

Report of the Chief Finance Officer of the PCC to the Police and Crime Commissioner for North Yorkshire

24th July 2018

Status: For Information

Revenue and Capital Budget Monitoring 2018-19

1. Executive Summary

1.1 Purpose of the Report

In February 2018 the PCC agreed the revenue Budget for 2018/19 which was based on the receipt of income totalling £156,923k. This report is to provide the PCC with the position to the end of June 2018, of the financial performance against the budget for the financial year 2018/19.

2. Recommendations

The PCC is asked to note:

- 2.1 The Office of the PCC's budget is currently forecast to breakeven.
- 2.2 The Corporate Services budget, originally set at £22,018k and revised to £22,278k, is forecast to under spend by £165k.
- 2.3 The Partnerships & Commissioning Budget, originally set at £3,979k and revised to £4,315k is forecast to breakeven at this stage.
- 2.4 There is a forecast over recovery on the Income budget of £400k which it expected to lead to an underspend.
- 2.5 In addition to the underspends on Corporate Services and Income the Force is also forecasting an under spend of £280k.
- 2.6 The total forecast under spend for 2018/19, at this early stage of the financial year is therefore £845k.

3. Reasons

3.1 When setting the budget for the financial year 2018/19 the PCC allocated the income forecast to be received during the year, of £156,923k, into the following areas:

- £1,011k to run the Office of the PCC
- £3,979k for Commissioned Services and Community Safety Initiatives
- £1,963k for Policing Priorities
- £22,018k for Corporate Services
- £127,764k to the Police Force
- £1,492k to the Capital and Revenue Development Programme
- £1,724k from Earmarked Reserves to support Projects of £2,219k
- This will be supported by £1,800k from General Reserves

The following sections will look at the above areas in more detail and discuss the outturn for each area.

3.2 Income and Funding

The PCC set the budget based on receiving income and funding of £156,923k during 2018/19 from the areas summarised in the table below, the in-year changes, the actual levels of income forecast to be received and variances are shown below. In addition to current year figures the comparator figures for 2016/17 and 2017/18 is also shown:

2016/17 Revised Budget	2016/17 Outturn	Variance	2017/18 Revised Budget	2017/18 Outturn	Variance	Summary of Income to be Received by the PCC	2018/19 Budget	In Year Changes	2018/19 Revised Budget	2018/19 Forecast Outturn	Variance
£000s	£000s	£000s	£000s	£000s	£000s	Funding	£000s	£000s	£000s	£000s	£000s
(68,723)	(68,723)	0	(67,762)	(67,762)	0	Government Grants	(67,762)	0	(67,762)	(67,762)	0
(63,563)	(63,563)	0	(66,029)	(66,029)	0	Precept	(69,661)	0	(69,661)	(69,661)	0
(2,152)	(2,152)	0	(2,152)	(2,152)	0	Council Tax Freeze Grant	(2,152)	0	(2,152)	(2,152)	0
(5,746)	(5,746)	0	(5,746)	(5,746)	0	Council Tax Support Grant	(5,746)	0	(5,746)	(5,746)	0
(71,460)	(71,460)	0	(73,927)	(73,927)	0	Precept related funding	(77,559)	0	(77,559)	(77,559)	0
(2,928)	(3,309)	(381)	(4,089)	(4,149)	(60)	Specific Grants	(2,900)	(924)	(3,824)	(3,824)	0
(7,563)	(6,631)	932	(10,451)	(8,210)	2,241	Partnership Income/Fees and Charges/Misc Income	(8,702)	(160)	(8,862)	(9,263)	(400)
(10,491)	(9,940)	551	(14,540)	(12,359)	2,181	Other Funding	(11,602)	(1,085)	(12,687)	(13,087)	(400)
(150,674)	(150,123)	551	(156,229)	(154,048)	2,181	Total	(156,923)	(1,085)	(158,007)	(158,407)	(400)

3.3 In Year Changes

Additional income of £1,085k has been recorded and increased the budget set in February. This is new income which has also resulted in additional expenditure budgets for the organisation. The main areas of this additional income are within Specific Grants, £924k, and are for the following areas:

- Violence Against Women and Girls - £487k
- Alcohol Monitoring Pilot - £139k
- Disclosure and Barring Service - £117k
- Improved Experience for Victims - £40k

3.4 The increased income budget in other areas is predominantly as a result of the receipt of mutual aid income.

3.5 Income Forecasts

As you would expect, the vast majority of the income the PCC will receive during 2018/19 has already been agreed and little or no variances will be expected against the originally budgeted figures for Government Grant funding or Precept related funding.

