

The Police and Crime Commissioner for Cumbria

Financial Summary 2020/21 as at 30 September 2020

Public Accountability Conference 4 November 2020



Group Revenue Budget

Group Overspend £304k (0.38%) ↑

Constabulary Overspend £122k (0.09%),
PCC Overspend £182k (0.33%)



Constabulary Revenue Budget

Overspend £122k (0.09%) ↓

Increased Expenditure £26k (0.02%),
Reduced Income £96k (1.96%)

(see pages 3 and 4)



Capital Budget

To allow time to consider the recovery from Covid 19 and the effect on the digital infrastructure the ICT budgets have largely been re-profiled into 2021/22. The remainder of the programme is currently reporting to be on track.

(see page 5)



Operation lectern - Covid 19

The current forecast combined revenue and capital spend on the Constabulary COVID 19 response (Op. Lectern) is £1.531m

(revenue £1.531m, capital £0k).

(see page 6 for more details)



Operation Uplift

The current forecast combined revenue and capital spend on Operation Uplift is £2.049m

(revenue £2.049m, capital £0k).

(see page 7 for more details)



Treasury Management

Investment Balance 30/09/20 £20.237m ↑
(up 79% from £4.314m at 30/06/20).

This increase reflects the receipt of the Home office Pension grant in July for £20.046m.

The current investment income forecast has been reduced from £96k to £26k to reflect the extremely low interest rates currently being received whilst prioritising the security of the principal funds.

PCC Revenue Budget 2020/21 as at 30 September 2020

Description	Revised Budget	Provisional Outturn	Provisional (Under)/Overspend	Provisional (Under)/Overspend	Projected (Under)/Overspend	Change in Forecast
	2020/21	2020/21	2020/21	2020/21	@ JUN-20	JUN-20 to SEP-20
	£'000s	£'000s	£'000s	%	£'000s	£'000s
Office of the Police and Crime Commissioner	812	808	(4)	-0.49%	(18)	14
Other PCC Budgets	(54,830)	(54,644)	186	-0.34%	(187)	373
Movements To / (From) Reserves	(1,840)	(1,840)	0	0.00%	0	0
Total OPCC Budgets	(55,858)	(55,676)	182	-0.33%	(205)	387
Funding Provided to the Constabulary	134,850	134,972	122	0.09%	629	(507)
Net Expenditure	78,992	79,296	304	0.38%	424	(120)
External Funding	(78,992)	(78,992)	0	0.00%	0	0
Total	0	304	304		424	(120)

The balance on the police property act fund as at 30 September 2020 was £56k. Details of the awards made from this fund to community bodies can be found on the Commissioners website. <https://cumbria-pcc.gov.uk/what-we-do/funding/property-fund/>

Expenditure & Income Variances

Office of the PCC -£4k Includes reductions in staffing (£5k), transport (£3k) and printing and other running costs (£5k), depreciation (+£10k).

Other PCC Budgets +£186k Additional expenditure on Premises (£113k) mostly on additional cleaning due to COVID 19 and small overspends utilities and maintenance. Reduction in Investment Income (£70k).

Funding Provided to the Constabulary +£122k The overspend is in the main due to additional net expenditure in response to COVID 19 (PPE, sanitisers, ICT cost, overtime etc. £1,278k).

Savings to in-year budgets as a result of reduced activity in areas such as travel, fuel and training during the covid pandemic are estimated at £953k, these are however offset by reductions in core income not covered by grants of £181k. Overall underspending on other budgets (£270k) including ICT airwave costs..

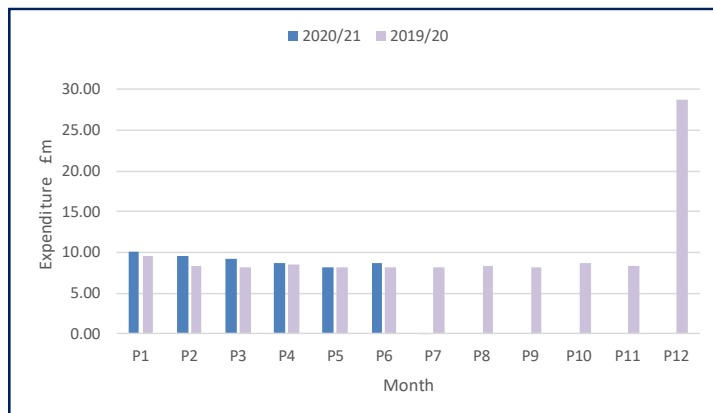
Pages 3 and 4 provide a more detailed analysis of the Constabulary revenue budget position.

