

2016/17 Budget Summary		
	£000	
<u>2015/16 Original Budget - Budget Book Net Expenditure</u>	262,512	Includes one-off expenditure and funding from reserves
Adjustment for use of reserves and one-off items in 2015/16	(1,029)	From 2015/16 budget setting
<u>2016/17 Base Budget</u>	261,483	As per MTFs
0. Pre 2016/17 Activity		
Pay	(102)	Includes Sept 2015 payrise, reduction in pension costs & turnover changes
National Employment Appeal Tribunal Case on the calculation of holiday pay (Bear Scotland)	660	
Income increase	(100)	Increase in Private Hire income budgets
Growth from previous budget settings no longer required	(33)	
Transform - Pay Savings	(4,987)	Savings from 2016/17 structure changes changed in 2015/16 - includes Neighbourhood Policing and Support Services
Transform - Non Pay savings	(2,074)	Includes £655k for fuel and £436k for Forensic Analysis
Total 0. Pre 2016/17 Activity	(6,636)	
<u>2016/17 Base Budget after adjustment to 15/16 base for pre 2016/17 activity</u>	254,847	A reduction of (£7.7m) to the 2015/16 baseline budget
1. Unavoidable Cost Pressures		
Pay inflation	1,203	Based on 1%
Pay (not inflation) e.g. increments/pension changes	2,165	Includes increments of £2.4m
Pay national NI changes for Contracted Out	4,524	
Contractual Inflation	497	
Insurance Claims expenditure & contribution to provision	1,100	
Green Capital Programme - Revenue Consequences	366	
Amber Capital Programme - Revenue Consequences	76	
Historic Minimum Revenue Provision (internal debt)	(500)	
SCD, IT and Support costs	2,576	Includes £650k increase for SCD and £1.7m IT
Total 1. Unavoidable Cost Pressures	12,007	
2. Service changes needed to address challenges		
Public Protection Unit	1,900	Includes investment of 100 fte's
Cyber Crime	103	
Digital team and Local Policing	2,000	Includes investment of 40 fte's
Learning & Development and Data Analysts	508	
Total 2. Service changes needed to address challenges	4,511	
3. Cost of change needed to fund 2 above		
Severance & Excess Mileage costs from restructures	1,928	Service reduction across a range of departments
Total 3. Cost of change needed to fund 2 above	1,928	
4. Short term one off costs		
Public Protection Unit - One-off	406	Transition costs of implementing the new structure
In-year savings shortfall - one off	472	Based on delayed decisions - PCSO's
Green Capital Programme - One-off revenue costs	232	
Amber Capital Programme - One-off revenue costs	1,223	Based on 75% of bids
Cost of Borrowing	253	Investment income offset with Interest charges
Revenue Cost Pressures	1,122	Includes £926k investment in Information Technology
Fuel - deflation	(100)	
Total 4. Short term one off costs	3,608	
Additional Savings in 2016/17		
Transformation Programme	(10,281)	Includes PCSO's and Front Counter changes. Total Transform savings in 2016/17 = (£17.3m) - see Transform savings in pre 16/17 activity above
One-off savings required	(341)	
Total Additional Savings in 2016/17	(10,622)	
<u>2016/17 Final Budget requirement</u>	266,279	
Source of Funding		
HO Core Police Grant - a reduction of £0.588m - 0.57%	102,784	2015/16 £103.372m (2014/15 £110.111m)
HO formula Grant (ex DCLG grant) a reduction of £0.321m - 0.57%	55,932	2015/16 £56.253m (2014/15 £58.110m)
Council Tax Freeze grant (2011/12)	2,133	2015/16 £2.133m (2014/15 £2.133m)
Council Tax Support Grant	10,992	2015/16 £10.992m (2014/15 £10.992m) - for reduction in taxbase from 13/14
Council Tax precept	92,644	2015/16 £88.081m (2014/15 £84.545m). Based on taxbase growth of 1.76% & 3.36% precept increase.
Collection Fund surplus	1,794	2015/16 £1.680m (2014/15 £1.064m, 2013/14 £0.406m & 2012/13 £0.101m).
<u>2016/17 Total Funding</u>	266,279	2015/16 £262.511m (2014/15 £266.955m).
Surplus / (deficit)		
	0	
Council Tax Band D (£147.15 2015/16, £144.27 2014/15)	£152.10	
CT Increase % (1.996% 2015/16, 1.97% 2014/15 & 2013/2014)	3.36%	
Increased cost to Band D property / pa (£2.88 in 2015/16)	£4.95	
Additional Weekly Cost (6 pence in 2015/16)	£0.10	
Tax base - number of properties (598.581m in 2015/16)	609,102	