3.6 The areas where variances may occur will predominantly be in relation to Partnership Funding, Fees and Charges and Miscellaneous Income with some minor variances possible against Specific Grants.

3.7 Secondment Income

The main driver for the underspend on Partnership Funding, Fees and Charges and Miscellaneous Income is as a result of additional secondments that have been agreed above those that were in the original budget and the receipt of additional Mutual Aid Income. These 2 areas are currently forecast to generate the vast majority of the £400k underspend forecast in this area.

3.8 Driver Training Income

The 2017/18 Outturn report highlighted that the recharges made for speed awareness courses were responsible for the greatest single underachievement of income. The recharges generated £2.1m less income than was forecast in comparison to a £4.2m income budget.

3.9 The driver training income was been re-assessed for 2018/19 and the budget has been set at £3.1m, which is £1m less than the budget set in 2017/18, but also £1m higher than the actual level of income received in 2017/18.

3.10 The income received in the first quarter of year totals £650k, which is around £50k less than forecast, however the forecast for the year end remains that the full income budget will be achieved. This will continue to be closely monitored throughout the year and plans adjusted accordingly.

3.11 In addition to this forecast the Force has been approached by Highway England with a request to enforce average speed camera's placed on both the A64 and the A1M. This has the potential to generate income beyond that included within the current budget and if this is the case then it is proposed that this additional income is placed into a Road Safety Initiative's Fund to support investment by the PCC in this area.

3.12 The Office of the PCC

The 2018-19 budget for the PCC is £1,011k and at this early stage of the financial year the forecast is for the budget to break even. There are however a number of pressures that are being managed within this budget and the development of the Complaints and Recognition team is yet to impact on the current expenditure.

3.13 Corporate Services

The Corporate Services budget for 2018/19 was set at £22,018k as per the table below. The table also shows the position to the end of June along with the actual outturns for 2016/17 and 2017/18:

Revised 2016/17 Budget	2016/17 Actual Spend	2016-17 Actual Over/(Under)	Revised 2017/18 Budget	2017/18 Final Spend	2017-18 Actual Over/(Under)	Corporate Services Budget	Original 2018/19 Budget	Revised 2018/19 Budget	Budget YTD	2018/19 Spend to June	Over/(Under) to date	Forecast (Under) / Over Spend
£000s	£000s	£000s	£000s	£000s	£000s	Category of Spend	£000s	£000s	£000s	£000s	£000s	£000s
6,928	6,542	(386)	7,233	6,869	(364)	Staff Pay	7,183	7,064	1,766	1,779	13	270
228	89	(139)	250	86	(164)	Other Non Salary	79	79	20	18	(2)	(20)
4,794	4,461	(333)	4,533	4,492	(41)	Premises	4,387	4,434	1,184	1,218	35	130
8,426	7,555	(871)	8,492	8,440	(52)	Supplies and Services	8,843	9,600	2,402	2,228	(174)	(590)
152	815	663	635	821	186	Transport	620	706	177	175	(2)	45
569	382	(187)	510	354	(156)	Asset Management	906	395	99	99	0	0
21,097	19,844	(1,253)	21,653	21,062	(591)	Total Budget	22,018	22,278	5,647	5,516	(131)	(165)

3.14 The Corporate Services Budget has increased by £260k from the Original Budget, this reflects the establishment of budgets from the additional income referenced elsewhere in this report.

3.15 Corporate Services – Staff Pay

The staff pay budget in this area was set on the basis of 221 FTE posts, however with an allowance for 23 FTE vacancies. This is a vacancy rate of just over 10%, which as reported at the time of budget setting would appear very high and would need to be managed closely throughout the year

3.16 A significant amount of work has been undertaken in this area, and continues, to drive out savings through the review of each post that becomes vacant.

3.17 As at the end of June there were 196 FTEs employed in this area with a further 5 FTEs on agency contracts. This has resulted in a small over spend to date and a forecast overspend by the end of the year in this area however

work will continue throughout this year and beyond to deliver efficiencies from all areas of this budget.

