

PCC Capital Budget Monitoring 2019/20

Forecast as at 30 June 2019 to Public Accountability Conference 25 July 2019

Summary at June 2019

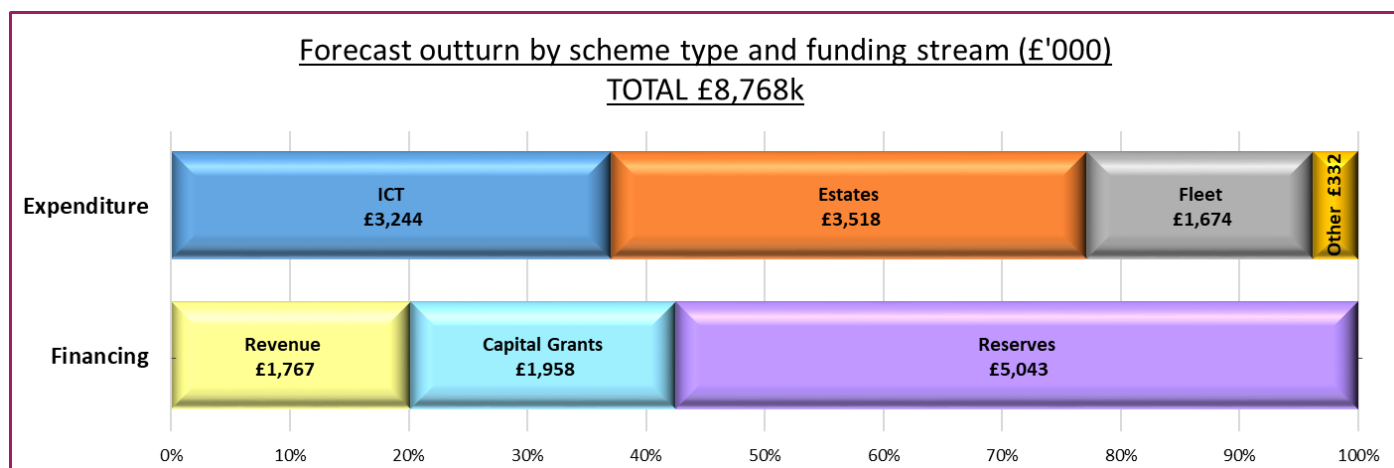
The current forecast of net expenditure amounts to £8.768m compared to a revised budget of £8.867m. The variance amounts to a net forecast underspend on the capital program of £99k (1%). There has been no slippage reported to date.

A summary of the 19/20 program is presented below:

	Capital Budget 2019/20 £000s
Capital Budget 2019/20 (approved 20/02/19)	8,709
Impact of 2018/19 Outturn (approved 10/05/19)	26
New Schemes Approved/Drawdown	137
Budgets Changes - Approved	(5)
Approved Adjusted Budget 2019/20	8,867
Capital Outturn 2019/20 (Graph Below)	8,768
Forecast Variation	(99)
Made up of:	
Budget Changes (Under)/Overspend (Table 1)	(99)
Slippage to 2020/21 (Table 2)	0
	(99)

Table 1 Forecast Variation summary	Changes £000s
- Vehicle Replacements	61
- Control Room Futures	(110)
- ESN	(50)
	(99)

Table 2 - Slippage	Previously Reported	New Slippage Qtr 1	Total £'000s	% of Adjusted Budget
ICT Schemes				0%
Estates Schemes				0%
Fleet Schemes				0%
Other Schemes				0%
	0.00	0.00	0.00	0%



Recommendations

1. The Police and Crime Commissioner and Chief Constable are asked to note the current position in relation to the capital programme for 2019/20.
2. The Commissioner is specifically asked to approve recommendations R1 and R2 as set out on page 2 of this capital update report for a net reduction of £99k in the capital programme.

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ICT schemes

The approved ICT budget of £3,244k includes an element for rolling replacement of end user equipment and a larger element for the replacement of whole systems. The Head of ICT has taken the opportunity to reassess some of the smaller rolling replacement schemes with a view to extending the life of current equipment where possible. The outcome of this review will lead to some schemes being delayed until future years. The largest single project within the ICT program (£1,483k) is the replacement of several smaller systems with one integrated Command and control system. This project has gone live and a number of stage payments as outlined in the contract will be due for payment in quarter 2. The smartphone and digital interview equipment trials are continuing and Business cases/options appraisals are currently being written to gain firm approval for these schemes.

R1) The Commissioner is asked to approve the transfer of £110k from the Control Room Futures capital budget and £50k from the ESN budget to increase the revenue budgets for these projects. Within the approved budget there was provision of additional project resources. Staff were employed during 2018/19 to look at items such as business processes and training and this funding will allow the continuance on these workstreams. As expenditure on business processes does not constitute capital expenditure, it needs to be treated as revenue expenditure and as such the request is being made to transfer budget from capital to revenue.

Fleet schemes

The £1,674k fleet replacement budget is comprised of 3 parts - £377k 2018/19 replacements carried forward, £242k recharged vehicles (camera scheme and Sellafield) where reimbursement is received from partner organisations and the balance of £1,055k being the 19/20 replacement programme.

The majority of the 2018/19 vehicles and the recharged Camera scheme and Sellafield Policing vehicles are all ordered and on track for delivery within 2019/20.

