

PFCC Decision Report

Please ensure all sections below are completed

Report reference number: PFCC/ 448/19 162/19
Classification (e.g. Not protectively marked/restricted): Not Protectively Marked
Title of report: 2019/20 Budget Virements for reporting period Quarter 2.
Area of County/Stakeholders affected: Countywide
Report by : Richard Jones Date of report: 18 th October 2019 Enquiries to: richard.jones@essex.pnn.police.uk

1. Purpose of report

To explain the 2019/20 current year effect virements requiring approval identified following the Quarter 2 budget monitoring report presented to the Performance and Resources Board.

2. Recommendations

As noted in section 4:

- To approve eight virements from Quarter 2

3. Benefits of Proposal

The approval of these virements will allow Essex Police to align the budgets for the activity identified in section 4. Additionally this will allow the transactions to be recorded in the correct account locations and for budgets to be aligned with subsequent transactions.

4. Background and proposal

Q2 – Operation Hexagon 2019/20 Savings

Operation Hexagon approved savings of £250k have not been achieved for 2019/20, but remain on the savings requirement for 2020/21. *Adjustment of £0.250m between Police Officer Pay and Allowances and In-Year Savings Shortfall.*

Q2 – Devolved MOJ Grant – Victims Commissioning

To transfer devolved income of £269,500 from the Ministry of Justice to the Victims Commissioning budget. This is the rape support grant and will be used to support sexual abuse services.

Q2 – ECC Contribution to PFCC Violence & Vulnerability Commissioning Budget

To transfer £500,000 contribution from Essex County Council to the PFCC Violence and Vulnerability Budget which is intended to support the partnership approach to tackling Violence and Vulnerability across Essex.

Q2 – Ministry Of Justice Victims Funding 2019/20

Transfer £2,102,678 grant funding received from the Ministry of Justice to the PFCC Victims Commissioning budget which will be used in 2019/20. Example of areas funded from this grant include sexual abuse service and domestic abuse services.

Q2 – Realignment of ERSOU Grant Funded Counter Terrorism

The externally funded base budget has been updated at quarter 2 with adjustments required between expenditure and income to match the outturn position. *Adjustment of £1.534m between Income and a range of subjective codes, predominantly within Police Officer Pay and Allowances and Other Employee Expenses.*

Q2 – Operation Sceptre funding from Home Office

To reflect the agreed spending plan for overtime and supplies and services in connection with tackling knife crime within Essex. Funding is provided from the Home Office through the Serious Violence Fund to carry out surge activity during 2019/20. *Adjustment of £0.737m between Income and a range of subjective codes, predominantly within Police Officer Pay and Allowances, Police Staff Pay and Allowances, and Other Employee Expenses.*

Q2 – Realignment of seconded officer budgets

The externally funded base budget has been updated at quarter 2 with adjustments required between expenditure and income to match the forecast outturn position. Last year there was a headcount of 23 seconded officers which has now reduced to 10 seconded officers for this year. *Adjustment of £0.699m between Income and a range of subjective codes, predominantly within Police Officer Pay and Allowances and Other Employee Expenses.*

Q2 – 7 Forces realignment

Budget realignment to reflect spend against the correct subjective heading - contractor payments instead of third party payments. *Adjustment of £0.295m between Supplies and Services and Third Party Payments.*

5. Police and Crime Plan

All information contained with section 4

6. Police Operational Implications

All information contained with section 4

7. Financial Implications

Approval of the above virements will enable budgets to be aligned following Performance and Resources Boards held during 2019/20. The virements for approval reflect the financial activity since 2019/20 budget setting in January.

8. Legal Implications

No legal implications

9. Staffing and other resource implications

No staffing or resource implications

10. Equality and Diversity implications

No equality and diversity implications

11. Background papers

Documents embedded below are the extracts from each of the financial monitoring reports to date that require approval as noted in this decision sheet.



Corporate Finance
19-20 Monitor - Qtr 2

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: P. Bevan - Treasurer

Date: 29 November 2019

Chief Financial Officer/Treasurer

Sign: 

Print: Aileen G. O'Connell

Date: 2/12/19

Publication

Is the report for publication?

