEAR END			
	2018/19 after Q3 £000	Total 18/19 Budget	Accum Total to month 9 £'000	Qtr1,2&3 Budget £000	Qtr 3 Variance	Qtr 4 forecast £'000	Projected forecast to Year end	Total 18/19 Budget	Over/(Under) £'000
ASSET REPLACEMENT AND RENEWAL PROGRAMMES									
ICT									
ICT REPLACEMENT PROGRAMME TOTAL	1,182	2,150	340	1,141	(801)	728	1,068	2,150	(1,082)
ESTATES									
ESTATES REPLACEMENT PROGRAMME TOTAL	1,249	1,276	243	775	(532)	557	800	1,276	(476)
FLEET									
Rolling replacement and renewal programme	3,113	3,330	1,521	2,253	(732)	614	2,135	3,330	(1,195)
PROJECTS - Vehicle Telematics	0	11	25	11	14	0	25	11	14
Contingency	250	0	0	0	0	0	0	0	0
FLEET REPLACEMENT PROGRAMME TOTAL	3,363	3,341	1,546	2,264	(718)	614	2,160	3,341	(1,181)
EQUIPMENT									
Rolling replacement and renewal programme - Automatic Number Plate Recognition (ANPR)	208	208	47	88	(41)	117	164	208	(44)
Rolling replacement and renewal programme - Other	100	100	0	20	(20)	30	30	100	(70)
EQUIPMENT REPLACEMENT PROGRAMME TOTAL	308	308	47	108	(61)	147	194	308	(114)
ASSET REPLACEMENT AND RENEWAL PROGRAMME TOTAL	6,102	7,075	2,176	4,288	(2,112)	2,046	4,222	7,075	(2,853)
CAPITAL PROJECTS									
DIGITAL PROGRAMME									
PROJECTS - National Systems	465	733	11	332	(321)	13	24	733	(709)
PROJECTS - Digital Mobilisation	634	3,563	1,445	1,441	4	1,270	2,715	3,563	(848)
PROJECTS - Digital Evidencing (DEMS)	1,363	801	313	428	(115)	70	383	801	(418)
DIGITAL PROGRAMME TOTAL	2,462	5,097	1,769	2,201	(432)	1,353	3,122	5,097	(1,975)
INFRASTRUCTURE and ASSETS PROGRAMME									
HQ Sites Sub Total	220	237	49	237	(188)	165	214	237	(23)
Special Ops and Operational Training Sub Total	0	0	(21)	0	(21)	0	(21)	0	(21)
Somerset East (Yeovil) Sites Sub Total	950	950	48	70	(22)	126	174	950	(776)
North Somerset Sites Sub Total	0	20	5	20	(15)	0	5	20	(15)
Mendip/Sedgemoor Sites Sub Total	700	926	4	725	(721)	90	94	926	(832)
Bristol/North Sites Sub Total	2,720	2,574	252	474	(222)	713	965	2,574	(1,609)
Somerset West Sites Sub Total	850	1,003	428	153	275	323	751	1,003	(252)
Other Sub Total	85	85	0	0	0	0	0	85	(85)
INFRASTRUCTURE and ASSETS PROGRAMME TOTAL	5,525	5,795	765	1,679	(914)	1,417	2,182	5,795	(3,613)
SERVICE WORKFORCE AND DEVELOPMENT PROGRAMME									
SERVICE WORKFORCE AND DEVELOPMENT PROGRAMME TOTAL	3,089	2,420	764	804	(40)	623	1,387	2,420	(1,033)
REGIONAL PROGRAMME									
REGIONAL PROGRAMME TOTAL	0	0	0	0	0	0	0	0	0
OTHER PROJECTS									
OTHER PROJECTS TOTAL	350	620	159	95	64	340	499	620	(122)
CAPITAL PROJECTS TOTAL	11,426	13,932	3,457	4,779	(1,322)	3,733	7,190	13,932	(6,743)
FUNDED OR PART FUNDED PROJECTS									
INFORMATION AND COMMUNICATIONS SYSTEMS									
ICT FUNDED SCHEMES TOTAL	1,900	1,973	473	0	473	1,500	1,973	1,973	0
ESTATES									
ESTATES FUNDED SCHEMES TOTAL	708	1,225	663	40	623	0	663	1,225	(562)
FLEET									
FLEET FUNDED SCHEMES TOTAL	0	226	134	70	64	93	227	226	1
EQUIPMENT									
EQUIPMENT FUNDED SCHEMES TOTAL	0	87	33	42	(9)	35	68	87	(19)
FUNDED OR PART FUNDED PROJECTS	2,608	3,511	1,303	152	1,151	1,628	2,931	3,511	(580)
CAPITAL PROGRAMME TOTAL	20,136	24,518	6,949	9,219	(2,270)	7,407	14,356	24,518	(10,163)



Avon & Somerset Police & Crime Commissioner

Medium Term Financial Plan

2019/20 – 2023/24

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Executive Summary

The Medium Term Financial Plan (MTFP) provides important context for the Constabulary and the PCC in its forward strategic planning. It is prepared following discussions and consultation with budget holders, and through ongoing conversations between the PCC and Chief Constables Chief Finance Officers.

This plan sets out a more positive financial position for the PCC and the Constabulary than has been the case in recent years. Our funding is set to increase significantly, driven largely by the increased flexibility that the PCC has been granted in raising local council tax.

These increases enable us to present a balanced revenue budget over the next two years after we have delivered our current planned savings of £5.1m by April 2020.

2018/19 Budget = £284,486k	Forecast				
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
Budget requirement	310,806	312,538	319,526	326,001	332,600
Less; Total funding	306,274	307,421	311,906	316,548	321,354
(Surplus)/Deficit before savings	4,532	5,116	7,621	9,453	11,247
Savings	(4,532)	(5,116)	(5,116)	(5,116)	(5,116)
(Surplus)/Deficit after savings	-	-	2,505	4,337	6,131

The key assumptions that underpin this forecast position are:-

- Our **funding is forecast to grow by £36.9m/13.0% p.a.** by 2023/24, driven by:-
 - Main police grant funding will increase by **£3.4m/1.9%** in 19/20 and thereafter assumed frozen;
 - Council Tax funding will grow, driven by annual increases to our tax base of 1.63% in 19/20 and thereafter at 1.5% p.a., as well as increases to the precept of £24 in 19/20, followed by 1.99% p.a. – an **increase in this funding of £33.5m/30.9% p.a.** by 2023/24;
 - A one off grant of £2.8m has also been included in **19/20 only**, to offset the significantly larger forecast for police officer pension contribution;
- Our **budget requirement is forecast to increase by £48.1m/16.9% p.a.** by 2023/24, driven by factors such as:-
 - Annual uplift to **officer and staff pay** of 2% p.a. – an **increase in cost of £23.2m p.a.** by 2023/24;
 - Increased **police officer pension** employer contributions to a new rate of 31% - **an increase in cost of £6.5m;**
 - Annual increases to non-pay costs of 2.5% in 19/20 (3.5% for utilities/fuel costs, and 3.9% for NNDR), reducing to 2.0% (3.0% for utilities/fuel, and 3.9% for NNDR) thereafter. These assumptions are designed to keep track with **rising inflation pressures – an increase in cost of £4.9m p.a.** by 2023/24;
 - Increases in the amount of **revenue funding set aside to support capital investment**, and to replace other sources of capital funding which are expected to diminish over the medium term – **an uplift of £3.5m p.a.** increasing our regular direct annual contribution to £5m p.a., as well as **increases of £0.7m** to the revenue costs of borrowing by 2023/24;

- Increases resulting from **unavoidable commitments**, including uplifts to our forensics submissions costs resulting from market instability, and IT contractual commitments to secure the support for key corporate systems – **an uplift of £1.4m p.a. by 2023/24**; and
- **Investment and growth**, including a planned uplift equivalent to 100 officers, costing **£5.5m p.a. by 2023/24**.

The forecast position is not however without its challenges. Over five years our projections suggest that increases in our costs will outstrip our funding growth, requiring us to identify and realise further savings from 21/22 onwards. In total we forecast at this stage that new savings of £6.1m will be required by 2023/24. These new savings come after 8 years of austerity to date, in which we have already realised savings of £78m/26%, and at a time of increasing demand and pressure on policing.

We have continued to support the work led by the Association of Police and Crime Commissioners (APCC) and National Police Chiefs Council (NPCC) to put forward the case for why policing needs greater investment. We welcomed the announcements made by the Policing Minister in December that police were "feeling stretched" and promised forces would "have the resources they needed by 2019-2020".

The outcome of the settlement was very welcome, however we do recognise:-

- The continued affordability challenges for public sector spending within which the improved settlement has been made; and
- The financial challenges faced by individual households and the pressures that calls for increased council tax precepts could have on household budgets.

The improved settlement from Government comes with heightened expectations of the police service that it is able to demonstrate an ongoing commitment to transform itself. To that end we are continuing to plan for further transformation and change. These initiatives include:-

- Realising revenue savings of £5.1m from our enabling services and our intelligence and tasking functions, as well as through continued procurement savings and through reductions in our use of the National Police Air Service (NPAS);
- Making investment in our services that will see us undertake a proactive year-long Operation focussed on tackling drug crime, knife crime and burglary – this will be supported by specific operational funding of £2m in 2019/20;
- Investing in growth equivalent to 100 additional police officers, enabling us to further develop our dynamic proactive capability ensuring that the learning and benefits we plan to achieve through Operation Remedy can be sustained.

Our continued transformation also requires capital investment. Investments in our digital transformation, as well as across our estates and fleet, require funding to implement. Capital funding is increasingly under pressure to provide for our ambition, at the same time as maintaining and replacing our existing asset base. These plans therefore make forward provision for uplift to capital funding, both in terms of direct revenue contributions and in the form of planned borrowing.

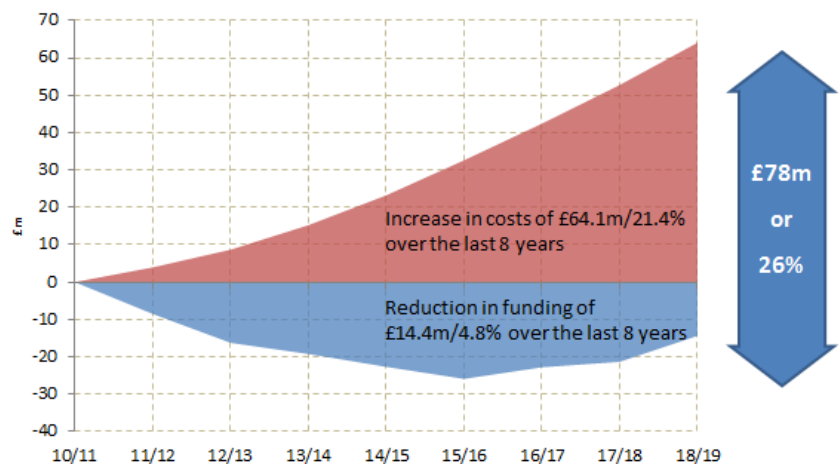
Our useable reserve levels stood at £36.0m at the end of March 2018, representing a reduction of £8.3m/18.7% over the preceding 12 months. Our medium term forecasts project continued reductions in our reserves as they are utilised to support our ongoing transformation and investment. By the end of March 2024 we forecast useable reserves will stand at £18.7m (a further reduction of £12.3m/34.0%), representing the recurring prudent level beyond which we are unlikely to drop much further.

