

# The Police and Crime Commissioner for Cumbria

## Financial Summary 2021/22 as at 30 September 2021

Public Accountability Conference 3 November 2021



### Group Revenue Budget

Group Underspend £203k (0.18%) ↓

Constabulary Underspend £187k (0.13%),

PCC Underspend £16k (0.07%)

See page 2



### Constabulary Revenue Budget

Underspend £187k (0.13%) ↓

Reduced Expenditure -£336k (0.23%),

Reduced Income £149k (2.43%)

See pages 3-4



### Capital Budget

Budget / Forecast £6,445k

Slippage to future years £486k

Budget changes £354k

See page 7



### Op Lectern - Covid 19

The forecast spend on the constabulary COVID 19 response (Op Lectern) is £413k

See page 5



### Operation Uplift

The forecast spend on operation uplift is £3.678m

See page 6



### Treasury Management

Investment balance 30/09/21 £21.412m ↓

(Down 20% from £26.674m at 31/07/21).

The current investment income forecast is £2k against a budget of £10k and reflects the extremely low interest rates currently being received whilst prioritising the security of the principal funds.

## PCC Revenue Budget 2021/22 as at 30 September 2021

Description	Revised Budget	Forecast Outturn @ SEP-21	Forecast (Under)/Overspend	Provisional (Under)/Overspend	Projected (Under)/Overspend	Change in Forecast
	2021/22 £'000s	2021/22 £'000s	2021/22 £'000s	2021/22 %	@ JUL-21 £'000s	JUL-21 to SEP-21 £'000s
Office of the Police and Crime Commissioner	808	794	(14)	-1.73%	(31)	17
Other PCC Budgets	(24,665)	(24,667)	(2)	0.01%	10	(12)
Movements To / (From) Reserves	382	382	0	0.00%	0	0
<b>Total OPCC Budgets</b>	<b>(23,475)</b>	<b>(23,491)</b>	<b>(16)</b>	<b>0.07%</b>	<b>(21)</b>	<b>5</b>
Funding Provided to the Constabulary	138,587	138,400	(187)	-0.13%	224	(411)
<b>Net Expenditure</b>	<b>115,112</b>	<b>114,909</b>	<b>(203)</b>	<b>-0.18%</b>	<b>203</b>	<b>(406)</b>
External Funding	(115,112)	(115,112)	0	0.00%	0	0
<b>Total</b>	<b>0</b>	<b>(203)</b>	<b>(203)</b>		<b>203</b>	<b>(406)</b>

### Change July to September

The change in forecast from Jul-21 to Sep-21 is a reduction of £406k. The main reasons for this change are in relation to Constabulary budgets and relate to reductions in relation to police staff pay and other employee costs, including training, savings on ICT and an increase in forecast income.

These are somewhat offset by increases in police officer overtime, transport costs, forensics and accommodation & subsistence.

The balance on the police property act fund as at 30 September 2021 was £53k. 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 -£14k** Includes reductions in staffing and other office running costs (£33k) and transport cost (£3k) offset by increases external audit fees (£22k).

#### Other PCC Budgets -£2k

Reduced expenditure on Premises (£10k) mostly as a result of reduced expenditure on utilities £7k, rent and rates £23k offset by increased cleaning £20k as a result of the Covid-19 pandemic.

Reduction in investment income £8k.

**Funding Provided to the Constabulary -£187k** The forecast Constabulary position for 2021/21 is close to budget. The underspend in the main arises from underspends on police staff pay as a result of higher than anticipated vacancy levels and smaller underspends across non-staff related budget lines. These underspends are being offset to a degree by overspends on police officer pay as a result of the Constabulary recruiting ahead of the operation uplift target and some pressure being experienced on overtime budgets.

