APPENDIX E

FORCE TRANSFORMATION BOARD
27 NOVEMBER 2013

SUBJECT : **SAVINGS TRACKER**
REPORT BY : Interim Force Chief Finance Officer

Background

The delivery of the savings is monitored and reported through the monthly budget monitoring reports i.e. projected spending at or below budget would suggest that savings are expected to be delivered.

However, it is also important to ensure :

- That savings are being delivered in the areas intended and not by reducing other, priority areas
- That savings are not being delivered in a way which results in unacceptable consequences for policing performance
- And that there are plans in place to deliver the savings that the budget assumes will start in future years.

A Savings Tracker has been established as a response to these requirements and as a supplement to normal budget monitoring.

The Tracker is reviewed at each meeting of the Force Transformation Board. The Board considers corrective action in areas where the delivery of savings appears to be at risk.

The current position set out in the appendix shows the total savings required over the 2010 Spending Review period. There is a target saving of just under £20m per annum by 2014/15 which is included within the approved budget.

£12.7m of this total has been achieved over the last two years.

Further savings of £4.8m are included in the approved budget for 2013/14 and £2.4m savings are proposed for 2014/15.

2013/14

The budget monitoring reports indicate that effective action has been taken to deliver the majority of planned savings, including savings in relation to :

- Monitored and managed budgets (£1.4m)
- Police officer numbers (£1.1m)
- Crime and Operations (£0.7m)
- Capital financing charges (£0.7m)
- Contingency (£0.2m).

The main amber risk at this stage is the major incidents budget which incorporates a saving of £0.175m. Spending is well within budget at this stage but is largely demand led and could increase in the remainder of the financial year.

No areas are classified as red risks.

2014/15

Budget holders are currently preparing their budgets for 2014/15. They are working within budget targets, or control totals, which incorporate savings. The savings fall into two categories :

- Savings reflecting specific, agreed plans. These total £1.3m and are classified in the Savings Tracker as green
- Target savings requiring budget holders to identify new savings. These total £1.1m and are classified as amber risks.

The main areas of amber risk for 2014/15 are :

- Major incidents £0.250m
- Regional collaboration £0.100m
- Monitored and managed budgets £0.484m
- Increased income £0.150m

The risks in these areas will need to be assessed as part of the budget approval process.