



**To:** Business Co-Ordination Board

**From:** Chief Finance Officer, OPCC and Chief Finance Officer, Constabulary

**Date:** 28 February 2019

## REVENUE AND CAPITAL BUDGET MONITORING OUTTURN MONTH 9 2018/19

### 1. Purpose

1.1 This report provides the Business Co-ordination Board (“the Board”) with the Constabulary’s and the Office of the Police and Crime Commissioner’s (“OPCC”) revenue and capital outturn at month 9 of 2018/19 and the projected full-year 2018/19 forecast outturn.

### 2. Recommendation

2.1 It is recommended that the Board:

- Note the month 9 revenue outturn and the projected full-year 2018/19 forecast outturn.
- Note the month 9 capital position and approve the changes in the funding from reserves.

### 3. Month 9 and 2018/19 Forecast - Summary

3.1 The month 9 outturn and projection to year-end for 2018/19 for the Constabulary and the OPCC is summarised in **Table 1** below.

Table 1

Revenue 2018/19	Month 9 Year to Date (£'000)	Year-End Forecast (£'000)
Constabulary	68 underspend	52 overspend
OPCC	155 underspend	150 underspend
Use of Reserves	N/A	1,801

3.2 Further detail on the Constabulary and OPCC revenue outturn and the capital outturn is presented in sections 4, 5 and 6 below.

#### 4. Month 9 Outturn and 2018/19 Forecast – Constabulary

4.1 Month 9 projections are informed by forecasts provided to Finance by budget holders and up to date officer/staff pay analysis. Underspend areas of the budget are predominantly: PCSO's £1,196k– no recruitment planned for 2018/19 and leavers mean we currently have 83fte against a budget establishment of 126.

4.2 Police staff pay & overtime £421k under – this was mainly as a result of staff being 27fte under strength on LP, and

4.3 Overspend areas of the budget are: -

Police officer overtime £347k forecast overspend mainly as a result of the new Local Policing structure becoming business as usual, and Athena. Bank holidays spend is expected to be in line with budget (£450k)

Police Pay & Allowances £129k, this fluctuates as a result of moves within collaboration and recruitment, and

Supplies and Services, Transport and Premises are forecast £203k overspent.

Collaboration, see **Appendix 3** below, shows an overspend forecast of £617k. Collaboration Tri-Force forecast over spend includes £494k overspend on HR/L&D.

Collaboration other forecast overspend includes £190k on Air support and £110k on ERP

4.4 A breakdown of this position is shown at **Appendix 1**.

#### 5. Month 9 Outturn and 2018/19 Forecast – OPCC

5.1 The 2018/19 budget for the OPCC was set at £1,273k which was approved by the Police and Crime Commissioner (the "Commissioner") prior to the commencement of the financial year.

5.2 The forecast year-end position is a £150k underspend. The main reason for the variances are:

- Staffing - £90k underspend, due to staffing structure changes and vacancies through the year.
- Consultant fees - £89k underspend due to delays in Complaints Reform and Fire Governance implementation.

- 5.3 There have been areas of overspend in other budget lines such as advertising for staff, external training courses, rail travel, legal costs, subscriptions and internal audit, which accounts for the overall forecast underspend.

## 6. Month 9 Outturn and 2018/19 Forecast – Capital

- 6.1 Budgeted capital payments for 2018/19 comprise the original Capital Programme approved by the Police and Crime Commissioner (PCC) on 1<sup>st</sup> March 2018, with amendments for schemes brought forward from 2017/18 as approved by the Chief Finance Officer for the PCC on 31<sup>st</sup> May 2018, and other changes subsequently approved by the Force Executive Board and/or the PCC.

- 6.2 A summary of spend against the 2018/19 Capital Programme for the nine months ending 31<sup>st</sup> December 2018, and the financing of this, is shown at **Appendix 2**.

- 6.3 The capital programme shown in appendix 2 incorporates the following matters to note:

The BCH ERP project shows an overspend this year of £461k which is our 31.35% share of the full costs (actual spend and commitments to end of December is £555k). The complete forecast has increased to include an extra £300k of Capital costs (split across the 3 forces) following settlement with Able on an agreed plan of work required to complete the build of the system to enable implementation. In addition, we also forecast to spend £95k in 19/20.

The full year forecast for the Athena project is £311k against a carry forward unapplied grant of £155k which is showing a projected overspend of £156k. These costs are as a result of additional project costs including £164k under the main Northgate contract to provide Technical Data refresh and implementation support.

