

ORIGINATOR: PCC CHIEF FINANCE OFFICER

DECISION NUMBER: 24 – 2023

REASON FOR SUBMISSION: FOR DECISION

SUBMITTED TO: POLICE AND CRIME COMMISSIONER

SUBJECT: OUTTURN 2022/23, CAPITAL SLIPPAGE AND TRANSFERS TO AND FROM RESERVES

SUMMARY:

1. To comply with the requirement to publish the draft statement of accounts for the year ending 31 March 2023, the Police and Crime Commissioner (PCC) should approve the capital slippage funding and movement on reserves to incorporate these financial transactions in the draft statement of accounts.
2. The final surplus of the Group Revenue Budget was £0.676m. Of this, £0.075m related to the Office of the Police and Crime Commissioner's budget, £0.062m related to the PCC commissioning budget, and £0.539m related to the Constabulary's budget.
3. The planned transfer to reserves for the Group in 2022/23 was £1.009m and the actual transfer to reserves was £2.554m (a benefit to reserves of £1.545m). This is because higher revenue contributions of £630k were made to capital outlay than originally budgeted and less capital spend was incurred within the year than forecast. There was therefore a reduced need for reserves to be utilised on capital spend within the year.
4. The capital budget for 2022/23 was £6.907m, and spend against this budget was £5.643m, an underspend of £1.264m. The reason for the underspend requiring slippage was predominately caused by the re-profiling of the Estates programme and delays in vehicle replacements and joint projects.

RECOMMENDATION:

It is recommended that the Police and Crime Commissioner approves:

- The reserve movements for 2022/23 as set out in the table in the body of this report;
- The additional requirement for reserves in 2023/24;
- The slippage on the capital programme from 2022/23 into 2023/24.

APPROVAL BY: PCC

The recommendation set out is agreed.

Signature

A handwritten signature in black ink, appearing to read 'Tim Parry', is written over a light blue circular stamp.

Date 4 August 2023

DETAIL OF THE SUBMISSION

1. KEY AREAS FOR CONSIDERATION

- 1.1 This paper is requesting approval for the use of and transfer to reserves in 2022/23, additional use of reserves in 2023/24 and slippage against the 2022/23 capital programme into 2023/24.
- 1.2 The planned transfer to reserves for the PCC Group in 2022/23 was £1.009m and the actual transfer to reserves was £2.554m (a benefit to reserves of £1.545m).

The detail is shown in the table below:

Use of Reserves	Budget	Actual	Variance
	£000	£000	£000
Capital Programme Funding from Reserves	(1,417)	-	(1,417)
Constabulary:			
7 Force Collaboration Contribution	(120)	(120)	-
Carry Forward from 2021/22	(204)	(204)	-
Carry Forward to 2023/24	-	118	(118)
Regional Partnership Reserve	-	10	(10)
Transfer from Reserves (Constabulary)	(324)	(196)	(128)
Capital Financing reserve	1,453	1,453	-
General Reserve	200	200	-
Local Council Tax support grant	1,097	1,097	-
Transfer to Reserves (Constabulary)	2,750	2,750	-
Total transfer to Reserves	1,009	2,554	(1,545)

- 1.3 The year-end surplus for the group was £0.676m. Of this, £0.075m related to the PCC budget, £0.062m related to the PCC Commissioning budget, and £0.539m surplus related to the Constabulary's budget. Reserve transfers are set out in the table below:

	£000
Transfer to PCC Reserve	(75)
Transfer to Crime and Disorder Reduction Reserve	(62)
Transfer to Budget Reserve	(539)
Total	(676)

- 1.4 Appendix A shows the proposed reserve movements and the forecast use of reserves over the Medium-Term Financial Plan (MTFP) period. General and earmarked reserves are forecast to be £1.084m higher in 2026/27 than assumed in the MTFP, due to the net contribution in 2022/23 as described above, offset by an additional capital funding requirement for slippage in 2024/25.
- 1.5 The capital budget for 2022/23 was £6.907m, and spending against this budget was £5.643m, an underspend of £1.264m. The reason for the underspend requiring slippage was predominately caused by the re-profiling of the Estates programme and delays in vehicle replacements and joint projects. Appendices B(i) and B(ii) provide the detailed capital outturn position.

