

COMMITTEE: GRAMPIAN JOINT POLICE BOARD

DATE: 18 JANUARY 2013

TITLE OF REPORT: Revenue Budget Monitoring Report

1. PURPOSE OF REPORT

1.1 To update the Joint Police Board on the financial position of the Force for the period ended 30 November 2012. With the Board meeting earlier than originally planned and the Christmas/New year holiday period, the end of December outturn figures were not available when producing the Report.

2. RECOMMENDATION(S)

2.1 To consider and note the contents of the Report.

3. FINANCIAL IMPLICATIONS

3.1 The monitoring statement provides an analysis of the Force's annual budgeted revenue expenditure and associated funding. It shows the latest approved budget for the financial year, actual income and expenditure to 30 November 2012, and the projected outturn up to 31 March 2013. At this point in the financial year the outturn is being projected at £2.228m under the approved budget.

4. SERVICE & COMMUNITY IMPACT

4.1 The three major themes underlying the Force's service delivery in 2012-13 are business as usual, creating a strong policing legacy in the North East of Scotland and ensuring a smooth transition to the Police Service of Scotland. Good, proactive budgetary control throughout the year supports those aims.

5. OTHER IMPLICATIONS

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6. REPORT

Revenue Budget 2012-13

- 6.1 The budget monitoring statement for the Force, for the period to 30 November 2012 is shown at Appendix A. This shows the latest approved budget, the actual income and expenditure to 30 November 2012 and the projected outturn for the financial year 2012-13.
- 6.2 The approved budget assumed an overspend of £1.8m, to be funded from reserves. This was, in the main, to support the Force's capital programme, principally the new custody facilities in Aberdeen. The Force is currently projecting a total underspend of £0.428m against this budgeted overspend, which represents a budget saving of £2.228m.
- 6.3 The revenue budget monitoring report presented to the last meeting of the Joint Board (2nd November 2012) projected an overspend of £0.842m. The table below summarises the main changes between the last and current reports,

	£m
November report – projected overspend	0.842
Decrease in CFCR funding to capital programme (see 6.4)	(0.768)
Increase in Police Staff savings (see 6.5)	(0.269)
Unwinding of 2011-12 provision for Equal Pay (see 6.6)	(0.250)
Other (net)	0.017
Current report – projected underspend	(0.428)

- 6.4 As described in the Capital Monitoring Report (on this agenda) the CFCR funding to the capital programme in the year has been reduced because we are maximising the use of capital grants in 2012-13. This tidies up the financing of the Custody project rather than have a balance of capital grant carried forward.
- 6.5 The continuing review of the Police Staff pay budget, based on vacancies and movement to 30 November 2012 indicates a further underspend of £0.269m. This will continue to be closely monitored for the remainder of the financial year.
- 6.6 The Joint Board's 2011-12 accounts contained a provision for equal pay claims which were, at that point, estimated at £0.500m. These claims have now been settled at a total cost of £0.250m and therefore the remaining £0.250m becomes a saving in the current financial year.
- 6.7 There are a range of relatively small variances, mainly underspends, across property, transport and supplies and services.

6.8 On this basis the latest estimate of the Force's General Fund Reserve is as follows:

	£m
General Fund Reserve at 31 March 2012	8.357
Projected Underspend 2012-13	0.428
Estimated General Fund Reserve at 31 March 2013	8.785
Committed to the Board's Capital Programme	7.073
Uncommitted element	1.712
Total	8.785

This level of uncommitted reserve at 31 March 2013 is around £0.400m higher than that intimated to the Scottish Government in summer 2012.

6.9 On 20th December 2012 the Force announced its Voluntary and Early Retirement Redundancy Scheme for Police Staff and expressions of interest have been invited by 21 January 2013. Until the deadline is reached and applications are received and considered, it is not possible to estimate the likely cost of the schemes. The expectation is that the national scheme will be launched later this month, to be funded by the Scottish Government. This funding is also expected to part cover the costs of the Grampian scheme, i.e. only the costs over and above the national scheme will need to be funded by Grampian Police.

6.10 At the last meeting of the Joint Board, Members expressed an interest in seeing the Force's current year approved revenue budget shown by Division. This information is available and will be supplied as part of the 'Inventory of Assets, Performance and Finance' paper to be prepared and presented to the next Board meeting in March.

7. REPORT AUTHOR DETAILS

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8. BACKGROUND PAPERS

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Chief Constable
11 January 2013

Treasurer
11 January 2013