Introduction

The context within which this MTFP has been prepared is one of significant uncertainty and change. We face increasingly complex challenges to keep communities, vulnerable victims and individuals safe, and tackle criminality, the impact of globalisation and extremism. We face these challenges at a time of significant political and economic uncertainty, after having already faced 8 years of austerity across our financial position.

Compared to 2010 Avon & Somerset now receives £14.4m less in overall funding.

During the same period we have seen our costs increase by £64.1m as we've managed the impacts of inflation, as well as having to account for specific cost changes (e.g. apprenticeship levy) and make provision to continue to support change and transformation.



Since 2010 therefore we have already had to find **£78m/26% of savings**.

2019/20 will be a year of significant change within Avon & Somerset. We will:-

- Deliver our **Operation Remedy** throughout 2019/20, realising performance improvements and improved outcomes in relation to drug, burglary and knife related crime and offences;
- Introduce new ways of bringing student police officers into the Constabulary through the launch of our **Police Constable Degree Apprenticeship (PCDA)** programme, which is in step with the College of Policing's new Professional Educational Qualification Framework (PEQF);
- **Increase our officer establishment by 100** enabling us to strengthen our dynamic proactive capability, thereby building on the improvements we plan to deliver through our Operation Remedy in a sustainable way;
- Implement and begin to embed our new **strategic framework**, starting with our new mission, vision and values (launched during 2018/19) and building this through our four new corporate strategies, and our new governance and assurance processes and mechanisms;
- Continue to **restructure aspects of our enabling services functions** to release increased efficiency and effectiveness in their delivery, and to realise savings on a recurring basis;
- Continue to **enhance our business intelligence and insights**, utilising our investment in business analytics capabilities and enhancing this to include insight into our partners' data;
- Bring forward opportunities to **rationalise our estate and fleet**, delivering a modern, sustainable, flexible and efficient property and fleet portfolio that supports both an effective Constabulary and the communities it serves; and
- Continue our **investment in enhancing our leadership capabilities**, improving staff health and **wellbeing**, and furthering our ambition to increase the **diversity** of our workforce.

It is in this national and local context that this MTFP has been prepared.

Revenue Funding

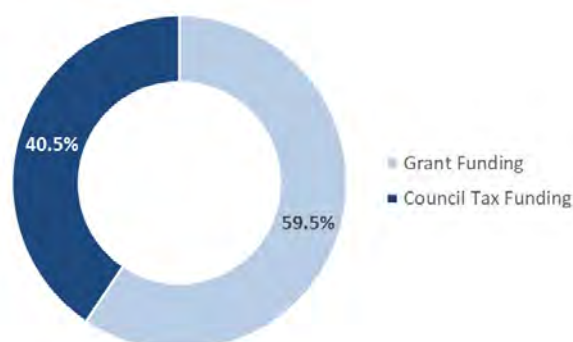
The PCC receives two main sources of funding:-

- Government grant funding; and
- Council tax funding.

Over the medium term we expect our total funding to see an **increase of £36.9m/13.0% by the 2023/24** financial year.

Underlying this forecast is a continued shift in the profile of our funding, which will see more and more of our funding derived through local council tax as opposed to government grant.

Figure 1: 19/20 Profile of funding



	Actual	Forecast				
	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
Grant funding	175,914	182,093	179,265	179,265	179,265	179,265
Council tax funding	108,572	124,181	128,156	132,641	137,283	142,089
TOTAL funding	284,486	306,274	307,421	311,906	316,548	321,354

Figure 2: Actual and forecast profile of total funding



Grant Funding

The forecasts for our future grant funding focus on these areas:-

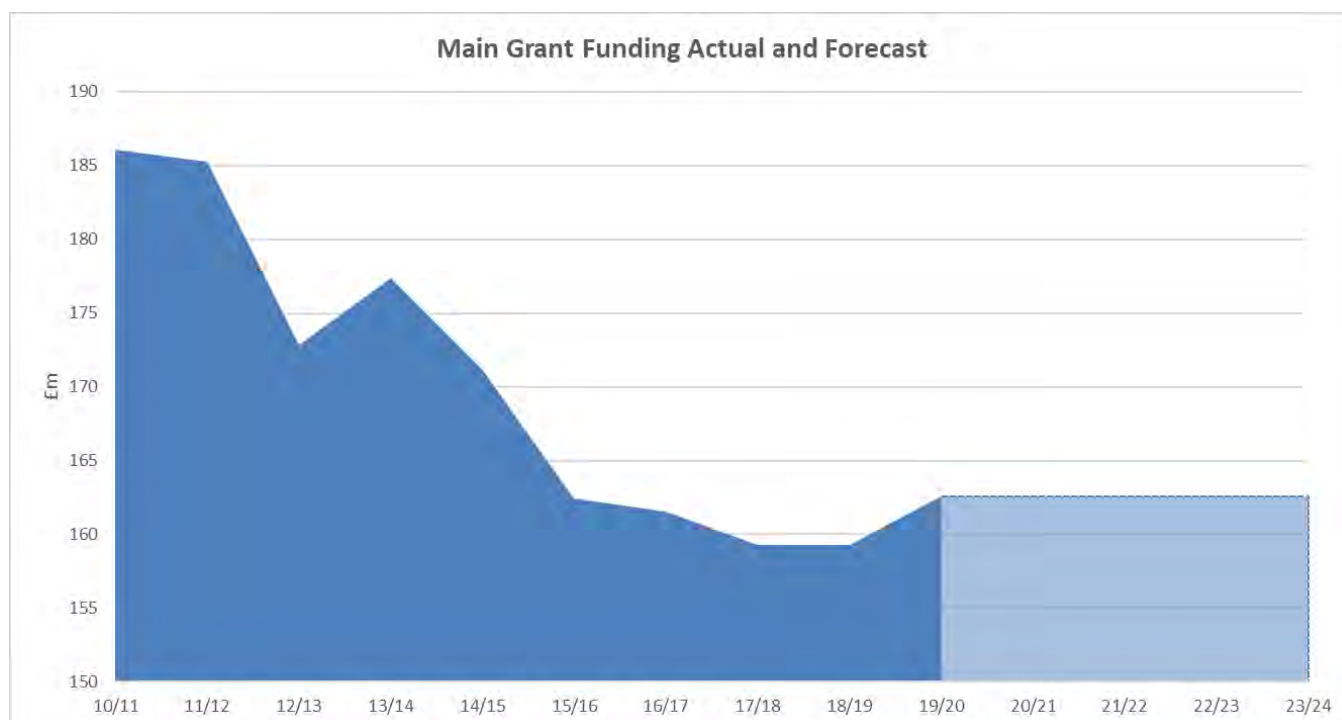
- Main grant funding;
- Legacy council tax grant funding;
- Victims grant funding.
- Pensions Grant

There are other sources of grant funding (e.g. Counter Terrorism grant funding) but these are all passed straight through to the Chief Constable to support specific activity within the Constabulary.

	Actual	Forecast				
	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
Main grant funding	159,254	162,598	162,598	162,598	162,598	162,598
Legacy council tax funding	14,709	14,709	14,709	14,709	14,709	14,709
Victims grant funding	1,951	1,958	1,958	1,958	1,958	1,958
Pensions grant	-	2,828	-	-	-	-
TOTAL grant funding	175,914	182,093	179,265	179,265	179,265	179,265

Main grant funding – This funding will increase by £3.3m/2.1% in 19/20, reflecting the statements made by the Policing Minister when the provisional settlement was announced in December 2018. Thereafter we recognise that the value of future grant funding is subject to the considerations of the spending review which will be carried out during 2019. We have forecast that the value of this **grant will remain frozen at its 19/20 value for the duration of the MTFP**. We consider this a prudent position given the uncertainty of the spending review, and in recognition of the growing acknowledgement from Government as to the strain policing as a service is under. This forecast is consistent to that being made by other PCC's.

Figure 3: Main grant funding actual and projected value



Legacy council tax grant funding – This grant funding is analysed separately from the main grant funding, and is the combination of:-

- funding that is paid in recognition of historic council tax freezes (therefore only payable to those PCC's who froze council tax in relevant years); and
- funding which reflects the abolition of council tax benefit and the replacement of this with local council tax discount schemes (payable to all PCCs to replace funds previously paid through as council tax income).

The 19/20 value of this funding is £14.7m, and this is **forecast to remain frozen for the duration of the MTFP**.

Victims grant funding – This grant is awarded to PCCs annually from the Ministry of Justice to support the commissioning of victims services, including £906k pass through to the Chief Constable to support the Lighthouse Safeguarding Unit, with the remainder retained by the PCC to support the commissioning of wider victims' services. This funding has remained substantially frozen since it was introduced 2015/16, and we have assumed that it will remain **frozen across the MTFP period**.

Council Tax Funding

The value of council tax income received in any one year is determined by three key factors:-

- The value of the **precept** set by the Police and Crime Commissioner;
- The **tax base** (no. and profile of properties) from which council tax will be collected;
- Effectiveness of collection in previous year generating **surplus or deficit on the collection fund**.

	Actual	Forecast				
	18/19	19/20	20/21	21/22	22/23	23/24
Precept (£p)	£193.81p	£217.81p	£222.14p	£226.56p	£231.07p	£235.67p
Tax base (No.)	556,019	565,063	573,539	582,142	590,874	599,737
Precept Income (£'000)	107,760	123,076	127,406	131,891	136,533	141,339
Surplus/(Deficit) (£'000)	812	1,104	750	750	750	750
Total Council Tax (£'000)	108,572	124,181	128,156	132,641	137,283	142,089

As a result of the assumptions we are making across these three factors we forecast that our **council tax funding will increase by £33.5m/30.9% over the next five years**.

Precept – The value of the precept is defined by the rate applicable to an average Band D property. Currently Avon & Somerset have the median average Band D precept value of all PCCs across England and Wales - £193.81.

In considering the level of precept to set the PCC has made consideration of:-

- The views of the public, as expressed to her through a range of ongoing public engagement activity;
- The views of the Police and Crime Panel, who have a power of veto over the precept; and
- The Governments council tax referendum principles which establish the level above which a local referendum must be held in order to approve a proposed increase to the value of the precept.

In 18/19 the PCC approved annual increases to the precept of £12 per household. This decision was reached in light of all the considerations outlined above, and reflects the PCC's continued desire to protect Neighbourhood Policing, and provide the Chief Constable with the maximum possible funds to help deliver her police and crime plan.

The referendum principle for 19/20 has provided PCCs with greater flexibility, allowing for an annual increase up to £24 per household (which would equate to a 12.4% increase).

