



Financial Monitoring at: 31 July 2021

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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"/>

1. Introduction

1.1. This report provides the force budget and capital position for Surrey Police as at 31st July 2021.

2. Summary

2.1. The total budget for Surrey is £261.7m for 2021/22, against this the forecast outturn position is £261.3m resulting in an under spend totalling £0.4m.

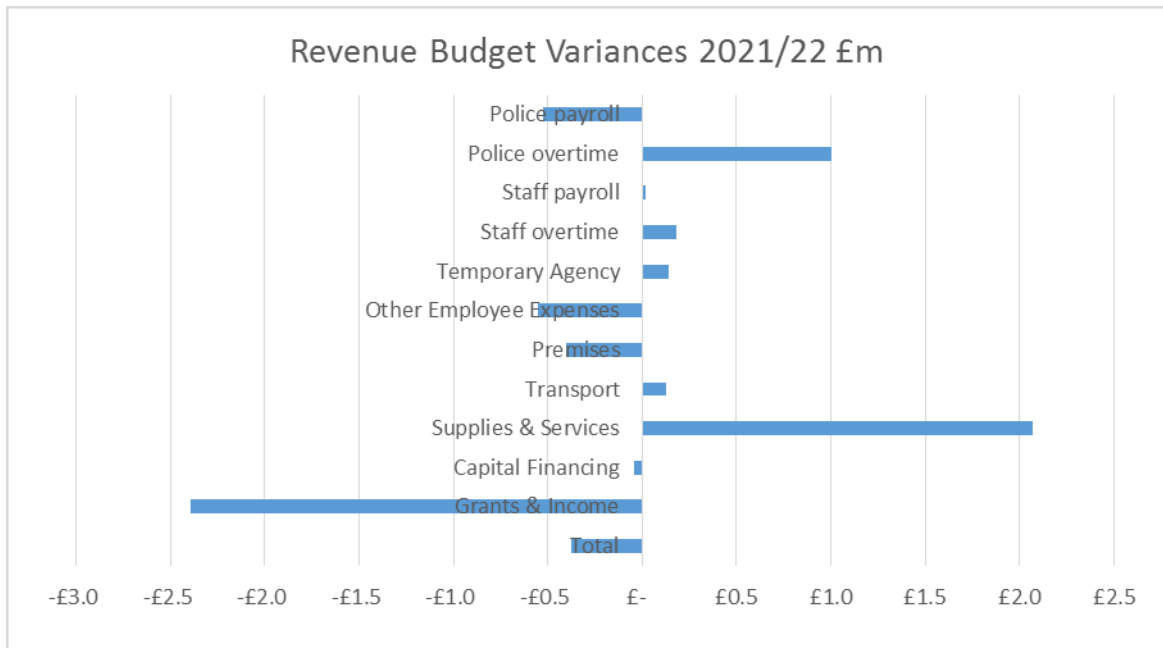
Surrey	2021/22 PCC Budget £m	2021/2022 Operational Delivery Budget £m	Total 2021/22 Budget £m	2021/22 Total Outturn £m	Variance £m
Month 4	2.1	259.6	261.7	261.3	0.4

2.1. The operational response to the COVID 19 pandemic has resulted in additional unplanned costs which consist of the salary costs for police officers and staff, employee overtime, premises, lost income and supplies & services. Op Apollo is forecasting £884k spend of which Surrey share is £402k. The forecast for the Surge fund is £464k, which together with Apollo is to be offset against the Covid reserve funds of £750k, carried forward from 20/21. The current forecast is up to the end of January, however this may change as we move into the cooler months. Last year the most significant cost was for the Personal Protective Equipment (PPE). However, there has been no expenditure for PPE so far this year.

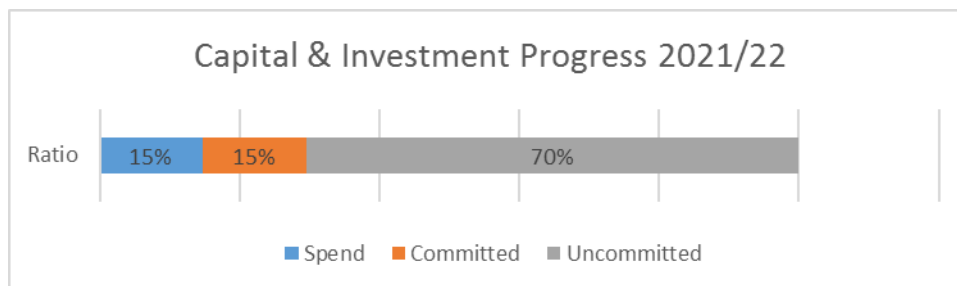
2.2. There are variances within the budget, pay is forecasting an over spend overall with non-pay underspending to offset against this.

2.3. Police officer numbers are increasing during the year as the recruitment plan delivers.

2.4. For Police Officers and Police Staff the financial plan assumed no inflationary increase this year (except for employees on £24k or less), with police officers pay confirmed.



- 2.5. The precept & uplift investment is for an additional 149.4 posts, of which 58 were recruited to by end of July 2021.
- 2.6. Savings have been identified and are being tracked and removed from the budget. There is an overall shortfall in the 2021/22 savings totalling £30k which have yet to be identified. The savings within DDaT have been removed from budget however are raised as a risk as the permanent saves have not yet been identified.
- 2.7. The capital plan is forecast to underspend by £3.4m. For the 2020/21 financial year a new capital & investment gateway to proceed process was introduced for existing planned schemes. This step firmed up on the proposals put forward during the budget build and also allowed the funding position to be checked prior to giving the go ahead.



Surrey	2021/22 Capital Budget £m	2021/22 Capital Actual £m	Variance £m
Month 4	27.0	23.6	(3.4)

2.8. The major projects in the Force relate to Building the Future, this project is currently going through a review to ensure invested resources return best value, further clarification will be known later in the year.

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 July 2021.

3.1.2. Note the capital budget outturn as at 31st July 2021.

3.1.3. Note Virements under £500k at Appendix F

3.1.4. Approve virements over £500k at Appendix F.

4. Revenue Budget Position

4.1. The Force's revenue outturn position for 2021/22 is forecast to be underspent as summarised in the table below:

Jul-21	Year to Date		Full Year					
	Actual	£'000	Forecast	£'000	Budget	£'000	Variance	£'000
Payroll		78,405		219,702		219,435		267
Premises Related Expenditure		4,421		11,402		11,804		(401)
Transport Related Expenditure		1,408		5,462		5,336		126
Supplies & Services		13,931		34,405		32,339		2,066
Capital financing and Financial Reporting		(108)		6,134		6,180		(45)
Grants & Income		(9,916)		(15,757)		(13,368)		(2,389)
Total		88,141		261,349		261,726		(377)

4.2. The 2020/21 revenue budget was approved by the PCC in February 2021 at £261.7m, during the year agreed budget virements have been processed within the operational delivery budget and OPCC budget, with the overall budget remaining at £261.7m as shown in the table below:

	Original Budget £	Budget Virements £	Revised Budget £
Operational Delivery Budget	259,572,014	-	259,572,014
Office of the PCC	2,153,981	-	2,153,981
Transfers to/(from) Reserves	-	-	-
Total	261,725,995	-	261,725,995

4.3. Appendix A provides further details of the operational delivery budget showing budget and forecast both by budget holder portfolio and the main categories of expenditure.