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

# Constabulary – Revenue Budget 2021/22 (1)

## Constabulary - Objective Analysis

Command / Directorate	Revised Budget £'000s	Forecast Outturn £'000s	(Under) / Overspend £'000s	(Under) / Overspend %	JUL-21 Variance £'000s	Change in Variance £'000s
<b>Staff Pay</b>						
Core Police Pay	89,363	89,728	365	0.41%	191	174
Core PCSO Pay	1,887	1,943	56	2.94%	52	4
<b>CORE</b>						
Chief Officer Group	1,226	1,208	(18)	-1.50%	(29)	11
Crime & Safeguarding Command	10,946	11,133	187	1.71%	167	20
Operations & Neighbourhood Policing Command	7,153	7,078	(75)	-1.06%	(161)	86
Insight & Performance Command	2,043	2,005	(38)	-1.86%	(66)	28
Corporate Support Directorate	8,838	8,344	(494)	-5.59%	(331)	(163)
Digital Data & Tech Command	9,938	9,510	(428)	-4.31%	(1)	(427)
Legal Services Directorate	235	240	5	2.24%	(14)	19
Marketing & Communications	609	623	14	2.42%	(8)	22
<b>SECONDED</b>	<b>(23)</b>	<b>(19)</b>	<b>4</b>	<b>-19.86%</b>	<b>4</b>	<b>0</b>
<b>EARMARKED</b>	<b>955</b>	<b>1,133</b>	<b>178</b>	<b>18.63%</b>	<b>361</b>	<b>(183)</b>
<b>PROJECT</b>	<b>5,417</b>	<b>5,474</b>	<b>57</b>	<b>1.05%</b>	<b>59</b>	<b>(2)</b>
<b>Grand Total</b>	<b>138,587</b>	<b>138,400</b>	<b>(187)</b>	<b>-0.14%</b>	<b>224</b>	<b>(411)</b>

## Constabulary - Subjective Analysis

Description	Revised Budget 2021/22 £'000s	Forecast Outturn 2021/22 £'000s	Forecast (Under)/ Overspend 2021/22 £'000s	Forecast (Under)/ Overspend 2021/22 %	Forecast (Under)/ Overspend @ JUL-21 £'000s	Change from JUL-21 to SEP-21 £'000s
<b>Constabulary Funding</b>						
Police Officers	98,132	99,305	1,173	1.20%	723	450
Police Community Support Officers	1,894	1,956	62	3.27%	52	10
Police Staff	25,704	24,950	(754)	-2.93%	(454)	(300)
Other Employee Budgets	2,837	2,483	(354)	-12.48%	(160)	(194)
Transport Related Expenditure	2,368	2,113	(255)	-10.77%	(283)	28
Supplies & Services	11,288	10,891	(397)	-3.52%	(210)	(187)
Third Party Related Expenses	2,489	2,678	189	7.59%	176	13
<b>Total Constabulary Funding</b>	<b>144,712</b>	<b>144,376</b>	<b>(336)</b>	<b>-0.23%</b>	<b>(156)</b>	<b>(180)</b>
<b>Income</b>	<b>(6,125)</b>	<b>(5,976)</b>	<b>149</b>	<b>-2.43%</b>	<b>380</b>	<b>(231)</b>
<b>Total Constabulary Funding Net of Income</b>	<b>138,587</b>	<b>138,400</b>	<b>(187)</b>	<b>-0.13%</b>	<b>224</b>	<b>(411)</b>

## Key Themes:

- Overall forecasted expenditure is close to budget at the moment.
- Overtime pressures emerging for officers and, to a lesser extent, staff in all Commands / Directorates.
- Additional costs of Operation Uplift as a result of accelerated recruitment, particularly in late 2021/22, see page 5 for more detail.
- Savings on police staff pay as a result of higher than forecast vacancies -£754k. Cross referencing to the workforce plan is being undertaken.
- Forecast financial impact of Operation Lectern (direct and indirect) is an underspend of £154k, see page 5 for more detail.
- In addition there are underspends being experienced across other non staffing budgets.