The PCC has confirmed it is her intention to maximise the opportunity presented, and raise the council tax by £24 in 19/20, thereafter followed by 1.99% p.a. over the life of this MTFP. The table below sets out the impact of these changes:-

	Actual	Forecast				
	18/19 £p	19/20 £p	20/21 £p	21/22 £p	22/23 £p	23/24 £p
Av. Band D Precept	£193.81	£217.81	£222.14	£226.56	£231.07	£235.67
Annual Increase %		+12.38%	+1.99%	+1.99%	+1.99%	+1.99%
Annual Increase £p		+£24.00	+£4.33	+£4.42	+£4.51	+£4.60

Tax base – This is the number of properties against which tax can be collected, expressed as a weighted average at Band D, and adjusted for a collection rate. In our area we have 8 billing authorities (this was previously 9; West Somerset and Taunton Deane have now merged to become Somerset West and Taunton), and we have to collate this from them all. There are a number of factors which can impact on the growth in this figure, with volume of new house building being the single biggest factor.

We have seen strong growth in our local tax base over recent years. In 2018/19 our tax base stood at 556,019, after growth of 1.32% compared to the previous year, and the indications from our billing authorities is that we will continue to see growth in our tax base into 2019/20:-

	18/19 No.	19/20 No.	Change No.	Change %
Bath & North East Somerset	64,347	65,688	1,341	2.08%
Bristol	125,798	126,999	1,201	0.95%
North Somerset	78,003	79,372	1,368	1.75%
South Gloucestershire	92,631	94,611	1,980	2.14%
Unitary ("Avon") authorities	360,779	366,669	5,890	1.60%
Mendip DC	39,599	40,496	897	2.26%
Sedgemoor DC	40,078	41,009	931	2.32%
South Somerset DC	59,988	60,266	278	0.46%
West Somerset & Taunton	55,574	56,623	1,049	1.89%
District ("Somerset") authorities	195,240	198,394	3,154	1.62%
TOTAL Tax Base	556,019	565,063	9,044	1.63%

As the above table demonstrates we will see fairly significant variation in growth across our billing authorities. The current position will see extremes of a 2.32% increase in Sedgemoor, compared with just

a 0.46% increase in South Somerset. The growth in 19/20 is higher than experienced last year, we are therefore confident in the level of ongoing house building locally to retain an assumption that the tax base will continue to grow at a rate of 1.5% p.a. for the remainder of the MTFP period.

Collection fund surplus – This represents our share of any surplus or deficit on the collection fund as calculated by our 8 collecting authorities. Historically, all of our local collecting authorities have generated a sizeable surplus.

However, the indication from our billing authorities is that maintaining this level of surplus is proving to be a challenge. South Somerset now predicts a deficit in 19/20, of which our share equates to £28k. The remaining billing authorities are forecasting surpluses of varying values. The combined result across our eight billing authorities is a **net surplus position of £1.1m in 19/20**.

The challenges are expected to continue, particularly with the roll out of universal benefit, and the wider economic challenges hitting household budgets. As a consequence it is recognised that there may be some difficulties in achieving collection levels and surpluses like those experienced in recent years. For the purposes of planning we are making the **assumption that our share will be £0.75m p.a. over the medium term**.

The Revenue budget requirement

The budget requirement accounts for how the PCC will commit expenditure that enables the provision of policing and community safety across Avon & Somerset.

	Forecast				
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
PCC's Office budget requirement	1,417	1,437	1,467	1,502	1,542
PCC's Commissioning budget requirement	3,438	3,438	3,438	3,438	3,438
Chief Constables budget requirement	301,420	302,547	309,506	315,946	322,505
TOTAL budget requirement	306,274	307,422	314,410	320,885	327,485

PCC's Office budget requirement

This budget reflects the costs of the PCC and her immediate office that enables and supports the fulfilment of the full range of duties of the Police and Crime Commissioner.

	Forecast				
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
18/19 Base budget	1,358	1,358	1,358	1,358	1,358
Pay and inflationary adjustments	+40	+60	+90	+125	+165
Adjustment (transfer of post from Constabulary to OPCC)	+19	+19	+19	+19	+19
OPCC Budget Requirement	1,417	1,437	1,467	1,502	1,542

18/19 Base Budget – The 18/19 base budget was set at £1,358k. This budget supports the PCC, and a team of 18 Full Time Equivalent (FTE) staff who support her in the range of activities undertaken in the fulfilment of her statutory duties.

Pay and inflationary adjustments – Applying the same assumptions to the OPCC budgets as those used for the Chief Constables budgets (see below for more detail) identifies an inflationary pressure over the MTFP period. This predominantly relates to increased costs for both pay and non-pay items.

PCC's commissioning budget requirement

This budget supports the commissioning of services from external organisations.

	Forecast				
	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000
18/19 Base budget	3,438	3,438	3,438	3,438	3,438
Annual budget requirement	3,438	3,438	3,438	3,438	3,438

We have assumed no change in the Commissioning budget.

This budget is used by the PCC to commission core services across the following areas:-

	2019/20 £'000
Drug and alcohol referral services	555
Victims services (inc SARC, but excl those within Constabulary)	1,749
Appropriate adult services	52
Mental health triage service in A&S call centre	159
Restorative justice services	180
Police and crime grants for community safety and other 3 rd party work	743
TOTAL	3,438

In addition to the above new Independent Sexual Advisors (ISVA) services will be procured, utilising £80k of new funding from NHS England.

The commissioning budget provisions for those victims' services commissioned from other organisations. The funding provided to the Chief Constable for the provision of the Lighthouse victims services (£906k confirmed for 2019/20), is captured within the Chief Constables budget requirement set out below.

Chief Constable's budget requirement

This budget reflects the majority of the overall budget requirement, providing funds to support the Chief Constable and the Constabulary in the provision of policing services to the communities of Avon & Somerset.

	Forecast				
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
Original 18/19 Base budget	279,690	279,690	279,690	279,690	279,690
In-Year Adjustments to budget	+634	+634	+634	+634	+634
Restated 18/19 Base budget	280,324	280,324	280,324	280,324	280,324
Pay & staffing adjustments	+10,484	+15,359	+20,449	+25,288	+30,240
Non-pay inflationary adjustments	+1,067	+1,921	+2,859	+3,777	+4,718
Cost of capital adjustments	+4,858	+2,314	+3,253	+3,758	+4,244
Growth and commitments	+6,718	+5,745	+5,737	+5,915	+6,095
Drafting Provisions and Contingencies	+2,500	+2,000	+2,000	+2,000	+2,000
Cumulative increase in costs	+25,627	+27,339	+34,298	+40,738	+47,297
Budget requirement (before savings)	305,952	307,663	314,622	321,062	327,621

18/19 Base Budget – Our budget for 2018/19 included an in-year savings target in order to balance. During the course of the year we have recognised savings against this target, some of which were time limited (e.g. relating to one off savings like provisioning for a 3% pay award for staff and officers that was

only 2%), and some of which are permanent (e.g. savings from restructuring our enabling services). Against this budget we have recognised those savings which have been achieved enabling us to make the adjustment to our budgets. Not all planned savings have yet reached the point where the budget could be adjusted, thereby leaving a residual 18/19 savings target of £634k. It is therefore necessary to build in this balance onto our base budget position in order to project forward a true budget requirement. Including this balance on our base budget, results in an adjusted base budget position of £280.3m.

This base budget makes provision for an establishment of:-

Budgeted Establishment	Core Funded FTE	Externally Funded FTE	Collaboration FTE	TOTAL FTE
Police Officers	2,309	113	327	2,749
Police Community Support Officers	329	11	-	340
Police Staff	1,921	115	325	2,361
TOTAL Budgeted establishment	4,559	239	652	5,350

Pay & staffing adjustments – Pay and employee related costs are the single biggest area of spend for the Constabulary, representing nearly 80% of our total costs. It should therefore be expected that this area of spend is where we forecast the biggest change to our costs over the MTFP period.

- **Pay Awards** – Our budget projections must make provision for annual increases to pay, in line with anticipated future pay awards. The announcement of the 2017 officer pay award (a 1% increase coupled with a 1% bonus) signalled a change in the restrictions placed on pay increases for police officers and staff. Sept 2018 saw an increase of 2% and it is therefore important that our forecasts reflect this:-

Annual pay uplift (w/e 1st September)	Forecast				
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
Annual % uplift	+2%	+2%	+2%	+2%	+2%
Officers cumulative pay uplift	+2,784	+5,528	+8,371	+11,270	+14,228
Staff cumulative pay uplift	+1,726	+3,458	+5,253	+7,085	+8,953
TOTAL cumulative pay uplift	+4,509	+8,986	+13,624	+18,355	+23,181

Our general working assumption is that pay will increase by 2% p.a. throughout the life of the MTFP period. However we recognise the potential for there to be some further relaxation here, particularly in light of the funding settlement.

The result of these assumptions is that our **costs will increase by £23.2m p.a. by 2023/24** – making this the single biggest increase in our costs recognised in this MTFP.

- **Change to officer and staff unit cost** – We have reviewed the current profile of officers and staff against the budgeted pay cost (adjusting for average where there are vacancies), and in so doing we recognise that in many areas the unit cost per officer/staff is less than in the budget. This is the consequence of the turnover of officers and staff, and reflects the profile of individuals within the pay scales. The result of this analysis is that we are able to reduce our unit cost in most areas of our

pay, resulting in a **reduction to our pay budgets in 18/19 of £713k p.a.** As this is an adjustment to base, this change is reflected across the MTFP period;

- **Officer Pensions – actuarial valuation adjustments** – An actuarial review of the officer pension schemes was concluded in 18/19 by the Government. This resulted in the employer contribution for these schemes increasing from 24.2% to 31%. This **adds £6,516k p.a.** cost to the Constabulary;
- **LGPS Pensions deficit lump-sum** – The lump-sum change requires us to make 2% uplifts each year. We have therefore reflected the cost of this within our MTFP, **adding £525k p.a. to our base budget by 2023/24;**
- **Overtime adjustments** – An annual adjustment is made to the budget to reflect the number of bank holidays which fall within any one particular financial year. Owing to the date on which Easter falls each year as well as whether Christmas falls on a weekend, this can vary from one year to the next (e.g. 19/20 has 8 bank holidays, whereas 2021/22 has 11 bank holidays);
- **Housing allowance and comp grant adjustments** – Adjustment is made to our budget to reflect the forecast reduction in officers who continue to receive housing allowance and comp grant;
- **Apprenticeship Levy** – Adjustment was made to recognise the impact of the return of Tech Services staff from SW1.

Non-pay inflationary adjustments – It has been our policy over the past few years to restrict the inflationary uplifts made to our non-pay budgets. This has been possible through low inflationary pressures and strong financial and budgetary control throughout the organisation. Wider economic factors are now placing strain on our non-pay budgets, and we forecast that these pressures are likely to increase over the short to medium term.

