

**ORIGINATOR: ASSISTANT CHIEF OFFICER AND
PCC CHIEF FINANCE OFFICER**

PAPER NO: AP20/11

SUBMITTED TO: ACCOUNTABILITY AND PERFORMANCE PANEL

SUBJECT: REVENUE AND CAPITAL MONITORING AS AT 31 JANUARY 2020

SUMMARY:

1. This report covers the financial overview of the PCC Budget, Constabulary Revenue Budget, Capital Budget and Investments and Reserves as at 31 January 2020.
2. The Group is forecasting a revenue underspend of £1.018m, comprising of underspends within the Constabulary of £0.946m and within OPCC of £0.072m.
3. The forecast capital position provides a forecast year end under-spend of £2.643m.

RECOMMENDATION:

1. The Accountability and Performance Panel is invited to consider the contents of this report.

1. OVERVIEW

1.1 Based on the position as at 31 January 2020, the Suffolk Group Revenue Budget is forecast to underspend by £1.018m at year end (Appendix A) and its capital budget is forecast to underspend by £2.643m at year end.

1.2 The high level summary is as follows:

	Budget 2019/20 £000	Forecast Outturn £000	(Over)/ Under spend £000
Officer of the Police and Crime Commissioner for Suffolk	928	856	72
PCC Commissioning	800	800	0
Chief Constable Operational Spending	124,356	123,410	946
Transfer from Reserves (Constabulary)	(608)	(608)	0
Chief Constable Operational Spending (net)	123,748	122,802	946
Capital Financing	3,110	3,110	0
Transfer from Reserves	(136)	(136)	0
Capital Financing (net)	2,974	2,974	0
PFI Grant	(3,897)	(3,897)	0
PFI Refinancing Gain		(2,012)	2,012
Transfer from Reserves	(190)	1,822	(2,012)
Total Revenue	124,363	123,345	1,018
Capital Expenditure	9,038	6,395	2,643

2. PCC REVENUE BUDGET

2.1 The Office of the PCC Budget for 2019-20 is £0.928m (Appendix A (i)). The year-end position is forecast to be £0.072m underspent.

2.2 The Police and Crime Commissioner's (PCC) Commissioning budget is £1.719m which includes a grant of £0.874m from the Ministry of Justice (Appendix A (ii)). The Ministry of Justice grant has been fully allocated to victim services including Norfolk and Suffolk Victim Care, the Independent Domestic Violence Advice (IDVA) service and grants to support victims of sexual violence.

2.3 Grants and services totalling £1.6m have been awarded to date, including £275k to the PCC's Fund.

3. CONSTABULARY REVENUE BUDGET

3.1 The total Constabulary Revenue Budget forecasts a year-end underspend of £0.946m as at month 10 (see detail in Appendix A (iii)). The main variances from budget producing the current forecast underspend are explained below.

	Budget 2019/20 £000	Full Year Forecast £000	(Over)/Under spend £000
Pay Related Costs	101,896	101,324	572
Other Employee Costs	1,236	1,218	18
Property Related Costs	9,196	9,429	(233)
Transport	2,531	2,759	(229)
Supplies and Services	10,696	10,302	394
Third Party Payments	1,473	1,860	(387)
Corporate including contingency and inflation	667	743	(76)
Income	(3,340)	(4,227)	886
Total	124,356	123,409	946

3.2 Pay Related Costs

The forecast underspend of £0.572m primarily includes lower officer pay and pension contributions than budgeted offset by overspends in staff pay and officer overtime.

This forecast includes costs to uplift officer numbers as part of the government's commitment to increase police officers nationally by twenty thousand. The Home Office have confirmed in-year funding of £0.259m to cover the additional costs for an uplift of 18 officers for Suffolk Constabulary in 2019-20.

3.3 Other Employee Costs

The balanced position includes an over spend of £0.072m relating to higher than budgeted external training costs offset by an underspend in redundancy costs.

3.4 Other Non-Pay Costs

The forecast over spend of £0.068m includes offsetting variances in property (Building Maintenance and Facilities Management contract), transport (vehicle insurance claims) and supplies and services. Actions will be taken to bring these expenditures back to budget by year end.

3.5 Third Party Payments

The forecast over spend of £0.387m includes a higher contribution to the Eastern region Special Operations Unit (ERSOU) than planned, as previously reported.

