



**Police Fire and Crime Commissioner for Essex
Essex Police Strategic Board**

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1.0 Purpose of report

The 2022/23 MTFs was approved on 3rd February as part of the 2022/23 budget report to the Police, Fire and Crime Panel and reported to the March Strategic Board. An updated draft MTFs was later presented to the June Strategic Board. This report sets out the latest forecast, the key assumptions that it is based on and movements since the position reported to the June Strategic Board and since the last approved strategy. It also contains an early draft of the 2023/24 budget which, at this time remains in an unbalanced position ahead of budget setting activity over the coming months.

2.0 Current position

- 2.1. The MTFs is a service planning and performance management framework which aims to ensure that resources are directed towards achieving delivery of the vision for the next five years and the Police and Crime Plan.
- 2.2. A summary of the MTFs approved at the 3rd February 2022 Police, Fire and Crime Panel is shown in Table 1 below. The MTFs shortfall over the four-year period of 2022/23 to 2026/27 was forecast to be £3.7m.

Table 1 – MTFs as at February 2022 Police, Fire and Crime Panel (Approved Strategy)

			Medium Term Financial Strategy 2022/23 - 2026/27 - Precept Increase 2.5% Annually					
2019/20	2020/21	2021/22*	2022/23	2023/24	2024/25	2025/26	2026/27	5 Year Total
£m	£m	£m	£m	£m	£m	£m	£m	£m
300.3	312.8	338.3	356.1	369.5	375.1	384.0	390.1	1,874.8
Net Budget Requirement - before appropriations to/from reserves								
2.0	6.7	4.4	(0.2)	(0.6)	0.0	0.0	0.0	(0.8)
Net Appropriations to/(from) Reserves **								
302.3	319.5	333.9	355.9	368.9	375.1	384.0	390.1	1,874.0
Budget Requirement (Inc Appropriations to Reserves) - before Savings & Efficiencies								
(4.7)	(4.8)	(3.6)	(3.7)	(3.0)	(3.0)	(3.0)	(3.0)	(15.7)
Savings & Efficiencies Plan (Cashable)								
297.6	314.7	330.3	352.2	365.9	372.1	381.0	387.1	1,858.3
Net Budget Requirement - after savings applied								
(297.6)	(314.7)	(330.3)	(352.2)	(363.1)	(373.0)	(379.7)	(386.6)	(1,854.6)
Total Funding								
0.0	0.0	0.0	0.0	(2.8)	0.9	(1.3)	(0.5)	(3.7)
Annual (Shortfall)/Surplus								

* Based on Forecast at month 7

** The net budget requirement within this table includes expenditure that will be funded from reserves (subject to approval). Assumptions on the usage of reserves for future years is contained within the Reserves table on Tab D of Appendix B.

The shortfall in 2023/24 of £2.8m included the following key assumptions:

- 2.5% council tax precept increase;
- Police officers at 3,755 FTEs from the start of the year;
- A 2.5% pay increase for Officers and Staff in September 2022 and September 2023;
- A 1.75% increase in taxbase compared to a 1.73% increase in 2022/23;

- A £1.8m surplus on the Collection Fund (Includes a share of the 2021/22 deficit, which local authorities have been able to spread over 3 years);
- New recurring cashable savings of £3.0m in each year of the MTFS (PFCC target); and
- The Home Office police grants will increase in line with the most recent Comprehensive Spending Review (CSR) with Essex receiving a share of the grant uplift in line with existing funding share allocations.

2.3. A summary of the updated draft MTFS presented to the June 2022 Strategic Board is shown in Table 2 below. The forecast gap for 2023/24 was a deficit of £3.2m assuming that the full £3m of savings target were to be achieved.

To get to this position a high level review of the pay budget requirement for officers, staff and PCSOs had been performed including a revised staff pay award assumption of 2.1% from April 2022 compared to the previously assumed 2.5%. Other changes included a high level view on the impact of rising inflation rates impacting on energy and fuel and updated borrowing costs for the 2021/22 period 12 forecast on the capital programme.

Table 2 – MTFS used for June 2022 Strategic Board

			Medium Term Financial Strategy 2023/24 - 2027/28 - Precept Increase 2.5% Annually					
2020/21	2021/22	2022/23*	2023/24	2024/25	2025/26	2026/27	2027/28	5 Year Total
£m	£m	£m	£m	£m	£m	£m	£m	£m
312.8	330.5	356.1	369.3	374.5	382.7	388.6	394.2	1,909.3
			Net Budget Requirement - before appropriations to/from reserves					
6.7	2.7	(0.2)	0.0	0.0	0.0	0.0	0.0	0.0
			Net Appropriations to/(from) Reserves **					
319.5	333.2	355.9	369.3	374.5	382.7	388.6	394.2	1,909.3
			Budget Requirement (Inc Appropriations to Reserves) - before Savings & Efficiencies					
(4.8)	(2.9)	(3.7)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(15.0)
			Savings & Efficiencies Plan (Cashable)					
314.7	330.3	352.2	366.3	371.5	379.7	385.6	391.2	1,894.3
			Net Budget Requirement - after savings applied					
(314.7)	(330.3)	(352.2)	(363.1)	(373.0)	(379.7)	(386.6)	(393.9)	(1,896.3)
			Total Funding					
0.0	0.0	0.0	(3.2)	1.5	0.0	1.0	2.7	2.0
			Annual (Shortfall)/Surplus					

* Based on approved budget (to be replaced with forecast after Q1 reporting)

** The net budget requirement within this table includes expenditure that will be funded from reserves (subject to approval). Assumptions on the usage of reserves for future years is contained within the Reserves table on Tab D of Appendix B.

2.4. The latest high level summary is shown in Table 3 overleaf and the full summary and supporting details are at Appendices A and B.

Table 3 – MTFS – September 2022

			Medium Term Financial Strategy 2023/24 - 2027/28 - Precept Increase 2.5% Annually						
2020/21	2021/22	2022/23*	2023/24	2024/25	2025/26	2026/27	2027/28	5 Year Total	
£m	£m	£m	£m	£m	£m	£m	£m	£m	
312.8	330.5	357.9	Net Budget Requirement - before appropriations to/from reserves	384.4	386.0	393.3	400.2	405.2	1,969.1
6.7	2.7	(2.0)	Net Appropriations to/(from) Reserves **	(3.1)	(2.6)	(2.4)	(1.4)	0.0	(9.5)
319.5	333.2	355.9	Budget Requirement (Inc Appropriations to Reserves) - before Savings & Efficiencies	381.3	383.4	390.9	398.8	405.2	1,959.6
(4.8)	(2.9)	(3.7)	Savings & Efficiencies Plan (Cashable)	(7.8)	(3.0)	(3.0)	(3.0)	(3.0)	(19.8)
314.7	330.3	352.2	Net Budget Requirement - after savings applied	373.5	380.4	387.9	395.8	402.2	1,939.8
(314.7)	(330.3)	(352.2)	Total Funding	(369.4)	(379.5)	(386.3)	(393.4)	(400.8)	(1,929.4)
0.0	0.0	0.0	Annual (Shortfall)/Surplus	(4.1)	(0.9)	(1.6)	(2.4)	(1.4)	(10.4)

* Based on month 4 forecast

** The net budget requirement within this table includes expenditure that will be funded from reserves (subject to approval). Assumptions on the usage of reserves for future years is contained within the Reserves table on Tab D of Appendix B.

- 2.5. The overall movement for 2023/24 since the June Strategic Board is an increase in the shortfall of £0.9m from £3.2m to £4.1m and an increase of £1.3m when compared to the approved strategy.

