

Police and Crime Commissioner for Surrey – Decision Making Record

Report Title: Approval for Revenue Funding of Capital Schemes.

Decision number: 134/2016

Author and Job Role: Ian Perkin Treasurer & CFO

Protective Marking: Part One

Executive Summary: Approval is sought to use revenue budget to fund the capital investment for the planned additional Firearms capacity and capability including Tasers and associated vehicles and firearms equipment uplift that is required to properly equip Surrey Police Officers so that they can deal effectively with current evaluated levels of threat in Surrey.

Background: The PCC and Force in conjunction with the national plan intend to increase the capacity and capability of the firearms cadre within the Force. The government have made available a fund of £34m nationally to support the country's ability to respond to terrorist incidents. No additional funding is anticipated to be allocated to Surrey police however a budget allocation has been made available from the Force budget for 2016/17 to allow for local expansion of this capability.

The Force experienced a short term one off underspend position during 2015/16 which has provided an opportunity to provide funding to support the acquisition of the associated vehicles, firearms equipment uplift and Tasers required to equip the officers.

The rationale for using revenue funding to support this expenditure when there are adequate capital resources available at this time is to mitigate the longer term prospect of capital resources being exhausted and future investment will have to come from base revenue budget. The Force has a temporary underspend during 2015/16 which can be directed to finance the capital investment.

The table below sets out the estimated capital receipts and expenditure for the period up to 2022/23. By 2018/19 based upon a modest capital investment each year the funding required will either come from borrowing or from the revenue budget. With this stark prospect the Force/PCC should seek to maintain its capital resources whenever the opportunity arises.

Summary	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
DESCRIPTION	2016/2017 £'000's	2017/2018 £'000's	2018/2019 £'000's	2019/2020 £'000's	2020/2021 £'000's	2021/2022 £'000's	2022/2023 £'000's
Amount of Capital to be Financed	11,115	9,482	7,413	6,594	6,240	6,140	6,140
Total Capital Funding Available	20,534	12,399	4,467	9	-3,755	-8,625	-13,850
Surplus / Deficit (Borrowing Requirement)	9,419	2,917	-2,946	-6,585	-9,995	-14,765	-19,990

Once capital resources are depleted there will be an impact on the revenue budget. Borrowing is a possibility, but for short life assets such as vehicles and IT this is not viable. This is a significant impact on future revenue budgets therefore it is recommended that capital resources are maintained by a mixture of planning for revenue budget to support capital expenditure and when opportunities arise.

Recommendation: That approval is granted for the use of £0.5m of revenue budget to fund the firearms equipment uplift.

Police and Crime Commissioner Approval

I approve the recommendation(s):

A handwritten signature in black ink, appearing to read 'Kevin Hurley', written over a horizontal line.

Signature:

Kevin Hurley Surrey Police & Crime Commissioner

Date: 31st March 2016

All decisions must be added to the decision register.

Areas of consideration

Consultation

The proposal has been discussed with the PCC, the Chief Officer Group as part of the monthly financial monitoring and the Treasurer of the PCC.

Financial implications

The revenue contribution is for £0.5m

Legal

None – complies with financial regulations.

Risks

There is a risk to the safety of the Surrey public if police officers are not properly equipped.

Equality and diversity

No implications.

Risks to human rights

None