## Variance Narrative

A high level explanation of the main budget variances by department/command is provided on page 4

# Constabulary – Revenue Budget 2021/22 (2)

## Central Payroll Budgets

**Police Officer Pay +£365k** Restructure, including increase in senior ranks (Chief Supt, Supt etc (£150k), forecast increase in actual FTE numbers above budgeted levels for the last three months of 2021/22.

**PCSO Pay +£56k** Starting the year +3 FTE above budgeted estimate and changes to leaver profile during 2021/22

## Seconded, Earmarked Funds and Projects

**Seconded +£4k** Forecast overspend in respect of police pensions and reduced admin fee income to secondments finishing early.

**Earmarked Funds +£178k** Forecast overspend on **Appleby Fair** (+£215k) due to additional cost of officer overtime. Forecast loss of income from Driver Awareness Scheme (**Safety Camera Partnership** +£78k). Forecast underspend on Op Lectern (-£154k).

**Project Budgets +£57k** Implementation of **new Constabulary website** / On-line home (+£36k) due to additional project management costs. Front loading of recruitment of **Op Uplift** officers, offset by reductions in staff costs (+£140k). Reduced costs of BI Publisher project (-£40k), ICT Projects (-£11k) and Leadership & Skills Project (-£67k).

## CORE Commands / Directorates

**Legal Services +£5k** Costs Awarded to Police income +£28k, reduced spend on staff pay -£23k.

**Marketing and Communications +£14k** Staff Costs +£25k, print unit equipment and materials -£8k, accommodation, subsistence and travel -£3k

## CORE Commands / Directorates

**Chief Officer Group -£18k** Police Staff Pay -£12k, Travel costs -£8k, Constabulary Efficiency Savings -£4k, NPCC contributions +£6k.

**Crime & Safeguarding +£187k** Staff Pay +£30k, Police Overtime +£197k, Staff Overtime +£24k, Operational Equipment +£20k, Accommodation & Subsistence +£13k, NW Forensic Collaborations +£100k, Income from Other Forces +£94k. Partially offset by savings on fuel and other travel costs -£23k, Custody costs -£35k (Appropriate Adults), confiscated animals -£31k and additional POCA income -£201k.

**Operations & Neighbourhood Policing -£75k** Reduced spend on Staff Pay -£240k, savings on fuel and other travel costs -£98k, clothing and uniform -£155k, printing -£12k. Offset by Police Overtime +£310k, Staff Overtime +£35k (CCR), custody costs +£40k, consultancy fees +£10k, accommodation & subsistence +£12k reduced income fees and charges and football +£23k.

**Insight & Performance -£38k** Reduced spend on Staff Pay -£12k, Training -£33k, fuel and other transport costs -£24k, consultancy fees -£19k, firearms licensing income -£10k offset by Police Overtime +£25k, Subscriptions +£31k.

**Corporate Support Directorate -£494k** Reduced spend on staff pay and agency -£105k (People -£61k), recruitment costs -£37k, staff welfare costs -£26k, training -£165k (People), fuel and other travel costs -£90k, office equipment -£18k, catering -£21k, training income -£100k, other reimbursement -£70k (People), Postage -£9k, Misc. -£7k, insurance income -£6k. Partially offset by Officer Overtime +£10k (People Dept), Staff Overtime +£14k, Ill Health Pensions +£14k, clothing & uniform +£37k (People), Audit Fees +£10k, Accommodation & Subsistence +£28k Collaboration payments (People) +£10k, reduced canteen income +£41k.

**Digital Data and Tech Command -£428k** Reduced spend on Staff Pay -£200k, Computing & Communications -£233k, Accommodation, Subsistence and Travel -£19k. Reimbursement of costs -£65k offset by increases on PNC / PND and National ICT Charges +£64k and reduced Disclosure Income +£20k.