Table 4 – MTFS Movement since June 2022

	MTFS MOVEMENTS / SAVINGS ANALYSIS					5 Year Total
	2023/24	2024/25	2025/26	2026/27	2027/28	
	£m	£m	£m	£m	£m	£m
Overall (Shortfall) / Surplus - June 16th Strategic Board	(3.2)	1.5	0.0	1.0	2.7	2.0
Total change - increase / (decrease) -	0.9	2.4	1.6	3.4	4.1	12.4
Overall (Shortfall) / Surplus - as at September Strategic Board	(4.1)	(0.9)	(1.6)	(2.4)	(1.4)	(10.4)

Table 5 overleaf summarises the changes in assumptions since the approved MTFS and since the position reported to the June Strategic Board. The financial impact of these assumption changes are detailed in Appendix C.

Table 5 – Changes in Assumptions

Assumptions at Feb Police, Fire and Crime Panel	Assumptions at June Strategic Board	Assumptions for September Strategic Board
Council Tax precept rise of 2.5% in 2023/24 and future years	No Change	Council Tax precept rise of 4.57% (£9.99) returning to 2.5% from 2024/25
Police officers at 3,755 FTE by 31 st March 2023	No Change	No Change
2.5% pay increase for officers, staff annually	Police officers 2.5% annually - no change. Staff and PCSO pay award of 2.1% from April 2022, returning to 2.5% annually.	Police officers – each pay point increases by £1,900. Staff and PCSO each pay point increases by £1,900. Returns to 2.5% annually from 2023
		Increase in South East Allowance from £2,500 to £3,000 (from Sept 22)
Taxbase – 1.75% increase annually	No Change	No Change
Contractual Inflation based on previous years trend	Updated estimate for inflation on utilities and fuel following global rises	Updated estimates for all inflation bids submitted (bids still to be reviewed)
One-off budget pressures funded annually by a recurring base budget allocation of £3.3m	No Change	One-off budget pressures to be funded from reserves from 2023/24 onwards.
Collection Fund – Surplus of £1.8m annually	No Change	No Change
Savings - £3m annual target	£3m annual target	Target replaced with savings identified at 1.9.22 Efficiency Savings and Growth Board
Home Office grants will increase in line with 2021 CSR with Essex receiving a share of uplift in line with existing funding share allocations plus the ring fenced element of 2022/23 PUP funding will be rolled up into main police grant. (Note 1)	No Change	In addition to assumptions in the approved strategy an additional £3.2m of grant will be received towards the cost of police officer pay award and this will remain in the core grant annually thereafter.

Note 1 – Discussions with finance colleagues in our 6 neighbouring forces has highlighted that 3 other forces (Kent, Cambs and Herts) are assuming that the 2023/24 Home Office grant will be increased in line with the CSR in addition to the 2022/23 PUP specific claimable grant (£3m for Essex) being rolled into the main grant (as has happened in prior years) i.e. in line with Essex

assumptions. The remaining 3 forces (Beds, Norfolk and Suffolk) are assuming that they will only receive their share of the CSR increase with the specific grant for PUP being included within the increases announced in the CSR. The later approach, if correct, would reduce our funding compared to assumptions by £3m from 2023/24.

In addition, there are also differing approaches on assumptions with the £3.2m additional funding towards the police officer pay award with the 6 other forces assuming that the grant is time limited and will be removed from the core grant from 2025/26.

The differing approaches highlights the risks and potential impact on the MTFS of the actual funding announcements differing to estimations.

2.6. The following points should also be considered:

- The current MTFS has a small allowance for one-off contractual and legal cost pressures and one-off Service Demand revenue bids (assumed to be funded from reserves). Commands have been submitting revenue and capital budget bids in line with the budget setting timetable and these will be presented through SCCB, Estates boards and COG workshops. At the time of writing this report the quantum and value of bids is not known and there has been no allowance for these in this version of the MTFS.
- Revenue Consequences of capital are included within the MTFS but these will still need to be reviewed and updated as we progress through the budget setting process;
- Further work is needed in conjunction with local authority partners to understand the latest forecast in council tax base and collection fund surplus/deficits and therefore these assumptions could be subject to change. This information becomes available towards the end of the year;
- Updates to the Capital Programme can have a significant impact on revenue as the timing of revenue consequences of capital schemes are captured or refined as well as the cost to revenue from borrowing to fund the capital programme from MRP and interest charges. The latest view of the MTFS is based on the month 4 capital position which is subject to change as a result of the budget setting process that follows over the coming months.

3.0 Savings and Efficiencies Plan

Savings agreed at the 1st September 2022 Efficiency, Savings and Growth Board chaired by the Deputy Chief Constable are included in the MTFS (£7.8m for 2023/24). These have not yet been subject to Chief Officer review and there will be further refinement as we progress through the budget setting process.

4.0 Capital Expenditure and Financing

A summary of the latest capital programme and how it will be financed is shown below along with the forecast Capital Financing Requirement (CFR). The CFR represents capital expenditure incurred and forecast to be incurred that has not been financed from cash resources and is therefore an indicator of our underlying need to borrow to fund the investment programme. The CFR is forecast to reach £75.2m with an annual revenue cost of borrowing increasing to £5.1m by 2027/28. Details are shown in Appendix D.

Table 6 – Capital Expenditure and Financing Summary

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	TOTAL £000
Total Forecast Capital Expenditure (approved and proposed)	16,123	30,095	36,624	31,463	7,558	0	121,863
Financing Sources to be Applied							
Capital receipts	(4,502)	(4,267)	(4,250)	(15,562)	(4,566)	0	(33,147)
Grants & contributions	0	(32)	(32)	0	0	0	(64)
Revenue funding	(5,278)	(2,038)	(1,131)	(401)	(1,092)	0	(9,940)
Capital Financing Requirement	(6,343)	(23,758)	(31,211)	(15,500)	(1,900)	0	(78,712)
	(16,123)	(30,095)	(36,624)	(31,463)	(7,558)	0	(121,863)
Capital Financing Requirement (as at 31st March)	14,852	37,817	68,077	81,484	79,484	75,196	
Revenue Cost of Borrowing (MRP & Interest)	649	1,141	1,677	2,987	4,769	5,103	

It is expected that the Estates capital programme will reduce when the 2023/24 programme is agreed as part of the new Estates Strategy. This would have the impact of reducing the CFR but at this stage of the budget setting process it is not known what the impact will be from other investment programme updates or new subject to approval bids.

5.0 Reserves

The current forecast on reserves and provisions is shown in Appendix E and summarised in the table overleaf. This is based on the month 4 monitoring position plus other updates expected for month 5 and therefore does not include any assumed funding from the Home Office for Op Hazel.

By 2026/27, revenue reserves are forecast to be £18.7m (£2.9m General Reserve at 0.7% of net revenue expenditure and £15.8m earmarked reserves). This is a significant reduction in the forecast level of the General Reserve compared to previous iterations of the MTFs reflecting the current assumption that one-off budget pressures would be funded by reserves from 2023/24 following the removal of the £3.3m one-off recurring budget to enable this to be included as a recurring saving. In reality, the reserve may not diminish at such a fast rate as there will be other factors influencing the level of reserves e.g. contributions throughout the period of the MTFs from revenue budget underspends should they arise, lower one-off costs than assumed such as slippage in revenue consequences linked to the capital investment programme. The level of

reserves are continually reviewed.