In light of these current and forecast pressures we have adjusted our assumptions for the future:-

- **General Non-Pay** – we have assumed an annual uplift in our non-pay costs of 2.5% p.a. in 2019/20, reducing to 2.0% p.a. in each year thereafter. These assumptions **add £3,421k p.a. onto our current budgets by 2023/24;**
- **Utilities and Fuel** – we have assumed an annual uplift in our utilities and fuel costs of 3.5% p.a. in 2019/20, reducing to 3.0% p.a. in each year thereafter. These assumptions **add £1,481k p.a. onto our current budgets by 2023/24;**

Cost of capital adjustments – It is necessary for us to recognise increases to our revenue costs of capital investment over the life of the MTFP. Our ability to continue to afford future capital investment is dependent on us having sufficient capital funds available. Since 2010 we have seen substantial reductions in the value of our capital grant funding from the Home Office (reduced by nearly 70%). To date we have been able to minimise the impact of this reduction on our capital investment through the generation of capital receipts and the use of reserves. However, this is not a sustainable basis on which to support future capital replacement and investment.

There are two key assumptions that affect the amount by which this part of our budget needs to change:-

- **Borrowing** - The level and use of borrowing we undertake to support capital investment. Over the MTFP we forecast we will need to borrow a further £15.0m, with £2.5m expected to be taken during 18/19, £8.0m by the end of the 2019/20 financial year and the remainder taken across 2020/21 and 2021/22. The timing of this reflects current assumptions around our capital programme, and will be subject to ongoing review and reflection.

The cost of borrowing has an impact on our revenue budget in two ways:-

- Interest Payable – At present we are paying an average interest rate of 4.3% on c. £39m worth of borrowings. We know that current borrowing rates (dependent on term of the borrowing) are better than this average rate, and therefore we are assuming any new borrowing will attract interest at a rate of 3.0%. We are also assuming that we will look to take new borrowing close to the end of the financial year, thereby only requiring us to provision for the cost of this fully in the following financial year. These assumptions, coupled with the ongoing payment of existing borrowing, mean we will **increase our interest payable costs by £71k p.a. by 2023/24.**
- Minimum Revenue Provision – It is necessary for us to make provision for the repayment of our borrowing against our revenue budget. Our method of calculating the value of the provision is dependent on the life of the asset that is being funded by the borrowing. This means we try and use our borrowing over longer-life assets (e.g. buildings) where possible, as the annual cost is minimised. Our assumption for the new borrowing is that the majority of this will be used over longer-life assets, **increasing our MRP budget by £673k p.a. by 2023/24.**
- **Direct revenue funding of capital investment** – We recognise the challenges around our medium term capital affordability (see section below). In the 18/19 we reinstated of our revenue contribution budget of £740k after a 2 year holiday, and an uplifted this by a further £760k, lifting the base budget to £1,500k in that year. Over the course of the remainder of the MTFP period we are forecasting a further £3,500k uplift to this budget, so that **by 2023/24 we will have provisioned for a recurring budget of £5m p.a.** The higher funding settlement has allowed us to make **an additional £4.0m uplift in 19/20.** Whilst this remains subject to ongoing review and consideration, this lifts the revenue contribution, significantly supporting the capital affordability pressures we had been previously reporting.

Growth and Commitment adjustments – In setting our budget it is necessary to recognise any growth or unavoidable commitments and capture the impact of these on our budgets.

- **New growth and investments** – We have identified £6.1m in additional revenue costs:-

	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
Operation Remedy	2,000	0	0	0	0
100 Additional Officers	1,750	3,000	3,100	3,250	3,450
Budget uplifts requested (see below)	1,600	1,600	1,600	1,600	1,600
Emerging Issues	100	100	100	100	100
National Commercial Organisation	150	150	150	150	150
Shared Service Centre of Excellence	150	150	150	150	150
Tri Force transition provision	300	0	0	0	0
TOTAL	6,050	5,000	5,100	5,250	5,450

During our budget consultations with budget holders, there were a number of areas of budget uplift which were requested. The figures have been included as growth, the substance of which is summarised below (fuller breakdown provided at appendix E). We intend to continue to review these requests to confirm the need for them.

Type of Expenditure	Uplift Requested £'000
Police Staff Overtime	39
Police Officer Overtime	589
Non-Pay Costs	859
Reductions in Income	113
TOTAL	1,600

Unavoidable commitments – We have identified £900k in unavoidable commitment items in 2019/20, increasing to £970k by 2023/24. This is made up of two areas, those relating to IT and those that do not.

Non IT Commitments – an increase of £702k in 19/20, reducing to £489k by 22/23. These include:-

- Yeovil decant costs - we are planning to substantially refurbish our Yeovil Police Station, providing more up to date facilities for staff and the public, and realising ongoing revenue savings through a smaller footprint on our existing site. In order to enable these works we need to temporarily move the existing staff and public enquiry office. This makes provision for £600k costs associated with this over 19/20 and 20/21;
- Forensic Market sustainability – as a result of pressures within the forensic science market place the police service, operating in conjunction with the Home Office, have sought to bring about greater stability and thereby avoid longer-term challenges. The result of this is that we anticipate that the cost of our external forensic submissions will increase by c. 30%, resulting in increased costs of £400k.

IT Commitments – an increase of £0.6m in 19/20, increasing to £881k by 21/22. These include:-

- Extending support provision for our key corporate enabling systems (SAP and DMS) contribute **£3m in additional cost** which is partially offset by the provision of £1.9m we had in the previous MTFP for MFSS licences;
- Grossing out the full-year effect of our IT budgets following the return of these services from Southwest One sees a **net reduction of £0.5m**;
- The figures also include provision for the expected costs of national programmes for Digital Evidence Transfer System (DETS) and the National Single Online Home.

Revenue savings requirement and plans

Savings requirement

After having made all of the assumptions around both funding and pay outlined above, we can establish the following overall position:-

	Forecast				
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
Total Funding Forecast	306,274	307,421	311,906	316,548	321,354
Less;					
PCC's Office proposed budget	1,417	1,437	1,467	1,502	1,542
PCC's Commissioning proposed budget	3,438	3,438	3,438	3,438	3,438
Funding left to support Chief Constable	301,419	302,546	307,001	311,608	316,374
Less;					
Chief Constable budget requirement	305,952	307,663	314,622	321,062	327,621
Standstill Deficit	4,532	5,116	7,621	9,453	11,247

The Constabulary has been planning for the delivery of savings, with a number of initiatives to deliver savings progressing throughout 2018/19. Where the savings are yet to be formally signed off as delivered, enabling the budget to be adjusted, we have built the planned savings into our MTFP. These savings plans include:-

- Savings from across enabling services budgets, to be achieved through restructure of enabling services and from rationalisation of our estates and fleet – **targeted saving of £2.9m in 19/20**; and
- Savings achieved from review and restructure of Intelligence and Tasking – **targeted saving of £0.19m for full year effect in 2019/20**;

In addition to these programmes of work we have also been tracking other initiatives which we hope will enable us to realise savings. These include:-

- Reduction in our use of the National Police Air Service (NPAS) enabling us to reduce our share of the national cost of this service – **targeted saving of £0.5m for 20/21**. We believe this saving is achievable based on the reductions in our usage of this service, however we also recognise that the funding mechanisms for NPAS are under review, which means that we do not expect to see any reduction in our charges during 2019/20. We will continue to monitor and engage with the work around the review of NPAS charging, recognising our ambition to achieve revenue savings from the costs of this service – bringing our charges in line with our usage;
- Savings totalling **£1.4m in 19/20** have also been realised through our detailed budget build process. These include some accounting adjustments as well as procurement savings achieved through the work of our strategic procurement service. In particular we recognised an annual saving of £0.54m in the support contract arrangements for some of our key corporate systems achieved through negotiation of a 3-year contract.

	Forecast				
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
Standstill Deficit	4,532	5,116	7,621	9,453	11,247
Savings realised through budget build	(1,399)	(1,399)	(1,399)	(1,399)	(1,399)
Enabling Services / Infrastructure	(2,941)	(3,025)	(3,025)	(3,025)	(3,025)
Intelligence & Tasking Review	(192)	(192)	(192)	(192)	(192)
NPAS Reductions	0	(500)	(500)	(500)	(500)
Revised Deficit	-	-	2,505	4,337	6,131

As the above table demonstrates those planned savings which we can quantify reduce the current forecast deficit, and enable us to balance our revenue budget for the next two years. Thereafter there is a **deficit of c. £2.5m in 2021/22 rising to c. £6.1m in 2023/24** forecast.

Beyond our immediate savings plans we recognise that there will be further opportunities to improve efficiency and realise savings, providing potential for us to close this gap. These include:-

- Realising the efficiencies offered through our digital mobilisation work – quantifying the efficiency and productivity gains achieved through this;
- Introducing greater automation and digitalisation across some of our operational processes, building on the opportunities presented through upgrades to existing applications (e.g. NICHE) and on those presented through national programmes and initiatives (e.g. Emergency Services Network);
- Ongoing procurement savings which may enable us to avoid some of the forecast uplift in costs through commercial or collaborative deals struck;
- Realising savings from the ongoing rationalisation of our estate and fleet assets.

Some of the above will represent savings which we would want to deliver, whereas others reflect productivity gains that we would initially look to generate improvements in our performance. Our financial projections suggest we have a couple of years in which to focus our energy and efforts on delivering the outcomes the public expects of us, proving that better financial settlements can deliver better public outcomes. Thereafter, if our financial outlook requires it then we will be able to consider where best our savings are achieved in a way which limits the performance improvements we're targeting.

Delivering Transformation

Avon & Somerset is committed to continuous improvement. We recognise that we must continue to transform in order to ensure that we are able to provide the best possible service to the public at the best possible value.

The principle of continuous improvement underpins all of our planning, with individuals departments required to produce annual delivery plan, which are consolidated into our overall Constabulary delivery plan through which we intend to realise our strategic objectives and the priorities of the Police and Crime plan.

We have delivered improvements in efficiency and effectiveness across the organisation, including:-

- Transformative changes to the way we use business analytics and intelligence software to provide insight into our demand, productivity and performance to drive forward improvement, and manage down demand;
- Ongoing investment and improvements to our leadership capacity and capability, delivered through our ASPIRE Leadership programme;
- Embedded organisational learning and assurance processes, providing confidence that we are successfully realising the outcomes of all change activity.

We also recognise that there will need to be some larger scale transformation programmes. The scale of these programmes reflects the continued transformation ambition we have in Avon & Somerset, which will require a clear framework through which our change activity can be resourced and delivered.

We have developed our plans for the future structure of our transformation programme in consultation with a range of stakeholders, resulting in three highly interdependent programmes comprising:-

- **Service design and development programme** – through this programme we will continue to deliver transformation across our enabling services, as well as focussed areas of our operational services, and oversee the implementation and embedding of our new strategic framework;
- **Digital programme** – through this programme we will complete the digital mobilisation of our workforce through the provision of laptops enabled by effective in-building and in-vehicle Wi-Fi, as well as transitioning to Office 365, thereby enabling new digital ways of working. We will also ensure we are effectively aligned into national digital programmes;
- **Infrastructure programme** – through this programme we will continue the rationalisation of our estate, including co-locations with partners where this is appropriate. In addition we will also continue our work to rationalise our fleet. Through this work we expect to realise revenue savings not yet quantified in our plans above.

