

Report to West Mercia Governance Board

Title of paper:	Money Matters – Outturn 2020/21
Meeting Date:	24 th May 2021
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Executive Summary:

Net expenditure for the year 2020/21 was £234.010, with funding of £234.890 resulting in a net underspend of £0.881m.

In December Money Matters an expected overspend for the year of £3.227m (1.4%) was reported, by March Board this expected overspend had been pulled back to £0.591m following numerous interventions and receipt of additional, unconditional Covid grant.

Limiting spend to essential items only, restricting overtime and staff recruitment has contributed to the much improved outturn. The year-end figures represent a 0.2% overspend for the Chief Constable and a 7.8% underspend for the OPCC after reserve movements.

It should be noted however that whilst much of the movement was due to deliberate financial restraint, the forecast has been identified as having some flaws which are now being investigated to ensure greater accuracy in future. The complexity of managing the shared arrangement with Warwickshire has been significant in this regard.

Capital expenditure for the year was £12.995m, an underspend of £10.501m against budget and £4.138m lower than the forecast at period 10. Further information regarding the outturn, the underspend, and the capital financing for the year is set out in section 3g.

Recommendations and Requested Outputs from WMGB:

It is recommended that:

1. this report is accepted as the final position for the 2020/21 year.
2. additional capital slippage of £6.987m (total slippage of £10.090m) is carried forward to 2021/22.
3. the sources of capital financing set out in section 3g are approved.

Benefits

Financial benefits (savings) are detailed within the savings and each Directorate section.

Vision, Values, Service and Leadership Ethos, and policing priorities.

Money Matters supports the value of ownership by providing insightful information and commentary regarding budget holders' allocated finances. It promotes accountability by providing objective feedback on budget pressures, threats and opportunities to support fair and open decision making around the use of force resources.

Police and Crime Plan

Money Matters aims to provide robust financial information to take the force forward into a more secure future through open and honest commentary and insight into the current and future predicted financial position.

A key enabler to reforming West Mercia and making the force's future more financially secure will be the ability to achieve the savings set out in this report. Our new financial culture is focused on bringing back accountability to local budget holders through devolvement of decision making around pay and a number of supporting budgets. The format of this report and information included within it aims to promote this focus on accountability at a local level.

Report Contents

1. Purpose / key drivers of report

This report presents the financial position for West Mercia Police at the end of the 2019/20 financial year, with comparison to the budget for the year and to previous forecasts where a material difference to those forecasts has occurred.

2. Main content

2 a. Overview

Net expenditure for the year totalled £234.010m. The net balance is a 0.2% overspend for the Chief Constable and a 7.8% underspend for the OPCC after reserve movements.

Business Function	Current Budget £m	Actual YTD £m	Variance £m	Q3 Forecast £m	Forecast Variance to Actual £m
Crime & Vulnerability	27.249	26.308	0.941	27.680	1.372
Operations Support	37.815	37.833	-0.018	38.226	0.393
Local Policing	101.250	102.764	-1.514	102.478	-0.286
Business Services	40.166	39.879	0.287	42.014	2.135
Corporate Support	4.168	4.230	-0.062	4.256	0.026
PCC & YOS	16.148	14.881	1.267	15.611	0.730
Directorate Total	226.796	225.895	0.901	230.265	4.370
Corporate Budgets	7.429	7.449	-0.020	7.011	-0.438
Inclusive of reserve funding	234.225	233.344	0.881	237.276	3.932
Reserve Funding		0.666	-0.666		
Net of Reserve Funding	234.225	234.010	0.215	237.276	3.932

Table 2: Subjective Analysis

The summary subjective analysis reflects the overall position by type of spend rather than budget holder. It should be noted that as some functions are still shared or hosted with and for Warwickshire Police some pay related expenditure is shown against Third Party Payments resulting in variances on both lines.