4.4. Pay Costs - Total pay is overspent by £0.3m as summarised in the table below.

Jul-21	Year to Date		Full Year	
	Actual £'000	Forecast £'000	Budget £'000	Variance £'000
Police Officer Pay	47,687	126,182	126,706	(524)
Police Officer Overtime	1,869	5,878	4,875	1,003
Police Staff Pay	25,734	79,094	79,077	17
Police Staff Overtime	430	1,341	1,160	182
Other Employee Expenses	1,487	4,411	4,338	73
Temporary or Agency Staff	436	667	528	139
Restructure, Training & Conference Costs	761	2,129	2,751	(622)
Total	78,405	219,702	219,435	267

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 forecast number of employees (employee strength) compared with the average budgeted number of employees (employee establishment), expressed as FTE (full time equivalent) roles. The vacancy factor is set at 2% for Police Officers and 5% for Police Staff locally and 2% centrally.

Employees	Average Forecast of Employees FTE	Average Budget of Employees FTE	Average Variance FTE	Variance %	Vacancy Factor FTE
Police Officers	2,107	2,105	1	0.1%	(42)
Police Staff	1,865	2,013	(148)	(7.4)%	(101)
Total	3,972	4,119	(147)	(3.6)%	(143)

4.6. Police Officer Payroll - The police officer pay is forecasting an under spend of £0.5m (£0.1m month 3).

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 Month 4 pay forecast indicates an average of 2,107 FTE officers for the year against a budget of 2,105 FTE. Note the budget is reached before the year end and over the year is on average above the budget FTE.

Month	April	May	June	July	August	September	October	November	December	January	February	March	Average
	1	2	3	4	5	6	7	8	9	10	11	12	
Officer Budget FTE	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105
Officer Actual / Forecast FTE													
April	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060
May	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060
June	2,060	2,060	2,039	2,066	2,080	2,078	2,146	2,144	2,141	2,173	2,173	2,173	2,111
July	2,060	2,060	2,039	2,059	2,073	2,068	2,134	2,132	2,128	2,162	2,162	2,206	2,107

4.9. The calculations below show the force is forecasting to be 2 officers over budget on average which is resulting in a vacancy over spend totalling £0.1m, with a rate under spend of £1.7m relating to actual officer rates being lower than budgeted. A vacancy factor of 2% is assumed for police officers which is part of the overall variance along with the mix of officers.

4.10. The table below provides the analysis of police pay at month 4.

Surrey Police Officer Pay Analysis		Month 4
Average Budget Rate per FTE @ 5% Vacancy		£54,905
Average Budget Rate per FTE @ Nil % Vacancy		£56,025
Average Actual Rate per FTE		£55,204
Rate Difference per FTE £		(£821)
Rate Difference per FTE %		-1.5%
Average Budget FTE as at M4		2,105.5
Average Annual FTE as at M4		2,106.9
Average FTE Variance		1.4
Variance Analysis		£m
Rate Difference		(1.7)
Local Vacancy Rate @ 2% Value		2.4
Central Vacancy Rate		-
Vacant Posts		0.1
Allowances		0.0
Other		(1.3)
Total		(0.5)

4.11. Allowances are forecast to be on budget.

4.12. Other costs include Secondment pay and National Insurance on Overtime, with the former generating an under spend.

4.13. Police staff payroll – the forecast is close to target overall.

4.14. The Month 4 pay forecast indicates an average of 1,865 FTE police staff for the year against an average budget of 2,013 FTE.

Month	April	May	June	July	August	September	October	November	December	January	February	March	Average
	1	2	3	4	5	6	7	8	9	10	11	12	
Staff Budget FTE	2,013	2,013	2,013	2,013	2,013	2,013	2,013	2,013	2,013	2,013	2,013	2,013	2,013
Staff Actual / Forecast FTE													
April	1864												1,864
May	1864	1870	1,867	1,855	1,850	1,842	1,841	1,828	1,816	1,791	1,787	1,785	1,833
June	1864	1870	1868	1,874	1,865	1,849	1,848	1,839	1,827	1,804	1,800	1,798	1,842
July	1864	1870	1868	1873	1,882	1,883	1,884	1,874	1,862	1,844	1,841	1,839	1,865

4.15. The analysis shows the force is forecasting to be 148 staff below budget on average which is resulting in a vacancy underspend totalling £5.8m, with a rate over spend of £0.5m relating to actual staff rates being higher than budgeted. A local vacancy factor of 5% and a central vacancy budget of £2.0m is built into the budget for police staff which is part of the overall variance.

4.16. The vacancy management is forecast to exceed the vacancy rate budget of £5.8m with the rate variance offsetting other underspends.

Surrey Police Staff Pay Analysis	Month 4
Average Budget Rate per FTE @ 5% Vacancy	£37,280
Average Budget Rate per FTE @ Nil % Vacancy	£39,242
Average Actual Rate per FTE	£39,523
Rate Difference per FTE £	£281
Rate Difference per FTE %	0.7%
Average Budget FTE as at M4	2,013.3
Average Annual FTE as at M4	1,865.2
Average FTE Variance	(148.1)
Variance Analysis	£m
Rate Difference	0.5
Local Vacancy Rate @ 5% Value	4.0
Central Vacancy Rate	2.0
Vacant Posts	(5.8)
Allowances	0.1
Other	(0.6)
Total	0.1

4.17. Allowances are forecast to be £0.1m over budget, this is due to the pension and national insurance element of the costs exceeding the budget.

4.18. Other costs include Police Staff Added Years, historical pension cost, generating an under spend and requires further review.

4.19. Overtime for both officers and staff by department is shown on Appendix C, with officer overtime forecast overspent by £1.0m and staff overtime also overspent by £0.2m.