With regards to the 2019/20 replacement scheme - orders are currently being placed for the unmarked crime command vehicles, the electric pool cars and the 2 dog unit vehicles. The majority of the 2019/20 vehicles are for replacement cell van capability currently proved by specially fitted Peugeot experts. The Strategic Vehicle Group and operational officers are currently reviewing the type and mix of vehicles needed to meet operational demands and decisions on a way forward are expected shortly.

R2) The Commissioner is asked to approve the addition to the 2019/20 programme of 3 vehicles that are currently due for replacement in future years totalling £61k. The vehicles have 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 £3,518k estates program budget, £3,285k is in relation to the Eden Deployment Centre building scheme. The contractors are on site and continuing with the construction but they have reported a small delay, which will affect the handover date for the building. It is expected that the building will be released to the PCC in November 2019. The building will then need to have ICT links installed, furniture, and equipment fitted. It is realistically envisaged that the building will now become operational in January 2020, allowing for the extra demand on operational officers over the Christmas period. The remainder of the estates budget relates to smaller lifecycle replacements. Those for the roof replacements will only be carried out once surveys have been completed and the reports received.

Other schemes

Other schemes include cross cutting or operational programmes of work and include the replacement of Tasers, accident investigation scanning equipment (fully funded by government grant and added to the programme under the CFO delegated powers) 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

With the exception of the Fleet vehicle write off adjustments, the three future years of the medium term capital programme remain the same as that approved by the commissioner in February 2019 and again in May 2019 to take account of the 2018/19 outturn position. A summary of the medium term program is presented below.

Summary of Capital Budget 2019/20 to 2022/23				
	2019/20	2020/21	2021/22	2022/23
	£000s	£000s	£000s	£000s
Capital Expenditure				
ICT Schemes	3,245	7,247	2,433	1,340
Estates Schemes	3,517	590	1,575	5,825
Fleet Schemes	1,674	1,772	953	1,533
Other Schemes	332	43	500	0
	8,768	9,652	5,461	8,698
Capital Financing				
Capital Receipts	0	1,408	270	0
Revenue Contributions	1,767	3,314	3,244	3,243
Capital Grants	1,958	4,930	372	356
Reserves	5,043	0	1,575	1,699
Borrowing	0	0	0	3,400
	8,768	9,652	5,461	8,698

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Appendix A

Capital Programme 2019/20	Original Approved Budget £s	Impact of 2018/19 Outturn £s	New Schemes Approved £s	Budget Changes Approved £s	Approved Adjusted Budget £s	Actual Expenditure to Jun-19 £s	Forecast Capital Outturn £s	Forecast Variation £s
ICT Schemes								
ICT End User Hardware Replacement (002x)	1,297	9	0	0	1,306	4	1,306	0
ICT Software Application Replacement (003x)	0	24	0	0	24	0	24	0
ICT Core Hardware Replacement (004x)	574	24	0	0	598	(6)	598	0
ICT ESN / Radio Replacement (005x)	113	0	0	0	113	0	63	(50)
ICT Core Infrastructure Replacement	0	0	0	0	0	0	0	0
ICT Infrastructure Solution Replacement (Projects)								
- Case & Custody	38	0	0	0	38	0	38	0
- Control Room Futures	2,299	(706)	0	0	1,593	(303)	1,483	(110)
- Business Futures	0	34	0	46	80	0	80	0
- Business Transformation (I)	1,251	0	0	(51)	1,200	0	1,200	0
- Unspecified change to National systems (D)	52	0	0	0	52	0	52	0
- High Tech Crime Programme (I)	124	0	0	0	124	0	124	0
- High Tech Crime Storage Growth (I)	120	0	0	0	120	0	120	0
- Digital Policing Project	135	21	0	0	156	1	156	0
General Slippage	(2,000)	0	0	0	(2,000)	0	(2,000)	0
Total ICT Schemes	4,003	(594)	0	(5)	3,404	(304)	3,244	(160)
Fleet Schemes								
2018/2019 Slippage	349	28	0	0	377	71	377	0
2019/20 Approved Strategy	979	15	0	0	994	0	1,055	61
Rechargeable Vehicles	163	0	79	0	242	0	242	0
Total Fleet Schemes	1,491	43	79	0	1,613	71	1,674	61
Estates Schemes								
Roof Repairs - Various	0	0	0	0	0	0	0	0
Whitehaven Police Station - Roof	38	0	0	0	38	0	38	0
Kendal Police Station - Roof	55	0	0	0	55	0	55	0
Roof Repairs - HQ Dog section	0	0	0	0	0	0	0	0
Other Existing Schemes	0	0	0	0	0	0	0	0
UPS HQ	100	0	0	0	100	0	100	0
North Resilience Flood Mgmt - NPT/Hostel	2,772	513	0	0	3,285	848	3,285	0
Garage Provision	0	0	0	0	0	0	0	0
Durranhill - CCTV system and cell call	0	12	0	0	12	(35)	12	0
West Resilience Flood Management	0	0	0	0	0	0	0	0
Durranhill heat and vent plant	0	28	0	0	28	0	28	0
Gas suppression cylinder replacements	0	0	0	0	0	0	0	0
Total Estates Schemes	2,965	553	0	0	3,518	813	3,518	0
Other Schemes								
CCTV	0	24	0	0	24	0	24	0
X2 Taser migration (I)	250	0	0	0	250	0	250	0
Glock Pistol Replacement	0	0	0	0	0	0	0	0
Laser Scanning - Accident investigation	0	0	58	0	58	0	58	0
Total Other Schemes	250	24	58	0	332	0	332	0
Total Capital Expenditure 2019/20	8,709	26	137	(5)	8,867	580	8,768	(99)