

# AGENDA

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**Meeting:** **WILTSHIRE POLICE AND CRIME PANEL**  
**Place:** Committee Room A - Council Offices, Monkton Park, Chippenham  
SN15 1ER  
**Date:** Thursday 1 February 2018  
**Time:** **10.30 am**

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## **Membership:**

CLlr Junab Ali - Swindon Borough Council  
CLlr Abdul Amin - Swindon Borough Council  
CLlr Alan Bishop - Swindon Borough Council  
CLlr Richard Britton - Wiltshire Council  
Cindy Creasy - Co-Opted Independent Member  
CLlr Anna Cuthbert - Wiltshire Council  
CLlr Ross Henning - Wiltshire Council  
Chris Henwood - Co-Opted Independent Member  
CLlr Peter Hutton - Wiltshire Council  
CLlr Brian Mathew - Wiltshire Council  
CLlr John Smale - Wiltshire Council  
CLlr Caryl – Sydney-Smith – Swindon Borough Council

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## **Substitutes:**

Peter Evans - Wiltshire Council  
CLlr Sue Evans - Wiltshire Council  
CLlr Sarah Gibson - Wiltshire Council  
CLlr Ruth Hopkinson - Wiltshire Council  
CLlr Gordon King - Wiltshire Council

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# AGENDA

## Part I

Items to be considered when the meeting is open to the public

1 **Apologies for Absence**

2 **Declarations of interest**

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee.

3 **Chairman's Announcements**

4 **Public Participation**

The Panel welcomes contributions from members of the public.

Statements

If you wish to make a statement at this meeting on any item on this agenda, please register to do so at least 10 minutes prior to the meeting. Speakers are permitted to speak for up to 3 minutes on any agenda item. Please contact the officer named on the first page of the agenda for any further clarification.

Questions

Members of the public are able to ask questions in relation to the responsibilities and functions of the Panel at each meeting. Those wishing to ask questions are required to give notice of any such questions in writing to the Head of Democratic Services at Wiltshire Council no later than **5.00 pm on Friday 26 January 2018**. Please contact the officer named on the first page of the agenda for further advice. Questions may be asked without notice if the Chairman decides that the matter is urgent.

5 **Formal consideration of PCC Precept proposal**

For the Police and Crime Panel to receive formally and vote on the Police and Crime Commissioner's proposed Council Tax precept for the year 2018-19

6 **Member Questions**

7 **Forward Work Plan**

To note the forward work plan

8 **Future meeting dates**

To note the future meeting dates below:

- 22 March 2018 – Corn Exchange, Devizes
- 14 June 2018 - Corn Exchange, Devizes
- 27 September – County Hall, Trowbridge
- 6 December 2018 – Civic Offices, Swindon

**Part II**

*Item(s) during whose consideration it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed*



**POLICE AND CRIME PANEL**  
**1 February 2018**

**AGENDA ITEM NO: 5a**

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## **REPORT ON THE PCC'S CONSULTATION ON PROPOSALS ON THE POLICING PRECEPT LEVEL**

### **1. Purpose of Report**

1.1. To provide the Police and Crime Panel (PCP) with a summary of the PCC's public consultation on the proposed 7% increase in the policing precept (policing part of council tax).

### **2. Background and Main Considerations for the Panel**

2.1. The public consultation on the policing precept began on 2 January 2018 and will close on 31 January 2018. Due to dates of the PCP meeting, this report only covers up to and including the 29 January 2018.

2.2. Building on the improved consultation in 2017 I hope to increase awareness and encourage public participation through a variety of channels. This will include:

- High profile media campaign launching the precept proposals for consultation
- Short video to the precept proposals
- Social media Q&As sessions – where the public could ask questions directly
- Telephone Q&A session
- Online responses
- Participation in local radio programmes and phone-ins
- Snap twitter polls
- Stakeholder distribution including Councillors and MPs asking for their views on behalf of the people they serve
- Presenting and discussing with area boards and parish councils to make them aware of consultation and request presentation of consultation video

### **3. The Consultation**

3.1. I am pleased to say that more than three times the number people have participated in the consultation this year. A total of 635 people provided comments, feedback or statements had questions.

3.2. Whilst I will always strive to increase awareness and there is always more that can be done. I am delighted that this has started a debate about the level of funding for Wiltshire, the local contribution to that and the level of police service the public expect.

3.3. The table below breaks down the responses by mode of response, how many supported the proposals, are undecided or do not support them.

<b>Mode of Response</b>	<b>Yes</b>	<b>No</b>	<b>Undecided</b>
Email	130 (68%)	49 (25%)	15 (7%)
Website	248 (69%)	112 (31%)	0
Facebook	3 (50%)	3 (50%)	0
Community Messaging	62 (86%)	7 (10%)	3 (4%)
Postal	1 (33.3%)	1 (33.3%)	(33.3%)
<b>TOTAL</b> 635	<b>TOTAL</b> 444 (70%)	<b>TOTAL</b> 172 (26%)	<b>TOTAL</b> 19 (3%)

3.4. As the figures outline, the vast majority of respondents were supportive of the proposed increase. The overall sentiment was that respondents wanted to protect the police and wanted it spent on local, visible policing.

3.5. 70% of respondents support my proposed increase, 26% do not and 3% are undecided.

3.6. This matches my priorities to protect community policing and then future investment in police officers in future years as outlined in my medium term financial strategy.

3.7. To provide balance, I have set out the main themes for respondents not agreeing to the proposals and my response to these themes in appendix A.

#### **4. Recommendations**

4.1. Panel members are asked to note and consider this report.

## Appendix A

Theme	PCC response
<p>Their own personal financial situations</p>	<p>I recognise that it is extremely difficult for many people across Wiltshire and Swindon and that is why the policing precept increases have been capped at 2% for the last few years.</p> <p>These increases generate £7m raised locally for policing but at the same time central funding has reduced by £19m. This means a gap of £12m, which has been saved by Wiltshire Police.</p> <p>Without this proposed increase I would have to find around £3m in 2018/19, 2019/20 and beyond. With 80% of my costs going on officers and staff this would affect frontline policing and their ability to keep us all safe.</p>
<p>Policing should be funded by government</p>	<p>Policing is funded by both central government and a policing element of council tax. Central funding follows a funding formula. I am lobbying for change as it is unfair and does not recognise rurality, the impact of vulnerability and non-crime demands on the police and the capability required to support national threats and harms.</p> <p>The proportion of this funding has been changing since 2010 with government playing less as a proportion. I have committed that locally raised funding should support local policing and local services. As set out in my plans this is the case and I am working to increase this amount of money spent locally.</p> <p>However criminality is not limited by geography and issues such as cybercrime, fraud and terrorism mean that victims and offenders are both local and international. So to protect the residents of Wiltshire and Swindon we must also have more specialised regional capability.</p>
<p>Wasted money on the investigation of Sir Ted Heath</p>	<p>In relation to the investigation conducted by Wiltshire Police on behalf of 14 police forces into Sir Edward Heath, I would expect serious allegations to be investigated by police. Police must consider allegations and have operational independence on the manner of those investigations.</p> <p>The investigation has been reviewed externally by the national team and Her Majesty's Inspectorate of Constabulary (HMIC). The national investigative role, the investigation processes and costs were reviewed by Her Majesty's Inspectorate of Constabulary and approved by the Home Secretary in the allocation of £1.1 million to cover the costs of this investigation.</p>

<p>The state of Wiltshire Police is currently not good enough. This covered issues such as the following:</p> <ul style="list-style-type: none"> <li>• Burglary</li> <li>• Rural communities</li> <li>• Policing presence.</li> <li>• Contacting the police and 101</li> </ul>	<p>Like all police areas, there are areas we need to improve. There are clear plans in place to address the issues raised such as burglary, investment in rural policing and further resourcing of community policing. These are all issues I have raised with the Chief Constable and my office and the force are working to address them. This work is then scrutinised, supported and challenged by the Police and Crime Panel.</p> <p>Despite these challenges, I am proud that Wiltshire Police has been consistently rated 'good' by HMIC for its effectiveness, efficiency and in legitimacy. Broadly we have a good police service which uses the money given by taxpayers well.</p> <p>This is against the backdrop of being the fourth lowest funded police area in the country with both very low central funding and below average policing precept.</p>
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## **PROPOSED PRECEPT FOR 2018-19**

### **Purpose**

1. This paper notifies the Panel of the precept I am proposing for 2018-19.

### **Background**

2. In January 2018 I presented to the Panel a paper which showed that the government has made decisions surrounding both local and central funding which has a significant impact on the funding options available to me.
3. In light of these I have revised my Medium Term Financial Strategy (MTFS), this is attached as an appendix. The new MTFS also provides some additional information as requested by panel members.
4. The paper I provided in January concluded with me suggesting that a £12 increase in the Police part of the Band D Precept (a 7% increase) was appropriate. This would result in the Band D police part of the precept rising from £170.27 to £182.27 in 2018-19.
5. At the January meeting I also informed the Panel on how I would be consulting with the public this year. There is a separate paper on the agenda informing the panel of the outcome from my consultation exercise however in summary the majority of respondents are supportive of a £12 increase.

### **The Precept**

6. My proposal to increase the precept by £12 was based on the Minister for Policing and the Fire Service recognising the demands placed on policing and allowing an increase to this level before a referendum would be triggered. I and many of my PCC colleagues have met with the minister and outlined the pressures facing policing.
7. The Government also announced that core police funding would not change in 2018-19 (i.e. a cash flat settlement).
8. Considering the pressures on the police and no additional central grant, to increase the police part of the council tax by £12 is attractive. The MTFS shows that by utilising this opportunity I can maintain local policing whilst also ensuring a strong base budget is in place for future years.

### **The Funding Available**

9. The table below outlines the funding available to me based on a £12 increase in the Band D precept. The table assumes that the provisional central funding allocations are confirmed.

	2017-18	2018-19
Main Home Office Grant	£36.961m	£36.961m
Main DCLG Grant	£20.393m	£20.393m
Legacy Council Tax Grants	£5.235m	£5.235m
Total Central Funding	£62.589m	£62.589m
Precept Income	£42.457m	£46.589m
Council Tax Collection Fund Surplus	£0.602m	£0.781m
Total Funding Available	£105.648m	£109.959m

10. The Legacy Council Tax Grants includes the grant payable surrounding Council Tax Localisation and any previous freeze grants.
11. Wiltshire Council and Swindon Borough Council have reported a new council tax base of 255,604; this is a 2.5% increase on 2017-18. This with the £12 increase in precept will result in additional funding of £4.311m (4%).

### Funding Allocation

12. I am expected to commission services from the funding available. In addition to the funding reported in the table in paragraph 9 I do receive investment income (estimated at £0.200m in 2018-19 and £0.250m in 2017-18). Therefore my funding available to commission with is £110.159m in 2018-19. The table below identifies how I intend using these resources.

	2017-18	2018-19
OPCC Office Costs	£0.713m	£0.737m
OPCC Capital Contribution	£0.742m	£0.766m
OPCC Commissioning Funds	£1.229m	£1.270m
OPCC Chief Constable Allocation	£103.215m	£107.386m
	£105.899m	£110.159m

### Impact on the Chief Constable's Budget

13. The Chief Constable has identified a budget requirement of £108.979m (this is disclosed in the MTFs). When compared to my funding allocation to him (£107.386m) a financial gap of £1.593m exists.
14. A review of my reserves has been undertaken with the section 151 officer. He has identified £0.253 of reserves which can be used in 2018-19 and a medium term plan which removes the reliance on reserves.
15. This reduces the savings the Chief Constable has to find. The new savings requirement is reported below;

	2018-19 CC Budget
Initial Funding gap	£1.593m
Use of reserves	-£0.253m
New Savings requirement	£1.340m

16. The Chief Constable has identified a plan (included within the MTFs) which will deliver this savings requirement.

## **Risk**

17. The use of reserves is based on a risk review. The MTFS has considered the long term funding of Wiltshire. The planned use of reserves to cover risks and early thinking about future precept levels reduces risk. Having general reserves of 2.5% and a 1% operational reserve also helps reduce risk.

## **Legal**

18. I am required to receive advice from my Chief Financial Officer surrounding the budget and my reserves. The Chief Financial Officer is content that my budget and the Chief Constable's budget are sound and deliverable. He has also confirmed that he believes my reserves are adequate to manage risk.

## **Recommendation**

19. After carrying out the necessary consultation I am minded to set a precept of £46.589m. This will require council tax to be set on all property bands based on £182.27 for a Band D property. This represents a £12 (7%) increase on the 2017-18 level.