POLICE & CRIME COMMISSIONER FOR ESSEX

REVENUE BUDGET SUMMARY 2016/17

Subjective Analysis

<i>Council Tax Precept Increase</i>	3.36%			2.00%	0.00%
	2014/15 Actuals	2015/16 Original Budget	2016/17 Estimate	2016/17 Estimate	2016/17 Estimate
	£000	£000	£000	£000	£000
Employees					
Police Officer Pay and Allowances	170,454	164,939	163,656	162,840	162,255
PCSO Pay and Allowances	8,050	7,328	3,449	3,449	2,378
Police Staff Pay and Allowances	65,178	67,655	68,340	67,896	67,812
Training	859	896	804	804	804
Other Employee Expenses	910	433	2,003	2,003	2,003
Police Officer Pensions (Ill Health & Medical)	4,686	4,561	4,561	4,561	4,561
Premises	11,098	10,303	10,113	10,113	10,113
Transport	5,344	5,693	4,605	4,605	4,605
Supplies and Services	24,327	20,726	24,138	24,138	24,138
Third Party Payments	6,426	5,164	5,416	5,416	5,416
Transform savings to be identified	0	(2,495)	0	0	0
Gross Operating Expenditure	297,332	285,203	287,085	285,825	284,085
Total Income	(29,602)	(22,591)	(23,179)	(23,179)	(23,179)
Net Cost of Services	267,730	262,612	263,906	262,646	260,906
Interest Receivable / Payable	(200)	(243)	2	2	2
Net loss/(surplus) on the disposal of fixed asset	38	32	32	32	32
Net Operating Expenditure	267,568	262,401	263,940	262,680	260,940
Capital & Other Adjustments	3,112	1,000	2,339	2,339	2,339
Net Expenditure	270,680	263,401	266,279	265,019	263,279
Contribution to/(from) Earmarked Reserve	(1,622)	1,180	0	0	0
Contribution to/(from) General Reserve	(2,103)	(2,070)	0	0	0
BUDGET REQUIREMENT	266,955	262,511	266,279	265,019	263,279
Finance by:					
Police Grant	(110,111)	(103,372)	(102,784)	(102,784)	(102,784)
Home Office Formula Grant (previously DCLG)	(58,110)	(56,253)	(55,932)	(55,932)	(55,932)
Council Tax Freeze Grant	(2,133)	(2,133)	(2,133)	(2,133)	(2,133)
Council Tax Support Grant	(10,992)	(10,992)	(10,992)	(10,992)	(10,992)
Council Tax Precept	(84,545)	(88,081)	(92,644)	(91,384)	(89,644)
Collection Fund Surplus	(1,064)	(1,680)	(1,794)	(1,794)	(1,794)
Sources of Finance	(266,955)	(262,511)	(266,279)	(265,019)	(263,279)

