

# The Police and Crime Commissioner for Cumbria

## Financial Summary 2021/22 as at 31 December 2021 (Quarter 3)

Public Accountability Conference 16 February 2022



### Group Revenue Budget

**Underspend £100k (0.09%)**

Increased Expenditure +£473k (0.30%),

Increased Income -£573k (1.30%)

See page 2



### Constabulary Revenue Budget

**Underspend £11k (0.01%)**

Increased Expenditure £516k (0.36%),

Increased Income £527k (8.57%)

See pages 3-4



### Capital Budget

**Budget / Forecast £6,758k**

Slippage to future years £1,410k

Budget changes approved £998k

Budget changes to note £15k

See page 7



### Op Lectern - Covid 19

The forecast spend on the constabulary COVID 19 response (Op Lectern) is £488k

See page 5



### Operation Uplift

The forecast spend on operation uplift is £3.673m

See page 6



### Treasury Management

**Investment balance 31/12/21 £16.242m** ↓

(Down 26% from £21.412m at 30/09/21).

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 31 December 2021

Description	Revised Budget	Provisional Outturn	Provisional (Under)/Overspend	Provisional (Under)/Overspend	Projected (Under)/Overspend @ SEP-21	Change in Forecast SEP-21 to DEC-21
	2021/22	2021/22	2021/22	2021/22	@ SEP-21	DEC-21
	£'000s	£'000s	£'000s	%	£'000s	£'000s
Office of the Police and Crime Commissioner	820	792	(28)	-3.41%	(14)	(14)
Other PCC Budgets	(25,243)	(25,304)	(61)	0.24%	(2)	(59)
Movements To / (From) Reserves	652	652	0	0.00%	0	0
<b>Total OPCC Budgets</b>	<b>(23,771)</b>	<b>(23,860)</b>	<b>(89)</b>	<b>0.37%</b>	<b>(16)</b>	<b>(73)</b>
Funding Provided to the Constabulary	138,882	138,871	(11)	-0.01%	(187)	176
<b>Net Expenditure</b>	<b>115,111</b>	<b>115,011</b>	<b>(100)</b>	<b>-0.09%</b>	<b>(203)</b>	<b>103</b>
External Funding	(115,112)	(115,112)	0	0.00%	0	0
<b>Total</b>	<b>(1)</b>	<b>(101)</b>	<b>(100)</b>		<b>(203)</b>	<b>103</b>

### Change September to December

The change in forecast from September 2021 to December 2021 is an increase of £103k. The main reasons for this change is in relation to a forecast reduction of the Constabulary underspend (£176k) and relates to increases in police officer pay and overtime, other employee costs, including training, and transport costs. These are somewhat offset by reductions in PCSO, staff costs and ill health retirements and an increase in forecast income in respect of mutual aid. Offsetting this is a reduction in PCC costs in relation to premises which in the main is as a result of reduced utility costs.

The balance on the police property act fund as at 31 December 2021 was £54k. 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 -£28k** Includes reductions in staffing and other office running costs (-£40k) and transport cost (-£3k) offset by increases in training & conferences (+£9k) and external audit fees (+£7k).

#### Other PCC Budgets -£61k

Reduced expenditure on Premises -£63k mostly as a result of reduced expenditure on utilities -£101k, rent and rates -£7k offset by increased cleaning +£45k as a result of the Covid-19 pandemic.

Increased insurances +£57k as a result of premium increases at renewal.

Reduced LGPS past service pensions costs £9k.

Additional grant income -£54k as a result of apprenticeship incentivisation.

Reduction in investment income £8k.

**Funding Provided to the Constabulary Underspend £11k** 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, other employee expenses, transport and supplies & services and forecast additional income offset by overpends on police officer pay a result of the Constabulary getting ahead of the operation uplift target and pressure being experienced on overtime budgets across the Constabulary.