**Angus Macpherson**  
Police and Crime Commissioner

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**WILTSHIRE AND SWINDON**

# **Medium Term Financial Strategy (MTFS) 2018-19 to 2021-22**

Document Control	
Version 1	29/11/2017
Version 4.0	26/01/2018

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Appendix B	CC's Budget Allocation and summary assumptions
Appendix Bi	CC's Financial Plan (£12 Council Tax Incr – 2 years)
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Appendix C	PCC's Capital Expenditure Plan
Appendix D	PCC's Reserves and Provisions Policy (Jan 2018)

## Executive Summary

1. The 4 year MTFS has again been produced in a climate of uncertainty. Progress on leaving the European Union is ongoing and hampers national financial planning. The Chancellor of the Exchequer has continued with austerity measures and a new Comprehensive Spending Review remains outstanding. Whilst it has been accepted nationally that a balanced budget by the end of the term of the government is unlikely the desire to limit public spending and borrowing still remains.
2. The funding of the Police has been brought into political focus by a number of PCC's and Forces. This has led to a cash flat central grant settlement this year (the expectation was a 1.4% cash cut). It has also led to PCC capping limits being raised – a £12 increase is allowed in 2018-19. If this opportunity is taken up by the PCC it significantly improves current and future finances.
3. Questions on the level of reserves held by PCC's have been asked by the government after the announcement of a 1% non-funded non-consolidated bonus for Police Officers. The underlying message from the government was that PCCs hold large reserves, sufficient to fund this bonus and more.
4. The MTFS reports that by the end of 2018-19 central funding will have dropped in real terms by 34.4% since 2010-11.
5. During the next 4 years the Police and Crime Commissioner (PCC) will have to make difficult decisions on the level of precept (the police part of the council tax). Considering the Chief Constable's (CC) initial plans the MTFS identifies the savings required to balance budgets under different scenarios. The estimated funds available to the PCC under the 3 most likely strategies are shown below;

	No Precept (C Tax) Increase	1.9% Precept (C Tax) Increase	£12 incr. in Precept (C Tax) years 1 & 2
2018-19	£107.092m	£107.920m	£110.159m
2019-20	£107.550m	£109.246m	£113.776m
2020-21	£108.065m	£110.672m	£115.357m
2021-22	£108.628m	£112.188m	£117.034m

6. In 2018-19, with a £12 increase, the PCC would have £3.067m more to carry out his role when compared to a standstill council tax.
7. An increase of £12 would result in a Band D Council Tax of £182.27. Even if all other South West Forces agreed not to increase their council tax, which is unlikely, we would still be below Council Tax levels in Gloucestershire and Dorset.
8. Depending on the decision on the Council Tax, cash funding could grow by a maximum of 4%. With the need to fund last year's reserve funding of £1.4m and unavoidable increases such as pay/price inflation and the restructure of the Crime Communication Centre, significant savings are still required. As the largest part of the PCC's budget is used to finance the CC the MTFS assumes the CC will see the largest impact on budget.

9. The plan is to use £0.253m of reserves to reduce the savings requirement in 2018-19. The reduction in reserve usage to balance revenue shortfalls is a positive move in securing future financial viability. The Chief Constable's expenditure plans have been estimated based on assumptions surrounding pay awards, inflation and limited growth. When compared to the different estimated income levels the following savings are required in each year to balance the budget;

	No Council Tax Increase	1.9% Council Tax Increase	£12 CTax Inc. (2 yrs than 1.9%)
2018-19	£4.330m	£3.524m	£1.340m
2019-20	£4.280m	£3.450m	£1.260m
2020-21	£2.324m	£1.470m	£1.407m
2021-22	£2.240m	£1.360m	£1.295m
Total	£13.174m	£9.804m	£5.302m

10. The MTFs includes an updated Capital Plan. The plan shows funding is available until 2019-20 before borrowing is required. This is dependent on the outcome of the Estates strategy and the capital cost of the Emergency Services Mobile Communication Project (ESMCP).
11. Reserves are seen as a key instrument in managing risk. A level of reserves is seen as essential to manage both large incident risks and year on year variations. The reserves have been reviewed, and a new policy produced with greater detail. This is intended to dismiss a number of concerns the government have on PCC reserve levels.
12. The MTFs is based on assumptions which may or may not be realised but are currently considered as reasonable. Its purpose is to give to the PCC and the CC a financial framework to plan strategic direction over the next 4 years. As disclosed in the MTFs Wiltshire's funding per head of population is £156, the national average is £180. Wiltshire PCC is the 5th lowest centrally funded and 4<sup>th</sup> lowest when considering all funding (HMICFRS VFM Profile 2017). This current low level of funding makes finding savings difficult especially when considering that £19.8m of savings has already been made in the previous 7 years,



## Introduction

13. This is the four year MTFs. The MTFs first covers the funds available to the Police and Crime Commissioner (PCC) depending on different local funding scenarios.
14. It then considers how the Commissioner may use the finances available to him to fulfil his wide ranging remit.
15. Appendix B deals with the Chief Constable's budget allocation and the implications on his spending plans which occur depending on the local funding decision made by the PCC. The report then considers any shortfalls which may exist. The outcome provides both the PCC and the CC information which will assist them in decision making surrounding precept (council tax), police officer numbers, etc. in the short to medium term.

## The Financial Environment

16. This version of the 4 year MTFs has been produced post the December 2017 settlement. The settlement announced that the government would divert from last year's cash flash settlement, with central funding remaining cash flat rather than reducing. The settlement also allows PCCs to increase Council Tax by £12 per year. For Wiltshire this is the equivalent of a 7% increase in local funding.
17. The minister's statement when the provisional settlement was announced suggests that the £12 will also be allowed in 2019-20 assuming forces can show they have progressed in their effectiveness and efficiency. The impact of this is shown in the MTFs and provides some more certainty when financial planning.

### Central Public Finances

18. The MTFs now assumes a cash flat central government settlement in each of the 4 years. This is an estimate.
19. Since the austerity measures were introduced police funding has significantly reduced. The table below for Wiltshire identifies an estimated real term reduction of 35.8% over the last 8 years in central funding.

Year	Real Terms Reduction	Inflation	Cash Reduction
2011-12	3.9%	2.1%	<b>1.8%</b>
2012-13	8.8%	2.1%	<b>6.7%</b>
2013-14	2.7%	1.1%	<b>1.6%</b>
2014-15	5.7%	2.4%	<b>3.3%</b>
2015-16	5.9%	1.2%	<b>4.7%</b>
2016-17	2.0%	1.5%	<b>0.5%</b>
2017-18	2.4%	1.0%	<b>1.4%</b>
2018-19	3.0%	3.0%	<b>0.0%</b>
Total	34.4%	14.4%	<b>20.0%</b>

## Precept (Council Tax)

20. Between 2011-12 and 2013-14 there was no increase in the Police part of the Council Tax. In 2014-15 a 1.9% increase was agreed by the PCC. To encourage local tax raising bodies not to increase Council Tax the government have previously offered grants to those who freeze council tax. No grant has been offered in 2018-19. The funding of these grants and the council tax localisation grant has been passed from the DCLG to the Home Office. For those grants received in 2011-12 and 2013-14 they have now been subsumed within a new funding line 'Legacy Council Tax Grants'. The settlement provided for Wiltshire reports this grant to be £5.235m. This is the total of the previous grants with no inflation. The MTFs assumes now that this grant will continue in future years with no increase or reduction (i.e. Cash flat).
21. In 2012 the Secretary of State, under The Localism Bill, introduced new regulations surrounding Council Tax. If a major precepting body (which includes the PCC) proposes to raise taxes above a limit agreed by government then they will have to hold a referendum to obtain approval from local voters and the local voters may veto the rise. This means that major precepting bodies will need to convince local voters, rather than central government of the case for excessive rises in council taxes. For 2014-15 the Secretary of State announced that an increase of more than £12 would be considered excessive and be subject to a referendum. This equates to 7% for Wiltshire which is significantly more than previous capping levels of 2%.
22. A 1% increase in the police part of the council tax in 2018-19 is worth £0.435m. Any increase in council tax increases the base and secures future funding at a higher level.
23. The Council Tax receipt is dependent on the council tax base (the number of dwellings paying the tax). Information from Swindon Borough and Wiltshire Council reports an increase of 2.5% in the tax base for 2018-19.
24. The total funding includes the collection fund surplus. The provisional figures from the councils total £0.781m. This is lower than last year (£0.882m). The surplus is not guaranteed and history shows the figure changing significantly each year. For planning a 25% year on year reduction on the surplus is assumed.
25. Whilst the tax base increase has been 2.5% this year the MTFs plans for a more prudent 1.5% increase per year. The table below summarises the assumptions made in the MTFs.

	Additional Dwellings	Est total Dwellings	% Increase	Collection Fund Surplus
2018-19 Provisional	6,248	255,604	2.51%	£781,000
2019-20	3,834	259,438	1.50%	£586,000
2020-21	3,892	263,330	1.50%	£439,000
2021-22	3,950	267,280	1.50%	£329,000

## Inflation

26. The consumer price index shows inflation for the 12 months to October 2017 at 3.0%, the highest since April 2011. This is largely due to pay inflation at 2.1%.

27. The MTF5 allows for general inflation at 1% (2% for all future years), ICT at 2.5% and utilities at 1.0% in all 4 years. Pay is allowed for at 2%, this takes into account the breaking of the pay cap this year by the government.

28. In 2017 the bank base rate was increased to 0.5%, this was the first increase in over a decade. With low interest rates the investment income budget of £0.250m was not met last year. With the treasury management strategy limiting investments to only those with high security scores the opportunity to improve returns is limited. Recognising this it is planned to reduce the investment income budget to £0.200m.

## **Police and Crime Plan 2017-2021**

29. As required under law the PCC is producing a Police and Crime Plan. The plan has 4 overarching priorities, these are shown below:

- Prevent crime and keep people safe
- Protect the most vulnerable in society
- Put victims, witnesses and communities at the heart of everything we do
- Secure a quality police service that is trusted and efficient

30. Wiltshire receives £11 less per person from the Government compared to similar police forces and £25 per person less than the England and Wales average. Combined with the lowest policing precept in the south west, Wiltshire Police has the fourth lowest funding per head of population (HMICFRS VFM Profiles 2017). The plan states that the PCC will continue to lobby the Government to revise the way policing is funded.

31. In the absence of a fair funding settlement there is a requirement to unlock resources to invest in priorities or, indeed, continue to provide services at today's level. What this means is a drive to eliminate waste and duplication, being more cost efficient and cost effective. This plan identifies that the police alone will not be able to deliver the priorities. It will mean working in partnership with other organisations, volunteers and communities.

32. With no growth in central funding but inflationary and other policing pressures the PCC has to make difficult decisions. As part of the 2018-19 budget the PCC has contemplated the removal of any revenue contribution to capital outlay (RCCO). An option considered in the MTF5 includes the transfer of £0.749m of funding to the Chief Constable from RCCO. This could be necessary if no or only a small precept increase was set.

33. With a need to reduce costs whilst delivering more the PCC has agreed that investment in technology is required and that the sharing of various services (front line and support) will be necessary to drive costs down and improve effectiveness.

34. During 2014 the PCC became responsible for the commissioning of Victims Services. In 2017-18 funds of £0.826m were made available as a special grant for the PCC. In 2018-19 this funding has reduced to £0.820m. As these funds are specific grants they are not included in the main funding reported.

35. The 2017 Budget (November 2017) showed clearly that this period of austerity is going to extend beyond the period since the 2010 CSR, and that to maintain staffing levels will be difficult. In response to this the PCC has agreed with the CC that the focus

must be on front line staffing who are delivering the priorities. Based on this the CC has reduced the number of officers in areas where it is proven that police staff are able to deliver the same or a better service at lower cost or where sharing services requires fewer police officers without impacting on service.

36. In setting the budget the PCC will be allocating a certain level of resources for the following purposes;

- Commissioning police services from the Chief Constable
- Commissioning services in line with the Police and Crime Plan for specific purposes (for instance from public bodies, charities, the private sector, etc.)
- Financing the running costs of the OPCC

## Income Forecasts

37. The 2017-18 budget relies on the following income to finance activity;

Central Funding	Police Grant	£36.961m	
	Council Tax Localisation Grant	£5.235m	
	DCLG Funding	£20.393m	£62.589m
Local Funding	Precept – Council Tax	£42.457m	
	Council Tax Surplus	£0.602m	£43.059m
MTFS Funding		£105.648m	£105.648m

38. The current council tax level of £170.27 is £12.63 below the English average of £182.90. When compared to our most similar force grouping it is £21.73 below the average of £192.00 (from HMICFRS VFM profiles)

39. The table below compares the police part of the Band D council tax against others in the South West. It also shows the impact of a £12 (7%) increase in council tax for 2018-19, a £12 increase (6.6%) in 2019-20 before reverting to a 1.9% increase in 2020-21.

