

The Police, Fire and Crime Commissioner For Cumbria

Financial update 2023/24

Quarter 3

As at 31st December 2023

Report to: Public Accountability Conference 15 February 2024

Group Revenue Budget

Overspend £113k (0.09%)

Increased Expenditure £543k (0.32%),

Increased Income £430k (0.25%)

See page 3

OPFCC Revenue Budget

Underspend £210k (0.94%)

Increased Expenditure £104k (0.66%),

Increased Income £314k (0.19%)

See page 3

Constabulary Revenue Budget

Overspend £323k (0.22%)

Increased Expenditure £439k (0.29%),

Increased Income £116k (1.95%)

See pages 4-7

Executive Summary

The combined forecast revenue budget position for the PFCC and Constabulary as at the end of December is £113k overspend.

The December forecast overspend is comprised of an overspend on Constabulary budgets of £323k and an underspend on OPFCC budgets of £210k.

See pages 4-7 for further details of the Constabulary position.

Capital Budget

Budget / Forecast £8,523k / £5,888k

Expenditure at Qtr3 is £2,612k

Profiling to future years (£2,757k)

Budget changes requiring PFCC approval £122k

Net Budget changes to note (£2,635k)

See pages 8-9

Treasury Management

Investment balance 31/12/2023 £12.043m 

(Down 39% from £19.760m at 30/09/23).

The current income forecast is £950k against an income budget of £400k and reflects the recent increases in investment interest rates.

See separate report on the agenda.

Description	Revised	Forecast	Forecast	Forecast
	Budget	Expenditure	(Under)/	(Under)/
	2023/24	/ (Income	Overspend	Overspend
	£'000s	£'000s	£'000s	%
Office of the Police, Fire and Crime Commissioner	1,144	1,143	(1)	(0.09%)
Other OPFCC Budgets	(20,141)	(20,350)	(209)	1.04%
Movements To / (From) Reserves	(3,230)	(3,230)	0	0.00%
Total OPFCC Budgets	(22,227)	(22,437)	(210)	0.94%
Funding Provided to the Constabulary	147,165	147,488	323	0.22%
Net Expenditure	124,938	125,051	113	0.09%
External Funding	(124,938)	(124,938)	0	0.00%
Total	0	113	113	

Key Themes:

- Overall forecasted overspend of £113k (0.79%).
- Police officer pay overspend (+£0.9m)
- Overtime pressures for officers (+£0.3m) and, to a lesser extent, staff (+£0.2m) in all Commands / Directorates.
- Inflation remains stubbornly high with a resultant impact on supplies.

The balance on the police property act fund as at 31st December 2023 was **£95k**. The funds have now been fully allocated with payments to be made in January. 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 PFCC -£1k

Overspends on supplies & services +£38k reflecting the new notified audit fees which reflect 151% partly offset by underspends on staff pay -£31k, training & conference expenditure -£5k and other minor variances totalling -£2k.

Other PCC Budgets -£209k

Increased interest / investment income -£270k due to rising interest rates and the decision to delay borrowing. Increase in grants & contributions income -£229k due to increased Home Office grants for LEDS partly offset by under recovery of apprenticeship income +£185k. These underspends are partly offset by increased costs relating to Insurances +£58k and estates costs +£47k mainly relating to a business rates rateable value increase.

Funding Provided to the Constabulary Overspend £323k

The overspend in the main arises from overspends on police officer pay budgets caused by changes in the profile of recruitment for police officers and additional officer in post compared to when the budget was set. Smaller overspends on transport and supplies and services and a reduction in forecasted income. These overspends are offset to a degree by forecast underspends on PCSO and staff pay, other employee budgets and third party related expenditure.