3.18 Premises

The 2018/19 budget for this area reflected the additional costs to the organisation which was expected to result from the Judicial Review of the sale of Newby Wiske and therefore the additional costs to the organisation, and ultimately the public of North Yorkshire, from this building not being sold during 2017/18.

3.19 The 2018/19 budget assumed that the sale would be delayed to such an extent that the PCC would have to pay for these additional costs for 6 months of the 2018/19 financial year with these totalling £169k. It is now looking likely that this process might not be concluded until the end of the 2018/19 financial year and therefore further costs of £150k are forecast which is leading to the forecast overspend in this area of £130k.

3.20 Supplies and Services

The Forecast under spend of £590k primarily represents those savings that have been highlighted within various area of the Corporate Services budget that have been 'captured' and removed from other budgets. A significant proportion of this relates to savings within the Asset Management budget of nearly £500k. This results from a review of leases that the organisation previously held for Safety Camera Van equipment, Loans taken out at lower interest rates than forecast and an overall review of this area of expenditure.

3.21 Commissioned Services

The PCC allocated a budget of £3,979k to invest in Commissioned Services including Community Safety Initiatives, Victims and Witnesses services and wider Partnership working during 2018/19. In line with clarity around additional funding and grants the budget has increased by £336k to £4,315k. Spend to the end of June is £515k under budget, further work will be done on this area as the year progresses although initial thoughts are this is as a result of the timing of payments for Commissioned services to third parties.

3.22 Policing Priorities Fund

A Policing Priorities fund was established in setting the 2018/19 budget, under the control of the PCC, relating to a fund for Policing Priorities and investments in Service Improvements and Development to enhance the service important to the public of North Yorkshire. It was funded through the additional capacity that has been provided, in 2018/19, through the better than expected funding settlement and specifically the additional Precept funding that will be received from the increase of £11.50 per year for a Band D property in 2018/19.

3.23 The process for allocating this fund has started to be allocated, in line with proposals and business cases, and the table below reflects the movement on the fund to date and those expected in the remainder of the financial year:

	£000s
Policing Priorities Fund	1,963
Allocations to date:	
Transform 2020	414
Force Control Room	1,204
Revised CRDP Budget as at June 2018	345
Allocations to be made:	
Victims Commissioning	282
Road Safety Initiatives	63
Forecast Balance at year end	0

3.24 Progress and delivery of those areas funded will be monitored throughout the year and updates provided.

4. Police Force

4.1 The vast majority of the funding available to the PCC has been provided to the Police Force. The Force was allocated a budget of £127,764k for 2018/19, this has increased by £1,464k, to £129,228k, to reflect the additional funding of £1,204k, provided by the PCC, from the Policing Priorities Fund, to invest in improved performance and service delivery within the Control Room. Other areas of increased budget result from the additional income that has been reported on elsewhere which has a corresponding impact on the expenditure budget.

4.2 The summary of how this is forecast to be spent, including spend to the end of June are included in the table below. The comparators to both 2016/17 and 2017/18 are also shown:

Revised 2016/17 Budget	Actual Spend in 2016/17	2016/17 (Under)/Overspend	Revised 2017/18 Budget	2017/18 Final Spend	Over / (Under) Spend	Police Force Financial Summary	Original 2018/19 Budget	Revised 2018/19 Budget	Budget YTD	2018/19 Spend to June	Over / (Under) to date	2018/19 Forecast Outturn
£000s	£000s	£000s	£000s	£000s	£000s	Police Force Planned Expenditure Pay	£000s	£000s	£000s	£000s	£000s	£000s
69,862	71,108	1,246	71,405	71,103	(302)	Police Pay	73,540	73,512	18,378	17,477	(901)	(2,000)
1,082	3,070	1,988	1,850	3,392	1,542	Police Overtime	2,070	2,232	707	603	(104)	0
6,326	5,906	(420)	6,717	6,287	(430)	PCSO Pay (incl Overtime)	6,605	6,583	1,646	1,579	(67)	45
27,050	25,829	(1,221)	28,659	28,202	(457)	Staff Pay (incl Overtime)	26,280	28,003	6,999	7,264	265	1,000
104,320	105,913	1,593	108,631	108,984	353	Pay Total	108,495	110,331	27,729	26,922	(807)	(955)
						Non-Pay Budgets						
930	1,166	236	1,381	1,582	201	Other Pay and Training	1,535	1,521	380	292	(88)	15
3,167	3,682	515	3,239	3,810	571	Injury and Medical Police Pensions	3,699	3,699	925	764	(161)	(80)
79	65	(14)	65	82	17	Premises	54	53	13	14	0	5
11,256	10,219	(1,037)	11,741	12,250	509	Supplies and Services	12,321	11,730	2,933	2,980	47	720
2,258	1,971	(287)	1,767	2,096	329	Transport	1,660	1,894	474	453	(20)	15
17,690	17,103	(587)	18,193	19,820	1,627	Non-Pay Total	19,269	18,897	4,724	4,503	(222)	675
122,010	123,016	1,006	126,824	128,804	1,980	Total Planned Force Expenditure	127,764	129,228	32,454	31,424	(1,029)	(280)

