

PROTOCOLS FOR EARMARKED RESERVES

RESERVE	DEVOLVEMENT RESERVE	VIPER RESERVE
REASON/PURPOSE	To carry forward underspendings on devolved budgets for use in the following financial year, in accordance with Financial Regulations.	To retain the operating surplus on VIPER resulting from increased efficiencies and reduction in replacement costs (net of cost savings passed on to users).
HOW AND WHEN USED	<p>Amounts underspent are transferred into the reserve at the year end.</p> <p>Expenditure in the following year is supported by a contribution from the reserve.</p>	<p>To support future replacement of equipment and research and development costs for existing or new proposed products or services.</p> <p>To meet any trading deficit should one arise.</p>
MANAGEMENT AND CONTROL	Budget holders must submit a proposal to Chief Officer Team to justify the amount carried forward and spending plans for the following year. Agreed as part of the spending pressures process.	The Treasurer for the OPCC has management control of the reserve.
PROCESS AND TIMESCALE FOR REVIEW	The principle of carry forward is reviewed as part of the regular update of Financial Regulations	The adequacy of the reserve is considered as part of the budget and closedown process.

RESERVE	PRIVATE FINANCE INITIATIVE RESERVE/SINKING FUND	REGIONAL WORKING RESERVE
REASON/PURPOSE	To support the delivery of the PFI scheme for police operational and training accommodation. To smooth the impact of PFI costs on the revenue budget.	Formed from an underspending in excess of the agreed carry forward, this is ringfenced to promote future collaborative activity within the region.
HOW AND WHEN USED	To finance professional consultancy costs and internal PFI project team costs over the period of preparation for delivery of the scheme. Contributions are made and drawn down annually to smooth the impact on the revenue budget.	Proposals for utilisation of this reserve are subject to a business case to be approved by the Joint Police Authorities Committee.
MANAGEMENT AND CONTROL	Utilisation of the reserve is controlled by the ACO Finance and Business Services.	Approved expenditure would be controlled by the Regional Programme Director in consultation with regional finance lead officer (ACO Finance and Business Services West Yorkshire Police).
PROCESS AND TIMESCALE FOR REVIEW	The reserve is reviewed during budget preparation and as part of the annual closure of accounts to assess its adequacy and utilisation.	The reserve is reviewed during budget preparation and as part of the annual closure of accounts to assess its adequacy and utilisation.

RESERVE	DILAPIDATIONS RESERVE	CAPITAL FINANCING RESERVE
REASON/PURPOSE	To fund the repair, redecoration and return of lease properties to their original condition.	To provide additional flexibility in the financing of the capital programme, i.e. to meet the costs of any new borrowing taken in year, pending the recurring impact being built into the base budget.
HOW AND WHEN USED	To meet the costs of repair, decoration and alteration of lease properties at the end of the lease agreement.	Funds may be drawn down when a decision is made to take new long term borrowing
MANAGEMENT AND CONTROL	The ACO Finance and Business Services retains management control of the reserve.	The PCC's Chief Finance Officer has delegated responsibility for treasury management decisions including utilisation of the reserve.
PROCESS AND TIMESCALE FOR REVIEW	The reserve is reviewed during budget preparation and as part of the annual closure of accounts to assess its adequacy and utilisation.	The reserve is reviewed during budget preparation and as part of the annual closure of accounts to assess its adequacy and utilisation.

RESERVE	PNLD RESERVE	ORGANISATIONAL CHANGE RESERVE
REASON/PURPOSE	To retain the operating surplus on PNLD resulting from increased efficiencies and reduction in replacement costs (net of cost savings passed on to users).	To meet the costs associated with Programme of Change, predominantly employee costs.
HOW AND WHEN USED	To support future replacement and development costs for existing or new proposed products or services. To meet any trading deficit should one arise.	To fund the costs of necessary organisational restructure through Programme of Change.
MANAGEMENT AND CONTROL	The PCC's Chief Executive retains management control of the reserve.	Utilisation of the reserve is controlled by the ACO Finance and Business Services.
PROCESS AND TIMESCALE FOR REVIEW	The reserve is reviewed during budget preparation and as part of the annual closure of accounts to assess its adequacy and utilisation.	The reserve is reviewed during budget preparation and as part of the annual closure of accounts to assess its adequacy and utilisation.

RESERVE	INSURANCE RESERVE	CAPITAL RESERVES (Receipts and specific projects)
REASON/PURPOSE	To provide additional funding to the Insurance Provision should the annual budgeted contribution be inadequate to meet assessed liabilities at the balance sheet date.	To provide funding for the approved capital programme Monies will be held from Capital Receipts or transferred from the accumulation of the Capital Financing Reserve set aside to aid funding of the Capital Programme at a time when grant funding is so low..
HOW AND WHEN USED	To top up the amount provided to meet known insurance liabilities at the balance sheet date.	At the year end when decisions are taken regarding funding of the capital programme
MANAGEMENT AND CONTROL	The PCC's Chief Finance Officer retains management control of the reserve.	The PCC's Chief Finance Officer retains management control of the reserves.
PROCESS AND TIMESCALE FOR REVIEW	The reserve is reviewed during budget preparation and as part of the annual closure of accounts to assess its adequacy and utilisation.	The reserve is reviewed during budget preparation and as part of the annual closure of accounts to assess its adequacy and utilisation.

RESERVE	COMMUNITY SAFETY FUND RESERVE	PARTNERSHIP EXECUTIVE GROUP RESERVE
REASON/PURPOSE	To provide time limited additional resources to the PCC's Community Safety Funding to partners, through either grants or commissioning, in support of the outcomes in the Police and Crime Plan.	To encourage innovation in partnership delivery in support of the outcomes in the Police and Crime Plan.
HOW AND WHEN USED	To be incorporated into the grant/commissioning round for the PCC's Community Safety Fund and utilised according to the process and principles established for that.	Bids against the reserve will be reviewed by the OPCC prior to presentation to the Partnership Executive Group for approval. A proforma will be prepared for submissions.
MANAGEMENT AND CONTROL	The OPCC will retain management control of the reserve.	The OPCC will retain management control of the reserve.
PROCESS AND TIMESCALE FOR REVIEW	The reserve is reviewed during budget preparation and as part of the annual closure of accounts to assess its adequacy and utilisation.	The reserve is reviewed during budget preparation and as part of the annual closure of accounts to assess its adequacy and utilisation.

RESERVE	FORCE TRANSFORMATION RESERVE	
REASON/PURPOSE	To reinvest in the Force for time limited or non recurring initiatives which reduce costs, increase efficiency or reduce demand, in support of the outcomes in the Police and Crime Plan.	
HOW AND WHEN USED	Bids against the reserve will be made via a business case to the Community Outcomes meeting for approval by the PCC. Bids must include costings (including any additional recurring costs), benefits, risks and links to the Police and Crime Plan.	
MANAGEMENT AND CONTROL	Management and control of the reserve will be through approval at the Community Outcome / Joint Executive Group Meetings, plus regular reporting back against the business case presented, to ensure benefits are achieved.	
PROCESS AND TIMESCALE FOR REVIEW	The reserve is reviewed during budget preparation and as part of the annual closure of accounts to assess its adequacy and utilisation.	