REVENUE BUDGET SUMMARY 2016/17

Objective analysis

Police Objective Analysis					
			3.36%	2.00%	0.00%
	2015/16	2015/16	2016/17	2016/17	2016/17
Function	Actuals	Original	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Council Tax Precept Increase					
Local Policing	79,027	77,908	72,829	72,329	70,757
Dealing with the Public	14,020	17,405	15,264	15,264	15,264
Criminal Justice Arrangements	16,805	18,043	17,328	17,328	17,328
Road Policing	12,615	7,036	6,062	6,062	6,062
Operational Support	16,492	12,437	11,257	11,257	11,257
Intelligence	11,981	13,161	13,135	13,135	13,135
Investigations	44,731	46,269	51,564	51,564	51,414
Investigative Support	7,444	7,417	7,493	7,493	7,493
National Policing	1,302	1,512	1,560	1,560	1,560
Sub total	204,417	201,188	196,492	195,992	194,270
Support Functions	51,777	51,978	52,546	51,786	51,768
Police & Crime Commissioner - Office	1,171	1,275	1,260	1,260	1,260
Police & Crime Commissioner - Grants	3,102	3,369	3,370	3,370	3,370
Central Costs	10,213	5,591	12,611	12,611	12,611
Sub total	66,263	62,213	69,787	69,027	69,009
Net Expenditure	270,680	263,401	266,279	265,019	263,279
Net Transfer from Earmarked Reserves	(1,622)	1,180	0	0	0
Contribution from General Reserve	(2,103)	(2,070)	0	0	0
Budget Requirement	266,955	262,511	266,279	265,019	263,279

CAPITAL PROGRAMME 2016/17 TO 2020/21

2016/17	joint with Kent	Capital Cost £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Total £000
<i>ANPR</i>								
Fixed site expansion		106.0	106.0					106.0
Equipment replacement		114.0	114.0					114.0
<i>Estates</i>								
CCTV Custody Suites		380.0	190.0	190.0				380.0
ESMCP Project - ICCS Replacement	Y	1,863.0	1,863.0					1,863.0
Evolve/Strategic Change building works		250.0	250.0					250.0
Chemical Enhancement Laboratory 2	Y	625.0	625.0					625.0
Environmental Projects 2		250.0	150.0	100.0				250.0
Estates Strategy		39,075.0	14,625.0	18,650.0	4,350.0	1,450.0		39,075.0
<i>IT</i>								
Digital Forensics - Digital Analysis	Y	164.3	37.1	63.6	63.6			164.3
Digital Forensics Gateway	Y	127.0	127.0					127.0
Business Objects Upgrade		125.0	125.0					125.0
Digital Asset Management (Home Office Innovation Fund)	Y	800.0	700.0	50.0	50.0			800.0
ANPR Back Office Convergence / National Project	Y	30.0	30.0					30.0
Mobile policing	Y	3,311.0	1,709.0	548.0	29.0	995.0	30.0	3,311.0
Public Contact Programme (Channel Shift)	Y	1,200.0	1,100.0	100.0				1,200.0
Public Contact Programme (Contact Points)		1,200.0	1,200.0					1,200.0
COSMOS Replacement	Y	268.0	268.0					268.0
SAP Programme	Y	250.0	175.0	75.0				250.0
Learning & Development - Learning Portal	Y	100.0	100.0					100.0
Athena Essex BRC		1,300.0	1,300.0					1,300.0
Big Data Analytics		125.0	125.0					125.0
<i>Other</i>								
Body armour 2016/17		71.0	56.0	15.0				71.0
SCD: Platform Equipment	Y	145.0	122.5		22.5			145.0
<i>Transport</i>								
Fleet replacement programme		1,800.0	1,800.0					1,800.0
Transport - Telematics	Y	114.0	114.0					114.0
		53,793.3	27,011.6	19,791.6	4,515.1	2,445.0	30.0	53,793.3

2017/18	joint with Kent	Capital Cost £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Total £000
<i>ANPR</i>								
Fixed site expansion		106.0		106.0				106.0
Equipment replacement		114.0		114.0				114.0
<i>Estates</i>								
Environmental Projects 3		550.0		150.0	200.0	200.0		550.0
Estates Strategy		2,900.0		1,650.0	750.0	500.0		2,900.0
<i>IT</i>								
ESMPC Project - Transition to Emergency Services Network and Devices	Y	4,680.0		3,855.0	825.0			4,680.0
Case Management (Business Services)	Y	80.0		80.0				80.0
Socrates as a Service	Y	11.0		11.0				11.0
<i>Other</i>								
Body armour 2017/18		71.0		56.0	15.0			71.0
<i>Transport</i>								
Fleet replacement programme		1,900.0		1,900.0				1,900.0
		10,412.0	0.0	7,922.0	1,790.0	700.0	0.0	10,412.0

