



Financial Report March 2020

Required for:	<i>PCC Performance Meeting</i>
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What are the Policing Principles?

- | | | |
|--|--|--|
| Accountability <input checked="" type="checkbox"/> | Fairness <input checked="" type="checkbox"/> | Honesty <input checked="" type="checkbox"/> |
| Integrity <input checked="" type="checkbox"/> | Leadership <input checked="" type="checkbox"/> | Objectivity <input checked="" type="checkbox"/> |
| Openness <input checked="" type="checkbox"/> | Respect <input checked="" type="checkbox"/> | Selflessness <input checked="" type="checkbox"/> |

Force: Surrey

Financial Monitoring at: 31st March 2020

Finance Department

1. Introduction

- 1.1. This report provides the operational delivery budget and capital position for Surrey Police as at 31st March 2020 with the PCC budget being reported separately.

2. Summary

- 2.1. The Force has an overall under spend within the revenue budget of £0.3m for the year (including the PCC) and movement of reserves). There are variances within the budget, pay is underspent overall with a cost pressure on police overtime which reflects the level of events and incidents during the year, there were a string of events last summer including Op Foreland, the Derby and protests in the country.
- 2.2. Police officer numbers increased during the year to deliver the recruitment plan and police staff budget is underspent against budget.
- 2.3. The non-pay costs including income and use of reserves are overspent in total with costs pressures in premises mainly due to the earlier than planned purchase of the new HQ site and improvements to police stations and transport is experiencing higher maintenance costs. The under spend in Supplies & Services has provided the opportunity to fund the purchase of Airwave handsets which are beyond their expected life.
- 2.4. The precept investment was for an additional 104 posts, due to attrition being higher than planned this ambition will now be met in May 2020.
- 2.5. The efficiency plan to save £2.8m has been fully delivered.
- 2.6. The capital budget is underspent, this paper recommends that the annual capital slippage totalling £7.6m for 2019/20 is approved enabling capital programmes to be completed. This would result in a revised 2 year plan from 2020/21 totalling £18.0m.
- 2.7. The revenue underspend includes the following transfers to specific reserves which require PCC approval:
 - 2.7.1. An opportunity to mitigate against some of the 2020/21 costs and loss of income currently being incurred in relation to the Covid 19 pandemic by creating a £1.0m specific Covid 19 reserve.
 - 2.7.2. The PCC has indicated that he would like to assist residents during the Covid 19 pandemic with some initiatives such as a helpline, increasing the OPCC Operational Reserve by £0.5m from the 2019/20 underspend would enable this assistance.

2.7.3. The Chief Constable Reserve has not been replenished for a number of years, an increase of £0.5m would give the force latitude for any emergency expenditure especially during the Covid 19 pandemic.

3. Recommendations

3.1. The Police and Crime Commissioner is asked to:

3.1.1. Note the net revenue budget outturn for the police fund as at 31st March 2020 and approve the following transfer to reserves:

- Covid 19 Reserve to be created for £1.0m
- OPCC Operational Reserve increased by £0.5m
- Chief Constable Reserve increased by £0.5m

3.1.2. Note the capital budget outturn as at 31st March 2020 and approve capital slippage totalling £7.6m.

3.1.3. Approve budget virements on Appendix D – none for the PCC for month 12.

4. Revenue Budget Position

4.1. The Force's revenue outturn position for 2019/20 is an underspend of £1.4m as summarised in the table below (this table excludes the PCC);

Mar-20	Full Year		
	Forecast	Budget	Variance
Payroll	191,014,629	191,898,702	(884,073)
Premises Related Expenditure	12,740,193	10,765,445	1,974,748
Transport Related Expenditure	6,104,513	5,121,951	982,562
Supplies & Services	27,318,899	30,591,103	(3,272,204)
Capital financing and contributions	7,025,928	4,057,180	2,968,748
Grants & Income	(12,555,638)	(9,423,965)	(3,131,673)
Total	231,648,524	233,010,416	(1,361,892)

4.2. The 2019/20 revenue budget was approved by the PCC in February 2019 at £235.1m, during the year agreed budget virements have been processed within the operational delivery budget and OPCC budget, with the overall budget remaining at £235.1m as shown in the table below:

	Original Budget £'000	Budget Virements £'000	Revised Budget £'000
Operational Delivery Budget	233,010	0	233,010
Office of the PCC	2,118	0	2,118
Total Net Budget Requirement	235,128	0	235,128

4.3. Appendix A provides further details of the operational delivery budget showing budget and actuals both by budget holder portfolio and the main categories of expenditure. An analysis of the movement over the last 3 months of the year is provided at Appendix E.

4.4. Pay Costs - Total pay is underspent by £0.9m as summarised in the table below.

Mar-20	Full Year		
	Forecast	Budget	Variance
Police Officer Pay	110,979,134	110,802,030	177,104
Police Officer Overtime	4,826,055	3,554,030	1,272,025
Police Staff Pay	65,874,953	69,562,484	(3,687,531)
Police Staff Overtime	1,543,123	1,118,547	424,576
PO Injury, Ill Health & Death Pensions	2,103,715	2,081,105	22,610
Other Employee Expenses	2,236,911	2,055,415	181,496
Temporary or Agency Staff	1,987,263	1,399,437	587,826
Restructure, Training & Conference Costs	1,463,475	1,325,654	137,821
Total	191,014,629	191,898,702	(884,073)

4.5. In Surrey employee numbers are monitored in detail throughout the year within a workforce plan by People Services. The following table illustrates the variances between the average number of employees (employee strength) compared with the budgeted number of employees (employee establishment), expressed as FTE (full time equivalent) roles.

Average FTE's	Forecast of Employees (Strength)	Budgeted No. of Employees (Establishment)	Variance
Police Officers	1874	1921	(47)
Police Staff	1578	1734	(156)
PCSO's	113	118	(5)
Total	3564	3773	(209)

4.6. Police Payroll - The police officer pay for the year is slightly over spent.

4.7. Police Officer pay is a non-delegated cost and is shown on a separate line within the budget by function (Appendix A) with departmental variances reflecting their delegated budgets.