In addition to our local transformation portfolio, we are also a partner in a regional programme. Through this we have established a framework for governance over our existing collaborations and have agreed to work in collaboration with partners on other projects.

The scale of this programme requires the support of the whole organisation, but also requires us to bring in additional capacity from time to time. In 2019/20 we estimate that the revenue cost of this additional resource, both within Avon & Somerset, and as a contribution to our regional programme, will be **£2.6m**. This will be funded through reserves.

Capital Programme and Funding

Our Medium Term Financial Plan recognises the importance and complexity of capital planning, and how integral this is in the context of our wider financial planning. The section sets out the context and framework within which our capital plans have been prepared, and in so doing fulfils the requirements of a capital strategy as introduced in the revised CIPFA prudential code.

Our assets are essential to the provision of an effective policing service. In order to sustain this service, and meet the objectives and ambitions set out in the Police and Crime Plan it is important that we set out how we intend to maintain and develop our assets, identifying investments we plan to make. These are required to both support the refresh of our existing assets and infrastructure, as well as to invest in new transformative initiatives which will help us to realise improvements in our operational efficiency and effectiveness.

Our capital plans are, by their nature, complex and require detailed planning and forecasting. This requires support and understanding of colleagues across the organisation. It also requires a large degree of wider environmental scanning in order to assess the impact of national projects and initiatives which will require our support to implement locally.

Our funding position is also complicated, relying on multiple sources of funding in order to be able to support planned expenditure. Forecasting our funding is therefore based on a large number of assumptions and inter-dependencies which are subject to ongoing change both in value and timing.

Developing our Capital Programme

Our assets are integral to the delivery of efficient policing services. Maintaining the optimum use of resources whilst securing best value in relation to both cost and quality are key considerations. This is done by following best practice in relation to procurement, sales and construction, taking external legal and professional advice where required.

Our assets fall into four broad categories:-

- Our buildings – all buildings are owned by the PCC, and the PCC's office retain responsibility for key decisions around the purchase and disposal of buildings, maintaining close oversight of our estate management and planning in order to fulfil this role. The day to day management of the estate is undertaken by the Constabulary's estates department, within our Finance and Business Services directorate;
- Our information and communication technology – all ICT assets are managed and maintained through our IT Directorate. Forward planning of these assets is informed by considerations of longevity and optimum replacement cycle. This enables effective planning of renewal and replacement activity to be considered alongside new transformative initiatives and projects, either local or national, that may see the type and nature of our assets continue to change;
- Our fleet – all vehicles are maintained through our transport services department within our Finance and Business Services directorate. All fleet assets are maintained and managed through our fleet management system, which provides information which enables effective optimisation of the usage of our fleet as well as planning around replacement activity;
- Our capital equipment – This will include equipment in use across the organisation, where the responsibility for its management and maintenance rests with the responsible department of the Constabulary.

Our capital programme is developed to consider all requirements for maintenance and investment across these categories of assets. The programme produced therefore is reflective of a mixture of:-

- Asset replacement and renewal – recognising the optimum operating life for our assets, and where necessary, ensuring our plans provision for the replacement of them;
- New initiatives and projects – recognising our new investments in order to realise the priorities of the Police and Crime Plan and meet the objectives of the Constabulary.

The programme is developed jointly between the PCC and the Constabulary, and is realised through wide stakeholder engagement. The finalised programme reflects a list of anticipated and recommended projects that enables high level planning across a medium term horizon. The programme, and the approval of it through the medium term financial plan, reflects approval for the next 12 months replacement and renewal activity, but recognises individual business cases are still required to progress new initiatives and projects.

These business cases, all of which will be approved on accordance with the PCC's scheme of governance, will be delivered using a prescribed format, and will cover:-

- Clear definition of the objectives of the proposal;
- Baseline assessment of the “as is” position, and how this compares with user specifications and force standards;
- Consideration, assessment and appraisal of possible options – including alternative ways of procuring assets (e.g. leasing, partnership arrangements) where these are viable options;
- Financial appraisal of the options, to include identification of capital funding source and consideration of whole life costs and ongoing impact on revenue budgets;
- Risk appraisal, enabling decision makers to reach a decision informed by a clear understanding of the risk and allowing these to be clearly included on risk registers for management as appropriate;

The delivery of capital projects will be overseen either by the department responsible, or in the case of transformational projects, through our change programme boards. In monitoring the delivery of our capital projects particular focus is placed on:-

- Delivery is on time and achievement of the intended outcome/s;
- The overall use of capital and revenue funding is as close as possible to original plans; and
- When the above factors are not achieved, variations are reported appropriately.

Progress against the capital programme, including considerations of capital financing, is reported quarterly to our Constabulary Management Board and the Police and Crime Board.

Upon completion of a capital project, consideration will be given to the use of a Post Implementation Review (PIR). This review will provide a check against the performance compared to the original proposal. It will focus on the outcomes achieved, the extent to which the benefits claimed are being realised, and the actual costs both revenue and capital. Through the use of these types of review we would look to capture learning that can inform our future projects and programmes for the better.

The table below summarises the current capital forecast and our forward 5 year capital plan:-

	Current	MTFP					TOTAL £'000
	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	
Capital Expenditure	14,342	18,291	11,305	7,606	12,520	20,390	84,454
Less; Capital Funding	14,342	18,291	11,305	7,606	12,520	8,612	72,677
Deficit	-	-	-	-	-	11,778	11,778

Capital Expenditure

Whilst our plans require further refinement, particularly as we look out into the later years, we have an emerging picture which identifies that the current year (18/19) of capital spend, plus the planned spend over the next five years (through until 23/24) totals £84.5m.

	Current	MTFP					TOTAL £'000
	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	
Asset replacement	4,931	6,964	6,029	4,597	7,841	8,050	38,412
A&S capital projects	6,480	11,327	5,726	3,009	4,679	12,340	43,111
Funded Projects	2,931	0	0	0	0	0	2,931
TOTAL	14,342	18,291	11,305	7,606	12,520	20,390	84,454

Within the detail of this plan there remain several areas of uncertainty. Some of our expenditure requirements will potentially reduce as we refine our plans and requirements into the future (e.g. ICT infrastructure, Fleet replacement) whereas other emerging issues and initiatives might potentially increase our expenditure (e.g. uncertainty around the national ESN project, emerging estates opportunities).

Asset replacement – Our asset replacement plans total £36.9m, which accounts for 44% of our total capital plan spend. This includes provision for the ongoing maintenance, replacement and renewal of our existing assets:-

	Current Yr	MTFP					TOTAL £'000
	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	
ICT replacement	1,566	3,560	3,004	2,012	5,188	5,236	20,566
Estates replacement	1,011	714	410	250	250	250	2,885
Fleet replacement	2,160	2,382	2,307	2,067	2,135	2,346	13,397
Equipment replacement	194	308	308	268	268	218	1,564
TOTAL	4,931	6,964	6,029	4,597	7,841	8,050	38,412

ICT replacement – The plan assumes the following renewal and replacement activity:-

- End User Devices (£11m) – the number of end user devices has increased in recent years, and we would expect all devices to need at least one replacement during the life of this plan. This includes:-
 - replacement of both desktops and laptop devices - £4.9m;
 - replacement of mobile phones, headsets and tablets - £3.6m;
 - replacement of body worn video cameras - £2.5m.
- Infrastructure (£9.6m) – over the course of the plan we have made provision for replacement and enhancements to our IT infrastructure, including:-
 - Storage and back-up requirements - £1.1m;
 - Servers and infrastructure - £2.5m;
 - Voice and Data communications - £1.0m;

- Network Security - £0.8m;
- Data Centre Consolidation - £1.3m;
- Communications Room for KSH - £0.1m;
- Video Conferencing Equipment - £0.3m;
- Key Management Facility Covert radios - £0.2m;

In addition to which we also have an annual provision of £0.5m to support unscheduled spend requirements and £0.3m for general equipment.

Estates replacement – our estates replacement plans include two key areas of activity:-

- HQ generator replacement (£0.8m) – Our generator is at the end of its life and needs replacement. We will look to replace this, to both modernise the facility, but also provide us with enhanced ability to better manage our future utility costs and requirements across our largest single site; Delivery of equipment is estimated March 2019 with construction early in the new financial year;
- Lighting Upgrades (£0.2m) – Following an energy audit a large force wide upgrade of lighting was required and work is ongoing to achieve this;
- Electrical, fire and central heating systems (£1.5m) – annual provision is set aside to support ongoing rolling renewal programme for electrical, fire safety and heating systems upgrades across our estate;

Fleet replacement – our fleet replacement plan currently reflects the activity required in order to maintain our current fleet numbers and profile. Across the life of the plan this equates to £13.4m. The total expenditure is reflective of some reductions already recommended and approved, and will remain dependent upon the ongoing review of our fleet to further rationalise where appropriate;

Equipment replacement – our plan for the replacement of our capital equipment falls into two distinct areas as follows:-

- Automatic Number Plate Recognition (ANPR) (£1.0m) – over the course of the plan to both maintain and replace our current ANPR asset estate;
- Provision (£0.5m) – annual provision of £0.5m is included in the plan to provide for the rolling replacement of a large number of smaller value assets which when purchased in aggregate are more suitable to be funded through capital than through our revenue equipment budgets.

A&S capital projects - Our planned A&S projects total £44.6m, which accounts for 52.8% of our total capital plan spend. This includes provision for all of our planned capital investments, including those both in-scope and out of scope of our change programme arrangements:-

	Current Yr	MTFP					TOTAL £'000
	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	
Digital	3,122	3,344	0	2,749	4,679	2,340	16,234
Infrastructure	1,971	7,983	5,276	260	0	0	15,490
Service & Workforce	1,387	0	0	0	0	10,000	11,387
TOTAL	6,480	11,327	5,276	3,009	4,679	12,340	43,111

Digital Programme – our digital programme includes our assessment of the capital spend required to take forward all activity currently within scope of this programme. Some continued refinement is required to these numbers, particularly in relation to those national projects, with this plan including provision for the following:-

- National Projects (£11.1m) – we have made provision for national projects which includes:-
 - The Emergency Services Network (ESN) programme - £10m;
 - The Digital Evidence Transfer (DET) project - £0.1m;
 - The National ANPR System (NAS) project - £0.1m;
 - National Enabling Programme - £0.2m;
 - Biometrics - £0.7m.
- Digital Mobilisation (£4.1m) – our provision for our digital mobilisation project is largely projected to complete in 2018/19 but we have provisioned for some spend in 19/20:-
 - New laptops, mobile devices and associated infrastructure – £1.9m;
 - Delivery and development of our mobile platform capability – £0.9m;
 - New replacement desktops – £0.7m (this isn't a project, but the number and profile of desktops required is defined by the number of laptops being issued); and
 - Transition to Office 365 - £0.6m.
- Digital Evidence (£0.4m) – our provision for digital evidence includes completion of all remaining work to embed, improve and integrate our digital evidence management system, as well as provision for increased storage capacity that will be needed to support the growth in digital evidence now being retained. We have also provisioned £100k for CCTV although this will require a revised plan.