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 %	SEP-21 Variance £'000s	Change in Variance £'000s
<b>Staff Pay</b>						
Core Police Pay	89,363	90,262	899	1.01%	365	534
Core PCSO Pay	1,887	1,910	23	1.23%	56	(33)
<b>CORE</b>						
Chief Officer Group	1,196	1,120	(76)	-6.36%	(18)	(58)
Crime & Safeguarding Command	10,602	10,661	59	0.56%	187	(128)
Operations & Neighbourhood Policing Command	7,473	7,441	(32)	-0.44%	(75)	43
Insight & Performance Command	2,043	2,066	23	1.15%	(38)	61
Corporate Support Directorate	8,844	8,465	(379)	-4.29%	(494)	115
Digital Data & Tech Command	9,915	9,406	(509)	-5.13%	(428)	(81)
Legal Services Directorate	235	235	0	-0.11%	5	(5)
Marketing & Communications	614	582	(32)	-5.14%	14	(46)
<b>SECONDED</b>	<b>(23)</b>	<b>(23)</b>	<b>0</b>	<b>1.25%</b>	<b>4</b>	<b>(4)</b>
<b>EARMARKED</b>	<b>1,113</b>	<b>1,115</b>	<b>2</b>	<b>0.18%</b>	<b>178</b>	<b>(176)</b>
<b>PROJECT</b>	<b>5,620</b>	<b>5,631</b>	<b>11</b>	<b>0.20%</b>	<b>57</b>	<b>(46)</b>
<b>Grand Total</b>	<b>138,882</b>	<b>138,871</b>	<b>(11)</b>	<b>-0.01%</b>	<b>(187)</b>	<b>176</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 @ SEP-21 £'000s	Change from SEP-21 to DEC-21 £'000s
<b>Constabulary Funding</b>						
Police Officers	98,241	100,135	1,894	1.93%	1,173	721
Police Community Support Officers	1,894	1,922	28	1.48%	62	(34)
Police Staff	25,673	24,824	(849)	-3.31%	(754)	(95)
Other Employee Budgets	2,861	2,685	(176)	-6.15%	(354)	178
Transport Related Expenditure	2,380	2,187	(193)	-8.11%	(255)	62
Supplies & Services	11,410	11,041	(369)	-3.23%	(397)	28
Third Party Related Expenses	2,573	2,754	181	7.03%	189	(8)
<b>Total Constabulary Funding</b>	<b>145,032</b>	<b>145,548</b>	<b>516</b>	<b>0.36%</b>	<b>(336)</b>	<b>852</b>
<b>Income</b>	<b>(6,150)</b>	<b>(6,677)</b>	<b>(527)</b>	<b>8.57%</b>	<b>149</b>	<b>(676)</b>
<b>Total Constabulary Funding Net of Income</b>	<b>138,882</b>	<b>138,871</b>	<b>(11)</b>	<b>-0.01%</b>	<b>(187)</b>	<b>176</b>

## Key Themes:

- Overall forecasted expenditure is close to budget at the moment.
- Overtime pressures for officers and, to a lesser extent, staff in all Commands / Directorates.
- Additional costs of Operation Uplift as a result of accelerated recruitment, see page 6 for more detail.
- Savings on police staff pay as a result of higher than forecast vacancies -£849k.
- Forecast financial impact of Operation Lectern (direct and indirect) is an overspend of £89k, see page 5 for more detail.
- In addition there are underspends across other non staffing budgets and additional income from mutual aid.

## Variance Narrative

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

## Capital Financing Decision

The revenue budget for 2021/22 currently includes budgets set aside on a non recurrent basis for, covid recovery £250k, Innovation Fund £250k and capital associated with Op. Uplift £500k. Although these budgets are forecast to be fully spent, to date only a small proportion is firmly committed. Depending on the final outturn position at year end, a decision may be taken redirect these funds to part finance in year capital spend on the kennels and HQ alterations in relation to training facilities or to carry forward the budgets to facilitate Covid recovery work.

# Constabulary – Revenue Budget 2021/22 (2)

## Central Payroll Budgets

**Police Officer Pay +£899k** Restructure, including increase in senior ranks (Chief Supt, Supt etc (£600k), forecast increase in actual FTE numbers above budgeted levels, employer's NI on additional overtime (£100k) etc.

**PCSO Pay +£23k** Starting the year +3 FTE above budgeted estimate and changes to leaver profile during 2021/22

## Secoded, Earmarked Funds and Projects

**Secoded +£0k** Forecast on budget.

**Earmarked Funds +£2k** Forecast overspend on **Appleby Fair** (+£211k) due to additional cost of officer overtime. Forecast loss of income from Driver Awareness Scheme (**Safety Camera Partnership** +£219k). Income from Mutual Aid including COP26 (-£295k). Op Lectern (-£125k). Forecast underspend on Junior Citizen Scheme (£-7k).