Authority	2017-18 Band D Council Tax	Wiltshire £12 increase 2018-19	Wiltshire £12 increase 2019-20	Wiltshire 1.9% increase 2020-21
Gloucestershire	£214.49			
Dorset	£194.58			
Avon & Somerset	£181.81			
Devon & Cornwall	£176.28			
<b>Wiltshire</b>	<b>£170.27</b>	<b>£182.27</b>	<b>£194.27</b>	<b>£197.96</b>

Additional cost per Band D Household with a 7% increase	£12 p.a.
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40. The table shows that even if Wiltshire increased its council tax in all 3 years by these levels and all the other PCC's in the region froze their council tax Wiltshire would still not exceed the levy currently made in Gloucestershire.

41. The additional funding available to Wiltshire under various scenarios is shown below when compared against the current precept income;

- a) Funding at the South West Av. (£187.49), Extra income is £4.403m
- b) Funding at Similar Force Av. (£192.00), Extra income is £5.556m
- c) Funding at English Av (£182.90), Extra income is £3.229m
- d) Funding with a £12 increase (£182.27), Extra income £3.067m

42. With all PCC's able to increase their precepts by £12 the averages will rise.

43. It should be noted that today's decision on council tax impacts future years funding. For example Gloucestershire levy of £214.49 was based on a 50% increase in 2003. This shows how future viability is dependent on decisions made today. The table below shows that with 1.9% increases in 2017-18 the amount other forces received was significantly more than Wiltshire (32% more in the case of Gloucestershire).

Authority	2016-17 Band D Council Tax	2017-18 Band D Council Tax	Increase
Gloucestershire	£210.31	£214.49	£4.18
Dorset	£190.80	£194.58	£3.78
Avon & Somerset	£178.26	£181.81	£3.55
Devon & Cornwall	£172.84	£176.28	£3.44
<b>Wiltshire</b>	<b>£167.10</b>	<b>£170.27</b>	<b>£3.17</b>

44. In 2017-18 Council tax was 40% of the PCC's funding; therefore to fund an expenditure increase of 1% (£1m) requires a 2.5% increase in the police part of the council tax. This is known as the gearing effect.

45. The total income over the next 4 years has been calculated based on 4 options (reported under Appendices Ai, Aii, Aiii and Aiv) this is summarised below.

- Option A - £12 2018-19, £12 2019-20, then 1.9% for the remaining 2 years
- Option B - £12 2018-19, then 1.9% for the remaining 3 years
- Option C – 1.9% all 4 years
- Option D – 0.0% all 4 years

<b>Option A</b>	2018-19	2019-20	2020-21	2021-22
Central Funding	£62.589m	£62.589m	£62.589m	£62.589m
Local Funding	£47.370m	£50.987m	£52.568m	£54.245m
Investment Income	£0.200m	£0.200m	£0.200m	£0.200m
Total Funding	£110.159m	£113.776m	£115.357m	£117.034
<b>Total inc.</b>	4.0%	3.3%	1.4%	1.5%

<b>Option B</b>	2018-19	2019-20	2020-21	2021-22
Central Funding	£62.589m	£62.589m	£62.589m	£62.589m
Local Funding	£47.370m	£48.772m	£50.278m	£51.877m
Investment Income	£0.200m	£0.200m	£0.200m	£0.200m
Total Funding	£110.159m	£111.561m	£113.067m	£114.666m
<b>Total inc.</b>	4.0%	1.3%	1.3%	1.4%

<b>Option C (1.9%)</b>	2018-19	2019-20	2020-21	2021-22
Central Funding	£62.589m	£62.589m	£62.589m	£62.589m
Local Funding	£45.131m	£46.457m	£47.883m	£49.399m
Investment Income	£0.200m	£0.200m	£0.200m	£0.200m
Total Funding	£107.920m	£109.246m	£110.672m	£112.188m
<b>Total inc.</b>	2.1%	1.2%	1.3%	1.4%

<b>Option D (0%)</b>	2018-19	2019-20	2020-21	2021-22
Central Funding	£62.589m	£62.589m	£62.589m	£62.589m
Local Funding	£44.303m	£44.761m	£45.276m	£45.839m
Investment Income	£0.200m	£0.200m	£0.200m	£0.200m
Total Funding	£107.092m	£107.550m	£108.065m	£108.628m
<b>Total inc.</b>	1.2%	0.4%	0.5%	0.5%

46. The tables assume that the new Legacy Council Tax Grant remains throughout the MTFS. This totals £5.235m so if removed would have a significant effect on funding.

47. It is necessary to consider the impact of different scenarios. The impact on the 2018-19 finances of changes in central funding is shown below;

Scenario	Impact on 2018-19 MTFS Figures
The Central funding cash cut is 1% rather than cash flat	Funding reduces by £0.626m
Central funding increases by 0.5% rather than cash flat	Funding increases by £0.313m

## Impact of Funding Allocations

48. The MTFS assumes that the reductions in finances are split equally across current funding allocations. Appendices Ai to Aiv report the funding splits over the 4 years. The table below shows the impact under the two most realistic council tax options;

	2017-18 Revised Allocation	2018-19 Allocation 1.9% Ctax	Increased Allocation 1.9% Ctax	2018-19 Allocation £12 inc	Increased Allocation £12 inc
OPCC Office cost	£0.713m	£0.722m	£0.009m	£0.737m	£0.024m
OPCC Capital cont (RCCO)	£0.742m	£0.000m	-£0.742m	£0.766m	£0.024m
OPCC Ext. Commissioning	£1.229m	£1.244m	£0.015m	£1.270m	£0.041m
CC Allocation	£103.215m	£105.954m	£2.739m	£107.386m	£4.171m
Total	£105.899m	£107.920m	£2.021m	£110.159m	£4.260m

49. The specific Victims grant mentioned in paragraph 35 is in addition to the funding available for external commissioning.

50. When considering inflationary pressures and other unavoidable costs savings will be required by the CC. Appendix B reports the budget requirement for the CC. Depending on the council tax levy it identifies an initial savings requirement for the CC

of between £1.340m and £4.330m in 2018-19. On each options varying levels of reserves could be used. With a £12 increase in Council Tax it is planned to use £0.253m of reserves reducing the savings required to £1.340m.

51. These savings requirements are in addition to the £19.804m saved in the 7 year period from 2010-11.
52. The CC efficiency/savings strategy surrounds collaboration and remodelling delivery. More detail on savings plans is included in the CCs Budget Requirement (Appendix B).

## Use of Finances

53. The PCC expects locally collected funds to be spent on maintaining local policing. Whilst it can be difficult to identify what exactly is 'local policing' the 2017-18 budget has been reviewed to identify the relationship between spend and funding.
54. The table below shows that 46% of the funding is collected locally whilst 50% of the budget is used for Local Policing;

	Local Policing	Other Policing	Total
CC Spend per area	£39.237m	£39.500m	£78.737m
Support Services	£12.521m	£12.520m	£25.041m
OPCC	£1.060m	£1.060m	£2.120m
Total	£52.818m	£53.080m	£105.898m
	50%	50%	100%
Staffing (FTE)	1008	995	2003
	50%	50%	100%
Income	£48.294m	£57.354m	£105.648m
Interest	£0.125m	£0.125m	£0.250m
Total	£48.419m	£57.479m	£105.898m
	46%	54%	100%

## Capital

55. The Capital Plan is funded from capital balances brought forward, transfers from reserves, annual grant, capital receipts and revenue contributions to capital. The opportunity to borrow funds under the Prudential Code does exist. However to date this has not been necessary.
56. As highlighted in paragraph 33 the PCC has considered removing his revenue contribution to capital outlay (RCCO) due to pressures on revenue budgets. Depending on future capital receipts and grants, if this was implemented, it is likely that within 2 to 3 years the PCC will need to borrow to fund capital. The revenue consequences of paying back the borrowing along with associated interest have been considered in this decision. If a 1.9% precept increase is agreed than the RCCO is likely to be removed, with a £12 precept increase it can be retained.

57. The Capital grant available to each force has significantly reduced in recent years. For instance in 2013-14 it was £0.939m and in 2017-18 in £0.407m. One of the reasons for this is the top slicing for national projects (such as ESMCP) with the amount available to forces falling. With these projects still in the early stage it is not expected that this trend will reverse. The 2018-19 grant settlement is the same as 2017-18 (£0.407m), the MTFs plans on the grant remaining at this level for the whole of the MTFs period.
58. Appendix C shows the Capital Plan for the next 3 years. This is the plan approved at the Commissioners Monitoring Board in October 2017, but with the RCCO retained (so based on a £12 precept increase).
59. Based on this level of funding and the approved capital expenditure programme the plan identifies cumulative balances at the end of each year as below. Whilst a deficit currently exists at the end of the 2019-20 this will change (go up or down) during this period as both income (capital receipts) and costs change.

	2018-19	2019-20	2020-21	2021-22
Balance available	£1.193m	-£7.514m	-£9.338m	-£11.298m

60. There currently is a large amount of uncertainty surrounding capital receipts. The estates strategy is expected to release significant land and property for sale. In order to optimise the sale a property consultant has been engaged to advise the PCC. His report is expected within months. When this has been received and considered it is anticipated that significant levels of capital receipts can be added to the plan reducing the deficit levels reported in the table above.
61. Within the plan is £7.761m for the Hub Projects and Central Estates Projects. This figure will change when plans are agreed and decisions made on whether we will lead or be a partner on a number of collaboration projects.
62. An allocation of £3.282m has been allowed for ESMCP (Emergency Services Mobile Communications Project) however these costs are very much an estimate. The delay and uncertainty surrounding this national project remains and it is expected that unit costs will change from those included in the current estimates. With time delays comes an increase in project costs, at the moment central funding for slippage and cost increases has not been forthcoming.
63. The plan does allow for the refresh of laptops and mobile phones. With the reliance on ICT in policing growing every year the need for investment increases. Whilst £0.500m has been allowed in each year for ICT investment and compliance work this may not be sufficient. National work on ANPR, the Police Database, etc. may lead to additional funding requirements, it is expected that much of this cost will be funded by national top slicing (as discussed in paragraph 58) however historically some costs have fallen to individual PCCs. It is planned to set aside a portion of the underspend to help finance the Digital Strategy.
64. Each year the PCC undertakes a number of planned maintenance programmes to increase the life of assets. This can be upgrading assets such as lifts or undertaking substantial works. It is proposed to fund substantial estates programmes via the capital plan. Below this value will be funded by revenue. The plan allows £0.100m per year for these substantial programmes.



65. Included within the plan is £1.743m for an ERP system. This is very much an estimate and will change as more information is received and decisions made.
66. The Fleet strategy is based on the Policing Model. The strategy includes the use of framework vehicles to reduce cost. This is now in place for our high volume vehicles. Further work on the remainder of the fleet is on-going with the National buying groups expected to deliver better value for money and improve standardisation.

