

## **BALANCING THE 2017-18 BUDGET**

### **Purpose**

1. This paper informs the Panel on the actions taken to balance the 2017-18 budget and early planning for the 2018-19 budget.

### **Background**

2. In February 2017, the Panel received a paper that set out the PCC's plan to in set an overall budget of £105.898m. This required a 1.9% increase in the police part of the precept. Due to a 1.3% reduction in central funding, this increase only led to a £0.204m (0.2%) increase in the overall budget. With pay/price inflation and other growth pressures on the budget, significant savings were required to balance the budget. These savings are in excess of the £17.680m previously identified since austerity started in 2011.
3. The paper informed the Panel that the PCC intended to use £1.439m of reserves. This can only occur for one year but evens up the savings requirement over 2 years. This reduced the savings the Chief Constable had to find. The savings requirement was;

	2017-18 CC Budget
Initial Funding gap	£3.719m
Use of reserves	-£1.439m
New Savings requirement	£2.280m

### **2017-18 Budget**

4. In the detailed process of setting the budget £0.156m of small savings was identified; this reduced the savings required to £2.124m. Appendix A shows the savings alongside those previously made; this results in total savings delivered of £19.804m since 2011. These savings are in line with the Plan reported in the 11 January paper to the Panel.
5. Within the £105.898m budget is £0.250m of investment income. For national police objective analysis this must be removed leaving a net budget of £105.648m. The table below breaks down the budget over the various policing headings. This information will again be used for comparison against similar forces. The 2016 HMIC VFM statistics report that Wiltshire spends less per head of population in every single area when compared to the average for forces in our most similar group.

6. The increase in spend on Local Policing is due to the implementation of the Community Policing Team model. This has seen a number of officers and staff previously classified as Investigation move to the new teams.

<b>Summary</b>	2016-17 £000's	2016-17 Split	2017-18 £000's	2017-18 Split
Local Policing	29,712	28.2%	33,595	31.8%
Dealing with the Public	7,000	6.6%	7,038	6.7%
Criminal Justice	7,103	6.7%	7,591	7.2%
Specialist Ops (RPU+Sp)	6,726	6.4%	6,552	6.2%
Intelligence	4,172	4.0%	4,104	3.9%
Investigation (Inv+Inv Sup)	22,878	21.7%	18,841	17.8%
National Policing	790	0.7%	685	0.6%
Support (incl Chief Officers)	24,212	23.0%	23,744	22.5%
OPCC	1,946	1.8%	2,114	2.0%
Reserves	-1,920	-1.8%	-1,439	-1.4%
Capital Fin.and Pensions	2,827	2.7%	2,823	2.7%
<b>Total</b>	<b>105,445</b>	<b>100.0%</b>	<b>105,647</b>	<b>100.0%</b>

## 2018-19 Budget

7. Early work on the 2018-19 budget has started. A review of income post the 2017-18 settlement suggests the funding available to the PCC will be in the region of £106.431m, a £0.532m (0.5%) increase. This assumes that the government policy of expecting PCCs to raise council tax by 1.9% to cover a cut in central funding continues.
8. With inflation on pay of 1%, other policing pressures and the need to finance the £1.4m use of reserve in 2017-18, the forecast savings requirement is £2.4m.
9. With over 80% of costs wages related, savings will have to come from this area. The early planning has focused on the continuing modernisation of Wiltshire Police with further moves towards community focused PCSOs and Local Crime Investigators taking the place of warranted officers. Other areas of focus include collaboration, with further savings expected. If the plans are agreed by the Chief Constable and the PCC, these will deliver £2m of savings.

## Risk

10. By using reserves a risk is created; however by balancing the savings over 2 years it provides the Chief Constable time to reduce expenditure in a planned way. With emerging threats and reduced resources there is a risk that the Police and Crime Plan outcomes will not be delivered. This is a live risk on the risk register.

## Conclusion

11. This paper summarises where the savings have been derived from in past years and the current expectations surrounding 2018-19.

**Angus Macpherson**  
Police and Crime Commissioner

## Cashable Savings Delivered

The cashable savings delivered, due to funding reductions and growth requirements, via the Vision Programme and 2016-17 and 2017-18 efficiency strategy are split per workstream below;

	Pre 16-17 Savings £m	2016-17 Savings £m	2017-18 Savings £m	<b>Total £m</b>
Business Strategy	0.416	0.000	0.000	0.416
Corporate Communications	0.108	0.000	0.000	0.108
Finance	0.126	0.000	0.000	0.126
Admin and Transactions	0.611	0.000	0.000	0.611
Citizen Focus	0.868	0.000	0.000	0.868
ACPO	0.342	0.000	0.000	0.342
Justice	0.794	0.000	0.000	0.794
Investigation and Intelligence	2.387	0.000	0.000	2.387
Operations Support (Tri/Br.)	1.982	0.000	0.240	2.222
Senior Police Officers	0.106	0.000	0.000	0.106
Fleet and Services	0.103	0.130	0.000	0.233
Air Support	0.000	0.160	0.085	0.245
Information Management	0.326	0.000	0.000	0.326
People Services	1.707	0.000	0.000	1.707
Custody	0.304	0.000	0.000	0.304
Contact Management	0.494	0.000	0.000	0.494
General Expenditure	3.002	0.050	0.336	3.388
Estates Portfolio	0.571	0.083	0.000	0.654
Forensics	0.363	0.000	0.151	0.514
Management Savings	0.609	0.000	0.000	0.609
ICT/Mobile and Remote	0.300	0.251	0.000	0.551
Command Savings	0.500	0.000	0.000	0.500
ECC Consolidation	0.246	0.000	0.000	0.246
CPT Workforce Mod.	0.000	0.000	0.350	0.350
5 Officer removal	0.000	0.000	0.220	0.220
Vacancy factor	0.000	0.000	0.382	0.382
NI/Pensions savings	0.000	0.000	0.360	0.360
Enquiry Office	0.182	0.000	0.000	0.182
PCSO Reduction	0.559	0.000	0.000	0.559
<b>Total</b>	<b>17.006</b>	<b>0.674</b>	<b>2.124</b>	<b>19.804</b>

The total savings delivered since 2011 now amount to £19.804m.