

MEETING: Governance and Scrutiny Board (GSB)	DATE: 12th November 2024	AGENDA NO: 3c
NAME OF PAPER: OPCC FORECAST OUTTURN REPORT 2024 - 2025 and OPCC BUDGET 2025 - 2026 PROPOSAL	AUTHOR: Paul Butler, OPCC CFO	PURPOSE: Discussion

1. PURPOSE OF REPORT

This report sets out an update on the forecast budget outturn position for the Office of the PCC (“OPCC”) and OPCC Commissioning in 2024/25 as well as setting out proposals for the 2025/26 budget and use of reserves.

2. OPCC COMMISSIONING

2.1 OUTTURN 2024/25

The PCC’s commissioning budget for 2024/25 was agreed as £2.4m. This is supported by Ministry of Justice (MoJ) Formula Based and General grant funding of £3.9m for Victims services as well as other MoJ and Home Office funding as detailed. The PCC’s commissioning forecast outturn spend for 2024/25 is £2.4m.

2.2 This budget continues to support core commissioned services for victims; community safety; drugs and alcohol referral services; restorative justice; Mental Health Triage; services to support victims and tackle offending in Child Criminal and Sexual Exploitation (CCE & CSE) and Child Sexual Abuse (CSA).

2.3 The £18k forecast underspend against the commissioning budget for 2024/25 relates to partner contributions to the new Appropriate Adult Service contract being more than budgeted and a small unallocated amount against the victims commissioning budget.

2.4 The OPCC Commissioning 2024/25 forecast outturn and full breakdown of the draft 2025/26 budget can be found at Annex A.

2.5 2025/26 BUDGET PROPOSAL

The budget proposed below for 2025/26 is £2.6m and supports the planned grants and commissioning work agreed with the PCC. The proposed increase in budget of £209k is to fund the 5% inflationary increase which was applied to many services from October 2023 – this was initially funded by the Victims and Commissioning Reserve with agreement that this would be built into the core OPCC Commissioning budget from 2025/26.

OPCC Commissioning		
	Budget 24/25 £'000	Draft Plan 25/26 £'000
Budget Requirement	9,296	7,081
Income (MoJ and Home Office)	-6,610	-3,913
Income (Partner Funding)	-292	-225
Use of Reserve	0	-340
Total	2,394	2,603

Potential pressure on the above budget proposal still being discussed:

- SARC – 0.9% potential increase in 2024/25 but awaiting confirmation from NHSE and any 2025/26 increase is unknown. Uplift in line with NHS business rules is written into the contract and MOU with NHSE for SARC.
- Integrated Non-Custodial Services (INCS) – potential NHS increase.
- Emergency Services Triage – potential 5% uplift might be requested, NHS tariff not yet confirmed.
- Victim Services – new contract will begin on 1st April 2024 but there is discussion around the pressure on the budget in terms of staffing.

2.6 PLANNED USE OF THE VICTIMS & COMMISSIONING RESERVE

On 1st April 2024 the balance of this reserve was £2.5m. £1.5m is currently allocated against this reserve with discussions ongoing regarding the use of the remaining reserve. The Victims and Commissioning reserve is earmarked as follows:

- 24-25 Contribution to Mental Health Treatment Requirement £20k
- Soteria Pilot £35k
- 24-25 5% Increase on some commissioned services £210k
- Deferred prosecution £356k
- Learning and Development £360k
- Exploitation/ Youth Violence £100k
- Medium Risk Perpetrator Programme £17k
- VRP Hub 25-26 £340k – these costs will be covered by the reserve if Home Office funding is not awarded
- VRP Evaluation £60k
- VRP Comms £12k

3. **Office of the PCC (OPCC)**

3.1 OUTTURN 2024/25

The PCC set an office budget for 2024/25 of £2.4m, an increase from £2.2m in 2023/24. The OPCC's forecast outturn spend in 2024/25 is £2.4m.

3.2 There are overspends on:

- The Misconduct Hearing budget – a recruitment process was recently undertaken to increase the number of Independent Panel Members and Legally Qualified Persons. Avon and Somerset have organised and paid for the Regional Training – once final costs have come in other forces in the regional will be charged for their share.
- The Treasury Management Costs are expected to be higher this year – the new contract is yet to be signed off confirming the increase.
- The APCC Annual Membership increase is the reason for the overspend in subscriptions.

There are underspends on:

- Travel remains an area of underspend as the OPCC continues hybrid ways of working.
- The Legal, Actuarial and other professional fees line is forecasting an underspend as there have been no Police Appeal Tribunal costs to date and non are planned for the rest of the financial year.

3.3 The OPCC 2024/25 forecast outturn and full breakdown of draft 2025/26 budget can be found at Annex B.

3.4 2025/26 BUDGET PROPOSAL

The PCC proposes an increase in the OPCC budget below to £2.6m in 2025/26.