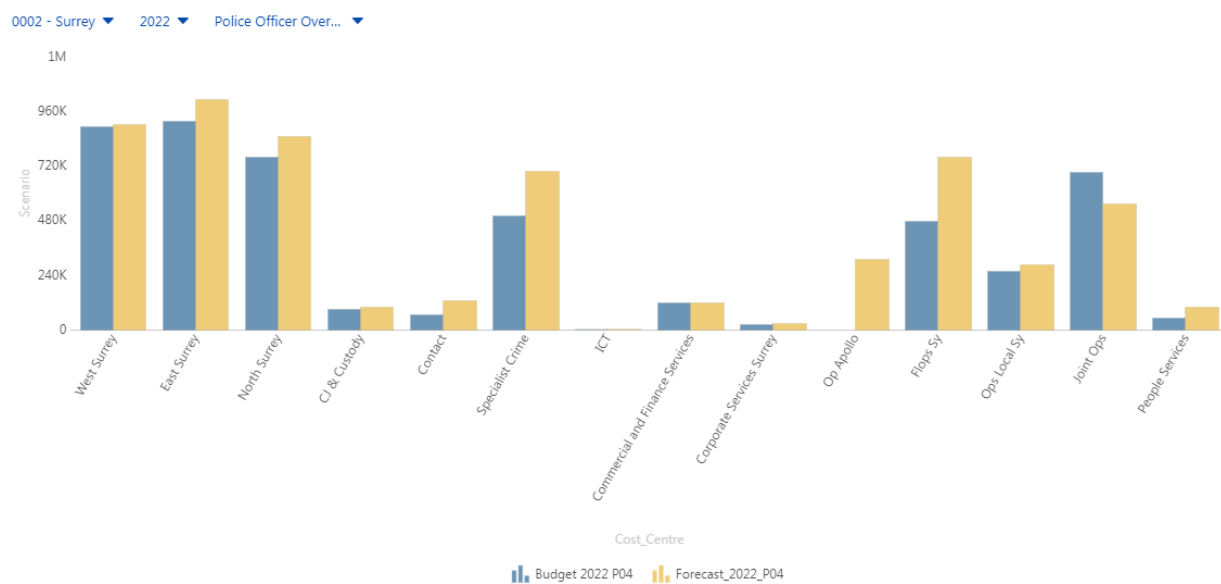
4.20. The force police officer overtime working group continues to monitor spend and provide guidance to reduce spend in this area, the tables below shows spend for both officer and staff overtime over the past five years.

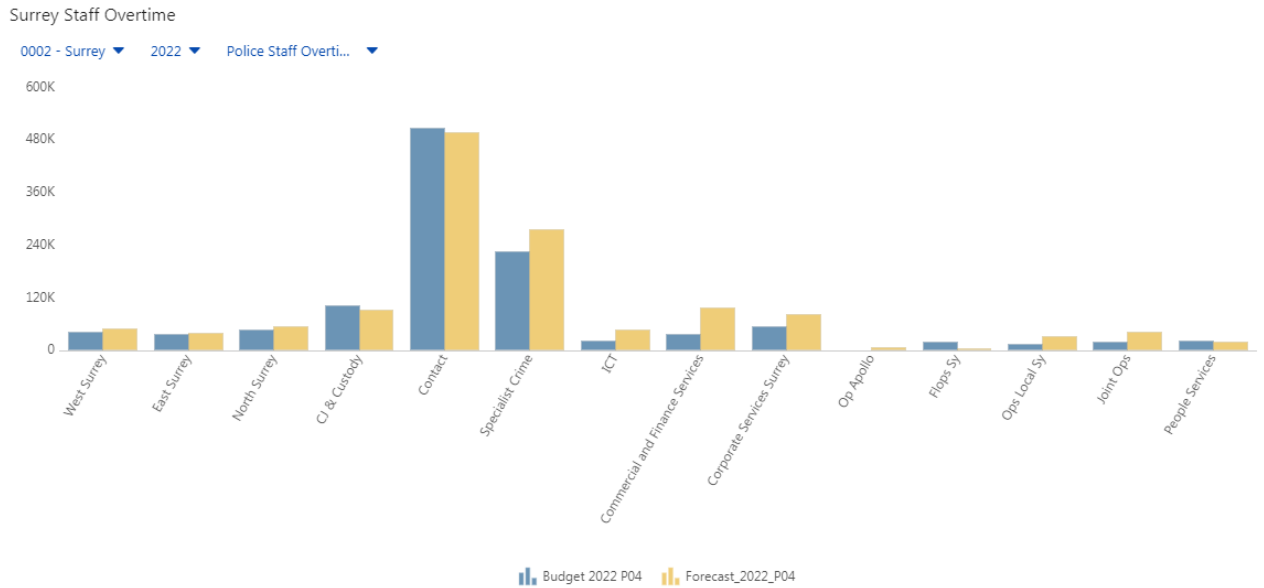
Police Overtime	Budget £'000	Actual £'000	Variance £'000	Variance %	Average per FTE
2021-22	4,875	5,878	1,003	21%	2,790
2020-21	4,999	5,633	635	13%	2,840
2019-20	3,554	4,826	1,272	36%	2,577
2018-19	4,030	4,270	240	6%	2,241
2017-18	4,232	6,688	2,456	58%	3,417
2016-17	3,839	6,568	2,729	71%	3,516

Staff Overtime	Budget £'000	Actual £'000	Variance £'000	Variance %	Average per FTE
2021/22	1,159	1,341	182	16%	719
2020/21	1,152	1,721	569	49%	958
2019/20 exc PCC	1,119	1,543	424	38%	912
2019/20 PCC	10	19	9	90%	11
2019/20	1,129	1,562	433	38%	945
2018/19	1,561	1,454	-107	-7%	882
2017/18	1,641	1,853	212	13%	1,101

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

Surrey Officer Overtime





4.22. Agency costs

4.22.1. Agency is forecasting an over spend of £0.1m. There are overspends in several portfolios with the majority in Local Policing which is due to the use of agency for the run off of Investigative Assistants and for Detective Tutors, further detail is provided at Appendix G.

Temporary or Agency Staff	Actuals	Budget	Forecast	Forecast Vs Budget Variance	Variance % of Budget
100401_100703 - People Services	9,790	3,855	31,403	27,548	714.6%
100406_100704 - Operations Protective Services	5,562	22,000	22,459	459	2.1%
100407_100707 - Specialist Crime	52,787	239,268	148,407	(90,861)	(38.0)%
100408_100709 - Commercial and Finance Services	23,471	8,665	53,940	45,275	522.5%
100409_100710 - ICT	76,099	74,102	130,627	56,525	76.3%
100702 - Corporate Services Surrey	34,992	-	(2,431)	(2,431)	
100410_100708 - Equip	77,556	180,397	127,218	(53,180)	(29.5)%
100701 - Local Policing	155,498	-	155,498	155,498	
Total	435,754	528,287	667,120	138,833	26.3%

4.23. Training & restructuring costs

4.23.1. Training & restructuring is underspent by of £0.6m mainly within People Services due to additional Police Now and DHEP university fees which are less than expected (£0.6m). Operations are reporting an underspend of £0.3m due to a delay in training because of Covid restrictions offset by slight overspend in Specialist Crime to catch up with Forensics training catching up from 2020/21.