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

Constabulary – Revenue Budget 2023/24 (1)

Subjective Analysis (by expenditure type)

Description	Revised Budget	Forecast Outturn	Forecast (Under)/Overspend	Forecast (Under)/Overspend	Forecast (Under)/Overspend	Change in Forecast
	2023/24	2023/24	2023/24	2023/24	@ OCT-23	OCT-23 to 31st Dec 2023
	£'000s	£'000s	£'000s	%	£'000s	£'000s
Constabulary Funding						
Police Officers	101,189	101,881	692	0.68%	1,050	(358)
Police Community Support Officers	2,257	1,889	(368)	(16.30%)	(373)	5
Police Staff	28,670	28,538	(132)	(0.46%)	(47)	(85)
Other Employee Budgets	2,845	2,730	(115)	(4.04%)	(50)	(65)
Transport Related Expenditure	2,507	2,712	205	8.18%	190	15
Supplies & Services	11,541	11,812	271	2.35%	400	(129)
Third Party Related Expenses	4,093	3,979	(114)	(2.79%)	(110)	(4)
Total Constabulary Funding	153,102	153,541	439	0.29%	1,060	(621)
Income	(5,936)	(6,052)	(116)	1.95%	(157)	41
Total Constabulary Funding Net of Income	147,166	147,489	323	0.22%	903	(580)

Risks

- The forecast overspend of £323k will need to be funded from the budget support reserve if not found within the year. This will impact on the potential to apply these reserves to reduce the savings requirement for future years.
- Inflation, although starting to fall, still remains high compared with the inflation factors included within the budget/ MTFE with a resultant impact on supplies.
- The current forecast includes additional uplift grant of £288k, this is however contingent on achieving the additional 12FTE officers by 31/03/24, if the Constabulary does not meet this target (even by 1FTE) the whole of the grant will be forfeited.

Key Themes:

- Police officer pay (+£0.9m) partly due to having 44 additional officers in post in April compared to the work force plan at budget setting (+£1.5m), officer overtime (+£0.5m), increased numbers of officers at higher ranks (+£0.4m), the impact of temporary changes in the Chief Officer Team (+£0.2m), auto-enrolment into the pension scheme (+£0.2m), public holiday overtime (+£0.1m) partly offset by additional funding for the pay award and uplift (-£1.5m), maternity / paternity payments (-£0.2m), unpaid leave, career break, long term sick and ill health retirements (-£0.1m) and other minor changes totalling (-£0.2m).
- Overtime pressures (excluding public holidays) for officers (+£0.3m) and staff (+£0.2m) in all Commands / Directorates.

Constabulary – Revenue Budget 2023/24 (2)

Objective Analysis (by command/directorate)

Command / Directorate	Revised Budget 2023/24 £'000s	Forecast Outturn 2023/24 £'000s	(Under) / Overspend 2023/24 £'000s	(Under) / Overspend 2023/24 %
Pay Budgets				
Core Police Pay	95,324	95,504	180	0.19%
Core PCSO Pay	2,250	1,884	(366)	-16.27%
Core Police Staff Pay	25,814	25,590	(224)	-0.87%
Sub Total Pay Budgets	123,388	122,978	(410)	-0.33%
CORE COMMAND BUDGETS				
Chief Officer Group	659	956	297	45.07%
Corporate Support Directorate	4,527	4,415	(112)	-2.47%
Crime & Intelligence Command	2,603	2,867	264	10.14%
Cumberland BCU	1,671	1,745	74	4.43%
Digital Data & Tech Command	6,592	6,184	(408)	-6.19%
Legal Services Directorate	(134)	(54)	80	-59.70%
Marketing & Communications	211	218	7	3.32%
Operations Command	2,058	2,582	524	25.46%
Standards, Insight & Performance Command	12	85	73	608.33%
Westmorland & Furness BCU	2,634	3,049	415	15.76%
Sub Total Core Command Budgets	20,833	22,047	1,214	5.83%
SECONDED	0	0	0	0.00%
EARMARKED	674	190	(484)	-71.81%
PROJECT	2,271	2,274	3	0.13%
Grand Total	147,166	147,489	323	0.22%

Variance Narrative

A high-level explanation of the main budget variance by department / command is provided on pages 6-7.

Constabulary – Revenue Budget 2023/24 (3)

Pay Budgets

Police Officer Pay +£180k The current forecast overspend is largely attributable to having 44 additional officers in post in April compared to the work force plan at budget setting +£1.5m, increased numbers of officers at higher ranks +£0.4m, auto enrolment into the pension scheme +£0.2m, increased costs associated with temporary arrangements for the Chief Officer Team +£0.2m (offset by reductions in police staff posts), partly offset by additional funding for pay award and Uplift -£1.5m, maternity / paternity payments -£0.2m, unpaid leave, career break, long term sick and ill health retirements -£0.1m, some officers moving from core funding to being funded by STAR funding -£0.1m other minor changes -£0.2m.