4.8. The average number of officers in the force for the year was 1874 FTE compared to the budget of 1921 FTE including the precept increase.

Officer FTE Forecast

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Average
	month 1	month 2	month 3	month 4	month 5	month 6	month 7	month 8	month 9	month 10	month 11	month 12	
Officer Budget (FTE)	1918.70	1918.58	1918.58	1917.58	1926.58	1924.78	1922.78	1921.28	1921.28	1921.28	1921.28	1921.28	1921

Officer Forecast (FTE)

Month 1	1,844	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Month 2	1,844	1,882	1,867	1,854	1,843	1,843	1,837	1,834	1,829	1,826	1,829	1,828	1,843
Month 3	1,844	1,882	1,866	1,896	1,875	1,859	1,847	1,870	1,859	1,871	1,861	1,892	1,868
Month 4	1,844	1,882	1,866	1,850	1,876	1,870	1,864	1,896	1,890	1,910	1,911	1,946	1,884
Month 5	1,844	1,882	1,866	1,850	1,878	1,879	1,863	1,885	1,872	1,880	1,867	1,898	1,872
Month 6	1,844	1,882	1,866	1,850	1,878	1,879	1,865	1,881	1,868	1,878	1,865	1,903	1,872
Month 7	1,844	1,882	1,866	1,850	1,878	1,879	1,863	1,898	1,879	1,884	1,871	1,908	1,875
Month 8	1,844	1,882	1,866	1,850	1,878	1,879	1,863	1,891	1,878	1,877	1,864	1,902	1,873
Month 9	1,844	1,882	1,866	1,850	1,878	1,879	1,863	1,891	1,873	1,884	1,863	1,900	1,873
Month 10	1,844	1,882	1,866	1,850	1,878	1,879	1,863	1,891	1,873	1,880	1,875	1,902	1,874
Month 11	1,844	1,882	1,866	1,850	1,878	1,879	1,863	1,891	1,873	1,880	1,871	1,899	1,873
Month 12	1,844	1,882	1,866	1,850	1,878	1,879	1,863	1,891	1,873	1,880	1,871	1,910	1,874

Variance	Month 11			Month 12		
	Volume £'000	Rate £'000	Total £'000	Volume £'000	Rate £'000	Total £'000
Police pay, NI & Pension	(2,526)	3,553	1,027	(2,477)	3,594	1,117
Rent and regional and other allowances	(250)	(697)	(947)	(246)	(707)	(953)
Collaboration			(84)			13
Total	(2,776)	2,856	(4)	(2,723)	2,886	177

4.9. The above calculations show the force was on average 47 officers under budget which is resulting in a volume underspend of £2.5m (£52.5k per FTE), with a rate overspend of £3.6m relating to officer rates being higher than budgeted. A vacancy factor of 2% is assumed for police officers which is part of the rate variance along with the mix of officers.

4.10. Police staff pay is underspent by £3.7m. The staff underspend reflects the vacancy rate being above the 5% target along with a number of vacancies being held pending the implementation of change programmes. The number of staff working in the force remained under establishment for the financial year.

4.11. There was an average of 1690 FTE staff for the year, compared to the average budget of 1852 FTE.

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Average
	month 1	month 2	month 3	month 4	month 5	month 6	month 7	month 8	month 9	month 10	month 11	month 12	
Staff Budget (FTE)	1811.43	1836.74	1836.74	1836.74	1857.74	1858.74	1866.24	1864.74	1864.74	1862.74	1862.74	1862.74	1852

staff Forecast (FTE)

Month 1	1,682	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1699
Month 2	1,682	1,688	1,654	1,642	1,635	1,636	1,631	1,629	1,620	1,617	1,612	1,615	1638
Month 3	1,682	1,688	1,653	1,656	1,644	1,668	1,678	1,702	1,691	1,695	1,702	1,717	1681
Month 4	1,682	1,688	1,653	1,649	1,652	1,645	1,642	1,641	1,633	1,624	1,617	1,619	1645
Month 5	1,682	1,688	1,653	1,649	1,661	1,694	1,693	1,706	1,694	1,690	1,694	1,710	1684
Month 6	1,682	1,688	1,653	1,649	1,661	1,673	1,706	1,718	1,704	1,703	1,710	1,727	1690
Month 7	1,682	1,688	1,653	1,649	1,661	1,673	1,688	1,729	1,705	1,707	1,713	1,732	1690
Month 8	1,682	1,688	1,653	1,649	1,661	1,673	1,688	1,727	1,719	1,715	1,723	1,739	1693
Month 9	1,682	1,688	1,653	1,649	1,661	1,673	1,688	1,727	1,715	1,722	1,716	1,724	1691
Month 10	1,682	1,688	1,653	1,649	1,661	1,673	1,688	1,727	1,715	1,719	1,727	1,721	1692
Month 11	1,682	1,688	1,653	1,649	1,661	1,673	1,688	1,727	1,715	1,719	1,709	1,704	1689
Month 12	1,682	1,688	1,653	1,649	1,661	1,673	1,688	1,727	1,715	1,719	1,709	1,720	1690

Variance	Month 11			Month 12		
	Volume £'000	Rate £'000	Total £'000	Volume £'000	Rate £'000	Total £'000
Staff pay, NI & Pension	(5,814)	1,547	(4,267)	(5,767)	2,520	(3,247)
Enhancements	(299)	(215)	(514)	(296)	(144)	(441)
Collaboration			1,712			1,424
Total	(6,113)	1,332	(3,069)	(6,063)	2,376	(3,688)

4.12. The shortfall of 161 staff FTE's results in a £5.8 volume underspend for pay, NI and pension (£35.7k per FTE), that is being offset by a rate overspend of £2.5m.

4.13. Staff enhancements and holiday pay have underspends due to being under establishment. The rate and volume variances are based on all posts having these allowances and therefore is not representative of entitlement.

