

NORTHUMBRIA POLICE AND CRIME COMMISSIONER

Key Decision

Title and Reference

CAPITAL OUTTURN POSITION 2024/25

(PCC/670/2025)

Summary

The provisional capital outturn position for 2024/25, subject to audit is set out below:

2024/25 Capital Programme Scheme Expenditure	Revised Capital Programme £m	Outturn Position £m	Variance Analysis			
			Rephased to MTFS £m	Additional Slippage to 2025/26 £m	Overspend/ (Underspend) £m	Total Variance £m
Building Works	4.470	3.907	(0.540)	(0.471)	0.449	(0.563)
Digital Policing and Digital Transformation	7.826	3.444	(4.152)	(0.185)	(0.045)	(4.382)
Vehicles and Equipment	6.654	5.780	(0.287)	(0.070)	(0.518)	(0.874)
NEROCU Schemes - NP Contributions	0.245	0.214	-	(0.031)	-	(0.031)
Subtotal	19.195	13.345	(4.979)	(0.757)	(0.115)	(5.850)
Funded Schemes	0.817	0.780	-	(0.029)	(0.009)	(0.038)
Total Capital Programme	20.012	14.125	(4.979)	(0.786)	(0.124)	(5.888)

The capital programme for 2024/25 has been financed as shown in the table below:

Capital Financing 2024/25	Revised Capital £m	Provisional Outturn £m	Total Variance £m
Capital Expenditure	20.012	14.125	(5.888)
Funded by:			
Capital Receipts	(5.735)	(5.767)	(0.032)
Capital Grant & Contributions	(0.817)	(0.780)	0.038
Prudential Borrowing	(13.460)	(7.578)	5.882
Total Funding	(20.012)	(14.125)	5.888

All prudential indicators were within the approved limits.

Recommendation/Findings:

- Note the 2024/25 capital outturn position as at 31 March 2025, subject to audit.
- Approve the required capital programme slippage into 2025/26

Northumbria Police and Crime Commissioner

I hereby approve the recommendation above.

S. E. D

Signature

Date 8/7/2025

Business Meeting	8 July 2025
Capital Outturn Position 2024/25	
Report of: Gail Thompson, Joint Chief Finance Officer	
Author: Sylvie Walker-Barras, Senior Accountant	

1. PURPOSE

- 1.1 The purpose of this report is to present the capital outturn position for 2024/25, subject to audit and the proposed slippage to be carried forward to 2025/26.

2. RECOMMENDATION

- 2.1 The Police and Crime Commissioner is asked to:
- a. Note the capital outturn position, as at 31 March 2025; and
 - b. Approve the required capital programme slippage into 2025/26

3. BACKGROUND

- 3.1 The original capital budget 2024/25 of £29.940m was approved on 29 February 2024 as part of the Medium-Term Financial Strategy (MTFS) and Capital Strategy 2024/25 to 2027/28.
- 3.2 At Quarter 1 the budget was adjusted to account for slippage from the 2023/24 capital programme, new estates projects approved by the former Commissioner (April 2024) in the Northumbria Police Estates Strategy 2024 – 2030, and a full review of planned 2024/25 expenditure. The revised budget was £36.705m.
- 3.3 At Quarter 3 the budget was reviewed as part of the 2025/26 budget setting process and adjusted downwards to **£20.012m** to account for rephasing of planned expenditure into 2025/26, primarily related to estates projects.

