

RECORD OF DECISION

TITLE: West Mercia – Use of Reserve Funding in 2017-18

Ref: PCC/D/2017/14

EXECUTIVE SUMMARY

It is recommended that £80,000 be drawn down from reserves to meet one-off or specific project costs in 2017-18, including IT software and increased consultancy and survey costs.

PROPOSAL

The costs for 3 significant areas of work undertaken by the PCC's office, not included within current year budgets will now be incurred in 2017-18. These include:

The carrying out of a focused and in-depth customer survey to assess the effectiveness, perception and confidence in the police and the PCC across the region. The survey results will help to inform delivery of the PCC's plan and priorities, in addition to providing a basis for comparison throughout the PCC's term of office using quarterly data samples and analysis. The cost of this work is anticipated to be approximately £25,000.

Some additional work has also been required on the fire consultation and collaboration work across West Mercia that commenced in 2016-17 and continued into 2017-18. The public consultation period closed on 11th September 2017. The cost of this work is anticipated to be in the region of £22,000.

The third area of spend is related to the IT system and development work the PCC is undertaking to enhance its performance management reporting. Effective performance monitoring and reporting is critical in terms of the PCC's role and holding the Chief Constable to account and the new system should enable this process to be streamlined, with increased transparency and improved reporting capabilities. The estimated IT software and associated costs are £33,000.

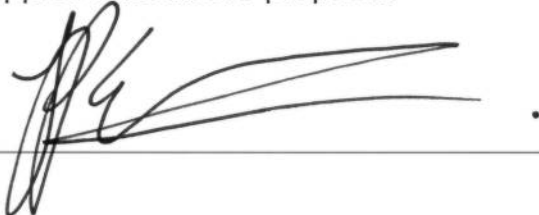
The total cost of £80,000 for these projects was not specifically built into the PCC's 2017/18 base budget. Therefore, these costs will need to be financed via a drawdown from reserves in the current year. This £80,000 drawdown will not significantly affect the reserve levels or MTFP, as significant contributions to reserves were made at the end of 2016-17, due to the underspends and efficiency savings generated in that year by the PCC's office. One-off or significant spending of this nature is not routinely included in base budgets and funding of any similar issues throughout the remainder of the year would also need to be considered in a

similar manner. Total West Mercia reserves at the end of 2016-17 were £53.491m, and are anticipated to reduce to approximately £22.5m by the end of 2020/21 as per the Medium Term Financial Plan

**APPROVAL OF
West Mercia Police and Crime Commissioner**

I hereby approve the above proposal.

Signed



FINANCIAL COMMENTS

The drawdown from reserves of £80,000 is required to fund these three key areas of work within the PCC's office in 2017-18. These are significant additional costs that were not included in the PCC's base budget in 2017-18. The PCC office contributed toward reserve balances due to increased underspends at the end of 2016-17, and therefore this transfer from reserves will not significantly affect the current reserves strategy included in the Medium Term Financial Plan, which will be reviewed again as part of the budget setting process for 2018/19.

LEGAL CONSIDERATIONS

By virtue of schedule 11, paragraph 14 of the Police Reform and Social Responsibility Act 2011 the Police and Crime Commissioner may do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of the functions of commissioner. That includes: entering into contracts and other agreements (whether legally binding or not) and acquiring and disposing of property (including land).

PUBLIC ACCESS TO INFORMATION

Information in this form is subject to the Freedom of Information Act 2000 (FOI Act) and other legislation. Part 1 of this form will be made available on the West Mercia Commissioner's website. Any facts and advice that should not be made automatically available on request are not included in Part 1 but instead in a separate Part 2 report. There is no Part 2 report.

OFFICER APPROVAL

Chief Executive Officer

Signature  Date ...6th November 2017...