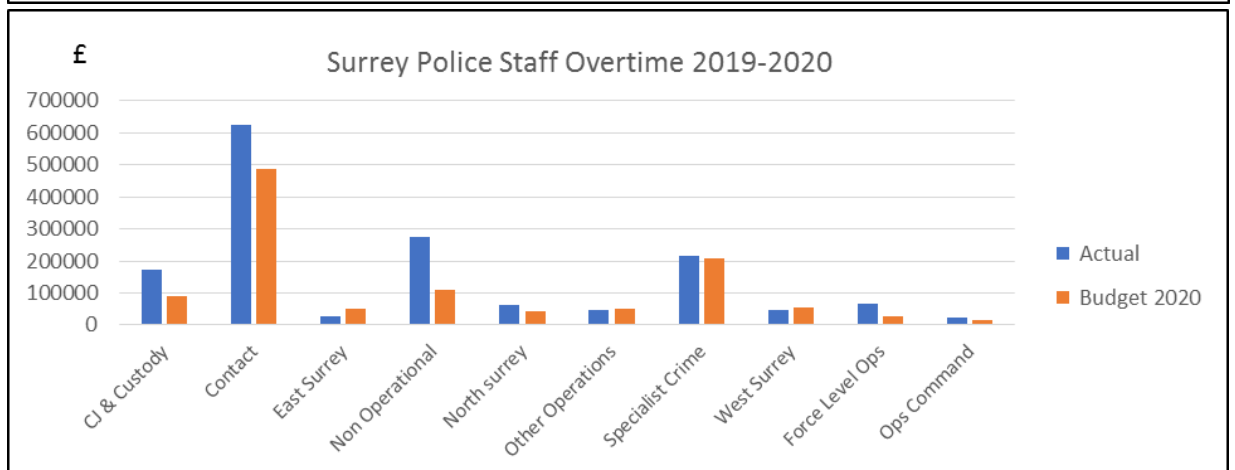
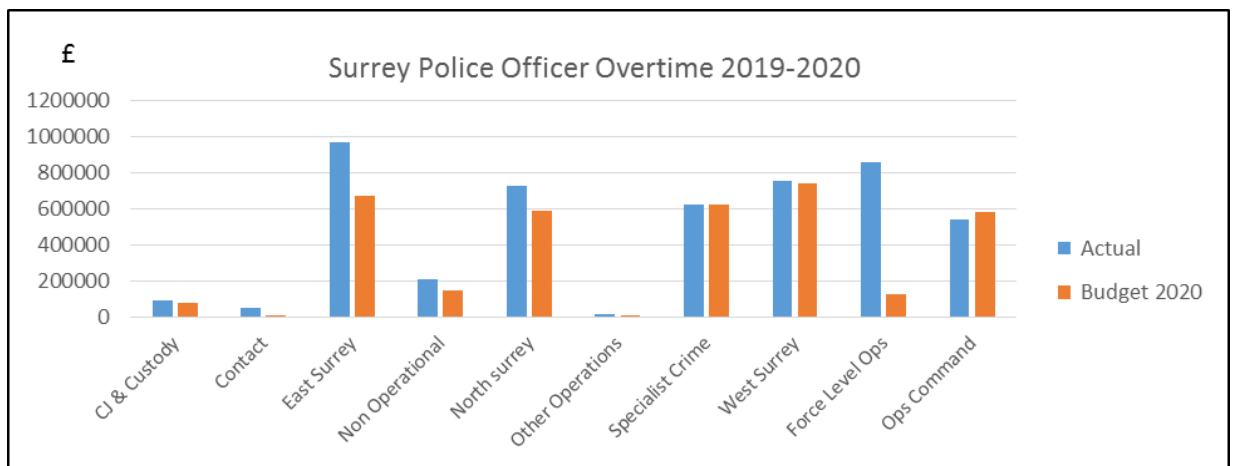
4.14. Overtime for both officers and staff by department is shown on Appendix B, with officer overtime overspent by £1.2m and staff overtime overspent by £0.4m.

4.15. The force police officer overtime working group continues to monitor spend and provide guidance to reduce spend in this area, the tables below shows spend for both officer and staff overtime over the past four years.

Police Overtime	Budget £'000	Actual £'000	Variance £'000	Variance %	Average per FTE
2019-20	3,554	4,826	1,272	36%	2,577
2018-19	4,030	4,270	240	6%	2,241
2017-18	4,232	6,688	2,456	58%	3,417
2016-17	3,839	6,568	2,729	71%	3,516

Staff Overtime	Budget £'000	Actual £'000	Variance £'000	Variance %	Average per FTE
2019/20 exc PCC	1,119	1,543	424	38%	913
2019/20 PCC	10	19	9	95%	11
2019/20 total	1,129	1,562	434	38%	945
2018/19	1,561	1,454	-107	-7%	882
2017/18	1,641	1,853	212	13%	1,101
2016/17	1,341	1,622	281	21%	

4.16. The charts below show Police Officer and Staff overtime by division/department. Appendix B shows the monthly profile of this spend.



4.17. Agency costs

4.17.1. Agency is overspent by £0.6m. The majority of this relates to an overspend on agency costs for implementation of Equip and costs for OP Igit Outside Enquiry Team & SOIT SOLOs offset by vacancies in staff (see 5.27. Specialist Crime).

4.18. Training & restructuring costs

4.18.1. There is an overspend of £0.1m on training & restructuring costs with minimal variances across departments.

4.19. Other Staff Costs

4.19.1. There is a slight underspend in Other Staff Costs of £0.2m with minimal variances across departments.

4.20. Non Pay Budgets

Non pay cost budgets are underspent by £0.5m as shown in the table below. These budgets include costs for premises, transport, supplies & services, financing and income. Income budgets relate to government grants, reimbursed services, secondments and mutual aid arrangements with other police Forces. This income is in addition to the main sources of funding from the core policing grant and council tax precept income.

