

Chief Constables' Council

NPCC 2017/18 Budget and Funding

26 January 2017/Agenda item: 23.1

Security classification:	Not Protectively Marked
Disclosable under FOIA 2000:	Yes
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Force/organisation:	NPCC
Date created:	4 January 2017
Attachments at paragraph	2.2 and 3.1.1

1. PURPOSE

- 1.1. This paper proposes a budget for the National Police Chiefs' Council (NPCC) Central Office for 2017/18 and sets out the funding contribution requested from Funding Parties.
- 1.2. Chief Constables are asked to approve the 2017/18 budget and agree to the contribution of £1,326K to sustain the activity of the NPCC Central Office.

2. 2017/18 FUNDING REQUIREMENTS

- 2.1 NPCC is requesting contributions from funding parties at the same level as 2016/17 (this reflects a reduced contribution from PSNI and MDP).
- 2.2 The attachment at appendix 1 details the proposed contribution of all forces.
- 2.3 Chief constables are asked to note that funds were not received from Police Scotland in 2015/16 and were written off in 2016/17. No funding was budgeted in 2016/17 whilst negotiation over a legal framework for collaboration was discussed. The position remains unchanged and no funding has been budgeted for 2017/18.
- 2.4 NPCC will carry forward funds to cover the contribution for Scotland to meet the budget requirements.

3. NPCC CENTRAL OFFICE BUDGET 2017/18

3.1 Expenditure.

- 3.1.1 Expenditure to support the NPCC Central Office in 2017/18 is detailed in Appendix 2 with explanatory notes.



- 3.1.2 Expenditure will increase by £35K (2%) due mainly to higher staffing costs. Savings are expected in other areas.
- 3.1.3 Staffing costs will rise by £49K (5%) due to a 14% increase in permanent staff pay. This is partially offset by a reduction in temporary staff and secondment costs.
- 3.1.4 Rent at 10 Victoria Street is still under negotiation with a likely increase of 50% in total accommodation costs. As with 2016/17 we will accrue for the upper estimate of the increase until agreement is reached. Accommodation for the Chair was budgeted at a higher rate than the actual cost. 2017/18 budget therefore reflects the £20K saving.
- 3.1.5 The high level of legal cost to support the Pitchford Inquiry will continue in 2017/18.

2016/17 Forecast Outturn and 2017/18 Budget (based on p8 actuals)

Category	2016/17 Forecast Outturn	2016/17 Budget	2016/17 Forecast vs 2016/17 Budget	2017/18 Budget	2017/18 Budget vs 2016/17 Forecast Outturn
EXPENDITURE					
Staffing Total	947,481	953,344	-5,863	996,298	48,817
Travel and Subsistence	15,496	15,000	496	15,000	-496
Training	6,300	5,000	1,300	6,000	-300
Accommodation Total	322,521	343,000	-20,479	325,000	2,479
Legal Total	41,930	5,000	36,930	30,000	-11,930
Office Costs Total	36,348	55,000	-18,652	34,200	-2,148
Office Equipment	1,741	2,100	-359	2,000	259
IT Total	38,080	38,260	-180	38,000	-80
Phones Total	12,841	3,730	9,111	5,000	-7,841
MPS Service Charge	34,049	34,049	0	40,000	5,951
Grand Total	1,456,787	1,454,483	2,304	1,491,498	34,711
INCOME					
Funding receipts	-1,258,254	-1,355,462	97,208	-1,325,544	-67,290
Carried Forward	-174,581	-84,021	-90,560	-31,048	143,533
CPI Service Charge	-15,000	-15,000	0	-30,000	-15,000
APCC - s22A Legal cost	-10,000		-10,000		10,000
ACRO - Pitchford Legal costs	-30,000		-30,000	-25,000	5,000
ACPO - Reserves				-80,000	-80,000
Total Income	-1,487,835	-1,454,483	-33,352	-1,491,592	-3,757
Forecast Underspend	-31,048			-94	

3.2 Income.

- 3.2.1 Total income for 2017/18 is expected to be broadly the same level as 2016/17 at £1,492K (+£4K).
- 3.2.2 Income from Funding Parties will remain at the same level as 2016/17 although 2016/17 is reported as lower due to the 2015/16 write off of the contribution from Scotland.
- 3.2.3 £80K income is planned from ACPO reserves. This was expected in 2016/17 following completion of the voluntary insolvency process. This has been delayed due to ongoing litigation issues and funds are expected in 2017/18.

