

RAG Status	
This Period	Last Period



TRANSFORMING FOR THE FUTURE

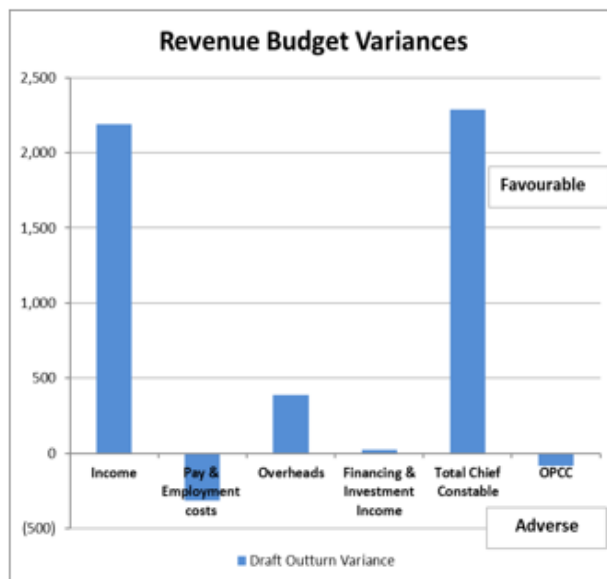
Funding & Resources

#### 2019/20 QUARTER 4 FINANCIAL REPORT- OVERVIEW

The Overall Revenue outturn is £134.5m against a budget of £134.7m, a favourable variance of £0.181m or 0.13%. This position is after the approval of £0.9m carry forward requests. There were a large number of projects which were not completed by the year end as a result of the Coronavirus pandemic. The figures contained within this report are the draft outturn position as at 31 March 2020 and are subject to external audit.

The year end underspend has been transferred to the General Fund balance which now totals £4.746m, equivalent to 3.52% of Net Revenue Expenditure (NRE). This is an improvement on the Q3 forecast and between the 3% to 5% target in the Reserves Strategy. Each earmarked reserve has seen an increased balance at the year end with the exception of the Capital Financing Reserve which has been fully utilised in accordance with the budget.

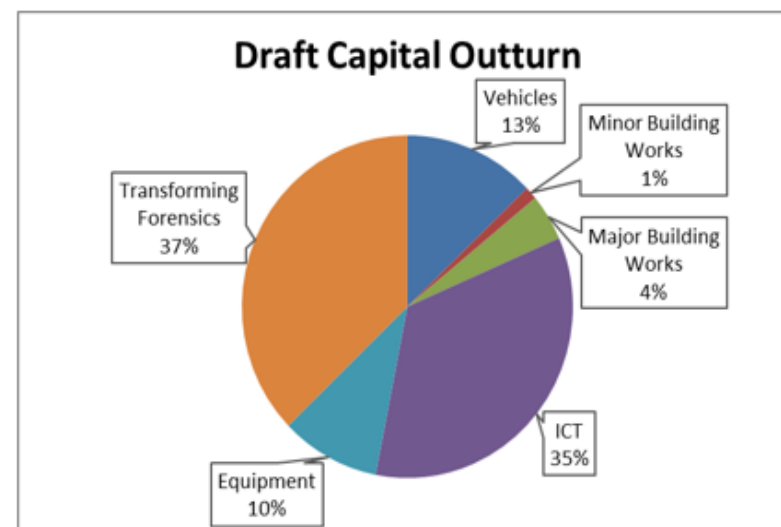
The graph below summarises the revenue variances for the year.



#### CAPITAL

The Capital Programme totalled £9.8m in 2019/20 against a revised budget of £12.660m, a favourable variance of £2.853m. This includes the capital costs of the Transforming Forensics programme. The budget increased during quarter 4 as a result of the additional Tasers which were funded from additional grant and revenue contributions. Most of the favourable variance was slippage and will be carried forward into 2020/21.

The graph below shows the make-up of the capital spend in 2019/20



As a result of the favourable variance, borrowing, revenue contributions and the use of capital receipts are all less than budgeted but will be utilised in 2020/21.

Further information on both the revenue budget, capital programme and reserves can be found on the following pages.