Mar-20	Full Year		
	Forecast	Budget	Variance
Premises Related Expenditure	12,740,193	10,765,445	1,974,748
Transport Related Expenditure	6,104,513	5,121,951	982,562
Supplies & Services	27,318,899	30,591,103	(3,272,204)
Capital financing and contributions	7,025,928	4,057,180	2,968,748
Grants & Income	(12,555,638)	(9,423,965)	(3,131,673)
Total	40,633,896	41,111,714	(477,818)

4.21. Premises

4.21.1. There is an overspend within Premises totalling £2.0m most of which is due to essential works being carried out around HQ; Building the Future relating to valuation fees and unexpected costs for utilities which is offset against income received from the existing tenants (see 5.27); offset by minimal underspends across departments.

4.22. Transport

4.22.1. There is an overspend of £1.0m, relating to the recovery of workshop costs and vehicle repairs within Operations Command Joint.

4.23. Supplies & Services

There is an underspend of £3.3m in Supplies & Services. This variance is mainly due to the delays with the Equip project along with the Operations Command underspending in relation to the camera partnership. The Force allocates a annual temporary budget relating to the cost of change which was underspent in 2019/20. ICT also underspent within Supplies & Services due to delays with regional and other projects such as ARK, Sailpoint and EPM.

4.24. Financing

4.24.1. There is an overspend of £3.0m, of which £1.0m relates to borrowing repayments for Building the Future, the remaining overspend relates to revenue contributions to capital for Airwaves, Agile Working, Ops Equipment and the Camera Partnership.

4.25. Income

4.25.1. There is an over achievement of income of £3.1m primarily due to increased cost recovery for the Camera Partnership and Gatwick recharges within Operations. There is also an overachievement of income for Cyber Crime funding within Specialist Crime (see 4.27.) and some over recovery for Secondments plus income received from new HQ site tenants.

4.26. Departmental Narrative

This section gives a narrative on the divisions & departments with significant variances, note the figures relate to delegated budgets only.

- Local Policing has an overspend of £1.6m, of which £0.5m relates to police officer overtime due to lack of deployable and investigative officers within divisions as a result of restricted duties and further spend on Op Apollo towards the end of the financial year. Staff pay is overspent by £0.4m as some areas are operating above 95% capacity level. Supplies & services are showing an overspend of £0.3m relating to unexpected costs for stray animals and increase spend on ICT kits for probationers. The remainder of the variance is due to transport costs.
- Operations Command have underspent by £1.0m. Whilst they are overspending on Police Officer overtime relating to Op Zoo and for covering Officer vacancies, they are underspending within Other Employee Expenses relating to medical costs and external courses within Training. Income is overachieving by £0.9m relating to camera partnership partly as a result of new camera sites bringing in additional income from Highways England.
- Specialist Crime is underspent by £1.5m which mainly relates to a number of vacancies in Digital Forensics, Op Igil and SOIT. This is partly offset by the amount of outsourcing being utilised to ensure the service is maintained and a contribution to Op Elter (£0.5m). Income has over achieved by £0.7m, mostly due to the Cyber Crime funding received from the Home Office but also reflects the recharging of Surrey officers posted into Sussex posts within Border Policing as well as a reclaim for Op Lavington.
- Commercial and Finance Services –
 - Building the Future is overspent by £0.6m. The premises budget is overspent as a result of running costs of the new HQ site which is partly offset by income received from the tenants on the site and an underspend in Staff Pay.
 - Estates and Facilities are overspent by £2.2m primarily due to premises maintenance costs and the purchasing of uniform to meet the additional volume related to Precept and Op Uplift funded officers within supplies and services being the most significant items (see 5.24.1).
 - Joint Transport is overspent by £0.8m which is mostly related to under recovery of labour due to staff abstractions and vacancies.

- Equip – The Equip programme went through a re-plan and delays with the programme meant that expenditure for the year for Surrey was less than budgeted but these costs will now occur in 2020-21. Equip is underspent which consists of an underspend in supplies and services (see 5.24.1), offset by overspends in agency costs for consultants and in staff pay.
- ICT are underspent by £1.3m which is due to carrying some staff vacancies and lower costs than expected for PNC/PND. There has also been a reduction in spending on various projects such as ARK, Sailpoint and EPM.
- People Services – There is for an underspend of £0.3m relating to staff vacancies and an over achievement of income.

5. Precept Investment

5.1. The precept investment approved for 2019/20 allowed for the increase in police officers and police staff, the following table represents the outturn position against the precept investment.

Expected increase at March 2020	Investment provided	Actuals 31/3/20
Employee Group	FTE	FTE
Police Officers – under strength	25	25
Police Officers - growth	64	53
Police Staff - growth	15	15
PCSO - growth	0	0
Investigator Officers - growth	0	16
Total	104	109

5.2. The police officers under strength 25 was achieved by June 2019 whereas the 64 growth will take longer to achieve so to bolster resources while the recruitment lag is present additional PCSO's and Investigative Officers are being recruited. Due to attrition being higher than planned, the forecast to achieve a growth of Police Officers of 64 will now be met in May 2020.

5.3. The Investigative officers are temporary and along with the PCSO's these will be managed down as the police officer numbers increase.

6. Savings Performance

6.1. All planned 2019-20 savings were taken at the beginning of the financial year, irrespective of their RAG status. Budget holders unable to make any of these savings are required to detail the reasons in an exception report for consideration and approval. The Strategic Change Board reviews the savings profile over the medium term on an ongoing basis, a summary of the savings schedule is shown in the table below.

		2019/20 Forecast
Financial Confidence RAG Totals		Surrey
Green = on plan & saving will be achieved		2,848
Amber = Some movement to deadline or saving possible		0
Red = Saving figure or timing likely to be subject to change		0
Surplus / Deficit brought forward		
Total Savings Plan		2,848

7. Financial Provisions and Reserves Transfers

7.1. A summary of movement between provisions and reserves are shown below. Please note the recommended transfers to specific reserves outlined in the Summary at 2.7 are included in the table.