Table 7 – Forecast Reserves

	2022/23 (£m)	2023/24 (£m)	2024/25 (£m)	2025/26 (£m)	2026/27 (£m)
Earmarked Revenue Reserves	17.5	16.6	16.3	16.0	15.8
General Reserve	12.4	9.3	6.7	4.3	2.9
GR as % of net revenue expenditure	3.5%	2.5%	1.8%	1.1%	0.7%
Total - Revenue Reserves	29.9	25.9	23.0	20.3	18.7

6.0 Conclusion

The MTFS was approved at the February Police, Fire and Crime Panel with a forecast revenue deficit of £2.8m for 2023/24. Updates to the strategy reported to the June Strategic Board reported a deficit of £3.2m and this has now increased to a deficit of £4.1m based on the assumptions contained within this report. This position includes the revenue impact of the capital programme as reported for month 4.

The MTFS will be continually reviewed and updated during 2022/23 with a further update due at the December Strategic Board.

Appendices – spreadsheet embedded to assist with review



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Medium Term Financial Strategy 2023/24 - 2027/28								Comparison to February PF&CP (5 Yr Totals*)		Comparison to February PF&CP 2023/24		Comments on 2023/24 Movement	
Line Ref.	2022/23 Budget	2023/24	2024/25	2025/26	2026/27	2027/28	5 Year Total	5 Year Total	Change (reduction) / increase	2023/24	Change (reduction) / increase		
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m		
1	Original Budget - Budget Book Net Expenditure (prior year total funding)	330.3	352.2	373.5	380.4	387.9	395.8	1,889.8	1,801.5	88.3	352.2	0.0	
2	Adjustment from prior year activity agreed at Budget Setting	0.0	0.5	(1.3)	0.0	0.0	0.0	(0.8)	0.9	(1.7)	0.7	(0.2)	(£164k) Correction of one-off expenditure which had been categorised as recurring at 22/23 budget setting
3	Opening Budget Requirement	330.3	352.7	372.2	380.4	387.9	395.8	1,889.0	1,802.4	86.6	352.9	(0.2)	
4	Pay Award	2.8	12.3	5.0	5.2	5.2	5.4	33.1	23.3	9.8	4.8	7.5	Movement includes updates to pay award assumptions including the confirmed £1,900 increase to officer pay points, and assumes agreement to a similar rise for police staff compared to the 2.5% assumed at budget setting. Also reflects use of £0.8m included in opening budget requirement at 22/23 budget setting which had been included to reflect on-going impact of possible additional 0.5% pay rise at Sept 22.
5	Pay Progression	2.3	2.4	2.4	2.4	2.4	2.4	12.0	10.3	1.7	2.0	0.4	Updated estimates of the impact of pay increments for officers, staff and PCSOs.
6	Pay - Other	3.7	(0.7)	0.3	0.3	0.3	0.3	0.5	8.1	(7.6)	1.1	(1.8)	Includes an increase to the estimated 'turnover' adjustment for police officers (this reduces the budget for the impact of leavers being replaced with lower paid probationers).
7	LGPS Pension Shortfall & Auto Enrolment	0.0	0.6	0.0	0.0	0.5	0.0	1.1	0.6	0.5	0.6	0.0	
8	Contractual Inflation	0.9	3.5	2.0	1.0	1.0	1.0	8.5	2.9	5.6	0.5	3.0	Increase in inflation assumptions based on initial submission of bids for 23.24 budget setting. Bids to be reviewed before the next MTFS update.
9	Contractual & Legal	3.4	0.8	0.4	0.5	0.5	0.0	2.2	5.1	(2.9)	0.9	(0.1)	Movement includes updates to PEQF forecasts (PEQF also utilises the PEQF Reserve)
10	COG Approved Investment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
11	Committed Change (Includes FYE of PUP)	5.9	6.8	0.0	0.0	0.0	0.0	6.8	12.6	(5.8)	5.8	1.0	Updates to full year impact of 22.23 growth (partially offset by the adjustment referenced at line reference 2). Also includes impact of Sept 22 officers pay award announcement on FYE of PUP
12	Revenue Impact of Investment	2.1	2.5	2.2	2.5	1.3	0.3	8.8	10.4	(1.6)	2.6	(0.1)	Updates based on capital forecasts as at Provisional Outturn for 2021/22
13	New Demand & Budget Growth	8.9	3.5	1.5	1.0	1.1	0.0	7.1	16.5	(9.4)	1.6	1.9	Increase in South East Allowance from £2,500 to £3,000
14	Use of One-off Recurring Budget	(3.3)	0.0	0.0	0.0	0.0	0.0	0.0	(16.5)	16.5	(3.3)	3.3	Removal of the one-off recurring budget with future one-off costs to be funded by reserves. This movement offsets the movement on appropriations from reserves.
15	Appropriations to/(from) Reserves	(0.2)	(3.1)	(2.6)	(2.4)	(1.4)	0.0	(9.5)	(0.8)	(8.7)	(0.6)	(2.5)	Removed £0.6m contribution from General Reserve pending a formal review of reserve usage that will be performed once all pressures and savings are clarified. Offset by an increase of £3.1m coming from reserves to fund one-off costs (see line above)
16	Budget Requirement - before Savings & Efficiencies	356.8	381.3	383.4	390.9	398.8	405.2	1,959.6	1,874.9	84.7	368.9	12.4	

17	Savings - One-off	(0.9)	0.0	0.0	0.0	0.0	0.0	0.0	(0.9)	0.9	0.0	0.0		SC
18	Savings - Recurring	(3.7)	(7.8)	(3.0)	(3.0)	(3.0)	(3.0)	(19.8)	(15.7)	(4.1)	(3.0)	(4.8)	Updates to savings based on latest proposals agreed at the 1st September Efficiency, Savings and Growth Board. Still to be reviewed and agreed by Strategic Change Co-ordination Board and COG.	
19	Net Budget Requirement	352.2	373.5	380.4	387.9	395.8	402.2	5,788.4	1,858.3	81.5	365.9	7.6		
20	Government Funding	(206.6)	(215.1)	(218.6)	(218.6)	(218.6)	(218.6)	(1,089.5)	(1,064.7)	(24.8)	(211.9)	(3.2)	Includes estimated share of the HO funding allocation for the Sept pay award (2.3% of £140m)	GF
21	Council Tax - Base	(134.4)	(143.3)	(152.5)	(159.1)	(165.9)	(173.0)	(793.8)	(745.4)	(48.4)	(143.3)	0.0		CT
22	Council Tax - Taxbase change	(2.3)	(2.5)	(2.7)	(2.8)	(2.9)	(3.0)	(13.9)	(12.9)	(1.0)	(2.5)	0.0		CT
23	Council Tax - Precept increase	(6.6)	(6.7)	(3.9)	(4.0)	(4.2)	(4.4)	(23.2)	(22.1)	(1.1)	(3.6)	(3.1)	Includes updated precept assumption from 2.5% to a £9.99 increase (4.57%)	CT
24	Collection Fund	(2.3)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(9.0)	(9.5)	0.5	(1.8)	0.0		CF
25	Total Funding	(352.2)	(369.4)	(379.5)	(386.3)	(393.4)	(400.8)	(1,929.4)	(1,854.6)	(74.8)	(363.1)	(6.3)		
26	Annual (Shortfall)/Surplus - Cumulative	0.0	(4.1)	(0.9)	(1.6)	(2.4)	(1.4)	(10.4)	(3.7)	6.7	(2.8)	1.3		

* 5 Years Totals Comparison - compares totals for 2022/23 to 2026/27 as reported at Feb 22 Police, Fire and Crime Panel to totals for 2023/24 to 2027/28 as reported in this MTFS

