

NORTHUMBRIA POLICE AND CRIME COMMISSIONER

Key Decision

Title and Reference: Capital Monitoring Q3

(PCC/491/2023)

Summary

The forecast capital outturn and variations to the revised programme, as at 31 December 2022 are set out in the table below:

2022/23 Scheme Expenditure	Capital Programme £m	Actual Spend Qtr.3 £m	Forecast Outturn Qtr.2 £m	Forecast Outturn Qtr.3 £m	Variance Qtr. 2 to Qtr. 3 £m
Building Works	9.420	1.170	5.464	4.261	(1.203)
Digital Policing & Digital Transformation	20.792	5.287	15.741	12.838	(2.904)
Vehicles and Equipment	8.068	2.677	5.579	4.324	(1.255)
NEROCU Schemes - Northumbria's contributions	0.313	0.131	0.284	0.284	0.000
TOTAL CAPITAL PROGRAMME	38.592	9.264	27.068	21.707	(5.362)
TOTAL FUNDED CAPITAL SCHEMES	0.794	0.100	0.802	0.657	(0.145)
TOTAL CAPITAL SPEND	39.387	9.365	27.870	22.363	(5.507)

The capital programme for 2022/23 will be financed as follows:

	Capital Programme £m	Forecast Outturn £m	Total Variance £m
Capital Spend Programme	39.387	22.363	(17.023)
Funded by:			
Capital Receipts	(18.831)	(9.944)	8.887
Capital Grant & Contributions	(0.794)	(0.657)	0.138
Prudential Borrowing	(19.761)	(11.762)	7.999
Total Funding	(39.387)	(22.363)	17.023

Recommendation/Findings:

Note the Capital Monitoring for Qtr. 3 as at 31 December 2022.

Northumbria Police and Crime Commissioner

I hereby approve the recommendation above.

Signature



Date 19/01/2023

Business Meeting	19 January 2023
Capital Monitoring Q3	
Report of: Kevin Laing, Joint Chief Finance Officer	
Author: Sylvie Walker-Barras, Senior Accountant	

1. PURPOSE

- 1.1 The purpose of this report is to set out the capital forecast for 2022/23 at 31 December 2022.

2. RECOMMENDATION

- 2.1 The Police and Crime Commissioner is requested to:
- a. Note the Capital Monitoring for Qtr. 3 as at 31 December 2022.

3. BACKGROUND

- 3.1 At 21 July BM, a revised capital programme of £39.387m was agreed including funded schemes.

CAPITAL MONITORING 2022/23 – QUARTER 3

- 3.2 As at Quarter 3, projects are progressing in line with the agreed capital programme with some now delayed until the next financial year.
- 3.3 The forecast capital outturn and variations to the revised programme, as at 31 December 2022 are set out in the table below:

2022/23 Scheme Expenditure	Capital Programme £m	Actual Spend Qtr.3 £m	Forecast Outturn Qtr.2 £m	Forecast Outturn Qtr.3 £m	Variance Qtr. 2 to Qtr. 3 £m
Building Works	9.420	1.170	5.464	4.261	(1.203)
Digital Policing & Digital Transformation	20.792	5.287	15.741	12.838	(2.904)
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TOTAL CAPITAL PROGRAMME	38.592	9.264	27.068	21.707	(5.362)
TOTAL FUNDED CAPITAL SCHEMES	0.794	0.100	0.802	0.657	(0.145)
TOTAL CAPITAL SPEND	39.387	9.365	27.870	22.363	(5.507)

- 3.4 The variance from Qtr2 to Qtr3 forecast positions is currently projecting a further £5.507m underspend.

- 3.5 At Qtr3 £18.268m has been rephased into the MTFs capital programme 2023/24 to 2026/27.
- 3.6 Details of the capital monitoring variances in **Appendix I** sets out a high-level summary of the key budget areas.

Key points to note:

- 3.6.1 **Building Works** – The reported position at Qtr2 was a forecast outturn of £5.464m reflecting an underspend of £3.956m against budget; the revised position at Qtr3 is a forecast outturn of £4.261m and £5.158m underspend against budget, the movement from Qtr2 is an increased underspend of £1.203m. £5.876m has been rephased into 2023/24 to reflect the delays identified.

