

4 YEAR REVENUE BUDGETS & FORECASTS 2014/15 TO 2017/18

Category	2014/15 Original Budget	2014/15 Latest Outturn	2015/16 Original Budget	2016/17 Indicative Forecast	2017/18 Indicative Forecast
	£000	£000	£000	£000	£000
EXPENDITURE					
Employees	82,284	86,405	83,276	83,534	84,380
Premises	4,906	4,893	3,192	3,033	3,087
Transport	2,431	2,121	2,144	2,175	2,192
Supplies and Services	11,131	19,602	12,636	11,328	11,533
Third Party Payments	1,171	2,033	5,897	5,597	5,536
Central Support Services	2,555	2,750	3,705	3,732	3,759
Police Contribution to the Accommodation Project	500	500	252	0	0
Revenue Contribution to Capital	1,000	2,364	1,000	0	0
Total expenditure	105,978	120,668	112,102	109,399	110,487
INCOME					
Government Grants	(27,108)	(36,083)	(36,217)	(33,901)	(34,018)
Other Grants	(11,554)	(11,457)	(12,940)	(12,937)	(12,859)
Customer Client Receipts	(2,337)	(5,177)	(2,917)	(3,185)	(3,216)
Transfer to/(from) POCA Reserves	0	1,416	(563)	(617)	(500)
Transfer to/(from) Accommodation Strategy Reserve	(500)	(500)	(252)	0	0
Total Income	(41,499)	(51,801)	(52,889)	(50,640)	(50,593)
Total Net Expenditure	64,479	68,867	59,213	58,759	59,894
FUNDING					
Funded By:					
Home Office Core Grant	(19,715)	(19,715)	(18,500)	(17,557)	(16,661)
CLG Core Grant	(35,509)	(35,509)	(33,900)	(32,171)	(30,530)
Business Rate Premium - General	(4,139)	(4,139)	(4,139)	(4,139)	(4,139)
Business Rate Premium - NLF	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Total Resources (Cash Limit)	(60,363)	(60,363)	(57,539)	(54,867)	(52,330)
Forecast (Surplus)/Deficit	4,116	8,504	1,674	3,892	7,564
General Reserve					
General Reserve at 1 April	(13,872)	(14,398)	(5,894)	(4,220)	(328)
Revenue Contribution to Capital	1,000	1,000	1,000	0	0
Brought Forward Commitments	0	1,706	0	0	0
Business as Usual (Underlying Deficit)	2,466	1,921	287	3,892	7,564
"Committed" /"Earmarked" One off Expenditure	650	3,877	387	0	0
Total Expected Use of Reserves	4,116	8,504	1,674	3,892	7,564
General Reserve at 31 March - (in-hand) / overdrawn	(9,756)	(5,894)	(4,220)	(328)	7,236
Police Accommodation Strategy Reserve					
Police Accommodation Strategy Reserve at 1 April	(1,000)	(752)	(252)	0	0
Accommodation Project Expenditure	500	500	252	0	0
Police Accommodation Strategy Reserve at 31 March	(500)	(252)	0	0	0
POCA Reserve					
POCA Reserve at 1 April	(1,510)	(2,311)	(3,727)	(3,164)	(2,547)
Forecast POCA receipts	0	(2,222)	(252)	0	0
"Committed" One off Expenditure	0	229	315	117	0
Contribution to revenue expenditure	0	577	500	500	500
POCA Reserve at 31 March	(1,510)	(3,727)	(3,164)	(2,547)	(2,047)

