

For Decision	
Public/Non Public*	Public
Report to:	Strategic Resources and Performance
Date of Meeting:	4th September 2019
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Agenda Item:	14

Capital Report for Period 3; Quarter 1 2019/20

1. Purpose of the Report

- 1.1 The purpose of this report is to provide an update on the financial outturn position for capital as at 30th June 2019 (Period 3, Quarter 1).

2. Recommendations

- 2.1 Recommendation 1 Outturn Position
That the Police and Crime Commissioner note the outturn position as set out in Appendix A.

Recommendation 2 Virement

That the Police and Crime Commission approve the virement request as set out in Appendix B.

2.2 Background

The Capital Programme for 2019/20 to 2023/24 was presented and approved at the Police and Crime Panel Meeting on 7th February 2019.

The capital budget for 2019/20 is £12,797k. This is calculated as slippage from 2018/19 of £1,470k and new allocations in 2019/20 of £11,327k.

Finance in conjunction with project leads and budget holders have continued to review the outturn position (Appendix A). At the end of June 2019 the projected year end outturn is £9,241k.

Actual spend to the end of June 2019 is £2,168k. Please also refer to section 8 of this report.

3. Reasons for Recommendations

- 3.1 To update the Chief Officer Team and the Office of the PCC on the Force's projected outturn position for 2019/20 and also to comply with good financial management and Financial Regulations.

4. Summary of Key Points

4.1 Executive Summary

The review during quarter one of the capital expenditure is forecasting an under spend of £354k and anticipated slippage of £3,202k.

The under spend is predominately being driven by procurement savings within the command and control project. The slippage is being driven by financial profiling issues within the new custody suite project which will be addressed when a meeting with Gleeds is held.

Monitoring has been exceptionally problematic during quarter 1, with proven errors in the data recoded on the financial system. Work is progressing to address these issues, it should be noted that the year to date actual spend is inaccurate at this present time. There is confidence that the budget set is robust and will be sufficient to manage capital plans during 2019/20.

The table below shows the projected Force under spends and slippage against the 2019/20 budget plus virements (revised budget) as at the end of June 2019.

Variances greater than £50k are explained in more detail within section 4 of this report.

Data explaining the variance between original budget and revised budget can be found in Appendix A. Data explaining the virements can be found in Appendix B.

Capital Outturn Position as at the end of June 2019, by Project.

Over spends are shown as + numbers, whilst under spends are shown as () numbers. No manual adjustments have been made for rounding.

Project Name	Revised Budget £'000	Forecast Outturn £'000	Underspend £'000	Slippage to 2020/21 £'000
Estates				
New Custody Suite	6,430	3,296	0	(3,134)
Building Improvement, Renovation & Conversion Works	1,172	1,171	(0)	0
Hucknall EMAS	637	632	(5)	0
Custody Improvements	360	360	(0)	0
New HQ Joint Build	352	285	0	(67)
Northern Property Store	246	246	(0)	0
Bunkered Fuel Tanks	76	57	(19)	0
Automatic Gates & Barriers	52	52	0	0
Community Rehabilitation Companies Renovations	25	25	0	0
	9,350	6,123	(25)	(3,202)
Information Services				
Command & Control	2,000	1,673	(327)	0
Technology Services Refresh & Upgrades	1,090	1,090	0	0
ANPR Camera Project	126	126	0	0
NEP	112	110	(2)	0
SICCS Upgrade	59	59	0	0
	3,387	3,058	(329)	0
Other Projects				
Vehicle & Equipment Replacement	60	60	0	0
	12,797	9,241	(354)	(3,202)

4.2 Estates – Under spend (£25k) and Slippage (£3,202k)

4.2.1 New Custody Suite – slippage (£3,134k)

The projected slippage figure is likely to change by the end of the year, Estates and Finance are awaiting a meeting with Gleeds to identify the milestone payments and progress expected during this year. This is a multi-year project and overall the project is expected to be delivered on target.

4.2.2 New HQ Joint Build – slippage (£67k)

The projected slippage figure is likely to change by the end of the year, Estates and Finance are awaiting a meeting with Gleeds to identify the milestone payments and progress expected during this year. This is a multi-year project and overall the project is expected to be delivered on target.

4.3 Information Services – Under spend (£327k)

4.3.1 Command & Control – under spend (£327k)

The project is expected to under spend to reflect the balance of procurement savings achieved during the tendering phase of the project.

4.4 Other Projects – on budget

There are no significant variances to report.

5 Financial Implications and Budget Provision

5.1 The financial information relating to this item is contained within item 4.1 and Appendix A.

6 Human Resources Implications

6.1 There are no immediate Human Resource implications arising from this report.

7 Equality Implications

7.1 There are no equality implications arising from this report.

8 Risk Management

8.1 It should be noted that the actual year to date figures shown within this report are not considered to be accurate at this point in time, work is progressing with our outsourced service to rectify current issues.

9 Policy Implications and links to the Police and Crime Plan Priorities

9.1 There are no policy implications arising from this report.

10 Changes in Legislation or other Legal Considerations

10.1 There are no changes in legislation or other legal considerations that are relevant to this report.

11 Details of outcome of consultation

11.1 The figures included in this report are presented to the Force Executive Board on a monthly basis.

12. Appendices

12.1 Appendix A – Detailed Report to June 2019.

12.2 Appendix B – Virements requiring approval.

13. Background Papers (relevant for Police and Crime Panel Only)

NB

See guidance on public access to meetings and information about meetings for guidance on non-public information and confidential information.

Capital Position as at the end of June 2019.

The table shows the original budget, approved slippage, requested virements and outturn position. Overspends are shown as + numbers, whilst under spends are shown as () numbers. No manual adjustments have been made for rounding.

Project Name	Slippage From 2018/19 £'000	New Budget 2019/20 £'000	In Year Virements £'000	Total Available for Project £'000	Total Actual Spend YTD £'000	Outturn £'000	Under Spend £'000	Slippage to 2020/21 £'000
Estates								
New Custody Suite	0	6,430	0	6,430	276	3,296	0	(3,134)
Building Improvement, Renovation & Conversion Works	0	1,250	(78)	1,172	13	1,171	(0)	0
Hucknall EMAS	637	0	0	637	25	632	(5)	0
Custody Improvements	260	100	0	360	122	360	(0)	0
New HQ Joint Build	0	352	0	352	59	285	0	(67)
Northern Property Store	168	0	78	246	11	246	(0)	0
Bunkered Fuel Tanks	76	0	0	76	0	57	(19)	0
Automatic Gates & Barriers	52	0	0	52	0	52	0	0
Community Rehabilitation Companies Renovations	0	25	0	25	0	25	0	0
	1,193	8,157	0	9,350	505	6,123	(25)	(3,202)
Information Services								
Command & Control	0	2,000	0	2,000	1,457	1,673	(327)	0
Technology Services Refresh & Upgrades	0	1,090	0	1,090	167	1,090	0	0
ANPR Camera Project	106	20	0	126	28	126	0	0
NEP	112	0	0	112	0	110	(2)	0
SICCS Upgrade	59	0	0	59	0	59	0	0
	277	3,110	0	3,387	1,652	3,058	(329)	0
Other Projects								
Vehicle & Equipment Replacement	0	60	0	60	12	60	0	0
	0	60	0	60	12	60	0	0
Total	1,470	11,327	0	12,797	2,168	9,241	(354)	(3,202)

Virements Quarter 1 – 2019/20

Project	Description	Amount £
Building Improvement, Renovation & Conversion Works	Expected underspend to be used to provide racking within Northern Property Store	(78,000)
Northern Property Store	Additional racking required within store	78,000
Total		0