4. KEY OUTCOMES

Capital Outturn Position 2024/25

- 4.1 Some projects have progressed at a slower pace or have been pushed back to the next financial year, either due to the time required for the tender process or awaiting decision/outcome.
- 4.2 At Quarter 3 £16.305m was rephased to the MTFS 2025/26 to 2028/29 as appropriate and £0.387m was identified as underspend not required.
- 4.3 The outturn position reflects a further £4.979m rephased to the MTFS at Period 11, £0.786m of additional slippage to 2025/26 and £0.124m as variance (net underspend) to the budget.
- 4.4 The table below sets out the capital outturn of £14.125m, subject to audit:

2024/25 Capital Programme Scheme Expenditure	Revised Capital Programme £m	Outturn Position £m	Variance Analysis			
			Rephased to MTFs £m	Additional Slippage to 2025/26 £m	Overspend/ (Underspend) £m	Total Variance £m
Building Works	4.470	3.907	(0.540)	(0.471)	0.449	(0.563)
Digital Policing and Digital Transformation	7.826	3.444	(4.152)	(0.185)	(0.045)	(4.382)
Vehicles and Equipment	6.654	5.780	(0.287)	(0.070)	(0.518)	(0.874)
NEROCU Schemes - NP Contributions	0.245	0.214	-	(0.031)	-	(0.031)
Subtotal	19.195	13.345	(4.979)	(0.757)	(0.115)	(5.850)
Funded Schemes	0.817	0.780	-	(0.029)	(0.009)	(0.038)
Total Capital Programme	20.012	14.125	(4.979)	(0.786)	(0.124)	(5.888)

- 4.5 Details of the capital monitoring variances are shown in **Appendix I**, which sets out a high-level summary of the budget areas. Key points to note:

Building Works

- 4.6 In 2024/25 the total expenditure on this area was £3.907m. The overall variance to the programme is £0.563m which is made up of £0.540m rephased to the MTFs, £0.471m of scheme slippage and variances to individual schemes of £0.449m.
- 4.7 Custody Improvement - Work on the replacement of the custody CCTV recorders was not completed at all locations.
- 4.8 Estates Refurbishments and Upgrades Programme - Various works are underway/in progress but have not been fully completed at year-end, they are - lift upgrade at South Shields, fire alarm upgrade at Viking Park, office refurb at Newcastle Airport and final sites upgrades for the airwave lockers.
- 4.9 Estates Refurbishments and Upgrades Programme - To take advantage of the Salix grant and minimise the disruption to Ashington station, the full decarbonisation work has taken place ahead of the original planned date of 2026/27.
- 4.10 New Communications facility – Professional fees have been rephased to 2025/26.
- 4.11 New Kennels – Professional fees have been rephased to 2025/26.
- 4.12 Alarm Monitoring System - Estates are working closely with Digital Policing on the Integrated Communications Control System (ICCS) tender which could include the alarm monitoring function. An interim solution is being put in place using GSM transmission back to an external alarm receiving centre.
- 4.13 Automatic Access Control System - The completion of the pilot site at Ashington was completed just after year-end.

Digital Policing and Digital Transformation

- 4.14 In year expenditure was £3.444m. The total variance to the programme is £4.382m, this is made up of £4.152m rephased to the MTFs, £0.185m of scheme slippage and variances to individual schemes of £0.045m.

Digital Transformation

- 4.15 Digital – Both Archiving Data Store and Business Analytics were rephased to 2025/26.
- 4.16 NPICCS Replacement - Niche – Milestone 4 of NICHE is scheduled for completion in May 2025 and Milestone 9 user acceptance test for the Back Record Conversion System did not get completed in 2024/25.
- 4.17 NPICCS Replacement – Servers Refresh – The final decommissioning of the old servers will take place in 2025/26.
- 4.18 NPICCS Replacement – Single online Home – No further integration work was completed in 2024/25.

Digital Policing

- 4.19 Digital Enablement – Video, Media, Streaming and DP Tooling were rephased to the MTFS.
- 4.20 Emergency Services Network (ESN) – The purchase of the headsets/pedals for the ICCS has been reprofiled to align with the ICCS tender due to take place in 2025/26.
- 4.21 ESN - The airwave mobile devices test sets have been received. The testing is due to be completed and will inform the quality questions for the mini-tender, which will be carried out using the available framework.
- 4.22 Network Refresh - Telephony – BT delays have caused the project to slip into 2025/26.
- 4.23 Network Refresh – WAN – The project is nearing completion with the last sites scheduled to be completed in April.
- 4.24 Hardware Refresh – PCs, Laptops, Mobiles and Servers – Procurement and DP are working on a proposal to go out to tender for the supply.