Infrastructure Programme – our infrastructure programme includes provision for a large number of different projects across our estate. These include:-

- Yeovil Police Station – provision made for the redevelopment of the existing site (£4.1m);
- Kenneth Steele House – alterations to the building to increase capacity (£4.1m);
- Neighbourhood & Enquiry Offices – provision for 12¹ new sites have been included at an (estimated cost £3.3m) but are offset by estimated capital receipts for the existing sites (£7.1m);
- Shepton Mallet Police Station – provision made for new response hub and police station (£0.6m);
- Public Protection Suites (£1.1m) – our plans include the provision of new public protection suites in the South East, South West and North East of our force area. The progression of these projects would bring our entire public protection estate up to a common standard. The progression of these 3 separate initiatives is expected to release £0.7m in capital receipts.
- Other Projects (£0.8m) – in addition to the above initiatives we also recognise the need to provision for feasibility and WAN related costs in support of furthering options and delivering operational buildings. We are also aware of an emerging requirement from the Home Office to ensure that we are able to maintain 10 days' worth of fuel to support our fleet, and therefore we have provision set aside to ensure we can support any works required to our fuel bunkering. Provision for Gym facilities is also included.

¹ Wells, Radstock, Street, Somerton, Broadbury Rd, Trinity, Williton, Minehead, Taunton, Crewkerne, Chard and Burnham-on-Sea

Service and Workforce Development Programme – our service and workforce development programme includes provision for the replacement of our ERP and Duty Management Systems in 23/24 (£10m).

Funded projects - Our capital plans also include a number of projects and initiatives which have funding provided that either completely covers the planned spend, or which partially covers the spend with the expectation of a balance to be funded by Avon & Somerset. All of these are forecast to complete within 2018/19.

Capital Funding

Under the provisions of the Prudential Code, the PCC can invest in a capital programme so long as its capital spending plans are “affordable, prudent and sustainable”.

The capital programme is reflected in the PCC’s Treasury Management Strategy, which is presented annually to the Police and Crime Board, and regularly reviewed by the PCC’s Chief Finance Officer. This sets out the prudential indicators, which determine the limits set against the requirements of affordability, prudence and sustainability.

The PCC, in consultation with the Chief Constable, will identify available sources of funding in support of the capital programme. This will include the identification of potential capital receipts from the disposal of property.

The sources of capital funding available are detailed below.

	Current	MTFP					TOTAL £'000
	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	
Home Office Grant	1,005	1,005	1,005	1,005	1,005	1,005	6,030
Partner contributions	335	0	0	0	0	0	335
Earmarked reserves	795	0	0	0	0	0	795
Grant Funding	2,099	0	0	0	0	0	2,099
Revenue Contribution	6,854	6,580	3,553	4,000	4,500	5,000	30,487
General Capital Reserve	654	2,339	2,056	99	0	0	5,706
ESN Grant Funding	0	0	0	303	0	0	303
Capital Receipts (Estate)	0	0	0	1,899	6,915	2,507	11,321
Capital Receipts (Other)	100	100	100	100	100	100	600
New Borrowing	2,500	8,000	4,300	200	0	0	15,000
TOTAL	14,342	18,291	11,305	7,606	12,520	8,612	72,677

- Home Office capital grant funding – The value of this grant funding has reduced by 67% since the value received in 2010/11. The current value has been largely static for the last three years at just over £1m p.a. We have forecast that it will remain at this level for the duration of our planning period;
- Revenue contribution – Over the course of our MTFP we have made provision for a gradual uplift in the value of the revenue contribution towards our capital funding, resulting in an annual contribution of £5.0m p.a. with effect from 2022/23. The plan also assumes one off uplifts of

£5.4m in 18/19 and of £4.3m in 19/20, reflecting the current capacity within our projected 19/20 revenue budget;

- Earmarked reserves – our earmarked reserves are used to support specific items of spend, including the use of the road safety reserve to continue to invest in the assets that support our road safety and speed enforcement teams;
- General capital reserve – this represents historic funds which have been set aside to support general capital investment. The above plan shows we intend to fully exhaust these by the end of 2020/21;
- Capital receipts (Estate) – over the course of the period covered by the plan we anticipate selling a number of our buildings, as is highlighted in the estates section of the plan above. The combined value of receipts already received (£2.7m), and those we are expecting to receive over the next three years (£8.6m) totals £11.3m over the course of the plan. There remains risk over those receipts not yet received both in terms of the value (subject to market factors at the point at which the asset is sold) and the timing (subject to us being in a position to release the asset from operational use) which we will continue to monitor;
- Capital receipts (Other) – over the course of the plan we are assuming some receipts generated from the sale of our vehicles and other assets that have reached the end of their useful life to us. On average we expect to generate £0.1m p.a.
- New borrowing – this reflects the current assumed profile of borrowing which will be undertaken in support of capital expenditure. The final value and profile of our borrowing will be subject to ongoing discussion and dialogue with the PCC, and depending on timing of capital expenditure may be delayed from that which is currently shown (thereby releasing a small revenue saving also).

Our funding principle generally assumes that for shorter-life assets, sources of funding other than borrowing will be used. Borrowing is planned to be used only against those longer-life assets, where the revenue provision needed to set aside for the repayment of the borrowing can be taken over a longer timeframe, thereby reducing the annual cost to our revenue budgets. All borrowing undertaken can only be done so with the approval of the PCC, and must be prudent, affordable and sustainable.

All of the revenue implications of the capital programme, including those costs which are either as a consequence of the direct funding or in order to service our borrowing (both interest and Minimum Revenue Provision) have been fully reflected in our revenue budget plans as set out earlier in our MTFP.

Reserves and Risk

Reserves

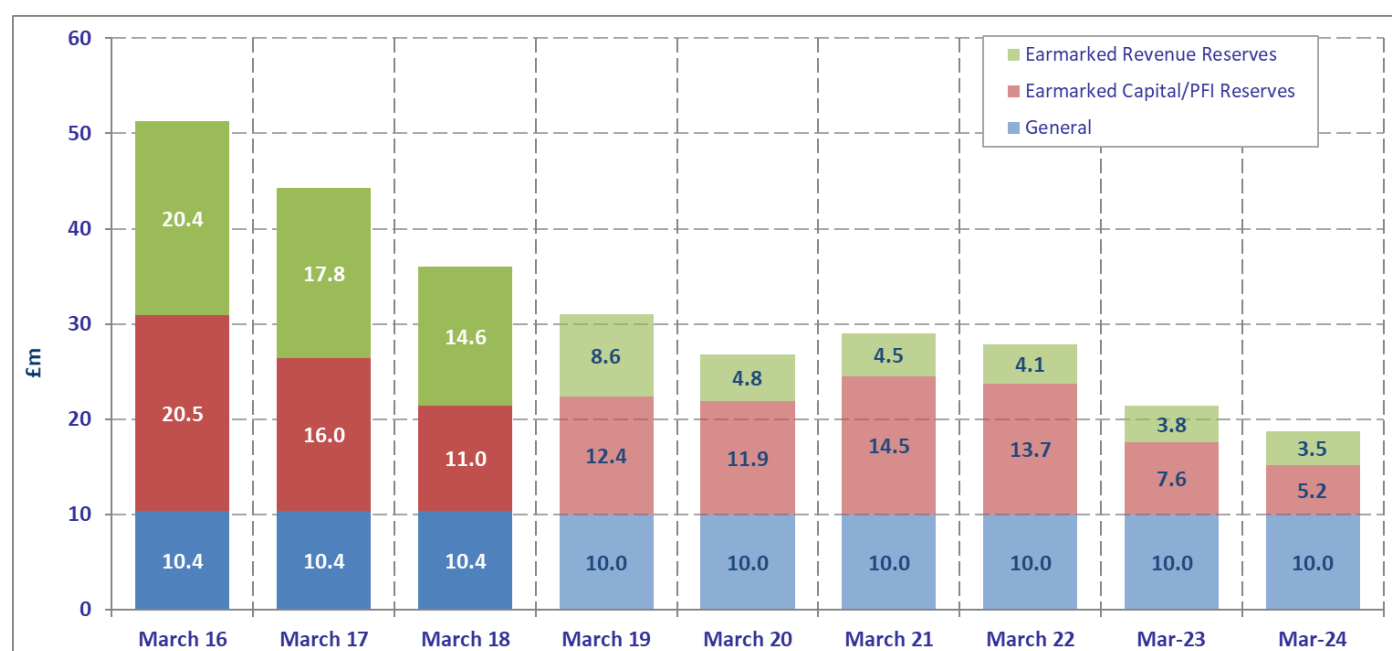
The PCC holds reserves in order to:-

- Support capital and revenue investment to continue our further transformation and change;
- Manage uncertainty and risk in our future; and
- Comply with accounting practice and convention.

As reported in our financial statements at the end of March 2018 the PCC had total usable reserves of £36.0m. This reflected a reduction of £8.3m/18.7% compared to the balance held 12 months previously.

Our projections across the medium term forecast that our reserves will continue to significantly reduce over the medium term, with the biggest change occurring during the 2022/23 financial year.

Figure 4: Useable reserve projections over the life of the MTFP



Our useable reserve levels are forecast to stand at £31m by the end of the 2018/19 financial year a reduction of £5m/13.9%. They are then forecast to reduce further over the medium term, standing at £18.7m by the end of the MTFP period (March 2024).

As the graph demonstrates the current projections estimate further reduction in reserves by the end of the 2019/20 financial year, with then a small increase in 20/21 which is reflective of the timing of anticipated capital receipts before our ability to use these as part of our funding. This reflects a projection only at this stage, and will therefore be subject to ongoing review and refinement as our plans crystalize.

Our reserve levels would not be expected to substantially reduce year-on-year beyond the balance forecast by 2024 for the following reasons:-

- Our **general fund** is set annually by the PCC's Chief Finance Officer in consultation with the Chief Constable's Chief Finance Officer, and after a consideration of all risks facing the PCC. The risk level, and our appetite for the financial provision needed to assure ourselves, may change over the medium term enabling some reductions in this reserve – however, we will need to maintain some provision here and **the general fund balance (£10.0m) represents 3.5% of 18/19 Net Revenue budget**, which would be within the prudent range expected of us (between 3-5% would be the expected range of general reserves held);

- Our forecasts assume we would maintain an **operations reserve (£1.5m)** in order to provision for the one-off costs associated with a significant operation or investigation which placed our annual budget provisions under pressure;
- Our **PFI reserves** are used to equalise the phasing of our income (in the form of PFI credits) to our forecast expenditure. In the early years of the contract we generate a surplus which our accounting model requires us to put into reserves, in order to be released against the annual deficit in funding forecast in the later years of the contract. By so doing we are able to smooth the financial impact on the revenue budget over the life of these assets. By March 24 we forecast that our PFI reserves will stand at **£5.2m**. Our financial model forecasts that this will be the peak level of these reserves, and that from this point onwards the reserves will begin to gradually reduce as we use the funds to help top-up our revenue budgets. Our modelling identifies that these reserve will not fully unwind until the 2038/39 financial year which will coincide with the end of our PFI contracts;
- The remainder of our reserves are made up of lots of smaller amounts. These reflect annual amounts expected to be held at any given year-end which relate to ring-fenced activity. This includes the value on our detained property fund (the majority of which is returnable), specific grants and ring-fenced receipts of funding unspent at any given year-end, as well as an ongoing road safety reserve generated through income received from speed awareness course referrals.