RAG Status	
This Period	Last Period



TRANSFORMING FOR THE  
FUTURE

Funding &  
Resources

NET REVENUE EXPENDITURE						
BUDGET V DRAFT OUTTURN 2019/20						
2019/20	Original Budget	Revised Budget	Draft Outturn	Variance fav / (adverse)	Ref	Draft Outturn Commentary
	£000's	£000's	£000's	£000's		
<b>Chief Constable</b>						
Income	(15,115)	(17,560)	(19,752)	2,192	R2	R1. The overall favourable variance for the year is £181,000 or 0.13% of the total net budget. This has been transferred to the General Reserve.  R2. Additional income received during the year included grants for Uplift, Cyber Crime and County Lines. Income for Mutual Aid and seconded officers both exceeded the budget which offsets some of the additional pay and overtime costs.
Pay & Employment costs	113,344	113,235	113,550	(315)	R3	R3. Whilst pay costs overall were within 0.3% of the budget, there were significant variances within this heading. Police Officer overtime was overspent by £1.2m after allowing for mutual aid, whilst Police Staff costs were nearly £1.1m underspent, after allowing for carry forwards. The cost of the higher than budgeted pay award was £0.2m.
Overheads	33,268	35,767	35,379	388	R4	R4. Underspends have occurred from vacancies in estates and delays in the capital programme resulting in savings such as software licences.
Financing & Investment Income	1,734	1,710	1,688	22		R5. The OPCC costs are higher than budgeted as a result of legal fees for Officers which the OPCC is required to fund.
<b>Total Chief Constable</b>	<b>133,231</b>	<b>133,151</b>	<b>130,865</b>	<b>2,287</b>		
<b>OPCC</b>	<b>2,076</b>	<b>2,157</b>	<b>2,238</b>	<b>(81)</b>	<b>R5</b>	
<b>Total Net Revenue Expenditure</b>	<b>135,308</b>	<b>135,308</b>	<b>133,102</b>	<b>2,206</b>		R6. Additional transfers to reserves have been made primarily in relation to carry forwards (budget management and regional collaboration reserves). A contribution to Major Ops of £250,000 for summer policing has also been made and less was required from the workforce change reserve.
Reserves	(640)	(640)	1,385	(2,025)	R6	
<b>Net Budget</b>	<b>134,668</b>	<b>134,668</b>	<b>134,487</b>	<b>181</b>	<b>R1</b>	



TRANSFORMING FOR THE  
FUTURE

Funding &  
Resources

#### CAPITAL EXPENDITURE AND CAPITAL FINANCING

##### BUDGET v DRAFT OUTTURN 2019/20

2019/20	Original Budget	Revised Budget	Draft Outturn	Variance Fav / (Adverse)
	£000's	£000's	£000's	£000's
<b>Capital Investment</b>				
Vehicles	1,541	1,224	1,272	(48)
Minor Building Works	1,090	128	120	8
Major Building Works	1,050	1,016	434	582
ICT	6,149	4,993	3,427	1,566
Equipment	1,055	1,272	960	312
Transforming Forensics	4,027	4,027	3,594	433
Slippage	(2,529)	-	-	0
<b>Total Capital Programme</b>	<b>12,383</b>	<b>12,660</b>	<b>9,807</b>	<b>2,853</b>

##### Capital Draft Outturn Commentary

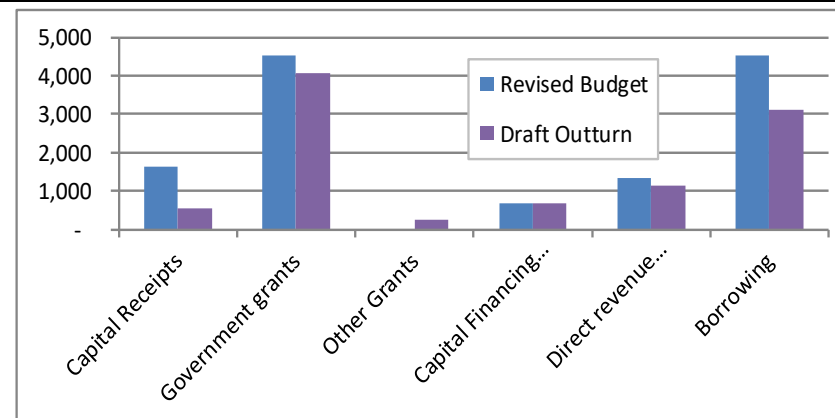
The capital budget for 2019/20 shows a favourable variance at the year end of £2.853m. This was broadly in line with the Q3 forecast with the exception of ICT projects and Transforming Forensics. £2.237m of the year end variance related to slippage which will be carried forward to 2020/21, £0.183m were final variances and £0.433m related to Transforming Forensics and the associated grant was reduced accordingly.