# Operation Lectern (Covid 19 response) 2021/22

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	Forecast Outturn	Forecast Variance
Expenditure	Police Officer Pay	44,474	44,474	0
	Police Staff Pay	188,084	140,050	(48,034)
	Police Officer Overtime	213,826	153,300	(60,526)
	Police Staff Overtime	6,150	6,150	0
	Premises Related Expenditure	43,000	43,000	0
	Transport Related Expenditure	1,200	1,250	50
	Supplies & Services Related Expenditure	61,911	24,730	(37,181)
	Internal Recharges Expenditure	0	200	200
<b>Expenditure Total</b>	<b>558,645</b>	<b>413,154</b>	<b>(145,491)</b>	
<b>Grand Total</b>	<b>558,645</b>	<b>413,154</b>	<b>(145,491)</b>	
Home Office COVID Grants Total		(489,099)	(489,099)	0
<b>Total Effect of COVID-19 on Constabulary</b>		<b>69,546</b>	<b>(75,945)</b>	<b>(145,491)</b>

Subjective Analysis Lvl 1	Adjusted Budget	Forecasted Actual	Forecasted Variance
<b>Supplies &amp; Services Related Expenditure</b>			
Office Equipment, Furniture & Materials	8,000	8,000	0
Catering Contract	0	0	0
Clothing, Uniform & Laundry	15,000	15,030	30
Communications & Computing	1,000	1,000	0
Specialist Operational Equipment (incl Dogs & Firearms)	700	700	0
Other Miscellaneous	37,211	0	(37,211)
<b>Supplies &amp; Services Related Expenditure Total</b>	<b>61,911</b>	<b>24,730</b>	<b>(37,181)</b>
	<b>61,911</b>	<b>24,730</b>	<b>(37,181)</b>
	<b>61,911</b>	<b>24,730</b>	<b>(37,181)</b>

## Breakdown of main Op Lectern costs:

- Officer pay and overtime on Covid enforcement activities. £198k.
- Staff pay and overtime, supporting posts £146k.
- Clothing, Uniform & Laundry £15k of PPE equipment.
- Premises Cleaning etc. £43k
- Other Miscellaneous £26k

Home Office Grants relates to Surge Grant for 2021/22 of £489k.

**The Combined Impact of Operation Lectern is a net reduced cost of £154k.**

**Made up of covid related spend £413k, less surge funding of £489k = - £76k plus loss of income £118k less savings on core budgets £196k.**

## Impact on Core Budgets

With reduced activity levels in some areas the following savings on core budgets have been made:

- Vehicle Hire & Travel Costs £70k
- Vehicle Fuel £126k
- **Total Savings £196k**

These savings are offset by a forecast reduction in routine income of £374k on the following budgets:

- Driver Awareness Scheme Income £78k
- Vehicle Recovery Income £6k
- Football, concerts and other event income £34k
- **Total Loss of Income £118k**

# Operation Uplift 2021/22

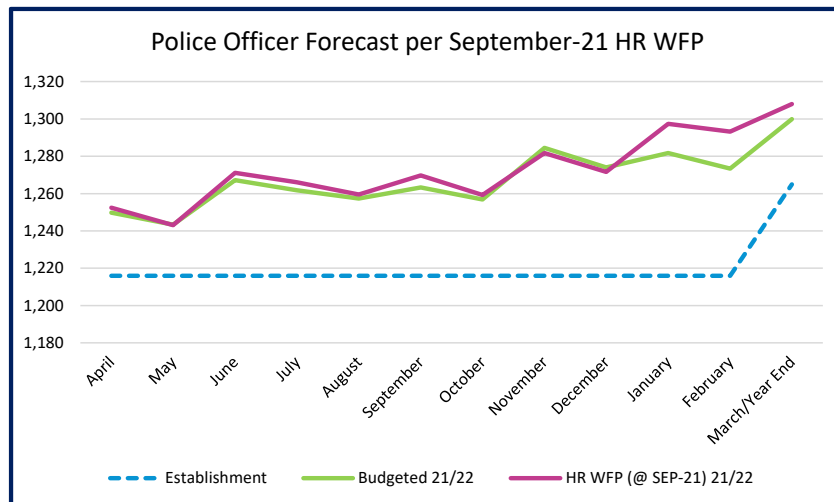
Analysis Lvl 1	Subjective Analysis Lvl 1	Adjusted Budget	Forecast Outturn	Forecast Variance
Expenditure	Police Officer Pay	3,009,096	3,235,895	226,799
	Police Staff Pay	518,892	344,936	(173,956)
	Police Officer Overtime	0	65,575	65,575
	Police Staff Overtime	10,000	7,061	(2,939)
	Other Employee Expenses	0	342	342
	Restructure, Training & Conference Costs	0	0	0
	Transport Related Expenditure	0	296	296
	Supplies & Services Related Expenditure	0	24,408	24,408
<b>Expenditure Total</b>		<b>3,537,988</b>	<b>3,678,513</b>	<b>140,525</b>
<b>Grand Total</b>		<b>3,537,988</b>	<b>3,678,513</b>	<b>140,525</b>