PCSO Pay -£366k Largely as a result of current vacancies and no planned PCSO recruitment until the end of 2023/24. (Establishment 60 FTE -v- Current 41.11 FTE).

Police Staff Pay -£224k Largely as a result of increased vacancies. (Current Vacancies 66.4 FTE).

Core Command Budgets

Chief Officer Group +£297k Largely as a result of +£300k for the increased income target placeholder which can be moved to other commands / directorates as required. +£50k mainly due to the budget setting placeholder for the 50% procurement savings (£100k reduced to £50k due to Safety Camera Scheme partnership funding adjustment), +£52k increased pension contribution costs, +£22k increased monthly charge for Apprenticeship levy, +£8k Other Third-Party Payments (mainly NPoCC SIB funding and NPCC D-DACs funding) +£7k vehicle maintenance, +£11k other minor overspends, partly offset by -£16k reduction in Car Allowances, -£26k Collaboration Payments (mainly ESN), -£111k overtime budget placeholder.

Corporate Support Directorate -£112k Mainly due to -£52k additional training course income, -£51k for external assessment centres, -£43k for DHEP training, -£36k for relocation costs, -£35k training accommodation for new recruits, increased income -£30k for UCLAN recharges (relating to subcontracting part of PCDA on behalf of UCLAN), -£30k efficiency savings relating to the saving on National Insurance due to uptake for the shared cost AVC scheme and -£27k catering recharge income partly offset by other minor variances totalling +£4k, +£12k vehicle repairs & maintenance, +£26k External audit fees reflecting the new notified audit fees which reflect 151% increase (talk of grant but not notified of allocation yet), +£150k accident damage.

Crime & Intel Command +£264k Mainly as a result of +£178k POCA/ARIS income moved to a separate reserve, +£69k Officer and staff overtime, +£59k increase in forensics analysis due to additional inhouse sampling and increased cost, +£27k under recovery on Youth offending salary recharges (underspend on staff budgets), partly offset by -£13k other minor changes, -£27k CHIS payments -£29k comms auto services.

Constabulary – Revenue Budget 2023/24 (4)

Cumberland BCU +£74k Mainly due to increased expenditure on +£28k uniform costs, +£28k vehicle hire costs (mainly relating to Mental Health Street Triage Team 50% should be recovered from NHS), +£22k specialist operational equipment, +£16k increased detained persons costs, +£13k pathologists fees, +£10k accommodation & subsistence, +£8k officer and staff overtime, and other minor variance totalling +£7k partly offset by -£58k vehicle related expenditure.

Digital Data and Tech Command -£408k Underspends -£140k due to contract negotiations, -£135k due to national challenge on pricing relating to Airwave, -£58k due to CLIO charge less than budget and Chronicle payment not required in DDAT, -£47k due to moving to single firewall, -£41k relating to PNC (no charges had been provided prior to budget setting this has now come in under budget), and other minor underspends totalling -£8k partly offset by +£21k for ANPR renewal.

Legal Services +£80k Largely due to +£82k increased court costs due to number of current cases and using counsel due to carrying vacancies within department and minor underspends totalling -£2k.

Marketing and Communications +£7k Largely relates to increased costs for web design & running costs +£7k.

Operations Command +£524k Largely as a result of increases in overtime +£326k (relating to staff shortages in CCR, overtime in MSG and dogs), +£55k confiscated animals, +£42k vehicle related expenditure, +£32k Uniform & protective clothing, +£26k specialist operational equipment, +£13k police dog costs, +£12k vehicle hire costs, +£10k NW RICC contribution, +£14k accommodation and subsistence and other minor variances totalling +£17k partly offset by increased income for football matches -£23k.

Standards, Insight & Performance +£73k Largely as a result of reduced income for firearms licenses +£47k, increased expenditure +£16k for Police officer and staff overtime, +£5k accommodation & subsistence and other minor variances totalling +£5k.

