

Quarter 1 April to June 2017

Headlines

The current forecast of net expenditure amounts to £6,768 compared to a revised budget of £7,781k a variance of £1,013k (13.02%)

The variance is made up of an underspend of £30k, which will be returned, a transfer to revenue of £32k and slippage to future years of £951k. Total slippage is broken down as follows:

Slippage	Qtr 1	% of approved Budget
ICT Schemes	0	0%
Fleet Schemes	0	0%
Estates Schemes	(951)	44%
Other Schemes	0	0%
	(951)	12%

Recommendations

- 1) The Police and Crime Commissioner and Chief Constable are asked to note the current position in relation to the capital programme for 2017/18.
- 2) The Police and Crime Commissioner and Chief Constable are asked to note the current position with regard to the proposed refresh of the fleet programme.
- 3) The Commissioner is specifically asked to approve the recommendations (R1:R7) as set out on page 2 of this capital update report.

2017/18 Current Position

	2017/18 £000s
Capital Budget 2017/18 (approved 22/02/17)	6,521
Impact of 2016/17 Outturn (approved 10/05/17)	1,259
New Schemes Approved/Drawdown	0
Budgets Changes - Approved	0
Approved Adjusted Budget 2017/18	7,781
Capital Expenditure Outturn 2017/18	6,768
Forecast Variation	(1,013)
Made up of:	
Budget Changes (Under)/Overspend (Table 1)	(62)
Slippage to 2018/19 (Table 2)	(951)
	(1,013)

	2017/18 £000s
Capital Expenditure	
ICT Schemes	2,941
Fleet Schemes	2,495
Estates Schemes	1,197
Other Schemes	134
	6,768
Capital Financing	
Capital Receipts	0
Revenue Contributions	1,551
Capital Grants	1,715
Reserves	3,501
Borrowing	0
	6,768

	2017/18 £000s
Budget Changes Summary	
Workington Land Purchase	(200)
HQ Land Purchase	120
HQ Flood Works	50
Mobile and Digital	(32)
Eden Deployment Centre	(951)
	(1,013)

*A more detailed breakdown on a scheme by scheme basis is provided on page 2 with separate sections for each of the four main categories within the capital programme (Fleet, ICT, Estates & Other).

Four-Year Capital Strategy

Other than the reported slippage from 2017/18 schemes (which has the effect of moving budgets and corresponding financing from 2017/18 to 2018/19) there have been minimal other changes to the budgets. Details of these changes along with recommendations to approve can be found over the page. Years 2018/19 to 2020/21 are still the same as those approved in February 2017 as part of the budget setting process.

	2017/18 £000s	2018/19 £000s	2019/20 £000s	2020/21 £000s
Capital Expenditure				
ICT Schemes	2,941	5,343	1,843	2,888
Fleet Schemes	2,495	745	744	1,981
Estates Schemes	1,197	3,600	905	1,120
Other Schemes	134	23	0	0
	6,768	9,711	3,493	5,989
Capital Financing				
Capital Receipts	0	0	151	1,089
Revenue Contributions	1,551	1,744	1,684	3,075
Capital Grants	1,715	4,191	908	774
Reserves	3,501	3,775	750	1,050
Borrowing	0	0	0	0
	6,768	9,711	3,493	5,989

*For a scheme by scheme analysis please see Appendix A on page 3.

Fleet Schemes

Capital Budget 2017/18	Original Approved Budget £000s	Impact of 2016/17 Outturn £000s	New Schemes Approved £000s	Budget Changes Approved £000s	Approved Adjusted Budget £000s	Actual Expenditure to Jun-17 £000s	Forecast Capital Outturn £000s	Forecast Variation £000s
Fleet Schemes								
Vehicle Replacements - 16/17 & 17/18	1,938	307	0	0	2,245	26	2,245	0
Fleet - Ballistically Protected Vehicle	0	60	0	0	60	0	60	0
VASCAR	190	0	0	0	190	0	190	0
Total Fleet Schemes	2,128	367	0	0	2,495	26	2,495	0

Narrative

The 2017/18 budget for fleet included a number of growth items for which funding was provided up to 50%. In addition, the later years in the fleet capital programme were subject to an annual savings target. The intention was that the whole fleet programme would be reviewed and re-programmed to provide a fit for purpose fleet capability within the budget constraints. This work is now well underway and a number of vehicles have been identified for removal, whilst the life of some other vehicles has been extended. Further work is still required to assess the full impact of the changes over the 10 year fleet programme. For this reason the programme is at this stage being reported as on budget. It is however likely that there will be some slippage into future years. Orders have been placed for a significant number of vehicles within the fleet programme. The 2017/18 budget included £190k in respect of VASCAR, it has now been decided that the capability could be provided by dashboard mounted cameras at a much reduced cost. For this reason, £190k in 2017/18 (£570k over the 10 year programme) will not now be required in full.

