

REQUEST FOR DMPC DECISION – DMPCD 2014 132

Title: MOPAC Budget Monitoring and Budget & Reserves Movements – Period 6

Executive Summary:

This paper summarises the period 6 financial monitoring and requests the DMPC approve 3 budget movements.

Recommendation:

The DMPC is asked to

1. Note the period 6 financial monitoring position, and
2. Approve the 3 budget movements as set out in paragraph 2.3.

Deputy Mayor for Policing And Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

Signature

Date

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC

Decision required – supporting report

1 Introduction and background

- 1.1 As part of MOPAC's and MPS corporate governance arrangements regular monthly and in-depth quarterly monitoring processes are in place to track spend against budget and the achievement of income targets.
- 1.2 In line with the Scheme of Delegation and Consent the DMPC is responsible for the approval of all MPS proposed budget movements and virements in excess of £500,000 which are highlighted on a monthly basis as part of the monthly budget monitoring report.

2 Issues for consideration

- 2.1 Appendix 1 sets out the period 6 financial monitoring position. In summary, net cost pressures of £4.4m are forecast for 2014/15, a reduction of £28.1m against last month. The main reasons for this reduction are the application of the non-pay inflation provision of £20m and the forecast reduced cost of capital financing of £7.3m.
- 2.2 The net overspend is mainly due to pressures within the following budgets:
 - Police Staff Pay - £12m
 - Police Officer Overtime - £12m
 - Premises Costs - £7.7m
 - Supplies and Services - £7.1m

These are offset by forecast savings in regard to PCSO pay of £6.4m, reduced capital financing costs of £7.3m and the use of the non-pay inflation provision of £20m

- 2.3 The forecast outturn for capital expenditure is £227.1m, a minor increase of £0.2m on the £226.9m reported last month, and compared to the Capital Programme budget of £368.2m
- 2.4 There are 3 proposed budget movements in excess of £500,000 this month requiring DMPC approval as detailed in the paragraphs and table below.
 - Additional £507k Specific Grant in Specialist Crime and Operations in relation to bids for the Invest to Improve programme.
 - The transfer back of £727k staff costs from Shared Support Services pay budget to Neighbourhood Policing.
 - Transfer of £826k training-related budgets previously held in Shared Support Services to their permanent locations.

Transfer from:		£k
Shared Support Services	Police Overtime	83
	Police Staff Overtime	15
	Transport Costs	1
	Employee Expenditure	364
	Supplies & Services	363
	Total	826

Transfer to:		
Neighbourhood Policing	Police Overtime	4
Specialist Crime and Operations	Police Overtime	79
	Police Staff Overtime	15
	Supplies & Services	363
Digital Policing	Transport Costs	1
Met HQ	Employee Expenditure	364
	Total	826

2.5 There are no proposed transfers to/from reserves this month.

3 Financial Comments

3.1 As this is a financial report the financial implications are contained within the body of the report.

4 Legal Comments

4.1 Under section 3 (6) of the Police Reform and Social Responsibility Act, MOPAC is under a duty to secure the maintenance of an efficient and effective police force. Under paragraph 7 of schedule 3 of the 2011 Act MOPAC may do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of its functions. Under section 79 of the Act, MOPAC must have regard to the Policing Protocol when exercising its functions. The Policing Protocol provides that PCCs (including MOPAC) as recipient of all funding, must determine how this money is spent.

4.2 MOPAC/MPS as statutory bodies must only budget for activities that fall within its statutory powers. Under the Scheme of Delegation and Consent the DMPC must approve any budget movement for £500,000 or above. Under Financial Regulations all decisions in relation to the transfer in and out of reserves will be made by the DMPC.

5 Equality Comments

5.1 Equality and diversity implications have been considered and there are no negative impacts identified from the proposals.

6 Background/supporting papers

6.1 Appendix 1 MOPAC budget monitoring

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the MOPAC website within 1 working day of approval. Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of **this** form to be deferred? NO

If yes, for what reason:

Until what date (if known):

Is there a **part 2** form –NO

If yes, for what reason:

ORIGINATING OFFICER DECLARATION:

<i>Tick to confirm statement (✓)</i>	
Head of Unit: Alex Anderson has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓
Legal Advice: The MPS legal team has been consulted on the proposal.	✓
Financial Advice: The Chief Finance Officer has been consulted on this proposal.	✓
Equalities Advice: Equality and diversity issues are covered in the body of the report.	✓

OFFICER APPROVAL**Chief Operating Officer**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

Signature**Date**