Risk

Given the extent of the modelling and assumptions required across the development of our MTFP, it is important that we have consideration of risks and the potential impact these could have on our forecasts and plans. The table below highlights some of the key risks identified:-

Risk	Potential scale	Mitigation
Grant Funding Value – the value of future grant levels is higher or lower than currently forecast owing to decisions made by the Government about the overall funding available to provide to PCC's.	1.0% of total grant funding is £1.8m p.a.	Prudent forecast assumes flat cash grant settlement from 20/21 onwards, and loss of pensions grant funding. Continued engagement with national programme of work to inform the Spending Review, and with colleagues in other forces to check suitability of assumptions being made.
Grant Funding Distribution – the value of future grant levels is higher or lower than current forecast owing to decisions made by the Government about how to distribute overall funding available to PCC's.	1.0% of formula grant funding is £1.6m p.a.	Engage with and monitor the work of the Home Office as they consult on proposals to change the current formula for distribution expected as part of Spending Review work.
Council Tax Base – the increase in council tax base currently forecast is higher or lower than currently forecast (1.5% growth p.a. from 18/19 onwards).	1.0% of council tax income is £1.2m p.a.	Ensure our forecasts for council tax base increases materially reflect those being made by local authorities themselves.
Council Tax Precept – the increase in council tax precept current forecast (£24 in 19/20, followed by 1.99% increases p.a.) is not supported and/or not possible without incurring cost and risk of a local referendum.	1.0% of council tax income is £1.2m p.a.	Continue to seek confirmation from PCC about appropriateness of this assumption, and monitor Government information about referendum capping principles.
Pay Inflation – the increase in pay is higher or lower than currently forecast (2.0% increase p.a.).	1.0% of officer and staff pay is £2.1m p.a.	Benchmarking of our assumptions for future pay awards against other forces to ensure not outlier. Monitor Government, and emerging sector statements regarding future public sector pay.
Officer Pensions – the MTFP currently assumes growth in employer contributions up to the 31% level with effect from April 2019. The next valuation is not expected until 2021, where it is currently assumed there will be no change to this rate.	1.0% change in the officer pensions employer contribution is £1.1m p.a	We do not expect the rate to change until it next comes under review. Experience of the 2018 valuation has meant service and Home Office have agreed to work more closely on monitoring arrangements – thereby ensuring any potential swings in future rates are forecast in a more timely manner.
Staff Pensions – the MTFP currently assumes growth in employer contribution in accordance with LGPS actuarial valuation. Future LGPS valuation is expected during 2019, with recent and potential turbulence in money markets presenting risk around funding levels and potential increases in future employer contributions.	Additional 1.0% contribution is:- Staff = £0.52m p.a.	Monitor the ongoing position of actuarial reviews, engaging with this process through representation of the SCC LGPS Scheme Board.

Risk	Potential scale	Mitigation
<p>Inflation – the UK economic and political position carries a lot of uncertainty and risk at present which could lead to fluctuations in inflation. Our assumptions for non-pay inflationary provisions, might not be appropriate to keep pace with increases in price.</p>	<p>Additional 1.0% on non-pay budgets is £0.4m p.a.</p>	<p>Continue to monitor emerging picture and determine if any adjustment needs to assumptions already factored in across the MTFP.</p>
<p>Cost of Change – The Constabulary and PCC have ambitious programmes which will require both capital and revenue investment. Funding these will require us to utilise our reserves, as well as undertake further borrowing. However, there remains a need to ensure that our investments remain within a level of affordability, and if we are unable to achieve this through some prioritisation of current plans then there is a risk that the MTFP does not adequately provide for the cost of these investments. Making further provision for these costs will increase the revenue budget requirement, and in turn increase the size of the savings needed.</p>	<p>Depends on the scale of ambition and the value of the investment decisions yet to be made.</p> <p>Currently capital ambition is c. £12.8m greater than our funding.</p>	<p>Identify and support activity to review current capital plans to enable the cost of these to be further refined.</p> <p>Ensure provision made throughout the MTFP for sustainable increases to capital funding to be made.</p> <p>Take opportunistic approach to ring-fencing revenue underspends to bolster capital funding options.</p> <p>Review revenue costs of change with Transformation and Improvement colleagues and ensure that this remains at a sustainable level.</p>
<p>Cost of Change (Redundancy) – The continued restructure of services will necessitate a reduction in headcount from time to time. This could bring about redundancy cost, which could be increased by pension strain cost (where individuals meet the relevant criteria). We therefore need to recognise these costs and ensure we have appropriate provision to cover them. To date our redundancy costs have been covered within revenue underspends in year, however the tighter our budgets become and the more impactful our change is on staff, the greater the potential for redundancy costs to create budgetary overspends.</p>	<p>Redundancy costs are hard to forecast at the outset of change work as it is often hard to identify the individuals who would be made redundant at the end of a restructure.</p>	<p>Quantify redundancy costs where possible to do so, and identify as best as possible the potential scale of further redundancy.</p> <p>Use this forecast to provision for costs at the end of the financial year, and to monitor costs during the course of the year – recognising where appropriate the budgetary pressure created.</p>

Appendix A – MTFP

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
FUNDNG					
Forecast Funding					
Grant Funding	182,093	179,265	179,265	179,265	179,265
Council Tax Funding	124,181	128,156	132,641	137,283	142,089
TOTAL Funding	306,274	307,421	311,906	316,548	321,354
BUDGET REQUIREMENT					
2018/19 Base Budget					
Office of the Police and Crime Commissioner	1,358	1,358	1,358	1,358	1,358
Commissioning	3,438	3,438	3,438	3,438	3,438
Constabulary	280,324	280,324	280,324	280,324	280,324
TOTAL 2018/19 Base Budget	285,120	285,120	285,120	285,120	285,120
Adjustments to Budgets Required/Planned					
Office of the Police and Crime Commissioner (inc savings)	58	78	108	143	183
Commissioning (inc savings)	0	0	0	0	0
Constabulary	25,627	27,339	34,298	40,738	47,297
TOTAL Adjustments to Budgets Required/Planned	25,686	27,417	34,406	40,881	47,480
Budget Requirement (before savings)					
Office of the Police and Crime Commissioner	1,417	1,437	1,467	1,502	1,542
Commissioning	3,438	3,438	3,438	3,438	3,438
Constabulary	305,952	307,663	314,622	321,062	327,621
TOTAL Budget Requirement	310,806	312,538	319,526	326,001	332,600
SAVINGS AND USE OF RESERVES					
(SURPLUS)/DEFICIT BEFORE SAVINGS	4,532	5,116	7,621	9,453	11,247
Savings					
Savings realised through budget build process	(1,399)	(1,399)	(1,399)	(1,399)	(1,399)
Enabling Services/Infrastructure Savings - Planned	(2,941)	(3,025)	(3,025)	(3,025)	(3,025)
Operational Services Savings - Planned	(192)	(192)	(192)	(192)	(192)
NPAS Reductions	0	(500)	(500)	(500)	(500)
TOTAL Savings	(4,532)	(5,116)	(5,116)	(5,116)	(5,116)
REVISED (SURPLUS)/DEFICIT	0	0	2,505	4,337	6,131
PROPOSED BUDGET					
Office of the Police and Crime Commissioner	1,417	1,437	1,467	1,502	1,542
Commissioning	3,438	3,438	3,438	3,438	3,438
Constabulary	301,420	302,547	309,506	315,946	322,505
TOTAL Proposed Budget	306,274	307,422	314,410	320,885	327,485

Appendix B – Revenue Funding Forecasts

	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
GRANT FUNDING					
Main Grants	162,598	162,598	162,598	162,598	162,598
Victims Commissioning	1,958	1,958	1,958	1,958	1,958
Legacy Council Tax Grant	14,709	14,709	14,709	14,709	14,709
Pensions Grant	2,828	-	-	-	-
TOTAL GRANT FUNDING	182,093	179,265	179,265	179,265	179,265
Annual Change (£'000)	6,179	-2,828	-	-	-
Annual Change (%)	3.5%	-1.6%	0.0%	0.0%	0.0%
Cumulative Change - Across MTFP (£'000)	6,179	3,351	3,351	3,351	3,351
Cumulative Change - Across MTFP (%)	3.5%	1.9%	1.9%	1.9%	1.9%
Cumulative Change - Since 2010 (£'000)	-22,121	-24,949	-24,949	-24,949	-24,949
Cumulative Change - Since 2010 (%)	-10.8%	-12.2%	-12.2%	-12.2%	-12.2%
COUNCIL TAX FUNDING					
Council Tax Precept	123,076	127,406	131,891	136,533	141,339
Collection Fund Surplus	1,104	750	750	750	750
TOTAL COUNCIL TAX FUNDING	124,181	128,156	132,641	137,283	142,089
Annual Change (£'000)	15,609	3,975	4,485	4,642	4,806
Annual Change (%)	14.4%	3.2%	3.5%	3.5%	3.5%
Cumulative Change - Across MTFP (£'000)	15,609	19,584	24,069	28,711	33,517
Cumulative Change - Across MTFP (%)	14.4%	18.0%	22.2%	26.4%	30.9%
Cumulative Change - Since 2010 (£'000)	29,526	33,501	37,986	42,628	47,434
Cumulative Change - Since 2010 (%)	31.2%	35.4%	40.1%	45.0%	50.1%
TOTAL FUNDING	306,274	307,421	311,906	316,548	321,354
Annual Change (£'000)	21,788	1,148	4,485	4,642	4,806
Annual Change (%)	7.7%	0.4%	1.5%	1.5%	1.5%
Cumulative Change - Across MTFP (£'000)	21,788	22,935	27,420	32,062	36,868
Cumulative Change - Across MTFP (%)	7.7%	8.1%	9.6%	11.3%	13.0%
Cumulative Change - Since 2010 (£'000)	7,405	8,552	13,037	17,679	22,485
Cumulative Change - Since 2010 (%)	2.5%	2.9%	4.4%	5.9%	7.5%
Grant Funding	59.5%	58.3%	57.5%	56.6%	55.8%
Council Tax Funding	40.5%	41.7%	42.5%	43.4%	44.2%
TOTAL Funding	100.0%	100.0%	100.0%	100.0%	100.0%
Average Band D Council Tax	£217.81p	£222.14p	£226.56p	£231.07p	£235.67p
Annual Change (£p)	£24.00	£4.33	£4.42	£4.51	£4.60
Annual Change (%)	12.38%	1.99%	1.99%	1.99%	1.99%
Cumulative Change - Across MTFP (£p)	£24.00	£28.33	£32.75	£37.26	£41.86
Cumulative Change - Across MTFP (%)	12.38%	14.62%	16.90%	19.23%	21.60%
Cumulative Change - Since 2010 (£p)	£49.78	£54.11	£58.53	£63.04	£67.64
Cumulative Change - Since 2010 (%)	29.6%	32.2%	34.8%	37.5%	40.3%
Council Tax Base	565,063	573,539	582,142	590,874	599,737
Annual Change (No. of Properties)	9,044	8,476	8,603	8,732	8,863
Annual Change (%)	1.63%	1.50%	1.50%	1.50%	1.50%
Cumulative Change - Since 2010 (No.)	4,275	12,751	21,354	30,086	38,949
Cumulative Change - Since 2010 (%)	0.8%	2.3%	3.8%	5.4%	6.9%