Medium Term Financial Strategy 2023/24 - 2027/28

Line Ref		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
		£m	£m	£m	£m	£m	£m	£m
1	Original Budget - Budget Book Net Expenditure (prior year total funding)	330.3	352.2					
1a	Opening Budget Requirement			373.5	380.4	387.9	395.8	1,889.8
2	Adjustment from prior year activity agreed at Budget Setting	-	0.5	(1.3)	-	-	-	(0.8)
3	Opening Budget Requirement	330.3	352.7	372.2	380.4	387.9	395.8	1,889.0
	Unavoidable Cost Pressures							
4	Pay Award (Officers) FYE of Sept 22 increase above rate in opening budget requirement (7 months)		3.7					3.7
5	Pay - Sept Pay Award - prior year (5 months - April to August)	0.1	4.5	2.1	2.1	2.2	2.2	13.1
6	Pay - Sept Pay Award - current year (7 months - Sept to March)	2.7	4.1	2.9	3.1	3.0	3.2	16.3
7	Pay - In Year activity - increments	2.3	2.4	2.4	2.4	2.4	2.4	12.0
8	Pay - In Year activity - Turnover (Inc 21/22 Growth not yet achieved)	(1.1)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(11.0)
9	Pay - in year activity - Other (Inc. impact on allowances, NI, Pension and Apprenticeship Levy)	2.3	1.5	2.5	2.5	2.5	2.5	11.5
10	Increase to Employers NI Contributions of 1.25% from 2022/23	2.5						-
11	LGPS Pension shortfall (Tri-annual Actuarial review)	-	0.5	-	-	0.5		1.0
12	Auto Enrolment to Pension schemes	-	0.1	-	-	-		0.1
13	Contractual Inflation & De-inflation	0.9	3.5	2.0	1.0	1.0	1.0	8.5
14	Policing Education Qualifications Framework (PEQF)	-	0.1	0.1	-	-		0.2
15	Investment approved by COG since 2022/23 budget setting	-	-	-	-	-		-
16	Operational and Support contractual and legal cost pressures, including Motor insurance	1.4	-	-	-	-		-
17	Total Unavoidable Cost Pressures	11.1	18.2	9.8	8.9	9.4	9.1	55.4
	New Investment & Service Demand Changes							
18	New investment - Recurring	1.5	-	-	-	-		-
19	2022/23 Police Uplift - recurring	5.7	3.6	-	-	-		3.6
20	22/23 Police Officers funded by Precept increase	1.9	0.2					0.2
21	PUP Ring Fenced Grant (Income)	(3.0)	-	-	-	-		-
22	PUP Ring Fenced Grant Remove Prior Year	2.2	3.0					3.0
23	Increase South East Allowance by £500 to £2,500 (22/23) and £3,000 (23/24)	2.0	2.1	-	-	-		2.1
24	Increases of less than £10k on non-pay budgets	-	0.1	0.1	0.1	0.1		0.4
25	Service demand changes including Estates Services restructure	1.2	-	-	-	-		-
26	Reduction in Special Branch Expenditure	(0.9)						-
27	Borrowing Requirement - interest charges	-	0.3	0.4	0.2	-	(0.1)	0.8
28	Borrowing Requirement - Minimum Revenue Requirement (MRP)	-	-	0.2	1.1	1.8	0.4	3.5
29	Capital Programme (Approved) - Revenue Consequences	0.3	0.1	-	0.1	(0.5)		(0.3)
30	Capital Programme (Proposed) - Revenue Consequences	0.2	0.6	0.2	0.1	-		0.9
31	Expenditure/(Income) offsetting appropriations to/from Reserves	0.1	-	-	-	-		-
32	PFCC - Investment Bids	1.6	0.4	0.5	-	0.1		1.0
33	Total New Investment	12.8	10.4	1.4	1.6	1.5	0.3	15.2

Medium Term Financial Strategy

Medium Term Financial Strategy 2023/24 - 2027/28

Line Ref	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m	£m	£m	£m
34	One-off Costs						
35	Capital Programme (Approved) - One-off revenue costs	0.9	-	-	0.1	-	0.1
36	Capital Programme (Proposed) - One-off revenue costs	0.7	1.5	1.4	0.9	-	3.8
37	Bank Holiday's - one-off	0.7	0.2	(0.2)	-	-	-
38	Contractual and legal cost pressures - one-off	1.3	0.5	0.5	0.5	0.5	2.0
39	Service Demand Changes - one-off	0.9	0.9	0.9	0.9	0.9	3.6
40	New Investment - One-Off	1.5	-	-	-	-	-
41	Difference in full year and current year savings	(0.9)	-	-	-	-	-
42	One-off Investment approved by COG since 2020/21 Budget Sett	-	-	-	-	-	-
43	Expenditure/(Income) offsetting appropriations to/from Reserves	0.1	-	-	-	-	-
44	Subtotal of One-off Costs	5.2	3.1	2.6	2.4	1.4	9.5
45	Appropriations To/(From) Earmarked Reserve						
46	Appropriation to/(from) Earmarked Reserves	-	-	-	-	-	-
47	Appropriation to IT Convergence Reserve - one off	-	-	-	-	-	-
48	Appropriation to Productivity Reserve - One-off	-	-	-	-	-	-
49	Appropriations To/(From) Earmarked Reserves	-	-	-	-	-	-
50	Appropriations To/(From) General Reserve						
51	Appropriation (from) /to General Reserve - One Off	(0.2)	(3.1)	(2.6)	(2.4)	(1.4)	(9.5)
52	Appropriation (from) /to General Reserve - Chief Constables Reserve - One Off	-	-	-	-	-	-
53	Appropriation (from) /to General Reserve for Carryforwards - One	-	-	-	-	-	-
54	Appropriations To/(From) General Reserve	(0.2)	(3.1)	(2.6)	(2.4)	(1.4)	(9.5)
55	Total Appropriations To/(From) Reserves	(0.2)	(3.1)	(2.6)	(2.4)	(1.4)	(9.5)
56	One-off expenditure (reduced)/increased to match funding available for one-off activity	-	-	-	-	-	-
57	Removal of one-off expenditure up to the short term budget	(3.3)	-	-	-	-	-
58	One-off expenditure balance from short term funding	1.7	-	-	-	-	-
59	Budget Requirement - before Savings & Efficiencies	355.9	381.3	383.4	390.9	398.8	1,959.6
60	Savings & Efficiencies Plan (S&EP) - cashable	(3.7)	(7.8)	(3.0)	(3.0)	(3.0)	(19.8)
61	Net Budget Requirement	352.2	373.5	380.4	387.9	395.8	1,939.8
62	Funding						
62	<i>Home Office Police Grant</i>						
62	HO Police Grant (23/24 includes £12m PUP)	(117.5)	(131.8)	(135.3)	(135.3)	(135.3)	(537.7)
63	HO Funding for Police Uplift 2022/23 (180 Officers, less ring fenced grant)	(9.0)	-	-	-	-	-
64	Total Home Office Police Grant	(126.5)	(131.8)	(135.3)	(135.3)	(135.3)	(537.7)
65	<i>Home Office Formula Grant</i>						
65	HO Formula Grant	(67.0)	(67.0)	(67.0)	(67.0)	(67.0)	(335.0)
66	HO Additional Funding for Sept 22 Pay Award	-	(3.2)	(3.2)	(3.2)	(3.2)	(12.6)
67	Total Home Office Formula Grant	(67.0)	(70.2)	(70.2)	(70.2)	(70.2)	(351.0)
68	<i>Other Non Specific Grants</i>						
68	Council Tax Freeze Grant 2011/12	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(10.5)
69	Council Tax Support Grant	(11.0)	(11.0)	(11.0)	(11.0)	(11.0)	(55.0)
70	Total Specific Grants	(13.1)	(13.1)	(13.1)	(13.1)	(13.1)	(65.5)
71	Government main grants	(206.6)	(215.1)	(218.6)	(218.6)	(218.6)	(1,089.5)
72	Total Government Funding	(206.6)	(215.1)	(218.6)	(218.6)	(218.6)	(1,089.5)