## Risks and Reserves

67. The assessment of risks and the setting of appropriate levels of reserves is an essential element of medium term financial planning.
68. When setting budgets and future plans it is essential to ensure that they are both affordable and sustainable. Reserves are held to manage risk and for investment.
69. The risks may be categorised in three ways:
- Local small level risks, where they would be accommodated within devolved budgets
  - Significant risks which can be covered by insurance cover
  - Larger risks which, if they occurred, would need to be funded from reserves in the knowledge that they would have a significant impact upon the next year's budget setting process.
70. With Policing being an emergency service there is always the risk that one incident could result in costs of £1m or more. The Home Office do provide some cover for large incidents agreeing to provide special grant for costs over 1% of budget. This does alleviate some of the need for the PCC and CC to hold a high level of reserves.
71. A Reserves and Provisions Policy has been produced by the PCC in association with the CC. This policy states the purpose of reserves and the principles in how they are used. The policy is in line with CIPFA (Chartered Institute of Public Finance and Accountancy) best practice. This is included under Appendix D.
72. During 2017 there has been a focus on the level of reserves held by PCCs. With austerity there is central concern that funds are not being used appropriately. Based on this the policing minister wishes to improve the transparency of reserves. The policy has therefore been amended to include estimated levels for the next 3 years and whether there is a legal or contractual commitment for each reserve. The table below shows the history on reserves and current forecasts. The Capital Development Reserve is shown separately due to its size and impact on the total reserves;

Year End	Total Reserves	Capital Dev. Reserve
March 13	£19.332m	£12.879m
March 14	£21.536m	£13.192m
March 15	£20.677m	£12.626m
March 16	£19.594m	£11.895m
March 17	£20.194m	£9.864m
March 18 Est.	£16.385m	£7.328m
March 19 Est.	£6.490m	£1.193m
March 20 Est.	£4.379m	£0.000m

73. A review of reserves has taken place considering the budget strategy. It is proposed that £0.253m be moved to the Contribution to Revenue Budget reserve. This will be partly funded by the £1.100m Operation Conifer grant. The period 9 budget monitoring paper reported a £0.539m forecast underspend. It is planned to set aside £0.279m of this in an earmarked reserve to fund the consequences of the one off bonus payment approved by the government. The remainder of the Operation Conifer Grant (£0.847) and underspend (£0.260m) will be firstly used to maintain the General and Operational Reserves (£0.152m). The balance (£0.955m) has then been earmarked to be used to help fund ICT projects ensuring the push on efficiency and effectiveness continues.
74. The general reserve has been reviewed. Considering the total reserves available and the emergency funding available for significant costs the level of 2.5% remains reasonable.
75. The PCC holds other specific earmarked reserves for specific risks and investments e.g. Insurance. The estimated level of reserves for these is reported in Appendix D.
76. The largest reserve is the capital development reserve. This is required to finance the capital plan and is £9.864m at 31 March 2017.
77. All reserves are 'one-off' funds and can only be used for investments which do not have on-going revenue consequences, hence the need to identify medium term strategies when reserves are used to assist balancing the revenue budget.

## **PCC's Conclusion**

78. The MTFS is a living document. It changes as information is received concerning costs, funding and service delivery requirements. The MTFS will be reviewed annually and is the cornerstone of the budget planning cycle.

## PCC for Wiltshire Medium Term Financial Plan

### Council Tax Increase      £12inc 18/19 & 19/20, then 1.9%

Financial Year >>>>>>	18/19 £million	19/20 £million	20/21 £million	21/22 £million
<b>Estimated Funding Available to the PCC</b>				
Main Police Grant	36.961	36.961	36.961	36.961
DCLG Funding	20.393	20.393	20.393	20.393
Localisation Grant	5.235	5.235	5.235	5.235
<b>Total Central Funding</b>	<b>62.589</b>	<b>62.589</b>	<b>62.589</b>	<b>62.589</b>
CT Surplus	0.781	0.586	0.439	0.329
Precept	46.589	50.401	52.129	53.916
Contribution from reserve	0.000	0.000	0.000	0.000
<b>Total Grant and Precept Funding</b>	<b>109.959</b>	<b>113.576</b>	<b>115.157</b>	<b>116.835</b>
Investment Income	0.200	0.200	0.200	0.200
<b>Total Income available to PCC</b>	<b>110.159</b>	<b>113.776</b>	<b>115.357</b>	<b>117.035</b>
<b>Increase in Total Funds Available</b>	<b>4.0%</b>	<b>3.3%</b>	<b>1.4%</b>	<b>1.5%</b>
<i>Central Funding Reduction</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Band D Council Tax	182.27	194.27	197.96	201.72
Increase per Band D household	12.00	12.00	3.69	3.76

### Allocation of Funding

Assuming that funding reduction is split equally across all current allocations

OPCC - Office costs (less inv inc)	0.737	0.761	0.771	0.782
OPCC - Capital Contribution	0.766	0.792	0.803	0.814
OPCC - External Funding allocations	1.270	1.311	1.329	1.349
OPCC - Chief Constable allocation	107.386	110.912	112.454	114.089
<b>Total Allocation</b>	<b>110.159</b>	<b>113.776</b>	<b>115.357</b>	<b>117.035</b>

## PCC for Wiltshire Medium Term Financial Plan

### Council Tax Increase      £12inc 18/19, then 1.9%

Financial Year >>>>>>	18/19 £million	19/20 £million	20/21 £million	21/22 £million
<b>Estimated Funding Available to the PCC</b>				
Main Police Grant	36.961	36.961	36.961	36.961
DCLG Funding	20.393	20.393	20.393	20.393
Localisation Grant	5.235	5.235	5.235	5.235
<b>Total Central Funding</b>	<b>62.589</b>	<b>62.589</b>	<b>62.589</b>	<b>62.589</b>
CT Surplus	0.781	0.586	0.439	0.329
Precept	46.589	50.401	52.129	53.916
Contribution from reserve	0.000	0.000	0.000	0.000
<b>Total Grant and Precept Funding</b>	<b>109.959</b>	<b>113.576</b>	<b>115.157</b>	<b>116.835</b>
Investment Income	0.200	0.200	0.200	0.200
<b>Total Income available to PCC</b>	<b>110.159</b>	<b>113.776</b>	<b>115.357</b>	<b>117.035</b>
<b>Increase in Total Funds Available</b>	<b>4.0%</b>	<b>3.3%</b>	<b>1.4%</b>	<b>1.5%</b>
<i>Central Funding Reduction</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Band D Council Tax	182.27	185.73	189.26	192.86
Increase per Band D household	12.00	3.46	3.53	3.60

### Allocation of Funding

Assuming that funding reduction is split equally across all current allocations

OPCC - Office costs (less inv inc)	0.737	0.746	0.756	0.767
OPCC - Capital Contribution	0.766	0.776	0.787	0.798
OPCC - External Funding allocations	1.270	1.286	1.303	1.321
OPCC - Chief Constable allocation	107.386	108.753	110.221	111.780
<b>Total Allocation</b>	<b>110.159</b>	<b>111.561</b>	<b>113.067</b>	<b>114.666</b>

## PCC for Wiltshire Medium Term Financial Plan

### Council Tax Increase 1.90%

Financial Year >>>>>	18/19 £million	19/20 £million	20/21 £million	21/22 £million
<b>Estimated Funding Available to the PCC</b>				
Main Police Grant	36.961	36.961	36.961	36.961
DCLG Funding	20.393	20.393	20.393	20.393
Localisation Grant	5.235	5.235	5.235	5.235
<b>Total Central Funding</b>	<b>62.589</b>	<b>62.589</b>	<b>62.589</b>	<b>62.589</b>
CT Surplus	0.781	0.586	0.439	0.329
Precept	44.349	45.869	47.442	49.068
Contribution from reserve	0.000	0.000	0.000	0.000
<b>Total Grant and Precept Funding</b>	<b>107.719</b>	<b>109.044</b>	<b>110.470</b>	<b>111.987</b>
Investment Income	0.200	0.200	0.200	0.200
<b>Total Income available to PCC</b>	<b>107.919</b>	<b>109.244</b>	<b>110.670</b>	<b>112.187</b>
<b>Reduction in Total Funds Available</b>	<b>1.9%</b>	<b>1.2%</b>	<b>1.3%</b>	<b>1.4%</b>
<i>Central Funding Reduction</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Band D Council Tax	173.51	176.80	180.16	183.58
Increase per Band D household	3.24	3.30	3.36	3.42

### Allocation of Funding

Assuming that funding reduction is split equally across all current allocations

OPCC - Office costs	0.722	0.730	0.740	0.750
OPCC - Capital Contribution	0.751	0.760	0.770	0.781
OPCC - External Funding allocations	1.244	1.259	1.275	1.293
OPCC - Chief Constable allocation	105.202	106.494	107.885	109.363
<b>Total Allocation</b>	<b>107.919</b>	<b>109.244</b>	<b>110.670</b>	<b>112.187</b>

## PCC for Wiltshire Medium Term Financial Plan

**Council Tax Increase 0.00%**

Financial Year >>>>>>	18/19 <i>£million</i>	19/20 <i>£million</i>	20/21 <i>£million</i>	21/22 <i>£million</i>
<b>Estimated Funding Available to the PCC</b>				
Main Police Grant	36.961	36.961	36.961	36.961
DCLG Funding	20.393	20.393	20.393	20.393
Localisation Grant	5.235	5.235	5.235	5.235
<b>Total Central Funding</b>	<b>62.589</b>	<b>62.589</b>	<b>62.589</b>	<b>62.589</b>
CT Surplus	0.781	0.586	0.439	0.329
Precept	43.522	44.175	44.837	45.510
Contribution from reserve	0.000	0.000	0.000	0.000
<b>Total Grant and Precept Funding</b>	<b>106.892</b>	<b>107.349</b>	<b>107.865</b>	<b>108.428</b>
Investment Income	0.200	0.200	0.200	0.200
<b>Total Income available to PCC</b>	<b>107.092</b>	<b>107.549</b>	<b>108.065</b>	<b>108.628</b>
<b>Reduction in Total Funds Available</b>	<b>1.1%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>0.5%</b>
<i>Central Funding Reduction</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Band D Council Tax	170.27	170.27	170.27	170.27
Increase per Band D household	0.00	0.00	0.00	0.00

### Allocation of Funding

Assuming that funding reduction is split equally across all current allocations

OPCC - Office costs	0.716	0.719	0.723	0.726
OPCC - Capital Contribution	0.745	0.748	0.752	0.756
OPCC - External Funding allocations	1.234	1.239	1.245	1.252
OPCC - Chief Constable allocation	104.396	104.842	105.346	105.894
<b>Total Allocation</b>	<b>107.092</b>	<b>107.549</b>	<b>108.065</b>	<b>108.628</b>

## The Chief Constable's Allocated Budget

### Introduction

1. In 2017-18 the PCC allocated the CC £103.214m to police the county. This funded staffing of 961 Police Officers, 131 Police Community Support Officers (PCSO's) and 911 Police Staff. In the early months of 2017-18 vacancies exist in Support Staff and PCSO's, this is the main reason an underspend of £0.539m is forecast (includes OPCC variance and shortfall in investment income),

### Funding

2. The CC's plans directly relate to the funding provided by the PCC. Whilst the PCC has yet to agree the exact funding allocated, the CC's plans will assume the funding available is that reported in the PCC's MTFS. This is reported in the table below;

	2018-19	2019-20	2020-21	2021-22
CC Funding at £12 Year 1 and 2 Council tax Increase	£107.386m	£110.912m	£112.454m	£114.089m
CC Funding at £12 Year 1 only Council tax Increase	£107.386m	£108.753m	£110.221m	£111.780m
CC Funding at 1.9% Council tax Increase	£105.202m	£106.494m	£107.885m	£109.363m
CC Funding at 0% Council tax Increase	£104.396m	£104.842m	£105.346m	£105.894m

3. From the table above it can be seen that a £12 increase will give the Chief Constable £2.184m more to spend on policing than a 1.9% increase and £2.990m more than if no increase was set in 2018-19.
4. In 2018-19 the CC expects to benefit from 2 specific grants, Swindon PFI and the Security Grant. These grants total £3m per annum.

### Expenditure

5. In 2017-18 the PCC gave the CC a budget of £103.215m. The table below shows how the CC plans to use this when allocated according to the Police Objective Analysis (POA), the variance of £0.313m is due to national classification guidelines;

	Officer FTE	Staff FTE	Total FTE	% of Staff	£m	% of Budget
Local Policing	512	164	676	34%	30.242	29%
Dealing with the Public	8	190	198	10%	7.037	7%
Criminal Justice	24	154	178	9%	7.585	7%
Ops Support (inc RPU)	101	11	115	6%	6.244	6%
Intelligence	25	52	77	4%	4.081	4%
Investigations	170	142	312	16%	15.795	15%
Public Protection	58	76	134	7%	5.440	5%
National Policing	23	12	35	2%	0.685	1%
Support Functions	40	228	268	13%	25.041	24%
Cap Finance/Pensions	0	0	0	0	2.817	3%
Reserves/Commis.	0	0	0	0	-1.439	-1%
	961	1029	1993	100%	103.528	100%

6. Each year the Force reviews its spending levels against other forces using HMICFRS's Value for Money profiles. These profiles show our level of investment in policing and compares these against a national average and the average of similar forces. In 2017-18 the profiles show Wiltshire as low cost, this is mainly due to a low level of funding. The headlines from the profiles include:
- Wiltshire's spend per head of population excluding National and Central Policing is £156. The national average is £180 and £176 for similar forces. Wiltshire's spend is the 5th lowest in the country.
  - Wiltshire's central funding per head of population is £94.5. £120 is the national average, £105.7 for similar forces. Wiltshire's central funding is the 5th lowest in the country.
  - Wiltshire's spend per head of population on all policing activities is below the national and most similar force average. This is related to the low level of funding received.
  - Wiltshire's Support Function spend per head of population is £38.40. Similar forces average is £39.40, £1.00 more than Wiltshire. The national average is £37.60, £0.80 less than Wiltshire.
  - Wiltshire's spend on officers per head of population is £69.7 this is the lowest in the country. However Wiltshire's spend on staff of £44.2 per head of population is above the average of £40.1. This points to Wiltshire utilising the cost efficiencies available with Work Force Modernisation.
  - Wiltshire's percentage of officers in an operational frontline role is 66.5%. This compares to a national average of 69.9% and 68.6% for similar forces.
7. Whilst the POA table shows how the funding was allocated per area of policing the table below shows the breakdown of cost between salaries and other costs.