Subjective Analysis	Budget £m	Budget Moves £m	Revised Budget £m	Actual £m	Variance for the year £m	Q3 Forecast £m	Forecast Variance to Actual £m
Government Grants	(118.742)	0.000	(118.742)	(119.483)	0.741	(118.742)	(0.741)
Council Tax Precept	(114.279)	0.000	(114.279)	(114.279)	0.000	(114.279)	(0.000)
External Funding / Net Budget Requirement	(233.021)	0.000	(233.021)	(233.762)	0.741	(233.021)	(0.741)
Funding from Reserves	(2.784)	1.580	(1.204)	(1.128)	(0.076)	(1.204)	0.076
Total Funding	(235.805)	1.580	(234.225)	(234.890)	0.666	(234.225)	(0.665)
Police Officer Pay	120.397	0.062	120.459	121.116	(0.658)	119.986	1.130
Police Officer Overtime	2.081	0.592	2.672	3.908	(1.236)	3.817	0.091
Police Staff Pay	65.135	1.725	66.860	65.605	1.255	66.664	(1.059)
Police Staff Overtime	0.534	0.037	0.570	0.794	(0.223)	0.755	0.039
PCSO Pay	7.484	0.000	7.484	7.415	0.069	7.442	(0.027)
Injury & Ill Health Pensions	3.819	0.000	3.819	3.588	0.231	3.636	(0.048)
Other Employee Expenses	1.195	0.000	1.195	1.895	(0.700)	1.453	0.442
Premises	8.444	0.000	8.444	8.476	(0.033)	8.475	0.001
Transport	4.301	(0.046)	4.256	4.070	0.186	4.142	(0.073)
Supplies & Services	32.095	(1.278)	30.817	28.277	2.540	32.487	(4.210)
Third Party Payments	17.967	(2.140)	15.827	17.628	(1.801)	17.627	0.001
Capital Financing	3.574	0.050	3.624	3.219	0.405	3.285	(0.066)
Gross Expenditure	267.025	(0.998)	266.027	265.991	0.036	269.769	(3.778)
Income	(31.220)	(0.582)	(31.802)	(31.981)	0.179	(32.539)	0.558
Net Operational Budget	235.805	(1.580)	234.225	234.010	0.215	237.230	(3.220)
Net Force and OPCC Budget	0.000	0.000	0.000	(0.881)	0.881	3.005	(3.886)
Chief Constable	216.315	1.762	218.077	218.463	-0.386	221.665	-3.202
OPCC	19.490	-3.342	16.148	14.881	1.267	15.611	-0.646

The outturn variance excludes the additional £0.741m council tax support grant that was received in year and has been transferred to reserves to mitigate the council tax deficit in 2021/22.

The key variances above are discussed below:

Officer Pay – A £0.658m overspend (0.5%).

A comparison of the predictive model on which the budget was built to the actual starters and leavers during the year is shown in the table below.

As can be seen the profile of recruits and transferees altered during the year, a budget for a student officer is lower than that of a transferee and so a variance can be expected. Leavers were also less in number than expected, possibly as an effect of Covid 19, and again a different profile of pay cost is experienced even though overall FTE numbers may not vary greatly from plan.

Predictive model at 4/11/19 compared to actual	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
Planned Recruits -Students	20	35		50		10	40			40			195
Actual Recruits - Students	19	30	1	52						20		40	162
Actual Recruits - Transferees	1	1	3			4	5	10	3	4	2	2	35
Predicted Leavers	14	18	9	9	8	14	14	10	11	14	11	15	147
Actual Leavers	17	10	6	9	17	13	11	9	12	11	12	12	139

Officer overtime – Overall a £1.236m overspend is to be reported, however a portion of this is reclaimable.

Overtime undertaken in a number of business areas is offset by income these include:

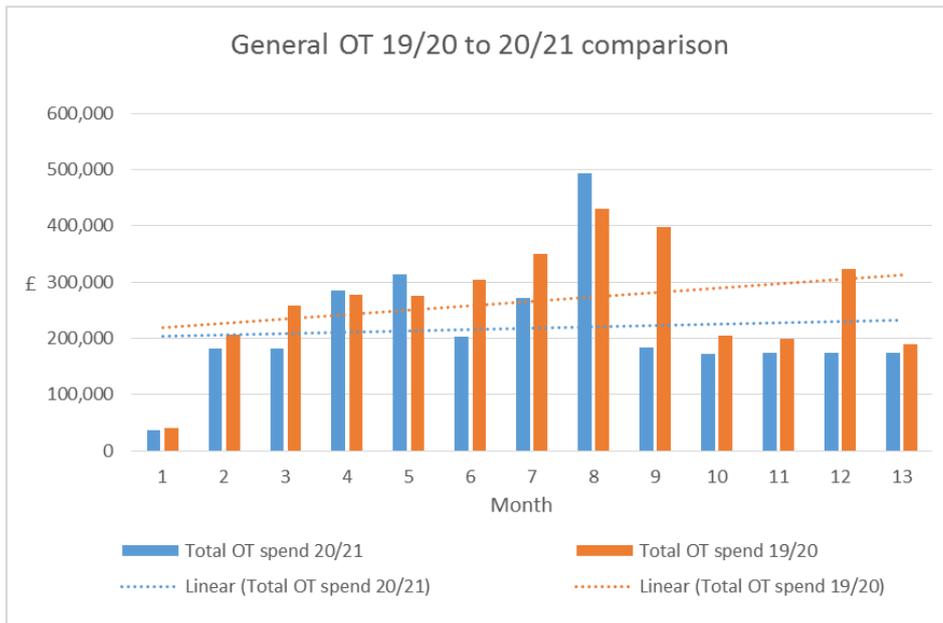
- £0.262m for Op Themis (Badger Cull),
- £0.028m for Op Heracles
- £0.035m for County Lines
- £0.030m in Force Operations for special duty
- £0.051m spend above budget in ROCU.