Details of the constabulary budget position are included on the following pages.

Constabulary – Revenue Budget 2020/21 (1)

Description	Revised Budget	Forecast Outturn	Forecast (Under)/Overspend	Forecast (Under)/Overspend	Forecast (Under)/Overspend	Change from JUN-20 to SEP-20
	2020/21 £'000s	2020/21 £'000s	2020/21 £'000s	2020/21 %	@ JUN-20 £'000s	£'000s
Constabulary Funding						
Police Officers	93,907	94,552	645	0.69%	394	251
Police Community Support Officers	2,272	2,343	71	3.13%	63	8
Police Staff	24,480	24,449	(31)	-0.13%	(251)	220
Other Employee Budgets	1,952	1,715	(237)	-12.14%	(65)	(172)
Transport Related Expenditure	2,001	2,045	44	2.20%	(302)	346
Supplies & Services	12,949	12,391	(558)	-4.31%	464	(1,022)
Third Party Related Expenses	2,183	2,275	92	4.21%	138	(46)
Total Constabulary Funding	139,744	139,770	26	0.02%	441	(415)
Income	(4,894)	(4,798)	96	-1.96%	188	(92)
Total Constabulary Funding Net of Income	134,850	134,972	122	0.09%	629	(507)

Revenue Expenditure Month by Month



Command / Directorate	Adjusted Budget	Forecast Outturn	Forecasted Variance	%
Staff Pay				
Corporate Support	110,912,637	111,163,733	251,096	0.2%
Departmental Spend				
Chief Officers	1,626,794	905,614	(721,180)	-44.3%
Crime Command	2,199,773	2,141,870	(57,903)	-2.6%
Territorial Policing Command	3,403,121	3,521,267	118,146	3.5%
Special Constabulary	40,949	48,050	7,101	17.3%
Corporate Support	5,085,179	4,723,359	(361,820)	-7.1%
ICT & IMS Portfolio	5,541,348	5,338,853	(202,496)	-3.7%
Corporate Improvement	212,155	210,662	(1,493)	-0.7%
Legal Services	66,650	71,535	4,885	7.3%
SECONDED				
Secoded	(11,429)	(12,279)	(850)	7.4%
Secoded - TITAN	(14,858)	(14,858)	0	0.0%
EARMARKED				
Earmarked - Chief Officers	0	0	0	0.0%
Earmarked - Crime Command	23,739	19,278	(4,461)	-18.8%
Earmarked - Territorial Policing	10,753	(13,628)	(24,380)	-226.7%
Earmarked - Sellafield	(54,380)	(54,380)	0	0.0%
Earmarked - People Department	339,348	339,348	0	0.0%
Earmarked - Force Charity	0	0	0	0.0%
Earmarked - Force Gymnasiums	0	0	0	0.0%
Earmarked - Safety Camera / Road Safety	388,507	392,599	4,092	1.1%
Earmarked - Op Lectern	252,982	1,415,456	1,162,474	459.5%
PROJECT				
Projects - Crime Command	129,373	129,373	0	0.0%
Projects - Territorial Policing	133,260	133,260	0	0.0%
Projects - Estates & Fleet	11,938	11,938	0	0.0%
Projects - Learning & Development	28,030	20,473	(7,557)	-27.0%
Projects - ICT	802,618	863,197	60,579	7.5%
Projects - Corporate Improvement	201,148	101,605	(99,543)	-49.5%
Projects - Business Transformation	1,467,456	1,467,456	0	0.0%
Projects - Op Uplift	2,053,310	2,048,978	(4,332)	-0.2%
Grand Total	134,850,400	134,972,758	122,358	0.1%

Change in Revenue Budget Position

June – September the forecast budget overspend at the end of September has reduced by £507k compared to the £629k forecast at the end of June (Qtr 1). The reduction is largely as a result of forecast increase in Government grant/loss of income reimbursement and partly due to a change in the assumptions that the reduced activity levels resulting in savings to core budgets will be in existence for the full year.

