

For Public Release

**POLICE AND CRIME COMMISSIONER (PCC) FOR LINCOLNSHIRE  
REQUEST FOR DECISION**

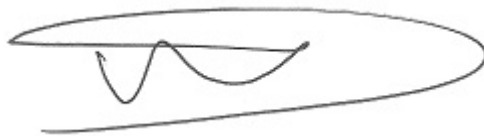
**REF: 017/2021  
DATE: 14 July 2021**

<b>SUBJECT</b>		<b>FINAL ALLOCATION OF RESERVES, REVISIONS TO THE REVENUE BUDGET 2020/21, CARY FORWARD REQUIREMENTS, REVISIONS TO THE 2020/21 APPROVED CAPITAL PROGRAMME AND ADDITIONS TO THE 2021/22 REVENUE BUDGET</b>
<b>REPORT BY</b>	<b>FORCE CHIEF FINANCE OFFICER</b>	
<b>CONTACT OFFICER</b>	<b>SHARON CLARK, FORCE CHIEF FINANCE OFFICER TEL: 01522 947468</b>	
<b>EXECUTIVE SUMMARY AND PURPOSE OF REPORT</b>		
This report proposes changes to the Revenue Budget for 2020/21 and the approved Capital Programme 2020/21. It also proposes changes to the Earmarked Reserves.		
<b>RECOMMENDATIONS</b>	<ol style="list-style-type: none"><li><i>1. That approval is given to the proposed changes to the Revenue Budget for 2020/21 as summarised in paragraph A2.</i></li><li><i>2. That approval is given to the proposed changes to the Earmarked Reserves as summarised in paragraph A3 &amp;A4</i></li><li><i>3. That approval is given to the proposed changes of the Capital Programme 2020/21 as summarised in paragraph A5</i></li><li><i>4. That approval is given to amend the 2021/22 Current Budget as summarised in paragraph A6.</i></li></ol>	

**POLICE AND CRIME COMMISSIONER FOR LINCOLNSHIRE**

I hereby approve the recommendations having considered the content of this report.

Signature:



Date: 14 July 2021

## A. NON-CONFIDENTIAL FACTS AND ADVICE TO THE PCC

### A1. INTRODUCTION AND BACKGROUND

1. This report sets out the final changes that are required to the Revenue Budget 2020/21 and the Capital Programme 2020/21 and of its financing. This report also looks to make changes to the Earmarked Reserves and seek approval for the carry forward of budget to fund items of expenditure in 2021/22.

### A2. REVENUE BUDGET 2020/21 CHANGES

#### Strategic Partnership

2. In order to cover further developments of £231k arising in the final month of the year, it is proposed to transfer budget from underspend on Capital Financing to the Strategic Partnership.

Revenue Budget Changes	Amount £000	From Budget Head/Funding	To Budget Head
Funding of developments in Strat' Partnership	231	Capital Financing	Strategic Partnership
<b>Total</b>	<b>231</b>		

### A3. TRANSFER TO RESERVES

3. The following are proposals for the earmarking of reserves.

#### Covid-19 Specific Special Grant

4. The £482k Covid-19 specific support grant is to be transferred to the General Reserve.

#### PCC Regional Collaboration

5. The surplus cost recovery of £23k in 2020/21 is to be ring-fenced and used to offset the charge levied in 2021/22.

#### Victims Commissioning Expenditure

6. A contract to provide additional funding for Domestic Abuse services alongside Lincolnshire County Council was agreed late in the financial year. This covers funding of the service until August 2021 at a cost of £28k. A ring-fence of 2020/21 underspend is required to be carried forward to fund the commitment.

#### OPCC Budget

7. An amount of £20k is to be earmarked to create a reserve specifically around the mitigation of risk and cost pressures when dealing with complaints.

#### Regional Niche

8. The in-year surplus cost recovery is required to be added to the Niche earmark reserve. This funding will be transferred back to Forces who contribute to the collaboration agreement during the 2021/22 financial year.

#### Direct Revenue Financing

9. Underspend on the Telematics and NEP capital programme totalling £106k is to be transferred back to the Performance and Productivity reserve as it is no longer required.

### **PCC Contingency**

10. The balance of £1,171k across the PCC Contingency budget and one-off funding allocations is to be transferred to reserves. The budgets have been committed for use in future years.

### **Police Staff**

11. The reserve drawdown contained within the mid-year decision report allowed for staff in time limited fixed term posts to commence employment in the middle of the 2020/21 financial year. Due to start dates much later in the year, it is required that the funding for these posts of £481k is earmarked in a reserve to ensure that they are able to complete two years employment.