Appendix C – Revenue Costs Forecasts

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
OFFICE OF THE POLICE AND CRIME COMMISSIONER (OPCC)					
OPCC 2018/19 Budget	1,358	1,358	1,358	1,358	1,358
Provision for inflation	40	60	90	125	165
Adjustment (transfer of post from Constabulary to OPCC)	19	19	19	19	19
Growth	0	0	0	0	0
Savings	0	0	0	0	0
OPCC Budget Requirement	1,417	1,437	1,467	1,502	1,542
COMMISSIONING					
OPCC 2018/19 Budget	3,438	3,438	3,438	3,438	3,438
Provision for inflation	0	0	0	0	0
Growth	0	0	0	0	0
Savings	0	0	0	0	0
Commissioning Budget Requirement	3,438	3,438	3,438	3,438	3,438
OFFICE OF THE CHIEF CONSTABLE (THE CONSTABULARY)					
Original Constabulary 2018/19 Budget	279,690	279,690	279,690	279,690	279,690
In-Year Adjustments to budget	634	634	634	634	634
Revised Constabulary 2018/19 Budget	280,324	280,324	280,324	280,324	280,324
Police Officer Pay Awards	2,784	5,528	8,371	11,270	14,228
Police Staff/PCSO Pay Awards	1,726	3,458	5,253	7,085	8,953
Change to officer and staff unit cost	(713)	(713)	(713)	(713)	(713)
Officer Pensions - Actuarial valuation adjustments	6,516	6,516	6,516	6,516	6,516
Staff Pensions - Actuarial valuation adjustments	89	159	277	398	525
Other Pension adjustments	5	255	496	740	987
Adjustments to bank holiday overtime	186	369	553	369	186
Adjustments to officer allowances	(125)	(231)	(320)	(395)	(458)
Adjustments to apprenticeship levy	17	17	17	17	17
Pay and Staffing adjustments	10,484	15,359	20,449	25,288	30,240
General non-pay inflationary adjustments	856	1,428	2,079	2,744	3,421
Specific non-pay inflationary adjustments	292	574	867	1,169	1,481
Interest receivable adjustments	(81)	(81)	(87)	(136)	(185)
Non-Pay Inflationary adjustments	1,067	1,921	2,859	3,777	4,718
Minimum Revenue Provision (MRP) Adjustments	(61)	296	653	673	673
Interest payable Adjustments	(161)	(35)	100	85	71
Direct Revenue Funding of Capital	5,080	2,053	2,500	3,000	3,500
Cost of Capital adjustments	4,858	2,314	3,253	3,758	4,244
New growth and investment	6,050	5,000	5,100	5,250	5,450
Unavoidable commitments and adjustments - non IT	702	630	439	489	489
Unavoidable commitments and adjustments - IT	599	776	881	881	881
Glastonbury Festival - Reinstatement following fallow year	(617)	(617)	(617)	(617)	(617)
PFI model adjustments	(16)	(44)	(67)	(88)	(108)
Growth and commitment adjustments	6,718	5,745	5,737	5,915	6,095
Drafting Provisions and Contingencies	2,500	2,000	2,000	2,000	2,000
Constabulary Budget Requirement	305,952	307,663	314,622	321,062	327,621
TOTAL BUDGET REQUIREMENT					
Office of the Police and Crime Commissioner	1,417	1,437	1,467	1,502	1,542
Commissioning	3,438	3,438	3,438	3,438	3,438
Constabulary	305,952	307,663	314,622	321,062	327,621
TOTAL Budget Requirement	310,806	312,538	319,526	326,001	332,600

Appendix D – Capital Programme

Summary Capital Programme	MTFP						5 Yr
	Forecast 2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure							
BAU Replacement Programmes							
- ICT Replacement Programme	1,566	3,560	3,004	2,012	5,188	5,236	20,566
- Estates Replacement Programme	1,011	714	410	250	250	250	2,885
- Fleet Replacement Programme	2,160	2,382	2,307	2,067	2,135	2,346	13,397
- Equipment Replacement Programme	194	308	308	268	268	218	1,564
Sub-Total Replacement Programme	4,931	6,964	6,029	4,597	7,841	8,050	38,412
Capital Projects							
- Digital Programme Projects	3,122	3,344	0	2,749	4,679	2,340	16,234
- Infrastructure Programme Projects	1,971	7,983	5,276	260	0	0	15,490
- Service Workforce and Development Programme Project	1,387	0	0	0	0	10,000	11,387
Sub-Total Capital Projects	6,480	11,327	5,276	3,009	4,679	12,340	43,111
Funded or Part-Funded Projects							
- Expenditure on Funded Projects	2,931	0	0	0	0	0	2,931
Total Funded or Part-Funded Projects	2,931	0	0	0	0	0	2,931
TOTAL Capital Expenditure	14,342	18,291	11,305	7,606	12,520	20,390	84,454
Funding							
Specific Purpose Funding							
- Partner Contributions	(335)	0	0	0	0	0	(335)
- Earmarked Reserves	(795)	0	0	0	0	0	(795)
- Grant Funding	(2,099)	0	0	0	0	0	(2,099)
Total Specific Purpose Funding	(3,229)	0	0	0	0	0	(3,229)
General Purpose Funding							
- Home Office Capital Grant Funding	(1,005)	(1,005)	(1,005)	(1,005)	(1,005)	(1,005)	(6,030)
- A&S Revenue Contributions	(6,854)	(6,580)	(3,553)	(4,000)	(4,500)	(5,000)	(30,487)
- General Capital Reserve	(654)	(2,606)	(2,347)	(99)	0	0	(5,706)
- ESN Grant Funding	0	0	0	(303)	0	0	(303)
- Capital Receipts	0	0	0	(1,899)	(6,915)	(2,507)	(11,321)
- Vehicle Sales & other	(100)	(100)	(100)	(100)	(100)	(100)	(600)
- New Borrowing	(2,500)	(8,000)	(4,300)	(200)	0	0	(15,000)
Total General Purpose Funding	(11,113)	(18,291)	(11,305)	(7,606)	(12,520)	(8,612)	(69,447)
TOTAL Capital Funding	(14,342)	(18,291)	(11,305)	(7,606)	(12,520)	(8,612)	(72,677)
Surplus (-)/Deficit (+)	0	0	0	0	0	11,778	11,778

Appendix E – Capital Receipts from sale of Buildings

Useable Capital Receipts	17/18 £'000	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
Balance B/Fwd	7,149	256	2,667	4,661	9,471	8,772	2,507
<i>Southmead (Sold)</i>	2,361						
<i>Bishopsworth (Sold)</i>	567						
<i>Nailsea (Sold)</i>	2,227						
<i>Bower Ashton (Sold)</i>	715						
<i>19 Coombe Road (Sold)</i>	275						
Frome Parking Land strip (Sold)	229						
North West CPU (Sold)	306						
Cheddar (Sold)		340					
Frome ransom strip			144				
Shepton Mallet 23 Commercial Rd		220					
Williton			450				
Keynsham (Sale agreed)		1,193					
Police Houses		658	200				
Taunton				250	600	650	
Minehead				700			
Trinity Road				1,150			
Yeovil			-				
Radstock			600				
Street			300				
Somerton			300				
Wells				1,200			
North East CPU (Corston)				330			
South West CPU (Taunton)				170			
South East CPU (Yeovil)				160			
Broadbury Rd					400		
Chard				200			
Burham on Sea				650			
Crewkerne					200		
Use of reserve to fund capital expenditure	- 13,573	-	-	-	- 1,899	- 6,915	- 2,193
Balance C/Fwd	256	2,667	4,661	9,471	8,772	2,507	314

Appendix F – Reserves Forecasts

Useable Reserves									
	ACTUAL			FORECAST					
	Bal as at 31st March 2016	Bal as at 31st March 2017	Bal as at 31st March 2018	Bal as at 31st March 2019	Bal as at 31st March 2020	Bal as at 31st March 2021	Bal as at 31st March 2022	Bal as at 31st March 2023	Bal as at 31st March 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Carry Forwards	474	256	236	200	200	200	200	200	200
Neighbourhood Policing reserve	250	226	0	0	0	0	0	0	0
Operations reserve	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Overtime - liability for AURORA Switch on	1,200	1,200	1,000	1,000	0	0	0	0	0
Buildings and sustainability	1,499	1,129	790	378	300	250	100	0	0
Transformation reserve	7,473	4,515	3,010	644	0	0	0	0	0
DISCRETIONARY RESERVES	12,396	8,826	6,536	3,722	2,000	1,950	1,800	1,700	1,700
SW ROCU	2,138	1,175	2,418	615	0	0	0	0	0
Proceeds of Crime	0	533	570	584	0	0	0	0	0
DPR Reserves	1,004	1,638	1,404	1,264	1,000	1,000	1,000	1,000	1,000
Insurance reserve	1,948	1,936	0	0	0	0	0	0	0
Specific revenue grants	684	976	650	300	300	300	300	300	300
Hinkley Point	66	85	53	0	0	0	0	0	0
Road Safety	899	1,537	1,685	1,574	1,250	1,000	750	500	250
LRF Reserve	36	82	82	88	50	50	50	50	50
Victims and Commissioning	886	736	817	200	0	0	0	0	0
Miscellaneous Reserve	332	299	269	240	240	240	240	240	240
Regional Programme Reserve	0	0	86	0	0	0	0	0	0
NON-DISCRETIONARY RESERVES	7,991	8,997	8,034	4,865	2,840	2,590	2,340	2,090	1,840
Capital Financing reserve	1,973	1,685	5,654	5,052	2,446	99	0	0	0
Capital earmarked reserves	90	225	508	0	0	0	0	0	0
PFI Change Reserve	558	454	477	300	200	100	0	0	0
PFI Interest Smoothing Account	2,820	2,709	0	0	0	0	0	0	0
PFI Sinking Fund Reserve	3,512	3,827	4,115	4,375	4,605	4,804	4,969	5,099	5,191
Capital Receipts Reserve	11,577	7,149	256	2,667	4,661	9,471	8,772	2,507	0
CAPITAL AND PFI RESERVES	20,529	16,049	11,010	12,394	11,912	14,474	13,741	7,606	5,191
General Fund	10,400	10,400	10,400	10,000	10,000	10,000	10,000	10,000	10,000
TOTAL Useable Reserves	51,317	44,272	35,980	30,981	26,752	29,014	27,881	21,396	18,731