Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
At 24th January 2014

Assumption Base Growth	Assumption Precept Growth	Base Growth	Precept Growth	Total Growth	Increase / (Decrease)
%	%	£	£	£	£
1.40%	5.00%	572,444	2,078,170	2,650,614	973,028
1.40%	4.50%	572,444	1,870,563	2,443,007	765,421
1.40%	4.00%	572,444	1,662,956	2,235,400	557,814
1.40%	3.70%	572,444	1,537,133	2,109,577	431,991
1.40%	3.50%	572,444	1,455,348	2,027,792	350,206
1.40%	3.25%	572,444	1,350,496	1,922,940	245,354
1.40%	3.00%	572,444	1,247,741	1,820,185	142,599
1.40%	2.99%	572,444	1,243,547	1,815,991	138,405
1.40%	2.75%	572,444	1,142,889	1,715,333	37,747
1.40%	2.66%	572,444	1,105,142	1,677,586	0
1.40%	2.50%	572,444	1,040,134	1,612,578	-65,008
1.40%	2.25%	572,444	935,282	1,507,726	-169,860
1.40%	2.00%	572,444	830,430	1,402,874	-274,712
1.40%	1.75%	572,444	727,674	1,300,118	-377,468
1.40%	1.50%	572,444	622,822	1,195,266	-482,320
1.40%	1.25%	572,444	520,067	1,092,511	-585,075
1.40%	1.00%	572,444	415,215	987,659	-689,927
1.40%	0.75%	572,444	312,460	884,904	-792,682
1.40%	0.50%	572,444	207,608	780,052	-897,534
1.40%	0.25%	572,444	104,852	677,296	-1,000,290
1.40%	0.00%	572,444	0	572,444	-1,105,142

Appendix 1b

Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
At 24th January 2014

		(a)	(b)	(c)	(d)	(e)
		2013/14 Actual £'000s	2014/15 Proposed £'000s	2015/16 Forecast £'000s	2016/17 Forecast £'000s	2017/18 Forecast £'000s
1	Effect of Pay Awards and Increments	887	1,722	2,037	2,061	2,104
2	Non-Staff Inflation	600	394	535	570	607
3	Loss of Home Office Grant Funding	3,138	1,369	0	0	0
4	In Service Pressures / Developments	3,253	449	1,375	3,281	1,220
5	Identified Savings	-3,063	-516	-104	-104	-104
6	Unavoidable Cost Increases	4,816	3,417	3,844	5,808	3,826
7	Gross Budget Movement	4,816	3,417	3,844	5,808	3,826
8	Recurring Base Budget Brought Forward	115,499	120,316	123,733	127,577	133,385
9	Projected Budgetary Requirement	120,316	123,733	127,577	133,385	137,212
10	% Increase on Previous Years Base Budget	-5.10%	2.84%	3.11%	4.55%	2.87%
11	Funded from :					
12	Police Grant	(47,068)	(46,169)	(44,091)	(43,650)	(43,214)
13	Revenue Support Grant	(16,925)	(17,156)	(16,384)	(16,220)	(16,058)
14	National Non-Domestic Rates	(15,325)	(13,519)	(12,910)	(12,781)	(12,653)
15	Council Tax	(40,997)	(42,675)	(44,545)	(46,720)	(49,001)
16	**Total Funding**	(120,316)	(119,518)	(117,930)	(119,371)	(120,926)
17	**Projected Recurring Deficit / (Surplus) Before Efficiencies**	-	4,215	9,647	14,014	16,286
18	Efficiencies					
19	Accelerated Delivery / Additionality of Staying Ahead Scheme Savings	-	(831)	(831)	(831)	(831)
20	Future Year Staying Ahead Scheme Savings	-	(1,600)	(2,751)	(3,255)	(3,255)
21	Removal of Vacant CSO posts (34.3wte)	-	(1,126)	(1,137)	(1,148)	(1,160)
22	Forecast Establishment Volume Pressures	-	-	-	-	-
23	**Reserve Utilisation to offset reduced Precept Increase**	-	(658)	(1,449)	-	-
24	**Projected Recurring Deficit / (Surplus) After Efficiencies & Reserve Utilisation**	-	-	3,480	8,780	11,040

Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
Assumptions

Description	2013/14 Budgeted	2014/15 Proposed	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate	Source
Police Officers						
Pay Awards	1.00%	1.00%	1.00%	1.00%	1.00%	National ACPO Finance Lead
Police Staff						
Pay Awards	1.00%	1.00%	1.00%	1.00%	1.00%	National ACPO Finance Lead
Low Earner Pay Award	£250	£0	£0	£0	£0	Recurrent effect of consolidated pay award for 2012/13
Indirect Staff Costs	1.00%	1.00%	1.00%	1.00%	1.00%	National ACPO Finance Lead
Non Staff Inflation						
General (Including Rates)	3.00%	2.00%	2.00%	2.00%	2.00%	Based upon Bank of England Forecast Data and Welsh Force Comparisons
Utilities - Gas/Electric	5.00%	5.00%	5.00%	5.00%	5.00%	Based upon Bank of England Forecast Data and Welsh Force Comparisons
Utilities - Water	5.00%	5.00%	5.00%	5.00%	5.00%	Based upon Bank of England Forecast Data and Welsh Force Comparisons
Petrol	5.00%	5.00%	5.00%	5.00%	5.00%	Based upon Bank of England Forecast Data and Welsh Force Comparisons
Diesel	5.00%	5.00%	5.00%	5.00%	5.00%	Based upon Bank of England Forecast Data and Welsh Force Comparisons
Funding						
Police Funding	-1.57%	-4.76%	-4.50%	-1.00%	-1.00%	Final Police Settlement 2013/14, Provisonal Police Settlement 2014/15 and CFO Estimate
Council Tax Base Increase	0.30%	1.40%	0.88%	0.88%	0.88%	Actual Growth for 2014/15. Estimated for 2015/16 onwards - net of CT Support Scheme
Council Tax Precept Increase (Appendix 1b)	2.66%	2.66%	3.50%	4.00%	4.00%	Police and Crime Commissioner for Gwent - January 2014

Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
In-service Pressures and Developments 2014/15 to 2017/18

	Description	2014/15 £	2015/16 £	2016/17 £	2017/18 £	Narrative
1	BTCG Scheme Pump Priming	100,000	100,000	100,000	100,000	Recurrent funding for developments that arise during the financial year
2	Additional Bank Holiday Impact (Timing of Christmas, New Year and Easter)	130,000	360,000	(360,000)	120,000	Timing of Festive and Easter Bank Holidays mean that premium costs occur
3	Office Automation pump priming	112,000	0	0	0	Cessation of desktop Computer Hardware replacement cycle funding from Reserves
4	National Police ICT Services - Full Recovery Charging	143,123	0	0	0	Actual increase in costs from National Police ICT Services
5	PEACE TINDER Collaboration (SPOC Software)	8,000	0	0	0	Final Year of cost pick up from PEACE TINDER initiative
6	Zanzibar Licencing Fee - National Procurement System	(5,000)	0	0	0	Anticipated savings arising from implementation of National Procurement System
7	Injury Pension Payments	100,000	0	0	0	Increase to cover current expenditure profile
8	Mamhilad Block B Rental and Utility Costs	106,000	0	0	0	Costs arising from occupation of Block B
9	Estate Strategy Contingency	0	99,000	99,000	0	Contingent costs in relation to Headquarters proposals
10	Witness Care Service - previously provided by CPS	80,000	0	0	0	Loss of CPS support for joint case preparation posts
11	Wales Audit Office - Increase in fees	11,600	0	0	0	Increase of costs following introduction of Group Account status under PCC
12	Increase in Vetting Services	40,000	0	0	0	External costs arising from decommissioning of vetting software
13	Specialist On-call Resources SRS	14,000	0	0	0	Specialist out of hours costs to ensure IT functionality can be maintained
14	Public Confidence Surveys	30,000	0	0	0	To provide public confidence data at LPU level
15	Gwent Regional Collaboration Fund	15,000	0	0	0	Contribution towards projects supported by the Gwent Regional Collaboration Fund
16	Increased Cost of Policing Seasonal Football Matches	30,000	0	0	0	Increased neighbourhood policing during matches at Christmas and Easter
17	SRS Developments (net of anticipated savings)	79,000	0	0	0	Assessment of collaborative cost base requirements for 2014/15
18	NI implications of Single State Pension	0	0	2,541,000	0	Proposed move to a single state pension - likely impact on Employer National Insurance rates
19	Potential pension implication on police overtime/allowances	?	?	?	?	Further assessment needed to establish extent of cost pressure
20	Potential pension implication on police staff overtime/allowances	?	?	?	?	Further assessment needed to establish extent of cost pressure
21	Local Impact of NATO Summit - Autumn 2014	?	0	0	0	Assessment needed of local impact not covered by external funding
22	Planned Estates Works	80,000	0	0	0	Increase in Planned Estates maintenance due to retaining sites
23	Unplanned Estates Works	60,000	0	0	0	Increase in Unplanned Estates maintenance due to retaining sites
24	DIP Testing Drug Kit Purchases	25,000	0	0	0	Home Office funding withdrawal of test kits
25	Interest Receivable	53,000	0	0	0	Rebasing of the Interest Receivable has resulted in a decrease in future interest
26	PSU Equipment	25,000	(25,000)	0	0	Non recurring pressure for replacing PSU Equipment
27	Phonographic Performance Ltd Licences	5,000	0	0	0	Annual charge for playing music in office spaces, canteen and gym
28	Dangerous Dogs	10,000	0	0	0	Additional pressures of kennelling and maintaining dangerous dogs
29	Operational Custody Costs	18,000	0	0	0	Increased costs incurred in maintaining suitable services within custody
30	Body Armour Protective Sleeves	60,000	(60,000)	0	0	To reduce bio-degrading of existing units
31	Contingent Pressure Funds	50,000	901,000	901,000	1,000,000	Estimate of future cost pressures
32	Office of the PCC - Commissioning Provision	(931,000)	0	0	0	Reversal of non-recurring pressure in 2013/14
		448,723	**1,375,000**	**3,281,000**	**1,220,000**	

Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
Budget Savings 2014/15 to 2017/18

	Description	2014/15 £	2015/16 £	2016/17 £	2017/18 £
	Potential Savings				
1	Transitional Rent Allowance	(90,000)	(90,000)	(90,000)	(90,000)
2	Compensatory Grant	(14,000)	(14,000)	(14,000)	(14,000)
3	Review of Fleet	(386,783)	0	0	0
4	Review of Pedal Cycle Kit	(11,611)	0	0	0
5	Review of Internal Audit Fees	(14,000)	0	0	0
		(516,394)	**(104,000)**	**(104,000)**	**(104,000)**

Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
Staying Ahead Phase 6 and 7 Schemes 2014/15 to 2017/18 and Other Savings Initiatives

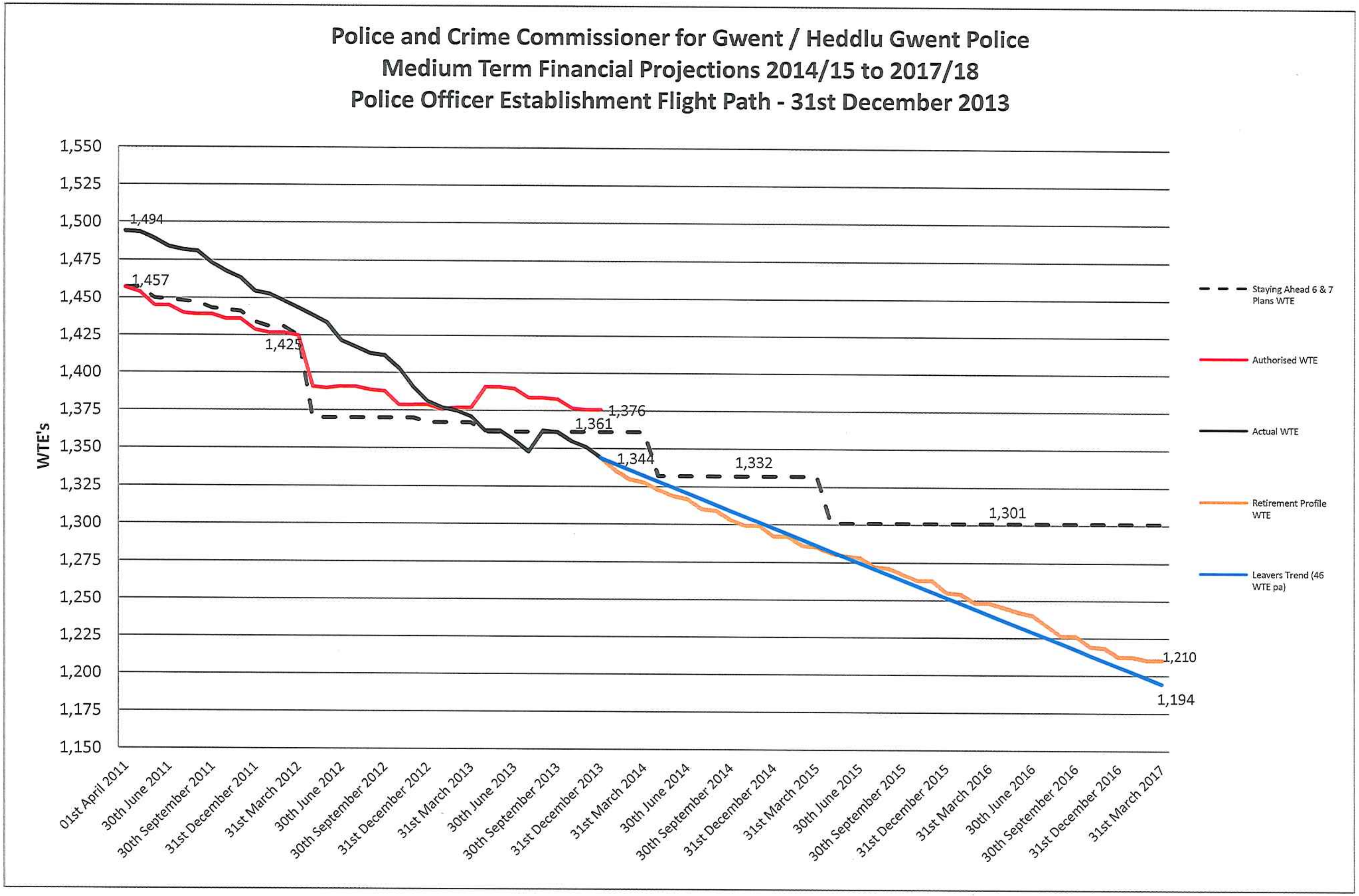
	Scheme	**2013/14 £'000s**
1	Specialist Crime	214
2	Roads Policing	176
3	Data Management Review	131
4	Schools Liaison	96
5	CJD Review	78
6	Service Development	50
7	Scientific Support	44
8	Business Support	34
9	Accessibility Review	6
10	Emergency Planning Review	2
11	**Scheme Savings for Year**	**831**

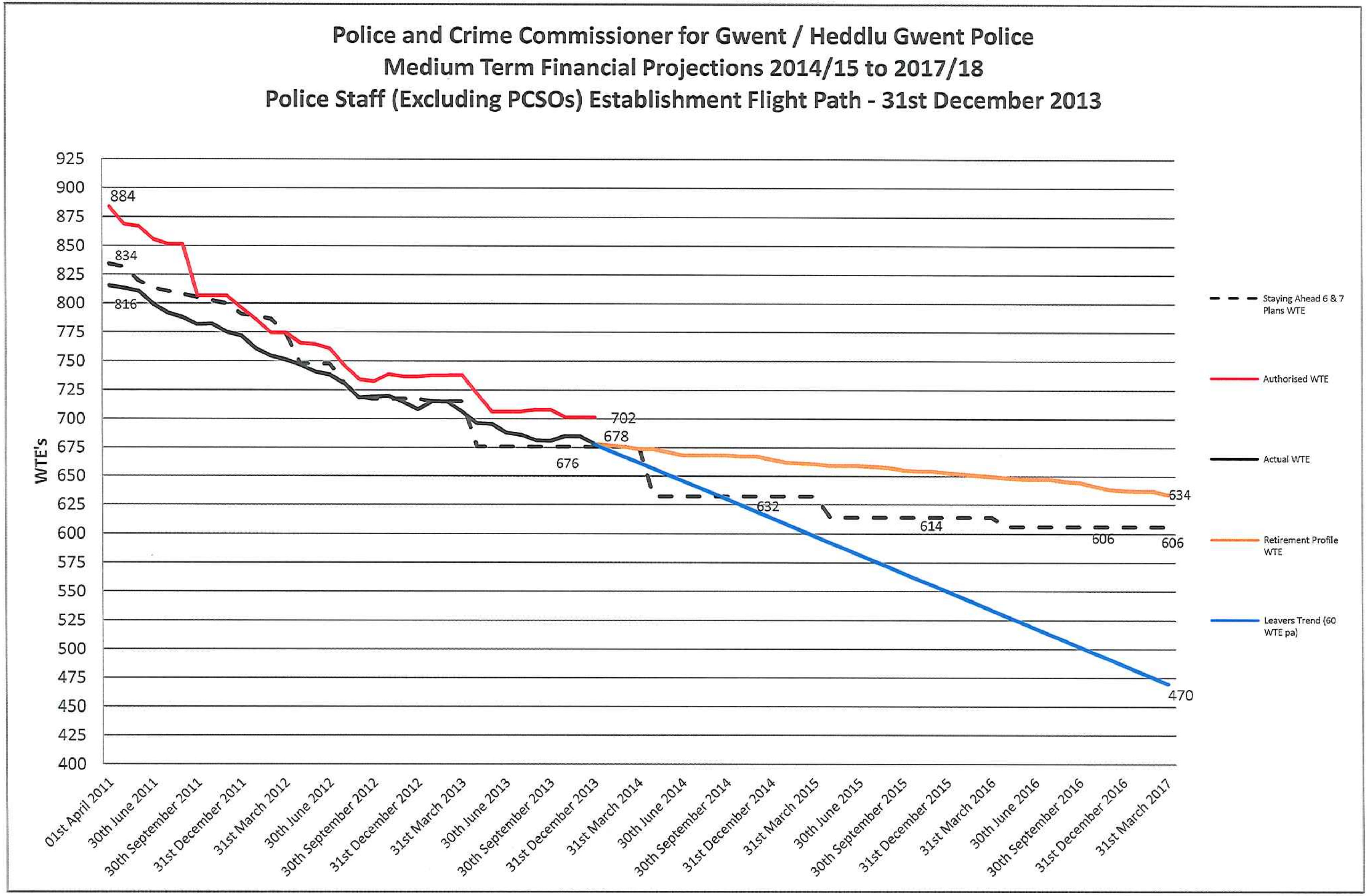
Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
Staying Ahead Phase 6 and 7 Schemes 2014/15 to 2017/18 and Other Savings Initiatives