Medium Term Financial Strategy

Medium Term Financial Strategy 2023/24 - 2027/28

Line Ref	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m	£m	£m	£m
Council Tax Requirement							
73 Council Tax - Base	(134.4)	(143.3)	(152.5)	(159.1)	(165.9)	(173.0)	(793.8)
74 Council Tax - Taxbase change	(2.3)	(2.5)	(2.7)	(2.8)	(2.9)	(3.0)	(13.9)
75 Council Tax - Precept increase	(6.6)	(6.7)	(3.9)	(4.0)	(4.2)	(4.4)	(23.2)
Collection Fund Taxbase adjustment for unconfirmed authorities	-	-	-	-	-	-	-
76 Total Council Tax Requirement	(143.3)	(152.5)	(159.1)	(165.9)	(173.0)	(180.4)	(830.9)
77 Total Resource Funding (Gov. grants and Council Tax)	(349.9)	(367.6)	(377.7)	(384.5)	(391.6)	(399.0)	(1,920.4)
78 Council Tax - (Surplus)/Deficit on Collection Fund	(2.3)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(7.2)
79 Total Funding	(352.2)	(369.4)	(379.5)	(386.3)	(393.4)	(400.8)	(1,929.4)
80 Annual (Shortfall)/Surplus - Cumulative	-	(4.1)	(0.9)	(1.6)	(2.4)	(1.4)	(10.4)
81 Main Government Cash Funding Increase/(Reduction)	10.9	8.5	3.5	-	-	-	12.0
82 Total Government Grant - non specific	10.9	8.5	3.5	-	-	-	12.0
83 Council Tax Funding Increase/(Reduction)	8.9	9.2	6.6	6.8	7.1	7.4	37.1
84 Collection Fund Increase/(Reduction)	2.1	(0.5)	-	-	-	-	(0.5)
85 Overall Cash Funding Increase/(Reduction)	21.9	17.2	10.1	6.8	7.1	7.4	48.6
86 Percentage Funding Increase/(Reduction)	6.6%	4.9%	2.7%	1.8%	1.8%	1.9%	

A. Key % Assumptions

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
87 Change in Home Office Police Grant	6.0%	absolute figure	absolute figure	0.0%	0.0%	0.0%
88 Change in Home Office Formula Grant	5.8%	0.0%	0.0%	0.0%	0.0%	0.0%
89 Change in Council Tax Support and Freeze grant	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
90 Change in Government main grants (Includes PUP)	5.6%	4.1%	1.6%	0.0%	0.0%	0.0%
91 Change in Home Office Pension Grant	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
92 Increase in Council Tax	4.79%	4.57%	2.50%	2.50%	2.5%	2.5%
93 Change in Taxbase	1.87%	1.75%	1.75%	1.75%	1.75%	1.75%
94 Inflation Recurring - Officers Pay	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
95 Inflation Recurring - Staff/PSCOs Pay	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
96 Inflation - Non pay - various as only specific contractual inflation is used. There is no general inflation.						

B. Key Assumptions

- 97 Council Tax increase of 4.57% in 2023/24, and then 2.5% annually
- 98 Government Grants funding is based on 0% increase from 2022/23 with the exception of the main Police Grant which has been updated to reflect an estimated allocation of the national growth in funding announced in the 3 year Comprehensive Spending Review plus £3.2m grant for the 2022 officer pay award.
- 99 The Borrowing Requirement and revenue consequences of this are continually under review as the capital program is updated.

C. Key Principles

- 100 Between 2016/17 and 2022/23 one off costs were funded from a recurring budget for short term projects of (£3.5m). The current level is £3.3m with the balance being utilised for long term projects. From 2023/24 it is proposed that this budget is offered as a saving and one-off costs will return to being funded from reserves.

D. Areas for Future Consideration and Further Reviews

- 101 Airwave switch off is delayed to 2024/25. Costs are continually under review

E. Scenarios		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
		£m	£m	£m	£m	£m	£m
<u>1% change (+ / -) in:</u>							
102	Council Tax:	1.4	1.5	1.6	1.6	1.7	1.8
103	Government Grant:	2.1	2.2	2.2	2.2	2.2	2.2
104	Total	3.5	3.7	3.8	3.8	3.9	4.0
<u>0.5% change (+ / -) in:</u>							
105	Council Tax:	0.7	0.7	0.8	0.8	0.8	0.9
106	Government Grant:	1.0	1.1	1.1	1.1	1.1	1.1
107	Total	1.7	1.8	1.9	1.9	1.9	2.0

Movements to MTFS since 2022/23 Budget Setting

Line Ref:	MTFS Detail Line Ref:		MTFS Summary (High Level) Movement Type:	MTFS Summary (New) Movement Type:	2023/24	2024/25	2025/26	2026/27	2027/28	5 Year Total	Comments
					£m	£m	£m	£m	£m	£m	
1		Overall (Shortfall) / Surplus - Police Fire & Crime Panel 3.2.22			(2.8)	0.9	(1.3)	(0.5)	0.0	(3.7)	
2	1a	Opening Budget Requirement	OB	OB	0.0	0.4	(0.6)	(1.3)		(1.5)	Impact on opening budget requirement of updates to Pay forecasts
3	C	Remove prior year one-off funding/income (above perm. budget)	PY	PY	(0.2)	(0.8)	0.0	0.0		(1.0)	Removal of £0.2m of PUP expenditure (correction of one-off expenditure which had been categorised as recurring at 22/23 budget setting).
4	28	Borrowing Requirement - Minimum Revenue Requirement (MRP)	NI	RV	(0.1)	0.0	(0.2)	0.0		(0.3)	MRP Forecasts updated based on 2021/22 Outturn Position
5	5	Pay - Sept Pay Award - prior year (5 months - April to August)	PA	UCP	(0.1)	(0.1)	(0.1)	(0.1)		(0.4)	
6	6	Pay - Sept Pay Award - current year (7 months - Sept to March)	PA	UCP	(0.1)	(0.2)	0.0	(0.2)		(0.5)	
7	7	Pay - In Year activity - increments	PP	UCP	0.4	0.4	0.4	0.4		1.6	
8	8	Pay - In Year activity - Turnover (Inc 21/22 Growth not yet achieved)	PO	UCP	(1.2)	(1.2)	(1.2)	(1.2)		(4.8)	
9	9	Pay - in year activity - Other (Inc. impact on allowances, NI, Pension and Apprenticeship Levy)	PO	UCP	(1.2)	0.4	0.4	0.4		0.0	
10	19	2022/23 Police Uplift - recurring	CC	NI	1.5	0.0	0.0	0.0		1.5	Realignment of reported Full Year Impact between PUP and Precept Growth (needed following late changes to categorisation of growth for 22/23 budget setting) plus adjustments for One-off / recurring (partially offset by movement at line referene 3 above
11	20	22/23 Police Officers funded by Precept increase	CC	NI	(0.8)	0.0	0.0	0.0		(0.8)	Update for inflation on Gas, Electricity and Fuel based on expected price rises of 123.6% on Gas from Oct 22 and then 5% in Oct 23 (£593,624 pressure) and 65.9% on Electric from Oct 22 and 5% from Oct 23 (£874,976 pressure). Fuel - pressure of £0.2m estimated for 22/23.
12	13	Contractual Inflation & De-flation	IN	UCP	1.7	0.4	0.0	0.0		2.1	
13	14	Policing Education Qualifications Framework (PEQF)	CL	UCP	(0.3)	0.1	0.0	0.0		(0.2)	Updated PEQF estimates including assumptions on use of reserves
14	51	Appropriation (from) /to General Reserve - One Off	RS	ST Res (b)	0.6	0.0	0.0	0.0		0.6	Removed at this Q1 forecast and use of reserves to be reassessed once full extent of budget pressures known.
15	56	One-off expenditure (reduced)/increased to match funding available for one-off activity	ND	ST (c)	0.2	0.0	0.0	0.0		0.2	Setting aside use of the remaining one-off recurring budget to fund one-off costs.
16	11	LGPS Pension shortfall (Tri-annual Actuarial review)			0.0	0.0	0.0	0.5		0.5	
17		Total change - increase / (decrease) - since Police, Fire and Crime Panel			0.4	(0.6)	(1.3)	(1.5)	0.0	(2.8)	
18		Overall (Shortfall) / Surplus - June 16th Strategic Board			(3.2)	1.5	0.0	1.0	2.7	2.0	

