

HUMBERSIDE POLICE AND CRIME PANEL

DATE 29 November 2021

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 2021/22 to 2025/26 has the following profile of savings to be achieved over the medium-term:

| Year | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--------------------------|---------|---------|---------|---------|---------|
| Savings requirement (£M) | 0.750 | 1.500 | 1.750 | 2.250 | 2.500 |

- 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 2021/22

- 4.1 The savings target for the current year 2021/22 is £0.750M and savings of £1.694M have been achieved to 30 September 2021. The majority of this has been achieved through savings on areas such as ICT contracts, overtime and organisational reviews.

5. MID-YEAR REVIEW 2021/22

- 5.1 The mid-year review of all non-pay budgets has now been completed and has identified in year pressures of £1.461M, in year savings of £4.594M have also been identified. The overall in-year financial position is provided below:

| | £000 |
|--|----------------|
| In-year non-pay savings | (4,594) |
| In-year non-pay pressures | 1,461 |
| Pay underspend | (1,900) |
| In-year OPCC/Capital Financing savings | (319) |
| Forecast Underspend | (5,352) |

- 5.2 The forecast underspend at the end of 2021/22 is predicted to be £5.352M on a Group budget for the year of £212.782M.

6. UPDATED REVERVES POSITION

- 6.1 The level of reserves at the start of 2021/22 was £20.353M. The table below summarises the movements on total reserves:

| | £000 |
|---|---------------|
| Reserves at 1 st April 2021 | 20,353 |
| Agreed carry-forward funding | (2,170) |
| Agreed funding for 2021/22 budget | (3,397) |
| Reserves funding not required from mid-year review | 455 |
| Forecast Underspend | 5.352 |
| Predicted Reserves at 31st March 2022 | 20.593 |

- 6.2 The level of reserves will be monitored throughout the budget planning process and details will be provided in the Medium-Term Resource and Reserves Strategy for 2022/23 to 2026/27.

Kevin Wilson

Chief Finance Officer

Office of the Police and Crime Commissioner for Humberside