KEY BUDGET ASSUMPTIONS	2014/15	2015/16	2016/17	2017/18	Assumption 'owner'
	Original Budget	Original Budget	Indicative Forecast	Indicative Forecast	
PAY COSTS					
POLICE OFFICERS					
Budgeted Police Officer Full Time Equivalent (FTE) as at 1 April (excludes Seconded Officers)	740.0	730.5	730.5	730.5	Ian Dyson
<i>Budgeted FTEs in directorates</i>	740.0	728.5	728.5	728.5	Ian Dyson
<i>Budgeted costs held in Central Budgets - (difference between 730.5 FTE and 728.5FTE) (FTE)</i>	0.0	2.0	2.0	2.0	Ian Dyson
<i>Budgeted costs held in Central Budgets - (difference between 730.5 FTE and 728.5FTE) (£000)</i>	0	123	127	129	Ian Dyson
Police Officer Vacancy Factor (£000) - 1% on gross costs for 730.5 FTE	0	(451)	(465)	(473)	Ian Dyson
Police Officers Inflation - all pay	1.0%	1.0%	1.0%	1.0%	Eric Nisbett
POLICE STAFF					
Budgeted Police Staff FTE - agreed with Assistant Commissioner on 12.12.14	480.0	450.0	410.0	410.0	Ian Dyson
Efficiency Target - Budgeted costs held in Central Budgets - (difference between Actual FTE (485.7 FTE) and target FTE (450 / 410 FTE) (FTE)	0	(35.7)	(75.7)	(75.7)	Ian Dyson
Efficiency Target - Budgeted costs held in Central Budgets - (difference between Actual FTE (485.7 FTE) and target FTE (450 / 410 FTE) (£000)	0	(1,584)	(3,498)	(3,544)	Ian Dyson
<i>ECD Funded Posts - not in ECD - Budgeted FTE (assumed in Budgeted Police Staff (FTE)</i>	0	17	17	17	
<i>ECD Funded Posts - not in ECD - (assumed in Budgeted Police Staff (£000)</i>	0	703	742	750	
Police Staff Vacancy Factor (£000) - 5% on gross costs	(250)	(998)	(947)	(960)	Ian Dyson
Police Staff basic pay inflation	1.0%	1.25%	1.25%	1.25%	Eric Nisbett
Police Staff London weighting pay inflation	1.0%	3.0%	3.0%	3.0%	Eric Nisbett
SECONDED OFFICERS					
Seconded Officers FTE	17	17	17	17	Ian Dyson
Budgeted Pay Cost of Seconded Officers (£000)	1,016	1,221	1,276	1,295	Ian Dyson
Costs of Seconded Officers Recovered (£000) - included in assumed Income budgets	(1,016)	(1,221)	(1,276)	(1,295)	Ian Dyson
NON - PAY COSTS					
Non-pay Inflation (cash limited spend)	1.9%	1.0%	1.0%	1.0%	Eric Nisbett
Accommodation Programme (New Street Lease exit) (£000)	0	0	(350)	(700)	Eric Nisbett
Accommodation Programme (Closure of Bishopsgate and Snow Hill) (£000)	0	0	0	0	Eric Nisbett
Contribution to Accommodation Programme (£000)	500	252	0	0	Ian Dyson
Revenue Supplement to Capital Programme (£000)	1,000	1,000	0	0	Ian Dyson
Overall IT spend across the Force (£000)	5,683	6,116	5,507	5,476	Graham Bell
CENTRAL SUPPORT SERVICES FROM Corporation of London					
Total Central Support Services from CoL (includes FM Contribution for Guildhall Yard East (GYE) £1m - £606k recovered from ECD externally funded units) (£000) (Assumes 1% increase year on year except for Contribution to FM costs for GYE)	2,750	3,705	3,732	3,759	Adrian Leppard / Ian Dyson
CORE GRANTS					
Police Formula Grant Reduction	(3.30%)	(5.10%)	(5.10%)	(5.10%)	Eric Nisbett
CLG Core Grant Reduction (plus assumption re 'non-pay inflation' cash limit)	(3.30%)	(5.10%)	(5.10%)	(5.10%)	Eric Nisbett
Home Office Grant and CLG Core Grants (£000)	(55,224)	(52,400)	(49,728)	(47,191)	Eric Nisbett
Business Rate Premium - General (£000)	(4,139)	(4,139)	(4,139)	(4,139)	Ian Dyson / Eric Nisbett
Business Rate Premium - National Lead Force (£000)	(1,000)	(1,000)	(1,000)	(1,000)	Ian Dyson / Eric Nisbett
SPECIFIC GRANTS					
Grant for Dedicated Security Posts (£000) (includes Capital City Funding for 2016/17 & 2017/18)	(5,261)	(5,963)	(6,500)	(6,500)	Wayne Chance
Capital City Funding (£000)	(2,450)	(2,800)	0	0	Wayne Chance
INCOME					
ECD Management Fee contributions to revenue expenditure (£000)	0	(976)	(904)	(949)	Adrian Leppard
Income - (£000) SEE INCOME SCHEDULE - Appendix C	(41,499)	(52,889)	(50,640)	(50,593)	
Notional rent for GYE charged to funded unit (assumed in income figures) (£000)	0	(600)	(600)	(600)	
Forecast Use of Reserves (Underlying Revenue Deficit) (£000)	(2,466)	(287)	(3,892)	(7,564)	Ian Dyson
Forecast Use of Reserves (One Off Expenditure) (£000)	(1,650)	(1,387)	0	0	Ian Dyson
POCA contributions to revenue expenditure (£000)	0	(815)	(617)	(500)	Ian Dyson