4.24. Other Staff Costs

4.24.1. There is an over spend in Other Staff Costs totalling £0.1m resulting from small variances across all departments.

4.25. Non Pay Budgets

4.25.1. Non pay cost budgets are under spent by £0.6m as shown in the table below. These budgets include costs for premises, transport, supplies & services, financing and income.

Jul-21	Year to Date		Full Year	
	Actual £'000	Forecast £'000	Budget £'000	Variance £'000
Premises Related Expenditure	4,421	11,402	11,804	(401)
Transport Related Expenditure	1,408	5,462	5,336	126
Supplies & Services	13,931	34,405	32,339	2,066
Capital Financing and Financial Reporting	(108)	6,134	6,180	(45)
Grants & Income	(9,916)	(15,757)	(13,368)	(2,389)
Total	9,736	41,647	42,291	(644)

4.26. Premises

4.26.1. Premises is underspent by £0.4m which is mainly due unexpected underspend in utilities.

4.27. Transport

4.27.1. Transport is almost on budget. There is an over spend of £0.3m in Operations which is offset by an under spend of £0.3m in Commercial and Finance relating to insurance premiums lower than expected.

4.28. Supplies & Services

4.28.1. The outturn for Supplies & Services is showing an over spend of £2.1m. There is an under spend in Operations of £0.5m because of reduced spend on purchase of equipment due to COVID; ICT is reporting a slight over spend of £0.2m relating to savings yet to be identified; Corporate Services is also showing an over spend of £0.6m mainly due to legal costs; ERP is showing an overspend of £0.8m which is offset by income; PCC for Surrey is also showing an overspend of £0.7m offset by grant income.

4.29. Financing

4.29.1. No variance to report for month 4.

4.30. Income

4.30.1. 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.

4.30.2. There is an overachievement of income of £2.4m. Specialist Crime are forecasting higher than expected income for Surrey officers posted to regional units (£0.6); People Services are forecasting additional income against officers posted on Secondment (£0.8m) and the PCC for Surrey is

forecasting additional income from the Ministry of Justice (£0.6m) which will be used to fund additional Partnership grants.

4.31. Departmental Narrative

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

- Local Policing July YTD position vs forecast shows an overall overspend of £1.6m delegated budget. Of this £1.6m overspend, £0.7m relates to unprocessed grants for Victim and Witness care and Surge fund for agency staff which is now due to be received in August. The second major driver of overspend is the Police Staff Pay which contributed a further £0.4m relating to underfunding of various grants on new roles/functions that was created during the pandemic.
- Operations is showing a forecast underspend of £129k against the delegated budget. This has moved from a forecast overspend of £799k last month due to income of £750k, previously held in the Covid reserve, which has been released for use against the costs of Apollo and Surge initiatives. Greater clarity has been given around staffing and overtime, resulting in a reduction in spend and therefore forecast of £312k compared to last month. Currently Joint Ops are underspending on other specialist equipment, which sits within supplies and services, as they wait for the completion of the asset register. Once complete this will ensure that purchases are made of the most pressing bits of equipment, that challenges can be made around price, and economies of scale can be achieved. It is hoped that this will be completed for next month, so that a more accurate forecast can be provided.
- Specialist Crime is showing a forecasted under spend of £1.9m against the delegated budget. A significant amount of staff vacancies is the main factor behind this, though this is balanced by a large forensic outsourcing cost and the contribution to the regional CT capability. These in turn are offset by the prediction that legal costs for Op Igil (Guildford bombing inquest) will be much lower than originally anticipated as well as the income from Sussex police for Surrey officers posted to the grant funded Border Policing. In contrast, overtime continues to be a financial concern for SC and the current forecast is that of a sizable over spend.
- Corporate Services are forecasting over spend of £1.2m. This is mainly relating to legal costs (Weightmans) within PSD.
- ICT are forecasting an over spend of £0.1m against the delegated budget. This mainly relates to savings which are yet to be identified.

- People Services – the forecast position is an under spend of £0.8m with the significant variances being an over achievement of income of £0.7m, and an under spend in restructure, training and conferences of £0.7m. This is partly offset by a predicted overspend in police staff pay of £0.2m, predicted overspends on police officer overtime and transport £0.1m and slight overspends in supplies & services and transport. The income relates to secondments and apprenticeship levy income, whilst the pay overspend is predominantly on secondments and Surrey Joint but is offset by vacancies in Surrey Local. The centralised training budget is underspent due to additional Police Now funding and Op Uplift funding offset by expenditure for Police Now and higher education institute fees payable for DHEP (Degree Holder Entry Programme) probationers.
- Commercial and Finance Services – the forecast position is an under spend totalling £0.3m, this is due to underspends within Estates & Facilities (£0.6m) and Insurance Services (£0.2m) due to utilities and insurance premiums being less than expected offset by an overspend within Central Corporate which holds the precept/uplift funding pending transfer.

5. Precept & Uplift Investment

5.1. The precept & uplift investment approved for 2021/22 allowed for the increase in police officers and police staff, the following tables represent the forecast position against the Op Uplift and precept investment.

Op Uplift Precept Investment 2021/22	Investment provided	Forecast At 31/3/22	Variance M4
Employee Group	£m	£	£
Police Officers – Uplift growth	4.1	4.1	0.0
Police Officers – Precept growth	0.5	0.5	0.0
Police Staff – Precept growth	2.6	2.0	(0.6)
Non Pay	0.9	0.9	0.0
Associated Costs	0.8	0.8	0.0
Total	9.0	8.3	(0.6)

*Note the police officer figure represents the May & July intake and Uplift target will be met first, followed by precept, the next intake of 24 in August.

Op Uplift Precept Investment 2021/22	Year to Date M4	Investment provided	Forecast At 31/3/22
Employee Group	FTE	FTE	FTE
Police Officers – Uplift growth *	36.0	72.4	72.4
Police Officers – Precept growth		10.0	10.0
Police Staff – Precept growth	22.0	67.0	67.0
Total	58.0	149.4	149.4