Vehicles & Equipment

- 4.25 £5.780m was spent. The total variance to the programme is £0.874m, this is made up of £0.287m rephased to the MTFS, £0.070m of scheme slippage, variances to individual schemes of £0.518m.
- 4.26 Vehicles – The new Chief Officer vehicle was not delivered by 31 March.
- 4.27 Equipment – Taser Refresh – No further X2 devices can be purchased as the devices are no longer produced.
- 4.28 Equipment – Operational Equipment – Forensics Drying cabinet & Leica TPS kits were not received at year-end.
- 4.29 Automatic Number-Plate Recognition (ANPR) Mobile – As there is not a contract in place, the budget was rephased to 2025/26, pending tender for the supply of ANPR kit for vehicles.
- 4.30 The underspend variance to individual schemes includes capital expenditure re-categorised as revenue expenditure during the year for low value items (includes TSU equipment and body armour).

NEROCU Schemes – Northumbria’s contributions

- 4.31 £0.214m was spent. The total variance to the programme is £0.030m, this is made up of £0.030m of scheme slippage.
- 4.32 NEROCU vehicle – One vehicle was not delivered by 31 March 2025.

Funded Capital Schemes

- 4.33 £0.780m was spent. The total variance to the programme is £0.038m, this is made up of £0.029m of scheme slippage and variances to individual schemes of £0.009m.
- 4.34 Funded Capital Schemes – Airport Vehicle – The van replacement is on order, but did not arrive by year-end.
- 4.35 Funded Capital Schemes – Energy Investment Scheme – The Salix grant transferred from Alnwick to Ashington is slightly less than the original value.

Capital Financing

- 4.36 The capital programme for 2024/25 has been financed as shown in the table below.

Capital Financing 2024/25	Revised Capital £m	Capital Outturn £m	Total Variance £m
Capital Expenditure	20.012	14.125	(5.888)
Funded by:			
Capital Receipts	(5.735)	(5.767)	(0.032)
Capital Grant & Contributions	(0.817)	(0.780)	0.038
Prudential Borrowing	(13.460)	(7.578)	5.882
Total Funding	(20.012)	(14.125)	5.888

- 4.37 The changes to capital financing are related to the variances highlighted in the above report.
- 4.38 In-year capital receipts relate to the sale of vehicles and the delayed affordable housing payment from Bellway amounting to £0.114m. Capital receipts carried forward from previous years amount to £11.925m. The balance of capital receipts carried forward in reserves at 31 March 2025 is £6.272m and these are planned for use within the current MTFS period 2025/26 to 2028/29.
- 4.39 The prudential indicators for capital are set out in **Appendix 2**. All indicators were within the agreed limits as at 31 March 2025.

5. CONSIDERATIONS

Government Security Classification	OFFICIAL - SENSITIVE
Freedom of Information	Non-exempt
Consultation	
All allocated budget holders	
Resources	
Included within the report	

Code of Ethics
There are no code of ethics implications
Equality
There are no Equality implications
Legal
There are no Legal implications
Risk
Included within the report
Communication
No further communications are planned
Evaluation
No evaluation required