An addition of £28k is proposed to the Capital Programme to cover an exercise yard at Thorpe Wood for custody, which is required as part of the HMIC/P inspection. This is to be funded by RCCO within the Chief Constable's Delegation.

To cover Cambridgeshire's share (£73k) of the provision of ICT Storage and Administration Advanced Management Training across BCH, an addition to the Systems Infrastructure project of £34k is proposed, to be funded by a matching reduction in the ICT Consolidated Workstreams allocation.

An addition to the 2018/19 Capital Programme of £6k is proposed to cover road permits from the local councils in order to allow completion of the strategic road installations, which will be funded within the Chief Constable's Delegated Budget.

- 6.4 Capital resources received to date include grants from Central Government (£380k), a contribution from Peterborough City Council (£415k) towards an expansion of Thorpe Wood Police Station and a capital receipts of £2,380k, being the sale of Werrington and Bridge Street properties.

**7. Recommendation**

7.1 It is recommended that BCB:

- Note the month 9 revenue outturn and the projected full-year 2018/19 forecast outturn.
- Note the month 9 capital position and approve the changes in the funding from reserves.

## Appendix 1

Chief Constable's Revenue Budget December 2018/19							
M8 Variance £'000		Full Year budget £'000	YTD budget £'000	YTD Actual £'000	Variance £'000	M9 Projection £'000	M9 Proj var £'000
	<b>Force in-house Expenditure</b>						
-35	Police Officer Pay & Allowances	46,480	34,824	34,863	40	46,609	129
294	Police Officer Overtime	1,864	1,317	1,620	303	2,211	347
-703	PCSO Pay & Overtime	4,467	3,313	2,507	-807	3,271	-1,196
-389	Police Staff Pay & Overtime	19,411	14,439	13,970	-469	18,990	-421
32	Premises Costs	4,175	3,144	3,158	14	4,190	14
83	Transport	2,103	1,995	2,175	180	2,327	223
32	Supplies & Services	6,207	3,835	3,742	-93	6,174	-34
<b>-687</b>	<b>Total In-house Expenditure</b>	<b>84,708</b>	<b>62,867</b>	<b>62,036</b>	<b>-831</b>	<b>83,770</b>	<b>-937</b>
-28	Net Cost of Police Pensions	11,470	8,701	8,684	-17	11,871	401
<b>-715</b>	<b>Gross Revenue Expenditure</b>	<b>96,178</b>	<b>71,568</b>	<b>70,720</b>	<b>-848</b>	<b>95,642</b>	<b>-536</b>
126	Income	-1,241	-1,254	-1,136	117	-1,046	195
551	BCH Collaboration	34,047	28,312	28,771	460	34,418	371
177	Other Collaborations and Partnerships	4,362	2,579	2,782	203	4,608	246
0	Capital Accounting & Reserve moves	-908	245	245	0	-1,132	-224
<b>139</b>	<b>Policing Budget Delegated to Chief Constable</b>	<b>132,437</b>	<b>101,449</b>	<b>101,381</b>	<b>-68</b>	<b>132,489</b>	<b>52</b>
	<i>Note: Figures may not cast due to rounding</i>						

Summary of Capital Expenditure and Financing at 31<sup>st</sup> December 2018

## Appendix 2

All figures £'000	B/Fwd from previous years	Original 2018/19 Capital Programme	Previously Authorised Programme Amendments	Proposed Programme Amendments	Revised 2018/19 Capital Budget	Actual & Committed YTD	%	Expected Outturn 2018/19	Expected Outturn % of Revised Capital Budget	Predicted C/Fwd 2018/19	Estimated Year End Position
<b>Capital Payments:-</b>											
Land & Buildings	796	4,000	-2,992	28	1,832	688	38%	1,384	76%	448	-0
IT & Communications	873	1,215	188	-	2,276	2,531	111%	2,863	126%	29	-616
Fleet	413	1,700	-	-	2,113	997	47%	2,113	100%	-	-
Other Collaboration	91	140	155	6	392	253	65%	392	100%	-	-
Schemes approved subject to further business case	-	394	-240	-34	120	-	0%	-	0%	-	-
<b>TOTAL</b>	2,173	7,449	-2,889	-	6,733	4,470	66%	6,752	100%	477	-616