Constabulary – Revenue Budget 2020/21 (2)

Pay Expenditure

Police Officers +£645k Changes to the workforce plan including starting 10 FTE above budgeted FTE and acting and temporary promotions, additional spend re Op. Lectern (£181k) plus other additional overtime (Crime £94k, TP £76k).

PCSOs +£71k Changes to the workforce plan including starting 1 FTE above budgeted FTE and profile of leavers.

Police Staff -£31k Op. Uplift underspend (£151k) and other workforce plan changes (£87k) offset by additional spend in respect of Op. Lectern (£98k) and other overtime (Comms Centre etc.) £110k.

Income

Income +£96k After removing £629k of income lost due to COVID 19 (Driver Awareness Income, Costs Awarded to Police, Kendal Calling and other events) the additional reduction in income arises, in the main due to a reduction in POCA income (£33k), Sale of Goods and Assets and Fees and Charges.

Non-Pay Expenditure

Other Employee -£237k Includes reductions on recruitment costs (£50k), welfare costs (£29k), training (£66k after removing £280k savings due to COVID 19) and apprenticeship levy costs (£95k).

Transport + £44k The increase in transport spend is largely due to additional spend on repairs and maintenance (£61k) offset by savings on fuel (£8k) and travel costs (£10k). Note though that we have removed savings on fuel (£252k) and savings on travel expenses (£173k) due to reduced travel and changes in activity levels as part of our response to COVID 19.

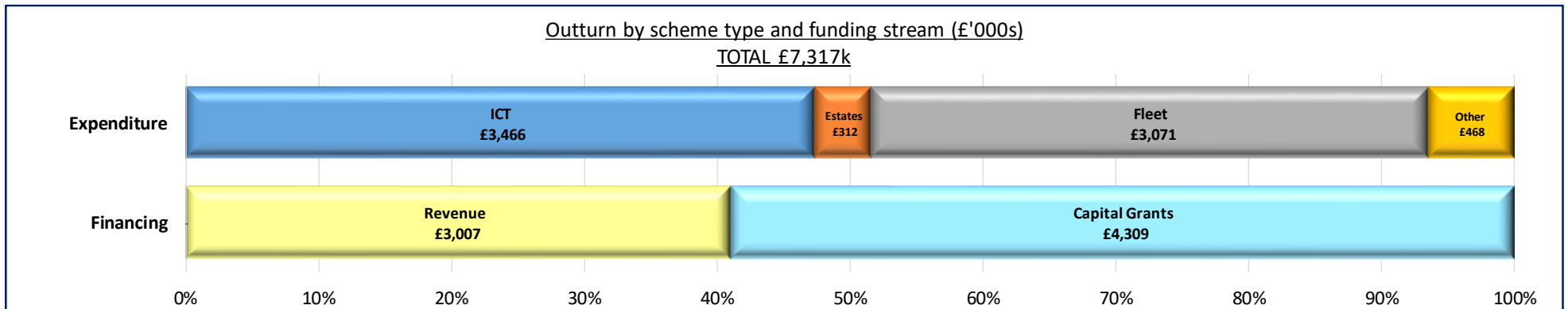
Supplies & Services - £558k An increase on supplies and services has arisen in the main due to spend on Op. Lectern (£921k re PPE, First Aid, ICT, Office Equipment etc.) These costs are offset by savings we have made due to COVID offset by the loss of income we cannot claim back from government (£772). In addition, we are forecasting underspends on Forensics (£137k), Catering (£56k), Office Equipment, Uniform and Custody (£144k), ICT (Airwave £280k), Custody Medical Contract (£29k)

Third Party Payments +£92k New contributions re LRF manager, NPoCC SIB funding, an increase in our contributions to national ICT costs, increase in our NPAS contribution, and an extension to Op. Elter.