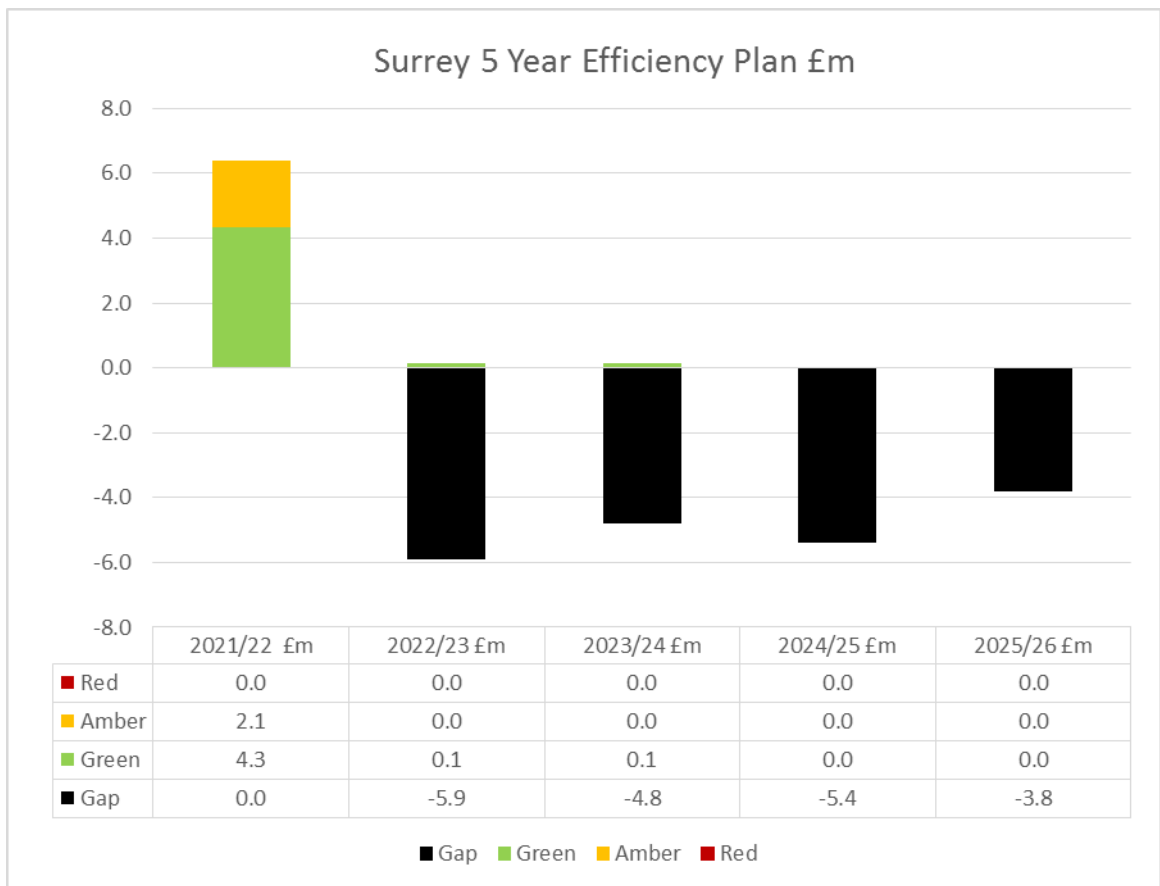
5.2. There is a part year underspend due to timing of recruitment of the police staff, police officers are part of the Force position with non-pay and associated costs are forecast to budget and work continues to assess and scrutinise the specific requirements.

6. Savings Performance

6.1. The 2021-22 savings have been identified and are being tracked and removed from the budget. There is an overall shortfall in 2021/22 savings totalling £30k which have yet to be identified. A summary of the 5 year savings schedule is shown in the table below and a breakdown of the saving initiatives are shown in Appendix B.

6.2. Savings within DDaT have been removed from the budget however are raised as a risk as the permanent saves are still being identified.

6.3. The latest financial figures for the Building the Future project (if approved) would add an additional £6.0m to the savings requirement over the 4-year period.



7. Financial Provisions and Reserves Transfers

7.1. A summary of movement between provisions and reserves are shown below.

	Balance at 31 March 2021 £'000	Transfers In 2020-21 £'000	Transfers Out 2019-20 £'000	Balance at 30 July 2021 £'000
Provisions:				
Restructuring Provision	(109)	0	0	(109)
Legal Claims Provision	(2,931)	0	0	(2,886)
Total Provisions	(3,040)	0	0	(2,995)

	Balance at 31 March 2021 £'000	Transfers In £'000	Transfers Out £'000	Balance at 30 July 2021 £'000
General Fund				
General Fund	(7,257)	(377)	0	(7,634)
Chief Constable Reserve	(1,071)	0	0	(1,071)
Earmarked Reserves:				
OPCC Operational Reserve	(1,150)	0	0	(1,150)
PCC Estate Strategy Reserve	(3,200)	0	0	(3,200)
Cost of Change Reserve	(2,651)	0	0	(2,651)
Ill Health/Injury Reserve	(1,060)	0	82	(978)
Covid19 Reserve	(1,751)	0	0	(1,751)
Insurance Reserve	(1,625)	(80)	188	(1,517)
Total Reserves	(19,764)	(457)	270	(19,951)

8. Treasury Management

8.1. At the end of July £36.4m 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 the end of July the reserve balance was £1.1m.

9.2. In-year POCA receipts cover the cost of the Asset Seizure team. Income is received quarterly, all income for 2020-21 has now been received. Quarter 1 is outstanding for 2021-22.

10. Capital & Investments

10.1. The overall capital & investment position is summarised below and detailed at Appendix D.

10.2. The total forecast spend for the year is £23.6m and the total budget for the year is £27.0m, therefore there is an estimated underspend of (£3,4m), the main variance is due to Provisioning departments reconsidering projects such as Building the Future.

Capital Summary	2021/22 Total Budget £000	2021/22 Forecast £000	Forecast Variance £000
ICT Strategy	4,721	4,770	49
Equip	-	-	-
Commercial and Finance Services	6,851	5,473	(1,378)
Specialist Crime	1,624	1,624	-
Operations	892	1,301	409
Corporate Services	12,532	9,973	(2,559)
Local Policing	438	484	46
Total	27,060	23,626	(3,434)

10.3. The capital budget for 2021/22 was approved by the PCC in February 2021 totalling £19.3m, with an additional £6.7m capital slippage from 2020/21 and SEROCU deferred contribution of £1.0m, therefore resulting in a total capital programme of £27.0m.

10.4. 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 2020/21) as set out in the table below.

ICT Variance

The main projects affecting the estimated overspend of £49k for ICT are Azure migration £80.8k as the part of 365 Project spend was required from the Azure migration budget, Telephony's overspend of £25k due to no enough budget allocated this year and IDAM's overspend of £37.2k due to 365 project spend being funded by the IDAM project last financial year. There is an estimated underspend of (£91K) for Planned Server Replacement offsetting the aforementioned overspend.

Commercial and Finance Services Variance

The estimated underspend of (£1,378k) is mainly due to the 50m Firing range project and Niche Evidence property project as both projects are being reconsidered.

Specialist Crime

£61k budget has been added to the budget for POLIT workstation in M4, therefore no variance to report.

Operations

The estimated overspend of £409k is mainly due to an estimated overspend of £541k in SCP Investment projects (camera partnership) and an estimated underspend of (£116k) is mainly due to discussions for items to be purchased have not taken place yet.

