

NORTHUMBRIA POLICE AND CRIME COMMISSIONER

Key Decision

Title and Reference

CAPITAL MONITORING QTR. 2 2023/24

(PCC/544/2023)

Summary

The capital forecast for 2023/24 at 30 September 2023 is as follows:

2023/24 Scheme Expenditure	Capital Programme £m	Actual Spend £m	Forecast Outturn Qtr1 £m	Forecast Outturn Qtr2 £m	Total Variance £m
Building Works	6.721	1.804	6.494	5.142	(1.352)
Digital Policing & Digital Transformation	11.581	1.208	10.999	9.693	(1.306)
Vehicles and Equipment	7.374	2.043	6.317	5.751	(0.566)
NEROCU Schemes - Northumbria's contributions	0.441	0.228	0.441	0.441	(0.000)
SUBTOTAL	26.117	5.284	24.252	21.027	(3.224)
Total Funded Schemes	0.329	0.252	0.329	0.329	0.000
TOTAL CAPITAL PROGRAMME	26.446	5.537	24.581	21.357	(3.224)

The programme will be financed as follows:

Capital Financing 2023/24	Capital Programme £m	Forecast Outturn £m	Total Variance £m
Capital Expenditure	26.446	21.357	(5.089)
Funded by:			
Capital Receipts	(5.833)	(5.615)	0.218
Capital Grant & Contributions	(0.329)	(0.329)	0.000
Prudential Borrowing	(20.284)	(15.413)	4.871
Total Funding	(26.446)	(21.357)	5.089

All prudential indicators were within the approved limits.

Recommendation/Findings:

- a. Note the Capital Monitoring position and forecast for Qtr. 2 as at 30 September 2023

Northumbria Police and Crime Commissioner

I hereby approve the recommendation above.

Signature



Date

1/11/2023

Business Meeting	01 NOVEMBER 2023
Capital Monitoring Report Q2 2023/24 – (As at 30 September 2023)	
Report Of: Kevin Laing, Joint Chief Finance Officer	
Author: Sylvie Walker-Barras, Senior Accountant	

I. PURPOSE

- 1.1 The purpose of this report is to set out the capital forecast for 2023/24 as at 30 September 2023.

2. RECOMMENDATION

- 2.1 The Police and Crime Commissioner is requested to:
- a. Note the Capital Monitoring for Qtr. 2 as at 30 September 2023.

BACKGROUND

- 2.2 The capital programme of £33.376m was approved on 07 March 2023 as part of the MTFs refresh exercise.
- 2.3 The Capital Outturn report for 2022/23 notes slippage of £5.831m, there has also been a reprofiling of programme spend, resulting in adjustments to future years of £12.761m, bringing the capital programme 2023/24 to a revised total of £26.446m.
- 2.4 In order to improve the monitoring of the Capital Programme, in-line with the recommendation to review in-year monitoring raised by the external auditor. In addition to the quarterly update to Business Meeting, a monthly Capital monitoring report is now received by the Force Executive, with any issues escalated to the Police and Crime Commissioner.

CAPITAL MONITORING 2023/24 – QUARTER 2

- 2.5 As previously reported, the recovery from the pandemic had not been as fast as expected and a number of projects/deliveries remain impacted resulting in the progression of these being pushed into the current or next financial year.
- 2.6 As at Quarter 2, most projects have commenced, however some are still at the planning stage and awaiting the outcome of reviews or progressing through the tender process.
- 2.7 The forecast capital outturn and variations to the revised programme, as at 30 September 2023 are set out in the table below:

2023/24 Scheme Expenditure	Capital Programme	Actual Spend	Forecast Outturn Qtr1	Forecast Outturn Qtr2	Total Variance
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AGENDA ITEM 4

