



East Midlands Police Collaboration

Derbyshire Leicestershire Lincolnshire Northamptonshire Nottinghamshire

PAPER F - APPENDIX 1

East Midlands Police Collaboration Team Financial Update February 2010

Introduction

1.1 This report provides a summary of the East Midlands Police Collaboration Team draft budget requirement for 2010/11 and a summary of the forecast performance against budget for 2009/10.

2010/11 Proposed Budget

- 2.1 The EMPCT senior management team has collectively reviewed the team's resource requirement to present a budget that takes account of operational need and the current financial constraints of the five forces in the region. The newly appointed DCC for regional collaboration supports the proposed budget but will review it within six months of taking up post. The review will take account of the central team required to deliver the agreed collaboration work programme and the need to reduce costs given the financial constraints on the police authorities and forces in the region.
- 2.2 The budget takes account of pay awards for staff of 2.58%, officers of 2.55% and assumes Non Pay inflation of zero percent.
- 2.3 The Non Pay budget set for 2009/10 was too low. The proposed 2010/11 budget includes a 33.9% increase to cover the travel and subsistence of a mobile team that is required to travel across the East Midlands region.
- 2.4 Apportionment of the proposed budget requirement for the 2010/11 budget is detailed below:

<u>£'s</u>		<u>2010/11 Contribution</u>
Derbyshire	22.00%	262,390
Leicestershire	23.10%	275,509
Lincolnshire	12.50%	149,085
Northamptonshire	14.80%	176,517
Nottinghamshire	27.60%	329,180
		1,192,680



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2.5 The EMPCT proposed budget requirement for 2010/11 is detailed below:

£'s	<u>2010/11 Budget Proposed</u>	<u>Potential Savings</u>	<u>2010/11 Budget Initial Draft</u>	<u>2009/10 Budget</u>
DCC & Support	191,468	0	191,468	138,176
Programme Mgt & specialist Leads	218,316	(85,000)	303,316	279,095
Force Leads	479,472	(20,000)	499,472	461,661
Programme Support	132,865	(20,000)	152,865	149,736
Vacancy Factor %	(51,106)	(51,106)		
Total Pay Costs	971,015	(176,106)	1,147,121	1,028,668
Total Premises	82,500	0	82,500	77,829
Total Transport	80,000	(10,000)	90,000	48,000
Total Supplies & Services	40,000	0	40,000	27,620
Total IT & Comms	19,165	0	19,165	12,117
Total Non-Pay Costs	221,665	(10,000)	231,665	165,566
EMPCT Total	1,192,680	(186,106)	1,378,786	1,194,234

2.6 The budget requirement for 2010/11 is based on zero cash growth over 2009/10. This has been achieved despite increasing the non-pay budget significantly to actual usage levels, and taking effect of pay inflation. The proposed budget includes the costs of the new DCC and PA support for this post.

2.7 The first draft budget of £ 1.39 million included all posts in the current years settlement with the exception of the Benefits Manager role (now included in the Regional Head of Finance role). The Programme Director role (now replaced by the DCC). There is also a full time post for an HR manager as well as the already included HR Lead. A post for an ISIS delivery manager is also included along with the recovery of the costs from the NPIA who will fund the post. An increased transport allocation in Non Pay expenditure is also included.



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2.8 Getting the proposed budget to £ 1.19 million is achieved by:

- Cutting the Programme Manager Post and transferring line managing the programme office staff to one of the collaboration leads (£ 75k).
- Squeezing the agency fees for the finance and benefits lead (£ 10k).
- Lincolnshire providing a police staff lead rather than filling the post with a Superintendent (£ 20k).
- Combining the duties of the DCC PA post with the Programme Office Assistant (£20k).
- Applying a vacancy factor of 5% (£51k).
- Reducing the transport budget by £10k.

2.9 Pay costs requested in the proposed budget also reflect a 5.6% reduction compared to the current year (8.19% in real terms).

2.10 Further posts that do not form part of EMPCT budget allocation but have been approved by ACPO as regional posts and will require additional funding in 2010/11 are:

- Regional Forensics Procurement Manager (£50k)
- Civil Contingencies lead (£72k)
- DI for Witness Protection (£68k)

2009/10 Performance Vs Budget

3.1 The 2009/10 Forecast as at 31st January is shown below:

<u>£ 000's</u>	<u>F/cast as at 31/01/2010</u>	<u>2009 / 10 Budget</u>	<u>Variance</u>
Pay Related Costs	934	1,029	95
Other Administrative expenses	217	166	(52)
Gross Expenditure	1,151	1,194	43

3.2 Pay related costs:

Expenditure on salaries and related costs is expected to be £ 95k under budget for 2009/10. This is as a result of a combination of factors:



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- The benefit realisation and risk manager post (£ 40 k) has not been recruited despite having a full year allocation, this post is now included in the remit of the Regional Head of Finance post.
- The delayed recruitment of the Head of Finance and one project officer post until June. Savings also realised from gaps in the replacement of project leads throughout the year.
- Planned vacancy of two Project Officer posts, one finishing in September, the other in November.
- Set against this is an extension of the post for an IT and Telephony Lead for the team, providing support to the mobile data project from July 2009.

3.3 Other Administrative Expenses:

Expenditure on administrative expenses is expected to be overspent against the budget by £52k. Although premises related costs (£78k) and IT (£18k) are relatively in line with plan, supplies and services and travel and subsistence budgets have been exceeded. This is resultant from an unrealistically low allocation in this area to deal with the expenditure of a regionally delivered mobile team. A substantial element of the cost incurred is also the result of servicing regional events and functions held at Newark. These costs are not recovered from event organisers.

3.4 Gross Expenditure:

The planned outturn for 2009/10 is expected to deliver a saving against plan of £43k for 2009/10. In addition to this the team is part funding a post on the firearms interoperability project from existing Capacity and Capability project monies provided by the Home Office (£20k) and a post funded by GOEM to research a project on business crime (£20k).

3.5 The regional apportionment of expected expenditure is represented below:

<u>£'s</u>	<u>2009/10 Contribution</u>	<u>SSA % Allocated Cost</u>	<u>(To Pay) / Receive</u>
Derbyshire	121,680	253,197	(131,517)
Leicestershire	115,436	265,857	(150,421)
Lincolnshire	388,951	143,862	245,089
Northamptonshire	277,018	170,333	106,686
Nottinghamshire	247,810	317,647	(69,837)
	1,150,896	1,150,896	0

3.6 The Programme Director proposes using the expected underspend of £43k to part pay for the Ch Insp post assigned to regional civil contingencies work. The total cost this year is £53k.

John Weeks
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