### **Ill Health Pensions**

12. In order to help mitigate the large number of expected ill health retirements in the 2021/22 financial year, it is proposed that the 2020/21 underspend of £112k is added to the Ill Health Reserve.

### **Domestic Abuse Project**

13. A drawdown of £50k was made in year. However, due to support on the project from Lincolnshire County Council, this was not required in total. Subsequently, £43k is to be returned to the reserve.

### **Central Operations**

14. An amount of £53k was allocated from non-recurrent funding to Central Operations to cover the cost of Taser equipment. However, the timing of this cost will now see expenditure occur in 2021/22 requiring a necessary rollover of the funding.

### **Local Policing West Football**

15. A cost recovery of £20k was made in-year for policing of football matches. This related to the previous football season prior to Covid-19 lockdowns. £5k of this ring-fenced funding was spent on divisional initiatives leaving £15k to be added to the reserve.

### **ICT Monitored & Managed**

16. An amount of £50k was allocated from non-recurrent funding to ICT to cover the cost of upgrading Wi-Fi connections. However, the timing of this cost will now see it occur in 2021/22 requiring a necessary rollover of the funding.

### **Collective Underspends (CC)**

17. From within the general consolidated collective underspends arising on the Chief Constable budgets, it is proposed to earmark the following;

<b>Proposed Carry Forward to 2021/22</b>	<b>Amount</b>
	<b>£000</b>
Evidence Based Policing	20
National Police Memorial	15
EMCJS Carry-forward	9
Cadets	5
Warrant Card Holders	13
Sailpoint Integration	15
Hostage Negotiator Courses	22
<b>Total</b>	<b>99</b>

### Collective Underspends (OPCC Budgets)

18. From within consolidated underspends arising on the PCC budgets, it is proposed to allocate the following earmark reserves;

Proposed Carry Forward to 2021/22				Amount
				£000
Home Office ICT charges (received after budget setting)				122
Additional Ernst Young Audit Charges 2018-2020				42
NPAS Helicopter Flying hours increase				230
Development & Partnership Working				71
<b>Total</b>				<b>465</b>

### POCA Expenditure

19. An excess in drawdown of £8k arose in year. This is to be returned to the POCA reserve.
20. The table below proposes, in summary, the total transfer to reserves.

Revenue Budget		Amount	Transfer to Reserve	
		£000		
Covid-19 & Special Grant		482	General Reserve	
PCC Regional Collaboration		23	Regional Collaboration	
Victims Commissioning Expenditure		28	PCC / LCC DA Reserve	
OPCC Budget		20	PCC Complaints	
Regional NICHE		97	Regional Niche	
Direct Revenue Financing		106	Performane & Productivity	
PCC Contingency & One off funding		1,171	Ring-fence of one off funding	
Police Staff		481	Time Limited Staff Posts	
Ill Health Pensions		112	Ill Health Pension Reserve	
Domestic Abuse Project		43	PTF Early	
Central Operations		53	Central Operations Taser Carry Forward	
Local Policing West		15	West Division Football Income	
ICT Monitored & Managed		50	ICT Wifi Charges	
Various CC Budgets		99		
Various PCC Budgets		394		
Various PCC Budgets		71		
POCA Expenditure		8	POCA Reserves	
<b>Total</b>		<b>3,253</b>		

### A4. RELEASE OF RESERVES TO REVENUE BUDGET

21. There are no requirements for any further reserves to be drawn down at this stage.

**A5. CAPITAL PROGRAMME 2020/21**

22. The following amendments are proposed to this budget as follows;

**Horizons BI Tool**

23. The previous decision report re-profiled the budget and funding for this programme by moving £1,313k in to 2021/22. However there has been more expenditure in 2020/21 than planned and so a further re-profile (addition to 2020/21) of £96k is required. This can reduce the following year budget allocation.

**Fleet Replacement Programme**

24. The ARV grant had an allocation of £33k to fund the purchase of a BMW-X5 utility vehicle. This expenditure budget and funding is required to be added to the approved programme.

**ARV Grant Funded Carbines (Guns)**

25. The ARV grant also included £108k to fund the purchase of new guns. The budget and funding is required to be added to the approved programme.

