

16<sup>th</sup> November 2022

**OPCC FORECAST OUTTURN REPORT 2022 - 2023 and  
OPCC BUDGET 2023 - 2024 PROPOSAL**

**REPORT OF THE PCC's CHIEF FINANCE OFFICER**

**PURPOSE OF THE REPORT**

1. This report sets out an update on the forecast budget outturn position for the Office of the PCC ("OPCC") in 2022/23 as well as setting out proposals for the OPCC budget 2023/24 and use of reserves.
  
2. **OPCC Commissioning and Grants**
  - 2.1 The PCC's commissioning budget for 2022/23 was agreed as £3.5m, in addition to the below table £0.9m is contributed to the Constabulary for Integrated Victim Care (Lighthouse), and is supported by Ministry of Justice (MoJ) Formula Based grant funding of £2m for Victims services.
  - 2.2 There is a small underspend forecast this year in the commissioning and grants budget that will be transferred to the Victims and Commissioning reserve at year-end.
  - 2.3 This budget continues to support core commissioned services for victims; community safety; drugs and alcohol referral services; restorative justice; services to support victims and tackle offending in Child Sexual Exploitation (CSE) and Child Sexual Abuse (CSA) and contribute to the Mental Health triage service.
  - 2.4 In addition further funding was successfully bid for by the OPCC and allocated by the MoJ during 2022/23, which totals £2m, and this is forecast to be spent in full. See below for a breakdown of this additional funding:
    - IDVA/ISVA Uplift £1,132,707
    - IDVA/ISVA Additional Uplift £176,652
    - DA/SV Uplift £490,586
    - Formula Based Uplift £173,758
    - Male Rape Support Fund £20,897
  - 2.5 Avon and Somerset was also awarded Violence Reduction Unit (VRU) funding by the Home Office in 2022/23 of £2,042,763 and this is forecast to be spent in full.
  - 2.6 The budget proposed for 2023/24 is £2.4m which supports the planned grants and commissioning work agreed with the PCC. The table below sets out the MoJ grant funding income and expenditure expected in 2023/24 – the MoJ formula-based grant funding income has previously been accounted for by Constabulary.

**OPCC Commissioning and Grants 2022/23 forecast outturn and draft 2023/24 budget**

<b>Cost Area £'000s</b>	<b>Budget <u>2022 23</u></b>	<b>Forecast <u>2022 23</u></b>	<b>Draft Plan <u>2023 24</u></b>
<b>Custody and courts (drugs &amp; alcohol) referral service</b>	<b>553</b>	<b>553</b>	<b>553</b>
<b>Victims and MoJ Uplift (from 23/24). Also incl. Lighthouse (from 23/24), SARC, CSE &amp; CSA</b>	<b>1,755</b>	<b>1,699</b>	<b>4,553</b>
<b>MoJ grant top-slice to support OPCC grants process</b>	<b>50</b>	<b>50</b>	<b>50</b>
<b>MoJ Grant Funding – Constabulary previously budgeted for Formula Based income</b>	<b>-</b>	<b>-</b>	<b>-3,913</b>
<b>Appropriate Adults (net of partner contributions)</b>	<b>89</b>	<b>44</b>	<b>89</b>
<b>Mental Health triage</b>	<b>122</b>	<b>122</b>	<b>122</b>
<b>Restorative Justice</b>	<b>179</b>	<b>179</b>	<b>179</b>
<b>Police &amp; Crime Grants (community safety &amp; YOT)</b>	<b>740</b>	<b>740</b>	<b>740</b>
<b>Commissioning other 3<sup>rd</sup> party work</b>	<b>20</b>	<b>0</b>	<b>20</b>
<b>TOTAL</b>	<b>3,508</b>	<b>3,387</b>	<b>2,393</b>

**2.8 Planned Use of Victims & Commissioning reserve**

At 1<sup>st</sup> April 2022 this reserve was £3.1m. The significant increase in the victims and commissioning reserve was as a result of an error in accounting treatment which was reported to GSB. £0.6m is

currently allocated against this reserve with discussions ongoing regarding the use of the remaining reserve and processes around allocating it.

Victims and Commissioning reserve earmarked as follows:

- ROUTES **£140k**
- VRU Analyst Extension **£5k**
- VRU Evaluation **£17k**
- Southwest Regional Reducing Reoffending Senior Responsible Officer (A&S OPCC and partner contribution due to Devon & Cornwall PCC as they became the host force October 2021) **£120k**
- Southwest Regional Reducing Reoffending Senior Responsible Officer (2022 and 2023 A&S OPCC contribution to extension) **£7k**
- DRIVE **£126K**
- Court Up **£99k**
- Ready for Release **£96K**
- Supported Accommodation **£13k**
- Reducing Reoffending Element of Future4me **£15k**

### **3. Office of the PCC (OPCC) Budget**

#### **3.1 OUTTURN 2022/23**

The PCC set an office budget for 2022/23 of £2m, an increase from £1.7m in 2021/22, which included a provision pending the outcome of the OPCC Review which began in early 2022. The OPCC's forecast out-turn spend in 2022/23 is £1.9m.

