

<b>Approved By:</b> .....	<b>Classification of Paper:</b> Not protectively marked
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<b>Report to PCC</b>	<b>Report reference number</b> 114
<b>Date of Decision</b> <b>Date of Report</b> 22/12/17	<b>Area of County/Stakeholders affected</b> Force
<b>Title of report:</b> Budget Virement £600k: Pension Auto Enrolment	
<b>Report by:</b> Debbie Martin	
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**1. Purpose of report**

1.1 To explain the technical virement for the savings from pension auto enrolment.

**2. Recommendations**

- a. To agree the £600k virement to remove the new funding for the pension auto enrolment budget following the change in implementation requirements from the Pensions Regulator in summer 2017.
- b. To agree the £19k virement to the Police Officer pension holding code to fund additional pension requirements after auto enrolment, as per the business case set before the Police and Crime Panel in January 2017.
- c. To agree that the savings not achieved in 2016/17, which rolled forward to 2017/18, can be offset by £600k investment no longer required.

[NOT PROTECTIVELY MARKED]

### 3. Benefits of Proposal

- 3.1 The employer pension budgets will reduce to reflect the funding requirement after the implementation of pension auto enrolment.

### 4. Background and proposal

- 4.1 The 2017/18 budget was set with an additional £619k for the implementation of pension auto enrolment during 2017/18. At the time of setting the budget, the implementation requirements from the Pensions Regulator was for employees not in the pension to be auto-enrolled and the employee to opt out of the scheme if they did not want to be in the pension scheme.
- 4.2 The additional budget was to fund the employer contributions to the pension schemes for those employees who remained in the scheme.
- 4.3 After the 2017/18 budget was set, the Pensions Regulator amended the requirements of auto enrolment implementation and it was no longer necessary to auto-enrol those employees that had previously opted-out of the pension scheme post November 2012. Therefore the number of auto-enrolment employees was much less than originally planned.
- 4.4 It was agreed by Chief Officers to transfer £600k to the Strategic Change Transformation savings plan to help fund the savings shortfall and maintain £19k to fund the employer pension contributions for those employees remaining in the pension scheme. The £19k funding will be allocated to the pension codes, once the location of the employees staying in the scheme is known.
- 4.5 The outcome of the virement on the main budget headings is shown in Table 1 below.

**Table 1: Budget Movement on Main Budget Headings**

Ref	Type of Virement	Description	Police Pay	Staff Pay	PCSO Pay	Non Pay
1.4	Technical - Transform	Pension auto enrolment savings	(£495,074)	(£122,116)	(£1,807)	£618,997

### 5. Police and Crime Plan

- 5.1 No direct effect on the Police and Crime Plan.

### 6. Police Operational Implications

- 6.1 No operation implications.

[NOT PROTECTIVELY MARKED]

**7. Financial Implications**

7.1 The Strategic Change Savings shortfall in 2016/17 is offset by £600k, reducing the savings shortfall which may have impacted on a reduction in FTEs, if the £600k savings was to be found elsewhere.

**8. Legal Implications**

N/A

**9. Staffing and other resource implications**

9.1 No staffing or resource implications.

**10. Equality and Diversity implications**

N/A

**11. Background papers**

11.1 Briefing note from the Chief Finance Officer of the Chief Constable (dated 15th August 2017).

**Report Approval**

The report will be signed off by the OPFCC Chief Executive and Treasurer, prior to review and sign off by the PFCC / DPFCC .

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Chief Executive/M.O

Sign: .....  .....

Print: ..... S. Hancock .....

Date: ..... 18/1/18 .....

Chief Financial Officer/Treasurer

Sign: .....  .....

Print: ..... CHARLES A GARBETT .....

Date: ..... 16 JAN 2018 .....

**Publication**

Is the report for publication?

YES

NO

If 'NO', please give reasons for non-publication (state 'None' if applicable)

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If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

**Redaction**

If the report is for publication, is redaction required:

1. Of Decision Sheet YES   
NO

2. Of Appendix YES   
NO

If 'YES', please provide details of required redaction:

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Date redaction carried out: .....

**Treasurer / Chief Executive Sign Off – for Redactions only**

If redaction is required, Treasurer or Chief Executive are to sign off that redaction has been completed.

Sign: .....

Print: .....

**Chief Executive/Treasurer**

Date signed: .....

**Decision and Final Sign Off**

I agree the recommendations to this report;

Sign: ..... 

Print: ..... R. C. Hiest

**PFCC/Deputy PECC**

Date signed: ..... 5/2/18

I do not agree the recommendations to this report because;

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.....  
.....

Sign: .....

Print: .....

**PFCC/Deputy PFCC**

Date signed: .....