This income for unbudgeted overtime reduces the overspend to £0.830m.

General Overtime

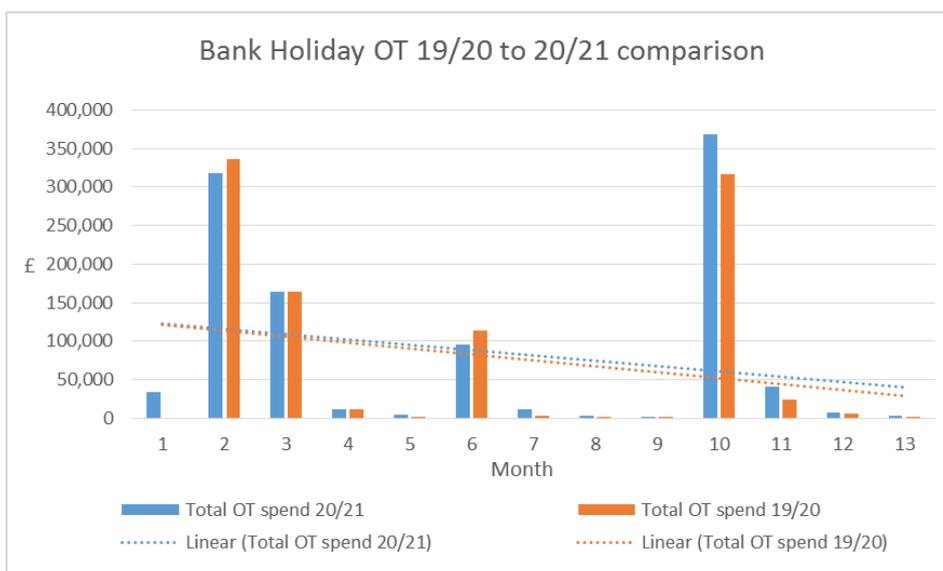
Without adjustment for the income receivable discussed above, comparison against last year shows a reduction of £0.613m in general overtime claimed. This compares favourably with the target of £0.466m which had been set, however the 2019/20 the budget was overspent by £1.143m and the time required to implement the changes made it impossible to rein back expenditure sufficiently without an unacceptable impact on performance and public safety.

The chart below shows how in the latter part of the year, after increased scrutiny and approval levels were introduced, spend was consistently below 2019/20 levels. The spike in Period 8 (November) is understood to be due to a timing lag after the approval system was introduced.



Bank Holiday Overtime

The chart below shows the profile of overtime claimed for Bank Holidays compared to 2019/20. For Easter, May and August holidays spend is comparable or lower. The December holiday is higher due to additional days at which bank holiday rates apply.



Staff Pay – the underspend is influenced by the deliberate pull back on fixed term appointments to achieve the savings target of £0.217m and also on vacancy advertising in the latter part of the year to assist in reducing the organisational overspend forecast at Q3.

Supplies and Services - £3.178m of this variance falls within Digital services and is discussed in section 3. £1.048m sits within OCON and includes Op Heracles spend offset by income.

Third Party Payments – A large part of this variance is the payment to Warwickshire for staff costs relating to individuals remaining on Warwickshire contracts at £1.403m. The annual national IT charges from the Home Office were also £0.248m more than expected.

2 b. Savings Plan

As reported in previous Money Matters the 2020/21 savings plan of £4.786m was achieved in year with areas where savings were not manageable supported by replacement initiatives.