- 3.2.4 £91K additional income is expected: £31K underspend to be carried forward from 2016/17; £30K for the provision of office services to Police CPI and £30K from ACRO to cover the Pitchford Inquiry legal expenses.
- 3.2.5 Income is expected to equal expenditure, however if agreement can be reached on a funding mechanism for Scotland there will be £70K contingency.

4. CONCLUSION

- 4.1. Chief Constables' Council are asked to consider and approve:
 - i. Funding contributions from Parties
 - ii. The NPCC central budget for 2017/18

Sara Thornton

Chief Constable

NPCC Chair

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Appendix 1 NPCC FUNDING PARTIES' CONTRIBUTIONS 2016/17

Policing Bodies Funding Parties	Percentage of Total (FSS Share)	2016/17 Actual Contribution	2017/18 Funding Contribution	Difference
Avon & Somerset	2.2%	26,101	26,101	0.0%
Bedfordshire	0.9%	10,293	10,293	0.0%
Cambridgeshire	1.0%	11,826	11,826	0.0%
Cheshire	1.5%	17,671	17,671	0.0%
City of London	0.3%	3,035	3,035	0.0%
Cleveland	1.2%	14,320	14,320	0.0%
Cumbria	0.8%	9,858	9,858	0.0%
Derbyshire	1.4%	16,409	16,409	0.0%
Devon & Cornwall	2.3%	27,334	27,334	0.0%
Dorset	0.8%	9,572	9,572	0.0%
Durham	1.1%	13,404	13,404	0.0%
Dyfed-Powys	0.7%	7,979	7,979	0.0%
Essex	2.2%	25,996	25,996	0.0%
Gloucestershire	0.7%	8,685	8,685	0.0%
Greater Manchester	5.7%	66,959	66,959	0.0%
Gwent	1.0%	12,112	12,112	0.0%
Hampshire	2.6%	30,384	30,384	0.0%
Hertfordshire	1.5%	17,686	17,686	0.0%
Humberside	1.6%	18,798	18,798	0.0%
Kent	2.4%	28,130	28,130	0.0%
Lancashire	2.5%	29,873	29,873	0.0%
Leicestershire	1.5%	17,236	17,236	0.0%
Lincolnshire	0.8%	9,362	9,362	0.0%
Merseyside	3.3%	39,160	39,160	0.0%
Metropolitan Police	24.6%	290,016	290,016	0.0%
Norfolk	1.1%	12,833	12,833	0.0%
North Wales	1.0%	11,751	11,751	0.0%
North Yorkshire	1.0%	11,240	11,240	0.0%
Northamptonshire	0.9%	11,045	11,045	0.0%
Northumbria	3.1%	36,635	36,635	0.0%
Nottinghamshire	1.7%	20,572	20,572	0.0%
South Wales	2.2%	26,552	26,552	0.0%
South Yorkshire	2.5%	29,918	29,918	0.0%
Staffordshire	1.5%	17,641	17,641	0.0%
Suffolk	0.9%	10,398	10,398	0.0%
Surrey	1.3%	14,922	14,922	0.0%
Sussex	2.1%	24,899	24,899	0.0%
Thames Valley	3.0%	34,847	34,847	0.0%
Warwickshire	0.7%	7,934	7,934	0.0%
West Mercia	1.5%	17,867	17,867	0.0%
West Midlands	6.0%	70,325	70,325	0.0%
West Yorkshire	4.2%	49,318	49,318	0.0%
Wiltshire	0.8%	9,557	9,557	0.0%
Total	100.0%	1,180,454	1,180,454	0.0%