		2014/15 £'000s	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	Total £'000s
A	**Cumulative Savings Brought Forward**	**0**	**1,600**	**2,751**	**3,255**	**3,255**
B	**Scheme**					
1	Review of Command Structure		229			229
2	Review of Fleet Function	214	19	19		252
3	Review of Business Support Function	74				74
4	Review of Finance Function	66	30	45		141
5	Mobile Data Project		183			183
6	Records Management Solution (RMS)	249	128			377
7	Data Management Review	72		100		172
8	Service Development - Post Implementation and Further Review	58				58
9	Corporate Communications Review		12			12
10	Departmental Review of Professional Standards	68		286		354
11	Winsor Review	165		54		219
12	Supervisory Ratio	550	550			1,100
13	Continuous Improvement Review of Communications Suite	4				4
14	Officer Safety and First Aid Training Review	80				80
C	**Savings for Year**	**1,600**	**1,151**	**504**	**0**	
D	**Cumulative Savings Carried Forward**	**1,600**	**2,751**	**3,255**	**3,255**	

Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
2013/14 Revenue Budget - Gwent Police Group
Performance to 30th November 2013

		Initial Annual Budget	Revised Annual Budget	Budget to Date	Expenditure to Date	Variance to Date	Full Year Forecast
		£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
	Expenditure						
1	Police Officer Salaries and Allowances	70,377	69,800	46,496	46,042	455	1,219
2	Police Staff Salaries and Allowances	23,891	23,008	15,396	15,443	(47)	148
3	PCSO Salaries and Allowances	7,068	7,068	4,712	4,212	500	828
4	Police Officer Overtime and Enhancements	1,473	1,607	983	1,130	(147)	(187)
5	Police Staff Overtime and Enhancements	1,007	993	580	588	(9)	50
6	PCSO Overtime and Enhancements	727	735	432	405	27	42
7	Other Employee Related Costs	2,119	2,094	1,551	1,577	(27)	(206)
8	Premises Costs	5,472	5,370	3,793	3,574	219	137
9	Transport Costs	3,563	3,564	2,345	2,005	340	569
10	Supplies and Services	13,875	16,300	10,401	10,122	278	(124)
11	Major Incident Schemes	684	684	525	525	(0)	0
12	Proactive Operational Initiatives	267	267	115	116	(0)	50
13	Contribution to NPIA	573	573	529	535	(6)	(10)
14	Capital Charges	500	500	127	127	0	0
		131,595	**132,561**	**87,984**	**86,401**	**1,583**	**2,514**
	Other Approved Revenue Requirements						
15	Development Reserve	110	110	0	0	0	0
16	Identified Recurring Savings	(1,763)	(367)	(0)	0	(0)	(367)
		(1,653)	**(257)**	**(0)**	**0**	**(0)**	**(367)**
	Income						
17	Investment Income	(215)	(215)	(131)	(128)	(3)	0
18	Other Income	(8,099)	(11,547)	(7,604)	(7,977)	374	256
		(8,314)	**(11,761)**	**(7,735)**	**(8,105)**	**370**	**256**