3 a. Crime and Vulnerability (C&V)

Business Function	Current Budget £m	Actual YTD £m	Variance £m	Q3 Forecast £m	Forecast Variance to Actual £m
Head of Crime & Vulnerability	0.282	0.127	0.155	0.194	0.067
Criminal Justice	3.441	3.289	0.152	3.370	0.081
Forensics	4.728	4.882	-0.154	4.999	0.117
Intelligence & Authorising Officer	3.910	3.962	-0.052	4.074	0.112
Investigations	7.444	6.859	0.585	6.958	0.099
Vulnerability & Safeguarding	1.679	1.601	0.078	1.589	-0.012
OCON	1.021	1.768	-0.747	2.069	0.301
Regional Special Branch	0.950	0.730	0.220	0.826	0.096
Regional Organised Crime Unit	3.794	3.689	0.105	3.601	-0.088
Subtotal	27.249	26.907	0.342	27.680	0.773
Op Lincoln funding from reserves		-0.599	0.599		0.599
Total	27.249	26.308	0.941	27.680	1.372

The final position for C&V is £26.308m against a £27.249m budget a £0.941m (3.5%) underspend.

Central spend for C&V was £0.127m underspent due mainly to reduced travel over the year.

The overspend in Forensics is due to a shortfall in income offset by lower staffing costs. Staff underspend is due partly to vacancies and partly to a proportion of staff remaining on Warwickshire contracts during the hosted arrangement.

The underspends in Criminal Justice, Investigations, Vulnerability and ROCU are mainly in officer pay. Recruitment to the investigative model posts left vacancies in the earlier part of the year, the offset of which is seen in Local Policing. The under in Special Branch relates to additional income received from Warwickshire above budget.

OCON is overspent at £0.747m due to the increased number of major crimes during the year. The significant change in outturn to the Q3 forecast is due to the receipt of an additional unconditional grant of £0.901 for Op Heracles which was not expected at Q3.

The balance on Op Lincoln of £0.599m has been funded by an income transfer from reserves in recognition of the exceptional nature of this operation. This an increase in the reserve transfer anticipated at Q3.

3 b. Operations Support

Business Area	Current Budget £m	Actual £m	Variance £m	Q3 Forecast £m	Forecast Variance to Actual £m
Operations	17.367	18.377	-1.010	18.489	0.112
Road Safety	0.279	-0.018	0.297	0.034	0.052
Public Contact	18.424	17.827	0.597	17.882	0.055
Head of OS inc U&E	1.745	1.629	0.116	1.821	0.192
Subtotal	37.815	37.815	0.000	38.226	0.411
Road Safety balance to reserves		0.018	-0.018		-0.018
Total	37.815	37.833	-0.018	38.226	0.393

The final position for Operations Support was £37.833m against a £37.815m budget, a £0.018m (0.05%) overspend.

In Operations the key overspend is in officer pay at £0.502m, part of which is due to a temporary over establishment at Chief Inspector rank and part due to AFO retention bonuses not being budgeted.

General overtime shows a £0.352m overspend, the majority of which is within OPU. Op Themis overtime is not accounted for here as an overspend as it is offset by income.

Road Safety loss of income was supported by Covid grant of £0.253m enabling the transfer back to the road safety ring-fenced reserve of £0.104m for future road safety activity.

Public Contact underspend is across both officer and staff pay. A high number of call centre staff are younger in service than the average rate at which the budget was set, as are officers in the public contact service centre.

The corporate uniform and equipment budgets sit with the Head of Operational Support and in a turnaround from previous years have come in just under budget with a £0.079m underspend. Whilst part of this was to contribute to the force predicted overspend by stopping all non-essential purchases in the last quarter of the year, the new stricter approach to refreshing of standard issue and better use of equipment budgets will go forward into 2021/22 to ensure better use of this £1.573m budget.

3 c. Local Policing

Business Area	Current Budget £m	Actual £m	Variance £m	Q3 Forecast £m	Forecast Variance to Actual £m
LPAs	95.001	96.381	-1.380	96.519	0.138
Custody	3.382	3.680	-0.298	3.485	-0.195
Problem Solving	2.831	2.683	0.148	2.458	-0.225
IOM	0.036	0.020	0.016	0.016	-0.004
	101.250	102.764	-1.514	102.478	-0.286

The final position for Local Policing is £102.764m against a £101.250m budget, a £1.514m (1.5%) overspend.

