

ORIGINATOR: Assistant Chief Officer & CFO

PAPER NO:

AP20/24

SUBMITTED TO: ACCOUNTABILITY AND PERFORMANCE PANEL – 3 July 2020

SUBJECT: REVENUE AND CAPITAL MONITORING AS AT 31 MAY 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 May 2020.
2. The Group is forecasting a revenue underspend of £0.393m, comprising of underspends within the Constabulary of £0.349m and within OPCC of £0.044m.
3. The forecast capital position is currently on target.
4. This is a month 2 report presenting early outturn year-end forecasts that are subject to change during the financial year.

RECOMMENDATION:

1. The PCC is invited to consider the contents of this report.

1. OVERVIEW

1.1 Based on the position as at 31 May 2020, the Suffolk Group Revenue Budget is forecast to underspend by £0.393m at year end (Appendix A) and its capital budget is forecast to be on target at year end.

1.2 The high level summary is as follows:

	Budget 2020/21 £000	Forecast Outturn £000	(Over)/ Under spend £000
Officer of the Police and Crime Commissioner for Suffolk	890	846	44
PCC Commissioning	850	850	0
Chief Constable Operational Spending	133,841	133,492	349
Transfer from Reserves (Constabulary)	(865)	(865)	0
Chief Constable Operational Spending (net)	132,976	132,627	349
Capital Financing	5,150	5,150	0
Transfer from Reserves	(1,151)	(1,151)	0
Capital Financing (net)	3,999	3,999	0
PFI Grant	(5,410)	(5,410)	0
Transfer from Reserves	(190)	(190)	0
Total Revenue	133,116	132,723	393
Capital Expenditure	5,410	5,410	0

2. PCC REVENUE BUDGET

2.1 The Office of the PCC Budget for 2019-20 is £0.890m (Appendix A (i)). The year-end position is forecast to be £0.044m underspent.

2.2 The Police and Crime Commissioner's (PCC) Commissioning budget is £1.737m which includes a grant of £0.887m from the Ministry of Justice (Appendix A (ii)). The Ministry of Justice grant will be used for victim services including Norfolk and Suffolk Victim Care, the Independent Domestic Violence Advice (IDVA) service and grants to support victims of sexual violence.

3. CONSTABULARY REVENUE BUDGET

3.1 The total Constabulary Revenue Budget forecasts a year-end underspend of £0.349m as at month 2 (see detail in Appendix A (iii)). The main variances from budget producing the current forecast underspend are explained below.

	Budget 2020/21 £000	Full Year Forecast £000	(Over)/Under spend £000
Pay Related Costs	107,516	107,040	476
Other Employee Costs	1,384	1,371	11
Property Related Costs	9,306	9,313	(7)
Transport	2,539	2,315	224
Supplies and Services	11,521	11,630	(109)
Third Party Payments	1,490	1,577	(87)
Corporate including contingency and inflation	4,300	4,300	0
Income	(4,215)	(4,055)	(160)
Total	133,841	133,492	349

3.2 Pay Related Costs

The forecast underspend of £0.476m primarily includes lower officer overtime and staff pay costs than budgeted.

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 £1.513m to cover the additional costs for an uplift of a further 36 (54 in total) officers for Suffolk Constabulary in 2020-21.

3.3 Other Non-Pay Costs

The forecast balanced position includes underspends in transport (fuel and travel costs) and supplies and services (stationery, postage and subsistence), primarily due to lower expenditure forecast as a result of the COVID-19 pandemic, offset by additional costs incurred in respect of Personal Protective Equipment (PPE). Additional Third-Party costs include increased expenditure in relation to Home Office charges.

3.4 Income

As a result of the COVID-19 pandemic, the shortfall in income of £0.160m relates to the National Driver Offender Retraining Scheme (NDORS), sporting events and court fees. This is partially offset by additional income forecast relating to investment interest and recovery of training costs.

4. IN-YEAR BUDGET PRESSURES

- 4.1 As a result of the COVID-19 pandemic, there has been a significant impact on the financial position. Regular reports are provided to Chief Officers and OPCC, providing the current position and a 20 week forecast, as required by the Home Office.
- 4.2 Total costs of £0.252m have been incurred to date, this is forecast to increase to £0.682m and is primarily due to purchases of ICT (laptops), Personal Protective Equipment (PPE), Estates and Facilities costs, Transport costs (vehicle parts) and overtime.
- 4.3 There is potential impact in relation to an underachievement of income. The 20 week forecast includes a £0.400m shortfall in NDORS income; this will be continually monitored and reported accordingly. Other areas such as court fees and cost recovery are also likely to be affected.
- 4.4 The additional pressures within the £1.1m referred to above are unbudgeted, however the intention is to manage these within existing budgets and offset against other in-year cost reductions. In order to support the Constabulary in terms of liquidity, the Home Office have agreed to allocate the half-year uplift grant over 6 months instead of quarterly in arrears.