	Balance at 31 March 2019 £'000	Transfers In 2019-20 £'000	Transfers Out 2019-20 £'000	Balance at 31 March 2020 £'000
Provisions:				
Restructuring Provision	(109)	0	0	(109)
Legal Claims Provision	(721)	0	0	(721)
Total Provisions	(830)	0	0	(830)

	Balance at 31 March 2019 £'000	Transfers In £'000	Transfers Out £'000	Balance at 31 March 2020 £'000
General Fund				
General Fund	(6,812)	(259)	0	(7,071)
Earmarked Reserves:				
Chief Constable Reserve	(571)	(500)	0	(1,071)
OPCC Operational Reserve	(500)	(621)	0	(1,121)
PCC Estate Strategy Reserve	(2,800)	0	0	(2,800)
Estate Maintenance Reserve	(48)	0	48	0
Cost of Change Reserve	(1,443)	0	0	(1,443)
Local Reserve - Corporate Comms	(73)	0	73	0
Ill Health/Injury Reserve	(1,718)	0	0	(1,638)
Covid19 Reserve	0	(1,000)	0	(1,000)
Insurance Reserve	(3,288)	(1,643)	1,552	(3,379)
Total Reserves	(17,253)	(4,023)	1,673	(19,603)

8. Treasury Management

8.1. At the end of March £17.4m was held for investment by Surrey County Council under the SLA.

8.2. Surrey County Council are currently borrowing internally for investment purposes and therefore calculating their interest rate payable as the higher of; the London Inter-Bank BID rate, the Bank of England Rate or the average rate achieved by Surrey County Council.

8.3. In March 2019, the PCC entered into an external loan with PWLB for £15.6m In order to purchase land for Building the Future.

8.4. All cash balances are lent overnight allowing the flexibility to draw on resources.

9. POCA Reserve and Allocations

9.1. The Asset Seizure Reserve is used to earmark money received back from the government as part of the Asset Recovery Incentivisation Scheme (ARIS) whereby the force receives a share of amounts recovered under the Proceeds of Crime Act 2002 (POCA). The level of this reserve is currently maintained as a contingency to cover one year of salary costs for the Asset Seizure team within the Economic Crime Unit. At 01 April 2019 the reserve balance was £0.8m which has reduced to £0.6m as at 31 March 2020.

9.2. In-year POCA receipts cover the cost of the Asset Seizure team. Income is received quarterly, and quarters 3 and 4 are still outstanding for 2019-20.

10. Capital & Investments

10.1. The overall capital position is detailed at Appendix C.

10.2. The capital budget for 2019/20 was approved by the PCC in February 2019 at £22.8m including capital slippage during 2018/19. The force runs a flexible programme managing schemes over a rolling 2 year period enabling schemes to be bought forward or deferred. During the year agreed budget virements have been processed (including capital carried forward from 2018/19) as set out in the table below, resulting in a revised capital budget of £18.1m, this also includes a review of the capital budget during December 2019 to reduce the overall plan.

10.3. The capital budget is underspent with an annual spend totalling £9.4m, a summary is shown in the table below.

Capital Summary 2019/20 Portfolio	Budget £m	Actual £m	Variance £m
ICT Schemes	5.4	1.0	(4.3)
Fleet Renewals & Equipment	3.6	3.6	(0.1)
Estate Strategy	3.8	1.7	(2.3)
Operations	1.1	0.7	(0.4)
Local Policing	2.6	1.2	(1.3)
Specialist Crime	1.7	1.2	(0.5)
Total	18.1	9.4	(8.9)

10.4. The significant capital projects are ICT and Fleet replacement schemes, Building the Future, Agile Working and Storm-Surrey Contact Centre.

10.5. Slippage by individual project is shown at Appendix C and is summarised by department below.

Capital Summary Portfolio	2019/20 Slippage £m	2020/21 New Budget Allocation £m	2020/21 Total Capital Budget £m
ICT Schemes	3.7	2.8	6.4
Fleet Renewals & Equipment	0.1	3.8	3.9
Estates Strategy	2.2	2.5	4.6
Operations	0.5	0.2	0.6
Local Policing	0.8	1.3	2.2
Specialist Crime	0.3	0.0	0.3
Total	7.6	10.5	18.0

10.6. The heavy reliance on ICT or projects with an ICT dependency is apparent on the table above. The majority of the slippage is made up of ICT projects, Storm and Building the Future.

10.7. Capital expenditure is financed from grants received from the Home Office & other contributions, capital receipts from the sale of assets, and revenue funding. If necessary borrowing can also be used to fund capital expenditure as shown in the table below.

Source of Funding	Draft Capital Financing £m	%
Home Office Capital Grant	0.637	7%
Other Grants and Income	0.000	0%
Capital Receipts	4.462	47%
Revenue Funding	3.712	40%
Internal Borrowing	0.596	6%
Total	9.407	100%

11. Risks

11.1. The following risks and issues to the Operational Delivery Budget have been identified.

Risk	Mitigation/Update	Owner
The Force continues to experience demand from significant historic cases	Funding has been allocated in 19/20 for Op Igit (Specialist Crime), Op Coledale (Public Protection) and Op Heather.	John Boshier Specialist Crime Carwyn Hughes Public Protection
The financial forecasts presented an unusual level of volatility during 2016/17 which was sighted as being due to the new ways of working with budget holders on the learning curve to fully understand their finances. This subsequently reduced the level of confidence in financial forecasts.	The action plan put in place in a response to an internal audit review continues to be implemented, the new forecasting software is now in use for revenue reporting and will be developed further in future months.	Paul Bundy Service Director Finance
Covert Human Intelligence Sources (CHIS) - There are a number of ongoing claims which are incurring legal fees	The financial cost of the claims and associated legal fees have been provided for and were £130k higher than the originally estimated.	John Boshier Specialist Crime
COVID19	Op Apollo Gold Group has been set up in light of the COVID19 Pandemic. There is a likelihood that the Pandemic may have some impact on operational resources as well as financial resources in the foreseeable future but will be regularly monitored to understand the level of spend	Gold Commander, Op Apollo

12. Decisions Required

12.1. Financial regulations require the PCC to approve revenue budget transfers greater than £0.5m and the Chief Constable's Chief Finance Officer to approve transfer between £0.1m and £0.5m. The transfers requiring approval are shown on Appendix D.