The forecast expenditure outturn on Operation Uplift reflects having recruited an additional 51 FTE officers by 31<sup>st</sup> March 2021 and a forecast additional 47 by 31<sup>st</sup> March 2022. The quoted figures exclude a further £1.223m of expenditure in relation to recruitment of officers over and above the Operation Uplift target and an additional 9 Sergeant post which are forecast to be incurred in 2021/22 and have largely been budgeted.

The forecast overspend on police officer pay predominantly relates to changes in profiled recruitment of Uplift cohorts, the allocation of two police officer trainers and payments for unsociable hours.

Staffing in support of the additional recruitment and servicing the additional officers underspent by £173k. This relates to reduced staff trainer requirements.

## Police Officer WFP



For the first nine months of 2021/22, the actual FTE (red line) is very close to the original budget set in Feb'21 (green line). For the last three months of the year the actual FTE is forecast to be above the budgeted FTE. Together with the creation of several higher rank posts (Insp and above), this results in a forecast overspend on Police Officer pay with police officer numbers currently forecast to reach 1,307.99 FTE at Mar'22, 42.99 above the budgeted establishment figure of 1,265 FTE.

# Constabulary – Capital Budget 2021/22

Capital Programme 2021/22	Original Approved Budget £000s	Impact of 2020/21 Outturn £000s	New Schemes Approved £000s	Budget Changes Approved £000s	Approved Adjusted Budget £000s	Actual Expenditure to Sep-21 £000s	Forecast Capital Outturn £000s	Forecast Variation £000s
<b>ICT Schemes</b>								
ICT End User Hardware Replacement (002x)	862	53	0	(24)	891	76	698	(193)
ICT Software Application Replacement (003x)	0	6	0	0	6	0	6	0
ICT Core Hardware Replacement (004x)	1,884	190	0	(461)	1,613	(3)	1,263	(350)
ICT ESN / Radio Replacement (005x)	281	257	0	(21)	517	204	517	0
ICT Core Infrastructure Replacement	0	0	0	0	0	0	0	0
<b>ICT Infrastructure Solution Replacement (Projects)</b>								
- Case & Custody	39	0	0	0	39	0	39	0
- Control Room Futures	459	193	0	0	652	14	100	(552)
- Business Futures	0	0	0	0	0	0	0	0
- Unspecified change to National systems (D)	54	0	0	0	54	0	54	0
- National ANPR / ANPR replacements	80	0	25	0	105	45	105	0
- High Tech Crime Programme (I)	0	0	0	0	0	0	0	0
- High Tech Crime Storage Growth (I)	0	0	0	0	0	0	0	0
- Digital Policing Project	34	7	0	0	41	26	41	0
General Slippage	(1,000)	0	0	0	(1,000)	0	0	1,000
<b>Total ICT Schemes</b>	<b>2,693</b>	<b>706</b>	<b>25</b>	<b>(506)</b>	<b>2,918</b>	<b>362</b>	<b>2,823</b>	<b>(95)</b>
<b>Fleet Schemes</b>								
2020/2021 Slippage	0	890	0	0	890	879	890	0
2021/2022 Approved Strategy	1,683	0	0	127	1,810	293	1,810	0
Reimbursed Vehicles	85	0	0	0	85	0	0	(85)
<b>Total Fleet Schemes</b>	<b>1,768</b>	<b>890</b>	<b>0</b>	<b>127</b>	<b>2,785</b>	<b>1,172</b>	<b>2,700</b>	<b>(85)</b>
<b>Estates Schemes</b>								
Kendal Police Station - Roof	0	56	0	0	56	0	0	(56)
HQ Dog section - Roof	0	70	0	0	70	0	70	0
UPS HQ	0	44	0	0	44	18	44	0
Eden Deployment Centre	0	0	0	0	0	(86)	0	0