**Project Budgets +£11k** Implementation of new Constabulary website / On-line home +£22k due to additional project management costs. Front loading of recruitment of Op Uplift officers, offset by reductions in staff costs +£135k, CCTV +£8k. Reduced costs of BI Publisher project -£46k, ICT Projects -£65k and Leadership & Skills Project -£44k.

## CORE Commands / Directorates

**Legal Services +£0k** Increased costs awarded to police income +£28k, increased court and legal costs +£11k less reduced training -£1k, reduced printing -£1k, additional reimbursed income -£3k, reduced spend on staff pay -£32k

**Marketing and Communications -£32k** staff costs +£23k, print unit equipment and materials -£5k, training -£6k, accommodation, subsistence and travel -£2k, advertising (non-staff) -£27k, reduced spend on website -£15k.

## CORE Commands / Directorates

**Chief Officer Group -£76k** police staff pay -£12k, travel costs -£13k, constabulary efficiency savings -£7k, reduced payments to third parties -£67k, NPCC contributions +£10k, awards +£6k, increased training & conferences +£8k.

**Crime & Safeguarding +£59k** Staff pay +£18k, police overtime +£242k, staff overtime +£24k, operational equipment +£43k, NW forensic collaborations +£140k, income from other forces +£94k. Offset by savings on training -£84k, costs -£44k (appropriate adults), confiscated animals -£75k, custody medical -£27k, abnormal loads income -£29k and additional POCA income -£242k.

**Operations & Neighbourhood Policing -£32k** police overtime +£261k, staff overtime +£44k (CCR), custody costs +£38k, operational equipment +£17k, office equipment +£36k, consultancy fees +£10k, accommodation & subsistence +£19k, other expenditure +£9k and reduced income fees and charges and football +£33k. Offset by reduced spend on staff pay -£242k, fuel and other travel costs -£124k, clothing and uniform -£135k.

**Insight & Performance +£23k** Increased spend on agency staffing +£17k, subscriptions +£32k, printing +£4k, CHIS expenses +£19k, firearms licensing income +£51k. Offset by reduced spend on staff pay & overtime -£38k, training -£10k, fuel and other transport costs -£15k, comms auto charges -£20k, accommodation & subsistence -£3k and consultancy fees -£14k.

**Corporate Support Directorate -£379k** Reduced spend on staff pay -£90k, recruitment costs -£30k, training costs -£33k, fuel and other travel costs -£29k, training income -£210k, other trading income -£89k, consultants fees -£10k, office equipment -£8k, catering charges -£10k, uniform -£3k, banking costs -£5k. Partially offset by officer overtime +£5k, staff overtime +£8k, pensions +£41k, audit fees +£4k, accommodation & subsistence +£77k.

**Digital Data and Tech Command -£509k** Reduced spend on staff pay -£268k, computing & communications -£236k, accommodation, subsistence and travel -£22k, 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
<b>Expenditure</b>	Police Officer Pay	39,474	38,575	(899)
	Police Staff Pay	175,546	141,990	(33,557)
	Police Officer Overtime	210,526	204,723	(5,803)
	Police Staff Overtime	0	20,500	20,500
	Premises Related Expenditure	0	55,263	55,263
	Transport Related Expenditure	0	1,177	1,177
	Supplies & Services Related Expenditure	133,099	25,977	(107,122)
	Internal Recharges Expenditure	0	200	200
<b>Expenditure Total</b>		<b>558,645</b>	<b>488,405</b>	<b>(70,240)</b>
<b>Grand Total</b>		<b>558,645</b>	<b>488,405</b>	<b>(70,240)</b>
<b>Home Office COVID Grants Total</b>		<b>(489,099)</b>	<b>(489,099)</b>	<b>0</b>
<b>Total Effect of COVID-19 on Constabulary</b>		<b>69,546</b>	<b>(694)</b>	<b>(70,240)</b>