Key factors leading to this position for the LPAs include a £1.160m overspend on police pay which offsets vacancies in other Directorates.

Local Policing holds the force predictive model for officer leavers and recruits referred to in the subjective analysis at section 2, as such variances are affected by any change in the profile of recruits or leavers. People & OD are looking at a model which extracts elements of this predictive model from Local Policing, which should result in more informed commentary.

Overtime, as with other Directorates, pulled back sharply in the last quarter with an overspend of £0.333m, lower than previously forecast.

An improved approach to managing OPCC funded budgets is also to be implemented in 2021/22 after drawdown of expected grant of £0.070m within Harm Hubs was not possible due to a misunderstanding in the bid process in 2019/20.

The overspend in Custody relates to Sergeant's pay and loss of income, the loss of income is partially offset by Covid grant.

The underspend in Problem Solving relates to officer pay in the South Hub and is a result of structural and role changes.

3 d. Business Services

Business Area	Current Budget £m	Actual YTD £m	Variance £m	Q3 Forecast £m	Forecast Variance to Actual £m
Business Operations	7.048	7.334	-0.286	7.500	0.166
Commercial	3.440	3.749	-0.309	3.659	-0.090
People and OD	6.671	7.052	-0.381	6.409	-0.643
SPI	3.485	3.532	-0.047	3.543	0.011
Op Opal	0.000	0.000	0.000	0.000	0.000
Digital Services Shared	12.708	11.469	1.239	13.454	1.985
Digital Services West Mercia	4.052	4.071	-0.019	4.048	-0.023
Change	2.762	2.672	0.090	3.401	0.729
Total	40.166	39.879	0.287	42.014	2.135

The final position for Business Services was £39.879m against a £40.166m budget, a £0.287m underspend (0.7%).

Business Operations overspend is broadly due to staff pay and not achieving the vacancy factor due to a full establishment, notably in Transport which is over establishment due to delays in Apprentice exams.

As in previous years the accident repair and vehicle hire budgets are overspent, a total of £0.342m, this is offset by an underspend of £0.433m on fuel due to BP's free fuel initiative during Covid lockdowns and reduced retail prices.

Generally Business Support have underspent against many supplies and services budgets due to Covid with most significant being £0.045m against the hospitality budget.

Commercial overspend is due to increased spend in insurance premiums particularly Motor Vehicle, Employers Liability & Public Liability Insurances.

People and OD has an over spend of £0.218m on officer pay as officer roles have replaced staff in a number of areas. The other key overspend is around mental health support at £0.123m, this is due to both increased demand and the cost of the PAM contract which is not delivering value for money, the Contacts and OH teams have undertaken a contract review which will lead to an improved position in 2021/22.

Shared Digital Services (ITSS) – has an underspend of £1.238m which is a significant turnaround from the overspend forecast at Q3. This demonstrated successful restraint on spend

However initial findings also indicate some duplication of forecasts between account codes, full year cost forecasts included for part year charges and with invoices paid from the Warwickshire ledger.

West Mercia Digital Services – the small overspend reflects reduced spend resulting from a number of vacancies offset by increased Home Office charges for national systems. The Home Office charges have become increasingly difficult to budget accurately for over recent years as notification is received 3 months after budget setting.

3 e. Corporate Support (DCC line management)

Business Area	Current Budget £m	Actual YTD £m	Variance £m	Q3 Forecast £m	Forecast Variance to Actual £m
ARC & DBS	1.039	0.916	0.123	0.944	0.028
DCC Budgets	1.428	1.427	0.001	1.520	0.093
PSD and Vetting	1.701	1.887	-0.186	1.792	-0.095
Total	4.168	4.230	-0.062	4.256	0.026

The final position for Corporate Support was £4.230m against a £4.168m budget, a 1.5% underspend.

The ARC and DBS underspend is due to vacancies, increased income from DBS and Solicitors for copy statements.

The PSD and Vetting overspend is largely due to Op Meteor for which the investigating force have had to engage a Forensic Accountant amongst other costs of the investigation.