2. FINANCIAL IMPLICATIONS

- 2.1 There are no other financial implications outside of those presented in this report.

3. OTHER IMPLICATIONS AND RISKS

- 3.1 There are several contingent liabilities in the draft 2022/23 Statement of Accounts. Should the circumstances relating to these contingent liabilities change, the Constabulary may need to fund these liabilities in accordance with accounting standards. If the obligation becomes more certain, this will have a potential impact on the 2022/23 outturn position. The PCC will be informed of the impact on 2022/23 and 2023/24 in future budget monitoring reports.

ORIGINATOR CHECKLIST (MUST BE COMPLETED)	PLEASE STATE 'YES' OR 'NO'
Has legal advice been sought on this submission?	No
Has the PCC's Chief Finance Officer been consulted?	Yes
Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?	No
Have human resource implications been considered?	No
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?	Yes
Has communications advice been sought on areas of likely media interest and how they might be managed?	No
Have all relevant ethical factors been taken into consideration in developing this submission?	Yes

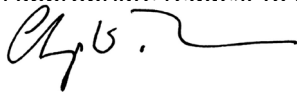
In relation to the above, please ensure that all relevant issues have been highlighted in the 'other implications and risks' section of the submission.

APPROVAL TO SUBMIT TO THE DECISION-MAKER (this approval is required only for submissions to the PCC).

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 4 August 2023

RESERVES SUMMARY										
PROJECTION OF RESERVES LEVELS:										
	General	Budget	Change	Capital Financing and Efficiency Investment Reserve	Specified Purposes Fund	Regional Partnership reserve	Crime and Disorder Reduction Reserve	PCC Reserve	Total	Safe cam Reserve
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
31/03/2022 Actual	4,300	7,397	1,517	5,390	418	79	516	622	20,239	420
Proposed Changes 2022/23:										
Use of Reserves - capital financing										
Use of Reserves					(204)	(4)			(208)	-236
Contribution to Reserves - collection fund surplus		1,097							1,097	
Contribution to Reserves	200	539		1,453	118	14	62	75	2,461	134
7 Force Collaboration Contribution			(120)						(120)	
31/03/2023 Forecast	4,500	9,033	1,397	6,843	332	89	578	697	23,469	318
Proposed Changes 2023/24:										
Use of Reserves		(35)		(1,923)					(1,958)	
Reallocation of Reserves									0	
Contribution to Reserves	100			700					800	
31/03/2024 Forecast	4,600	8,998	1,397	5,620	332	89	578	697	22,311	318
Proposed Changes 2024/25:										
Use of Reserves				(688)					(688)	
Use of Reserves - ESN funding									0	
Reallocation of Reserves									0	
Contribution to Reserves	80								80	
31/03/2025 Forecast	4,680	8,998	1,397	4,932	332	89	578	697	21,703	318
Proposed Changes 2025/26:										
Use of Reserves				(2,691)					(2,691)	
Contribution to Reserves	50								50	
31/03/2026 Forecast	4,730	8,998	1,397	2,241	332	89	578	697	19,062	318
Proposed Changes 2026/27:										
Use of Reserves				(2,046)					(2,046)	
Reallocation of reserves		(1,920)		1,920						
Use of Reserves - ESN funding				(1,920)					(1,920)	
Contribution to Reserves	70								70	
31/03/2027 Forecast	4,800	7,078	1,397	195	332	89	578	697	15,166	318

