

The Police and Crime Commissioner for Cumbria

Financial Summary 2022/23 as at 30 June 2022 (Quarter 1)

Public Accountability Conference 2 August 2022



Group Revenue Budget

Overspend £447k (0.36%)

Increased Expenditure +£653k (0.42%),

Increased Income -£206k (3.5%)

See page 2



Constabulary Revenue Budget

Overspend £715k (0.51%)

Increased Expenditure £761k (0.52%),

Increased Income £46k (0.80%)

See pages 3-4



Capital Budget

Budget / Forecast £8,081k

Slippage to future years £0

Budget changes approved £0k

Budget changes to note £21k

See page 5



Treasury Management

Investment balance 30/06/22 £5.224m ↓

(Down 60% from £13.173m at 31/03/22).

The current investment income forecast is £170k against a budget of £10k and reflects the recent increase in investment interest rates.

See separate report on the agenda.

PCC Revenue Budget 2022/23 as at 30 June 2022

Description	Revised Budget	Forecast Outturn	Forecast (Under)/Overspend	Forecast (Under)/Overspend
	2022/23 £'000s	2022/23 £'000s	2022/23 £'000s	2022/23 %
Office of the Police and Crime Commissioner	792	771	(21)	-2.65%
Other PCC Budgets	(16,582)	(16,829)	(247)	1.49%
Movements To / (From) Reserves	(2,017)	(2,017)	0	0.00%
Total OPCC Budgets	(17,807)	(18,075)	(268)	1.51%
Funding Provided to the Constabulary	139,506	140,221	715	0.51%
Net Expenditure	121,699	122,146	447	0.37%
External Funding	(121,699)	(121,699)	0	0.00%
Total	0	447	447	

Key Themes:

- Overall forecasted overspend of £447k (0.37%).
- Overtime pressures for officers (+£822k) and, to a lesser extent, staff (+£55k) in all Commands / Directorates.
- The impact of the recently announced Police Officer Pay Award is not included in the above figures.
- Rising inflation is impacting on non-staff budgets, particular pressure is being seen on vehicle fuel budgets (+£72k) and premises utilities shown within OPCC budgets (+£194k).

The balance on the police property act fund as at 30 June 2022 was £9k. 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 -£21k This is largely as a result of reduced staffing costs in the OPCC.

Other PCC Budgets -£247k

Reduced expenditure on Premises -£89k mostly as a result of a refund of rates -£282k as a result of a rating re-evaluation and reduced cleaning costs as a result of a new contract -£45k. These reductions are offset to a degree by increases in repair and maintenance costs +£36k and utilities +£194k.

Increase in investment income -£160k, recent increases in interest rates have provided a forecast increase in investment income.

Funding Provided to the Constabulary Overspend £715k The overspend in the main arises from overspends on police officer pay budgets caused by increasing officer numbers to ensure the Constabulary meets its target in relation to the final phase of the uplift programme and continued pressure on overtime. These overspends are offset to a degree by forecast underspends on police staff pay and supplies and services.

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

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

Constabulary – Revenue Budget 2022/23 (1)

Constabulary - Objective Analysis

Command / Directorate	Revised Budget 2022/23 £'000s	Forecast Outturn 2022/23 £'000s	(Under) / Overspend 2022/23 £'000s	(Under) / Overspend 2022/23 %
Staff Pay				
Core Police Pay	85,907	86,390	483	0.56%
Core PCSO Pay	1,910	1,891	(19)	-0.98%
CORE				
Chief Officer Group	1,157	1,167	10	0.83%
Crime & Safeguarding Command	11,549	11,462	(87)	-0.75%
Operations & Neighbourhood Policing Command	7,771	8,291	520	6.70%
Insight & Performance Command	2,478	2,202	(276)	-11.12%
Corporate Support Directorate	9,452	9,527	75	0.79%
Digital Data & Tech Command	10,520	10,270	(250)	-2.37%
Legal Services Directorate	268	279	11	4.00%
Marketing & Communications	704	630	(74)	-10.59%
SECONDED	0	(2)	(2)	1632.28%
EARMARKED	529	718	189	35.78%
PROJECT	7,261	7,396	135	1.85%
Grand Total	139,506	140,221	715	0.51%