Subjective Analysis Lvl 1	Adjusted Budget	Forecasted Actual	Forecasted Variance
<b>Supplies &amp; Services Related Expenditure</b>			
Office Equipment, Furniture & Materials	0	7,844	7,844
Catering Contract	0	0	0
Clothing, Uniform & Laundry	0	15,048	15,048
Police Doctors & Surgeons	0	1,000	1,000
Communications & Computing	0	1,085	1,085
Specialist Operational Equipment (incl Dogs & Firearms)	0	1,000	1,000
Other Miscellaneous	133,099	0	(133,099)
<b>Supplies &amp; Services Related Expenditure Total</b>	<b>133,099</b>	<b>25,977</b>	<b>(107,122)</b>

## Breakdown of main Op Lectern costs:

- Officer pay and overtime on Covid enforcement activities. £243k.
- Staff pay and overtime, supporting posts £162k.
- Clothing, Uniform & Laundry £15k of PPE equipment.
- Premises Cleaning etc. £55k
- Other Miscellaneous £13k

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

**The Combined Impact of Operation Lectern is a net increased cost of £89k.**

**Made up of covid related spend £488k, less surge funding of £489k = -£-1k plus loss of income £260k less savings on core budgets £170k.**

## 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 £100k
- **Total Savings £170k**

These savings are offset by a forecast reduction in routine income of £260k on the following budgets:

- Driver Awareness Scheme Income £230k
- Vehicle Recovery Income £10k
- Football, concerts and other event income £20k
- **Total Loss of Income £260k**

# Operation Uplift 2021/22

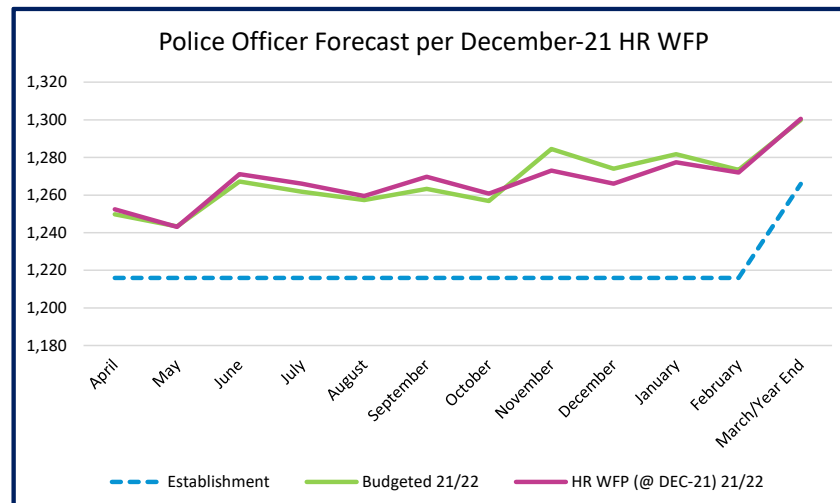
Analysis Lvl 1	Subjective Analysis Lvl 1	Adjusted Budget	Forecast Outturn	Forecast Variance
Expenditure	Police Officer Pay	3,009,096	3,178,068	168,972
	Police Staff Pay	518,892	331,993	(186,899)
	Police Officer Overtime	0	76,947	76,947
	Police Staff Overtime	10,000	5,157	(4,843)
	Other Employee Expenses	0	1,972	1,972
	Restructure, Training & Conference Costs	0	0	0
	Premises Related Expenditure	0	0	0
	Transport Related Expenditure	0	4,889	4,889
	Supplies & Services Related Expenditure	0	73,810	73,810
<b>Expenditure Total</b>		<b>3,537,988</b>	<b>3,672,835</b>	<b>134,847</b>
<b>Grand Total</b>		<b>3,537,988</b>	<b>3,672,835</b>	<b>134,847</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 50 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 £187k. This relates to reduced staff trainer requirements.