SUFFOLK ONLY									
PROJECT	Requested Slippage (21/22)	Budget (Table A)	Budget (Table B)	Current Budget (Slippage & Table A)	Outturn	Under/Over(-)	Table A Slippage	Table B Slippage	Approved Business Case
Estates									
Carbon Management	100,000	100,000	-	200,000	102,087	97,913	97,913	-	-
PHQ Site	-	-	174,655	-	-	-	-	128,605	-
Halesworth Server Room	-	-	-	-	(5,511)	5,511	-	-	-
Estates Downsizing - Stowmarket	631,602	-	-	631,602	873,292	(241,690)	-	-	-
Estates Downsizing - Mildenhall Hub	80,000	-	-	80,000	99,459	(19,459)	-	-	700,000
Estates Downsizing - Sudbury	50,000	-	-	50,000	7,724	42,276	42,276	-	-
Estates Downsizing - Haverhill	-	-	111,572	-	-	-	-	-	-
Ipswich NE Accommodation	150,000	-	-	150,000	8,314	141,686	141,686	-	-
Ipswich Town Centre SNT (Fire Station)	-	931,777	-	931,777	1,018,377	(86,600)	-	-	950,000
Martlesham PHQ - L&D Accommodation	14,312	425,345	-	439,657	169,275	270,382	270,382	-	-
Bury St Edmunds Armoury	-	11,000	-	11,000	5,772	5,228	-	-	-
Bury St Edmunds Various	-	-	34,000	-	-	-	-	34,000	-
SALTO Renewals	-	10,000	-	10,000	-	10,000	-	-	-
	1,025,914	1,478,122	320,227	2,504,036	2,278,789	225,247	552,257	162,605	1,650,000
ICT									
ICT Replacements - Desktop Services	13,169	275,885	-	289,054	337,429	(48,375)	-	-	-
ICT Replacements - Communications	-	74,000	-	74,000	60,366	13,634	-	-	-
ANPR Vehicle Kit Refresh	-	50,000	-	50,000	-	50,000	50,000	-	-
Suffolk ESN (Emergency Services Network)	-	-	100,000	-	-	-	-	-	-
	13,169	399,885	100,000	413,054	397,795	15,259	50,000	-	-
Equipment & Vehicles									
Athena	-	64,038	-	64,038	64,010	28	-	-	-
Cameras- Static/Dual lane/Fixed site	76,760	-	-	76,760	53,463	23,297	23,297	-	-
Vehicle Replacements	705,932	715,000	-	1,420,932	1,252,794	168,138	168,138	-	-
	782,692	779,038	-	1,561,730	1,370,267	191,463	191,435	-	-
Grant & Additional Revenue Funding									
Computer Equipment Revenue Funded	-	-	-	-	12,439	(12,439)	-	-	-
Suffolk Safecam Reserve - Vehicles and Equipment	-	-	-	-	100,623	(100,623)	-	-	-
Beccles TC Funded ANPR Cameras	-	-	-	-	11,711	(11,711)	-	-	-
	-	-	-	-	124,773	(124,773)	-	-	-
	1,821,775	2,657,045	420,227	4,478,820	4,171,624	307,196	793,692	162,605	1,650,000
Suffolk Capital Projects	1,821,775	2,657,045	420,227	4,478,820	4,171,624	307,196	793,692	162,605	
Suffolk Share of Joint Projects	748,274	1,680,528	1,087,483	2,428,802	1,471,117	957,685	644,042	761,893	
	2,570,049	4,337,573	1,507,710	6,907,622	5,642,741	1,264,881	1,437,735	924,498	
	8,415,332								