	£m	£m	£m	£m	£m
Building Works	6.721	1.804	6.494	5.142	(1.352)
Digital Policing & Digital Transformation	11.581	1.208	10.999	9.693	(1.306)
Vehicles and Equipment	7.374	2.043	6.317	5.751	(0.566)
NEROCU Schemes - Northumbria's contributions	0.441	0.228	0.441	0.441	(0.000)
SUBTOTAL	26.117	5.284	24.252	21.027	(3.224)
Total Funded Schemes	0.329	0.252	0.329	0.329	0.000
TOTAL CAPITAL PROGRAMME	26.446	5.537	24.581	21.357	(3.224)

2.8 The variance from Qtr1 to Qtr2 forecast positions is currently projecting a further £3.224m underspend.

2.9 Details of the capital monitoring variances in **Appendix I** sets out a high-level summary of the key budget areas.

Key points to note:

2.9.1 Building Works –

- Energy Investment – The LED replacement scheme will need to go out to tender as the current supplier doesn't have capacity, the remaining budget will be rephased to 2024/25.
- Fleet decarbonisation EV charging – Following SDA discussion, further work is on hold pending a review of the vehicle electrification programme and the engagement of external assistance to establish a delivery plan, no further costs are expected this financial year, underspend of £0.059m.
- Boat shed – Following the tender exercise, the boat shed is not considered to be a viable option and will not go ahead, underspend of £0.114m
- Refurbishments of Byker, Whickham & Alnwick are on hold pending the outcome of Priority Based Budgeting and a review of the estate's refurbishment programme, budgets have been rephased to 2024/25.
- SARC at St-Georges is now complete, final costs are expected to reflect an underspend of £0.060m.
- Work on the planning for the Integrated Command and Operational Centre is ongoing, the budget provision is not expected to be fully required this year and will be rephased to 2024/25.

2.9.2 Digital Policing and Digital Transformation –

Transformation:

- Development of the Archive Data Store has been paused to enable the installation of the new NPICCS servers and will re-start in Quarter 4 2023/24.
- NPICCS Server Refresh – TCM services will not be completed by financial year-end, part of the budget for the TCM services has been rephased to 2024/25.
- Social Media Platform - Implementation, Training and Maintenance Costs are all included as part of the framework. No additional fees will be charged outside of the fee paid for the licences via the National Framework Agreement, resulting in an underspend of £0.180m

- NPICCS replacement - The contract award to the successful supplier is anticipated for the end of October (then standstill period of 10 days will apply), a full breakdown of costs will be included in the next report.

Digital Policing:

- The airwave vehicle bundles have been rephased to 2024/25, movement of £0.900m.

3.6.3 Vehicle and Equipment –

- Body Worn Video budget has been rephased to 2024/25, movement of £0.218m.
- Body armour refresh, trials of the body armours are currently being undertaken as part of the tender evaluation. Contract award is expected to be in December, with lead-time on orders of 12 to 16 weeks, the budget has been rephased to 2024/25.

2.10 The capital programme for 2023/24 will be financed as shown in the table below:

Capital Financing 2023/24	Capital Programme £m	Forecast Outturn £m	Total Variance £m
Capital Expenditure	26.446	21.357	(5.089)
Funded by:			
Capital Receipts	(5.833)	(5.615)	0.218
Capital Grant & Contributions	(0.329)	(0.329)	0.000
Prudential Borrowing	(20.284)	(15.413)	4.871
Total Funding	(26.446)	(21.357)	5.089

2.11 The changes to capital financing are related to the variances highlighted in 2.9.

2.12 There are no new capital receipts in Qtr2. Capital receipts carried forward from previous years amount to £17.271m.

2.13 The prudential indicators for capital are set out in **Appendix 2** including liability benchmark. All indicators were within the agreed limits as at 30 September 2023.

3. CONSIDERATIONS

Report Exemption	Non-exempt
Consultation	All allocated budget holders
Resources	Included within the report
Code of Ethics	No
Equality	No
Legal	No
Risk	Included within the report
Communication	No
Evaluation	No