

Devon and Cornwall Police Authority Resources Committee**14 June 2005**

Open for the purposes of FOI

Joint Report of the Chief Constable and Treasurer

Financial Monitoring 2005-06**Recommendation:**

That the proposed virements, as detailed in paragraphs 2 and 3 of the report, be approved.

Background

1. The approved 2005-06 budget included an element of planned expenditure which, upon review, is unlikely to be incurred in the current year. However, funding will need to be set aside within reserves and balances to allow for such expenditure in future years, in line with the medium term financial plan.
2. In order to reflect this requirement, the following virements to the 2005-06 budget are proposed.

	<u>To</u> £000	<u>From</u> £000	<u>Reason</u>
General balances	100		Maintains balances at around 2.5% of net revenue expenditure
PC Replacement Reserve	350		Contribution towards cost of complete PC replacement in 2008-09 in line with ICT strategy
Helicopter Replacement Reserve	200		Continuing policy of setting aside funds to contribute to future replacement of helicopter
Service Commitment Reserve	791		To provide funding for the capital programme, in line with the medium term financial plan
Service Commitment Reserve	500		Reduced contribution needed from reserve
Operational spending		1,941	Level of expenditure unlikely to be incurred in current year

3. In addition, the budget for operational spending includes an amount of £236,000 towards the cost of the Launceston improvement scheme. It is thought more appropriate to classify this spending as capital. Accordingly, it is proposed that the stated amount be recorded as a revenue contribution to capital spending.

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