19	**Net Expenditure Before Transfers**	**121,629**	**120,543**	**80,249**	**78,296**	**1,953**	**2,402**
	Transfers						
20	To Earmarked Reserves (Pre-Approved)	2,022	3,276	0	0	0	0
21	To Capital Account	0	8	0	0	0	0
		2,022	**3,284**	**0**	**0**	**0**	**0**
22	**Net Expenditure Including Transfers**	**123,651**	**123,827**	**80,249**	**78,296**	**1,953**	**2,402**
23	**Funded By:**						
24	Revenue Support Grant	(16,925)	(16,925)	(11,714)	(11,714)	0	0
25	National Non-Domestic Rates	(15,325)	(15,325)	(10,607)	(10,607)	0	0
26	Police Grant	(47,068)	(47,068)	(31,379)	(31,379)	0	0
27	Council Tax	(40,997)	(40,997)	(27,331)	(27,331)	0	0
28	Specific Grant Income	(1,470)	(1,459)	(735)	(735)	0	0
29	Use of General Reserves	0	0	0	0	0	0
30	Use of Earmarked Reserves	(1,865)	(2,052)	(2,052)	(2,052)	0	0
31	**Total Funding**	**(123,651)**	**(123,827)**	**(83,817)**	**(83,817)**	**0**	**0**
32	**(Over)/Underspend**	**0**	**0**	**(3,568)**	**(5,521)**	**1,953**	**2,402**


Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
Police Officer Establishment Flight Path - 31st December 2013
WTE's
1,550
1,525
1,500
1,475
1,450
1,425
1,400
1,375
1,350
1,325
1,300
1,275
1,250
1,225
1,200
1,175
1,150
1,494
1,457
1,425
1,376
1,361
1,344
1,332
1,301
1,210
1,194
01st April 2011
30th June 2011
30th September 2011
31st December 2011
31st March 2012
30th June 2012
30th September 2012
31st December 2012
31st March 2013
30th June 2013
30th September 2013
31st December 2013
31st March 2014
30th June 2014
30th September 2014
31st December 2014
31st March 2015
30th June 2015
30th September 2015
31st December 2015
31st March 2016
30th June 2016
30th September 2016
31st December 2016
31st March 2017
Staying Ahead 6 & 7 Plans WTE
Authorised WTE
Actual WTE
Retirement Profile WTE
Leavers Trend (46 WTE pa)


Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
Police Staff (Excluding PCSOs) Establishment Flight Path - 31st December 2013
WTE's
925
900
875
850
825
800
775
750
725
700
675
650
625
600
575
550
525
500
475
450
425
400
884
834
816
702
678
676
632
614
606
606
634
470
01st April 2011
30th June 2011
30th September 2011
31st December 2011
31st March 2012
30th June 2012
30th September 2012
31st December 2012
31st March 2013
30th June 2013
30th September 2013
31st December 2013
31st March 2014
30th June 2014
30th September 2014
31st December 2014
31st March 2015
30th June 2015
30th September 2015
31st December 2015
31st March 2016
30th June 2016
30th September 2016
31st December 2016
31st March 2017
Staying Ahead 6 & 7 Plans WTE
Authorised WTE
Actual WTE
Retirement Profile WTE
Leavers Trend (60 WTE pa)

Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
Capital Programme 2014/15 to 2017/18

