

ORIGINATOR: PCC CFO

DECISION NUMBER: 20-2014

REASON FOR SUBMISSION: FOR DECISION

SUBMITTED TO: POLICE AND CRIME COMMISSIONER

**SUBJECT: 2013-14 OUTTURN – CAPITAL SLIPPAGE FUNDING
AND TRANSFERS TO AND FROM RESERVES**

SUMMARY:

1. The Accountability and Performance Panel considered the 2013-14 revenue and capital outturn position of the Constabulary and PCC on 18 June 2014 (AP14/40). The paper included a number of recommended transfers to and from reserves and proposed capital slippage funding to be carried forward to 2014-15.

RECOMMENDATION:

It is recommended that the PCC approves the capital slippage funding, revenue reserve transfers set out in Appendices D and E of Paper AP14/40, and the transfer of the Police and Crime Plan balance of £187k as at 31 March 2014 to the PCC Reserve.

APPROVAL BY: PCC

The recommendation set out is agreed.

Signature

Tina Parnmore

Date 10/7/14

DETAIL OF THE SUBMISSION

1. KEY ISSUES FOR CONSIDERATION:

Background

- 1.1 At its meeting held on 18 June 2014, the Accountability and Performance Panel (APP) considered Paper AP14/40, which provided details of the 2013-14 year-end outturn position for both revenue and capital expenditure.
- 1.2 Included in the report are Appendices D and E (see attached), with Appendix D including details of those capital schemes where funding is required to be carried forward into 2014-15 in order to complete the respective elements of the approved capital programme (totalling £2.713m), and Appendix E summarising the recommended transfers to and from reserves. Following consideration of the report and its supporting appendices, the APP did not propose any changes to the recommendations.
- 1.3 To further simplify the reserves, it is recommended that the PCC Police and Crime Plan Reserve is closed and the balance of £187k as at 31 March 2014 is transferred to the PCC Reserve.

2. FINANCIAL IMPLICATIONS:

- 2.1 Full details of the financial consequences in regard to the recommended capital slippage funding and reserve transfers are contained in Paper AP14/40, with the reserves transfers being consistent with the Reserves Strategy approved by the PCC on 22 January 2014 (Decision No 1-2014).

3. OTHER IMPLICATIONS AND RISKS:

- 3.1 There are no other implications and risks associated with the recommendation.

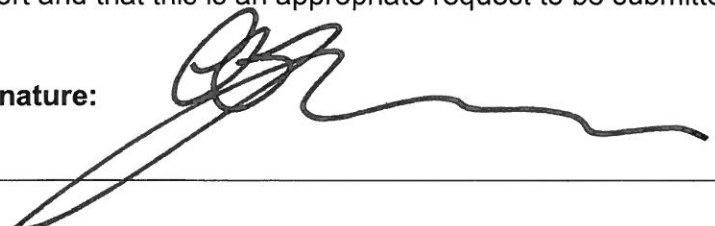
ORIGINATOR CHECKLIST (MUST BE COMPLETED)	PLEASE STATE 'YES' OR 'NO'
Has legal advice been sought on this submission?	N/A
Has the PCC's Chief Finance Officer been consulted?	Yes – PCC CFO is originator of this report
Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?	N/A
Have human resource implications been considered?	N/A
Is the recommendation consistent with the objectives in the Police and Crime Plan?	Yes
Has consultation been undertaken with people or agencies likely to be affected by the recommendation?	No
Has communications advice been sought on areas of likely media interest and how they might be managed?	N/A
In relation to the above, have all relevant issues been highlighted in the 'other implications and risks' section of the submission?	N/A
Have all ethical factors been taken into consideration in developing this submission?	N/A

APPROVAL TO SUBMIT TO THE DECISION-MAKER

Chief Executive

I am satisfied that relevant advice has been taken into account in the preparation of the report and that this is an appropriate request to be submitted to the PCC.

Signature:



Date

1 July 2014

APPENDIX D

CAPITAL OUTTURN 2013-14							
SCHEME (excludes grants)	12/13 Slippage	13/14 Budget	Total Available	Outturn	Variance	Recommended Slippage to 14/15	Notes £100k+
Estates Strategy	471,870	250,000	721,870	165,162	556,708	90,000	
New Property and Vehicle Store	0	500,000	500,000	0	500,000	0	
Other Estates Schemes	89,000	75,000	164,000	40,104	123,896	74,800	
Estates Total	560,870	825,000	1,385,870	205,266	1,180,604	164,800	
Estates Downsizing	766,052	1,100,000	1,866,052	891,442	974,610	386,000	1
Estates Downsizing Total	766,052	1,100,000	1,866,052	891,442	974,610	386,000	
ICT Replacements & System Support	597,678	350,000	947,678	633,041	314,637	0	
Athena: CIS Replacement	873,663	0	873,663	38,349	835,314	836,000	2
Confidential Network	148,817	0	148,817	58,500	90,317	90,000	
Control Room Telephony (Joint)	38,000	85,000	123,000	0	123,000	123,000	3
WAN/LAN IP Telephony	131,385	210,000	210,000	96,643	113,357	113,000	4
Other ICT Schemes		150,000	281,385	239,593	41,792	27,000	
ICT Programme Total	1,789,543	795,000	2,584,543	1,066,126	1,518,417	1,189,000	
ERP System (Joint)	248,971	750,000	998,971	456,737	542,234	543,000	5
Other Project/ICT Related Schemes	208,446	43,000	251,446	106,156	145,290	68,000	
Projects and Other ICT Related Schemes Total	457,417	793,000	1,250,417	562,893	687,524	611,000	
Equipment Renewals	0	156,000	156,000	13,011	142,989	143,000	6
Body Armour / Ballistic Shields	0	352,000	352,000	158,556	193,444	102,000	7
Operational Equipment Inc TSU (Joint)	0	44,000	44,000	35,676	8,324	0	
Vehicle Replacements	789,000	1,174,000	1,963,000	1,846,733	116,267	117,000	8
Vehicles & Equipment Total	789,000	1,726,000	2,515,000	2,053,976	461,024	362,000	
Total Capital	4,362,882	5,239,000	9,601,882	4,779,703	4,822,179	2,712,800	

SLIPPAGE NOTES

ESTATES DOWNSIZING
 ATHENA
 CONTROL ROOM TELEPHONY
 WAN/LAN IP TELEPHONY
 ERP
 EQUIPMENT RENEWALS
 BODY ARMOUR
 VEHICLE REPLACEMENT
 BODY ARMOUR
 VEHICLE REPLACEMENT

Mainly to cover SNTs at Woodbridge and Newmarket
 Delays in multi-force programme
 Delayed whilst decisions around CCR are made
 To cover contractor costs whilst installation continues into 14-15
 On-going project to go live in Apr15
 Carried over as no new budget allocated in 14-15; £24k to be used for TSU Equipment
 Delays in issuing body armour
 ANPR/TSU/ARV vehicle supply & conversion delays.
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 ANPR/TSU/ARV vehicle supply & conversion delays.

Revenue Summary and Recommended Reserve Transfers

APPENDIX E

Ref	Reserves at 01/04/2013	Budget	2013/14 Outturn	Variance	Recommended Reserves at 31/03/2014
	£000	£000	£000	£000	£000
Net budget / expenditure :					
1 Constabulary		112,146	111,974	-172	
2 Corporate		1,257	1,049	-208	
3 Capital Financing		2,716	2,051	-665	
4 Total net budget / expenditure:		116,119	115,074	-1,045	
Transfers to / from Reserves:					
Earmarked Reserves:					
5 Constabulary Carry-Forward	111	-111	-111	0	0
6 Specific Purposes Fund	178	-178	31	209	209
7 Budget	7,177	-333	-36	297	7,141
8 Pensions	905	0	-253	-253	652
9 PCC Reserve	50	0	0	0	50
10 PCC Police and Crime Plan	75	-96	112	208	187
11 Change Reserve	2,775	-562	-643	-81	2,132
12 Earmarked Reserves - Total	11,271	-1,280	-900	380	10,371
Capital Reserves					
13 Capital Financing	1,465	0	665	665	2,130
14 General reserve	5,000	0	0	0	5,000
15 Total Reserves	17,736				17,501
16 Total Transfers to (-) / from Reserves		-1,280	-235	1,045	
17 BUDGET REQUIREMENT		114,839	114,839	0	

Explanation of Purpose of Reserves

5 Carry Forwards	Represents planned under-spends from previous year which are carried forward to meet a specific purpose.
6 Specific Purposes Fund	Represents ring-fenced funds in relation to contributions from third parties.
7 Budget	Used to pump-prime initiatives to produce cost reductions.
8 Pensions	Meets the costs of Police officer ill-health retirements.
9 PCC Reserve	
10 PCC Police and Crime Plan	
11 Change Reserve	Reserve was established to meet the one-off costs of changes to the Constabulary which will deliver permanent savings.
13 Capital Financing	Balances are committed to financing the capital programme.
14 General reserve	This uncommitted reserve is made up of prior years underspends against the approved annual budget.