12.2. Financial Regulations require the PCC to approve all changes to the capital budget, these changes are shown on Appendix D; there are some slippages into 2020-21 for Month 12.

Appendix A



Surrey Corporate Report			
Mar-20	Year to Date		
	Actual	Budget	Variance
Portfolio			
Local Policing	36,845,821	35,228,683	1,617,138
Operations	3,654,008	4,697,992	(1,043,984)
Specialist Crime	18,118,167	19,592,445	(1,474,278)
Corporate Services Sussex	1,281,848	1,269,065	12,783
Corporate Services Surrey	6,759,630	9,141,216	(2,381,586)
Information & Communication Technology	13,677,567	14,976,080	(1,298,513)
People Services	5,978,103	6,261,705	(283,602)
Equip	1,912,449	3,570,017	(1,657,568)
Commercial and Finance Services	32,441,798	27,471,183	4,970,615
<i>Non-Delegated</i>	<i>110,979,134</i>	<i>110,802,030</i>	<i>177,104</i>
Operational Policing Total	231,648,524	233,010,416	(1,361,892)
PCC for Surrey Police	2,097,465	2,117,933	(20,468)
Total Police Fund	233,745,990	235,128,349	(1,382,359)
Funding	(234,004,913)	(235,128,349)	1,123,436
Grand Total	(258,924)	-	(258,924)
Cost Type PCC			
PCC for Surrey Police	2,097,465	2,117,933	(20,468)
PCC Total	2,097,465	2,117,933	(20,468)
Cost Type			
Police Officer Pay	110,979,134	110,802,030	177,104
Police Officer Overtime	4,826,055	3,554,030	1,272,025
Police Staff Pay	65,874,953	69,562,484	(3,687,531)
Police Staff Overtime	1,543,123	1,118,547	424,576
PO Injury, Ill Health & Death Pensions	2,103,715	2,081,105	22,610
Other Employee Expenses	2,236,911	2,055,415	181,496
Temporary or Agency Staff	1,987,263	1,399,437	587,826
Restructure, Training & Conference Costs	1,463,475	1,325,654	137,821
Premises Related Expenditure	12,740,193	10,765,445	1,974,748
Transport Related Expenditure	6,104,513	5,121,951	982,562
Supplies & Services	27,318,899	30,591,103	(3,272,204)
Capital financing and contributions	7,025,928	4,057,180	2,968,748
Grants & Income	(12,555,638)	(9,423,965)	(3,131,673)
Total Force	231,648,524	233,010,416	(1,361,892)
Funding	(234,004,913)	(235,128,349)	1,123,436
Grand Total	(258,923)	-	(258,923)

Appendix B Overtime by Division/Department

Surrey Police Officer Overtime		2019/20													Budget Full Year	Var	
		Actual Apr	Actual May	Actual Jun	Actual Jul	Actual Aug	Actual Sep	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Actual Feb	Actual Mar	Actual Full Year			
Department	£k																
West Surrey		-33.3	105.9	98.5	34.6	39.4	83.4	51.2	45.3	41.0	105.2	88.0	93.7	752.9	741.0	11.9	
East Surrey		23.3	121.0	108.0	50.8	57.9	77.7	76.1	66.9	60.1	96.7	94.1	136.7	969.3	671.4	297.9	
North Surrey		-23.9	93.8	102.4	47.9	32.6	64.7	47.9	38.0	61.1	99.0	83.9	74.7	722.1	590.7	131.4	
Specialist Crime		-4.0	52.3	51.3	51.8	42.8	45.4	49.2	49.4	54.8	64.4	74.4	87.8	619.6	619.5	0.1	
Operations Local - Surrey		-34.7	21.3	24.5	20.8	11.2	13.3	17.5	33.0	25.7	22.8	26.1	172.5	354.0	120.0	234.0	
Operations Command Joint		62.0	68.0	67.3	3.0	48.7	47.6	46.7	48.7	43.3	67.5	43.3	-9.7	536.4	578.6	-42.2	
Criminal Justice		-11.8	13.1	13.6	6.3	4.9	8.4	6.4	6.8	4.6	16.2	8.9	14.5	91.9	74.0	17.9	
Contact		-0.5	6.4	9.0	1.5	2.0	5.6	1.9	1.4	2.1	9.4	4.9	4.8	48.5	5.9	42.6	
Professional standards		0.3	1.4	0.5	4.4	1.0	1.9	2.2	0.9	0.9	0.4	1.1	3.2	18.2	12.0	6.2	
Force Level Operations		-1.9	26.9	71.1	43.5	6.2	40.4	53.8	125.7	64.8	30.7	12.1	30.2	503.5	6.9	496.6	
DCC - Surrey		0.2	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.3	1.0	0.5	0.5	
Service Quality		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Chief Officers		-0.2	0.6	1.6	1.4	0.9	1.4	1.5	1.0	1.9	1.0	1.2	3.4	15.7	3.0	12.7	
Central Corporate		139.8	0.0	0.0	17.6	0.0	7.3	0.0	14.8	-13.9	4.8	-10.6	-20.0	139.8	0.0	139.8	
CDD		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Specials		-0.6	0.1	0.6	0.1	0.0	0.1	0.0	0.2	0.2	0.0	0.0	0.0	0.7	0.0	0.7	
IT		0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.2	0.0	0.1	0.2	0.8	1.7	0.0	1.7	
Cost of Change		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3	0.0	0.3	
People Services		-5.9	6.1	2.9	2.0	3.1	3.3	2.9	10.0	3.5	5.9	4.9	11.7	50.4	130.6	-80.2	
Total		108.8	517.1	551.4	286.1	250.7	400.5	357.4	442.3	350.1	524.1	432.7	604.9	4826.1	3554.1	1272.0	