A revised Estates strategy is currently in discussion and as a result, the proposed refurbishments of Byker, Alnwick and Whickham police stations have been moved to 2023/24 as works are unlikely to commence on site in 2022/23.

Improvements are taking place at Etal Lane, Bedlington and Byker for wellbeing and the relocation/increase in personnel to these premises; as well as improvements to meeting rooms across the estate.

Work is underway at the new SARC at St-Georges House and expected to be completed in early 2023/24.

Work to upgrade the fire alarm system to the custody suite at Etal Lane will now be delayed following the requirement of the custody suite by the Home Office for Operation Safeguard.

- 3.6.2 **Digital Policing and Digital Transformation** - The reported position at Qtr2 was a forecast outturn of £15.741m reflecting an underspend of £5.051m against budget. The revised position at Qtr3 is a forecast outturn of £12.838m and £7.954m underspend against budget; the movement from Qtr2 is an increase in the underspend of £2.904m. £8.471m has been rephased into 2023/24 to reflect the delays identified.

Go-live for the NPICCS replacement project has been moved to May 2023 resulting in rephasing of £0.437m to 2023/24. The implementation of Crown DMS upgrade will be carried out in 2023/24 and Social Media Platform currently going through tender evaluation is unlikely to incur costs before the end of the Financial Year. The Workforce Management Systems for Comms will no longer go ahead resulting in an underspend of £0.500m. Capital earmarked for LAN network refresh and Record Management Solution, planned for in the current year has been pushed back to 2023/24.

Both the Home Office Biometrics and DP Tooling projects will not incur any expenditure this financial year as they are dependent on Force wide plans.

Ruggedised devices deployment has been accelerated to match the Digitally Enabling Area Command Operational Policing paper presented on 20 December 2022 and will result in an in-year overspend of £1.017m. £1.372m of the planned Servers/SAN refresh has been pushed back to 2023/24.

3.6.3 Vehicles and Equipment - The reported position at Qtr2 was a forecast outturn of £5.579m and £2.488m underspend against budget. The revised position at Qtr3 is a forecast outturn of £4.324m and £3.744m underspend against budget; the movement from Qtr2 is therefore £1.255m. £3.744m has been rephased into 2023/24 to reflect the delays identified.

BLC is working on the renewal of the framework agreement for the purchase of body armour, once the framework agreement is in place a mini competition will take place before ordering, it is unlikely that costs will be incurred in the current financial year.

3.6.4 Funded Capital Scheme - The reported position at Qtr2 was a forecast outturn of £0.802m and variance of £0.007m against budget. The revised position at Qtr3 is a forecast outturn of £0.657m and £0.138m underspend against budget; the movement from Qtr2 is therefore £0.145m.

The ESN project has been rephased to 2027/28 therefore the funded ESN control room conversion will not be completed in 2022/23.

3.7 The capital programme for 2022/23 will be financed as shown in the table below:

	Capital Programme £m	Forecast Outturn £m	Total Variance £m
Capital Spend Programme	39.387	22.363	(17.023)
Funded by:			
Capital Receipts	(18.831)	(9.944)	8.887
Capital Grant & Contributions	(0.794)	(0.657)	0.138
Prudential Borrowing	(19.761)	(11.762)	7.999
Total Funding	(39.387)	(22.363)	17.023

3.8 The changes to capital financing are related to the variances highlighted under point 3.6.

3.9 In-year capital receipts relate to the sale of BMWs and amount to £0.571m. Capital receipts carried forward from previous years amount to £22.173m and are planned for use within the current MTFs.

3.10 The prudential indicators for capital are set out in **Appendix 2**. All indicators were within the agreed limits as at 31 December 2022.

4. CONSIDERATIONS

Report Exemption	<i>Non-exempt</i>
Consultation	
All allocated budget holders.	
Resources	
Included within the report.	
Code of Ethics	

There are no ethical implications.
Equality
There are no equality implications.
Legal
There are no legal implications.
Risk
Included within the report.
Communication
No communication is required.
Evaluation
Evaluation is not required.