Key Assumptions

- Police Pay award of 2.5% from September 2020 (now agreed)
- PCSO / Staff Pay award of 2.5% from September 2020 (TBC)

Capital Budget 2020/21



Capital Budget

	Capital Budget 2020/21 £000s
Capital Budget 2020/21 (approved 19/02/20)	7,553
Impact of 2019/20 Outturn (approved 20/05/20)	258
New Schemes Approved/Drawdown	91
Budgets Changes - Approved	(116)
Approved Adjusted Budget 2020/21	7,786
Forecast Capital Expenditure 2020/21	7,317
Forecast Variation	(469)
Made up of:	
Budget Changes (Under)/Overspend	0
Slippage to 2020/21	(469)
	(469)

ICT

A number of ICT schemes are being considered in light of the current working situation and the recovery plans, in particular the Converged Infrastructure (£2.3m). The capital programme has been reprofiled and as a result £2.689m has been moved into 2021/22 to allow for further planning and 'proof of concept' to continue (£2m of this slippage was forecast in the approved programme.)

Estates & Fleet

Work has started on the roofing schemes and replacement UPS as per the approved programme. The redrafted vehicle replacement programme remains on track and within budget.

Other

The Taser expansion programme has been approved to allow the Constabulary to take advantage of pricing windows and meet the conditions required of the Home Office grant. The scheme had been expected to be delivered over 2 financial years, but the 2021/22 budget (£220k) has now been brought forward to 2020/21 to complete the purchases at agreed prices. The HO grant of £65k has been added to the funding.

Operation Lectern (Covid 19 response) 2020/21

The current forecast financial impact in respect of the Constabulary Covid-19 response is set out below.

Analysis Lvl 1	Subjective Analysis Lvl 1	Adjusted Budget	Forecasted Actual	Forecasted Variance
Expenditure	Police Officer Pay	30,678	44,501	13,823
	PCSO Pay	0	780	780
	Police Staff Pay	0	98,656	98,656
	Police Officer Overtime	222,304	330,158	107,854
	PCSO Overtime	0	2,916	2,916
	Police Staff Overtime	0	16,612	16,612
	Other Employee Expenses	0	14,741	14,741
	Restructure, Training & Conference Costs	0	176	176
	Premises Related Expenditure	0	115,718	115,718
	Transport Related Expenditure	0	10,647	10,647
	Supplies & Services Related Expenditure	0	920,520	920,520
	Third Party Related Expenditure	0	0	0
	Internal Recharges Expenditure	0	892	892
Expenditure Total		252,982	1,556,317	1,303,335
Income	Reimbursed Services - Other Public Bodies	0	(14,400)	(14,400)
	Reimbursed Services - Other	0	(10,739)	(10,739)
Income Total		0	(25,139)	(25,139)
Grand Total		252,982	1,531,178	1,278,196
Savings due to Response to COVID-19 Total		0	(953,100)	(953,100)
Loss of income due to COVID-19 Total		0	629,000	629,000
Home Office COVID Grants Total		(252,982)	(701,145)	(448,163)
Total Effect of COVID-19 on Constabulary		0	505,934	505,934

Supplies & Services Related Expenditure			
Office Equipment, Furniture & Materials	0	15,351	15,351
Clothing, Uniform & Laundry	0	38,240	38,240
Custody Costs	0	896	896
Forensic Costs	0	4,876	4,876
Police Doctors & Surgeons	0	457,839	457,839
Communications & Computing	0	391,147	391,147
Specialist Operational Equipment (incl Dogs & Firearms)	0	10,347	10,347
Advertising (non staff) & Public Relations costs.	0	876	876
Consultants Fees	0	600	600
Banking & Treasury costs	0	345	345
Other Miscellaneous	0	3	3
Supplies & Services Related Expenditure Total	0	920,520	920,520

The forecast spend in respect of the Constabulary's COVID-19 response assumes the current level of additional cleaning and purchase of PPE to at least Mar'21.