INCOME SCHEDULE	2014/15	2014/15	2015/16	2016/17	2017/18
	Original	Latest	Original	Indicative	Indicative
	Budget	Outturn	Budget	Forecast	Forecast
	£000	£000	£000	£000	£000
Specific					
National Lead Force	(2,853)	(2,852)	(2,853)	(2,882)	(2,998)
National Fraud Intelligence Bureau	(4,756)	(10,732)	(9,651)	(9,651)	(9,651)
Regional Fraud Team	(333)	(458)	(239)	(243)	(247)
Pensions	(11,345)	(13,992)	(14,487)	(14,487)	(14,487)
Dedicated Security Posts (DSP) - including Explosive Ordnance Disposal (EOD)	(5,261)	(5,420)	(5,963)	(6,500)	(6,500)
Capital City	(2,450)	(2,450)	(2,800)	0	0
Prevent	(110)	(100)	(188)	(106)	(106)
Others	0	(79)	(36)	(32)	(29)
Total Government Grants	(27,108)	(36,083)	(36,217)	(33,901)	(34,018)
Other Grants					
Dedicated Cheque and Plastic Crime Unit (DCPCU)	(2,422)	(2,327)	(2,422)	(2,505)	(2,537)
Insurance Fraud Enforcement Bureau (IFED)	(2,919)	(3,092)	(3,880)	(3,880)	(3,880)
Op Skynet	0	0	(287)	(192)	0
Police Intellectual Property Crime Unit (PIPCU)	(1,186)	(1,439)	(1,470)	(1,424)	(1,487)
Overseas Anti-Corruption Unit - Department for International Development	(1,270)	(1,358)	(1,350)	(1,350)	(1,350)
London Safety Camera Partnership	(300)	(294)	(300)	(300)	(300)
Safer Transport	(1,200)	(1,197)	(1,450)	(1,450)	(1,450)
Seconded Officers	(1,016)	(1,264)	(1,221)	(1,276)	(1,295)
Others	(1,241)	(486)	(560)	(560)	(560)
Total Other Grants	(11,554)	(11,457)	(12,940)	(12,937)	(12,859)
Customer and Client Receipts					
Fraud Academy income	(814)	(196)	(1,405)	(1,640)	(1,640)
Bank of England	(571)	(647)	(800)	(800)	(800)
Others	(952)	(4,334)	(712)	(745)	(776)
Total Customer and Client Receipts	(2,337)	(5,177)	(2,917)	(3,185)	(3,216)
Transfer from Reserves					
General Reserves	0	0	0	0	0
Police Contribution to the Accommodation Project	(500)	(500)	(252)	0	0
Proceeds of Crime Act (POCA) Reserves	0	1,416	(563)	(617)	(500)
Total Transfer from Reserves	(500)	916	(815)	(617)	(500)
TOTAL INCOME	(41,499)	(51,801)	(52,889)	(50,640)	(50,593)