		2014/15 £'000s	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s
A	**Estate**				
1	Regular Capital Maintenance	570	500	500	500
2	Replacement HQ				
3	Decommissioning of Headquarters				
4	Replacement FCR				
5	**Total Estate**	**570**	**500**	**500**	**500**
B	**Vehicles**	**1,921**	**1,134**	**1,700**	**1,228**
C	**Information Systems**				
1	Voice Over Internet Protocol	500			
2	Citrix Servers (64 Bit)	80			
3	Replacement Servers	40	60		
4	Main Blade Server Chassis		120		
5	Checkpoint Firewall Infrastructure	60			
6	Network Switches		150	150	150
7	Replacement SQL Server			130	
8	PND Infrastructure		160		
9	Replacement ICCS System	500			
10	Enterprise Resource Planning System	500	2,287		
11	Disaster Recovery		415		
12	Command & Control		1,161		
13	**Total Information Systems**	**1,680**	**4,353**	**280**	**150**
D	**Other BTCG Projects / Schemes**	**200**	**200**	**200**	**200**
E	**Total Programme**	**4,371**	**6,187**	**2,680**	**2,078**
F	**Funding**				
1	Capital Grant	1,100	1,100	1,100	1,100
2	Receipts from sale of Premises	480	0	0	0
3	Funding from Reserves	2,791	5,087	1,580	978
4	**Total Funding**	**4,371**	**6,187**	**2,680**	**2,078**
G	**Surplus Funds**	**0**	**0**	**0**	**0**

Police and Crime Commissioner for Gwent / Heddlu Gwent Police
Medium Term Financial Projections 2014/15 to 2017/18
Forecast Movements 2013/14 to 2017/18
Reserves and Sinking Funds

	Opening Balance 2013/14 £'000s	Actual Movement 2013/14 £'000s	Forecast Movement 2013/14 £'000s	Forecast Year End 2013/14 £'000s	Forecast Movement 2014/15 £'000s	Forecast Year End 2014/15 £'000s	Forecast Movement 2015/16 £'000s	Forecast Year End 2015/16 £'000s	Forecast Movement 2016/17 £'000s	Forecast Year End 2016/17 £'000s	Forecast Movement 2017/18 £'000s	Forecast Year End 2017/18 £'000s
A Reserves												
1 General Reserve (Operational)	6,411	0	0	6,411	0	6,411	0	6,411	0	6,411	0	6,411
2 Precept Top-Up Reserve	2,107	0	0	2,107	(658)	1,449	(1,449)	0	0	0	0	0
3 Forecast Underspend			2,402	2,402	0	2,402	0	2,402	0	2,402	0	2,402
4 Total General Reserves	**8,518**	**0**	**2,402**	**10,920**	**(658)**	**10,262**	**(1,449)**	**8,813**	**0**	**8,813**	**0**	**8,813**
B Earmarked Reserves												
1 Specific Reserves	1,738	0	0	1,738	(350)	1,388	(352)	1,036	(400)	636		636
2 Police Officer Recruitment 2013-14	1,016	0	0	1,016	(1,016)	0	0	0	0	0		0
3 Capital & Estate Strategy	6,917	(187)	(4,394)	2,336	(3,071)	(735)	(4,006)	(4,741)	(1,379)	(6,120)	(778)	(6,898)
4 Staying Ahead Reserve	5,098	(332)	(380)	4,386	746	5,132	(250)	4,882	(200)	4,682	(200)	4,482
Total Earmarked	**14,769**	**(519)**	**(4,774)**	**9,476**	**(3,691)**	**5,785**	**(4,608)**	**1,177**	**(1,979)**	**(802)**	**(978)**	**(1,780)**
C Capital Reserves												
1 Command & Control	1,161	0	0	1,161	0	1,161	(1,161)	0	0	0	0	0
2 Capital Receipts Reserve	972	275	400	1,647	480	2,127	0	2,127	0	2,127	0	2,127
3 Total Capital Reserves	**2,133**	**275**	**400**	**2,808**	**480**	**3,288**	**(1,161)**	**2,127**	**0**	**2,127**	**0**	**2,127**
D Total Reserves	25,420	(244)	(1,972)	23,204	(3,869)	19,335	(7,218)	12,117	(1,979)	10,138	(978)	9,160
E Sinking Funds												
1 PFI	10,466	0	160	10,626	164	10,790	130	10,920	130	11,050	130	11,180
2 Airwave	4,303	0	208	4,511	208	4,719	208	4,927	210	5,137	210	5,347
3 Total Sinking Funds	**14,769**	**0**	**368**	**15,137**	**372**	**15,509**	**338**	**15,847**	**340**	**16,187**	**340**	**16,527**
F Total Reserves and Sinking Funds	**40,189**	**(244)**	**(1,604)**	**38,341**	**(3,497)**	**34,844**	**(6,880)**	**27,964**	**(1,639)**	**26,325**	**(638)**	**25,687**