The Coronavirus pandemic caused further delays to some of the major ICT projects as work was stopped during Q4 and staff redeployed to other key tasks in preparation for the anticipated emergency.

Funding for the capital programme was reviewed at the year end. As a result some assets which were originally planned to be financed from capital receipts were funded by borrowing due to their longer asset lives. This was still below the expected level of borrowing but ensures the flexibility of capital receipts are available for future years.

##### CAPITAL FINANCING

<b>Sources of Finance</b>				
	Original Budget	Revised Budget	Draft Outturn	Variance Fav / (Adverse)
	£000's	£000's	£000's	£000's
Capital Receipts	5,662	1,631	563	1,068
Government grants	4,448	4,514	4,081	433
Other Grants	-	-	254	(254)
Capital Financing reserve	-	665	665	0
Direct revenue contributions	1,100	1,331	1,130	201
Borrowing	1,173	4,519	3,114	1,405
<b>Total Capital Funding</b>	<b>12,383</b>	<b>12,660</b>	<b>9,807</b>	<b>2,853</b>



## Dorset Police and Crime Panel

### Police & Crime Plan Monitoring Report – Quarter 4 2019/20

RAG Status	
This Period	Last Period

#### USABLE RESERVES

##### BUDGET V DRAFT OUTTURN 2019/20

2019/20	Opening Balance at 1/4/19	Budgeted transfer to/(from) reserves	Actual Transfer to/(from) reserves	Balance at 31/3/20	Variance against budgeted transfer
Reserve	£000's	£000's	£000's	£000's	£000's
Budget Management Fund	27	0	887	914	(887)
Capital Financing Reserve	665	0	(665)	0	665
Major Operations Reserve	738	0	250	988	(250)
Police and Crime Plan Reserve	1,063	(757)	(287)	776	(470)
Regional Collaboration Reserve	231	(194)	114	345	(308)
Workforce Change Reserve	1,333	(647)	(407)	926	(240)
Learning & Development Reserve	0	0	46	46	(46)
PEQF Reserve	0	0	157	157	(157)
<b>Total Earmarked Reserves</b>	<b>4,057</b>	<b>(1,598)</b>	<b>95</b>	<b>4,152</b>	<b>(1,693)</b>
<b>General Fund Balance</b>	<b>3,957</b>	<b>452</b>	<b>789</b>	<b>4,746</b>	<b>(337)</b>
<b>Total Revenue Reserves</b>	<b>8,014</b>	<b>(1,146)</b>	<b>884</b>	<b>8,898</b>	<b>(2,030)</b>
Capital Receipts Reserve	1,123	(1,123)	(168)	955	(955)
<b>Total Usable Reserves</b>	<b>9,137</b>	<b>(2,269)</b>	<b>716</b>	<b>9,853</b>	<b>(2,985)</b>

#### Reserves Commentary

- Carry forward requests totalling £914,000 have been approved and transferred to the Budget Management Fund to be spent in 2020/21, including commitments from the Innovation Fund and training that was delayed as a result of the coronavirus pandemic. Carry forwards from 2018/19 in the Budget Management Fund and Capital Financing Reserve have been fully utilised.
- A contribution to the Major Operations reserve has been made to offset potential costs of summer policing.
- Projects commissioned from the Police and Crime Plan reserve were not fully completed at the year end but will be spent in 2020/21.
- £157,000 has been released from the Regional Collaboration reserve and transferred to General Fund as it is no longer required. Carry forwards on regional programmes we administer totalled £271,000 and have been transferred into the reserve.
- The draw on the Workforce Change reserve was less than budgeted as a result of fewer restructures.
- The Learning & Development reserve has been created as set out in the Budget Report following the closure of the Police Scholarship Trust. The Force contribution has been added to the reserve.
- The cost of the Post Entry Qualification Framework (PEQF) were lower than budgeted in year 1, but will be higher in future years due to less income from the Apprenticeship Levy. The underspend has been transferred to its own reserve to aid transparency and will be used over the course of the MTFP.
- General Fund has been increased by the transfer from the Regional Collaboration reserve and the budget variance of £181,000 in addition to the budgeted transfers.
- Less capital receipts have been used to fund the capital programme, partly as a result of slippage but also there were more assets where it was cost effective to fund from borrowing. This means we retain the flexibility of capital receipts to fund shorter life assets in future years.



TRANSFORMING FOR THE  
FUTURE

Funding &  
Resources