Line Ref:	MTFS Detail Line Ref:		MTFS Summary (High Level) Movement Type:	MTFS Summary (New) Movement Type:	2023/24	2024/25	2025/26	2026/27	2027/28	5 Year Total	Comments
					£m	£m	£m	£m	£m	£m	
19	1a	Opening Budget Requirement	OB	OB	0.0	10.7	10.9	11.0	11.1	43.7	Impact on opening budget requirement of updates to Pay forecasts and increase in SE Allowance from £2,500 to £3,000
20	4	Pay - Sept 22 Pay Award - prior year (7 months - Sept 22 to March 23) - adjusted for budget within base	UCP	PA	3.7	0.0	0.0	0.0	0.0	3.7	Adding the £3m of additional cost for the police officers September 22 pay award (7 months) into the base less the £0.8m already built in at 22/23 budget setting - following notification of the flat £1,900 increase for all pay points
21	5	Pay - Sept 22 Pay Award - prior year (5 months - April 23 to August 23)	UCP	PA	2.6	0.1	0.0	0.1	0.0	2.8	Increase in the September 22 pay award (5 months) following notification of flat £1,900 increase for all pay points
22	19	2022/23 Police Uplift - recurring	NI	CC	0.3	0.0	0.0	0.0	0.0	0.3	Element of additional pay award on FYE of 22/23 police uplift (not included above)
23	9	Pay - in year activity - Other (Inc. impact on allowances, NI, Pension and Apprenticeship Levy)	UCP	PO	0.6	0.0	0.0	0.0	0.0	0.6	Adjustment to police officers pay other than that included in above lines to reconcile to forecast produced at month 4 i.e. will include impact of updated baseline
24	6	Pay - Sept 23 Pay Award - current year (7 months - Sept 23 to March 24)	UCP	PA	1.4	0.1	0.1	0.0	0.0	1.6	Update to the 2.5% Sept 23 pay award assumption for officers (due to higher base following Sept 22 pay award increase)
25	66	HO Additional Funding for Sept 22 Pay Award	GF	GF	(3.2)	(3.2)	(3.2)	(3.2)	(3.2)	(16.0)	EP estimated share of government funding for the Sept 22 pay award (2.3% of £350m in 23/24 and 24/25). Assumes funding will not continue beyond these two years.
26	75	Council Tax - Precept increase	CT	CT	(3.1)	(0.1)	0.0	(0.1)	(0.1)	(3.4)	Increase in precept by £10 from £218.52 to £228.52 (4.57%), previous assumption had been a 2.5% rise.
27	73	Council Tax - Base	CT	CT	0.0	(3.1)	(3.3)	(3.4)	(3.6)	(13.4)	Impact of the increase in CTAX precept assumption on the Council Tax Base
28	74	Council Tax - Taxbase change	CT	CT	0.0	(0.1)	(0.1)	(0.1)	0.0	(0.3)	Impact of the increase in CTAX precept assumption on the Council Tax Base change
29	23	Increase South East Allowance by £500 to £2,500 (22/23) and £3,000 (23/24)	NI	ND	2.1	0.0	0.0	0.0	0.0	2.1	Update to police officer South East Allowance from £2,500 to £3,000
30										0.0	
33		Total change - increase / (decrease) - since June Strategic Board			4.4	4.4	4.4	4.3	4.2	21.7	
34		Overall (Shortfall) / Surplus - Updated 04/08/22 (SE Allowance Decision Report)			(7.6)	(2.9)	(4.4)	(3.3)	(1.5)	(19.7)	
35	5	Pay - Sept Pay Award - prior year (5 months - April to August)	UCP	PA	0.1	0.0	0.0	0.0	0.0	0.1	Updates to Staff and PCSO pay forecasts to reflect £1,900 uplift per pay point compared to the estimated % used for previous iteration
36	6	Pay - Sept Pay Award - current year (7 months - Sept to March)	UCP	PA	(0.1)	0.0	0.0	0.0	0.0	(0.1)	
37	57	Removal of one-off expenditure up to the short term budget	ST (d)	OR	3.3	3.3	3.3	3.3	3.3	16.5	Decision to fund one-off costs from reserves rather than the One-Off Recurring Budget. This budget will be offered as a recurring saving.

Line Ref:	MTFS Detail Line Ref:		MTFS Summary (High Level) Movement Type:	MTFS Summary (New) Movement Type:	2023/24	2024/25	2025/26	2026/27	2027/28	5 Year Total	Comments
					£m	£m	£m	£m	£m	£m	
38	51	Appropriation (from) /to General Reserve - One Off	T Res (t)	RS	(3.1)	(2.6)	(2.4)	(1.4)	0.0	(9.5)	Assumed use of General Reserve to fund One-off costs
39	56	One-off expenditure (reduced)/increased to match funding available for one-off activity	ST (c)	ND	(0.2)	0.0	(0.9)	(1.9)	(3.3)	(6.3)	With the decision to fund one-off cost from reserves there is no longer a need to include this adjustment which was assuming the One-off recurring budget was fully utilised.
40	60	Savings & Efficiencies Plan (S&EP) - cashable	SC	SC	(4.8)	0.0	0.0	0.0	0.0	(4.8)	Updated savings forecasts following review at 1st Sept Efficiency, Savings and Growth Board
41	3	Opening Budget Requirement	OB	OB	0.0	(3.5)	(2.7)	(2.8)	(0.9)	(9.9)	Impact on opening budget requirement for future years from recurring changes.
42	27	Borrowing Requirement - interest charges	NI	RV	0.2	0.3	0.1	0.0	(0.1)	0.5	Updated revenue cost of borrowing to reflect month 4 capital forecasts
43	28	Borrowing Requirement - Minimum Revenue Requirement (MRP)	NI	RV	(0.2)	(0.6)	(0.7)	1.4	0.4	0.3	
44	13	Contractual Inflation & De-flation	UCP	IN	1.3	1.1	0.5	0.5	0.5	3.9	Updates to inflation assumptions. 23/24 based on inflation bids received which are subject to review. Further work to refine inflation assumptions pending.
45		Total change - increase / (decrease) - since SE Allowance Decision Report			(3.5)	(2.0)	(2.8)	(0.9)	(0.1)	(9.3)	
46		Overall (Shortfall) / Surplus - as at September Strategic Board			(4.1)	(0.9)	(1.6)	(2.4)	(1.4)	(10.4)	