3 f. OPCC Budgets

Business Area	Current Budget £m	Actual YTD £m	Variance £m	Q3 Forecast £m	Forecast Variance to Actual £m
OPCC	6.359	4.952	1.407	5.965	1.013
OPCC Estates	9.789	9.929	-0.140	9.733	-0.196
YOS	0.000	0.035	-0.035	-0.087	-0.122
Sub Total	16.148	14.916	1.232	15.611	0.695
YOS funding from Reserves		-0.035	0.035		0.035
Total	16.148	14.881	1.267	15.611	0.730

The OPCC in total has reported an underspend of £1.267m for the financial year against a budget of £14.881m

The OPCC is showing an underspend of £1.407m which is split between

- Overspend on office running costs of £0.042m
- Underspend on Commissioning activity of £1.483m

The office running costs were overspent by £0.042m which was due to £0.019m of additional cost of employing staff to cover the setup of the estates team and to cover vacancies and £0.048m of legal costs associated with the completion of the end of both the Alliance and PPL. This was offset by saving on travel and subsistence and also Internal Audit fees.

Commissioning services within the OPCC is showing a significant underspend which can be attributable to the additional income received from external sources during the year that were not budgeted for. There was

- £0.522m of Ministry of Justice Emergency Funding for Domestic Abuse and Sexual Violence service effected by COVID 19.
- £0.093m of Ministry of Justice funding for Independent sexual violence advisors
- £0.178m of funding from the Home Office for DRIVE initiatives
- £0.207m of funding from the Home Office for RYPP initiatives.

The priority of the commissioning team was to ensure that this £1.000m of additional funding received was distributed to those providers who could use it to support those most at need in the community. Whilst the team were successful at distributing this funding, it meant that there was reduced capacity to support new projects within the year.

COVID 19 also disrupted the ability of stakeholders to provide services during the year, which also resulted in less expenditure that had been expected during the year. The OPCC has recognised this and is looking at how best to utilise resources to support providers to be able to provide support as we move out of the pandemic restrictions.

The OPCC estates service is reporting a £0.14m overspend. The overspend is across all areas of the estates budgets where the costs of maintaining the whole estates has been higher during the year than the budget that was set.

3 g. Capital Programme

The capital outturn for 2020/21 was £12.995m, a reduction of £4.138m from the forecast of £17.133m at period 10. This is an underspend of £10.501m compared to the capital budget of £23.496m for the year.

The main reasons for the movement of £4.1m from the forecasted outturn are:

- A reduction of £0.9m in respect of the DST Phase 1 project (total underspend £3.1m compared to £2.2m, as reported previously), due to a delay in hiring

resources: the project team do not need to carry this £0.9m forward into 2021/22;

- delays in deliveries of ICT equipment (mobile devices etc) amounting to £0.4m, that will need to be carried forward into 2021/22 as slippage;
- £1.6m further underspend on Estates projects mainly due to delays with the BOC (£0.4m) and Hindlip Phase 2 (£0.5m) projects that are both underway and expected to be completed in early 2021/22. Some smaller projects funded from the planned programme were also delayed due to the capacity of PPL/Grahams to deliver these (£0.5m) and also delays with the Dog Section refurbishment due to planning issues (£0.1m).

The main reasons for the remaining £6m of the underspend is as reported previously: DST (£2.2m); ICT projects that have not yet commenced (£1.4m), Estates projects that have not yet commenced (£1.2m), and slippage on the Body Armour Replacement project (£0.9m) due to continued delays on the national procurement exercise.

Details of the outturn for each individual project are shown below. This sets out the slippage that it is proposed to be carried forward into 2021/22. Budgeted slippage, as per the 2021/22 agreed Capital Budget, was £3.1m: this has now increased to £10.1m, for the reasons set out above.

The proposed capital financing of the 2020/21 capital spend is also set out below and includes external borrowing of £11.2m.