3.6 Income

The forecast surplus of £0.886m includes the Home Office grant of £0.259m relating to the officer uplift costs incurred in 2019-20. The balance of £0.627m relates to additional court income, recovery of costs, mutual aid and additional fees and charges including driver training courses.

4. IN-YEAR COST PRESSURES

4.1 More detailed information is now available about the 2019/20 financial impact of Police Education Qualification Framework (PEQF) following approval of the Medium Term Financial Plan (MTFP) in February 2019. PEQF is now due to be implemented in July 2021 which will remove the requirement to use reserves this year.

5. SAVINGS

5.1 The total planned savings requirement for 2019/20 is £2.043m with budgets having been reduced in line with the agreed savings profiles set out in the MTFP. Delivery of these savings remains on target.

6. TRANSFER FROM RESERVES

6.1 The budgeted transfer from reserves is summarised in the table below.

Use of Reserves	Budget	Actual	Variance
	£000	£000	£000
Capital Programme Funding from Reserves	(136)	(136)	0
Constabulary:			
7 Force Collaboration Contribution	(124)	(124)	0
Carry Forward from 2018/19	(484)	(484)	0
Transfer from Reserves (Constabulary)	(608)	(608)	0
Civil Parking Enforcement	(190)	(190)	0
PFI Refinancing Gain	0	2,018	(2,018)
Total transfer to / (from) Reserves	(934)	1,084	(2,018)

6.2 Recently, the PCCs of Suffolk and Norfolk gave consent for the PFI provider of the Police Investigation Centres to enter into a re-financing arrangement. This process resulted in a one off gain for the PFI providers and the PCC group. Suffolk's share was £2m which will be transferred to reserves in this financial year.

7. CAPITAL PROGRAMME

7.1 The capital budget for 2019/20 is £9.038m, comprising the current programme of approved schemes of £5.116m plus slippage from 2018/19 of £2.469m and in year approvals of:

- £0.438m for digital storage expansion at the Digital Forensic Unit;
- £0.086m for the ANPR camera scheme;
- £0.855m for the ERSOU site;
- £0.073m for Airwave handset replacement.

A summary of capital schemes is provided at Appendix B.

7.2 The forecast underspend at year end is £2.643m, due to re-profiling of estates and digital schemes.

	Budget	Forecast Outturn	(Over)/ Under spend
	£000	£000	£000
Slippage from 2018/19	2,469		
Table A – schemes approved for immediate start 1 April 2019	6,569		
Total Capital Programme	9,038	6,395	2,643
Table B – schemes requiring a business case or further report to PCC(s) for approval	434		
Table C – Longer term, provisional schemes requiring further reports	-		
Total	9,472		

8. INVESTMENTS

8.1 At the end of January, investments totalled £7.6m, the breakdown of which is provided below.

OUTSTANDING AMOUNTS BY GROUP			
LIMITS		BALANCE	RATE
£10,000,000	Lloyds Bank	£3,085,247	0.75%
£10,000,000	Barclays Bank	£1,500,000	0.55%
£10,000,000	Santander UK	£0	0.45%
£10,000,000	Yorkshire BS	£0	
£10,000,000	Coventry BS	£0	
£10,000,000	Goldman Sachs	£3,000,000	0.88%
£10,000,000	DBS Bank Ltd	£0	
£10,000,000 per LA	Local Authority	0	
£10,000,000	Money Market Fund	£0	
		£7,585,247	

9.0 FINANCIAL IMPLICATIONS

9.1 As per the report.

10. OTHER IMPLICATIONS AND RISK

10.1 There are no other implications and risks. No changes are required to the PCC risk register.

Corporate Monitoring Report at 31st January 2020				
SUFFOLK GROUP				
FULL SUMMARY OF INCOME AND EXPENDITURE				
	Budget 2019/20	Actual Year to Date	Forecast Outturn	(Over)/Under spend
	£000	£000	£000	£000
Pay and Employment Costs	102,552	84,413	102,002	550
Other Employee Costs	1,241	829	1,219	21
Property Related	9,199	6,459	9,430	(231)
Transport Related	2,545	2,341	2,765	(220)
Supplies and Services	12,591	9,955	12,192	399
Third Party Payments	1,473	1,420	1,860	(387)
Capital Financing	3,110	312	3,110	0
Contingencies	743	0	743	(1)
Movement to / from Reserves	(934)	0	(934)	0
TOTAL EXPENDITURE	132,521	105,729	132,388	132
Grant, Trading and Reimb Income	(8,157)	(6,953)	(9,043)	886
TOTAL INCOME	(8,157)	(6,953)	(9,043)	886
NET INCOME/EXPENDITURE	124,363	98,776	123,345	1,018

