

18 November 2020

Thank-you for your email dated 26 October 2020. Regarding FOI313 - Medium Term Resources Strategy 2020/21 to 2024/25" document. Please see below which will hopefully answer your questions.

1. The specific ear-marked reserves are released in 2023/24 and 2024/25.
What are they released against? The projects aren't identified.

The Performance Improvement Reserve reduces from £6.5M in 2023/24 to £0.4M in 2024/25. This is used to support the overall police officer numbers and maintain the General Reserve at 3% of the net revenue budget.

2. The PCC (as a department within Humberside PCC Group) has a Budget line of just under 5m per annum for "Community Safety Initiatives." What are the specifics behind this?

Victim Support Grant £377k

Community Safety Partnerships £3.609M

Blue Door (ISVA) £234k

Restorative Justice £250k

Not in Our Community £91k

Early Intervention £73k

OPCC Performance Fund £313k

Further details are available in the PCC's Annual Report for 2019/20 – see the link below.

<https://www.humberside-pcc.gov.uk/Document-Library/Humberside-OPCC-Annual-Report-2019-20.pdf>

3. Is there an analysis of the total spend (£187.4m for 2019/20 rising to £230.6m in 2024/25) one level further down in granularity than the one published?

This is as a result of the increase in Police Officers due to the national Operation Uplift programme of £22.3M plus pay awards across all staff groups of £31.9M less savings of £12.7M.

The following are general for my understanding given you may have different requirements to us

4. Other than a legal / CIPFA requirement / guideline to be "reasonable with respect to local conditions", is there any specific requirement to hold a General Reserve of 3% of total revenue budget?

There is no specific requirement to hold a General Reserve of 3% of the net revenue budget but this is a widely adopted practice within Policing and is held to mitigate unforeseen financial pressures. See Reserves Strategy link attached. <https://www.humberside-pcc.gov.uk/Document-Library/Working-for-You/Transparency/What-we-spend/Reserves-Strategy-2020-21.pdf>

5. Does the 3% have to be year in year out? e.g. could we deplete and rebuild over a 4-year horizon, say 2.5% in 2020/21, 2.0% in 2021/22 then gradually rebuild to 3% in 24/25?

Only in very exceptional circumstances would this be seen as an acceptable approach e.g. significant unforeseen costs are incurred in a given year. Making contributions to reserves under the current financial climate is extremely challenging given the cost pressures faced by Policing.

6. In what circumstances would CFO, as s.151 officer, be comfortable with a General Reserve lower than 3% of total revenue budget?

This would only be acceptable in the context of a long-term year funding settlement from Government and the ability to raise the annual precept without restrictions or caps.

Yours sincerely