Constabulary - Subjective Analysis

Description	Revised Budget 2022/23 £'000s	Forecast Outturn 2022/23 £'000s	Forecast (Under)/ Overspend 2022/23 £'000s	Forecast (Under)/ Overspend 2022/23 %
Constabulary Funding				
Police Officers	96,940	98,200	1,260	1.30%
Police Community Support Officers	1,917	1,896	(21)	(1.10%)
Police Staff	26,585	26,361	(224)	(0.84%)
Other Employee Budgets	3,262	3,313	51	1.56%
Transport Related Expenditure	2,422	2,447	25	1.03%
Supplies & Services	10,748	10,446	(302)	(2.81%)
Third Party Related Expenses	3,373	3,345	(28)	(0.83%)
Total Constabulary Funding	145,247	146,008	761	0.52%
Income	(5,741)	(5,787)	(46)	0.80%
Total Constabulary Funding Net of Income	139,506	140,221	715	0.51%

Key Themes:

- Overall forecasted overspend of £715k (0.51%).
- Overtime pressures for officers (+£822k) and, to a lesser extent, staff (+£55k) in all Commands / Directorates.
- The impact of the recently announced Police Officer Pay Award is not included in the above figures but is discussed on page 4 and will be incorporated in future forecasts.
- Rising inflation is impacting on non-staff budgets, particular pressure is being seen on vehicle fuel budgets (+£72k) and premises utilities shown within OPCC budgets (+£194k) .

Variance Narrative

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

Constabulary – Revenue Budget 2022/23 (2)

Central Payroll Budgets

Police Officer Pay +£483k Restructure, including increase in senior ranks, forecast increase in actual FTE numbers above budgeted levels, employer's NI on additional overtime (£82k).

PCSO Pay -£19k Largely as a result of a reduction in the planned intake numbers for the year and a change in the timing of intakes.

Seconded, Earmarked Funds and Projects

Seconded -£2k Forecast income slightly exceeds forecast expenditure for the year potentially as a result of year end adjustments from 2021/22.

Earmarked Funds +£189k Largely as a result of reduced income forecast in relation to the Driver Awareness Scheme (**Safety Camera Partnership**) of £195k offset by smaller underspends across a number of schemes.

Project Budgets +£135k In the main this is attributed to forecast overspends on two projects. *Operation uplift +£81k* increase in relation to Operation Uplift reflects overtime that has been charged against uplift officers home cost codes rather than being reflected in the area to which they have been deployed. This will be investigated further and adjusted accordingly. *New Website +£62k* increase in relation to project team and website costs.

CORE Commands / Directorates

Legal Services +£11k Increased police staff costs +£11k as a result of vacancy level below turnover target.

Marketing and Communications -£74k reductions in staff costs -£10k, print unit equipment and materials -£18k, training -£4k, accommodation, subsistence and travel -£2k, advertising (non-staff) -£24k, reduced spend on website -£15k.

CORE Commands / Directorates

Chief Officer Group +£10k largely as a result of increased contributions to the pay and rewards team, national bi-metrics function and policing insight £10k, Jubilee coins for police staff £2k offset by a saving in relation to athletics club contribution following former ACC retirement.

Crime & Safeguarding -£87k Mainly as a result of increased expenditure in relation to police officer overtime +£110k, increased training costs +£11k offset by reduced vehicle costs -£11k and increase proceeds of crime income -£182k.

Operations & Neighbourhood Policing +£520k Largely as a result of increases in staff pay +£53k, police officer overtime +£465k, police staff overtime +£27k, custody costs +£24k, Equipment +£55k which are partially offset by reduced vehicle costs -£81k and reimbursements from other forces -£30k.

Insight & Performance -£276k Reduced expenditure in relation to police staff -£224k, training costs -£40k, vehicle costs -£16k, CHIS -£16k, Consultants -£11k, Accommodation & Subsistence -£9k and TITAN -£62k. These reductions are partially offset by reductions in firearms licencing income +£63k, police officer overtime +£21k and police staff overtime +£27k.

Corporate Support Directorate +£75k Increases in relation to police staff pay +£9k, police officer overtime +£5k, police staff overtime +£4k, relocation expenses +£70k, training +£76k vehicle damage below insurance excess +£98k and vehicle fuel +£34k. The above increases are offset to a degree by reductions in equipment -£14k, Accommodation & Subsistence -£38k, external assessment centres -£40k, staff welfare -£22k, additional income -£108k.

Digital Data and Tech Command -£250k Reduced spend on staff pay -£62k, national ICT charges -£11k, communications and computing of £250k and subsistence and travel -£8k, offset by increased expenditure on airwave radios, networks and software +£81k.