Corporate Monitoring Report at 31st January 2020 SUFFOLK PCC				
OPCC SUMMARY OF INCOME AND EXPENDITURE				
	Budget 2019/20	Actual Year to Date	Forecast Outturn	(Over)/Under spend
	£000	£000	£000	£000
Pay and Employment Costs	656	562	678	(22)
Other Employee Costs	5	1	1	4
Property Related	3	1	1	1
Transport Related	15	1	5	9
Supplies and Services	175	133	170	5
Contingencies	75	0	0	75
Total OPCC	928	698	856	72
Movement to / from Reserves	(934)	0	(934)	0
TOTAL EXPENDITURE	(6)	698	(78)	72
TOTAL INCOME	(3,897)	(3,212)	(3,896)	(0)
NET INCOME/EXPENDITURE	(3,902)	(2,514)	(3,974)	72

Corporate Monitoring Report at 31st January 2020 SUFFOLK PCC				
COMMISSIONING SUMMARY OF INCOME AND EXPENDITURE				
	Budget 2019/20	Actual Year to Date	Forecast Outturn	(Over)/Under spend
	£000	£000	£000	£000
Supplies and Services	1,720	778	1,720	0
TOTAL EXPENDITURE	1,720	778	1,720	0
TOTAL INCOME	(920)	(448)	(920)	0
NET INCOME/EXPENDITURE	800	330	800	0

Corporate Monitoring Report at 31st January 2020				
Suffolk Constabulary				
CONSTABULARY SUMMARY OF INCOME AND EXPENDITURE				
	Budget 2019/20	Actual Year to Date	Forecast Outturn	(Over)/Under spend
	£000	£000	£000	£000
Pay and Employment Costs	101,896	83,851	101,324	572
Other Employee Costs	1,236	828	1,218	18
Property Related	9,196	6,458	9,429	(233)
Transport Related	2,531	2,340	2,759	(229)
Supplies and Services	10,696	8,515	10,302	394
Third Party Payments	1,473	1,420	1,860	(387)
Capital Financing	3,110	312	3,110	0
Contingencies	667	0	743	(76)
Movement to / from Reserves	0	0	0	0
TOTAL EXPENDITURE	130,806	103,724	130,746	60
Grant, Trading and Reimb Income	(3,340)	(2,843)	(4,227)	886
TOTAL INCOME	(3,340)	(2,843)	(4,227)	886
NET INCOME/EXPENDITURE	127,466	100,881	126,519	946

CONSTABULARY SUMMARY OF CAPITAL EXPENDITURE					
Monitoring Summary 2019/20					
	Slippage from 2018/19	Current Budget - Table A	Total Budget	Forecast Outturn	(Over)/ Under spend
	£000	£000	£000	£000	£000
Estates	1,221	3,176	4,397	1,977	2,420
Information, Communication and Technology	7	590	597	533	63
Vehicles and Equipment	542	995	1,537	1,938	(401)
Joint Schemes	698	1,808	2,507	1,946	561
Total	2,468	6,569	9,038	6,395	2,643