YES

NO

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

.....
N/A.....

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	<input type="checkbox"/>	2. Of Appendix	YES	<input type="checkbox"/>
	NO	<input checked="" type="checkbox"/>		NO	<input checked="" type="checkbox"/>

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

.....
N/A.....

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. Hirst

PFCC/Deputy PFCC

Date signed: 3 December 2019

I do not agree the recommendations to this report because;

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

[NOT PROTECTIVELY MARKED]

1. Virement Analysis – Quarter 2

1.1 Virement Analysis – Summary

	Virements														Line Ref:	
	Police Officers	Police Staff	PCSO	Training	Other Employee Expenses	Premises	Transport	Supplies & Services	Third Party Payments	Income	Contribution to/(from) Earmarked Reserves	Contribution to/(from) General Reserve	In Year Investments (Shortfall)/ Surplus	In Year Savings (Shortfall)/ Surplus		Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
Virements over £250k requiring PFCC approval																
Budget Setting Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
Budget Setting Saving	250	0	0	0	0	0	0	0	0	0	0	0	0	(250)	0	4
Collaboration	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6
External Funding	(1,246)	100	0	(0)	(302)	(26)	(20)	3,163	(295)	(1,376)	0	0	0	0	0	14
Contingencies and Reserves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	16
Budget Holder	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18
Total virements over £250k requiring PFCC approval	(996)	100	0	(0)	(302)	(26)	(20)	3,163	(295)	(1,376)	0	0	0	(250)	0	19
Virements not requiring PFCC approval																
Budget Setting Investment	0	0	0	0	3	69	0	(176)	4	0	0	0	100	0	0	23
Budget Setting Saving	0	(0)	0	0	1	0	0	(1)	0	0	0	0	0	0	0	26
Collaboration	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	28
External Funding	(29)	48	0	0	24	1	4	175	50	(273)	0	0	0	0	0	34
Contingencies and Reserves	8	11	0	14	(76)	44	2	133	110	(32)	(213)	0	0	0	0	48
Budget Holder	112	(171)	0	(216)	122	0	4	125	0	(39)	62	0	0	0	0	60
Total virements not requiring PFCC approval	91	(113)	0	(202)	74	115	10	256	164	(344)	(151)	0	100	0	0	61
Total all virements	(905)	(13)	0	(202)	(228)	89	(9)	3,420	(131)	(1,720)	(151)	0	100	(250)	0	62