CAPITAL PROGRAMME 2024/25

Schemes	Capital Programme	Outturn Position	Rephased to MTFS	Slippage to 2025/26	Overspend / (Underspend)	Total Variance
	£000's	£000's	£000's	£000's	£000's	£000's
BUILDING WORKS						
Energy Investment Scheme	139	139	-	-	-	-
Estates Transition & Relocation	791	787	-	(4)	-	(4)
Custody Improvements	182	111	-	(71)	-	(71)
Estates Refurbishments and Upgrades Programme	2,767	2,836	-	(380)	449	69
New SARC	25	25	-	-	-	-
New Communications Centre	150	-	(150)	-	-	(150)
New Kennel Block	340	-	(340)	-	-	(340)
Estates Systems Management - Alarm Monitoring System	50	-	(50)	-	-	(50)
Automatic Access Control System	25	9	-	(16)	-	(16)
TOTAL BUILDING WORKS	4,469	3,907	(540)	(471)	449	(562)
DIGITAL POLICING & DIGITAL TRANSFORMATION						
TRANSFORMATION BOARD						
Digital	205	-	(205)	-	-	(205)
NPICCS Replacement	1,991	1,267	(547)	(130)	(47)	(724)
People Management	45	43	-	(2)	-	(2)
DIGITAL POLICING						
Digital Enablement	184	35	(150)	-	1	(149)
ESN	1,603	173	(1,418)	(12)	-	(1,430)
Network Refresh	982	603	(366)	(13)	-	(379)
Hardware Refresh	2,816	1,323	(1,466)	(28)	-	(1,493)
TOTAL DIGITAL POLICING & DIGITAL TRANSFORMATION	7,826	3,444	(4,152)	(185)	(45)	(4,382)
VEHICLES AND EQUIPMENT						
Replacement of Operational Vehicles	5,557	5,619	118	(56)	-	62
Taser Refresh	38	-	-	-	(38)	(38)
TSU	174	-	(61)	-	(114)	(174)
Operation Equipment	251	82	(169)	-	-	(169)
ANPR Cameras Refresh Programme	68	63	-	(5)	-	(5)
ANPR Mobile	200	16	(175)	(9)	-	(184)
Body armour refresh	360	-	-	-	(360)	(360)
Body armour dogs	7	-	-	-	(7)	(7)
TOTAL VEHICLES AND EQUIPMENT	6,655	5,780	(287)	(70)	(518)	(875)
NEROCU schemes, Northumbria contributions						
TSU (Regional) - Contribution to NEROCU	66	66	-	-	-	-
Fleet Capital contribution to NEROCU	179	148	-	(31)	-	(31)
TOTAL NEROCU CONTRIBUTION CAPITAL SCHEMES	245	214	-	(31)	-	(31)
CAPITAL PROGRAMME TOTAL	19,195	13,345	(4,979)	(757)	(115)	(5,850)
FUNDED CAPITAL SCHEMES						
Operational - Camera Enforcement Vehicles	41	41	-	-	-	-
Non-operational - LEDS funding for Next Generation Firewall	69	69	-	-	-	-
Energy Investment Scheme - Whickham	330	330	-	-	-	-
Energy Investment Scheme - Ashington	278	269	-	-	(9)	(9)
Funded vehicles - Airport Vehicles	29	-	-	(29)	-	(29)
Funded vehicles - Special Branch Vehicles	44	44	-	-	-	-
Funded vehicles - National Rural Crime Unit Vehicles	27	27	-	-	-	-
TOTAL FUNDED CAPITAL SCHEMES	818	780	-	(29)	(9)	(38)
TOTAL CAPITAL SPEND	20,012	14,125	(4,979)	(786)	(124)	(5,888)

Prudential Indicators 2024/25

<i>Authorised Limit for External Debt</i>		
	2024/25 £000 Reported Indicator	2024/25 £000 Position at end of 4th Quarter
Borrowing	175,000	71,969
Other Long Term Liabilities	0	0
Total	175,000	71,969
Maximum YTD £86.969m		

<i>Operational Boundary for External Debt</i>		
	2024/25 £000 Reported Indicator	2024/25 £000 Position at end of 4th Quarter
Borrowing	155,000	71,969
Other Long Term Liabilities	0	0
Total	155,000	71,969
Maximum YTD £86.969m		

<i>Upper / Lower Limits for Maturity Structure of Fixed Rate Borrowing</i>				
	2024/25 £000 Reported Indicator		2024/25 £000 Actual Position	
	Upper Limit	Lower Limit	Actual Percentage	Maximum YTD
Under 12 months	60%	0%	0.00%	17.25%
12 to 24 months	40%	0%	0.00%	0.00%
24 months to 5 years	40%	0%	28.48%	28.48%
5 years to 10 years	40%	0%	0.00%	6.95%
10 years and above	80%	0%	71.52%	71.52%
All within agreed limits.				