JOINT								
PROJECT	Requested Slippage (21/22)	Budget (Table A)	Budget (Table B)	Current Budget (Slippage & Table A)	Outturn	Under/Over(-)	Table A Slippage	Table B Slippage
ICT								
Joint ICT Replacements - Servers	76,752	621,700	-	698,452	125,911	572,541	-	-
ICT Replacements - Network	485,000	888,000	-	1,373,000	621,288	751,712	551,000	-
Microwave Refresh	21,000	37,500	-	58,500	28,034	30,466	23,616	-
ANPR Cameras	-	75,000	-	75,000	58,611	16,389	-	-
Telematics	-	-	-	-	-	-	-	-
CCR Telephony	76,587	-	-	76,587	30,118	46,469	46,469	-
Genie/Clearcore	-	-	100,000	-	-	-	-	100,000
Video Conferencing	56,356	-	-	56,356	25,603	30,753	2,575	-
Digital Recording/Streaming	100,777	-	-	100,777	3,560	97,218	97,217	-
Mobile Device Replacement Programme	200,942	255,000	-	455,942	413,275	42,667	42,667	-
BWV Device Replacement Programme	-	865,909	-	865,909	853,957	11,952	11,952	-
Mobile Workflow (OPTIK)	136,275	260,000	-	396,275	180,423	215,852	121,031	-
DAMS (Digital Asset Management)	-	-	332,055	-	114,088	(114,088)	-	167,237
DFU Storage Expansion	-	526,448	-	526,448	492,947	33,501	-	-
Airwave Handset Replacement	-	-	-	-	(41,166)	41,166	-	-
Covert Airwave Upgrade	-	-	-	-	(7,240)	7,240	-	-
ERP Upgrade Project	164,721	-	-	164,721	70,397	94,324	94,324	-
Sailpoint	124,178	-	-	124,178	-	124,178	124,178	-
OPAS OH Case Management System	-	-	-	-	-	-	-	-
DMS Upgrade	95,050	-	-	95,050	39,033	56,018	56,018	-
Skills Module	-	-	110,000	-	-	-	-	110,000
ESN	-	-	106,242	-	74,355	(74,355)	-	-
eRecruitment Oleo	129,210	-	-	129,210	24,523	104,687	104,687	-
E-PDR	-	50,000	-	50,000	-	50,000	50,000	-
Modern Workplace	-	-	100,000	-	-	-	-	-
MS Projects Server	-	-	30,000	-	-	-	-	30,000
Efficiency Initiatives Various	-	-	1,028,000	-	-	-	-	844,224
CDG Phase 2 - Data Warehousing	-	-	75,000	-	-	-	-	75,000
Intranet Upgrade	-	50,000	-	50,000	-	50,000	50,000	-
Equipment & Other								
Rifle Capability	49,374	17,796	-	67,170	-	67,170	-	-
Radio Frequency Propagation Service Equipmen	-	45,070	191,930	45,070	47,300	(2,230)	-	-
Firearms Various	-	-	155,000	-	-	-	-	155,000
Forensic Services Cameras	-	90,000	-	90,000	60,579	29,421	29,421	-
Firearms Communications	-	72,000	-	72,000	17,864	54,137	72,000	-
PSU Training Premises	-	-	100,000	-	-	-	-	100,000
Forensic Case Management System	-	-	166,000	-	-	-	-	166,000
Grant & Additional Revenue Funding								
Non Operational Equipment Revenue Funded	-	-	-	-	26,500	(26,500)	-	-
Operational Equipment Revenue Funded	-	-	-	-	23,931	(23,931)	-	-
IN CELL TECH - DTOA GRANT FUNDED	-	-	-	-	90,232	(90,232)	-	-
TOTAL	1,716,222	3,854,423	2,494,227	5,570,645	3,374,121	2,196,525	1,477,154	1,747,461
Joint Capital Projects Norfolk	967,948	2,173,895	1,406,744	3,141,843	1,903,004	1,238,839	833,112	985,568
Joint Capital Projects Suffolk	748,274	1,680,528	1,087,483	2,428,802	1,471,117	957,685	644,042	761,893
	1,716,222	3,854,423	2,494,227	5,570,645	3,374,121	2,196,525	1,477,154	1,747,461
		5,570,645						