- 4.3 The following sections consider the various area of the budget and provide a commentary and analysis as required:
- 4.4 Police Pay
The Budget for Police Pay for 2018/19 is £2.4m (or 3.5%) higher than the expenditure in this area in 2017/18. This reflects the impact of the higher pay award made in September 2017 and an allowance for a 2% pay award in 2018. It also addressed a number of pressures that materialised during 2017/18.
- 4.5 The budget also assumed that just over £750k would be delivered in savings within the Police Officer pay budget from a review of the Rank structure within the Force.
- 4.6 In terms of average FTEs the budget assumed that on average the Force would have 1,380.5 FTEs in place throughout 2018/19.
- 4.7 Given the higher than expected leavers at the end of last year and this continued trend into 2018/19 then this average number of FTEs is not going to be met. At the end of June the Force had 1,343 FTE Police Officers with a further 29 FTE that joined in July.
- 4.8 Plans are in place to recruit a further 104 FTE Police Officers during 2018/19, in addition to those who joined in July, with 34 FTE's of these planned to be seconded from other Force Areas.
- 4.9 If these recruitment plans are delivered, and leavers occur in line with forecasts, which are 79 FTE leavers between July and March 2019, then the Force expects to have 1,401 FTEs at the end of the current financial year.
- 4.10 This would lead to an average of around 1,361 FTE Police Officers throughout 2018/19 which around 20 FTEs lower than budgeted and is forecast to lead to an underspend on Police Pay of around £1.2m
- 4.11 In addition to this underspend there are also a number of other factors that are leading to higher levels of forecast underspend on Police Pay.
- 4.12 In previous years we have highlighted the significant price difference between a new Police Officer coming into the organisation and one either at the top of the PC scale or seconded into the organisation at the top of the PC scale – this price difference is about £20k per annum per FTE. The higher levels of leavers and therefore the greater number of new Police Officer recruits this year – at almost 100 FTE's – is having a greater impact on average PC pay costs, by lowering them, than factored into the 2018/19 budget.
- 4.13 There are a number of other areas that could be impacting on the average levels of pay costs experienced during the first quarter of 2018/19 and it will

be important to understand them fully for future forecasting and future budget setting.

- 4.14 These 'price' variances are forecast to add £800k to the forecast £1.2m underspend on Police Pay, due to lower than average FTEs, meaning that the forecast for this area, is for a £2m underspend. This area will clearly be given some significant focus to ensure the accuracy of this forecast given that it has such a significant impact on the overall forecast.
- 4.15 In a similar manner to Staff Pay awards the Police Pay forecast assumes that Police Officers will be awarded a 2% pay increase from the 1st September 2018 and that the current non-consolidation bonus will not be consolidated when this award is made.
- 4.16 Each 0.5% increase over the 2% budgeted, for Police Pay increases, within 2018/19 is expected to cost around £220k during 2018/19 and £375k per annum thereafter.
- 4.17 Police Overtime
Over £3m has been spent on Overtime in each of the last 3 financial years which has resulted in a significant overspend in this area. Significant work was undertaken towards the end of the last financial year and greater controls have been put in place to ensure that this doesn't continue.
- 4.18 So far in 2018/19 this hard work seems to be resulting in much better financial controls and Police Overtime is operating within the overall budget set for this area.
- 4.19 As at the end of June there is a forecast breakeven position on overtime which will need to be closely monitored as the year progresses but at this stage plans are in place and being delivered against which provides confidence for overall budget management.
- 4.20 PCSO Pay
The 2018-19 Budget is based on an Establishment of 200 FTEs. As at the end of June there are 206.5 FTEs employed by the Force, as a result of an intake in April taking the Force above establishment in the expectation that leavers will occur during the year, especially when further recruitments into Police Officer roles take place.
- 4.21 The current forecast is that there will be on average 201 FTE PCSOs employed throughout 2018/19 resulting in a small overspend, of circa £45k on this overall budget. This is however dependent on the timing of both future leavers and the level of the staff pay award for 2018/19.