Corporate Services (Surrey)

The estimated underspend of (£2,559k) is mainly due to the projects being reconsidered so no forecast for this period (£1,780k) budget for the BTF Dog School and (£780k) budget for the BTF Cost of Disposals.

Local Policing

The estimated overspend of £46k is due to additional consultancy and an estimated overspend in Queue Buster 101.

Movements to be approved

The following capital slippages to 2022/23 are requested:

P84004 50m Firing Range	£3,000,000 (Joint Project)
P81017 DEMS/DAMS	£243,293 (Joint Project)

10.5. 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	Financing YTD Actual £m	Financing Budget £m	Financing Forecast £m	Forecast %
Home Office Capital Grant	0.1	0.2	0.2	0.0
Other Grants and Income	0.0	0.0	0.0	0.0
Capital Receipts	0.0	4.3	4.8	0.2
Revenue Funding	2.8	2.8	2.8	0.1
*Borrowing	0.0	19.2	15.2	0.7
Resources Carried Forward	0.0	0.0	0.0	0.0
Total	2.9	27.0	23.0	100%

11. Risks

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

Risk	Mitigation/Update	Owner
COVID19	Op Apollo Gold Group was set up last year in light of the COVID19 Pandemic. The Pandemic is having an impact on operational resources as well as financial resources which are being regularly monitored to understand the level of spend and how this will be funded.	Gold Commander, Op Apollo
ICT Savings	ICT have a savings target for 2021/22 totalling £0.4m, this has been removed from the budget however the total amount of savings are yet to be identified.	CIO-Anthony Croxford
Capital Receipts	The capital programme is funded from several sources one of which is the planned capital receipts, due to the current pandemic and a review of the estate strategy the achievement of capital receipts is greatly reduced, requiring additional borrowing or a reduction to the capital plan.	CFO Peter Gillett
ERP Programme	The ERP programme is going through a comprehensive review which will focus on the future options for the project including any financial implications. It is clear that there will be a financial impact on the current and future year's spending plans for both capital and revenue although the extent of the financial consequences are difficult to estimate.	ACO – Clare Simkin
Physical Forensics Out-sourcing Fees	An increase in submissions and an increase in intoximeter testing is causing a budget overspend of c£681k across both Surrey and Sussex. This is likely to be a permanent cost pressure and may	ACC Fiona MacPherson

	require either an increase in budget or change in policy around managing submissions in the future.	
Integrating SB into the CT Policing Network	A drive to move regional CT capabilities into a nationally funded network by April 2022 is in place which will see the current main funding top sliced and added to CT grant funding. Depending on the calculation agreed on this has the potential to create a cost pressure if the revised figure equates to less than the current budgeted provision.	ACC Fiona MacPherson
Digital Forensics Out-sourcing Fees	DFT has historically struggled to retain staff and so relies heavily on out-sourcing to maintain the capability, generating a forecasted overspend of c£101k. Though the cost of this is being managed though staff underspends there is a pinch point when new staff are recruited as they are being paid but not yet fully trained thus both pay & out-sourcing costs will be incurred at the same time.	ACC Fiona MacPherson
Joint Transport	There is currently a national issue with BMW's which involves having to remove them from Fleet and to look for replacements. There are no estimation of costs at this time.	Executive Director of Commercial and Financial Services Peter Gillett

Appendix A



Surrey Corporate Report

Jul-21	Year to Date	Full Year		
	Actual	Forecast	Budget	Variance

Portfolio				
Local Policing	13,882,106	40,941,609	39,292,302	1,649,307
Operations	2,971,041	4,762,694	4,892,078	(129,384)
Specialist Crime	6,764,132	19,103,175	21,001,021	(1,897,846)
Corporate Services Sussex	551,319	1,870,466	1,720,619	149,847
Corporate Services Surrey	2,640,547	8,406,219	7,348,904	1,057,315
Information & Communication Technology	9,065,986	18,344,361	18,227,285	117,076
People Services	2,437,784	7,452,641	8,270,732	(818,091)
Equip	507,614	1,026,277	796,222	230,055
Commercial and Finance Services	429,078	31,063,444	31,317,160	(253,716)
<i>Non-Delegated</i>	<i>47,687,373</i>	<i>126,181,566</i>	<i>126,705,691</i>	<i>(524,125)</i>
Operational Policing Total	86,936,980	259,152,452	259,572,014	(419,562)
PCC for Surrey Police	1,204,375	2,196,801	2,153,981	42,820
Total Police Fund	88,141,355	261,349,253	261,725,995	(376,742)
Funding	(98,701,309)	(261,725,995)	(261,725,995)	0
Grand Total	(10,559,954)	(376,741)	-	(376,741)

Cost Type				
Police Officer Pay	47,687,373	126,181,566	126,705,691	(524,125)
Police Officer Overtime	1,868,594	5,878,145	4,875,095	1,003,050
Police Staff Pay	25,734,271	79,093,748	79,076,819	16,929
Police Staff Overtime	430,303	1,341,308	1,159,544	181,764
PO Injury, Ill Health & Death Pensions	884,193	2,322,727	2,322,727	-
Other Employee Expenses	603,223	2,088,279	2,015,499	72,780
Temporary or Agency Staff	435,754	667,120	528,287	138,833
Restructure, Training & Conference Costs	761,476	2,129,119	2,751,388	(622,269)
Premises Related Expenditure	4,420,868	11,402,332	11,803,711	(401,379)
Transport Related Expenditure	1,408,193	5,462,187	5,336,216	125,971
Supplies & Services	11,640,248	30,577,495	28,311,673	2,265,822
Third Party Payments	2,290,524	3,827,449	4,027,685	(200,236)
Capital financing and contributions	(65,053)	6,177,242	6,179,565	(2,323)
Transfers to Revenue and Capital Reserves	180,172	180,172	-	180,172
Reconciling Man. Accs & Stat. Financial Reporting.	(223,013)	(223,013)	-	(223,013)
Grants & Income	(9,915,771)	(15,756,622)	(13,367,905)	(2,388,717)
Sub Total	88,141,355	261,349,253	261,725,995	(376,742)
Funding	(98,701,309)	(261,725,995)	(261,725,995)	0
Grand Total	(10,559,954)	(376,741)	-	(376,741)

