

Chief Constables' Council

NPCC and NPoCC 2016/17 Budget and Funding

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Attachments at paragraph	Appendix 1 and Appendix 2

1. PURPOSE

- 1.1. This paper proposes a budget for National Police Chiefs' Council (NPCC) Central Office and National Police Coordination Centre (NPoCC) for 2016/17 and sets out the funding contribution requested from forces. Contributions from forces to the 2016/17 NPCC budget remain at the same level as 2015/16. NPoCC budget has reduced by 5% and all forces will see a reduction in contribution request.

2. 2016/17 FUNDING FORMULA

- 2.1 NPCC and NPoCC have reviewed the principles underlying the funding formula for contributions to the 2016/17 budget:
- To standardise funding arrangements for NPCC and NPoCC
 - To allow for issues in receiving funding from Police Scotland
 - To clarify alignment of Home Office funded forces with their Home Office funding share
 - To allow for differences in funding requirements from non-Home Office forces according to their level of collaboration (which may vary between NPCC and NPoCC).
- 2.2 Attachment at appendices [one](#) and [two](#) lay out the proposed contribution of all forces and show a comparison to their 2015/16 contribution.
- 2.3 It is recognised that the level of collaboration between NPCC and NPoCC and the non-Home Office forces will vary and there is a need to negotiate the funding level separately.
- 2.4 Chief constables are asked to note that funds have not been received from Police Scotland by either NPCC or NPoCC for 2015/16 and it is anticipated that it will take some time before a legal framework for collaboration has been agreed to allow this to happen.



- 2.5 NPCC will carry forward funds to cover the contribution for Scotland to meet the budget requirements.

3. NPCC CENTRAL OFFICE BUDGET 2016/17

NPCC - PN002		2015/16 Budget	2015/16 Forecast Outturn	Variance 2015/16 budget	2016/17 Budget	Var to 2015/16 Forecast Outturn
EXPENDITURE						
Pay and Allowances		900,314	841,681	-58,633	941,344	99,663
Travel and Subsistence		0	14,907	14,907	15,000	93
Audit and Assurance		15,000	12,000	-3,000	12,000	0
Training			200	200	5,000	4,800
Accommodation		255,175	232,125	-23,050	343,000	110,875
Office Costs	IT Support & Maintenance	27,074	54,763		28,000	
	IT Connectivity		17,665		10,260	
	Office Equipment		3,453		2,100	
	Recruitment		2,994		3,000	
	Subscriptions/Fees	13,000	19,908		12,000	
	Sundries	72,000	44,699		45,000	
Office Costs		112,074	143,482	31,408	100,360	-43,122
Telephones		0	3,994	3,994	3,730	-264
Hosting Costs Total		34,049	34,049	0	34,049	0
Contingency (Police Reform)			53,840	53,840		-53,840
Total Expenditure		1,316,612	1,336,278	19,666	1,454,483	118,205
INCOME						
Income	Carried Forward				-84,021	
	Event Management	0	-21,021			
	CPI	0	-30,000		-15,000	
	Funding	-1,359,155	-1,369,278		-1,355,462	13,816
Income Total		-1,359,155	-1,420,299	-61,144	-1,454,483	-34,184
INCOME AND EXPENDITURE NET		-42,543	-84,021		0	

- 3.1 NPCC is requesting funding contributions from forces at the same level as 2015/16 (with the exception of a reduced contribution from PSNI).
- 3.2 £84K will be carried forward from 2015/16 to cover contributions from Scotland and the reduced contribution from PSNI.
- 3.3 The funding required to cover the budget for 2016/17 is at the same level as budgeted in 2015/16 (given that 2015/16 the budget was set without a contribution from Scotland). This was achievable due to known staffing vacancies during the period. Loss of this revenue in 2016/17 will not support full staffing levels.
- 3.4 Staffing costs will rise by £100K (12%). In 2015/16 staffing costs were budgeted at actual levels allowing for the gaps in recruiting new members (six months of Director of Communications and Strategic Planning Manager and three months of Chief of Staff). The 2016/17 budget accounts for a full year of all staff.

- 3.5 Accommodation cost will rise by 48% following a formal review of the rent on 10 Victoria Street by the new landlords (+£103K). This has prompted an urgent search for cheaper accommodation and negotiations are underway to move into a smaller footprint in 10 Victoria Street.
- 3.6 A service charge for ACPO CPI's use of facilities at 10 Victoria Street has been budgeted for six months prior to a proposed relocation to MOPAC.
- 3.7 Funding and budget for the police reform work are accounted for and submitted as a separate cost centre.

4. NPOCC BUDGET 2016/17

NPOCC - PN001	2015/16 Budget	2015/16 Forecast Outturn	Variance 2015/16	2016/17 Budget	Var to 2015/16 Outturn
EXPENDITURE					
Pay and Allowances	1,500,409	1,208,900	-291,509	1,065,000	(143,900)
Consultancy support - Threat and Risk				304,789	304,789
Accommodation	352,000	346,960	-5,040	380,000	33,040
IT Services	100,000	100,000	0	106,000	6,000
Travel and Subsistence	69,000	69,000	0	69,000	0
Other - Office supplies & services	31,000	31,000	0	31,000	0
HR & Finance Support (MPS)	68,000	74,696	6,696	51,000	(23,696)
Activity cost <i>Capacity & Capability</i>	32,000	32,000	0		(32,000)
<i>Testing & exercising</i>	30,000	30,000	0	20,000	(10,000)
<i>Contingency - spontaneous activation</i>	120,000	120,000	0	45,000	(75,000)
<i>Communication & Reporting</i>	10,000	10,000	0	25,000	15,000
Activity costs subtotal:	192,000	192,000	0	90,000	(102,000)
IT development				100,000	100,000
Total:	2,312,409	2,022,556	-289,853	2,196,789	174,233
INCOME					
Funding	-2,354,314	-2,251,875	102,439	-2,196,789	
INCOME AND EXPENDITURE NET	-41,905	-229,319		0	

- 4.1. There is a 5% reduction (£115,620) in the requested funding arrangements for NPoCC in 2016/17.
- 4.2. There is funding of £305k available to support work on specialist capabilities.
- 4.3. The staffing costs for 2015/16 will be £144K lower than the forecast outturn for 2015/16 and £435K lower than the 2015/16 budget.
- 4.4. Improvements to the Mercury IT system, more refined processes and a levelling off of the 'build phase' of NPoCC (as work streams mature towards business as usual) have allowed more streamlined staffing requirements despite an overall 42% increase in demand for mutual aid (Dec. 2014 to Nov. 2015).

- 4.5. An external review of the staffing structure has been conducted by Hampshire Police. This has led to a proposed reduction of four positions (two Chief Inspectors, an Inspector and a staff role).
- 4.6. The contingency budget for surging staffing levels in crisis has been set at £45k which represents a £75k reduction on 2015/16 following improved confidence in the national Regional Information Coordination Centres (RICC) structure and the Mobilisation APP.
- 4.7. Accommodation costs at 10 Victoria Street are expected to rise by 100% however the cost is offset by planned, per capita, contributions from UKDVI and JIPH.

5. CONCLUSION

- 5.1. Chief Constables' Council are asked to consider and approve:
 - i. The proposed changes to the funding formula for 2016/17
 - ii. The NPCC central budget for 2016/17
 - iii. The NPoCC Budget for 2016/17.

Sara Thornton

Chief Constable

NPCC Chair