Forecast spend also includes £331k of ICT hardware purchases.

Forecast Income relates to reimbursement of costs received from where we have purchased PPE kit on behalf of other forces or public services.

Breakdown of Op Lectern Supplies & Services

- Police Doctors & Surgeons £458k of First Aid / PPE equipment.
- Communications & Computing £391k includes ICT Hardware Purchases £331k (laptops etc.), additional licensing £38k and Network Hardware Purchases £13k

The management accounts position at September includes savings of £953k and estimated loss of income totalling £629k. Also included is £252k of additional overtime in respect of the enforcement plan and associated Surge Grant funding and also assumes grant income to mitigate loss of income of £448k.

Impact on Core Budgets

With reduced activity levels in some areas the following savings on core budgets are anticipated based on the assumption that the reduced activity continues until at least the end of March 2021:

- Appleby Fair £111k
- Training £280k
- Vehicle Hire, Mileage & Public Transport £173k
- Accommodation & Subsistence £137k
- Vehicle Fuel £252k
- **Total Potential Savings £953k**

These savings are offset by a forecast reduction in routine income of £629k of which we are able to reclaim £448k under the Government's Income Loss Recovery Scheme.

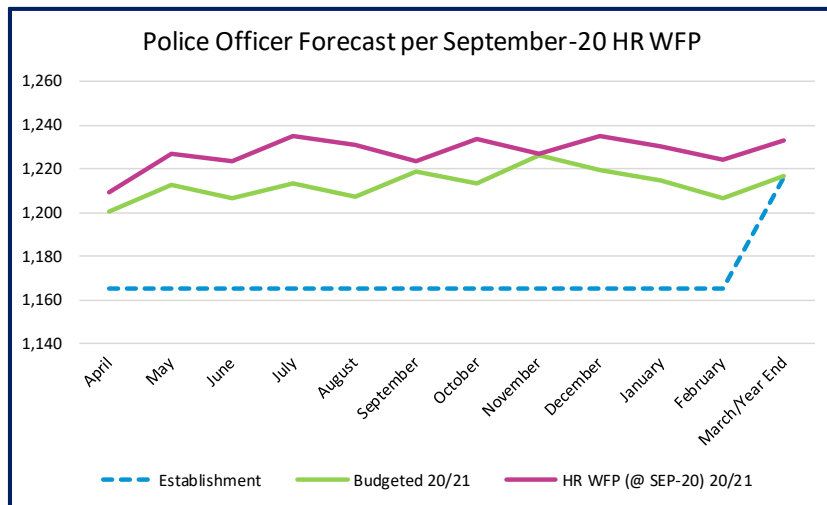
Operation Uplift 2020/21

Analysis Lvl 1	Subjective Analysis Lvl 1	Adjusted Budget	Forecasted Actual	Forecasted Variance
Expenditure	Police Officer Pay	1,653,310	1,748,899	95,589
	Police Staff Pay	400,000	248,860	(151,140)
	Police Officer Overtime	0	16,058	16,058
	Police Staff Overtime	0	161	161
	Other Employee Expenses	0	10,000	10,000
	Transport Related Expenditure	0	0	0
	Supplies & Services Related Expenditure	0	25,000	25,000
Expenditure Total		2,053,310	2,048,978	(4,332)
Grand Total		2,053,310	2,048,978	(4,332)

The forecast spend on Op Uplift assumes we will have recruited an additional 51 FTE officers by 31 Mar 2021.

Staffing in support of the additional recruitment and servicing the additional officers is currently forecast to underspend by £151k. This relates to requirements in Learning and Development and ICT the provision of which are currently under review.

Police Officer WFP



The current financial forecasts as at the end of September are based on the latest HR workforce plan as at September'20. The WFP shows the forecast actual FTE (red line) above the original budget set in Feb'20 (green line). This results in a forecast overspend on Police Officer pay it is currently forecast that police officer numbers will reach 1,233.02 FTE at Mar'21, 17.02 FTE above the budgeted establishment figure of 1,216.0 FTE.