The Police and Crime Commissioner for Lincolnshire

Summary Statement of Accounts 2013-14

This document summarises the 2013-14 Financial Statements for the Police and Crime Commissioner Lincolnshire Group (the PCC Group) and gives a view of the financial position as at 31st March 2014. The PCC Group position reflects the consolidated accounts of the Police and Crime Commissioner for Lincolnshire and the Chief Constable for Lincolnshire.

In order to present this information in a more concise and user-friendly way, modifications to the full Statement of Accounts have been made. These accounts therefore have no legal standing due to these modifications. Statutory requirements are met through the full accounts which are available on the Police and Crime Commissioner website at www.lincolnshire-pcc.gov.uk. This document can also be obtained from:-

The Chief Finance Officer,
Police Headquarters,
Deepdale Lane,
Nettleham,
Lincoln,
LN2 2LT

A net revenue budget was set for 2013-14 of £114.0m. The majority of income came from central government funds, with only 34% from local Council Tay payers. The Council Tax for a standard band D property was £190.08 and for a band A property, the most prevalent single band in Lincolnshire, amounted to £126.72.

Where the money came from

*Other income includes Lincolnshire County Council's contribution towards PCSO funding, used past savings, other recoveries and recharges for services outside of normal policing.

The General Government Grant settlement for 2013-14 reflected the overall reductions being experienced in public sector expenditure. In line with other PCC's the grant to be received was reduced by 1.6% when compared to the 2012-13 figure, a cash reduction of £1.0m.

Income and Expenditure Account 2013-14

The table below sets out the actual costs of policing in Lincolnshire for the 2013-14 financial year with the 2012-13 figures shown for comparison, together with an analysis of the sources of finance.

The actual net expenditure for the year after the use of reserves was £2.9m less than the approved budget. Higher personnel turnover and changes to the pay structure led to underspends against police officer budgets. Elsewhere, careful and prudent management of the budget enabled significant reductions in expenditure to be achieved. The PCC agreed to carry forward this amount in earmarked reserves. This will be used to support transformational change and create a more efficient service.

Spending against the 2013-14 budget has been monitored regularly throughout the year and reports from the Chief Constable have been reviewed at the PCC's Resource Governance meetings.

There are challenges ahead as funding will be further reduced in the future. Policing in Lincolnshire will have to continue against a backdrop of efficiencies and reductions in cost.

What the money was spent on

The chart below shows the distribution of expenditure during the year. The main elements of expenditure can be summarised as follows:-

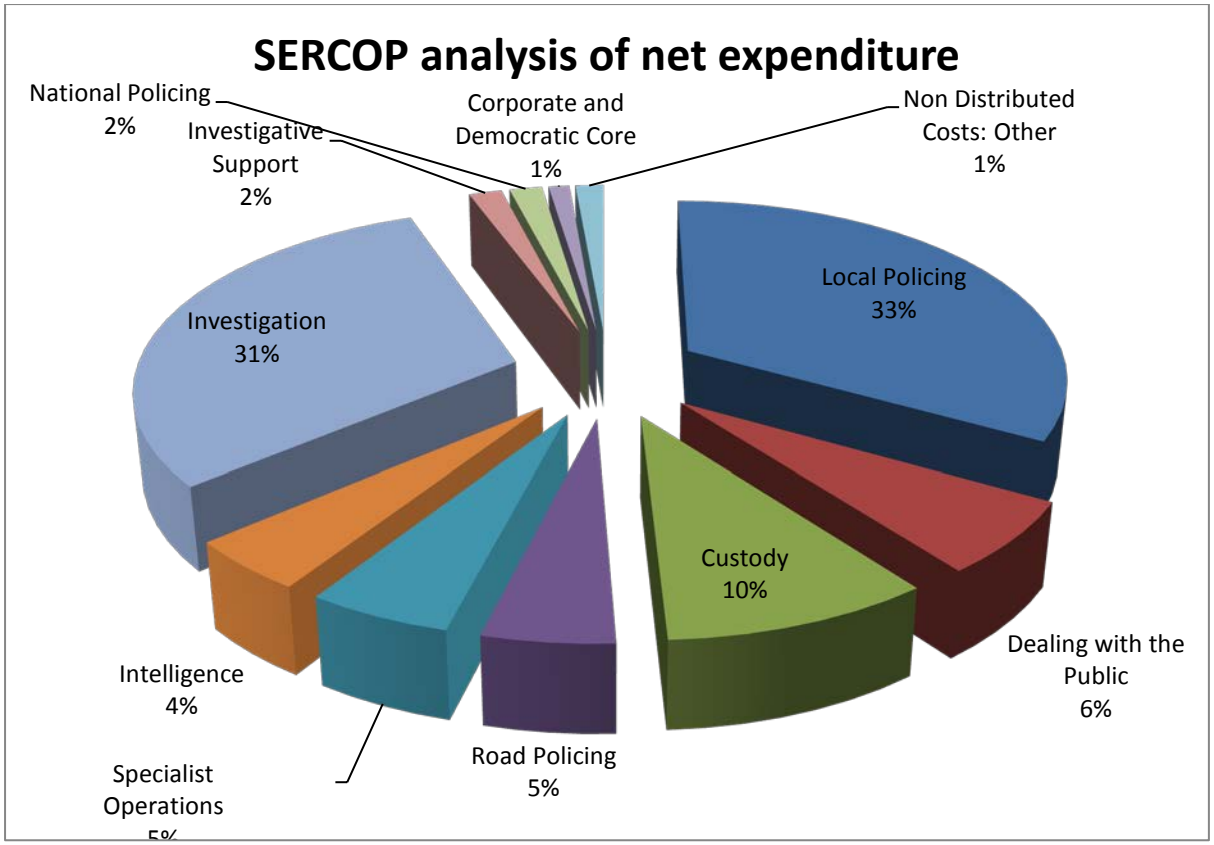
Employees – This area of the budget, amounting to 60% of total spending, supported 1100 police officers, 260 police staff and 149 Community Support Officers who provide policing services.