5. SAVINGS

- 5.1 The total planned savings requirement for 2020/21 is £1.282m with budgets having been reduced in line with the agreed savings profiles set out in the MTFP. Delivery of these savings is on target.
- 5.2 As a result of COVID-19 and the potential impact this is likely to have on the economy and future uncertainty regarding police funding, an in-year review of potential non-pay savings is currently underway. This will include a review of the areas of underspending reported in section 3.

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	(1,151)	(1,151)	0
Constabulary:			
7 Force Collaboration Contribution	(127)	(127)	0
Carry Forward from 2019/20	(738)	(738)	0
Transfer from Reserves (Constabulary)	(865)	(865)	0
Civil Parking Enforcement	(190)	(190)	0
Total transfer to / (from) Reserves	(2,206)	(2,206)	0

7. CAPITAL PROGRAMME

7.1 The capital budget for 2020/21 is £5.410m, comprising the current programme of approved schemes of £1.778m plus slippage from 2019/20 of £3.632m.

A summary of capital schemes is provided at Appendix B.

7.2 The forecast position at year end is currently on target.

	Budget	Forecast Outturn	(Over)/ Under spend
	£000	£000	£000
Slippage from 2019/20	3,632		
Table A – schemes approved for immediate start 1 April 2020	1,778		
Total Capital Programme	5,410	5,410	-
Table B – schemes requiring a business case or further report to PCC(s) for approval	2,174		
Table C – Longer term, provisional schemes requiring further reports	-		
Total	7,584		

8. INVESTMENTS

8.1 At the end of May, investments totalled £5.5m, the breakdown of which is provided below.

OUTSTANDING AMOUNTS BY GROUP			
LIMITS		BALANCE	RATE
£10,000,000	Lloyds Bank	£4,046,656	0.10%
£10,000,000	Barclays Bank	£1,500,000	0.50%
£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	£0	
£10,000,000	DBS Bank Ltd	£0	
£10,000,000 per LA	Local Authority	0	
£10,000,000	Money Market Fund	£0	
		£5,546,656	

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 May 2020				
SUFFOLK GROUP				
FULL SUMMARY OF INCOME AND EXPENDITURE				
	Budget 2020/21	Actual Year to Date	Forecast Outturn	(Over)/Under spend
	£000	£000	£000	£000
Pay and Employment Costs	108,223	17,454	107,740	483
Other Employee Costs	1,389	(14)	1,376	13
Property Related	9,308	45	9,315	(7)
Transport Related	2,552	477	2,326	226
Supplies and Services	13,388	1,992	13,497	(109)
Third Party Payments	1,490	630	1,577	(87)
Capital Financing	5,150	32	5,150	0
Contingencies	4,333	0	4,300	33
Movement to / from Reserves	(2,206)	0	(2,206)	0
TOTAL EXPENDITURE	143,627	20,617	143,075	553
Grant, Trading and Reimb Income	(10,512)	(1,071)	(10,352)	(160)
TOTAL INCOME	(10,512)	(1,071)	(10,352)	(160)
NET INCOME/EXPENDITURE	133,116	19,546	132,723	393

Corporate Monitoring Report at 31st May 2020 SUFFOLK PCC				
OPCC SUMMARY OF INCOME AND EXPENDITURE				
	Budget 2020/21	Actual Year to Date	Forecast Outturn	(Over)/Under spend
	£000	£000	£000	£000
Pay and Employment Costs	707	116	700	7
Other Employee Costs	5	0	3	2
Property Related	2	0	2	0
Transport Related	13	(1)	11	2
Supplies and Services	130	18	130	(0)
Contingencies	33	0	0	33
Total OPCC	890	134	846	44
Movement to / from Reserves	(2,206)	0	(2,206)	0
TOTAL EXPENDITURE	(1,316)	134	(1,360)	44
TOTAL INCOME	(5,410)	(1,159)	(5,410)	0
NET INCOME/EXPENDITURE	(6,726)	(1,026)	(6,770)	44

Corporate Monitoring Report at 31st May 2020 SUFFOLK PCC				
COMMISSIONING SUMMARY OF INCOME AND EXPENDITURE				
	Budget 2020/21	Actual Year to Date	Forecast Outturn	(Over)/Under spend
	£000	£000	£000	£000
Supplies and Services	1,737	(2)	1,737	0
TOTAL EXPENDITURE	1,737	(2)	1,737	0
TOTAL INCOME	(887)	0	(887)	0
NET INCOME/EXPENDITURE	850	(2)	850	0