**CAPITAL PROGRAMME - 2022/23 BUDGET MONITORING
EXPENDITURE & FINANCING SUMMARY**

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL
	£000	£000	£000	£000	£000	£000	£000
Capital Expenditure							
<u>Approved Projects</u>							
ANPR	292	35	35	0	0	0	362
Estates Business as Usual	1,535	1,198	0	0	0	0	2,733
Estates Strategy	2,290	2,763	0	0	0	0	5,053
I.T. Services	5,483	318	0	111	92	0	6,004
OPC	21	51	0	0	0	0	72
Other	555	0	0	0	0	0	555
SCD	182	0	0	0	0	0	182
Transport	2,651	1,120	33	0	0	0	3,804
	13,009	5,485	68	111	92	0	18,765
<u>Subject to Approval Projects</u>							
ANPR	0	110	110	0	0	0	220
Estates Business as Usual	0	1,000	1,000	1,000	1,000	0	4,000
Estates Strategy	2,550	15,075	21,500	19,000	900	0	59,025
I.T. Services	136	5,958	11,509	8,862	2,816	0	29,281
OPC	46	0	0	0	0	0	46
Other	250	237	237	250	250	0	1,224
SCD	93	30	0	0	0	0	123
Transport	40	2,200	2,200	2,240	2,500	0	9,180
	3,115	24,610	36,556	31,352	7,466	0	103,099
<u>Total by Department</u>							
ANPR	292	145	145	0	0	0	582
Estates Business as Usual	1,535	2,198	1,000	1,000	1,000	0	6,733
Estates Strategy	4,840	17,838	21,500	19,000	900	0	64,078
I.T. Services	5,619	6,276	11,509	8,973	2,908	0	35,285
OPC	67	51	0	0	0	0	118
Other	805	237	237	250	250	0	1,779
SCD	275	30	0	0	0	0	305
Transport	2,691	3,320	2,233	2,240	2,500	0	12,984
	16,124	30,095	36,624	31,463	7,558	0	121,864
Financing Sources to be Applied							
Capital receipts	(4,502)	(4,267)	(4,250)	(15,562)	(4,566)	0	(33,147)
Grants & contributions	0	(32)	(32)	0	0	0	(64)
Revenue funding	(5,278)	(2,038)	(1,131)	(401)	(1,092)	0	(9,940)
Borrowing	(6,344)	(23,758)	(31,211)	(15,500)	(1,900)	0	(78,713)
	(16,124)	(30,095)	(36,624)	(31,463)	(7,558)	0	(121,864)
Total Unfinanced Expenditure	0	0	0	0	0	0	0

Note 1 - The capital receipts information is based on the end of July 2022 Estates tracker

CAPITAL PROGRAMME - 2022/23 BUDGET MONITORING

CFR & MRP SUMMARY

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL
	£000	£000	£000	£000	£000	£000	£000
Opening CFR	9,097	14,852	37,817	68,077	81,484	79,484	9,097
Capital Expenditure							
Approved projects - long-life	3,825	3,961	0	0	0	0	7,786
Approved projects - short-life	9,183	1,524	68	111	92	0	10,978
Subject to Approval projects - long-life	2,550	16,075	22,500	20,000	1,900	0	63,025
Subject to Approval projects - short-life	565	8,535	14,056	11,352	5,566	0	40,074
	16,123	30,095	36,624	31,463	7,558	0	121,863
Financing Sources to be Applied							
Capital receipts	(4,502)	(4,267)	(4,250)	(15,562)	(4,566)	0	(33,147)
Grants & contributions	0	(32)	(32)	0	0	0	(64)
Revenue funding	(5,278)	(2,038)	(1,131)	(401)	(1,092)	0	(9,940)
	(9,780)	(6,337)	(5,413)	(15,963)	(5,658)	0	(43,151)
Minimum Revenue Provision							
Historic unfinanced borrowing	(500)	(500)	(500)	(500)	(500)	(500)	(3,000)
Current projects - long-life	(88)	(279)	(437)	(915)	(1,477)	(1,865)	(5,061)
Current projects - short-life	0	(14)	(14)	(678)	(1,923)	(1,923)	(4,552)
	(588)	(793)	(951)	(2,093)	(3,900)	(4,288)	(12,613)
Closing CFR	14,852	37,817	68,077	81,484	79,484	75,196	75,196

	2022/23	2023/24	2024/25	2025/26	2025/26	2026/27	TOTAL
	£000	£000	£000	£000	£000	£000	£000
FINANCING COSTS							
Minimum Revenue Provision (MRP)	588	793	951	2,093	3,900	4,288	12,613
Borrowing Costs (based on 2.5%)	61	348	726	894	869	815	3,713
Total revenue impact of borrowing	649	1,141	1,677	2,987	4,769	5,103	16,326

Note 1 - The capital receipts information is based on the end of July 22 Estates tracker

Note 2 - Assumes approx £10m of cash and investment reserves at 2022/23 year-end (and beyond)

CAPITAL PROGRAMME - 2022/23 BUDGET MONITORING
CAPITAL RESOURCES SUMMARY

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000	£000
Capital receipts						
Opening balance	(928)	(8)	0	0	(5,563)	(997)
Received	(3,582)	(4,260)	(4,250)	(21,125)	0	0
Applied for financing	4,502	4,268	4,250	15,562	4,566	0
Closing balance	(8)	0	0	(5,563)	(997)	(997)
Grants and contributions						
Opening balance	0	(32)	0	0	0	0
Received	(32)	0	0	0	0	0
Applied for financing	0	32	0	0	0	0
Closing balance	(32)	0	0	0	0	0
Revenue funding						
Opening balance	(4,357)	(1,006)	(100)	(100)	(699)	(607)
Received	(1,927)	(1,131)	(1,131)	(1,000)	(1,000)	0
Applied for financing	5,278	2,037	1,131	401	1,092	0
Closing balance	(1,006)	(100)	(100)	(699)	(607)	(607)
Totals						
Opening balance	(5,285)	(1,046)	(100)	(100)	(6,262)	(1,604)
Received	(5,541)	(5,391)	(5,381)	(22,125)	(1,000)	0
Applied for financing	9,780	6,337	5,381	15,963	5,658	0
Closing balance	(1,046)	(100)	(100)	(6,262)	(1,604)	(1,604)

Note 1 - The capital receipts information is based on the end of July 7 Estates tracker