SUFFOLK ONLY											
PROJECT	Requested Slippage (18-19)	Budget (Table A)	Budget (Table B)	Current Budget (Slippage & Table A)	Actual	Commitments	Outturn	Under/Over(-)	Budget as per 2019/20 MTFP		Approved Business Case
									20-21	21-22	
Estates Downsizing - General	0	0	0	0	0	0	0	0	0	0	0
PHQ Security	11,000	0	0	11,000	7,673	4,103	13,000	-2,000	0	0	0
Carbon Management	0	0	0	0	0	0	0	0	0	0	0
PHQ Site	0	0	0	0	0	0	0	0	0	0	0
Halesworth Server Room	78,000	431,190	0	509,190	482,447	39,887	516,000	-6,810	10,000	0	509,190
Estates Downsizing - Stowmarket	440,000	1,090,000	0	1,530,000	0	0	200,000	1,330,000	50,000	0	0
Estates Downsizing - Mildenhall Hub	372,000	0	0	372,000	212,647	177,353	380,000	-8,000	330,000	20,000	700,000
Estates Downsizing - Sudbury	50,000	0	0	50,000	0	0	0	50,000	250,000	0	0
Estates Downsizing - Haverhill	20,000	0	0	20,000	0	0	0	20,000	0	0	0
Estates Downsizing - Hadleigh	0	0	0	0	0	0	0	0	0	0	0
Ipswich NE SNT	240,000	0	0	240,000	0	0	0	240,000	0	0	0
Estates Downsizing - Beccles	10,000	0	0	10,000	-262,821	275,600	13,000	-3,000	0	0	0
Estates Downsizing - Newmarket	0	0	0	0	0	0	0	0	0	0	0
Estates Downsizing - Leiston	0	0	0	0	-4,296	4,361	0	0	0	0	0
Ipswich Town Centre SNT (Fire Station)	0	800,000	0	800,000	0	0	0	800,000	0	0	700,000
ERSOU Site - Suffolk	0	854,994	0	854,994	0	0	854,994	0	0	0	0
	1,221,000	3,176,184	0	4,397,184	435,650	501,303	1,976,994	2,420,190	640,000	20,000	1,909,190
ICT Replacements - Desktop Services	7,313	572,600	0	579,913	428,998	5,323	459,913	120,000	448,800	405,000	0
ICT Replacements - Communications	0	0	0	0	29,115	5,250	26,480	-26,480	0	0	0
ICT Replacements - Communications Revenue Funded	0	0	0	0	30,180	0	30,180	-30,180	0	0	0
Thin Client Replacement	0	17,000	0	17,000	2,685	0	17,000	0	17,000	0	0
Satnav Upgrade	0	0	0	0	0	0	0	0	150,000	0	0
	7,313	589,600	0	596,913	490,978	10,573	533,573	63,340	615,800	405,000	0
Athena	52,495	0	0	52,495	27,671	0	53,552	-1,057	0	0	0
Vehicle Replacements	489,543	995,000	0	1,484,543	1,226,973	443,369	1,584,342	-99,799	748,000	697,000	0
Command Platform Vehicles	0	0	0	0	0	0	0	0	0	0	0
	542,038	995,000	0	1,537,038	1,254,644	443,369	1,637,894	-100,856	748,000	697,000	0
Suffolk Safecam Reserve - A134 Scheme	0	0	0	0	166,575	0	166,575	-166,575			
ANPR Sentinel Equipment	0	0	0	0	71,192	42,116	113,308	-113,308			
XRY Kiosk Suffolk Drugs Fund	0	0	0	0	12,480	0	12,480	-12,480			
ANPR Camera Suffolk Drugs Fund	0	0	0	0	0	7,870	7,870	-7,870			
	0	0	0	0	250,247	49,986	300,233	-300,233	0	0	0
	1,770,351	4,760,784	-	6,531,135	2,431,520	1,005,231	4,448,694	2,082,441	2,003,800	1,122,000	1,909,190
Suffolk Capital Projects	1,770,351	4,760,784	-	6,531,135	2,431,520	1,005,231	4,448,694	2,082,441			
Suffolk Share of Joint Projects	698,153	1,808,123	434,489	2,506,276	1,098,796	316,602	1,946,132	560,144			
	2,468,504	6,568,907	434,489	9,037,411	3,530,316	1,321,833	6,394,826	2,642,585			
		9,471,900									

Appendix B (ii)