4.22 Staff Pay - Force

Before the additional investment in the Force Control Room the Force had an indicative Staff Establishment of 906 FTE staff. However the balanced budget assumed that vacancies totalling 68 FTEs would be held on average through 2018/19 and beyond.

4.23 This left a core budget to fund 838 FTEs before the additional funding of £1.2m was provided from the Policing Priorities Fund for an additional 39 FTE posts within the Force Control Room. The Force therefore has sufficient funding to pay for circa 877 FTEs.

4.24 As at the end of June the Force had 896 FTEs in post – which is 19 FTEs over budget. It has been assumed that starters and leavers will balance out across the remainder of the year at this stage which is resulting in a forecast overspend in this area of £840k with pressures around overtime and agency costs forecast to increase this to a £1,000k overspend at this point.

4.25 Significant work has been undertaken in this area to reduce and manage down the number of staff posts filled within the Force, work will need to continue on this area to deliver further efficiencies and savings through this year and beyond and also to ensure that services can continue to be delivered with this reduced level of staffing.

4.26 The forecasts set out in this report assume a 2% increase in both PCSO and Staff pay (across both the PCC and Chief Constable as separate employers) from 1st September 2018. The Trade Union Side of the Police Staff Council have recently submitted their Police Staff Pay claim, to come into effect from the 1st September 2018, which was effectively for a 5.5% increase.

4.27 Each 0.5% increase in pay beyond the 2% factored into Staff and PCSO forecast and budgets would cost the organisation around £130k in 2018/19 and £225k per annum thereafter.

4.28 Non – Pay Budgets

At this early stage of the financial year there is still work that needs to be done across the non-pay budgets to drive out savings and also provide further reassurance around certain areas. There are a few areas worthy of note at this time.

4.29 Injury and Medical Pensions

2017/18 was the 3rd year in a row where this budget overspent by around £500k. This was reflected in the budget for 2018/19 and as a result of this the budget is forecast to be sufficient to fund the expected costs.

4.30 Given the current number of Police Officers being assessed and or who have applied for Medical Retirement being less than has previously been the case then there is a current forecast for an underspend in this area of £80k. This

will continue to be monitored across the year and is an area that could change.

4.31 Supplies and Services

In setting the 2018/19 budget certain assumption were made on including savings that been included within approved business case – predominantly these related to MAUDs and Operational Mobile Working. At this stage of the financial year we have assumed that it is now unlikely that these saving will be made in the current year and have therefore recognised this pressure within this forecast.

4.32 As a result this forecast for supplies and services, of an overspend of £720k, assumes that savings of £470k will not be delivered from these areas, although work will continue to assess how these can be delivered in future years.

4.33 In addition to this, around £140k of supplies and services savings are now not expected and costs of around £60k have been highlighted in relation to work around Collaboration that are higher than those included within the budget.

4.34 Overall Summary as at June 2018

At the end of June 2018 the follow table summarises the finances of the PCC, including forecasts of the expected outturn in each area and shows that at this early stage of the financial year and overall forecast under spend of £845k is being projected.