## Police Officer WFP



For 2021/22, the forecast actual FTE (red line) is very close to the original budget set in Feb'21 (green line). However, the creation of several higher rank posts (Insp and above), results in a forecast overspend on Police Officer pay, Police officer numbers are currently forecast to reach 1,300.58 FTE at Mar'22, 34.58 above the budgeted establishment figure of 1,266 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 Dec-21 £000s	Forecast Capital Outturn £000s	Forecast Variation £000s
<b>ICT Schemes</b>								
ICT End User Hardware Replacement (002x)	862	53	0	(150)	765	107	448	(317)
ICT Software Application Replacement (003x)	0	6	0	0	6	0	6	0
ICT Core Hardware Replacement (004x)	1,884	190	0	(592)	1,482	42	952	(530)
ICT ESN / Radio Replacement (005x)	281	257	0	(24)	514	196	264	(250)
<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	24	100	(552)
- Police Works / Silverlite	0	0	0	317	317	0	317	0
- Unspecified change to National systems (D)	54	0	0	0	54	0	54	0
- National ANPR / ANPR replacements	80	0	25	20	125	45	125	0
- Vetting Software	0	0	30	0	30	5	30	0
- Digital Policing Project	34	7	0	0	41	26	28	(13)
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>55</b>	<b>(429)</b>	<b>3,025</b>	<b>445</b>	<b>2,363</b>	<b>(662)</b>
<b>Fleet Schemes</b>								
2020/2021 Slippage	0	890	0	0	890	1,618	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>1,911</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	(70)	0	0	0	0	0
UPS HQ	0	44	0	(26)	18	18	18	0
Eden Deployment Centre	0	0	0	0	0	(86)	0	0
West Cumbria Estate	250	0	0	0	250	0	20	(230)
Barrow Custody - CCTV Digital rollout	50	0	0	0	50	0	0	(50)
Gas Suppression	0	0	0	0	0	(2)	(2)	(2)
Dog Section Wrey	0	0	1,055	245	1,300		1,300	0
EDC adaptations	0	0	30	0	30		30	0
PST training - Occ Health	0	0	30	0	30		30	0
<b>Total Estates Schemes</b>	<b>300</b>	<b>170</b>	<b>1,045</b>	<b>219</b>	<b>1,734</b>	<b>(70)</b>	<b>1,396</b>	<b>(338)</b>
<b>Other Schemes</b>								
CCTV	150	24	0	0	174	0	0	(174)
X2 Taser migration (I)	0	234	0	0	234	0	68	(166)
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	(119)	181	126	181	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>(119)</b>	<b>639</b>	<b>131</b>	<b>299</b>	<b>(340)</b>
<b>Total Capital Expenditure 2021/22</b>	<b>5,211</b>	<b>2,074</b>	<b>1,100</b>	<b>(202)</b>	<b>8,183</b>	<b>2,417</b>	<b>6,758</b>	<b>(1,425)</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 Qtr 3	Total £'000s	% of Base Budget
ICT Schemes	(95)	(553)	(648)	-22%
Estates Schemes	(306)	(30)	(336)	-72%
Fleet Schemes	(85)	0	(85)	-3%
Other Schemes	0	(340)	(340)	-45%
	(486)	(924)	(1,410)	-19%

## Capital Expenditure

### ICT

The converged Infrastructure project that began during 21/22 has now provided a list of the immediate hardware and software replacements required to ensure the continued stability of the network. In the capital strategy presented in Feb-21 the 10 year budget for this scheme was smoothed but in order to facilitate this immediate purchase some budget will need to be brought forward once the payment profile has been received. This purchase is likely to fall across 21/22 and 22/23. The Digital Policing project has concluded and a total of £13k underspent budget has been returned.

### Estates & Fleet

A number of new estate demands have emerged and additional scheme have been added to the programme. These have included short term requirements to replace kennelling for police dogs £1.5m, adapting the HQ site primarily to provide increased learning and development capacity in the context of increased recruitment from Operation Uplift £0.4m. The scheme to replace the Gas suppression cylinders that protect ICT equipment in the event of a fire has concluded at £2k underspend. The vehicle replacement programme remains on track and most vehicles are ordered and delivery expected within the financial year.

### Other

The taser budget had incorrectly all been put into 2021/22 this has been corrected to reflect the payment plan across the next 3 years. The county wide CCTV project is approaching the end of the original contract and the project team is looking at the way forward. The budget was originally set across 2 financial years but the £174k in 2021/22 has now been moved to 2022/23.

### Financing 2021/22

Revenue Contributions £4,722k  
 General Grants £1,930k  
 Capital Receipts £85k  
 Reserves £20k  
**Total £6,858k**

### Borrowing

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