1.2 Virement Analysis – Detail

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	In-Year Savings (Shortfall) / Surplus	Total virement	Reason for Virement
				£	£	£	£	£	£	£	£	£	£	£	£	
1	1	Budget Setting	Budget Setting - Investment												0	
2	Sub Total	Budget Setting	Investment virements	0	0	0	0	0	0	0	0	0	0	0	0	
3	2	Budget Setting	2019/20 Savings for Operation Hexagon	250,000										(250,000)	0	Savings target for Operation Hexagon not achieved in 2019/20
4	Sub Total	Budget Setting	Saving virements	250,000	0	0	0	0	0	0	0	0	0	(250,000)	0	
5	3	Collaboration	Collaboration virements	0	0	0	0	0	0	0	0	0	0	0	0	
6	Sub Total	Collaboration	Collaboration virements	0	0	0	0	0	0	0	0	0	0	0	0	
7	4	External funding	Devolved MOJ grant - Victims commissioning								269,500		(269,500)	0	0	Devolved MOJ grant - Victims commissioning - Full Year
8	5	External funding	ECC Contribution to PFCC Violence & Vulnerability Commissioning Budget								500,000		(500,000)	0	0	ECC Contribution to PFCC Violence & Vulnerability Commissioning Budget
9	6	External funding	Realignment of ERSOU Grant Funded Counter Terrorism income and expenses	(1,089,278)	(47,570)		(44)	(361,153)	(25,052)	(11,567)	710		1,533,954	0	0	To align budgets to new cost centre structure and updated forecasts
10	7	External funding	Ministry Of Justice Victims Funding 2019/20								2,102,678		(2,102,678)	0	0	Ministry Of Justice Victims Funding 2019/20 - Full Year
11	8	External funding	Op Sceptre budget setup	467,380	147,418			119,544			2,303		(736,645)	0	0	To reflect allocation from the Serious Violence Fund to tackle knife crime
12	9	External funding	Re-alignment of seconded officer budgets	(623,783)			(14)	(60,042)	(457)	(7,993)	(6,373)		698,662	0	0	Historic base budget realignment to reflect forecast income from seconded officer agreements
13	10	External funding	Seven Forces budget realignment								294,509	(294,509)		0	0	Budget realignment to reflect spend against the correct subjective heading - contractor payments instead of third party payments
14	Sub Total	External funding	External funding virements	(1,245,681)	99,848	0	(58)	(301,651)	(25,509)	(19,560)	3,163,327	(294,509)	(1,376,207)	0	0	
15	11	Contingencies and Reserves	Contingencies/Reserves virements	0	0	0	0	0	0	0	0	0	0	0	0	
16	Sub Total	Contingencies/Reserves	Contingencies/Reserves virements	0	0	0	0	0	0	0	0	0	0	0	0	
17	12	Budget Holder	Budget Holder virements	0	0	0	0	0	0	0	0	0	0	0	0	
18	Sub Total	Budget Holder	Budget Holder virements	0	0	0	0	0	0	0	0	0	0	0	0	
19	Total	Virements requiring Approval	Total Virements requiring Approval	(995,681)	99,848	0	(58)	(301,651)	(25,509)	(19,560)	3,163,327	(294,509)	(1,376,207)	(250,000)	0	

- A review of the virements in the above table and the PFCC decision sheet is to be completed at the Performance and Resources Board on 31st October.

2. APPENDIX C – Virement Analysis – Other Virements

Table 2: Other Virements

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 Expenditure / (Income)	Contribution to/(from) Earmarked Reserves	Contribution to/(from) General Reserve	In-Year Investments (Shortfall) / Surplus	In-Year Savings (Shortfall) / Surplus	Sources of Finance	Total virement
				£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
20	13	Budget Setting Investment	Revenue consequences budget one-off Chelmsford Refurb Project	275				2,847	68,789		(71,911)								0
21	14	Budget Setting Investment	Contribution to national Volunteer Police Cadets infrastructure								(3,750)	3,750							0
22	15	Budget Setting Investment	2019/20 215 Force Growth Investments for Body Worn Video Specials								(100,000)					100,000			0
23	Sub Total	Budget Setting	Non-pay savings budget correction	275	0	0	0	2,847	68,789	0	(175,661)	3,750	0	0	0	100,000	0	0	0
24	16	Budget Setting Saving	2019/20 Savings for Contact Management achieved		(1)			1,000			(1,000)								0
25	17	Budget Setting Saving			(1)												1		0
26	Sub Total	Budget Setting - Saving		0	(1)	0	0	1,000	0	0	(1,000)	0	0	0	0	0	1	0	0
27	18	Collaboration																	0
28	Sub Total	Collaboration		0	0	0	0	0	0	0	100,000	0	0	0	0	0	0	0	0
29	19	External funding	ECC Contribution to the Columbus Project										(100,000)						0
30	20	External funding	Reversal of virements for mutual aid operations					(43,152)					43,152						0
31	21	External funding	Op Igloo funded from Home Office grant	11,054	1,068		40	66,699	1,432	4,474	34,854	50,206	(169,827)						0
32	22	External funding	Athens POA realignment and creation of additional budget fully recharged								40,000		(40,000)						0
33	23	External funding	Athens Management Organisation POA realignment	(40,478)	46,478								(6,000)						0
34	Sub Total	External funding virements		(29,424)	47,546	0	40	23,547	1,432	4,474	174,854	50,206	(272,675)	0	0	0	0	0	0