2018/19	joint with Kent	Capital Cost £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Total £000
<i>ANPR</i>								
Fixed site expansion		106.0			106.0			106.0
Equipment replacement		107.0			107.0			107.0
<i>Estates</i>								
Custody suite enhancements		1,000.0			500.0	500.0		1,000.0
Estates Strategy		17,250.0			8,750.0	7,650.0	850.0	17,250.0
<i>IT</i>								
End User Device Replacement		1,159.0			397.0	331.0	431.0	1,159.0
Network Replacement		900.0			300.0	300.0	300.0	900.0
Server Replacement		900.0			300.0	300.0	300.0	900.0
<i>Other</i>								
Body armour 2018/19		71.0			56.0	15.0		71.0
<i>Transport</i>								
Fleet replacement programme		2,000.0			2,000.0			2,000.0
		23,493.0	0.0	0.0	12,516.0	9,096.0	1,881.0	23,493.0

2019/20	joint with Kent	Capital Cost £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Total £000
<i>ANPR</i>								
Fixed site expansion		106.0				106.0		106.0
Equipment replacement		109.0				109.0		109.0
<i>Estates</i>								
Estates Strategy		3,500.0				969.8	2,530.2	3,500.0
<i>Other</i>								
Body armour 2018/19		71.0				56.0	15.0	71.0
<i>Transport</i>								
Fleet replacement programme		2,000.0				2,000.0		2,000.0
		5,786.0	0.0	0.0	0.0	3,240.8	2,545.2	5,786.0

2020/21	joint with Kent	Capital Cost £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Total £000
<i>ANPR</i>								
Equipment replacement		110.0					110.0	110.0
<i>IT</i>								
IT System - Support Works	Y	66.0					66.0	66.0
<i>Other</i>								
Body armour replacement		71.0					71.0	71.0
<i>Transport</i>								
Fleet replacement programme		2,000.0					2,000.0	2,000.0
		2,247.0	0.0	0.0	0.0	0.0	2,247.0	2,247.0

SUMMARY		Capital Cost £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
2016/17 proposals		53,793.3	27,011.6	19,791.6	4,515.1	2,445.0	30.0	53,793.3
2017/18 proposals		10,412.0	0.0	7,922.0	1,790.0	700.0	0.0	10,412.0
2018/19 proposals		23,493.0	0.0	0.0	12,516.0	9,096.0	1,881.0	23,493.0
2019/20 proposals		5,786.0	0.0	0.0	0.0	3,240.8	2,545.2	5,786.0
2020/21 proposals		2,247.0	0.0	0.0	0.0	0.0	2,247.0	2,247.0
		95,731.3	27,011.6	27,713.6	18,821.1	15,481.8	6,703.2	95,731.3

CAPITAL RESOURCES AND EXPENDITURE FORECAST

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Opening balance	4,699	(26,055)	(49,032)	(30,343)	(31,475)
Estimated resources to be generated in year -					
Home Office - capital settlement	1,100	1,100	1,100	1,100	1,100
Other capital contributions	-	-	-	-	-
Capital receipts from existing plan and Estates Strategy	3,373	5,150	36,450	13,250	2,500
	4,473	6,250	37,550	14,350	3,600
Less, estimated capital payments in year					
2015/16 and earlier years projects	(8,215)	(1,513)	(40)	-	-
Capital bids					
2016/17	(27,012)	(19,792)	(4,515)	(2,445)	(30)
2017/18	-	(7,922)	(1,790)	(700)	-
2018/19	-	-	(12,516)	(9,096)	(1,881)
2019/20	-	-	-	(3,241)	(2,545)
2020/21	-	-	-	-	(2,247)
	(35,227)	(29,227)	(18,861)	(15,482)	(6,703)
Closing balance	(26,055)	(49,032)	(30,343)	(31,475)	(34,578)
In year surplus/(shortfall) from resources/ payments	(30,754)	(22,977)	18,689	(1,132)	(3,103)

Notes

- 1 Awaiting notification of 2016/17 capital grant announcement.
- 2 The capital programmes from 2017/18 are subject to ongoing update and review.
- 3 Opening balance of £4.699m includes sale proceeds for Hadleigh of £300k expected 2015/16.