	£m	
Staff and Employee Costs	87.250	85%
Premises	6.502	6%
Transport	2.523	2%
ICT	2.840	2%
Surgeons and Forensics	1.698	2%
Other Costs	9.197	9%
Pensions	0.753	1%
Gross Cost	110.763	107%
Income	-7.549	-7%
Net Cost	103.214	100%

8. Appendix Bi shows the cost increases and cost reductions expected to be faced by the CC over the next 4 years. These financial plans are based on pay inflation of 2%, general inflation increases of 1% (2% from 2019-20), ICT inflation of 2.5% and utilities inflation of 1%. The next paragraphs within the paper explain the reasons behind the cost increases proposed in 2018-19.
9. The plan includes additional funding for Diversity and Inclusion. This new team was created a year ago when initial funding was granted. Since this time the service that the business requires has been scoped and better understood. An additional £0.086m has been requested to continue the good work in this area for the next year.
10. A new website is being implemented for the Police and Crime Commissioner and the Chief Constable. The website will include live web chat, online forms creator (to allow more self-service), integration into crimemappers for CPT information and an on-line payment provision initially for firearms licensing. The running cost for this will be £0.046m.
11. The business has been informed by our insurance providers that they will be passing on an increase in Discount Rate Levy. The Lord Chancellor has announced a change in this discount rate, which is a figure used to help set compensation pay-outs when people suffer serious injuries, for example following a car crash or medical negligence. It has been reduced from 2.5% to -0.75, effective from 20 March 2017. This levy will see a 15% increase in our Employee and public liability, £0.017m and a 30% increase in our Motor premiums, £0.028m.
12. The Apprenticeship levy was brought in by the Government from April 2017. The business now contributes 0.5% of our basic pay to this levy on a monthly basis. If this levy is not utilised within two years of a contribution the business will forfeit this money. At present plans are to instigate a Police Officer apprenticeship from 2020 and various support staff apprenticeships in the eighteen months until then. To ensure that the greatest advantage is made of this levy fund an administrator (£0.034m) is required to coordinate apprentice activity across the business.
13. Missing people is a complex area of the business that has many overlaps with other external agencies. Work to prevent the problems that lead to individuals going missing will reduce demand on the CPT, Control Room, inspectors etc. One such area is Care home/foster placement engagement which will now have two people dedicated to it. An administrative support post will also receive permanent funding. This post is seen as crucial to this work. A total investment of £0.080m is required.

14. The Predictive Analytics Strategy aims to reduce harm in communities, reduce demand for service across Police and Partners and manage our resources in response to demand more effectively. This is a specialised and complex area of the business and therefore, requires dedicated analysts to work in this area. Two roles at a cost of £0.069m will be created who will receive specialist training.
15. The Business Improvement Department have been restructured to increase their strategic contribution to the business, further develop the analytical tool Qlikview and service an increased work demand. To facilitate this a number of roles will be altered and an additional W6 resource will be added to the team at a net cost of £0.026m.
16. The Intelligence Department Evolution Strategy has been designed to deliver an intelligence hub, a specialist crime and intelligence unit and a proactive intelligence unit. To be able to achieve this a restructure of the Intelligence Department has been agreed at a net cost of £0.013m.
17. For a number of years the business has paid ad hoc bonus payments for a number of tutor activities. With a greater need for tutors on the frontline (Officers and PCSO's) it is necessary to formalise the arrangement to ensure equality and fairness. £0.042m is the forecast cost per annum.
18. The Liberating Leaders programme is a set of training days delivered to Sergeants and Support Staff equivalents to enhance the on-going work with regard to the cultural journey of the business. To deliver this large training programme an External training provision at a cost of £0.012m is required.
19. The Crime and Communication Centre has been the focus this year of work surrounding demand and the response to that demand. One of the big issues is the abandonment rate (this was also picked up by HMICFRS). An investment of £0.250m has been identified as a requirement to improve the service level. This will allow resource to be aligned to peaks of demand to ensure average response times and abandonment rates are reduced.
20. Currently the business pay SAFF (staff allowance for flexibility) for employees who work unsociable hours. This is not in line with the National Police Support Staff hand book. It is the desire of the business to now align payments in accordance with these regulations to ensure equality and fairness. The change is estimated to cost £0.600m.
21. The Microsoft licencing contract is currently being negotiated at a national level. The impact is that the licence will provide additional security benefits however the cost is likely to rise to £0.644m from £0.424m. This contract is time limited, if we decide not to enter into it we will maintain the current cost (£0.424m) in 2018-19 however from 2019-20 we will have to buy off their standard contract at a cost of £1m per annum.
22. The Force has recently published its Digital Strategy. Within this work 24 local and national ICT projects were identified. The current manner of managing these in a piecemeal way is not feasible with this volume of projects. It is therefore proposed to recruit a Digital Programme Manager to co-ordinate, manage and lead this area of the business. Along with associated, non-capital, costs an allocation of £0.170m has been requested. Delivery of these ICT projects will be critical in showing the Policing Minister that we are continuing our modernising journey improving our efficiency and effectiveness.

23. During the last 2 years we have seen the number of people retiring on Ill Health increase to 9 per annum. It is thought that the increase is due to less posts being available for officers on recuperative duty as we improve our efficiency drive and civilianise posts which in the past have been held by officers who are not 100% fit for operational duty. In 2017-18 the budget for Ill Health funded only 3 retirements, at a cost of £0.076m per retirement it is not possible to significantly increase the budget in one year. A strategy has therefore been agreed by the Senior Command Team to increase the budget by 2 retirements (£0.152m) per annum for the next 3 years. This will be reviewed at each year end and where required any underspend will be earmarked to finance likely retirements above budget.
24. During the current financial year the force has ramped up its resources to speed up the recruitment of officers and PCSOs. This has required investment in recruitment, OHU, communications and vetting staff. This has been financed from one off funds. Whilst these resources can be scaled down to meet the demand (to introduce 103 new officers and PCSO's) investment is required. £0.100m has been allowed for this.
25. With a £12 increase in Council Tax the PCC wishes to protect CPT resource levels. Within the savings plans there are proposed efficiencies which will see 8 CPT Sergeant Posts removed. To meet the promise that CPT resources are maintained requires 8 constable posts to be created.
26. Each year officers retire; these are paid at the top of their grade. These officers are then replaced in the organisation by new recruits who are paid at a much lower rate. Winsor reforms increase the variance between the top and bottom grades. This year, with the high turnover of officers, £0.500m of savings are expected.
27. The Crime and Communication Centre utilises the Storm system. This year the contract for this system has been renegotiated with regard to time scales and cost. This has resulted in a £0.161m saving for the business.

## Funding Shortfalls

28. When comparing these estimated budget requirements against the finances expected to be available from the PCC a savings requirement is identified (Appendices Bi, Bii, etc.). The tables below show the impact of the plans. It is important to note that with a 1.9% increase or no increase there is a large reliance on reserves. This resolves early year's problems but does enlarge future year's savings requirements. Plans to deliver savings of £3m do not exist. In reality to deliver savings to that level will require significant reductions in head count.

<b>£12 inc for 2 yrs</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>Total</b>
Est. Expenditure	£108.979m	£111.919m	£113.861m	£115.384m	
Est. Funding	£107.386m	£110.912m	£112.454m	£114.089m	
Reserves	-£0.253m	£0.253m			
Shortfall	£1.340m	£1.260m	£1.407m	£1.295m	£5.302m

<b>1.9% inc</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>Total</b>
Est. Expenditure	£108.979m	£109.691m	£109.355m	£110.723m	
Est. Funding	£105.202m	£106.494m	£107.885m	£109.363m	
Reserves	-£0.0253m	£0.253m			
Shortfall	£3.524m	£3.450m	£1.470m	£1.360m	£9.804m

0% inc	2018-19	2019-20	2020-21	2021-22	Total
Est. Expenditure	£108.979m	£109.375m	£107.670m	£108.134m	
Est. Funding	£104.396m	£104.842m	£105.346m	£105.894m	
Reserves	-£0.253m	£0.253m			
Shortfall	£4.330m	£4.280m	£2.324m	£2.240m	£13.174m

29. The estimated savings requirement of between £5.302m and £13.174m is on top of the savings of £19.8m delivered in the last 7 years (if it was only a £12 increase in 2018-19 the savings requirement under that option over the 4 years is £7.525m). These savings have been produced by the 2010 Vision Plan, Management Structure review, etc. They have broadly required all middle and support services to reduce by 15%-20%. Whilst the force can continue to reduce in this manner it is not considered appropriate and would likely lead to an ineffective service to the public.

## Efficiency Strategy

30. To deliver the savings required requires the force to realign resources and work in partnership with other forces. This section identifies current proposals on how to close the financial gap in 2018-19
31. With 85% of our budget spent on staff it is clear that to save significant sums these staff must reduce or be shared with other partners. The 2017-18 budget finances;
- 961 Police Officers
  - 131 PCSO's
  - 911 Police Staff
32. The Government remain keen for Forces to police in collaboration with others. In keeping with this thinking the business will look to continue existing collaborations and are anticipating £0.187m of cost reduction can be made. Whilst savings from new partnerships are not included in the plan there is a focus across our police partners to reduce costs. The Wiltshire spend on Brunel and Tri Force Special Ops totals £8.172m, a 1% reduction in costs would save £0.082m.
33. During this year a comprehensive estates strategy has been written and it is anticipated that this will deliver £0.050m of savings next year through rationalisation of the estate. Further savings are expected throughout the MTFS period.
34. After an SLT planning day earlier in the year it was identified that some savings could be achieved through changes to the CPT model. Therefore, 5 sergeants have been removed from the Swindon CPT model. Swindon has also been moved from a three hub model to a two hub model. These create savings of £0.275m and £0.150m respectively.
35. Inspector numbers have been reviewed in the year against our current operating model and it is considered that 3 Inspectors can be reduced saving £0.210m.
36. Work on the Financial Investigation Model (FIM) has been progressing throughout 2017. The current expectation is that it will see a move from warranted officers to

police staff investigators in line with the Major Crime model. This plan assumes 10 modernisations in both 2018-19 and 2019-20 reducing costs by £0.150m in each year.

37. With the new website it is envisaged that we can reduce staff via Channel shift saving £0.300m. As this is only a concept at the moment the plan only allows for 50% of the saving to be delivered in 2018-19 (£0.150m).
38. The following summarises the savings plan discussed above (for 2018-19) and shows how the force would deliver the savings of £1.340m required if a £12 increase in Council Tax is approved;

	<b>2018-19</b>
Police Operational Collaborations	£0.187m
Estates Strategy	£0.050m
ICT Maintenance/Licences	£0.068m
CPT Swindon Sergeants (5 reduction)	£0.275m
3 to 2 Swindon CPT (3 reduction)	£0.150m
Inspector Cover (3 reduction)	£0.210m
FIM (10 officers)	£0.150m
Channel Shift (50% of full year savings)	£0.150m
Additional non CPT modernisation (10 officers)	£0.100m
<b>Total Proposed Savings</b>	<b>£1.340m</b>

39. With a 1.9% or no council tax increase was agreed savings of £3.524m or £4.330m would need to be delivered. The PCC could decide to utilise reserves to help reduce the savings requirement but that would only reserve the problem in the initial year.
40. This plan continues to reduce officers. As mentioned previously in the MTF5 Wiltshire already has the lowest number of officers per head of population. During the year the Senior Command Team has agreed 10 civilianisation's so the following would be the position if this plan is implemented.

Start of Year	961fte
In Year Civilianisation's	-10fte
Cost inc. (CPT maintenance)	+8fte
Efficiency plan (table 38)	-31fte
	-----
2018-19 Budget	928fte

41. When compared to the HMICFRS Profiles Wiltshire's position as an outlier would increase under the proposal (1.32 officers per 1,000 population versus a national average of 1.75 officer per 1,000 population). This is detailed below

	Existing fte	fte/1000 pop	Average of all forces	Wiltshire's MSG	Planned fte	planned fte/1000
<b>Police Officers</b>	961	1.33	1.75	1.66	928	1.32

42. Due to historic recruitment difficulties a plan to introduce officers in advance is in place. This will mean that at times the number of officers being paid will be above the budget. The Officer Intake Strategy Reserve provides some protection against these likely unfunded costs.

