

## PFCC Decision Report

Please ensure all sections below are completed

**Report reference number:** PFCC/079/18

**Classification:** Not protectively marked

**Title of report:** Year-end Virement Approvals 2017/18

**Area of County/Stakeholders affected:** Forcewide – no financial impact on the force

**Report by :** Debbie Martin, Chief Finance Officer

**Date of report:** 18<sup>th</sup> May 2018

**Enquiries to:** Debbie Martin, Chief Finance Officer

### 1. Purpose of report

1.1 To explain the rationale for four year end virements.

### 2. Recommendations

2.1 To approve virements for 1) Savings shortfall in 2018/19 of £297,543 2) OPFCC Commissioning Carry Forward of £385,178 3) Collaboration/ERSOU recharges £1,158,200 and 4) External Funding/Road Casualty Reduction reimbursements £912,502.

### 3. Benefits of Proposal

3.1 To allow transactions to be recorded in the correct location within the accounts as per the accounting rules. The budget virements outlined in this report allow the corresponding budgets to be aligned with the transactions; all four are technical and are carried out as year-end tasks.

#### **4. Background and proposal**

There are four year end virements which meet the criteria for requiring approval from the PFCC; all four are above £250,000.

- 1) **Budget Setting Saving**  
An element of the 2017/18 savings plan included a savings target for Criminal Justice. During the year it was agreed that this element of the savings programme would not take place and alternate savings were identified for the full year 2018/19, however there was a shortfall in 2017/18. This virement of £297,543 places the shortfall on the savings shortfall code, thereby correctly stating in the accounts the shortfall of savings in 2017/18.
- 2) **Contingencies Reserves**  
The OPFCC holds commissioning budgets. At year end any unallocated funds are transferred to the Carry Forward Reserve, thereby allowing the funds to be utilised in the following financial year. This virement facilitates the movement of £385,178 to the Carry Forward Reserve.
- 3) **Collaboration**  
There is a virement for Eastern region Special Operations Unit (ERSOU). At year end when the actuals are known, a virement is created to align funds spent on ERSOU resources and the income received. As per the accounting rules, the income is shown within third party payments.
- 4) **External**  
At year end the transactions for externally funded operations are aligned with the income received. In the case Road Casualty Reduction and the income received from Safer Roads Partnership, the virement changes the original allocation of where the funding would be spent, in particular realigning income and third party payments.

#### **5. Police and Crime Plan**

- 5.1 The virements support the Police and Crime Plan by accounting for the partnership work correctly.

#### **6. Police Operational Implications**

- 6.1 There are no operational policing implications.

#### **7. Financial Implications**

- 7.1 There are no further financial implications. The virements concern aligning funds as per accounting regulations.

#### **8. Legal Implications**

- 8.1 None

**9. Staffing and other resource implications**

9.1 None

**10. Equality and Diversity implications**

10.1 None

**11. Background papers**

11.1 These virements will be presented in the Provisional Outturn Report at Performance and Resources Board on 31<sup>st</sup> May 2018. A separate decision sheet is required due to the Provisional Statement of Accounts being scheduled to be signed on Friday 25<sup>th</sup> May, six days ahead of the Board and statutory deadline. Extract of table is presented at the end of this decision sheet.

**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 .

Chief Executive/M.O Sign: 

Print: David Lawson

Date: 22 May 2018

Chief Financial Officer/Treasurer Sign: .....  .....

Print: .... Absen Gowen .....

Date: ..... 22 / 5 / 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:

.....  
.....

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. Hester* .....

**PFCC/Deputy PFCC**

Date signed: *24/5/18* .....

I do not agree the recommendations to this report because;

.....  
.....  
.....

Sign: .....

Print: .....

**PFCC/Deputy PFCC**

Date signed: .....

**Table 1: Virements above £250,000 requiring approval from PFCC**

Line Ref:	Virement Ref:	Virement Type	Virement Description	Police Pay and Allowances	Police Staff Pay and Allowances	PCSO Pay	Training	Other Employee Expenses	Premises	Transport	Supplies and Services	Third Party Payments	Income	Contribution to/(from) Earmarked Reserves	In Year Savings (Shortfall)/ Surplus	Reason for Virement
				£	£	£	£	£	£	£	£	£	£	£	£	
1	1	Budget Setting - Saving	Strategic Change savings variances allocated to savings shortfall code to reflect 2017/18 year end position	179,036	108,197						10,310				(297,543)	The virement moves the allocated funds from the Criminal Justice Business case from the strategic change allocated codes to Strategic codes unallocated code
2	Sub Total	Budget Setting - Saving virements		179,036	108,197	0	0	0	0	0	10,310	0	0	0	(297,543)	
3	2	Contingencies /Reserves	OPFCC Commissioning Budgets Carry Forward 2018/19								(385,178)			385,178		Carry forward of unutilised OPFCC 2017/18 Commissioning Budgets
4	Sub Total	Contingencies/Reserve virements		0	0	0	0	0	0	0	(385,178)	0	0	385,178	0	
5	3	Collaboration	Realignment of Eastern Region Special Operations Unit (ERSOU) collaboration recharges	598,837	457,146						102,217	(1,158,200)				Realignment of ERSOU collaboration recharges for the accounting treatment of joint operations.
6	Sub Total	Collaboration		598,837	457,146	0	0	0	0	0	102,217	(1,158,200)	0	0	0	
7	4	External	Matching of Road Casualty reduction Income & Expenses	15,504	154,150	22	(5,363)	14,951	(43,500)	(10,798)	2,068	785,468	(912,502)			Reimbursement of traffic offences courses income to Safer Essex Roads Partnership over claimable costs
8	Sub Total	External Funding virements		15,504	154,150	22	(5,363)	14,951	(43,500)	(10,798)	2,068	785,468	(912,502)	0	0	
9	Total	Virements requiring Approval		194,540	362,347	22	(5,363)	14,951	(43,500)	(10,798)	(372,800)	785,468	(912,502)	385,178	(297,543)	

