

PCC Capital Budget Monitoring 2018/19

Forecast as at 30 June 2018 to Public Accountability Conference 25 July 2018

**Summary at June 2018**

The current forecast of net expenditure amounts to £9.779m compared to a revised budget of £9.793m. The variance amounts to a net forecast underspend on the capital program of £14k (0.14%). There has been no slippage reported to date.

A summary of the 18/19 program is presented below:

Summary of Budget Movement 2018/19	2018/19 £000s
Capital Budget 2018/19 (approved 14/02/18)	11,261
Impact of 2017/18 Outturn (approved 10/05/18)	(1,558)
New Schemes Approved/Drawdown	90
Budgets Changes - Approved	0
Approved Adjusted Budget 2018/19	9,793
Capital Expenditure Outturn 2018/19	
Forecast Variation	9,779
	(14)
Made up of:	
Budget Changes (Under)/Overspend (Table 2)	(14)
Slippage to 2018/19	0
	(14)

Table 1	2018/19
Summary of Capital Budget	£000s
<b>Capital Expenditure</b>	
ICT Schemes	4,009
Fleet Schemes	1,369
Estates Schemes	3,740
Other Schemes	662
	9,779
<b>Capital Financing</b>	
Capital Receipts	0
Revenue Contributions	1,662
Capital Grants	575
Reserves	7,542
Borrowing	0
	9,779

Table 2	Changes
Forecast Variation summary	£000s
- Vehicle Replacements (Fleet)	11
- Control Room Futures	(25)
	(14)

**Recommendations**

1. The Police and Crime Commissioner and Chief Constable are asked to note the current position in relation to the capital programme for 2018/19.
2. The Commissioner is specifically asked to approve recommendations R1 and R2 as set out on page 2 of this capital update report.

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**ICT schemes**

The approved ICT budget of £4m includes an element for rolling replacement of end user equipment and a larger element for the replacement of whole systems. The current ICT strategy is being re-assessed to ensure that the planned replacements meet the current requirements of the users, provide best value for our investment and are easily maintained by the ICT team. The largest single project within the ICT program (£2m) is the replacement of several smaller systems with one integrated Command and control system. This project is progressing well and stage payments have been made as outlined in the contract.

**R1)** The Commissioner is asked to approve the transfer of £25k from the Control Room Futures capital budget to create a revenue budget for the project. Within the approved budget there was provision of additional project resources. A consultant has now been employed but their current remit is to look at business processes – this is not permissible capital expenditure and will need to be treated as revenue expenditure, therefore, the budget will need to be transferred.

**Fleet schemes**

Of the £1.315m fleet replacement budget approximately £900k of replacement vehicles have been ordered and almost £200k are in the early stages of procurement. All of these vehicles are expected to be delivered in 2018. Changes in permitted emissions levels have led to the temporary withdrawal of some car models whilst the manufacturers test and make modifications to their engines. The new models are being introduced to the market with the costs of the additional works being added to the purchase price. The final specifications of the remaining vehicles are still to be agreed upon but the Fleet Manager is confident that at this stage in 2018/19 the approved program can be delivered within the agreed budget.

**R2)** The Commissioner is asked to approve the addition to the 2018/19 programme of a vehicle that is currently due for replacement in 2019/20 for £11k. The vehicle has been damaged beyond repair and will need to be replaced. Insurance receipts will be transferred to the capital financing to part fund this accelerated replacement.

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**Estates schemes**

Of the £3.7m estates program budget, £3.3m is in relation to the Eden Deployment Centre building scheme. The contractors have been preparing the site and carrying out groundworks. Payments have been made based on the surveyor's valuation which are in line with the agreed payment schedule. The remainder of the estates budget relates to smaller replacement equipment and the purchase of land at Workington all of which are on target to be completed in 2018/19.

**Other schemes**

Other schemes include cross cutting or operational programmes of work and include the replacement of portable ballistic protective equipment (shields), works to further develop business analytics and digital evidence from the CCTV system.

A detailed, project by project, analysis of the approved budget, spend to date and expected outcome is provided in **Appendix A** over the page.

**Medium Term Capital Program**

As there has been no slippage reported to date the four year medium term capital program remains the same as that approved by the commissioner in February 2018 and again in May 2018 to take account of the 2017/18 outturn position. A summary of the medium term program is presented below.