Project	Final Approval (Y)	Original Approved Budget £'000	In Year approvals £'000	2020-21 Total Budget £'000	2020/21 Forecast £'000	2020/21 Outturn £'000	2020/21 Outturn Variance to Budget £'000	Slippage to c/f to 21/22 £'000	Underspend / (Overspend) £'000	Warks Contribution £'000
ICT Projects										
DST - End User Experience	Y	3905	825	2,720	2,037	1,509	1,211	683	528	
DST - Data & Integration	Y			2,010	507	131	1,879	1,503	376	
Digital Services Transformation		3,905	825	4,730	2,544	1,640	3,090	2,186	904	
ICT Transformation Projects										
Hindlip OCC - ICT Testing	Y	143	167	310	310	0	310	310	0	
Hindlip OCC - ICT Infrastructure	Y	0	175	175	129	0	175	175	0	
Hindlip OCC - Saab SAFE Command & Control System	Y	2,851	0	2,851	2,765	2,401	450	450	0	
OCC milestone payments (Telephony)	Y	0	336	336	500	504	(168)	0	(168)	
K-COM Transition Project	Y	1,107	497	1,604	1,829	1,926	(322)	0	(322)	610
DCD residual cost	Y	0	0	0	43	39	(39)	0	(39)	0
Athena Systems Project - Phase 1	Y	2	27	29	29	0	29	0	29	
Athena Project Phase 2						6	(6)		(6)	
Emergency Services Network		249	68	317	150	17	300	300	0	
Airwave Replacement Equipment	Y	102	(13)	89	0	0	89	64	25	
Assyst Upgrade Project	Y	0	75	75	135	68	7	0	7	
ANPR fixed sites	Y	1	54	55	61	71	(16)		(16)	11
Regional Motorways ANPR cameras (Highways England)		113	0	113	113	105	8	0	8	
Data Network Replacement (Red Flag)	Y	0	25	25	(56)	38	(13)		(13)	
Origin - Upgrades & Enhancements		690	(9)	681	0	0	681	681	0	
ERP - Finance System		0	0	0	8	5	(5)		(5)	
Single Online Home		76	0	76	0	0	76		76	
Business Objects v11 - "BOXI"	Y	0	11	11	0	4	7	0	7	
Digital Forensics Transformation		104	138	242	113	91	151	151	0	
Mercury – CT digital capability.		17		17	0	0	17	17		
Apollo – CT system replacing NSPIS/Cluster.		17		17	0	0	17	17		
DVI – Disaster Victim Id		17		17	0	0	17	17		
TEC1 – HO Biometrics.		207		207	0	0	207	207		
TEC1 - In-Car Media.		183		183	23	0	183	183		
CAID4 – Child abuse DB update.		55		55	0	0	55	55		
NFLMS – Firearms licencing update.		90		90	0	0	90	90		
NEP. Project initiation		69		69	0	0	69	69		
National IAMS (Needed for NEP). Project initiation		69		69	0	0	69	69		
Regulatory - PSD data Monitoring		7		7	0	0	7	0	7	
PSN Data Network						0	0		0	
West Mercia Intranet					165	165	(165)		(165)	
Transformation Projects Sub Total		6,169	1,551	7,720	6,317	5,440	2,280	2,855	(575)	621
ICT Replacement Projects										
KCOM Application Migration (Stabilisation Hardware)	Y	0	1,500	1,500	1,500	1,500	0			95
Desktop Replacement & Growth	Y	389		389	230	252	137	137		
Mobile Devices	Y	690		690	600	312	378	372		
Mobile Devices - Covid-related for WFH		0		0	270	0	0			
New Recruits Set-up - ICT costs	Y	-548	668	120	308	200	(80)	131		
Alliance separation - ICT costs		0	0	0	3	3	(3)	0		
Consolidation of Small Systems - c/f for new recruits	Y	10		10	10	0	10	0		
Replacement Printers and Scanners	Y	70	7	77	0	0	77	0		
ICT Equipment / Network Links for Estates projects	Y	20		20	20	3	17	17		
Server	Y	138		138	20	1	137	0	137	
Network	Y	34		34	20	15	19	0	19	
SAN / Backup Infrastructure	Y	138		138	0	0	138	0	138	
Software Upgrades - c/f for new recruits costs	Y	174		174	56	53	121	0		
ICT Replacements Sub Total		1,115	2,175	3,290	3,037	2,339	951	657	294	95
Total ICT Projects		11,189	4,551	15,740	11,898	9,419	6,321	5,698	623	716