## **Conclusion**

43. This paper identifies a strategy to close the funding gap and maintain CPT level in 2018-19 if a £12 (7%) increase in the police part of the Council Tax is agreed. There are risks that the savings will not be achieved however a clear costed plan is in place for 2018-19.
44. A 1.9% or 0% increase in the police part of the council tax would increase the savings target which is a concern. One of the risks with this strategy surrounds future savings requirements; by not increasing the council tax larger savings will be required, £13.174m rather than £5.302m over the 4 years.
45. It should be noted that this strategy does not deal with the increasing demands put on Wiltshire Police in 2018-19. Additional demand in cyber, public protection, firearms etc. requires the Chief Constable to adjust and realign resources in a dynamic manner. In consideration of this an outline plan has been produced which allows for the investment of £1m in front line resources in 2019-20 if another £12 increase in the Council Tax was allowed in that year.
46. Considering the risks and the continuing reduction in central funding the Chief Constable is advising that any return available from the Council Tax be maximised to assist in the maintaining of local policing in Wiltshire.

## Summary of Assumptions

- i. There will be no change in legacy Council Tax Grant (cash flat) over the period of the MTFS
- ii. There will no change in central Grant funding (cash flat) over the period of the MTFS
- iii. The Council Tax Surplus will reduce by 25% p.a. from 2019-20 over the period of the MTFS
- iv. The Council Tax Base will increase by 1.5% p.a. over the period of the MTFS
- v. From 2019-20 general inflation and pay will increase by 2% p.a. ICT by 2.5% p.a., Utilities by 1% p.a. over the period of the MTFS.
- vi. Investment income will be stable at £0.200m p.a. over the period of the MTFS
- vii. A General Reserve level of 2.5% of budget and an Operational Reserve of 1% will remain appropriate across the period of the MTFS.

## Chief Constables Financial Plan

### Based on Council Tax Increase

### £12inc 18/19 & 19/20, then 1.9%

	18/19 £million	19/20 £million	20/21 £million	21/22 £million
Expenditure BFWD	103.215	107.386	110.912	112.454
Reserve funding from previous year	1.439	0.253	0.000	0.000
Revised Expenditure Carried Forward	104.654	107.639	110.912	112.454
<b>Cost Increases</b>				
Inflation estimate	1.588	2.238	2.310	2.341
Fixing of specific grants	0.032	0.032	0.032	0.032
Spinal Point Increases	0.700	0.700	0.700	0.700
Increase in Bank Holidays	0.000	0.091	0.091	0.183
Increase in Specials	0.000	0.050	0.000	0.000
Diversity (Inc Positive Action Officers)	0.086	0.050	0.000	0.000
Local Gov Pension Increase	0.190	0.293	0.000	0.000
ERP	0.000	0.100	0.000	0.000
Web site	0.046	0.000	0.000	0.000
Insurance discount factor	0.045	0.000	0.000	0.000
Apprenticeship Administrator	0.034	0.000	0.000	0.000
Missing Persons (2 posts)	0.080	0.000	0.000	0.000
Drones Running Costs	0.005	0.000	0.000	0.000
Predictive Analytics (2 posts)	0.069	0.000	0.000	0.000
Business Improvement Restructure	0.026	0.000	0.000	0.000
Intelligence/ANPR improvements	0.013	0.000	0.000	0.000
Tutorship payments	0.042	0.000	0.000	0.000
Liberating Leaders Ext Trainers	0.012	0.000	0.000	0.000
CCC Investment	0.250	0.000	0.000	0.000
On call PIM officers	0.010	0.000	0.000	0.000
SAFF change to Police Staff Handbook	0.600	0.000	0.000	0.000
MS Licencing	0.221	0.000	0.000	0.000
Digital Programme	0.170	0.000	0.000	0.000
Ill Health Retirement	0.152	0.152	0.152	0.000
WP Volunteer Officer (funds tfr)	0.063	0.000	0.000	0.000
Additional Intake Resources	0.100	0.000	0.000	0.000
Additional 8 CPT officers (PCC commitment)	0.320	0.000	0.000	0.000
Investment in Front line policing	0.000	1.000	0.000	0.000
Special Property facilities	0.000	0.065	0.000	0.000
Special Property facilities - 2 staff	0.000	0.064	0.000	0.000
Removal of PCC Extra Comm Contribution	0.315	0.000	0.000	0.000
Unidentified Policing Pressures	0.100	0.250	0.250	0.250
<b>Cost Reduction</b>				
Decrease in Comp Grant	0.000	0.000	0.000	0.000
Decrease in Rent Allowance	-0.100	-0.052	-0.087	-0.076
Reduction in Bank Holidays	-0.183	0.000	0.000	0.000
Spinal Impact of New Recruits	-0.500	-0.500	-0.500	-0.500
Storm Cost Reduction	-0.161	0.000	0.000	0.000
<b>Total reductions in Expenditure</b>	<b>4.325</b>	<b>4.533</b>	<b>2.948</b>	<b>2.930</b>
Contributions to or from Reserves	-0.253	0.000	0.000	0.000
<b>Savings Required = '-' / Growth Available</b>	<b>-1.340</b>	<b>-1.260</b>	<b>-1.407</b>	<b>-1.295</b>
<b>New Requirement</b>	<b>107.386</b>	<b>110.912</b>	<b>112.454</b>	<b>114.089</b>

#### Inflation Assumptions

Employees	1.58%	2.00%	2.00%	2.00%
Income	1.00%	1.00%	1.00%	1.00%
Other	1.00%	2.00%	2.00%	2.00%
IT	2.50%	2.50%	2.50%	2.50%
Utilities	1.00%	1.00%	1.00%	1.00%



## Chief Constables Financial Plan

### Based on Council Tax Increase

**£12inc 18/19, then 1.9%**

	18/19	19/20	20/21	21/22
	<i>£million</i>	<i>£million</i>	<i>£million</i>	<i>£million</i>
Expenditure BFWD	103.215	107.386	108.753	110.221
Reserve funding from previous year	1.439	0.253	0.000	0.000
Revised Expenditure Carried Forward	104.654	107.639	108.753	110.221
<b>Cost Increases</b>				
Inflation estimate	1.588	2.238	2.267	2.296
Fixing of specific grants	0.032	0.032	0.032	0.032
Spinal Point Increases	0.700	0.700	0.700	0.700
Increase in Bank Holidays	0.000	0.091	0.091	0.183
Increase in Specials	0.000	0.050	0.000	0.000
Diversity (Inc Positive Action Officers)	0.086	0.050	0.000	0.000
Local Gov Pension Increase	0.190	0.293	0.000	0.000
ERP	0.000	0.100	0.000	0.000
Web site	0.046	0.000	0.000	0.000
Insurance discount factor	0.045	0.000	0.000	0.000
Apprenticeship Administrator	0.034	0.000	0.000	0.000
Missing Persons (2 posts)	0.080	0.000	0.000	0.000
Drones Running Costs	0.005	0.000	0.000	0.000
Predictive Analytics (2 posts)	0.069	0.000	0.000	0.000
Business Improvement Restructure	0.026	0.000	0.000	0.000
Intelligence/ANPR improvements	0.013	0.000	0.000	0.000
Tutorship payments	0.042	0.000	0.000	0.000
Liberating Leaders Ext Trainers	0.012	0.000	0.000	0.000
CCC Investment	0.250	0.000	0.000	0.000
On call PIM officers	0.010	0.000	0.000	0.000
SAFF change to Police Staff Handbook	0.600	0.000	0.000	0.000
MS Licencing	0.221	0.000	0.000	0.000
Digital Programme	0.170	0.000	0.000	0.000
Ill Health Retirement	0.152	0.152	0.152	0.000
WP Volunteer Officer (funds tfr)	0.063	0.000	0.000	0.000
Additional Intake Resources	0.100	0.000	0.000	0.000
Additional 8 CPT officers (PCC commitment)	0.320	0.000	0.000	0.000
Investment in Front line policing	0.000	1.000	0.000	0.000
Special Property facilities	0.000	0.065	0.000	0.000
Special Property facilities - 2 staff	0.000	0.064	0.000	0.000
Removal of PCC Extra Comm Contribution	0.315	0.000	0.000	0.000
Unidentified Policing Pressures	0.100	0.250	0.250	0.250
<b>Cost Reduction</b>				
Decrease in Comp Grant	0.000	0.000	0.000	0.000
Decrease in Rent Allowance	-0.100	-0.052	-0.087	-0.076
Reduction in Bank Holidays	-0.183	0.000	0.000	0.000
Spinal Impact of New Recruits	-0.500	-0.500	-0.500	-0.500
Storm Cost Reduction	-0.161	0.000	0.000	0.000
<b>Total reductions in Expenditure</b>	<b>4.325</b>	<b>4.533</b>	<b>2.905</b>	<b>2.885</b>
Contributions to or from Reserves	-0.253	0.000	0.000	0.000
<b>Savings Required = '-' / Growth Available</b>	<b>-1.340</b>	<b>-3.420</b>	<b>-1.438</b>	<b>-1.327</b>
<b>New Requirement</b>	<b>107.386</b>	<b>108.753</b>	<b>110.221</b>	<b>111.780</b>

### Inflation Assumptions

Employees	1.58%	2.00%	2.00%	2.00%
Income	1.00%	1.00%	1.00%	1.00%
Other	1.00%	2.00%	2.00%	2.00%
IT	2.50%	2.50%	2.50%	2.50%
Utilities	1.00%	1.00%	1.00%	1.00%

## Chief Constables Financial Plan

**Based on Council Tax Increase 1.90%**

	18/19 £million	19/20 £million	20/21 £million	21/22 £million
Expenditure BFWD	103.215	105.202	106.494	107.885
Reserve funding from previous year	1.439	0.253	0.000	0.000
Revised Expenditure Carried Forward	104.654	105.455	106.494	107.885
<b>Cost Increases</b>				
Inflation estimate	1.588	2.194	2.222	2.249
Fixing of specific grants	0.032	0.032	0.032	0.032
Spinal Point Increases	0.700	0.700	0.700	0.700
Increase in Bank Holidays	0.000	0.091	0.091	0.183
Increase in Specials	0.000	0.050	0.000	0.000
Diversity (Inc Positive Action Officers)	0.086	0.050	0.000	0.000
Local Gov Pension Increase	0.190	0.293	0.000	0.000
ERP	0.000	0.100	0.000	0.000
Web site	0.046	0.000	0.000	0.000
Insurance discount factor	0.045	0.000	0.000	0.000
Apprenticeship Administrator	0.034	0.000	0.000	0.000
Missing Persons (2 posts)	0.080	0.000	0.000	0.000
Drones Running Costs	0.005	0.000	0.000	0.000
Predictive Analytics (2 posts)	0.069	0.000	0.000	0.000
Business Improvement Restructure	0.026	0.000	0.000	0.000
Intelligence/ANPR improvements	0.013	0.000	0.000	0.000
Tutorship payments	0.042	0.000	0.000	0.000
Liberating Leaders Ext Trainers	0.012	0.000	0.000	0.000
CCC Investment	0.250	0.000	0.000	0.000
On call PIM officers	0.010	0.000	0.000	0.000
SAFF change to Police Staff Handbook	0.600	0.000	0.000	0.000
MS Licencing	0.221	0.000	0.000	0.000
Digital Programme	0.170	0.000	0.000	0.000
Ill Health Retirement	0.152	0.152	0.152	0.000
WP Volunteer Officer (funds tfr)	0.063	0.000	0.000	0.000
Additional Intake Resources	0.100	0.000	0.000	0.000
Additional 8 CPT officers (PCC commitment)	0.320	0.000	0.000	0.000
Investment in Front line policing	0.000	1.000	0.000	0.000
Special Property facilities	0.000	0.065	0.000	0.000
Special Property facilities - 2 staff	0.000	0.064	0.000	0.000
Removal of PCC Extra Comm Contribution	0.315	0.000	0.000	0.000
Unidentified Policing Pressures	0.100	0.250	0.250	0.250
<b>Cost Reduction</b>				
Decrease in Comp Grant	0.000	0.000	0.000	0.000
Decrease in Rent Allowance	-0.100	-0.052	-0.087	-0.076
Reduction in Bank Holidays	-0.183	0.000	0.000	0.000
Spinal Impact of New Recruits	-0.500	-0.500	-0.500	-0.500
Storm Cost Reduction	-0.161	0.000	0.000	0.000
<b>Total reductions in Expenditure</b>	<b>-0.844</b>	<b>-0.500</b>	<b>-0.500</b>	<b>-0.500</b>
Contributions to or from Reserves	-0.253	0.000	0.000	0.000
<b>Savings Required = '-' / Growth Available</b>	<b>-3.524</b>	<b>-3.450</b>	<b>-1.470</b>	<b>-1.360</b>
<b>New Requirement</b>	<b>105.202</b>	<b>106.494</b>	<b>107.885</b>	<b>109.363</b>