	Actual Spend in 2015/16	Actual Spend in 2016/17	Actual Spend in 2017/18	Original Budget 2018/19	Current Budget 2018/19	Budget to June 2018	Spend to June 2018	(Under)/Over Spend to June	Forecast (Under) / Over Spend by Year End
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Funding									
Funding for Net Budget Requirement	(137,821)	(140,183)	(141,689)	(145,320)	(145,320)	(37,538)	(37,328)	210	0
Specific Grants	(3,452)	(3,309)	(4,149)	(2,900)	(3,824)	(956)	(617)	339	0
Partnership Income/Fees and Charges	(6,063)	(6,631)	(8,210)	(8,702)	(8,862)	(2,216)	(2,369)	(153)	(400)
Total Funding	(147,336)	(150,123)	(154,048)	(156,923)	(158,007)	(40,710)	(40,314)	395	(400)
Office of the PCC Planned Expenditure									
Total Planned Expenditure	741	908	974	1,011	1,011	253	219	(34)	0
Commissioned Services									
Total Commissioned Services	2,808	3,348	3,450	3,979	4,315	1,079	564	(515)	0
Policing Priorities Fund									
Total Policing Priorities Fund				1,963	345	86	0	(86)	0
Corporate Costs									
Staff Pay	6,972	6,542	6,869	7,183	7,064	1,766	1,779	13	270
Other Non Salary	158	89	86	79	79	20	18	(2)	(20)
Premises	4,534	4,461	4,492	4,387	4,434	1,184	1,218	35	130
Supplies and Services	7,929	7,555	8,440	8,843	9,600	2,402	2,228	(174)	(590)
Transport	753	815	821	620	706	177	175	(2)	45
Asset Management	302	382	354	906	395	99	99	0	0
Total Corporate Costs	20,648	19,844	21,062	22,018	22,278	5,647	5,516	(131)	(165)
Police Force Planned Expenditure									
Pay									
Police Pay	69,267	71,108	71,103	73,540	73,512	18,378	17,477	(901)	(2,000)
Police Overtime	3,021	3,070	3,392	2,070	2,232	707	603	(104)	0
PCSO Pay (incl Overtime)	6,074	5,906	6,287	6,605	6,583	1,646	1,579	(67)	45
Staff Pay (incl Overtime)	25,646	25,829	28,202	26,280	28,003	6,999	7,264	265	1,000
Pay Total	104,008	105,913	108,984	108,495	110,331	27,729	26,922	(807)	(955)
Non-Pay Budgets									
Other Non Salary	695	1,166	1,582	1,535	1,521	380	292	(88)	15
Injury and Medical Police Pensions	3,838	3,682	3,810	3,699	3,699	925	764	(161)	(80)
Premises	47	65	82	54	53	13	14	0	5
Supplies and Services	8,710	10,219	12,250	12,321	11,730	2,933	2,980	47	720
Transport	1,912	1,971	2,096	1,660	1,894	474	453	(20)	15
Non-Pay Total	15,202	17,103	19,820	19,269	18,897	4,724	4,503	(222)	675
Total Planned Force Expenditure	119,210	123,016	128,804	127,764	129,228	32,454	31,424	(1,029)	(280)
(Surplus)/Deficit before Planned Reserves/Capital and Projects	(3,929)	(3,008)	242	(188)	(831)	(1,191)	(2,591)	(1,400)	(845)
Planned Transfers to/(from) General Fund				(1,800)	(1,800)	(600)	(600)	0	0
Contribution to Capital Programme	2,045	3,452	2,970	1,492	1,562	388	388	0	0
Projects	0	3,327	5,045	2,219	2,749	768	350	(418)	0
Planned Transfers to/(from) Earmarked Reserves	(99)	(3,508)	(6,438)	(1,724)	(1,681)	(288)	16	305	0
Final/Forecast Over/(Under) Spend	(1,983)	263	1,819	0	(0)	(923)	(2,436)	(1,513)	(845)

5. Capital and Revenue Development Programme (CRDP)

- 5.1 The last 4 years have seen both significant slippage and underspending against the Capital and Revenue Development Programme.
- 5.2 An overall summary of the CRDP programme for 2017/18 was set out as below, in the 2017/18 Outturn report that was reported to Executive Board in May 2018, which in summary showed the significant level and volume of changes that occurred throughout 2017/18, the result of which was:
- A programme that started at £14.4m
 - This increased to £24.6m as a result of slippage from the previous years and a review of the initial budget.
 - In year additions, deletions and underspends then reduced this to £22.9m
 - Of this £22.9m, £5.1m was then slipped into 2018/19 and £2.1m declared as at underspend.
 - Of the £15.7m budget remaining after this, a further £0.8m was asked to be slipped at the year end.
 - This left the final budget for 2017/18 at £14.9m against which spend totalled £13.7m and therefore a further £1.2m of underspends was identified and declared.
- 5.3 It is important that this level of change, slippage and underspending isn't reflected going forward and significant work has been undertaken, and will continue, to minimise this for 2018/19.
- 5.4 The Outturn report in May showed that additional slippage of £793k occurred in the final couple of months of 2017/18. As a result this was not included within the 2018/19 approved CRDP budget of £10,347k.
- 5.5 These carry forwards are now reflected in the revised 2018/19 budget along with those areas that have since been approved and added to the programme. The impact of these changes are summarised in the table below:

	<u>£000s</u>
CRDP Budget as approved Feb 2018	10,347
Slippage from 2017/18	793
New Schemes:	
Transform 2020	600
Safety Camera Van Leases	119
FCR Refresh	104
Communications Strategy	15
Fleet	18
Sundry	3
Revised CRDP Budget as at June 2018	12,000

- 5.6 Full details of all of the CRDP budget, making up the £12,000k referenced above, are set out at Appendix A, which also includes spend to date versus budget to date and the initial forecast Outturn.
- 5.7 As at the end of June 2018 good progress has been made in terms of the CRDP budget with expenditure of £2,120k versus a budget to date of £2,752k. This equates to 18% of the budget for the year having been delivered against which compares to 8% at the same time last year.
- 5.8 Also at this early stage there is a small forecast overspend of £58k on the overall £12,000k programme, however it is likely that underspends will develop in other areas as the year progresses to offset this. If this does not occur there are sufficient funds available to absorb this small pressure.
- 5.9 There are a number of schemes within the overall programme that are unlikely to be delivered during the current financial year, due to changes since the original plans were set, and these will be reviewed in terms of the financial reporting, such as Ripon. However the overall financial basis and visibility across all areas within the CRDP programme has increased significantly which should put both the organisation and the Executive Board in a stronger position to make fully informed decisions.

6. Conclusion

At this early stage of the financial year there is a projected underspend of £845k across the entire revenue budget. However there are some areas of significant over spend and underspend within this that will need to be managed to ensure firstly that plans are delivered in the current but also that the organisation is on a sound financial footing for future years.

Good progress has been made on Police Overtime, Driver Training/Speed Awareness Income forecasts and Medical/Injury Pensions to the extent that unlike 2017/18 none of these areas are expected to impact negatively on the overall outturn providing that they continue to be given the same level of focus and attention that they have been given over the previous 6 months or so.

Attention and focus does however need to continue on the overall number of Police Staff within the organisation where overspends are forecast. This was a known pressure at the start of the year and while significant work has already been undertaken, and much has already been achieved, further action is still required to ensure that further pressures are not created in 2018/19 and also so that a firm base exists for further transformation and future budgets.

As part of the transformation work those business cases that were expected to deliver some savings will need to be revisited and see whether they can be driven out as this has created some significant pressures within 2018/19.

The final area for focus is delivery against the Police Officer recruitment plans and also further detailed work on some of the significant underspends that are forecast within this area that are not driven by the number of FTEs within the Force. This understanding will be necessary to inform future budgets and validate current forecasts.

From a Capital and Revenue Development Programme perspective there has been an encouraging start to the year and if this continues to receive the focus and attention that it needs from budget holders then a more accurate and informed picture should be delivered throughout 2018/19.