Surrey Police Staff Overtime		2019/20													Budget Full Year	Var
		Actual Apr	Actual May	Actual Jun	Actual Jul	Actual Aug	Actual Sep	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Actual Feb	Actual Mar	Actual Full Year		
Department	£k															
West Surrey		-3.1	3.9	4.3	4.6	4.6	4.1	2.9	3.9	5.2	4.0	4.5	7.1	46.1	52.9	-6.8
East Surrey		0.5	2.6	3.0	2.7	2.1	2.7	2.1	1.1	1.9	2.2	1.9	2.9	25.6	49.2	-23.6
North Surrey		-0.6	5.9	7.7	4.9	3.0	5.5	6.1	4.7	3.3	4.8	7.1	9.4	61.8	41.1	20.7
Specialist Crime		-28.8	21.1	18.3	31.3	15.6	20.3	19.5	20.1	26.0	22.5	21.9	28.2	216.0	207.8	8.2
Operations Local - Surrey		-0.6	2.9	2.6	5.3	0.8	1.5	1.9	1.7	1.8	1.8	1.9	3.9	25.5	6.0	19.5
Operations Command Joint		-2.4	2.2	3.0	6.0	0.5	2.4	1.3	3.2	1.7	1.2	2.3	3.0	24.5	15.8	8.7
Criminal Justice		1.5	14.9	16.5	9.3	7.8	13.5	11.4	10.6	14.4	17.9	18.6	37.3	173.6	88.9	84.7
Contact		-10.7	64.2	66.0	40.2	49.4	67.1	49.6	45.6	43.3	65.0	57.9	86.8	624.5	487.4	137.1
Professional standards		-0.6	0.9	0.8	3.8	0.3	1.8	0.8	1.5	2.1	1.8	1.3	2.1	16.6	23.0	-6.4
Force Level Operations		-1.7	1.4	7.3	8.4	0.6	4.8	0.7	1.6	1.5	1.0	1.3	13.3	40.3	20.0	20.3
DCC - Surrey		1.1	0.0	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1	0	2.1
Central Corporat		46.8	0.0	0.0	-26.3	0.0	31.5	0.0	3.2	-0.6	2.2	1.8	-11.8	46.8	0	46.8
Service Quality		-0.9	5.2	3.8	3.1	1.1	3.9	3.8	3.5	5.0	3.5	4.4	8.1	44.5	50.0	-5.5
Chief Officers		0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.5	-0.1
Commercial and Finance Services		0.0	0.1	0.0	0.1	0.0	0.1	0.2	-0.1	0.3	0.1	0.0	0.0	0.9	1.6	-0.7
Joint Transport		-5.6	1.6	1.6	4.6	2.9	5.6	2.8	6.0	3.6	3.2	4.2	9.7	40.2	0.1	40.1
Estates		-2.7	6.0	8.8	9.1	9.1	0.5	8.5	6.3	6.7	7.2	10.0	15.6	85.0	35.0	50.0
CDD		-0.6	0.5	1.1	0.8	0.5	0.1	0.7	0.2	0.6	3.0	0.8	1.1	9.0	11.0	-2.0
Specials		-1.0	0.3	0.1	0.3	0.0	0.4	0.2	0.3	0.2	0.0	0.3	0.2	1.4	0.4	1.0
IT		-5.9	2.9	3.9	10.9	3.8	-0.5	2.9	2.7	3.9	2.2	3.8	6.0	36.7	22.0	14.7
Cost of Change		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.2	1.8	-1.6
People Services		0.6	2.4	1.7	2.2	1.6	0.2	2.3	2.1	2.0	1.3	1.0	3.9	21.3	3.9	17.4
PCC for Surrey Police		-0.5	1.8	1.7	3.3	0.0	1.2	1.6	2.3	1.7	1.1	2.4	3.0	19.5	10	9.5
Total		-14.7	140.7	153.2	124.7	103.7	167.0	119.2	120.3	124.8	145.9	147.6	229.9	1562.3	1128.4	433.9

