

## To September 2017 (Quarter 2)

### Headlines

The current forecast of net expenditure amounts to £113.285m compared to a revised budget of £112.373m.

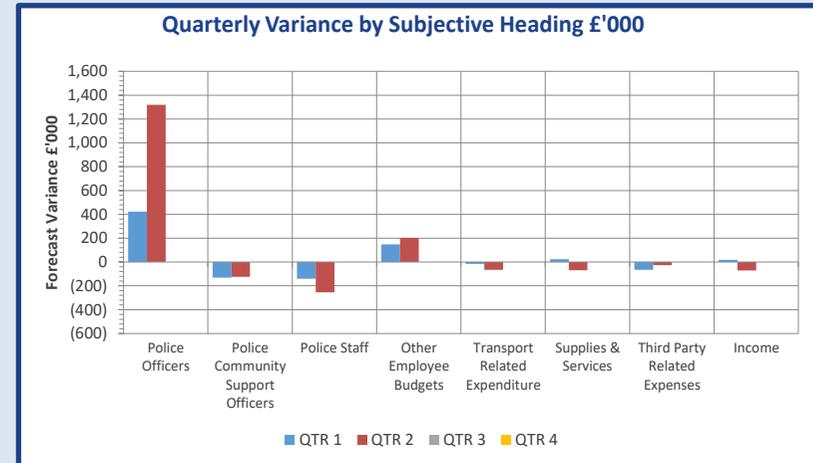
The variance amounts to a forecast overspend of £912k (0.81%) and is made up of a forecast overspend on expenditure budgets of £982k (0.83%) offset by additional income of £70k (1.15%).

The overspend is made up of overspends on some categories totalling £1,521k which are being partially offset by underspends on others totalling £609k.

The forecast overspend at September has increased by £655k (255%) when compared to the figure reported as at the end of June of £257k.

The forecast as at the end of September assumes pay awards from September 2017 at 1% plus 1% non-consolidated award for police officers, PCSOs staff. The total impact of the additional 1% (still to be confirmed for PCSOs and Police Staff) is £412k for the financial year 2017/18.

Description	Revised Budget	Provisional Outturn	Provisional (Under)/Overspend	Provisional (Under)/Overspend	Forecast (Under)/Overspend	Change from
	2017/18 £'000s	2017/18 £'000s	2017/18 £'000s	2017/18 %	@ JUN-17 £'000s	to SEP-17 £'000s
<b>Constabulary Funding</b>						
Police Officers	79,075	80,394	1,319	1.67%	422	897
Police Community Support Officers	3,071	2,946	(125)	-4.07%	(132)	7
Police Staff	20,247	19,993	(254)	-1.25%	(140)	(114)
Other Employee Budgets	2,209	2,411	202	9.14%	148	54
Transport Related Expenditure	2,199	2,134	(65)	-2.96%	(16)	(49)
Supplies & Services	9,540	9,471	(69)	-0.72%	23	(92)
Third Party Related Expenses	2,135	2,109	(26)	-1.22%	(66)	40
<b>Total Constabulary Funding</b>	<b>118,476</b>	<b>119,458</b>	<b>982</b>	<b>0.83%</b>	<b>239</b>	<b>743</b>
<b>Income</b>	<b>(6,103)</b>	<b>(6,173)</b>	<b>(70)</b>	<b>1.15%</b>	<b>18</b>	<b>(88)</b>
<b>Total Constabulary Funding Net of Income</b>	<b>112,373</b>	<b>113,285</b>	<b>912</b>	<b>0.81%</b>	<b>257</b>	<b>655</b>



The forecast overspend is largely as a result of police officer pay (£1,319k). Of this forecast overspend £712k is due to changes to the workforce plan (+29 recruits/transferees offset by 9 fewer officers at the start of the year) together with a number of acting up arrangements and temporary promotions in higher ranks. The effect of the non-consolidated 1% award for officers amounts to £280k. The remaining overspend on police officer pay of £327k is attributable to an increase in the use of police overtime. Forecast spend on overtime has increased mainly due to the implementation of enhanced patrols to provide public reassurance following the terrorist incidents in Manchester and London as well as vacancies largely within specialist functions under Territorial Policing Command.

In addition, the forecast also includes several recently identified budget pressures which were not originally budgeted for: consultancy for PSD audit tool & business analytics tool; in-house provision of canteen facilities across the Force; adaptations to conference rooms; funding of a small number of new staff posts and exit costs associated with redundancies.

These overspends are being offset to a degree by: underspends on police staff costs as a result of an increase in the number of vacant posts; underspends on the PCSO budget due to changes to workforce plan (started the year 4 fewer than budgeted for, recruiting 7 fewer in the year); savings on software licences (£153k); contribution to Police National ICT systems (£70k); a forecast reduction in fuel costs due to current low fuel prices (£115k) and over recovery of income (reimbursement of costs, rent, licensing income etc.).

### Changes between June and September

- Police Officer Pay forecast increasing by £560k (changes to the workforce plan outlined above).
- Police Officer Pay increasing by £280k in respect of the 1% non-consolidated Pay Award.
- Police Officer Overtime increasing by £60k.
- Staff Pay forecast underspend increasing by £238k as a result of extended vacancies, however this is offset by additional expenditure of £114k due to the 1% non consolidated pay award.
- Supplies & Services forecast decrease largely due to a reduction in ICT related costs £110k.
- Third Party Related Expenses new NPCC contributions £40k.
- Income forecast increase due to increase in reimbursed services £55k.