Recommendations for PCC approval

- R1) The PCC note the above position in relation to the re-programming of the fleet capital programme and that a separate report will be provided in September outlining the financial consequences of the changes.
- R2) The PCC is also asked to approve that the £190k included in the programme in respect of VASCAR be used to offset some of the growth items in the budget to allow these, for example the winter fleet, capability to be progressed without delay.

ICT Schemes

Capital Budget 2017/18	Original Approved Budget £000s	Impact of 2016/17 Outturn £000s	New Schemes Approved £000s	Budget Changes Approved £000s	Approved Adjusted Budget £000s	Actual Expenditure to Jun-17 £000s	Forecast Capital Outturn £000s	Forecast Variation £000s
ICT Schemes								
ICT End User Hardware Replacements	150	103	0	0	253	116	253	0
ICT Core Hardware Replacements	581	0	0	0	581	0	581	0
ICT Infrastructure Solution Replacement	717	210	0	0	927	(41)	927	0
ICT Core Infrastructure Replacement	0	0	0	0	0	0	0	0
ICT Radio Replacement/ESN	37	10	0	0	47	0	47	0
Mobile and Digital	1,172	(6)	0	0	1,166	2	1,134	(32)
Total ICT Schemes	2,656	318	0	0	2,974	78	2,941	(32)

Narrative

Work is continuing on the development of Red Sigma and roll out is planned July 2017. All orders are placed for the end user replacements of PC'S, monitors and printers and these are all expected to be received by the end of the financial year. Work continues with suppliers to develop a Proof of Concept for the management of digital evidence within the Mobile and Digital project. The project is attracting a lot of interest from the Home Office, partners and other forces. This has had the effect of extending consultation timescales and may again result in slippage within the plan.

Recommendations for PCC approval

- R3) To approve the transfer of £32k from the capital consultants budget within the Mobile and Digital program to provide additional revenue budget for training resources.

Estates Schemes

Capital Budget 2017/18	Original Approved Budget £000s	Impact of 2016/17 Outturn £000s	New Schemes Approved £000s	Budget Changes Approved £000s	Approved Adjusted Budget £000s	Actual Expenditure to Jun-17 £000s	Forecast Capital Outturn £000s	Forecast Variation £000s
Estates Schemes								
South Estate - Barrow & Ulverston	0	0	0	0	0	(273)	0	0
HQ Electrical Infrastructure	0	0	0	0	0	(17)	0	0
HQ Carpark	0	0	0	0	0	0	0	0
HQ Demolition of The Green	97	0	0	0	97	4	97	0
Eden Deployment Centre	1,408	43	0	0	1,451	18	500	(951)
Workington Land Purchase	0	500	0	0	500	0	300	(200)
HQ Land Purchase	0	0	0	0	0	0	120	120
Heating, ventilation & cooling plant @ Durranhill	30	0	0	0	30	0	30	0
HQ Static inverter	50	0	0	0	50	0	50	0
HQ Flood Defence	50	0	0	0	50	0	100	50
Total Estates Schemes	1,635	543	0	0	2,178	(268)	1,197	(981)

Narrative

Work is continuing on the final business case for the Eden Deployment Centre and work has begun on the enabling works at the Green. It is felt that once the case gets approval a maximum of £500k will be spent on the scheme in 2017/18. This has resulted in slippage from the original plan of £951k. The scheme to purchase land in West Cumbria is still ongoing, the latest estimates are that this will cost £300k, rather than the budgeted £500k. A previously identified scheme to purchase a piece of land on the HQ site to provide additional capacity has now been formally added into the capital programme. A further scheme has been identified to carry out some flood prevention works to the HQ site around the Thacka Beck culvert. It is proposed that the budget no longer required for West land purchase be used to fund the HQ land purchase and the flood prevention works. All other schemes are on track to complete during the 2017/18 financial year.

Recommendations for PCC approval

- R4) To acknowledge the return of £200k from the Workington Land Purchase scheme,
- R5) To allow investment in a scheme to purchase additional land at HQ.
- R6) To allow investment in further flood protections works at the Thacka Beck culvert at HQ
- R7) To acknowledge the return of the residual budget amounting to £30k.

Other Schemes

Capital Budget 2017/18	Original Approved Budget £000s	Impact of 2016/17 Outturn £000s	New Schemes Approved £000s	Budget Changes Approved £000s	Approved Adjusted Budget £000s	Actual Expenditure to Jun-17 £000s	Forecast Capital Outturn £000s	Forecast Variation £000s
Other Schemes								
Leadership & Skills - Blended Learning	79	0	0	0	79	0	79	0
CCTV	0	32	0	0	32	1	32	0
Portable Ballistic Equipment	23	0	0	0	23	0	23	0
Total Other Schemes	102	32	0	0	134	1	134	0

Narrative

The scheme to replace the Ballistic Shields was approved on an indicative basis in the Capital Strategy. A business case is currently being developed to seek formal approval to begin procurement over the 2 years of the scheme.