<i>Upper Limit on amounts invested beyond 364 days</i>			
	2024/25 £000 Reported Indicator	2024/25 £000 Actual Position	2024/25 £000 Maximum YTD
Investments	15,000	0	0

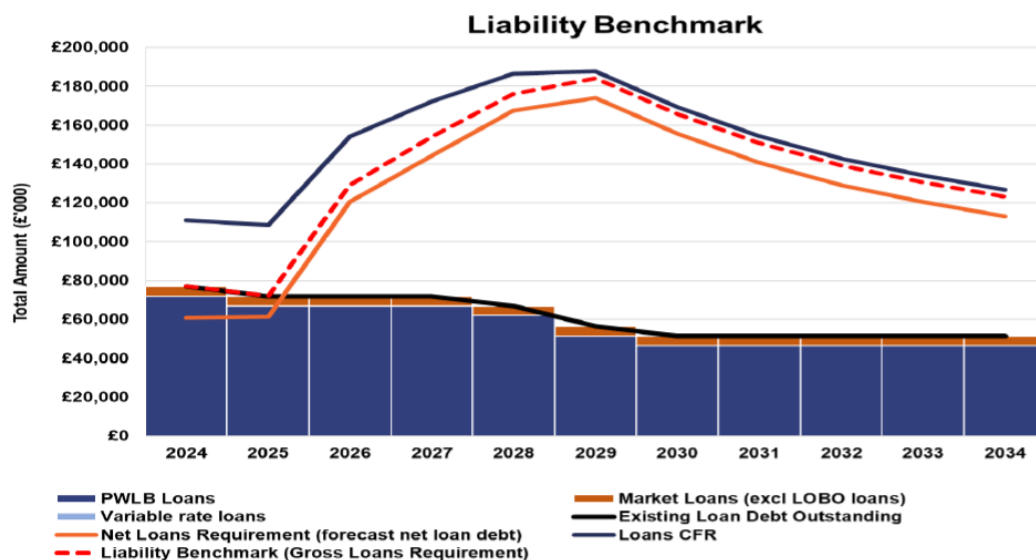
Liability Benchmark

In addition to the prudential indicators set out above a new debt treasury indicator, the Liability Benchmark, has been adopted in 2024/25 to support the financing risk management of the capital financing requirement (CFR).

The Liability Benchmark is presented as a chart which sets out the following:

- **Existing Loan Debt Outstanding** – this is the profile of the Commissioners existing loans which takes into account the scheduled loan repayments due within the period.
- **The Loans CFR (Capital Financing Requirement)** – this is the total requirement that the Commissioner has for prudential borrowing to support capital expenditure. This includes the CFR as at the last year-end plus approved future borrowing for planned capital expenditure within the existing MTFs capital programme and less those amounts due to be set aside under the MRP (Minimum Revenue Provision) policy adopted by the Commissioner.
- **Net Loans Requirement** – this is a forecast of the Commissioner's net loan debt, i.e. net of investments for treasury management purposes.
- **Gross Loans Requirement** – this is the Liability Benchmark and represents a forecast of the level of gross loans debt the Commissioner will require in accordance with budget plans.

The Liability Benchmark chart is set out below.



The chart shows that the Commissioner's existing loan debt comprises mainly PWLB debt plus a smaller element attributable to market loans. The Commissioner has no variable rate loans.

The Liability Benchmark chart demonstrates a requirement for new borrowing to be taken over the period from the 2025/26 financial year. Whilst the approach to borrowing remains to maximise the use of internal borrowing, the chart demonstrates that the extent to which internal borrowing can be used as a temporary financing tool will reduce over the medium to longer term, as reserve balances reduce in-line with budget plans under the Commissioner's Medium Term Financial Strategy (MTFS).