Michael Porter
PCC Chief Finance Officer

CRDP Budget Monitoring as at June 2018		APPENDIX A				
Details	2018/19 Revised Estimate	2018/19 Year to date budget	2018/19 Actual spend as at 30 June 2018	2018/19 Under / Overspend comparison to year to date budget	2018/19 Forecast as at 31/3/2019	Forecast Over/ (Under) Spend
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
DISG						
Computers & Printers	291	45	42	3	291	0
Servers	109	11	0	11	109	0
Telephony & Communications	195	27	8	19	195	0
Network equipment	180	8	3	5	180	0
IS Strategy inc Mob	84	21	14	7	84	0
MAUDS (Mobile Asset Utilisation and Deployment Strategy)	5	5	0	5	5	0
ANPR (Automatic Number Plate Recognition Camera)	591	53	0	52	591	0
Mobile Policing	1,039	340	184	156	1,039	0
Mobile Policing -Includes Body Worn Cameras	139	14	0	14	139	0
DFU (Digital Forensic Unit)	565	538	547	(9)	565	0
ESMCP (Emergency Services Mobile Communications Programme)	85	9	0	9	85	0
Operational Mobile Working	754	75	0	75	754	0
FCR Refresh	230	58	158	(101)	230	0
Total DISG	4,267	1,202	956	246	4,267	0
Fleet Rolling Programme						
Vehicles	1,647	305	201	105	1,647	0
Total Fleet Rolling Programme	1,647	305	201	105	1,647	0
General Equipment Rolling Programme						
CC small items budget	(8)	0	41	(41)	0	8
Logistics Capital Rolling programme	27	3	0	3	27	0
Custody- Alcohol	32	3	0	3	32	0
ANPR (Automatic Number Plate Recognition Camera)	88	9	0	9	88	0
Roads Policing	12	1	0	1	12	0
Digital Forensic Unit	14	1	23	(22)	14	0
Technical Surveillance Unit	134	18	20	(1)	89	(45)
CBRN (Chemical Biological Radiological and Nuclear)	5	1	0	1	5	0
CIU (Collision Investigation Unit)	96	10	0	10	96	0
CSU (Crime Support Unit)	1	0	0	0	13	12
Firearms	20	2	0	2	20	0
MCU (Major Crime Unit)	4	0	0	0	4	0
OCU (Organised Crime Unit)	12	1	0	1	12	0
Print	20	2	0	2	20	0
PSU (Police Support Unit)	8	2	0	2	8	0
Cyber	5	1	0	1	5	0
Total General Equipment Rolling Programme	467	53	84	(30)	442	(26)
Estates Rolling Programme						
Property and Facilities Programme	177	18	0	18	177	0
Alverton Court	80	17	1	15	80	0
Athena House - Training Facility	100	10	0	10	100	0
Ingleton	3	0	0	0	3	0
Boroughbridge Road	12	1	0	1	12	0
Vale house	352	57	25	33	352	0
Mast Improvement Works	120	12	0	12	120	0
Fulford Road	249	25	0	25	249	0
Force Control Room (FCRXN)	133	13	0	13	133	0
Force Control Room	740	375	511	(136)	740	0
Tadcaster	70	7	0	7	70	0
Settle	71	7	0	7	71	0
Scarborough	152	15	0	15	152	0
Leyburn	297	30	0	30	297	0
Richmond	13	1	0	1	13	0
Whitley Bridge	4	0	0	0	4	0
Acomb	19	2	0	2	19	0
Crosshills Local Police Station	20	2	0	2	20	0
Eastfields Local Police Station	15	2	0	2	15	0
Knarsborough	1	0	0	0	1	0
Malton	20	2	0	2	20	0
Skipton	20	2	0	2	20	0
Stokesley	24	2	0	2	24	0
West Ayton	25	3	0	3	25	0
Whitby	9	1	0	1	9	0
Masham	5	1	0	1	5	0
48 Bridge Road	29	3	0	3	29	0
Police Box	5	1	0	1	5	0
Solberge Kennels	20	2	0	2	20	0
Harrogate	150	15	0	15	150	0
Ripon	655	80	1	79	655	0
Selby	360	36	0	36	360	0
Multi Faith Room	13	1	0	1	13	0
Custody Suite Fire Detection Systems	8	1	0	1	8	0
Exhibits Store Phase 2	3	0	(0)	1	3	0
Total Estates Rolling Programme	3,974	744	538	206	3,974	0
Other Schemes						
Origin Upgrade	118	12	0	12	118	0
NSPIS replacement - Origin	9	1	0	1	9	0
Modernising the Management of Information (MMI)	427	123	208	(84)	526	99
SCV Cameras	119	40	32	9	119	0
Drones	4	1	0	1	4	0
Estimated for NICHE (No SA Yet)	140	35	18	18	140	0
Vulnerability	54	31	39	(8)	54	0
Wellbeing	33	12	10	2	33	0
Transform 2020	600	164	29	135	600	0
Protective Vests	11	0	0	0	11	0
Communication Strategy	15	0	7	(7)	0	(15)
Total Other Schemes	1,529	419	342	77	1,613	84
Externally Funded Schemes						
National Citizens in Policing - Strategy	115	29	0	29	115	0
Total Externally Funded Schemes	115	29	0	29	115	0
Total Capital and Revenue Development Programme	12,000	2,752	2,120	632	12,058	59