Other Police Organisation Funding Parties		2016/17 Contribution	2017/18 Contribution	Difference
BTP		29,918	29,918	0.0%
MOD		29,918	10,000	-66.6%
CNC		3,035	3,035	0.0%
Isle of Man		3,035	3,035	0.0%
Cyprus		3,035	3,035	0.0%
Guernsey		3,035	3,035	0.0%
Jersey		3,035	3,035	0.0%
Gibraltar		3,035	3,035	0.0%
Army		15,000	15,000	0.0%
RAF		15,000	5,000	-66.7%
PSNI		66,959	66,959	0.0%
Scotland		0	0	0.0%
Other Police Bodies (inc. PSNI and Scotland)		175,008	145,090	-17.1%

Total NPCC Funding Contributions		2016/17 Contribution	2016/17 Contribution	Difference
Policing Bodies Funding Parties FSS Formula		1,180,454	1,180,454	0.0%
Other Police Organisations Funding Parties Formula		175,008	145,090	-17.1%
Total Funding		1,355,462	1,325,544	-2.2%

Appendix 2: 2016/17 Forecast Outturn and 2017/18 Budget (based on p8 actuals)

Category	2016/17 Forecast	2016/17 Budget	2016/17 Forecast vs 2016/17 Budget	2017/18 Budget	2017/18 Budget vs 2016/17 Forecast	Notes
EXPENDITURE						
Staffing Total	947,481	953,344	-5,863	996,298	48,817	1
Travel and Subsistence	15,496	15,000	496	15,000	-496	
Training	6,300	5,000	1,300	6,000	-300	
Accommodation Total	322,521	343,000	-20,479	325,000	2,479	2
Legal Total	41,930	5,000	36,930	30,000	-11,930	3
Office Costs Total	36,348	55,000	-18,652	34,200	-2,148	
Office Equipment	1,741	2,100	-359	2,000	259	
IT Total	38,080	38,260	-180	38,000	-80	
Phones Total	12,841	3,730	9,111	5,000	-7,841	4
MPS Service Charge	34,049	34,049	0	40,000	5,951	5
Grand Total	1,456,787	1,454,483	2,304	1,491,498	34,711	
INCOME						
Funding receipts	-1,258,254	-1,355,462	97,208	-1,325,544	-67,290	6
Carried Forward	-174,581	-84,021	-90,560	-31,048	143,533	
CPI Service Charge	-15,000	-15,000	0	-30,000	-15,000	
APCC - s22A Legal cost	-10,000		-10,000		10,000	7
ACRO - Pitchford Legal costs	-30,000		-30,000	-25,000	5,000	8
ACPO - Reserves				-80,000	-80,000	9
Total Income	-1,487,835	-1,454,483	-33,352	-1,491,592	-3,757	
Forecast Underspend	-31,048			-94		

Notes:

1. Staffing costs	Staffing cost will increase by 5% due to a 14% increase in permanent staff pay. This is partially offset by a reduction in temps and secondment costs.
2. Accommodation	Rent at 10VS is still under negotiated, as with 2016/17 we will accrue for the upper level of the increase until agreement is reached. Accommodation for the Chair was budgeted at a higher rate than the actual.
3. Legal Costs	It is anticipated that the level of legal support for Pitchford Inquiry will continue in 2017/18. 2016/17 legal costs include a revision of s22A and are not anticipated to be as high in 2017/18.
4. Phones	A one off upgrade for all staff to IPAD/iPhone use in 2016/17 will not be repeated in 17/18. 2016/17 includes a £4K charge to replace Home Office provided phones with MPS lines from BT. Call charges are expected to remain the same in 2017/18.
5. MPS Service Charge	An increase of £6K has been budgeted to cover higher than anticipated transaction levels.

6. Funding receipts	Income required from funding parties will remain at the same level as 2016/17. £97K funding shortfall in 2016/17 included £70K write off from 2015/16 for funds not received from Scotland and lower than budgeted receipts from PSNI and MDP. Police Scotland contribution has not been included in the 2017/18 budget.
7. ACRO	ACRO will be providing funds to cover legal costs for the Pitchford Enquiry since it relates to record searches for Rule 9 requests.
8. APCC	APCC will provide £10K from transition fund to cover legal costs for revision of NPCC s22A agreement.
9. ACPO Reserves	£80K residual reserved from ACPO was expected in 2016/17; however it will now be transferred in 2017/18 due to delays caused by outstanding litigation.