West Cumbria Estate	250	0	0	0	250	0	50	(200)
Barrow Custody - CCTV Digital rollout	50	0	0	0	50	0	0	(50)
						0	(2)	0
<b>Total Estates Schemes</b>	<b>300</b>	<b>170</b>	<b>0</b>	<b>0</b>	<b>470</b>	<b>(70)</b>	<b>164</b>	<b>(306)</b>
<b>Other Schemes</b>								
CCTV	150	24	0	0	174	0	174	0
X2 Taser migration (I)	0	234	0	0	234	0	234	0
Glock Pistol Replacement	0	45	0	0	45	0	45	0
Laser Scanning - Accident investigation	0	5	0	0	5	1	5	0
Operation Uplift	300	0	0	0	300	8	300	0
Operation Lecturn	0	0	0	0	0	4	0	0
<b>Total Other Schemes</b>	<b>450</b>	<b>308</b>	<b>0</b>	<b>0</b>	<b>758</b>	<b>13</b>	<b>758</b>	<b>0</b>
<b>Total Capital Expenditure 2021/22</b>	<b>5,211</b>	<b>2,074</b>	<b>25</b>	<b>(379)</b>	<b>6,931</b>	<b>1,477</b>	<b>6,445</b>	<b>(486)</b>

**Slippage** capital schemes by their very nature can span one or more financial years. Slippage to future years represents schemes that are still proceeding as planned and within overall budget limits but where there is a change in the profile of spend between years.

Slippage	Previously Reported	New Slippage	Total £'000s	% of Adjusted Budget
ICT Schemes	0	(95)	(95)	-3%
Estates Schemes	0	(306)	(306)	-65%
Fleet Schemes	0	(85)	(85)	-3%
Other Schemes	0	0	0	0%
	0.00	(486)	(486)	-7%

## Capital Expenditure

### ICT

Some slippage forecast on control room futures and hardware replacement but within expected tolerances. The ANPR camera scheme budget has been increased by £25k as additional funding from the drugs fund was approved, the financing schedule has also been adjusted to include this additional funding. External funding is also expected of £20k and will be included once it is received. This £45k is to increase both the mobile camera provision and fixed camera provision in the North of the County.

### Estates & Fleet

Initial discussions are taking place around the future of the estate in West Cumbria as the PFI reaches the end of its contract and the budget has been re-profiled to reflect the fact that there is little expenditure expected in 2021/22. The scheme to make repairs to the dog section roof is on hold whilst discussions take place on the suitability of the premises. The vehicle replacement programme remains on track and most vehicles are ordered and delivery expected within the financial year. There has been an increase to the 2021/22 budget of £126k to allow for pricing increases - £40k of which has been funded by the removal of a vehicle from future years and the balance by application of reserved grants.

### Other

Additional funding for equipment in relation to the growth in officers provided for within Operation Uplift has been added to the program for 2021-2023 primarily for the purchase of additional vehicles.

### Financing 2021/22

Revenue Contributions £3,248k  
 General Grants £3,062k  
 Capital Receipts £85k  
 Reserves £50k  
**Total £6,445k**

### Borrowing

There has been no new borrowing undertaken in the period Apr-Sep 2021 either internally or externally and none planned for 2021/22. The capital financing requirement is currently £21.6m, (£4.4m is PFI related)