### Inflation Assumptions

Employees	1.58%	2.00%	2.00%	2.00%
Income	1.00%	1.00%	1.00%	1.00%
Other	1.00%	2.00%	2.00%	2.00%
IT	2.50%	2.50%	2.50%	2.50%
Utilities	1.00%	1.00%	1.00%	1.00%

## Chief Constables Financial Plan

**Based on Council Tax Increase 0.00%**

	18/19 £million	19/20 £million	20/21 £million	21/22 £million
Expenditure BFWD	103.215	104.396	104.842	105.346
Reserve funding from previous year	1.439	0.253	0.000	0.000
Revised Expenditure Carried Forward	104.654	104.649	104.842	105.346
<b>Cost Increases</b>				
Inflation estimate	1.588	2.178	2.189	2.199
Fixing of specific grants	0.032	0.032	0.032	0.032
Spinal Point Increases	0.700	0.700	0.700	0.700
Increase in Bank Holidays	0.000	0.091	0.091	0.183
Increase in Specials	0.000	0.050	0.000	0.000
Diversity (Inc Positive Action Officers)	0.086	0.050	0.000	0.000
Local Gov Pension Increase	0.190	0.293	0.000	0.000
ERP	0.000	0.100	0.000	0.000
Web site	0.046	0.000	0.000	0.000
Insurance discount factor	0.045	0.000	0.000	0.000
Apprenticeship Administrator	0.034	0.000	0.000	0.000
Missing Persons (2 posts)	0.080	0.000	0.000	0.000
Drones Running Costs	0.005	0.000	0.000	0.000
Predictive Analytics (2 posts)	0.069	0.000	0.000	0.000
Business Improvement Restructure	0.026	0.000	0.000	0.000
Intelligence/ANPR improvements	0.013	0.000	0.000	0.000
Tutorship payments	0.042	0.000	0.000	0.000
Liberating Leaders Ext Trainers	0.012	0.000	0.000	0.000
CCC Investment	0.250	0.000	0.000	0.000
On call PIM officers	0.010	0.000	0.000	0.000
SAFF change to Police Staff Handbook	0.600	0.000	0.000	0.000
MS Licencing	0.221	0.000	0.000	0.000
Digital Programme	0.170	0.000	0.000	0.000
Ill Health Retirement	0.152	0.152	0.152	0.000
WP Volunteer Officer (funds tfr)	0.063	0.000	0.000	0.000
Additional Intake Resources	0.100	0.000	0.000	0.000
Additional 8 CPT officers (PCC commitment)	0.320	0.000	0.000	0.000
Investment in Front line policing	0.000	1.000	0.000	0.000
Special Property facilities	0.000	0.065	0.000	0.000
Special Property facilities - 2 staff	0.000	0.064	0.000	0.000
Removal of PCC Extra Comm Contribution	0.315	0.000	0.000	0.000
Unidentified Policing Pressures	0.100	0.250	0.250	0.250
<b>Cost Reduction</b>				
Decrease in Comp Grant	0.000	0.000	0.000	0.000
Decrease in Rent Allowance	-0.100	-0.052	-0.087	-0.076
Reduction in Bank Holidays	-0.183	0.000	0.000	0.000
Spinal Impact of New Recruits	-0.500	-0.500	-0.500	-0.500
Storm Cost Reduction	-0.161	0.000	0.000	0.000
<b>Total reductions in Expenditure</b>	<b>-0.844</b>	<b>-0.500</b>	<b>-0.500</b>	<b>-0.500</b>
Contributions to or from Reserves	-0.253	0.000	0.000	0.000
<b>Savings Required = '-' / Growth Available</b>	<b>-4.330</b>	<b>-4.280</b>	<b>-2.324</b>	<b>-2.240</b>
<b>New Requirement</b>	<b>104.396</b>	<b>104.842</b>	<b>105.346</b>	<b>105.894</b>

### Inflation Assumptions

Employees	1.58%	2.00%	2.00%	2.00%
Income	1.00%	1.00%	1.00%	1.00%
Other	1.00%	2.00%	2.00%	2.00%
IT	2.50%	2.50%	2.50%	2.50%
Utilities	1.00%	1.00%	1.00%	1.00%

## Wiltshire Police and Crime Commissioner

## Capital Expenditure Plan (MTFS) - Based on 2 Year £12 precept increase

Financial Year >>>>>>	<i>bfwd</i> <i>£million</i>	<i>17/18</i> <i>£million</i>	<i>18/19</i> <i>£million</i>	<i>19/20</i> <i>£million</i>	<i>20/21</i> <i>£million</i>	<i>21/22</i> <i>£million</i>	<i>Cum</i>
<b>Capital Financing</b>							
Government Grant	0.000	0.407	0.407	0.407	0.407	0.407	2.035
ESN Grant	0.478						0.478
Capital Reserve (post cap fin tfr)	9.864						9.864
Contribution from Reserves	0.000						0.000
Capital Receipts	0.000	0.000					0.000
Revenue Cont. to Capital (1.9% CT)	0.000	0.742	0.766	0.792	0.803	0.814	3.917
	10.342	1.149	1.173	1.199	1.210	1.221	16.294
<b>Capital Expenditure (on a cashflow basis)</b>							
<b>Part A - Equipment and Fleet Repl. Prog.</b>							
Vehicle Fleet	0.056	0.913	0.913	0.913	0.913	0.913	4.621
Operational Equipment (Taser)	0.015	0.000	0.050	0.000	0.050	0.000	0.115
<b>Total Equipment and Fleet Prog.</b>	<b>0.071</b>	<b>0.913</b>	<b>0.963</b>	<b>0.913</b>	<b>0.963</b>	<b>0.913</b>	<b>4.736</b>
<b>Part B - Estates Projects</b>							
Minor Works - Building Improvements	0.000	0.075	0.075	0.075	0.075	0.075	0.375
Programmed Maintenance - Buildings	0.000	0.100	0.100	0.100	0.100	0.100	0.500
Hub Projects	0.000		1.725	2.875			4.600
Central Estates Projects *	0.000	0.000	0.500	2.661	0.000	0.000	3.161
<b>Total Estates Projects</b>	<b>0.000</b>	<b>0.175</b>	<b>2.400</b>	<b>5.711</b>	<b>0.175</b>	<b>0.175</b>	<b>8.636</b>
<b>Part C - ICT Programme</b>							
ICT Remediation Work Phase 2	0.099						0.099
Computer Laptops, Tablets, Desktops, etc.	0.164	0.154	1.406	0.245	0.245	1.310	3.524
ICT Investment (incl servers, storage)	0.000	0.450	0.500	0.500	0.500	0.500	2.450
Systems Development	0.050						0.050
SmartPhone Replacement Programme	0.000			0.640			0.640
DEMS est (incl; DIR/BWVC)	0.524						0.524
ESMCP	0.000	0.000	0.544	1.354	1.101	0.283	3.282
ESN Connections (Grant funded)	0.000	0.033	0.445				0.478
ANPR	0.094						0.094
Website Project	0.000	0.086					0.086
ERP	0.000	0.200	1.000	0.543			1.743
HR systems	0.027						0.027
Hi-tech crime unit computers	0.073	0.000	0.050	0.000	0.050	0.000	0.173
Mobile Working	0.703	0.347					1.050
<b>Total ICT Programme</b>	<b>1.734</b>	<b>1.270</b>	<b>3.945</b>	<b>3.282</b>	<b>1.896</b>	<b>2.093</b>	<b>14.220</b>
<b>Total for Parts A, B and C</b>	<b>1.805</b>	<b>2.358</b>	<b>7.308</b>	<b>9.906</b>	<b>3.034</b>	<b>3.181</b>	<b>27.592</b>
Surplus / Deficit (-) for Year	8.537	-1.209	-6.135	-8.707	-1.824	-1.960	-11.298
<b>Cumulative Surplus / Deficit</b>	<b>8.537</b>	<b>7.328</b>	<b>1.193</b>	<b>-7.514</b>	<b>-9.338</b>	<b>-11.298</b>	<b>-11.298</b>



## RESERVES AND PROVISIONS POLICY (updated Jan 2018)

### Purpose

1. This policy sets out how the Police and Crime Commissioner (PCC), in association with the Chief Constable (CC), will determine and review the level of usable and unusable Reserves and Provisions.
2. The PCC is required to maintain adequate financial reserves to meet the needs of the organisation. The PCC's Chief Financial Officer (here on known as the Treasurer) has a legal duty to local taxpayers and must be satisfied that the decisions taken on balances and reserves represent proper stewardship of public funds.
3. The optimisation of reserves is an important part of medium term planning. Reserves are a potential source of funding for pump priming initiatives and also can cover the consequences of risks which may materialise. The Treasurer has to take account of the strategic, operational and financial risks facing Wiltshire Police in assessing the adequacy of reserves when setting the budget.
4. Reserves may either be earmarked for particular purposes or held as a general sum as a matter of prudence to cover unforeseen expenditure. Reserves are defined by CIPFA as:

***“Amounts set aside for purposes falling outside the definition of provisions should be considered as reserves, and transfers to and from them should be distinguished from service expenditure disclosed in the Statement of Accounts. Expenditure should not be charged direct to any reserve. For each reserve established, the purpose, usage and the basis of transactions should be clearly identified. Reserves include earmarked reserves set aside for specific policy purposes and balances which represent resources set aside for purposes such as general contingencies and cash flow management.”***

5. This policy will take into account the latest guidance and regulation on the use and management of reserves and balances. CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom known as 'The Code', states that, for each reserve established, the purpose, nature and basis of transactions should be identified. The policy will also take into account comments from central government surrounding improving transparency surrounding reserves.
6. CIPFA's Prudential Code requires Chief Financial Officers in PCC's to have full regard to affordability when making recommendations about the local authority's future capital programme. The requirement for three year revenue forecasts across local authorities, coupled with three year grant settlements ensures there is a focus on the levels and application of local balances and reserves.

## Managing Reserves – Principles

7. Reserves held are either usable or unusable.
8. When reviewing their medium term financial plans and preparing their annual budgets PCC's should consider the establishment and maintenance of the General Reserve, this assists in providing;
  - ❖ a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
  - ❖ a contingency to cushion the impact of unexpected events or emergencies;
9. Other reserves classified as 'usable' exist for specific 'earmarked' purposes.
10. Unusable reserves may also be held. These arise out of the interaction of legislation and proper accounting practice. These 'unusable' reserves are not resource-backed and cannot be used for any other purpose.
11. Transfers to and from reserves will be made in accordance with financial regulations.
12. The Treasurer will comment on the adequacy and use of Reserves as part of the annual budget setting process.

## Types of Reserves

13. In addition to the PCC's **General Reserve** and the Chief Constable's **Operational Reserve** Wiltshire Police will hold usable reserves for the following purposes:
  - **Risk** - reserves held to provide a level of cover for unexpected or one off events or emergencies or predictable liabilities or costs.
  - **Change Programmes** - reserves held to fund investments in programmes in line with the Police and Crime Plan. This will include the Capital Development Reserve which is critical in the funding of the on-going capital plan
  - **Investment** - reserves held to fund future time limited capital or revenue expenditure requirements in line with the Police and Crime Plan
  - **Partnership** - specific reserves held for partnership purposes which may include funding provided by partners to help achieve a specific purpose
14. Unusable reserves, which are not resource-backed and cannot be used for any other purpose, are described below:
  - **Asset Adjustment** - reserves to account for the losses or gains on assets through revaluation or timing differences

- **Pensions** - carries the future liability for post employment benefits in accordance with statutory provisions.
- **Statutory adjustments** - reserves to adjust between costs recognised in the general fund balance and statutory arrangements.

15. For each reserve there should be a clear protocol setting out the reason for/purpose of the reserve. When establishing reserves PCC's need to ensure that they are complying with the CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom known as 'The Code' and in particular the need to distinguish between reserves and provisions. Annex A identifies the reason for each reserve, how the level of the reserve has been set and whether there is a contractual obligation. Annex B shows the current level of funding set aside for each reserve and the plan for use over 3 years.