Third party payments – This area of the budget, representing 37% of total spending, includes the payments to G4S. With effect from the 1st April 2012 the then Police Authority entered into a Strategic Partnership with the private sector company G4S for the provision of mid and back office services. This was the largest commercial contract in UK Policing with a contract being signed for an initial 10 year period.

Running costs – This area of the budget, which amounted to 8% of total spending, supported the costs of premises, which comprised 68 operational buildings, the costs of transport, including running a fleet of 436 operational vehicles and range of operational consumables, including operational equipment and uniforms.

Capital financing – This area of the budget supported the capital investment programme.

Reserves – This represents the net movement for the year from the Income and Expenditure account to earmarked reserves.


SERCOP analysis of net expenditure
National Policing 2%
Investigative Support 2%
Corporate and Democratic Core 1%
Non Distributed Costs: Other 1%
Local Policing 33%
Investigation 31%
Custody 10%
Dealing with the Public 6%
Intelligence 4%
Specialist Operations 5%
Road Policing 5%

Balance sheet as at 31 March 2014

The table below shows the overall financial position at the end of the financial year, with previous figures for comparison. It shows, in particular, the value of assets owned and any sums owed to and by the PCC Group.

Cash flow statement

The balance of cash includes cash equivalents which are held for the purpose of meeting short term cash commitments rather than for investment or other purposes, such as on-call deposit accounts. Any surplus cash is invested in secure banking institutions and generates additional income to support policing in Lincolnshire.

Capital Expenditure

Capital expenditure generally represents money spent acquiring, upgrading and improving assets and major operational equipment. It relates to the provision of assets which will bring long term benefit to the PCC Group. The chart below sets out the capital investment made in 2013-14, amounting, in total, to £7.870m against a revised programme of £9.449m. The main expenditure areas centre on business transformation. These are schemes to develop ICT functionality and new services, providing resilience, new working patterns and a more effective organisation. Major items of capital expenditure included an Oracle based ICT business platform (£0.97m), a further range of ICT business developments with the PCC Group's Strategic Partner G4S (£3.6m) and the joint purchase of a Regional headquarters (£1.0m).

Capital Financing

The PCC Group's capital programme in 2013-14 was financed through a combination of capital receipts from the sale of assets, grants and contributions, sums set aside from revenue and internal cash balances. Borrowing was not necessary in 2013-14 due to the level of cash balances being held.

Notes to the Summary Accounts

These summary accounts simplify the PCC Group's financial position considerably from the accounts required by law and under accounting regulations. The following notes explain the significant items that are excluded.

Accounting for Pensions. The Accounting Regulations require the PCC Group to recognise the financial consequences of retirement benefits when they are earned by employees rather than when the benefits are eventually paid as pensions. As a result on this basis the PCC Group has a total liability of £1,107m. However the arrangements for funding this liability are in place with the Local Government Pension Scheme, latest valuation showing assets of £85.2m against liabilities of £127.5m. The Police Pensions Scheme costs are met each year by a specific grant from the Home Office.

Accounting for Capital. The statutory accounts are charged for all long-term assets used in the provision of services. The total charge covers the annual provision for depreciation. These summarised accounts only include the capital charges incurred by the PCC Group during the year.

Jointly Controlled Assets. The PCC Group has several jointly controlled asset arrangements, both with police forces across the East Midlands and with the public sector in Lincolnshire. The summary accounts do not include any adjustments for these arrangements.

Collection Fund and Employee Benefits. The accounting entries relating to the Collection Fund and Employee Benefit liabilities have been removed from these compact accounts as they have no effect on the amount to be raised from council tax.

Performance in 2013-14

The following table represents an extract of the performance during 2013-14, using the resources detailed in these accounts provided for policing.

The table shows a good performance in comparison to 2012-13 for most of the major performance headings, with total recorded crime reduced by 2.7%, the 13th best reduction out of 43 forces nationally.

Performance Measure	2012-13	2013-14	Change	% Change
Overall Recorded Crime	36,992	35,975	-1,017	-2.7
Burglary Dwelling	2,072	1,816	-256	-12.4
Violence against the Person with Injury	3,188	2,993	-195	-6.1
Calls for Service (Incidents)	168,857	167,043	-1,814	-1.1
Anti-Social Behaviour Incidents	26,583	21,733	-4,850	-18.2
Overall Crime Resolution	30.5%	31.6%	+82	+1.1%
Burglary Dwelling Resolution	14.9%	16.5%	+8	+1.6%
Violence against the Person with Injury Resolution	46.2%	47.6%	+48	+1.4%
Overall Confidence - Crime Survey (England & Wales)	68.7%	71.1%	-	+2.4%