26. The following table summarises the proposed adjustments to the 2020/21 capital programme:

<b>Proposed Budget Changes</b>	<b>Amount £000</b>	<b>Funded by</b>
Horizons BI Tool	96	General Borrowing
Arv Funded BMW X5	33	Grant Funding
ARV Funded Carbines (Guns)	108	Grant Funding
<b>Total</b>	<b>237</b>	

**Carry forward to 2021/22**

27. The following projects require re-profiling into the following year. The impact of Covid-19 was widely felt in the ICT programmes with a large carry forward requirement. This was due to staffing resources below expectations along with a lot of the national programmes being placed on hold

Proposed Budget Carry Forward	Amount £000	Funded by
Alterations to front entrance of SHQ	50	General Borrowing
South Park Gymnasium	23	General Borrowing
East Coast Training Centre	8	General Borrowing
Holbeach Refurbishment	307	General Borrowing
Equipment (Unallocated)	59	General Borrowing
Equipment Forensic Collision Investigations	150	General Borrowing
Drone Replacement	19	General Borrowing
ESMCP	273	General Borrowing
ICT / Tech Futures Schemes	2,562	General Borrowing
Command & Control	1,793	General Borrowing
Blue Light South Park Collaboration	118	General Borrowing
Blue Light South Park Collaboration	120	Partner Funding
Vehicles	236	General Borrowing
<b>Total</b>	<b>5,718</b>	

#### A6. ADDITIONS TO REVENUE BUDGET FOR 2021/22

28. A grant of £1,006k is to be received from the Home Office in the early part of the financial year. It is proposed at this stage to transfer this amount to Earmarked Reserves.
29. A contribution of £40k has been received by the OPCC from the National Probation Service / Integrated Offender Management. This is to part fund an Inspector post. The remaining funding for this post is to be transferred from the Force Contingency budget. In summary the following adjustment is needed

Revenue Budget Changes 2021/22	Amount £000	(From) Budget Head/Funding	(To) Budget Head
Additional Home Office Grant	1,006	Home Office Grant	Transfer to Earmarked Reserves
Additional Police Inspector	40	Force Contingency	Police Officer Salaries
Additional Police Inspector	40	PCC Income	Police Officer Salaries
<b>Total</b>	<b>1,086</b>		

#### A7. LINKS TO POLICE AND CRIME PLAN AND PCC'S STRATEGIES/PRIORITIES

The Revenue Budget changes are needed to ensure the budget will support the PCC's Strategies.

The Capital Programme assists in delivering the Asset Management Strategy, the ICT Strategy and the Business Transformation Programme.

#### B. FINANCIAL CONSIDERATIONS

Included within this report.

**C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS**

The Scheme of Arrangements and Financial Regulations require changes to the Revenue Budget and Capital Programme to be approved by the PCC having consulted with the PCC's CFO.

**D. PERSONNEL AND EQUALITIES ISSUES**

There are none.

**E. REVIEW ARRANGEMENTS**

Monitoring of the revenue budget and capital programme is carried out monthly by the Resource Governance Meeting. The outturn position will be subject to External Audit review and will be reported as part of the formal Accounting Statements.

**F. RISK MANAGEMENT**

The Financial, Regulations provide a framework for the operation of Internal Control and give assurance on financial processes. The transactions within this report conform to those requirements.

Major capital schemes are controlled under the project methodology adopted by the Force with individual projects being controlled by a project board chaired by a senior officer of the Force. Other areas of the programme are monitored and controlled by the relevant service leads and the Commercial Partnership Team.

**G. PUBLIC ACCESS TO INFORMATION**

Information in this form along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation. Part 1 of this form will be made available on the PCC's website within one working day of approval. However, if release by that date would compromise the implementation of the decision being approved, publication may be deferred. An explanation for any deferment must be provided below, together with a date for publication.

<p><b>Is the publication of this form to be deferred? No</b></p> <p>If Yes, for what reason:</p> <p>Until what date:</p>
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Any facts, advice or recommendations that should not be made automatically available on request should not be included in Part 1 but on the separate Part 2 form.

<p><b>Is there a Part 2 form? No</b></p> <p>If Yes, for what reason:</p>
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## ORIGINATING OFFICER DECLARATION

	Initials
<b>Originating Officer:</b> CC's Chief Finance Officer, recommends this proposal for the reasons outlined above.	SC
<b>Financial advice:</b> The PCC's Chief Finance Officer has been consulted on this proposal.	JF
<b>Monitoring Officer:</b> The PCC's Monitoring Officer has been consulted on this proposal.	MB
<b>Chief Constable:</b> The Chief Constable has been consulted on this proposal.	CH

## OFFICER APPROVAL

<p><b>Chief Executive</b></p> <p>I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. Consultation outlined above has also taken place. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner for Lincolnshire.</p> <p><i>[Handwritten Signature]</i></p> <p><b>Signature:</b> _____ <b>Date:</b> 14 July 2021</p>
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