All figures £'000	B/Fwd from previous years	Original 2018/19 Capital Programme	Previously Authorised Programme Amendments	Proposed Programme Amendments	Revised 2018/19 Capital Budget
<b>Capital Financing:-</b>					
Capital Grants	166	506	177	-	849
ESMCP Grant (RCCO)	-	214	33	-	247
Carry Forward Reserve	2,007	-	-22	-	1,985
ICT	-	161	-	-	161
Capital Reserves	-	1,030	100	-	1,130
Capital Receipts	-	1,888	416	-	2,304
Vehicle Receipts (RCCO)	-	150	-150	-	-
Borrowing	-	3,500	-3,443	-	57
<b>TOTAL</b>	2,173	7,449	-2,889	-	6,733

Note: figures may not cast due to roundings

## Appendix 3

## Collaboration

Chief Constable's Revenue Budget to the end of December 2018/19							FORECAST	
Variance £'000		Note	Full Year	YTD	Actual	Variance	M9	M9
			Budget £'000	Budget £'000	£'000	£'000	Projection £'000	Proj var £'000
	<b>Collaboration and Partnerships</b>							
103	Collaboration Set up costs	1	0	0	103	103	103	103
72	ERP set up costs	1	0	0	110	110	110	110
50	PTF Funding	2	0	0	55	55	55	55
190	Collaboration - Athena	1	184	288	456	169	400	216
6	Collaboration - Athena AMO	2	150	143	156	14	168	18
-48	Change team	1	289	236	153	-84	192	-97
-96	Collaboration - General	1	423	143	0	-143	221	-201
	<b>Joint Protective Services</b>							
-38	Collaboration - Armed Policing Unit	1	2,492	1,990	1,930	-60	2,396	-95
0	Collaboration - CTP	1	685	621	622	0	685	0
-93	Collaboration - CTC	1	0	-3	-69	-66	-157	-157
14	Collaboration - Dogs	1	819	644	659	15	840	21
-69	Collaboration - Major Crime Unit	1	3,022	2,098	2,019	-79	2,911	-111
6	Collaboration - Operational Planning	1	347	369	381	12	352	5
-59	Collaboration - RPU	1	4,090	3,216	3,153	-63	3,956	-134
0	Collaboration - Scientific Services Unit/Visual Evidence	1	2,547	1,663	1,659	-4	2,538	-9
28	Collaboration - Protective Services Command	1	212	379	410	32	265	52
4	Collaboration - Force Resilience	1	118	109	113	4	121	4
	<b>Organisational Support</b>							
418	Collaboration - HR and L&D	1	4,644	4,045	4,462	417	5,138	494
8	Collaboration - IMD	1	830	889	895	6	835	5
-10	Collaboration - ICT	1	6,661	7,009	6,950	-59	6,601	-60
0	Collaboration - Procurement	1	300	338	336	-2	296	-3
-8	Collaboration - Professional Standards Unit	1	1,121	642	640	-2	1,118	-3
	<b>Operational Support</b>							
3	Collaboration - Firearms Licensing	1	204	205	208	3	198	-6
45	Collaboration - CJ phase 1&2	1	692	357	398	41	757	65
31	Collaboration - CJ/Custody SMT	1	240	124	181	56	329	89
54	Collaboration - Custody local	1	3,803	2,851	2,915	64	3,887	84
0	Collaboration - Public Contact	1	290	98	92	-7	274	-16
-4	Collaboration - LCJB	1	35	0	-4	-4	49	14
	<b>Other Collaboration &amp; Partnerships</b>							
145	Collaboration - Air Support	2	504	198	347	149	693	190
0	Collaboration - ERSOU	2	2,437	1,459	1,459	0	2,437	0
-16	Collaboration - Kings Lynn PIC	2	783	376	376	0	783	0
0	Collaboration - Regional Collaboration	2	145	93	93	0	145	0
-9	SARC	2	342	310	296	-14	326	-16
	<b>Total BCH Collaboration</b>	1	34,047	28,312	28,771	460	34,418	371
	<b>Total Other Collaboration &amp; Partnerships</b>	2	4,362	2,579	2,782	203	4,608	246
<b>728</b>	<b>Total Collaborated and Partnerships</b>		<b>38,408</b>	<b>30,890</b>	<b>31,553</b>	<b>663</b>	<b>39,025</b>	<b>617</b>

## Reserve Adjusted

Surplus generated by CTC - to reserves							157	157
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