Earmarked Reserves and Provisions		2021/22					2022/23					2023/24					2024/25					2025/26					2026/27				
		Forecast Year End Balance	1st April 2022 - Opening Balance	Budget Setting Contribution / (Allocation) ² 2022/23	In-Year Contribution 2022/23	In-Year Allocation 2022/23	Forecast Year End Balance - 31st March 2023	1st April 2023 - Opening Balance	Budget Setting Contribution / (Allocation) 2023/24	In-Year Contribution 2023/24	In-Year Allocation 2023/24	Forecast Year End Balance - 31st March 2024	1st April 2024 - Opening Balance	Budget Setting Contribution / (Allocation) 2024/25	In-Year Contribution 2024/25	In-Year Allocation 2024/25	Forecast Year End Balance - 31st March 2025	1st April 2025 - Opening Balance	Budget Setting Contribution / (Allocation) 2025/26	In-Year Contribution 2025/26	In-Year Allocation 2025/26	Forecast Year End Balance - 31st March 2026	1st April 2026 - Opening Balance	Budget Setting Contribution / (Allocation) 2026/27	In-Year Contribution 2026/27	In-Year Allocation 2026/27	Forecast Year End Balance - 31st March 2027				
1 Reserves held by Essex Police but managed as third party reserves																															
Op Dagenham Maintenance Reserve	£0.092m	£0.092m	£0.000m	£0.000m	£0.000m	£0.092m	£0.092m	£0.000m	£0.000m	£0.000m	£0.092m	£0.092m	£0.000m	£0.000m	£0.000m	£0.092m	£0.092m	£0.000m	£0.000m	£0.000m	£0.092m	£0.092m	£0.000m	£0.000m	£0.000m	£0.092m					
Total	£0.092m	£0.092m	£0.000m	£0.000m	£0.000m	£0.092m	£0.092m	£0.000m	£0.000m	£0.000m	£0.092m	£0.092m	£0.000m	£0.000m	£0.000m	£0.092m	£0.092m	£0.000m	£0.000m	£0.000m	£0.092m	£0.092m	£0.000m	£0.000m	£0.000m	£0.092m					
2 Ringfenced Reserve																															
Proceeds of Crime Act	£2.047m	£2.047m	(£0.391m)	£0.028m	(£0.236m)	£1.448m	£1.448m	£0.000m	£0.000m	(£0.363m)	£1.085m	£1.085m	£0.000m	£0.000m	(£0.265m)	£0.820m	£0.820m	£0.000m	£0.000m	(£0.265m)	£0.555m	£0.555m	£0.000m	£0.000m	(£0.265m)	£0.290m					
Forfeiture Monies Reserve	£0.426m	£0.426m	£0.025m	£0.035m	£0.000m	£0.466m	£0.466m	£0.000m	£0.125m	(£0.100m)	£0.511m	£0.511m	£0.000m	£0.125m	(£0.100m)	£0.536m	£0.536m	£0.000m	£0.125m	(£0.100m)	£0.561m	£0.561m	£0.000m	£0.125m	(£0.100m)	£0.586m					
Restructuring Reserve	£1.023m	£1.023m	£0.000m	£0.000m	£0.000m	£1.023m	£1.023m	£0.000m	£0.000m	£0.000m	£1.023m	£1.023m	£0.000m	£0.000m	£0.000m	£1.023m	£1.023m	£0.000m	£0.000m	£0.000m	£1.023m	£1.023m	£0.000m	£0.000m	£0.000m	£1.023m					
Operational Transformational Reserve (OTR)	£0.479m	£0.479m	(£0.139m)	£0.085m	(£0.011m)	£0.414m	£0.414m	£0.000m	£0.000m	£0.000m	£0.414m	£0.414m	£0.000m	£0.000m	£0.414m	£0.414m	£0.000m	£0.000m	£0.000m	£0.000m	£0.414m	£0.414m	£0.000m	£0.000m	£0.000m	£0.414m					
Transformation Reserve	£1.110m	£1.110m	£0.000m	£0.000m	(£0.130m)	£0.980m	£0.980m	£0.000m	£0.000m	£0.000m	£0.980m	£0.980m	£0.000m	£0.000m	£0.980m	£0.980m	£0.000m	£0.000m	£0.000m	£0.000m	£0.980m	£0.980m	£0.000m	£0.000m	£0.000m	£0.980m					
Data Analytics Reserve	£0.028m	£0.028m	(£0.028m)	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m					
Legal Reserve	£1.316m	£1.316m	£0.000m	£0.000m	(£0.029m)	£1.287m	£1.287m	£0.000m	£0.000m	(£0.333m)	£0.954m	£0.954m	£0.000m	£0.000m	(£0.075m)	£0.879m	£0.879m	£0.000m	£0.000m	£0.000m	£0.879m	£0.879m	£0.000m	£0.000m	£0.000m	£0.879m					
PEQF Reserve	£0.326m	£0.326m	(£0.046m)	£0.000m	(£0.027m)	£0.253m	£0.253m	(£0.253m)	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m					
Restricted Grant and Contributions Reserve	£0.103m	£0.103m	£0.000m	£0.000m	(£0.010m)	£0.093m	£0.093m	£0.000m	£0.000m	£0.000m	£0.093m	£0.093m	£0.000m	£0.000m	£0.093m	£0.093m	£0.000m	£0.000m	£0.000m	£0.000m	£0.093m	£0.093m	£0.000m	£0.000m	£0.000m	£0.093m					
Total	£6.858m	£6.858m	(£0.579m)	£0.148m	(£0.443m)	£5.984m	£5.984m	(£0.253m)	£0.125m	(£0.796m)	£5.060m	£5.060m	£0.000m	£0.125m	(£0.440m)	£4.745m	£4.745m	£0.000m	£0.125m	(£0.365m)	£4.505m	£4.505m	£0.000m	£0.125m	(£0.365m)	£4.265m					
3 Operational Reserves																															
Major Operational Reserve	£1.500m	£1.500m	£0.000m	£0.000m	£0.000m	£1.500m	£1.500m	£0.000m	£0.000m	£0.000m	£1.500m	£1.500m	£0.000m	£0.000m	£1.500m	£1.500m	£0.000m	£0.000m	£0.000m	£0.000m	£1.500m	£1.500m	£0.000m	£0.000m	£0.000m	£1.500m					
COVID Roadmap Violence Reduction Reserve	£0.229m	£0.229m	(£0.229m)	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m					
Chief Constables Operational C/Fwd	£0.750m	£0.750m	£0.000m	£0.000m	£0.000m	£0.750m	£0.750m	£0.000m	£0.000m	£0.000m	£0.750m	£0.750m	£0.000m	£0.000m	£0.750m	£0.750m	£0.000m	£0.000m	£0.000m	£0.000m	£0.750m	£0.750m	£0.000m	£0.000m	£0.000m	£0.750m					
Specials Constabulary Reserve	£0.145m	£0.145m	(£0.145m)	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m					
Future Capital Funding	£4.358m	£4.358m	£1.665m	£0.000m	£0.000m	£6.023m	£6.023m	£0.000m	£1.025m	(£1.025m)	£6.023m	£6.023m	£0.000m	£1.025m	(£1.025m)	£6.023m	£6.023m	£0.000m	£1.000m	(£1.000m)	£6.023m	£6.023m	£0.000m	£1.000m	(£1.000m)	£6.023m					
Total	£6.982m	£6.982m	£1.291m	£0.000m	£0.000m	£8.273m	£8.273m	£0.000m	£1.025m	(£1.025m)	£8.273m	£8.273m	£0.000m	£1.025m	(£1.025m)	£8.273m	£8.273m	£0.000m	£1.000m	(£1.000m)	£8.273m	£8.273m	£0.000m	£1.000m	(£1.000m)	£8.273m					
4 PFCC Reserves																															
Commissioning Grants 2020/21 to 2021/22	£3.174m	£3.174m	£0.000m	£0.000m	£0.000m	£3.174m	£3.174m	£0.000m	£0.000m	£0.000m	£3.174m	£3.174m	£0.000m	£0.000m	£3.174m	£3.174m	£0.000m	£0.000m	£0.000m	£0.000m	£3.174m	£3.174m	£0.000m	£0.000m	£0.000m	£3.174m					
Total	£3.174m	£3.174m	£0.000m	£0.000m	£0.000m	£3.174m	£3.174m	£0.000m	£0.000m	£0.000m	£3.174m	£3.174m	£0.000m	£0.000m	£3.174m	£3.174m	£0.000m	£0.000m	£0.000m	£0.000m	£3.174m	£3.174m	£0.000m	£0.000m	£0.000m	£3.174m					
5 General Reserve																															
General Reserve	£14.818m	£14.818m	(£0.206m)	£0.000m	(£2.193m)	£12.419m	£12.419m	£0.000m	£0.000m	(£3.100m)	£9.319m	£9.319m	£0.000m	£0.000m	(£2.600m)	£6.719m	£6.719m	£0.000m	£0.000m	(£2.400m)	£4.319m	£4.319m	£0.000m	£0.000m	(£1.400m)	£2.919m					
Total Revenue Reserves	£31.924m	£31.924m	£0.506m	£0.148m	(£2.636m)	£29.942m	£29.942m	(£0.253m)	£1.150m	(£4.921m)	£25.918m	£25.918m	£0.000m	£1.150m	(£4.065m)	£23.003m	£23.003m	£0.000m	£1.125m	(£3.765m)	£20.363m	£20.363m	£0.000m	£0.000m	(£2.765m)	£18.723m					