Recommendations for PCC approval

There are currently no decisions requiring approvals.

Appendix A – Four-year capital strategy on a scheme by scheme analysis

Project Name	Projected Outturn 2017/18 £	Projected Outturn 2018/19 £	Projected Outturn 2019/20 £	Projected Outturn 2020/21 £	Projected Total Cost £	Variance (Under) / Overspend £
ICT SCHEMES						
<i>Firm Schemes</i>						
- ICT End User Hardware Replacements	252,645	0	0	0	1,887,391	0
- ICT Infrastructure Solution Replacement	0	0	0	0	60,863	0
- ICT Core Hardware Replacements	0	0	0	0	3,286,926	0
- ICT Hardware Replacements - Radio / ESN	0	0	0	0	0	0
- Case and Custody	167,614	0	0	0	859,000	0
- Mobility and Digital - Devices and Apps	1,134,059	111,140	12,283	7,428	3,068,573	-32,412
- Red Sigma	396,828	0	0	0	419,183	0
- WAN	80,370	0	0	0	154,000	0
- Hi Tech Crime Improvements	68,000	0	0	0	68,000	0
<i>Delegated / Indicative Schemes</i>						
- ICT End User Hardware Replacements	0	659,940	138,810	98,971	897,721	0
- ICT Infrastructure Solution Replacement (D)	214,500	1,491,460	112,386	53,382	1,871,728	0
- ICT Core Hardware Replacements (D)	580,525	570,320	1,579,865	2,728,032	5,458,742	0
- ICT Core Infrastructure Replacement	0	0	0	0	0	0
- ICT Radio Replacement / ESN (D)	46,878	2,510,000	0	0	2,556,878	0
SUB TOTAL ICT SCHEMES	2,941,418	5,342,860	1,843,344	2,887,813	20,589,005	-32,412
FLEET SCHEMES						
<i>Firm Schemes</i>						
- Vehicle Replacements - 16/17 & 17/18	2,244,906	0	0	0	3,175,585	0
<i>Indicative Schemes</i>						
- Vehicle Replacements - Future Years	0	744,848	744,332	1,980,720	3,469,900	0
- Fleet - Ballistically Protected Vehicle	60,000	0	0	0	60,000	0
- VASCAR	190,000	0	0	0	190,000	0
SUB TOTAL FLEET SCHEMES	2,494,906	744,848	744,332	1,980,720	6,895,485	0
TOTAL CONSTABULARY PROGRAMME	5,436,324	6,087,708	2,587,676	4,868,533	27,484,491	-32,412
ESTATES SCHEMES						
<i>Firm Schemes</i>						
- South Cumbria Estate - Barrow & Ulverston	0	0	0	0	9,139,675	0
- Estates - HQ Electrical Infrastructure	0	0	0	0	702,974	0
- HQ - Carpark	0	0	0	0	186,755	0
- Demolition of the Green	4,160	0	0	0	4,160	0
- Eden Deployment Centre	17,623	0	0	0	24,673	0
- Workington - Land Purchase	300,000	0	0	0	300,000	-200,000
- HQ - Land Purchase	120,000	0	0	0	120,000	120,000
- UPS - HQ	0	0	100,000	0	100,000	0
- Roof Repairs - Various	0	37,625	55,000	70,000	162,625	0
- Heating, ventilation & cooling plant @ Durranhill	30,000	0	0	0	30,000	0
- HQ Static invertor	50,000	0	0	0	50,000	0
- HQ Flood Defence	100,000	0	0	0	100,000	50,000
<i>Indicative/Delegated Schemes</i>						
- Estates - Demolition of the Green (D)	92,811	0	0	0	92,811	0
- Eden NPT and Hostel (D)	482,378	3,062,150	0	0	3,544,528	0
- Garage Provision (I)	0	500,000	0	0	500,000	0
- West Resilience Flood Management (I)	0	0	750,000	1,050,000	1,800,000	0
SUB TOTAL ESTATES SCHEMES	1,196,971	3,599,775	905,000	1,120,000	16,858,200	-30,000
OTHER SCHEMES						
<i>Firm Schemes</i>						
- CCTV	32,339	0	0	0	1,120,533	0
- L&D - Blended Learning	79,000	0	0	0	79,000	0
- Print Room Equipment	0	0	0	0	0	0
<i>Indicative/Delegated Schemes</i>						
- Portable Ballistic Equipment (I)	23,050	23,050	0	0	46,100	0
SUB TOTAL OTHER SCHEMES	134,389	23,050	0	0	1,245,633	0
GRAND TOTAL CAPITAL PROGRAMME	6,767,684	9,710,533	3,492,676	5,988,533	45,588,323	-62,412