Current & Forecast Reserves

	2015/16		2016/17		2017/18		2018/19		2019/20		202/21	
	Forecast Movements (£m)	Forecast @ 31/3/16 (£m)	Forecast Movements (£m)	Forecast @ 31/3/17 (£m)	Forecast Movements (£m)	Forecast @ 31/3/18 (£m)	Forecast Movements (£m)	Forecast @ 31/3/19 (£m)	Forecast Movements (£m)	Forecast @ 31/3/20 (£m)	Forecast Movements (£m)	Forecast @ 31/3/20 (£m)
Specific Revenue Reserves												
Future Capital Funding	(0.3)	-	-	-	-	-	-	-	-	-	-	-
Leased Property Dilapidations Reserve Original	-	0.2	-	0.2	-	0.2	-	0.2	-	0.2	-	0.2
Leased Property Dilapidation & Maintenance Reserve	-	0.5	-	0.5	-	0.5	-	0.5	-	0.5	-	0.5
Forfeiture Monies Reserve	-	0.1	-	0.1	-	0.1	-	0.1	-	0.1	-	0.1
Estates Plan	(1.3)	-	-	-	-	-	-	-	-	-	-	-
Athena	(0.7)	-	-	-	-	-	-	-	-	-	-	-
Restructuring Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Investment for Estates & IT Strategies	(0.3)	-	-	-	-	-	-	-	-	-	-	-
Pay Equalisation Reserve	(0.3)	-	-	-	-	-	-	-	-	-	-	-
POCA income	-	0.6	-	0.6	-	0.6	-	0.6	-	0.6	-	0.6
Specific Revenue Reserves	(2.9)	1.4	-	1.4	-	1.4	-	1.4	-	1.4	-	1.4
Carry Forwards Reserve	(1.2)	-	-	-	-	-	-	-	-	-	-	-
General Reserve	(2.2)	13.0	-	13.0	-	13.0	-	13.0	-	13.0	-	13.0
GR as % of net revenue expenditure		4.9%		4.9%		4.8%		4.8%		4.7%		4.7%
Total Revenue Reserves	(6.0)	14.4	-	14.4	-	14.4	-	14.4	-	14.4	-	14.4
Specific Capital Reserves												
Usable Capital Receipts	(5.0)	3.5	(3.5)	-	-	-	-	-	-	-	-	-
Unapplied grants & other contributions	(0.9)	0.8	(0.8)	-	-	-	-	-	-	-	-	-
Long term liabilities												
Capital Grants - receipts in advance	-	0.5	(0.5)	-	-	-	-	-	-	-	-	-
Total Capital Reserves (note 1)	(5.9)	4.8	(4.8)	-	-	-	-	-	-	-	-	-
Usable Provisions												
Insurance (for known outstanding claims)	(0.1)	2.6	0.1	2.7	0.1	2.8	-	2.8	0.1	2.9	0.1	3.0
Restructuring (for known redundancies @ 31.03)	(1.5)	-	-	-	-	-	-	-	-	-	-	-
Total Usable Provisions	(1.6)	2.6	0.1	2.7	0.1	2.8	-	2.8	0.1	2.9	0.1	3.0
Grand Total	(13.8)	21.8	(4.7)	17.1	0.1	17.2	-	17.2	0.1	17.3	0.1	17.4
Internal Borrowing on past capital projects (note 4)	1.0	(8.1)	0.5	(7.6)	0.5	(7.1)	0.5	(6.6)	0.5	(6.1)	0.5	(5.6)
Reserves Financed by Cash	(12.8)	13.7	(4.2)	9.5	0.6	10.1	0.5	10.6	0.6	11.2	0.6	11.8

note 1: From 2016/17 the implementation of the Estates Strategy will reduce the Capital Reserves to zero