#### **3.2 There are notable overspends on:**

- Staffing as a result of the outcomes of the OPCC Review, a number of maternity covers and the unbudgeted fixed-term OPCC Deputy Chief of Staff role. The costs of the OPCC Deputy Chief of Staff role will largely be covered by a transfer from the PCC's £1m reserve at the end of the financial year.
- OPCC Communications which relates to agency support engaged until the OPCC Communications Team vacancies are filled. The overspend also includes fraud advice expenditure which supports the PCC's role as the APCC Lead for Economic and Cybercrime. A transfer from the PCC's £1m reserve will be requested at the end of the financial year to cover the overspend on OPCC Communications.
- Overspends on office and ICT costs relate to the office refurbishment.

There are notable underspends on:

- Transport and travel expenditure has not yet returned to pre-pandemic levels.
- Legal, appeals costs etc are currently forecasting an underspend as the annual budget for Police Appeals Tribunals has very little expenditure earmarked against it to date.
- Custody Visiting budget has been underspent for a number of years and is forecast to be underspent again this year – the below 2023/24 budget proposes a small reduction in the Custody Visiting budget to reflect this.

#### **3.3 2023/24 BUDGET PROPOSAL**

The PCC proposes an increase in the OPCC budget to £2.2m in 2023/24 as a result if the following cost increases:

- OPCC Review – new permanent posts £239k (this includes the £136k provision set aside for the outcome of the OPCC Review in 2022/23)
- OPCC Review – new fixed term posts £46k
- Pay awards, increments, increase in employer pension contribution £145k
- Increase in External Audit Fees advised by the PSAA £45k
- Inflationary increase in Internal Audit Fees £2k
- PCC Driver £4k
- APCC Membership Increase £1k

Some of the above is offset by the following savings:

- OPCC Review – posts deleted from the structure £111k
- Reversal of the NI increase from 15.05% to 13.8% £14k
- Flexible working request agreed £48k
- Decrease in the Independent Custody Visitor Budget £2k
- Compensation £3k

3.4 Due to the sustained increase in work to support the commissioning process it is proposed that £50k continues to be top-sliced from the MoJ grant and transferred to the OPCC Office staff budget to support this work.

3.5 ....

**Summary OPCC Office Budget 2022/23 forecast outturn - and 2023/24 budget proposals:**

<b>Cost Area £'000s</b>	<b>Budget <u>2022/23</u></b>	<b>Forecast <u>2022/23</u></b>	<b>Draft Budget <u>2023/24</u></b>
1. Staff costs incl. PCC/DPCC and training.	1,540	1,717	1,824
2. Transport & travel	20	4	20
3. Audit, annual accounts and joint audit committee	119	118	166
4. Subscriptions: APCC, APACE, PaCCTS, ICT co	38	39	39
5. Communications, media, PR	40	72	40
6. Treasury mngt	70	70	70
7. Legal, Appeals costs, Actuarial & other professional fees	66	58	66

8. Office stationary, ICT, events	16	26	16
9. Custody visiting	9	5	7
10.Misconduct Hearings – budget transfer from ASC	36	37	37
11.Be Proud Awards – carry forward of sponsorship	0	2	0
<b>12.Transfer from Reserve – VRU Analyst, OPCC DCoS, Fraud Postcards</b>	<b>0</b>	<b>-56</b>	<b>0</b>
<b>13.VRU Grant Funding – 50% contribution to VRU Comms Officer Post</b>	<b>0</b>	<b>0</b>	<b>-27</b>
<b>14.MoJ grant top-slice to support grants process</b>	<b>-50</b>	<b>-50</b>	<b>-50</b>
<b>Total</b>	<b>1,904</b>	<b>2,042</b>	<b>2,208</b>
15.Provision for the outcome of the OPCC Review and proposed increase in training budget – in staffing	136	-136	0
<b>Total</b>	<b>2,040</b>	<b>1,906</b>	<b>2,208</b>

#### RECOMMENDATIONS and ACTION

- The PCC is invited to review and discuss the OPCC budget forecast outturn for 2022/23 and the budget proposals for 2023/24.

**PAUL BUTLER**  
**OPCC Chief Finance Officer**