

<b>For Comment &amp; Decision</b>	
<b>Public/Non Public*</b>	<b>Public</b>
<b>Report to:</b>	<b>Strategic Resources and Performance Meeting</b>
<b>Date of Meeting:</b>	<b>25<sup>th</sup> May 2017</b>
<b>Report of:</b>	<b>Charlotte Radford – Chief Financial Officer</b>
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<b>Agenda Item:</b>	<b>11</b>

## **CAPITAL OUT-TURN AND SLIPPAGE 2016-17**

### **1. Purpose of the Report**

- 1.1 This report is to inform the Police & Crime Commissioner of the capital out-turn and request approval of budget slippage into 2017-18.

### **2. Recommendations**

- 2.1 The Commissioner is requested to approve:
- The capital expenditure of £8.043m. (4.4)
  - The net slippage of £6.012m as a formal addition to the 2017-18 programme.(4.4)
  - The virement of £0.135 (4.7)
  - The overspend of £0.977m on Niche. (4.6)

### **3. Reasons for Recommendations**

- 3.1 To provide an update and out-turn on this major area of expenditure as required by Financial Regulations.

### **4. Summary of Key Points**

- 4.1 The figures included here are expected to be the final ones for the year. However, during the final accounts process they are subject to amendment.
- 4.2 The expenditure on capital has been closely monitored throughout the year and variations reported on a regular basis both to the Force Executive Group and the Commissioner. The last published report on capital was the Q2 and this report is an update on that position.
- 4.3 The main focus of the programme has been to meet the needs of the Tri force alliance and only essential projects.

4.4 The summary information for expenditure and financing is summarised in the following table:

Area	Original Budget inc' slippage £m	Added funding approved £m	Saving (-) / over - spend £m	Forecast Period 6 £m	Actual Spend 2016-17 £m	Slippage into 2017-18 £m	As a % of budget	2017-18 Budget inc' slippage £m
Estates	6.072	1.280	-0.999	3.130	3.485	-2.868	39%	4.065
IS	5.888	0.090	-0.835	5.474	2.419	-2.724	46%	5.289
Other	1.173	0.805	0.581	2.324	2.139	-0.420	21%	3.927
<b>Total</b>	<b>13.133</b>	<b>2.175</b>	<b>-1.253</b>	<b>10.928</b>	<b>8.043</b>	<b>-6.012</b>	<b>39%</b>	<b>13.281</b>
<b>Financed by</b>								
Capital Grant & Contribution	1.448			1.448	1.818			2.793
Capital Receipts	0.548			0.548	0.548			2.828
Borrowing	11.137			8.932	5.677			7.660
<b>Total</b>	<b>13.133</b>			<b>10.928</b>	<b>8.043</b>			<b>13.281</b>

4.5 The detailed information is included in Appendix 1 to this Report and brief reasons for the slippage are included in Appendix 2. The net slippage of £6.012m is requested as a formal addition to the 2017-18 Capital Programme. In proposing this slippage budget managers have been asked to consider whether it is wholly essential to complete the original project and savings have been incorporated where possible.

4.6 Appendix 3 reviews the main reasons for under and overspends in the year for the ones above £0.050m. The most notable item within this is the overspend on Niche for £0.977m. This arose due to the scope of the project being extended to include data conversion and transfer of historic data. Unfortunately the protocols for obtaining the appropriate permissions for this were not followed.

4.7 There has been additional virement in the second half of the year as follows:

FHQ Kennels have had an additional £0.100 allocated from savings of £0.050 from both Mansfield Open Plan and Accommodation for the Digital Investigation Unit. (DIU)

Tanking works at the FHQ had a further £0.35m budget allocated from the DIU.

4.8 The final expenditure was £8.043m, which is £2.885m less than the mid-year estimate.

## **5. Financial Implications and Budget Provision**

5.1 The level of capital expenditure impacts on the revenue account via borrowing costs and MRP. 2016-17 expenditure increased the MRP position in 2017-18 by £0.322m

## **6. Human Resources Implications**

6.1 None as a direct result of this report.

## **7. Equality Implications**

7.1 None as a direct result of this report.

## **8. Risk Management**

8.1 None.

## **9. Policy Implications and links to the Police and Crime Plan Priorities**

9.1 None as a direct result of this report.

## **10. Changes in Legislation or other Legal Considerations**

10.1 None

## **11. Details of outcome of consultation**

11.1 Not applicable

## **12. Appendices**

- A Detailed Capital Out-turn
- B Analysis of slippage

## **13. Background Papers**

13.1 Decision records are published on the Police & Crime Commissioner website.