Constabulary – Capital Budget 2022/23

Capital Programme 2022/23	Original Approved Budget £000s	Impact of 2021/22 Outturn £000s	New Schemes Approved £000s	Budget Changes Approved £000s	Approved Adjusted Budget £000s	Actual Expenditure to Jun-22 £000s	Draft Capital Outturn £000s	Forecast Variation £000s
ICT Schemes								
ICT End User Hardware Replacement (002x)	1,288	(104)	0	0	1,184	25	1,184	0
ICT Software Application Replacement (003x)	0	2	0	0	2	0	2	0
ICT Core Hardware Replacement (004x)	2,016	45	0	0	2,061	63	2,082	21
ICT ESN / Radio Replacement (005x)	382	50	0	0	432	0	432	0
ICT Core Infrastructure Replacement	96	0	0	0	96	0	96	0
ICT Infrastructure Solution Replacement (Projects)								
- Case & Custody	0	38	0	0	38	0	38	0
- Control Room Futures	608	12	0	0	620	0	620	0
- Police Works / Silverlite	33	317	0	0	350	0	350	0
- Unspecified change to National systems (D)	55	0	0	0	55	0	55	0
- National ANPR / ANPR replacements	52	79	0	0	131	0	131	0
- Anti Corruption Software	0	57	0	0	57	14	57	0
- Vetting Software	0	0	0	0	0	0	0	0
- Record Management	1,000	0	0	0	1,000	0	1,000	0
General Slippage	(1,000)	0	0	0	(1,000)	0	(1,000)	0
Total ICT Schemes	4,530	496	0	0	5,026	102	5,047	21
Fleet Schemes								
2021/2022 Approved Strategy	0	646	0	0	646	6	646	0
2022/2023 Approved Strategy	1,106	22	0	0	1,128	0	1,128	0
Reimbursed Vehicles	85	0	0	0	85	0	85	0
Total Fleet Schemes	1,191	668	0	0	1,859	6	1,859	0
Estates Schemes								
Kendal Police Station - Roof	56	0	0	0	56	0	56	0
Eden Deployment Centre	0	0	0	0	0	-86	0	0
Carlisle M&E plant (area 2)	60	0	0	0	60	0	60	0
West Cumbria Estate	600	20	0	0	620	0	620	0
Dog Section Wrey	200	167	0	0	367	(4)	367	0
EDC adaptations	290	16	0	0	306	(4)	306	0
Total Estates Schemes	1,206	203	0	0	1,409	(94)	1,409	0
Other Schemes								
CCTV	174	0	0	0	174	0	174	0
X2 Taser migration	68	0	0	0	68	0	68	0
Glock Pistol Replacement	0	45	0	0	45	0	45	0
Laser Scanning - Accident investigation	0	4	0	0	4	0	4	0
Operation Uplift	0	25	0	0	25	0	25	0
Operation Lecturn	0	0	0	0	0	0	0	0
Barrow - custody services to support digital roll out	50	0	0	0	50	0	50	0
Total Other Schemes	292	74	0	0	366	0	366	0
Total Capital Expenditure 2022/23	7,219	1,441	0	0	8,660	14	8,681	21

Financing 2022/23

Revenue Contributions £4,300k
 General Grants £3,394k
 Borrowing £367k
 Reserves £620k
Total £8,081k

Slippage 2022/23

To date there is no slippage to report. However, there is a review of the Sellafeld Policing Team operational vehicles currently underway. There is currently a budget of £85k (matched by £85k revenue income contribution) which may not be required in 2022/23 but that will be re-profiled along with the new 10-year replacement programme, following the review.

Borrowing 2022/23

During 2021/22 the scheme to purchase the dog kennels at Wrey was approved. The scheme was estimated to cost £1.5m for the purchase and refurbishment. During 2021/22 £1,133k was borrowed (internally) and in 2022/23 it is expected that £367k will be borrowed (internally) to complete the scheme of works.

The capital financing requirement is currently £20.97m, (£4.20m is PFI related)

Capital Expenditure

ICT

The base revenue budget for converged Infrastructure project that began during 21/22 contained a number of lines for project staffing, expenses and training. These budgets were created by a transfer from the approved capital budget. Due to vacancies, the latest outturn shows an expected underspend in the revenue budget of £21k which has been transferred back to capital hence the increase to ICT budgets of £21k and corresponding revenue contributions.

Estates & Fleet

Local Government Reform has resulted in a review of the PCC estate and as a result approval has been given to remove from sale the Eden Deployment Centre on Hunter Lane in Penrith. The Police station needs some immediate repair to ensure it remains fit for purpose for the new staffing model and a scheme for 2022/23 has been approved. There is some further work required to understand whether this work is deemed capital expenditure under the accounting rules so, as yet, both the expenditure and reserve funding have not been added to the program.

The vehicle replacement programme remains on track and most vehicles are ordered and delivery is expected within the financial year.

Other

The county wide CCTV project is approaching the end of the original contract and the project team is looking at the way forward. The project team are working through the solution with the potential supplier and a Business Case will be presented for approval during quarter 2.