Table 2: Other Virements

Line Ref:	Virement Ref:	Virement Type	Virement Description	Police Pay and Allowances		PCSO Pay	Training	Other Employee expenses		Premises	Transport		Supplies and Services		Third Party Payments	Income		Other Expenditure / (Income)	Contribution to/(from) Earmarked Reserves		Contribution to/(from) General Reserve		In-Year Savings (Shortfall) / Surplus	Sources of Finance	Total virement
				£	£			£	£		£	£	£	£		£	£		£	£	£	£			
35	24	Contingencies and Reserves	Forfeitures income forecast 19/20														(20,000)		20,000						0
36	25	Contingencies and Reserves	Op Recite funded from COG Policing Initiatives	7,688	193			(18,763)		1,440	1,200	8,242													0
37	26	Contingencies and Reserves	Volunteer Police Cadet contributions to Summer Camp costs				12,000									(12,000)									0
38	27	Contingencies and Reserves	OTR - Staff Survey Allocations							1,302	300	4,256							(5,858)						0
39	28	Contingencies and Reserves	Essex Community Foundation contribution from POCA										19,268	75,000				(75,000)							0
40	29	Contingencies and Reserves	Chief Officer contingency allocations					(19,268)																	0
41	30	Contingencies and Reserves	SCCB funding for management of Information Sharing Agreements					(33,170)					33,170						4,901						0
42	31	Contingencies and Reserves	Return enabling projects funding to Transformation Reserve					(4,901)											(41,588)						0
43	32	Contingencies and Reserves	Transformation reserve funding for estates disposals							41,588									(27,372)						0
44	33	Contingencies and Reserves	OTR - Op Meteor products & activities		11,009		1,665	98					14,600						(36,234)						0
45	34	Contingencies and Reserves	OTR - Convergence of Financial Processes										36,234												0
46	35	Contingencies and Reserves	Seven Forces movement from Earmarked Reserves to Procurement											34,906					(34,906)						0
47	36	Contingencies and Reserves	OTR - IT Accelerated Project Delivery funding										17,400						(17,400)						0
48	Sub Total	Contingencies/Reserves virements		7,688	11,202	0	13,665	(76,004)		44,330	1,500	133,170	109,906	(32,000)	0	(213,457)	0	0	0	0	0	0	0	0	0
49	37	Budget Holder	Funding Agency placements from Established Vacancies		(33,713)			73,527																	0
50	38	Budget Holder	Transfer of 0.3 FTE SCD Photographer post to Media for outsourcing budget - part of SCD Forensics business case										7,951												0
51	39	Budget Holder	Realignment of overtime budget for Roads Policing					15,000					(15,000)												0
52	40	Budget Holder	Police Now refund offset with Police Officer pay overspend	112,180			(112,180)																		0
53	41	Budget Holder	Realignment of Volunteer Police Cadet budget					(600)			4,260	(3,235)	(5,000)												0
54	42	Budget Holder	Realign staff budget for IT staff supporting Estates HQ redevelopment																62,450						0
55	43	Budget Holder	Retention of Officers & Staff advertising		(50,000)								50,000												0
56	44	Budget Holder	OPC budget realignment										113,000												0
57	45	Budget Holder	Essex share of KFRS Staff Salary cost centre and nominal correction		(17,212)								17,212												0
58	46	Budget Holder	Op Magenta agency fees funded from income					34,331								(34,331)									0
59	47	Budget Holder	OPFCC funding for Volunteer Police Cadet summer camp																						0
60	Sub Total	Budget Holder virements		112,180	(171,326)	0	(215,605)	122,258		0	4,260	125,114	0	(39,331)	0	(39,331)	0	62,450	0	0	0	0	0	0	0
61	Total of Other Virements			90,719	(112,579)	0	(201,900)	73,648		114,551	10,234	256,477	163,862	(344,006)	0	(151,007)	0	100,000	1	0	0	0	0	0	0
62	Grand Total all Virements			(904,962)	(12,731)	0	(201,958)	(228,003)	89,042	(9,326)	3,419,804	(130,647)	(1,720,213)	0	(151,007)	0	100,000	(249,999)	0	0	0	0	0	0	0