Westmorland & Furness BCU +£415k Mainly due to +£239k increased overtime expenditure for Police officers and staff, increased costs +£79k relating to annual indexation costs on the custody medical contract, +£50k uniform costs, +£27k Vehicle repairs & maintenance, +£20k accommodation & subsistence, +£17k increased costs relating to detained persons and other minor variances totalling +£3k partly offset by -£20k funding received for Op Lantern.

Seconded, Earmarked Funds and Projects

Seconded On budget

Earmarked Funds -£484k Largely as a result of additional income for Op Safeguard -£358k, underspends on the Driver Awareness Scheme (Safety Camera Partnership) of -£85k (mainly due to vacancies), -£26k relating to one off mutual aid, -£21k relating to underspend on MAPPA training, -£17k relating to mutual aid for the Kings Coronation, other minor variances totalling -£3k partly offset by overspends +£26k for Op Equate.

Projects +£3k Overspend of +£2k on taser replacement project and other minor overspends totalling +£1k.

Capital Budget 2023/24 (1)

2023/24 Programme	Approved Capital Strategy £000's	Impact of 2022/23 Outturn £000's	2023-24 Approved Changes £000's	2023-24 Working Budget £000's	Expenditure to Date £000's	Predicted Outturn £000's	Variance £000's	2023-24 Pending Changes £000's	Re-profile £000's
DDaT Schemes 2023/24									
End User Hardware Replacement	1,125	440	63	1,629	337	845	(784)	0	(784)
Service Projects	403	(122)	(133.34)	148	6	71	(77)	(4)	(73)
Core Infrastructure Replacement	2,297	163	(519.70)	1,939	83	312	(1,627)	0	(1,627)
ESN / Radio Replacement	19	37	(0)	56	56	56	0	0	0
Control Room Futures	168	239	(95)	313	25	313	0	0	0
Anti Corruption Software	0	7	(7)	0	0	0	0	0	0
Firearms Licencing digitisation	17	16	0	32	6	6	(26)	(10)	(17)
Iken to cloud (Their Cloud)	20	0	0	20	0	20	0	0	0
CID - Clio	42	0	0	42	0	42	0	0	0
Mark 43 (Record mgmt system)	599	(35)	(316)	248	23	185	(62)	0	(62)
CCTV - CountyWide	298	(113)	0	185	70	185	0	0	0
IMU Management Tool	150	(75)	0	75	0	0	(75)	0	(75)
Terian Replacement (Fastness)	10	(10)	0	0	0	0	0	0	0
SAAB Telephone replacement (to teams)	0	0	0	0	0	0	0	0	0
Locard Replacement (New)	0	0	0	0	0	0	0	0	0
Axon - CCTV Custody/Fleet	0	0	0	0	0	0	0	0	0
Total Proposed DDaT Schemes	5,148	547	(1,008)	4,687	605	2,035	(2,652)	(14)	(2,637)
Estates Schemes 2023/24									
Kendal PS - Roof Repairs	0	56	(56.25)	0	0	0	0	0	0
Learning Development Centre Build	0	0	0.00	0	(13)	0	0	0	0
Carlisle M&E plant (area 2)	0	38	0.00	39	0	39	0	0	0
West Cumbria Estate	20	0	0.00	20	5	20	0	0	0
Duhrnhill Custody - CCTV Digital rollout	50	0	(50.00)	0	0	0	0	0	0
Dog Section Wrey	0	353	(333.47)	20	7	20	(0)	0	0
LDC adaptations	0	32	0.00	32	3	32	0	0	0
Hunterlane Remedial Work	514	(250)	(21.20)	242	11	242	0	0	0
Brampton Boiler / Plant Room	50	0	0.00	50	0	50	0	0	0
Cockermouth Paving / Drainage	80	0	0.00	80	0	80	0	0	0
Cell Safety - Workington	0	100	0.00	100	0	100	0	0	0
Public Order facilities	0	0	22.00	22	0	22	0	0	0
UPS - Barrow	0	0	60.00	60	0	60	0	0	0
Total Proposed Estates Schemes	714	330	(379)	665	12	665	(0)	0	0
Vehicle Schemes 2023/24									
2022/2023 Approved Strategy	0	971	10	981	981	981	0	(10)	0
2023/2024 Approved Strategy	1,571	(750)	770	1,591	713	1,727	136	146	0
Partnership Vehicles	120	28	0	148	0	28	(120)	0	(120)
Telematics	130	0	(80)	50	0	50	0	0	0
Total Proposed Vehicle Schemes	1,821	249	700	2,769	1,694	2,786	16	136	(120)
Other Schemes 2023/24									
X2 Taser migration	68	0	0	68	0	68	0	0	0
X26 Taser migration	200	0	0	200	187	200	0	0	0
Laser Scanning - Accident investigation	0	4	(4)	0	0	0	0	0	0
Drones	0	0	35	35	34	35	0	0	0
LaseerCam4	0	0	100	100	80	100	0	0	0
Total Proposed Other Schemes	268	4	131	403	301	403	0	0	0
Total Schemes	7,950	1,130	(557)	8,523	2,612	5,888	(2,635)	122	(2,757)