Appendix B

2021/22 Savings

2021/22 Savings Tracker	Department	Surrey Savings Budget £'000	Surrey latest tracking £'000	Variance £'000
GREEN				
Technical Adjustments				
Remove additional provision for overtime (double counting)	Held Centrally			0
Borrow to fund capital investment	SX OPCC / SY Held centrally	2,600	2,600	-
Technical Adjustments		2,600	2,600	
Departmental Savings already underway				
Reduction in Fleet Size - reduction in servicing costs	JTS	111	111	-
Telematics savings in servicing and fuel costs	JTS	-	102	102
Reduction in Force Insurance Contract	Insurance	817	359	(458)
Temporary use of Insurance Reserve	Insurance		458	458
IS Procurement Savings	DDaT	158	158	-
Review ICT Systems	DDaT	200	200	-
Remove Landlines to reduce telephony costs	DDaT	45	45	-
Centralised Property Stores	Estates & Facilities	-	-	-
Review Police Property Act Income	Estates & Facilities	16	16	-
Reduction in Storage Costs	Estates & Facilities	235	235	-
Reduction in Property Claims from Warrants	Commercial & Financial Services	20		(20)
Custody Health Care Provision	Local Policing		60	60
Coroners Office - transfer of financial cost to SCC	Specialist Crime	127	127	-
Total Potential Departmental Savings		1,729	1,871	142
Additional Savings on Estates	Estates & Facilities			-
Additional Savings on Finance	Commercial & Finance Services	0		-
Savings already underway		1,729	1,871	142
Do not enter into planned Police Now Contract	People Services			0
Replace 4 police staff in Public Protection with officers	Public Protection			0
Early Decisions		-	-	-
Total Green		4,329	4,471	142
AMBER				
Tighter Budget Limits				
Budget Holders to absorb non-pay inflation	Force-wide	450	450	-
Set overtime reduction target of 5%	Force-wide	-	132	132
Reduce Agency Staff Budget by 10%	Force-wide	63	9	(54)
Reduce Consultancy Budget by 10%	Force-wide	269	19	(250)
Utility Saves	Estates & Facilities	22	22	-
Tighter Budget Limits		804	632	(172)
Implement Tight Vacancy Control	Force-wide	1,250	1,250	0
Temporary Budget set aside for 2020/21 overspend	Held Centrally			
Adjust Police Officer Recruitment Profile	Force-wide	-		0
Total AMBER		2,054	1,882	(172)
TOTAL SAVES		6,383	6,353	(30)

Appendix C

Overtime by Division/Department



Jul-21

Surrey Police Overtime Report

	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-21	Mar-22	Forecast	Budget	Variance	% Variance
Police Officer Overtime																
Department																
West Surrey	21	119	109	47	36	78	36	36	36	288	36	60	903	896	7	1%
East Surrey	20	119	118	60	42	117	42	42	42	222	117	71	1,016	917	99	11%
North Surrey	19	102	96	53	35	105	35	35	35	175	105	59	853	763	91	12%
Specialist Crime	11	83	62	50	59	62	59	59	59	59	77	59	697	503	193	38%
Operations - Local	6	32	24	17	22	24	22	22	22	33	22	41	287	261	26	10%
Operations Command Joint	29	72	57	52	43	43	43	43	43	43	43	43	556	694	(138)	(20)%
CJ & Custody	0	13	13	4	2	15	2	2	2	33	13	3	103	92	11	12%
Contact	(1)	11	14	62	3	6	3	3	3	22	3	4	131	67	64	96%
Professional Standards	1	0	2	1	2	2	2	2	2	3	2	3	24	15	9	61%
Op Apollo	(17)	145	65	36	71	2	2	2	2	2	-	-	310		310	-
Force Level Operations	(1)	6	18	85	82	82	82	82	82	82	82	82	760	477	283	59%
Chief Officers	0	0	0	0	1	1	1	1	1	1	1	1	8	10	(2)	(20)%
ICT	2	(1)	0	0	0	0	0	0	0	0	0	0	3	2	1	55%
Change Delivery														(0)	0	(100)%
Commercial and Finance Services										0	0	0	118	118	-	-
People Services	6	8	8	8	9	9	9	9	9	11	9	9	103	54	49	89%
Total	95	711	585	477	406	547	338	338	338	974	510	554	5,873	4,869	1,004	21%



Jul-21

Surrey Police Overtime Report

	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-21	Mar-22	Forecast	Budget	Variance	% Variance
Police Staff Overtime																
Department																
West Surrey	1	7	6	5	4	4	4	4	4	4	4	6	49	43	6	14%
East Surrey	1	4	3	3	3	3	3	3	3	3	3	5	38	38	1	2%
North Surrey	1	8	7	5	4	4	4	4	4	4	4	7	55	47	8	16%
Specialist Crime	5	29	25	21	24	25	24	24	24	24	28	24	276	225	51	23%
Operations - Local		8	4	2	2	2	2	2	2	2	2	3	31	16	16	103%
Operations Command Joint	1	4	4	5	3	3	3	3	3	3	3	3	42	20	22	105%
CJ & Custody	4	12	8	6	7	7	7	7	7	7	7	12	92	103	(11)	(11)%
Contact	1	53	54	22	42	42	42	42	42	42	42	71	496	508	(11)	(2)%
Professional Standards	0	1	2	1	2	2	2	2	2	3	2	3	23	17	7	41%
Op Apollo	3	11	18	14	(40)	1	1	1	1	1	-	-	8		8	-
Force Level Operations	0	-	-	1	0	0	0	0	0	0	0	0	4	20	(16)	(82)%
Chief Officers		0	0	-	-	-	-	-	-	-	-	-	0		0	-
Service Quality	1	2	4	2	6	6	6	6	6	6	6	6	54	39	15	38%
CCD	0	1	0	3	-	-	-	-	-	-	-	-	4		4	-
Building the Future	0	0	-	-	-	-	-	-	-	-	-	-	0		0	-
ICT	1	8	3	3	2	3	3	3	3	3	3	13	46	22	24	112%
Change Delivery					0	0	0	0	0	0	0	0	3	3	0	0%
Commercial and Finance Services	0	11	10	9	9	9	9	9	9	9	9	9	98	38	60	160%
People Services	2	1	1	1	2	2	2	2	2	2	2	2	18	21	(3)	(13)%
Total	19	159	150	102	70	113	112	112	112	112	115	164	1,339	1,158	181	16%