ECONOMIC CRIME DIRECTORATE INCOME SCHEDULE	2014/15	2014/15	2015/16	2016/17	2017/18	Notional	Status
	Original Budget	Latest Outturn	Original Budget	Indicative Forecast	Indicative Forecast	End Date	
Funding Stream	£000	£000	£000	£000	£000		
DCPCU *	(2,422)	(2,327)	(2,422)	(2,422)	(2,422)	31/12/15	Rolling contract. Budget agreed annually.
DCPCU Op Sandpiper	(253)	(189)	0	0	0	31/03/15	
Fraud	0	(66)	0	0	0		
Fraud Investigations	(23)	(7)	0	0	0		
IFED *	(2,919)	(3,092)	(3,880)	(3,880)	(3,880)	31/12/17	
National Fraud Intelligence Bureau *	(10,826)	(10,732)	(9,880)	(9,880)	(9,880)	31/03/15	Budget agreed annually.
National Lead Force	(2,853)	(2,758)	(2,853)	(2,882)	(2,998)	31/03/15	Budget agreed annually.
Operation Boldo	0	(34)	0	0	0		
Op Hyphae	(104)	(90)	0	0	0	31/07/15	
Op Skynet	0	0	(287)	(192)	0	31/12/16	
Overseas Anti-Corruption Unit - DFID *	(1,270)	(1,358)	(1,350)	(1,350)	(1,350)	31/03/16	
PIPCU *	(1,439)	(1,439)	(1,470)	(1,424)	(1,487)	30/06/17	Current contract expires 30/6/2015 but 2 years additional has been agreed.
Regional Fraud Team	(333)	(458)	(239)	(243)	(247)	31/03/15	Assumes budget agreed annually
Total ECD Grant	(22,442)	(22,551)	(22,381)	(22,273)	(22,264)		

* includes "ECD Management Fee" (Contribution to Overheads)

4 YEAR CAPITAL BUDGETS & FORECASTS 2014/15 TO 2017/18

Project Name	2014/15 Latest Outturn	2015/16 Original Budget	2016/17 Indicative Forecast	2017/18 Indicative Forecast
Expenditure	£000	£000	£000	£000
Digital Interview Recorders	19	0	0	0
Vehicle Replacement 2013-14	133	0	0	0
Desktop Refresh	1,057	0	0	0
ANPR Back Office	15	0	0	0
ANPR In-Car	2	0	0	0
ANPR Transportable	0	0	0	0
ACESO Digital Forensic Phase 1	13	0	0	0
Know Fraud Upgrade	238	0	0	0
Know Fraud Disaster Recovery	272	0	0	0
HR Hardware Refresh	0	0	0	0
Mobile Working Services	354	0	0	0
Network Refresh & Upgrade' and 'Data Storage & Application Hosting'	31	400	0	0
Crime Recording and Intelligence System	0	700	0	0
Vehicle Replacement Programme 2014-15	250	173	250	250
Ring of Steel (Video Management System)	561	0	0	0
Telephony Refresh & Data Consolidation	294	0	0	0
HR Software Refresh	0	88	0	0
ACESO Digital Forensic Phase 2	80	0	0	0
Know & Action Fraud Replacement	0	0	0	0
Body Worn Video Devices	85	0	0	0
IT Server 2003 Upgrade	0	60	0	0
IL4 Infrastructure Refresh	0	150	0	0
HR Software Refresh (Enhancements/final phase)	0	55	0	0
Ring of Steel (ANPR/CCTV Upgrade)	0	150	0	0
Pipeline Projects	414	34	479	406
Total Programme Expenditure	3,819	1,810	729	656
Funded By				
Home Office Capital Grant *	(900)	(810)	(729)	(656)
Revenue Contribution	(1,000)	(1,000)		
Brought forward underspends	(1,364)			
2013/14 Brought forward POCA Funding for Vehicles	(30)			
2013/14 Brought forward Disaster Recovery Funding	(272)			
2014/15 Home Office Innovation Grant - Geo Mapping (Mobile Working Project) **	(20)			
2014/15 Home Office Innovation Grant - Ring of Steel **	(154)			
2014/15 Home Office Innovation Grant - Body Worn Video Cameras **	(59)			
2014/15 Proceeds from Sale of Vehicles	(20)			
Total Income	(3,819)	(1,810)	(729)	(656)
Funding Available / (Funding Gap)	(0)	0	0	0

* Assumes 10%, year on year reduction in Home Office Capital Grant

** Home Office Innovation Funding must be spent by 31 March 2015 or will be lost