Financing 2023/24

Revenue Contributions £691k
 General Grants £1,728k
 Borrowing £32k
 Reserves £1,755k
Total £5,888k

Risk - At this stage in the year (qtr. 3) only £2.6m has been spent out of a forecast spend of £5.8m, which represents 44%.

Re-profiling 2023/24

Capital schemes can span one or more financial years. Profiling to future years represents schemes that are still proceeding as planned but where there is a change in the profile of spend between years

Re-Profile	Previously Reported	Re-profiling This Quarter	Total £000s	% of Base Budget
DDaT Schemes	(841)	(2,637)	(3,478)	-74%
Estates Schemes	(440)	0	(440)	-42%
Fleet Schemes	750	(120)	630	30%
Other Schemes	0	0	0	0%
	(531)	(2,757)	(3,288)	-36%

2023/24 Capital Commitments	DDaT £000s	Estates £000s	Fleet £000s	Other £000s	TOTAL £000s
Forecast Outturn	2,035	664	2,786	403	5,888
Spend to Dec-23	606	12	1,693	301	2,612
Remaining budget	1,429	652	1,093	102	3,277
Ordered Commitments	649	91	1,042	81	1,863
Un-committed budget	780	561	51	21	1,413

A number of large tenders have been awarded that will hopefully see the uncommitted budget being turned in to firm orders, equipment received, and work completed by the year end.

Constabulary – Capital Budget 2023/24 (2)

ICT

The tenders to replace the wider area network (WAN) and the Axon Strategy (replacement of Body worn camera, digital interview suites and digital evidence storage) have completed and contracts have been signed. The costs and associated financing have been included in the capital projections using the payment milestones agreed with suppliers. The delivery plans being negotiated with suppliers are now indicating that that expenditure will not now occur until the next financial year, the associated financing has also been moved to the new financial year. The changes to the ICT budget also include £4k returned from the Police Works Silverlite budget and £10k from the Firearms digitisation project as these are no longer required.

Estates

The Estates programme consists of several life cycle replacement projects as well as larger projects for development of the dog section premise at Wreay and the continuation of the Hunter Lane redevelopment.

A provisional business case has been approved for the work on Hunter Lane. Tender specifications are currently being worked up and final costings will be presented for firm approval. It is hoped that work will commence within the year. The work on the Dog section at Wreay is in a similar position. Some of the life cycle works have been re-profiled to 2024/25.

Fleet

Due to the long lead times experienced last year, £750k of the approved budget had been moved to 2024/25 to reflect the expected delayed receipt of the vehicles. Since this move was approved in the outturn report, vehicles are being received regularly and the Fleet manager is confident that the majority of vehicles on order will be received by the year end so the £750k has now been brought back into 2023/24. Price increases are still being seen and the fleet manager has reviewed vehicle types and specifications where possible but there is a forecast overspend of £136k at this point. Some vehicles for the Civil Nuclear Policing team have been reprofiled to 2024/25 and the corresponding income that would pay for these vehicles has also been moved.

Other (Any scheme that does not fall into the 3 categories above)

The two taser scheme are both fully committed and are part of five year agreements to purchase tasers and cartridges. Additional funding approved early in the financial year for schemes to purchase of 4 drones (£35k) and 4 speed cameras (£100k) are almost complete. These two new schemes have been added into the program along with the funding to pay for them. Money received via the Asset Recovery Incentivisation Scheme (ARIS) has been utilised to enable investment in this equipment which will target priority areas.