Appendix E

Capital Budget Position at 31st July 2021

Projects by Portfolio Jul-21	Year to Date			Full Year		
	Actual	Budget	Variance	Forecast	Budget	Variance
ICT						
P61003 - IL4 Remediation		55,606	(55,606)	166,827	166,827	-
P61022 - Hardware Refresh Local	235,850	108,605	127,245	325,821	325,821	-
P69004 - Niche	233,640	77,844	155,796	233,640	233,640	-
P62005 - ESN-Devices		275,308	(275,308)	825,927	825,927	-
P81002 - Windows 10	4,187	7,833	(3,646)	23,504	23,505	(1)
P81001 - Hardware Refresh	89,473	227,108	(137,635)	693,953	681,600	12,353
P81035 - Azure Migration	133,340	17,520	115,820	133,340	52,568	80,772
P81037 - MMD Device		124,960	(124,960)	374,880	374,880	-
P81014 - IDAM	1,541	(11,892)	13,433	1,541	(35,680)	37,221
P81013 - Firewall and Security Devices	13,882	150,759	(136,877)	452,454	452,454	0
P81005 - Infrastructure & Networks	251,860	160,417	91,443	465,320	481,254	(15,934)
P81004 - Telephony	25,186		25,186	25,186		25,186
P81011 - Planned Server Replacement		30,292	(30,292)		90,880	(90,880)
P81016 - Network Monitoring Tool		67,090	(67,090)	201,297	201,296	1
P81038 - EMM Replacement		52,992	(52,992)	159,040	159,040	-
P81039 - DFT Refresh		30,280	(30,280)	90,880	90,880	-
P81040 - vRealise Operations		10,596	(10,596)	31,808	31,808	-
P81041 - Service Management Platform		60,560	(60,560)	181,760	181,760	-
P81042 - Unified Comms		45,420	(45,420)	136,320	136,320	-
P81017 - DEMS / DAMS		36,848	(36,848)	110,552	110,552	0
P81019 - Mobile Data Terminals - Refresh	50,275	45,334	4,941	136,006	136,006	0
ICT Total	1,039,234	1,573,480	(534,246)	4,770,057	4,721,338	48,719
Equip						
Commercial and Finance Services						
P66002 - Vehicle Telemetry		(8)	8	-	-	-
P69005 - 50m Firing Range		(180)	180	-	-	-
P66001 - Vehicles & Equipment	1,098,576	1,059,206	39,370	3,178,963	3,178,963	-
P66005 - Vehicle Telematics & ANPR	42,158	177,417	(135,259)	532,363	532,363	-
P63004 - Former Section House Scheme		100,732	(100,732)	302,237	302,237	-
P63005 - Estates' Strategy - Environmental	(26,800)	9,852	(36,652)	29,564	29,564	-
P63006 - Estates' Strategy - Custody Compliance	586,991	208,064	378,927	624,196	624,196	-
P69006 - Caterham Roof Replacement		30,000	(30,000)	783,000	783,000	-
P84003 - Niche Evidential Property		17,048	(17,048)	22,720	51,144	(28,424)
P84004 - 50m Firing Range		450,000	(450,000)		1,350,000	(1,350,000)
Commercial and Finance Services Total	1,700,924	2,052,131	(351,207)	5,473,043	6,851,467	(1,378,424)
Specialist Crime						
P64002 - DFT Transformation Surrey	5,173	62,102	(56,930)	186,310	186,310	-
P69002 - SEROCU Western Hub - Surrey		331,000	(331,000)	1,376,950	1,376,950	-
P64001 - POLIT Workstations			-	61,000	61,000	-
Specialist Crime Total	5,173	393,102	(387,930)	1,624,260	1,624,260	-
Operations						
P60003 - SCP Investments	(21,164)	58,332	(79,496)	715,992	175,000	540,992
P69003 - ANPR	5,485	99,960	(94,475)	280,495	300,000	(19,505)
P80002 - Taser Uplift		11,656	(11,656)	32,075	34,989	(2,914)
P80003 - Operations Command Equipment	1,911	110,276	(108,365)	214,482	330,928	(116,446)
P80004 - Drone Replacement		17,020	(17,020)	57,928	51,086	6,842
Operations Total	(13,768)	297,244	(311,012)	1,300,972	892,003	408,969
Police Transformation Fund						
Corporate Services (Sussex)						
Corporate Services (Surrey)						
P61001 - Agile Hardware		144,517	(144,517)	433,557	433,557	-
P63009 - Agile Working Developments	17,182	464,106	(446,924)	1,393,222	1,392,322	900
P63001 - Building the Future (Capital)	1,029,803	2,714,360	(1,684,557)	8,146,221	8,146,221	-
P69007 - BTF Dog School		593,096	(593,096)		1,780,000	(1,780,000)
P69008 - BTF Cost of Disposal		259,896	(259,896)		780,000	(780,000)
Corporate Services (Surrey) Total	1,046,985	4,175,975	(3,128,990)	9,973,000	12,532,100	(2,559,100)
Local Policing						
P62007 - Queue Buster 101	4,813		4,813	4,813		4,813
P62009 - Storm	189,616	146,124	43,492	479,676	438,376	41,300
Local Policing Total	194,428	146,124	48,304	484,489	438,376	46,113
Neighbourhood Policing						
Sussex PCC						
Projects Total	3,977,176	8,638,056	(4,660,880)	23,625,820	27,059,544	(3,433,724)

Appendix F

Virements

Between £0.1m and £0.5m

Month	Amount £'000	Perm/ Temp	From	To	Description
M4	£353	Perm	Commercial & Finance Services	Corp Service Surrey	Staff Officer post w within Chief Exec Office Op Heather cessation - realign budget
M4	£249	Perm	Commercial & Finance Services	Specialist Crime	Uplift OET Historic Enquiries 2 x DC Uplift & Precept Op Centurion

Greater than £0.5m

Month	Amount £'000	Perm/ Temp	From	To	Description
M4	£1,632	Perm	Commercial & Finance Services	Local Policing	Uplift Custody Training PS Uplift Division NPT DS x 9 and PC x 9 Uplift Div Pro-Active Team x 6 PC Uplift FIM Insp x 2
M4	£662	Perm	Commercial & Finance Services	Operations Protective Services	Uplift Precept Fatal F Team

Capital Virements

Month	Amount £'000	Perm/Temp	From	Description
M4	61	Temp	Specialist Crime	POLIT workstations

Appendix G

Breakdown Agency & Restructuring Costs by portfolio at 31st July 2021

Account	Cost_Centre	Forecast	Budget	Variance
Temporary or Agency Staff	100401_100703 - People Services	31,403	3,855	27,548
	100406_100704 - Operations Protective Services	22,459	22,000	459
	100407_100707 - Specialist Crime	148,407	239,268	(90,861)
	100408_100709 - Commercial and Finance Services	53,940	8,665	45,275
	100409_100710 - ICT	130,627	74,102	56,525
	100702 - Corporate Services Surrey	(2,431)		(2,431)
	100410_100708 - Equip	127,218	180,397	(53,180)
	100701 - Local Policing	155,498		155,498
Temporary or Agency Staff Total		667,120	528,287	138,833
Redundancy	100401_100703 - People Services	44,194	12,836	31,358
	100406_100704 - Operations Protective Services	599		599
	100408_100709 - Commercial and Finance Services	51,422		51,422
	100410_100708 - Equip	43,542		43,542
	100701 - Local Policing	875		875
Redundancy Total		140,631	12,836	127,795

Appendix H

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

FTE – Full-time equivalent

DFT – Digital Forensic Team

DHEP – Degree Holder Entry Programme

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

PEQF – Policing Education Qualification Programme

PNC/PND – Police National Computer/Police National Database

SEROCU – South East Regional Organised Crime Unit

NPT – Neighbourhood Policing Team