Corporate Monitoring Report at 31st May 2020				
Suffolk Constabulary				
CONSTABULARY SUMMARY OF INCOME AND EXPENDITURE				
	Budget 2020/21	Actual Year to Date	Forecast Outturn	(Over)/Under spend
	£000	£000	£000	£000
Pay and Employment Costs	107,516	17,338	107,040	476
Other Employee Costs	1,384	(14)	1,373	11
Property Related	9,306	45	9,313	(7)
Transport Related	2,539	478	2,315	224
Supplies and Services	11,521	1,976	11,630	(109)
Third Party Payments	1,490	630	1,577	(87)
Capital Financing	5,150	32	5,150	0
Contingencies	4,300	0	4,300	0
Movement to / from Reserves	0	0	0	0
TOTAL EXPENDITURE	143,207	20,485	142,698	509
Grant, Trading and Reimb Income	(4,215)	88	(4,055)	(160)
TOTAL INCOME	(4,215)	88	(4,055)	(160)
NET INCOME/EXPENDITURE	138,991	20,573	138,643	349

CONSTABULARY SUMMARY OF CAPITAL EXPENDITURE					
Monitoring Summary 2020/21					
	Slippage from 2020/21	Current Budget - Table A	Total Budget	Forecast Outturn	(Over)/ Under spend
	£000	£000	£000	£000	£000
Estates	2,621	-1,361	1,260	1,260	0
Information, Communication and Technology	141	514	655	655	0
Vehicles and Equipment	76	760	836	836	0
Joint Schemes	795	1,864	2,659	2,659	0
Total	3,632	1,778	5,410	5,410	0

SUFFOLK ONLY											
PROJECT	Requested Slippage (19/20)	Budget (Table A)	Budget (Table B)	Current Budget (Slippage & Table A)	Actual	Commitments	Forecast Outturn	Under/Over(-)	Budget as per 2020/21 MTFP		Approved Business Case
									21/22	22/23	
Estates											
Estates Downsizing - General	0	0	0	0	0	-2,101	0	0	0	0	
PHQ Security	0	0	0	0	-4,103	4,103	0	0	0	0	0
Halesworth Server Room	0	0	0	0	3,083	36,754	0	0	0	0	509,190
Estates Downsizing - Stowmarket	1,523,971	-1,168,971	0	355,000	0	0	355,000	0	1,200,000	0	0
Estates Downsizing - Mildenhall Hub	39,913	308,000	0	347,913	0	62,219	347,913	0	20,000	0	700,000
Estates Downsizing - Sudbury	50,000	0	0	50,000	0	0	50,000	0	0	0	0
Estates Downsizing - Haverhill	15,694	0	0	15,694	0	0	15,694	0	20,000	0	0
Ipswich NE SNT	200,000	0	0	200,000	0	0	200,000	0	50,000	0	0
Estates Downsizing - Beccles	0	0	0	0	0	3,854	0	0	0	0	0
Estates Downsizing - Leiston	0	0	0	0	0	4,361	0	0	0	0	0
Ipswich Town Centre SNT (Fire Station)	791,387	-500,000	0	291,387	0	0	291,387	0	500,000	0	700,000
Bury St Edmunds Various	0	0	230,000	0	0	0	0	0	0	0	0
	2,620,965	-1,360,971	230,000	1,259,994	-1,020	109,190	1,259,994	0	1,790,000	0	1,909,190
ICT											
ICT Replacements - Desktop Services	127,000	363,570	0	490,570	7,923	181,613	490,570	0	260,230	395,000	0
ICT Replacements - Communications	0	84,000	0	84,000	15,000	0	84,000	0	84,000	84,000	0
Thin Client Replacement	14,000	17,000	0	31,000	9,731	0	31,000	0	0	0	0
ANPR Vehicle Kit Refresh	0	50,000	0	50,000	0	0	50,000	0	50,000	50,000	0
	141,000	514,570	0	655,570	32,653	181,613	655,570	0	394,230	529,000	0
Equipment & Vehicles											
Athena	0	44,298	0	44,298	0	0	44,298	0	0	0	0
Cameras- Static/Dual lane/Fixed site	0	0	76,760	0	0	0	0	0	0	0	0
Vehicle Replacements	75,559	716,000	0	791,559	10,175	299,326	791,559	0	788,000	730,000	0
	75,559	760,298	76,760	835,857	10,175	299,326	835,857	0	788,000	730,000	0
Grant & Additional Revenue Funding											
Suffolk Safecam Reserve - A134 Scheme	0	0	0	0	0	4,094	0	0			
ANPR Camera Suffolk Drugs Fund	0	0	0	0	0	7,870	0	0			
Suffolk Grant Funded Tasers	0	0	0	0	-14,025	56,100	0	0			
	0	0	0	0	-14,025	68,064	0	0	0	0	0
	2,837,524	- 86,103	306,760	2,751,421	27,783	658,194	2,751,421	-	2,972,230	1,259,000	1,909,190
Suffolk Capital Projects	2,837,524	- 86,103	306,760	2,751,421	27,783	658,194	2,751,421	-			
Suffolk Share of Joint Projects	794,756	1,863,785	1,867,163	2,658,541	749,276	1,233,517	2,658,541	-			
	3,632,280	1,777,682	2,173,923	5,409,962	777,059	1,891,711	5,409,962	-			
		7,583,885									