OPCC		
	Budget 24/25 £'000	Draft Plan 25/26 £'000
Budget Requirement	2,533	2,749
Income (MoJ Top-slice)	-50	-50
Income (Partner Funding)	-47	-33
Use of Reserve	0	0
	2,436	2,666

The proposed increase in budget of £229k is as a result of the following cost increases:

- Pay awards (full year effect of Sept 24 4.75% Pay Award, assumed 2% Pay Award Sept 25) and increments £96k
- Increase in budget for DPCC post from 0.60 FTE to 1 FTE £38K
- Reduction in Partner Contribution to the Local Criminal Justice Board Coordinator post of 14.6% and reduction in partner income due to assuming the new post holder will be appointed mid-banding (the previous post holder was at the top of the banding) £14k
- APCC Membership increase £14k
- Treasury Management increase £16k
- External audit increase £10k

3.5 Due to the sustained increase in work to support the commissioning process it is proposed that £50k continues to be top-sliced from the MoJ grant and transferred to the OPCC Office staff budget to support costs.

4. **RECOMMENDATIONS and ACTION**

The PCC is invited to review and discuss the OPCC budget forecast outturn for 2024/25 and the budget proposals for 2025/26.

Annex A - OPCC Commissioning 2024/25 forecast outturn and draft 2025/26 budget

	Budget 2024 25 £'000	Forecast 2024 25 £'000	Draft Plan 2025 26 £'000
Integrated Non Custodial Services (INCS)	553	581	581
Victims and MoJ Uplift. Also incl. SARC, CSE & CSA	3,785	3,957	4,195
Lighthouse Contribution	906	0	906
MoJ grant top-slice to support OPCC grants process	50	50	50
Violence Reduction Partnership (incl. Serious Violence Duty)	1,637	1,650	340
Local Integration of Women's Services	118	118	0
Domestic Abuse Perpetrator Intervention (Drive Project)	710	707	0
Safer Streets	355	355	0
Hotspot Response	0	1,641	0
Appropriate Adults	121	121	121
Mental Health triage	122	128	128
Mental Health Treatment Requirement (MHTR)	0	20	0
Restorative Justice	179	188	0
Police & Crime Grants (community safety & YOT)	740	740	740
RR - Men and Masculinities Pilot	0	17	0
Commissioning other (incl. victims recommissioning)	20	20	20
Commissioner's Crime Prevention Fund	0	200	0
	9,296	10,493	7,081
MoJ Grant Funding – Constabulary previously budgeted for Formula Based income	-3,913	-3,007	-3,913
NHSE ISVA Contribution	-122	-128	-128
Home Office Violence Reduction Partnership Grant Funding (Incl. Serious Violence Duty)	-1,637	-1,630	0
MoJ Local Integration of Women's Services Grant Funding	-118	-118	0
Home Office Domestic Abuse Perpetrator Intervention Grant Funding	-587	-584	0
Domestic Abuse Perpetrator Intervention (Drive Project) Partner Contributions	-123	-123	0
Safer Streets Home Office Grant Funding	-355	-355	0
Hotspot Response	0	-1,641	0
Appropriate Adults Partner contributions	-47	-59	-47
Reimbursement - ISVA Uplift Underspend	0	-5	0
BCC ISVA Contribution	0	0	-50
Transfer from Reserve (ASC to action) for Commissioner's Community Action Fund	0	-200	0
Transfer from Reserve (5% inflationary uplift on agreed services, MHTR, VRP Evaluation and Men & Masculinities Pilot)	0	-267	0
Transfer from Reserve (VRP Hub) – this will be funded by the Victim and Commissioning reserve for 2025/26 if Home Office funding is not awarded	0	0	-340
	-6,902	-8,117	-4,478

Total	2,394	2,376	2,603
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Annex B - Summary OPCC 2024/25 forecast outturn and draft 2025/26 budget

	Budget 2024 25 £'000	Forecast 2024 25 £'000	Draft Plan 2025 26 £'000
Staff costs incl. PCC/DPCC and training	2,028	2,020	2,204
Transport & travel	23	7	23
Audit, annual accounts and joint audit committee	194	194	204
Subscriptions: APCC, APACE, PaCCTS	47	56	61
Communications, media, PR	42	41	42
Treasury mngt	70	85	86
Legal, Actuarial & other professional fees	66	42	45
Office stationary, ICT, events	17	12	17
Custody visiting	9	6	9
Misconduct Hearings and Police Appeal Tribunals (from 25/26 include in one budget line)	37	86	58
Be Proud Awards – carry forward of sponsorship	0	2	0
	2,533	2,551	2,747
MoJ grant top-slice to support grants process	-50	-50	-50
Partner Contributions to LCJB Coordinator 73.9%	-47	-24	-33
DCLG Redmond Review Funding 23/24	0	-14	0
	-97	-88	-83
Total	2,436	2,463	2,666