Summary of Capital Budget 2018/19 to 2021/22				
	2018/19 £000s	2019/20 £000s	2020/21 £000s	2021/22 £000s
<b>Capital Expenditure</b>				
ICT Schemes	4,009	6,468	3,411	2,006
Fleet Schemes	1,369	694	2,241	996
Estates Schemes	3,740	2,264	1,865	5,825
Other Schemes	662	593	54	500
	9,779	10,019	7,571	9,326
<b>Capital Financing</b>				
Capital Receipts	0	0	1,946	154
Revenue Contributions	1,662	1,684	3,132	2,984
Capital Grants	575	5,654	1,217	364
Reserves	7,542	2,681	1,275	2,425
Borrowing	0	0	0	3,400
	9,779	10,019	7,571	9,326

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## Appendix A

Capital Budget 2018/19	Original Approved Budget £000s	Impact of 2018/19 Outturn £000s	New Schemes Approved £000s	Budget Changes Approved £000s	Approved Adjusted Budget £000s	Actual Expenditure to Jun-18 £000s	Forecast Capital Outturn £000s	Forecast Variation £000s
<b>ICT Schemes</b>								
ICT End User Hardware Replacements	340	0	0	0	340	(0)	340	0
ICT Infrastructure Solution Replacement	1,576	(885)	0	(28)	663	0	663	0
ICT Core Hardware Replacements	570	(132)	0	0	438	(42)	438	0
ICT Hardware Replacements Radio / ESN	50	12	0	0	62	0	62	0
Case and Custody	92	(3)	0	0	88	(7)	88	0
Digital Policing Project	261	44	0	0	305	(49)	305	0
Red Sigma	252	(43)	0	0	209	0	209	0
Hi Tech Crime Improvements (DMIU)	0	27	0	0	27	21	27	0
Control Room Futures	3,685	(1,720)	0	0	1,964	12	1,939	(25)
E Business	0	843	0	0	843	1	843	0
Body Worn Video	0	65	0	0	65	16	65	0
NAS	0	0	0	28	28	0	28	0
General Slippage	(1,000)	0	0	0	(1,000)	0	(1,000)	0
<b>Total ICT Schemes</b>	<b>5,826</b>	<b>(1,792)</b>	<b>0</b>	<b>0</b>	<b>4,034</b>	<b>(48)</b>	<b>4,009</b>	<b>(25)</b>
<b>Fleet Schemes</b>								
Vehicle Replacements - 17/18 & 18/19	1,208	67	40	0	1,315	5	1,326	11
Fleet - Ballistically Protected Vehicle	0	42	0	0	42	0	42	0
<b>Total Fleet Schemes</b>	<b>1,208</b>	<b>109</b>	<b>40</b>	<b>0</b>	<b>1,357</b>	<b>5</b>	<b>1,369</b>	<b>11</b>
<b>Estates Schemes</b>								
Eden Deployment Centre	3,503	(203)	0	0	3,300	132	3,300	0
Workington - Land Purchase	0	300	0	0	300	0	300	0
Flood works at HQ	0	10	0	0	10	10	10	0
Durrhill CCTV and Cell Call	50	0	0	0	50	0	50	0
Durrhill heat and Vent Plant	50	0	0	0	50	0	50	0
HQ Gas Suppression system	30	0	0	0	30	0	30	0
<b>Total Estates Schemes</b>	<b>3,633</b>	<b>107</b>	<b>0</b>	<b>0</b>	<b>3,740</b>	<b>142</b>	<b>3,740</b>	<b>0</b>
<b>Other Schemes</b>								
CCTV	29	(5)	0	0	24	0	24	0
ANPR	0	0	50	0	50	0	50	0
Portable Ballistic Protective Equipment	23	23	0	0	46	50	46	0
Business Analytics	542	0	0	0	542	0	542	0
<b>Total Other Schemes</b>	<b>594</b>	<b>18</b>	<b>50</b>	<b>0</b>	<b>662</b>	<b>50</b>	<b>662</b>	<b>0</b>
<b>Total Capital Expenditure 2018/19</b>	<b>11,261</b>	<b>(1,558)</b>	<b>90</b>	<b>0</b>	<b>9,793</b>	<b>149</b>	<b>9,779</b>	<b>(14)</b>