

**HUMBERSIDE POLICE AND CRIME PANEL**

**DATE** 10 December 2024

**REPORT OF** Chief Finance Officer, Office of the Police and Crime Commissioner (OPCC)

**SUBJECT** Finance Update

**STATUS** Open

**1. EXECUTIVE SUMMARY**

1.1 The purpose of this report is to provide the Police and Crime Panel with an update on the latest position in relation to the savings plan and an update on the mid-year financial position of the OPCC Group.

**2. RECOMMENDATIONS**

2.1 It is recommended that Members of the Police and Crime Panel use this report as background information to support in oversight of the work of the PCC.

**3. MEDIUM TERM RESOURCE STRATEGY (MTRS)**

3.1 As part of the PCC’s MTRS, the Chief Constable is required to achieve a level of efficiency saving each financial year. The current MTRS for 2024/25 to 2028/29 has the following profile of savings to be achieved over the medium-term:

<b>Year</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
Savings requirement (£M)	1.500	1.500	1.500	1.500	1.500

3.2 In order to sustain the investment in policing and to continue to support local policing services in the face of a challenging financial situation, efficiencies will be delivered wherever possible via the following initiatives:

- Corporate Programme of efficiency and continuous improvement reviews;
- Non-pay savings;
- Procurement savings through the continued use of national frameworks;
- Maximising income generation wherever possible.

**4. SAVINGS 2024-25**

4.1 The savings target for the current year 2024/25 is £1.500M and savings of £1.408M have been achieved to 30 September 2024. The majority of this has been achieved through procurement savings, automation of processes and an organisation review of the Finance and Procurement teams within the force.

## 5. MID-YEAR REVIEW 2024-25

5.1 The mid-year review of all non-pay budgets has now been completed and has identified in year non-pay pressures of £1.585M, Pay and overtime pressures of £2.018M and in year savings of £1.289M. The overall financial in year financial position is provided below:

	£000
In-year pay pressures (including overtime)	2,018
In-year non-pay pressures	1,585
In-year non-pay savings	(1,289)
Savings on Capital Charges/Increased interest receipts	(975)
<b>Forecast Overspend</b>	<b>1.339</b>

5.2 The forecast overspend at the end of 24/25 is predicted to be £1.339M (0.55%) on a Group budget for the year of £245.334M. This will be monitored during the second half of the year.

## 6. UPDATED RESERVES POSITION

6.1 The anticipated level of reserves at the end of 2024/25 is £17.730M.

6.2 Reserves will come under significant pressure in the next two years as pay and non-pay inflation pressures feed through. The impact of these pressures will be included in the Medium-Term Resource Strategy that will be presented to the Police and Crime Panel at the February 2025 meeting.

**Martyn Ransom**

**Chief Finance Officer**

**Office of the Police and Crime Commissioner for Humberside**