JOINT											
PROJECT	Requested Slippage (18-19)	Budget (Table A)	Budget (Table B)	Current Budget (Slippage & Table A)	Actual	Commitments	Outturn	Under/Over(-)	Budget as per 2019/20 MTFP		Approved Business Case
									20-21	21-22	
Joint ICT Replacements - Servers	-	453,000	0	453,000	197,004	75,724	453,000	0	604,000	692,000	0
Joint ICT Replacements - Communications	-	0	0	0	11,000	0	11,000	-11,000	0	0	0
ICT Replacements - Network	61,221	511,335	0	572,556	347,770	38,216	532,556	40,000	475,479	818,910	0
Microwave Refresh	-	48,000	0	48,000	42,232	0	48,000	0	0	0	0
ANPR Cameras	-	200,000	300,000	200,000	200,173	16,163	200,173	-173	0	0	200,000
Telematics	65,013	0	0	65,013	13,213	0	21,913	43,100	0	0	0
ERP Change Control	-	0	0	0	18,881	31,900	18,881	-18,881	0	0	0
Live Link Project	21,109	0	0	21,109	0	0	0	21,109	0	0	0
CCR Telephony	162,864	0	0	162,864	11,563	143,588	31,563	131,301	0	0	0
Digital Strategy -Frontline Mobile Devices	216,270	0	0	216,270	465	121,576	121,891	94,379	0	0	0
Business Data Management (BRC)	-	0	0	0	-74,616	0	-74,616	74,616	0	0	0
WAN Contract Renewal	12,174	0	0	12,174	9,642	0	12,174	0	0	0	0
GIS Replacement	107,951	0	0	107,951	5,245	25,300	107,951	0	0	0	0
Video Conferencing	-	0	150,000	0	0	0	0	0	0	0	0
PROMAT3	33,730	0	0	33,730	0	0	33,730	0	0	0	0
Digital Recording/Streaming	324,548	0	0	324,548	84,961	4,275	219,000	105,548	0	0	0
Mobile Device Replacement Programme	70,000	100,500	0	170,500	37,500	43,582	170,500	0	100,500	50,500	0
BWV Device Replacement Programme	40,500	84,500	0	125,000	123,636	0	125,000	0	84,500	84,500	0
Airwave Handset Replacement	-	170,000	0	170,000	0	0	170,000	0	0	0	0
Protective Monitoring Software PSD	9,900	0	0	9,900	0	0	9,900	0	0	0	0
Windows 10	389,486	0	0	389,486	198,325	338,723	389,486	0	0	0	0
DCS5 Upgrade	-	0	0	0	-3,000	0	-3,000	3,000	0	0	0
Body Worn Video	68,270	0	0	68,270	4,969	0	4,969	63,301	0	0	0
Mobile Workflow	-	600,000	0	600,000	211,683	169,773	500,000	100,000	200,000	0	0
Digital Public Contact	-	200,000	0	200,000	52,075	63,749	75,000	125,000	239,000	0	0
DAMS (Digital Asset Management)	-	600,000	0	600,000	14,225	0	44,160	555,840	0	0	0
DFU Storage Expansion	-	378,000	0	378,000	297,909	18,294	378,000	0	0	0	0
7F AIRBOX/MOSAIC	-	0	38,440	0	0	0	0	0	15,450	15,450	0
HTCU - Various	-	0	182,000	0	0	0	0	0	462,000	692,000	0
ERP Projects Various	-	0	340,000	0	0	0	0	0	2,100,000	0	0
Radio Frequency Capacity	-	0	0	0	0	0	0	0	237,000	0	0
SCIT Collision Scene Scanners	-	0	0	0	0	0	0	0	30,000	0	0
Joint X2 Taser Upgrade Programme	-	757,000	0	757,000	757,000	1,358,641	757,000	0	286,400	425,400	102,602
Firearms G36 Carbine Upgrade	15,938	0	0	15,938	15,958	0	15,938	0	0	0	0
Glock Handgun Upgrade	-	102,602	0	102,602	102,602	0	102,602	0	0	0	102,602
Genie/Clearcore	24,636	0	0	24,636	22,450	1,800	24,250	386	100,000	0	0
Cybercrime	-	0	0	0	6,535	0	0	0	0	0	0
ESN ICCS Upgrade	-	0	0	0	252	71,936	0	0	0	0	0
Tranman Refresh	-	0	0	0	0	28,965	28,965	-28,965	0	0	0
Computer Hardware Revenue Funded	-	0	0	0	4,012	0	0	0	0	0	0
	1,623,610	4,204,937	1,010,440	5,828,547	2,713,664	2,552,204	4,529,986	1,298,561	4,934,329	2,778,760	405,204
Joint Capital Projects	925,457	2,396,814	575,951	3,322,271	1,614,868	2,235,602	2,583,854	738,417			
Joint Capital Projects	698,153	1,808,123	434,489	2,506,276	1,098,796	316,602	1,946,132	560,144			
	1,623,610	4,204,937	1,010,440	5,828,547	2,713,664	2,552,204	4,529,986	1,298,561			
		5,828,547									