### **Building Reserves**

16. The General Reserve will change each year with the transfer of year end surpluses or deficits to this reserve. This reserve will be set in line with the Treasurers view which will take into account issues such as the current and future financial climate. The Treasurers current view is that the target for this reserve should equate to 2.5% of the budget. It is expected that variations in year will be dealt with by a transfer to or from an investment reserve. This transfer will be recommended at year end as part of the closure of accounts process and will need to be approved by the PCC.

17. Earmarked reserves and other specific reserves will be established or removed on a 'needs basis', in line with planned or anticipated requirements set out in the Police and Crime Plan, Medium Term Financial Strategy and Financial Regulations.

18. The current financial landscape demands that significant savings need to be made in order to deliver a sustainable budget. It is prudent to have reserve levels to provide a buffer or a safeguard during uncertain times. It is also important to maintain sufficient reserves to provide additional capacity for discretionary use to smooth the introduction of savings. For redundancy and other small change costs the Restructuring Reserve will be used by the Chief Constable.

19. In line with the PCC's Police and Crime Plan a Community Safety Innovation Reserve has been introduced. Use of this fund will be determined by the PCC with decisions documented at the internal Corporate Management Board.

### **Quantifying the Reserves Requirement**

20. The requirement for financial reserves is acknowledged in statute. Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

21. This means that the minimum prudent level of reserves is a matter of judgement rather than prescription. Neither CIPFA nor statute sets a minimum level of reserves. In determining the level and type of reserves, the PCC has to take into account relevant local circumstances and the advice of the CC and CC's Chief

Financial Officer to make a reasoned judgement on the appropriate level of its reserves.

22. The Treasurer, with input from the CC's Chief Financial Officer, will adopt a risk based approach in determining the appropriate level of reserves and balances in order to support strategic priorities over the short, medium and long term and the need to maintain financial sustainability.
23. The Local Government Act 2003 requires the Treasurer to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides as part of the annual budget setting process.
24. For the purposes of this Policy, it is the responsibility of the Treasurer, to advise the PCC on the type and level of Reserves to be held.
25. The Treasurer should consider most if not all of the factors shown in the table below when determining the level of Reserves as part of budget setting.

<b>Budget assumptions</b>	<b>Financial standing and Management</b>
The outlook for inflation and interest rates.	The overall financial standing of Wiltshire Police (level of borrowing, debt, etc.)
The availability of other funds to deal with major contingencies and the adequacy of provisions.	Wiltshire Police's track record in budget and financial management including the robustness of its medium-term plans
Estimates of the level and timing of capital receipts.	Wiltshire Police's capacity to manage in-year or temporary budget pressures.
The potential range of costs of demand-led services.	The strength of the financial information and reporting arrangements.
Planned efficiency savings/ productivity gains.	Wiltshire Police's end of year procedures in relation to budget under/overspends.
The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments.	The adequacy of Wiltshire Police's insurance arrangements to cover major unforeseen risks.

26. The proposed use of reserves and balances to deliver a sustainable budget will form part of the budget process.

### **Application of Reserves**

27. Use of the General Reserve is limited to the following purposes:
  - ❖ to protect Wiltshire Police from financial risks and
  - ❖ provide a working balance to help cushion the impact of uneven cash flows e.g. Precepts;
  - ❖ planned non-recurrent funding to ensure a balanced budget is set, with the expectation that a plan will be produced to resolve the deficit and build the reserve up to its recommended level.



28. **Earmarked Reserves** should be available to meet or support a range of specific requirements, including:

- ❖ capital or asset purchases
- ❖ major change management initiatives
- ❖ fixed term projects and other one-off spend
- ❖ exceptional operational expenditure
- ❖ 'Spend to save' and 'pump priming' initiatives
- ❖ managing cross-financial year flexibility

### **Monitoring and reporting Reserves**

29. The forecast level and usage of reserves will be formally approved by the PCC, as part of the Financial Strategy, advised by the Chief Financial Officers and Chief Constable.
30. The proposed use of reserves and balances to deliver a sustainable budget must be included as part of the budget process to the PCC.
31. Unusable reserves are managed as part of accounting policies, specified in the Statement of Accounts which is approved by the PCC.
32. The PCC is the owner of all reserves. All reserves will sit on the PCC's Balance Sheet.

### **Provisions**

33. A provision is recognised in the accounts when a liability has been identified that is of uncertain timing or amount which is to be settled by the transfer of economic benefits.
34. Accounting arrangements for provisions are included in IAS 37 – Provisions, Contingent liabilities and Contingent assets. Further guidance is included in IPAS 19 - Provisions, Contingent liabilities and Contingent assets.
35. A provision should be created when there is a present obligation (legal or constructive) as a result of a past event. Or it is probable that a transfer of economic benefits will be required to settle an obligation and a reliable estimate can be made of the amount of the obligation. Unless these conditions are met, no provision shall be recognised.
36. Provisions may be required for some civil and motor claims. There is a need to split the claims between a provision on the balance sheet for the cost of claims received and outstanding; and funds held in the reserve to cover claims incurred but not received or quantified. Costs surrounding claims that have been reported and assessed will be carried as a financial provision whilst incidents where no claim has yet been made, would be covered by the insurance reserve. The level of the provision will be determined annually at year end with assistance from solicitors on the valuation of claims.

## Wiltshire Police Reserves

## Usable Reserves

Reserve	Justification	Funding level	Obligations
<b>General and Operational Reserve</b>			
General Reserve	Funding set aside to cover the major risks involved with running a £100m Policing business	Based on 2.5% of Budget Requ.	None
Chief Constables Operational Reserve	In line with the financial code of practice CC should have a contingency available for operational activities without the need for additional approvals	1.0% of Budget Requirement	None
<b>Budget Risk</b>			
Insurance Reserve	Provides cover for a one-off increase in claims in the knowledge that significant excess levels exist with current insurances	Maintained at £0.400m in line with current claims history	No actuary funding so covers risk space
Seized Asset Reserve (Incentivisation)	The budget requires £160,000 of income per year to finance financial investigators undertaking this work. This reserve 'smooths' out variances across years on returns.	Excess returns above budget, to a maximum of 1 yrs budget	None, covers budget risk in dynamic area
Ill Health Reserve	For each Ill Health retirement agreed a payment of approximately £70,000 has to be made to the Home Office. The annual budget allows for 3 per year, this reserve 'smooths' out variances across yrs	Depends on HR data on planned retirements at year end	None, covers budget risk in dynamic area (£70k+ per individual)
Contribution to Revenue Budget	Funding set aside to finance short term revenue funding issues	£1.393m target for 31 March 2018	Requ. to balance the 18-19 budget
2017 Bonus Pay Award	Funding set aside for the part year impact of the 1% bonus awarded in the Sept 17 pay award	Calculated one off cost to include officers and staff	Yes
Officer Intake Strategy	Finances to allow for short term excess officer numbers or variances in the vacancy factor.	£0.500m target for 31 March 2018	2017 plans will see higher no. of officers than funding will allow for in the short term

<b>Change Programmes</b>			
Capital Development Reserve	Funding set aside to assist in the funding of capital to reduce the organisations need to borrow.	£7.328m forecast at March 2018	No contracts are signed at this date on estates but finances are allocated to fund capital plan
Restructuring Reserve	This funds one off costs such as redundancy and minor office changes required to restructure the business to meet reduced funding levels.	£0.050m forecast at March 2018	None, covers risk in changing environment
Budget Smoothing Reserve	Funds any unplanned shortfalls in savings resulting from timing issues in delivering savings	£0.200m forecast at March 2018	No contracts exist but with savings of over £1m requ this is a necessity.
Held Property Project	This will fund a 3yr project to consolidate, review and where appropriate dispose of held property across the Force	£0.100m forecast at March 2018	Yes, Funds lease and temporary contracts
Estates Transformation Reserve	Work has been requested from property advisors to help maximise returns from estates changes	£0.050m forecast at March 2018	Yes
<b>Investment</b>			
Community Safety Innovation Reserve	In line with the PCC's Policing and Crime Plan this reserve enables the PCC to allocate finances to 'pump prime' initiatives in line with priorities	£0.100m forecast at March 2018	Formal agreements in place
Specials Intake Strategy	This reserve is intended to finance a plan to increase the number of Specials assisting the force to 500 with a specific recruitment and training strategy.	£0.408m forecast at March 2018	Some of the funding is allocated for contracts
Diversity Reserve	Funding set aside to finance projects which will lead to a more diverse workforce and benefits that provides.	£0.020m forecast at March 2018	No
Single view of the Customer Reserve	Funds remaining from a joint project with Public Sector partners to improve joined up working	£0.020m forecast at March 2018	Yes
Predictive Analytics Reserve	Funds remaining from a project to improve technology to assist in the fight against crime	£0.030m forecast at March 2018	Yes
Deployability Reserve	A reserve created to reduce the volume of staff	£0.050m forecast at March 2018	No

	unavailable for front line deployability		
Regional Projects Reserve	In line with Government guidelines Wiltshire have worked with other Forces on collaboration projects to increase efficiency and effectiveness. This fund finances reviews and start up costs	£0.313m forecast at March 2018	Part of the finances are contracted
ICT Project Reserve	To finance efficiency and effectiveness projects (future trfr to Capital Dev Reserve)	£0.955m forecast at March 2018	No
Uniform Reserve	Funding set aside to replace the entire Body Armour provision during 2016-17.	£0.100m forecast at March 2018	No
<b>Partnership Reserves</b>			
MAPPA Reserve	This receives funds from the partners in the Multi Agency Public Protection arena and is spent in line with Board decisions.	£0.042m forecast at March 2018	Any spend needs partnership agreement
Switch Reserve	This receives funds from partners and is spent on the Integrated Offender Management programme	£0.035m forecast at March 2018	Any spend needs partnership agreement
Local Resilience Forum	This receives funds from the partners in the Local Resilience Forum and is spent in line with Board decisions.	£0.011m forecast at March 2018	Any spend needs partnership agreement
<b>Provisions</b>			
Insurance	The estimated cost of finalising claims currently being progressed by the Police		Assessed as part of the year end process

Wiltshire Police - Forecast Reserve Levels

26/01/2018

Annex B

All Figures in £000's

Cat	Type	BFWD	In yr	Yr End	In yr	Yr End	In yr	Yr End
		31/03/2017	Tfr	31/03/2018	Tfr	31/03/2019	Tfr	31/03/2020
BR	Insurance Reserve	400		400		400		400
BR	Pension Ill Hlth	540	-540	0		0		0
BR	Incentivisation	202	-50	152	-60	92	-50	42
BR	Cont to Revenue Budget	1,439	-46	1,393	-1,393	0		0
BR	2017 Bonus Pay Award	0	279	279	-279	0		0
BR	Officer Intake Strategy Reserve	500		500	-300	200	-200	0
CP	Held Property Project	254	-154	100	-100	0		0
CP	Estates Transformation Reserve	50	0	50	-50	0		0
CP	Budget Smoothing Reserve	200		200	-100	100	-100	0
CP	Restructuring	200	-150	50	-50	0	0	0
CP	Capital Development Reserve	9,864	-2,536	7,328	-6,135	1,193	-1,193	0
CP	Capital Receipts Reserve	478	-478	0		0		0
I	Community Safety Innovation Res.	260	-160	100	-100	0	0	0
I	Regional Projects	518	-205	313	-200	113	-113	0
I	Specials Recruitment	808	-400	408	-408	0		0
I	Corporate Communications	64	-64	0		0		0
I	Diversity	120	-100	20	-20	0		0
I	Deployability	100	-50	50	-50	0		0
I	Single View of Customer	83	-63	20	-20	0		0
I	Predictive Analytics	69	-39	30	-30	0		0
I	Uniform	210	-110	100	-100	0		0
I	ICT Projects Reserve	0	955	955	-500	455	-455	0
I	Training Reserve	50	-50	0		0		0
P	MAPPA	42		42		42		42
P	LRF Reserve	11		11		11		11
P	Switch IOM	35		35		35		35
GR	Chief Const Operational Res (1%)	1,056	44	1,100		1,100		1,100
GR	General Res (2.5% of budget)	2,641	108	2,749		2,749		2,749
	<b>Grand Total</b>	<b>20,194</b>	<b>-3,809</b>	<b>16,385</b>	<b>-9,895</b>	<b>6,490</b>	<b>-2,111</b>	<b>4,379</b>