JOINT									
PROJECT	Requested Slippage (19/20)	Budget (Table A)	Budget (Table B)	Current Budget (Slippage & Table A)	Forecast Outturn	Under/Over(-)	Budget as per 2020/21 MTFP		Approved Business Case
							21/22	22/23	
Estates									
Joint ICT Replacements - Servers	79,412	884,000	0	963,412	963,412	0	1,112,000	621,700	0
ICT Replacements - Network	97,191	707,218	0	804,409	804,409	0	1,045,159	1,068,950	0
Microwave Refresh	-	40,000	0	40,000	40,000	0	40,700	36,400	0
ANPR Cameras	-	130,000	0	130,000	130,000	0	125,000	286,000	0
Telematics	22,555	0	0	22,555	22,555	0	0	0	0
Live Link Project	21,109	0	0	21,109	21,109	0	0	0	0
CCR Telephony	146,225	0	0	146,225	146,225	0	0	0	0
Digital Strategy -Frontline Mobile Devices	92,898	0	0	92,898	92,898	0	0	0	0
Business Data Management (BRC)	-	0	0	0	0	0	0	0	0
WAN Contract Renewal	2,532	0	0	2,532	2,532	0	0	0	0
GIS Replacement	95,357	0	0	95,357	95,357	0	0	0	0
Video Conferencing	34,389	0	100,000	34,389	34,389	0	0	0	0
PROMAT3	33,730	0	0	33,730	33,730	0	0	0	0
Digital Recording/Streaming	236,808	0	0	236,808	236,808	0	0	0	0
Mobile Device Replacement Programme	-	217,000	0	217,000	217,000	0	431,000	339,000	0
BWV Device Replacement Programme	-	84,500	0	84,500	84,500	0	250,000	250,000	0
Protective Monitoring Software PSD	9,900	0	0	9,900	9,900	0	0	0	0
Windows 10	64,619	0	0	64,619	64,619	0	0	0	0
DCS5 Upgrade	-	0	0	0	0	0	0	0	0
Body Worn Video	63,301	0	0	63,301	63,301	0	0	0	0
Mobile Workflow	283,968	0	200,000	283,968	283,968	0	200,000	200,000	0
Digital Public Contact	-	0	0	0	0	0	0	0	0
DAMS (Digital Asset Management)	554,433	0	100,000	554,433	554,433	0	0	0	0
DFU Storage Expansion	-	0	0	0	0	0	0	0	0
Airwave Handset Replacement	-	1,438,000	0	1,438,000	1,438,000	0	0	0	0
Covert Airwave Upgrade	-	108,000	0	108,000	108,000	0	0	0	0
Sailpoint ERP	-	100,000	0	100,000	100,000	0	80,000	88,000	0
HTCU - Various	-	0	313,365	0	0	0	690,744	626,790	0
National Enablers Programme (NEP)	-	0	120,000	0	0	0	0	0	0
Single Online Home (SOH)	-	0	139,000	0	0	0	0	0	0
Next Generation Computing Trial	-	0	50,000	0	0	0	0	0	0
Equipment & Other									
Joint X2 Taser Upgrade Programme	-	605,600	0	605,600	605,600	0	741,860	0	0
Genie/Clearcore	1,287	0	100,000	1,287	1,287	0	0	0	0
Radio Frequency Capacity	-	0	237,000	0	0	0	0	0	0
SCIT Collision Scene Scanners	-	0	30,000	0	0	0	0	0	0
ANPR in all RAPT Vehicles	-	0	115,000	0	0	0	0	0	0
Replacement of Speed Detection Devices	-	0	23,970	0	0	0	0	0	0
Firearms Various	-	0	87,800	0	0	0	0	0	0
CycFreedom Replacement (Info Man)	-	0	110,000	0	0	0	0	0	0
ANPR in all RAPT Vehicles	-	0	16,000	0	0	0	0	0	0
ERP (New)	-	0	2,200,000	0	0	0	0	0	0
ERP Projects Various	-	0	380,000	0	0	0	100,000	0	0
TOTAL	1,839,714	4,314,318	4,322,135	6,154,032	6,154,032	0	4,816,463	3,516,840	102,602
Joint Capital Projects - Norfolk	1,044,958	2,450,533	2,454,972	3,495,491	3,495,491	-			
Joint Capital Projects - Suffolk	794,756	1,863,785	1,867,163	2,658,541	2,658,541	-			
	1,839,714	4,314,318	4,322,135	6,154,032	6,154,032	0			
		6,154,032							