Project	Final Approval (Y)	Original Approved Budget £'000	In Year approvals £'000	2020-21 Total Budget £'000	2020/21 Forecast £'000	2020/21 Outturn £'000	2020/21 Outturn Variance to Budget £'000	Slippage to c/f to 21/22 £'000	Underspend / (Overspend) £'000	Works Contribution £'000
Estates Projects										
Safer Neighbourhood Teams Relocation (Various Sites)	Y	776	63	839	300	135	704	704		
Hindlip Park Phase 2 Enhancement	Y	800	0	800	600	90	710	710		
Defford Site - Refurbishment	Y	0	105	105	77	105	0	0		
Hindlip Site - Andy Rowsell Building Refurbishment	Y	0	21	21	21	0	21	21		
Hindlip Site - Dog Section Refurbishment	Y	0	218	218	218	111	107	107		
Kidderminster Police Station Refurbishment	Y	0	208	208	208	28	180	180		
Worcester Police Station Refurbishment	Y	0	162	162	162	151	11	0	11	
Hindlip Site - Accommodation Block Refurbishment	Y	0	30	30	30	23	7	0	7	
OPCC refurb 2019/20	Y	0	0	0	21	(6)	6	0	6	
Hereford PS Boiler Replacement	Y	0	37	37	37	37	0	0		
Investment in Estates Infrastructure (Planned Programme)		315	(164)	151	242	0	151	151		
OCC Disaster Recovery	Y	0	199	199	134	180	19	19		
Business Operations Centre	Y	200	741	941	738	295	646	646		
Firearms Training School / Firearms Range (Subject to Business Case)		100		100	50	41	59	59		
New Hereford Hub (Subject to Business Case)		200	(20)	180	15	80	100	100		
Redditch Police Station (Subject to Business Case)		200	0	200	50	0	200	200		
Telford Police Station (Planned Prog)	Y	0	26	26	25	26	0	0	0	
Malvern Police Station (Planned Prog)	Y	0	11	11	11	11	0	0		
Central Forensic Services Build - residual invoices					28	34	(34)	0	(34)	
Estates Sub Total		2,591	1,637	4,228	2,967	1,341	2,887	2,897	(10)	0
Other Capital Projects										
Vehicles Purchase		1,750	247	1,997	2,025	1,992	5	0	5	0
Electric Bikes (funded from revenue contribution)		0	0	0	24	24	(24)		(24)	0
Safer Roads - replacement cameras (£83k funded from road safety reserve; £100k funded from grant - c/f £400k for A449)		400		400	83	183	217	400	(183)	
Safer Roads - replacement vehicles		100		100	100	0	100	100		
Body Armour Replacement		981	0	981	0	0	981	981		
Dashcam			50	50	36	36	14	14		
Other Capital Sub Total		3,231	297	3,528	2,268	2,235	1,293	1,495	(202)	0
Total Capital Projects		17,011	6,485	23,496	17,133	12,995	10,501	10,090	411	716

	Original Approved Budget £'000	2020/21 Budget £'000	2020/21 Forecast £'000	2020/21 Outturn £'000	
Capital Financing					
Capital Receipts	566	566	566	505	Including Sales of Shifnall & Redditch
Capital Grants (General)	250	196	196	196	
Capital Grants (Specific) - ESN Grant		0	153	17	
Capital Grants (Specific) - Telford & Wrekin Council			0	100	
Revenue Reserves (Safer Roads)	500	500	183	83	
Funding from Warwickshire Police		716	716	716	
Revenue Contributions		50	36	158	
External Borrowing	15,695	21,468	15,283	11,220	
Total Capital Funding	17,011	23,496	17,133	12,995	

3. Options and/ or Recommendations

It is recommended that:

1. this report is accepted as the final position for the 2020/21 year.
2. additional capital slippage of £6.987m (total slippage of £10.090m) is carried forward to 2021/22.
3. the sources of capital financing set out in section 3g are approved.

4. Financial and resource considerations / implications

All considerations are discussed in the body of the report.

5. Risk Assessment

Continued attention to levels of spend in 2021/22 will be required to minimise the risk of future budget pressures. Funding continues to be tight, with little prospect of increasing in the post Covid environment. Reserves have diminished over recent years and there is risk that any overspends in future cannot be funded through the 'inheritance' of the past.

It will be critical for all budget managers to grasp spend decisions and manage within force means to ensure the organisation remains viable and successful into the future.

A series of budget holder sessions focussing on managing finances at a local level is planned in May with a view to increasing awareness and understanding of the financial position and how to manage budgets accordingly.

6. Stakeholder Management / Engagement

The Business Partner team are in regular contact with budget holders.

7. Equality and Diversity impact assessment

No equality or diversity issues have been identified during the compilation of this report.

Background Papers

Please list any additional papers supplied alongside this report

Disclosure and Sensitivity

No sensitive information included.



Comments of relevant proper officer(s) or person(s) with statutory responsibilities

The financial considerations are contained within the body of the report.

Supporting Papers:

None