Appendix C Capital Budget Position at 31 March 2020

Scheme	Chief Officer	Total 19-20 Budget (incl. Conts)	Actual Spend Apr-19-Mar-20	Full Year Budget Variance	Slippage	2020-21 Budget Allocated	Total 20-21 Budget
IT Renewal & Upgrades							
End User Devices							
Hardware Refresh Desktop & Laptops	CIO	810,000	524,315	285,685	285,685	621,000	906,685
Windows 10	CIO	986,000	57,025	928,975	928,975	0	928,975
Agile hardware (Estates)	CIO	300,000	0	300,000	300,000	300,000	600,000
Infrastructure							
Telephony	CIO	150,000	31,221	118,779	46,779	72,000	118,779
Office 365 Planning & Pre-implementation	CIO	371,000	5,108	365,892	-5,108	371,000	365,892
Infrastructure & Networks	CIO	450,000	166,289	283,711	283,711	945,000	1,228,711
Datacentre Improvements	CIO	30,000		30,000	30,000	0	30,000
Planned Server Replacement	CIO	461,250	16,958	444,292	196,211	0	196,211
IL4 Remediation (Joint)	CIO	0	0	0		0	0
Firewall & Security Devices	CIO	1,000	5,795	-4,795		0	0
IDAM	CIO	360,000	1,379	358,621	358,621	0	358,621
Airwave Upgrade	CIO	225,000	230,621	-5,621	0	0	0
Process							
Network Monitoring Tool	CIO	200,475	0	200,475	200,475	225,000	425,475
Digital							
DEMS / DAMS	CIO	659,000	0	659,000	659,000	0	659,000
Body Worn Video Infrastructure	CIO	183,600	0	183,600	183,600	0	183,600
Mobile data Terminals - Refresh	CIO	108,000	(19,897)	127,897	127,897	225,000	352,897
Joint Intranet	CIO	55,000	0	55,000	55,000	0	55,000
Sub-Total		5,350,325	1,018,814	4,331,511	3,650,846	2,759,000	6,409,846
Fleet Annual Replacement Schemes							
Vehicle Replacement	CFO	2,305,437	2,875,095	-569,658	-569,658	2,627,000	2,057,342
Fleet Equipment	CFO	479,000	0	479,000	479,000	134,000	613,000
Vehicle Telemetry	CFO	632,565	424,627	207,938	207,938	460,000	667,938
Operations Command Equipment	CFO	225,000	224,717	283	0	0	0
Automatic Number Plate Recognition	CFO				0	540,000	540,000
18-22 Fleet Purchases	CFO		50,952	-50,952	0	0	0
Sub-Total		3,642,002	3,575,391	66,611	117,280	3,761,000	3,878,280
Specific Capital Schemes - Estates Strategy							
Building the Future	CFO	2,230,000	1,315,329	914,671	914,671	1,800,000	2,714,671
Divisional Estates' Strateg (Incl Chertsey Gun Store)	CFO	200,000	118,201	81,799	81,799	0	81,799
Air Conditioning	CFO	200,000	0	200,000	200,000	0	200,000
Former Section House Scheme	CFO	300,000	(666)	300,666	300,666	0	300,666
Estates' Strategy - Environmental	CFO	121,520	4,318	117,202	117,203	0	117,203
Agile Working Developments	CFO	571,968	86,447	485,521	485,521	0	485,521
Electric Vehicle Infrastructure	CFO	5,993	0	5,993	0	0	0
Niche Evidential Property	CFO	206,338	155,194	51,144	51,144	0	51,144
Custody Centre Improvements	CFO	0	0	0	0	685,000	685,000
Sub-Total		3,835,819	1,678,823	2,156,996	2,151,004	2,485,000	4,636,004
Specific Capital Schemes - Operations							
ANPR	ACC Op	206,379	157,496	48,883	48,883	150,000	198,883
Taser Replacement and Uplift	ACC Op	400,761	165,634	235,127	235,127	0	235,127
Drone Replacement	ACC Op	8,851	(19,460)	28,311	57,311	0	57,311
Camera Partnership	ACC Op	500,000	367,428	132,572	132,572	0	132,572
Ops Command Equip & Replacement	ACC Op	0	0	0	0	0	0
Sub-Total		1,115,991	671,098	444,893	473,893	150,000	623,893
Specific Capital Schemes - Local Policing							
ICCS	ACC Op	40,950	0	40,950	0	0	0
ESN-Devices	ACC Op	0	0	0	0	1,325,000	1,325,000
Queue Buster 101	ACC LP	24,855	32,460	-7,605	0	0	0
Storm-Surrey Contact Centre	ACC LP	2,500,000	1,204,088	1,295,912	845,000	0	845,000
Sub-Total		2,565,805	1,236,548	1,329,257	845,000	1,325,000	2,170,000
Specific Capital Schemes - Specialist Crime							
HTCU & POLIT Infrastructure Remediation	ACC SC	20,000	72,761	-52,761	0	0	0
Digital Forensics	ACC SC	337,020	0	337,020	226,336	0	226,336
Specialist Crime Capabilities Programme	ACC SC	75,203	0	75,203	0	0	0
SEROCU Western Hub	ACC SC	1,154,215	1,154,215	0	0	0	0
POLIT Workstations	ACC SC	100,000	0	100,000	100,000	0	100,000
Sub-Total		1,686,438	1,226,976	459,462	326,336		326,336
Overall Total		18,196,380	9,407,650	8,788,730	7,564,359	10,480,000	18,044,359

Appendix D
Revenue Virements

Between £0.1m and £0.5m

Month	Amount	Perm/ Temp	From	To	Description
M12	24,156	Perm	Central Corporate	106014 - People Services Local - Surrey	Transfer of Precept funding for posts filled
M12	4,000	Perm	Central Corporate	106011 - Corporate Communications	Transfer of Precept funding for posts filled

Greater than £0.5m

Month	Amount	Perm/ Temp	From	To	Description
M12	-				

Capital Virements

No virements to report in Month 12.

Appendix E

Surrey - Summary of forecast movement	£'00 0	Comments
Force variance including PCC month 9	(698)	
Force variance including PCC month 12	(2,259)	
Movement	(1,561)	
Reason for movement:	£'00 0	
Corporate Services - Cost of Change	(520)	Reduction in cost of change forecast £390k (Slippage on ESN Programme £200k, Op Tom £135k, DFT £55k) Supplies & Services forecast reduced for Service Quality (£140k) & PSD (£33k)
ICT	(645)	Regional Projects came in underspent including Storm
CF&S	(883)	Non-pay budget (premises £244k, transport £231k, supplies & services £409)
CF&S	(500)	Pension strain (debt taken into account in actuarial valuation and now included in revised rate & AMA)
EQUIP	(160)	Movement in data provided by TVP
Other var	24	
Use of reserves	1,123	
Movement	(1,561)	

Appendix F

Abbreviations

PCC - Police and Crime Commissioner

DCC – Deputy Chief Constable

ICT – Information Communication Technology

PSD – Professional Standard Department

ACPO – Chief Officers

ERP – Enterprise Resource Planning

PiYN – Policing in Your Neighbourhood

FTE – Full-time equivalent

DFT – Digital Forensic Team

POLIT – Paedophile Online Investigation Team

ICCS – Integrated Communications and Control System

ANPR – Automatic Number Plate Recognition

APT - Area Policing Team

SERIP – South East Regional Integrated Policing Programme

SOIT - Sexual Offences Investigation Team

RIPA – Regulation of Investigatory Powers Act

PIN - Personal Identification Number

PNC/PND – Police National Computer/Police National Database