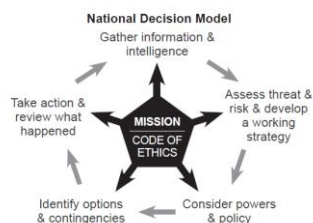




## Surrey Capital Programme

<b>Required for:</b>	<i>PCC Performance Meeting February 2020</i>
<b>Security Classification:</b>	<b>Official</b>
<b>Handling information if required:</b>	
<b>Suitable for publication:</b>	<i>Yes</i>
<b>Title:</b>	Surrey Capital Programme
<b>Version:</b>	1
<b>Purpose:</b>	To update the PCC on the current capital programme and future capital plan
<b>ACPO / Strategic Lead:</b>	Pete Gillett Director of Finance
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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. Purpose

1.1. The purpose of this paper is to provide an update on the current Capital Programme at the 30<sup>th</sup> November 2019 and to present the draft capital budget for 2020/21.

## 2. Summary

2.1. The capital budget, including schemes carried forward from 2018/19, totals £20.6m. Against this the Force is forecasting an outturn position of £20.3m resulting in an underspend totalling £0.3m.

2.2. The future capital programme is currently being updated for the PCC to approve, as part of the budget setting process. The current draft proposal is to request £10.5m to be allocated for 2020/21.

## 3. Recommendations

3.1. The PCC is asked to note the content of this report.

## 4. Current Capital Programme

4.1. 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 £20.6m (£28.8m over 2 years).

	Original Budget	Budget Slippage from 2018/19	Budget Virements	Revenue Contributions	Revised Budget	Total Budget for 2020/21	Revised 2 Year Budget
ICT Infrastructure Renewal/Business Continuity	1,080	0	0	0	1,080	0	1,080
Specific ICT Capital Schemes	3,666	317	0	0	3,983	2,245	6,228
Fleet Annual Replacement Schemes	3,841	(261)	0	218	3,798	0	3,798
Specific Capital Schemes - Operations	176	940	0	4	1,120	0	1,120
Specific Capital Schemes - Local Policing	3,155	66	0	0	3,221	345	3,566
Specific Capital Schemes - Specialist Crime	320	112	1,254	0	1,686	0	1,686
Specific Capital Schemes - Estate Strategy	10,530	636	(5,530)	145	5,781	5,530	11,311
	<b>22,768</b>	<b>1,810</b>	<b>(4,276)</b>	<b>367</b>	<b>20,669</b>	<b>8,120</b>	<b>28,789</b>

4.2. Against the budget allocated for 2019/20 the annual forecast spend is £20.3m, resulting in a reported underspend of £0.3m, this is summarised below with further detail in Appendix A.

	Year to Date			Forecast		
	Actual	Budget	Variation Overspend / (Underspend)	Forecast	Annual Budget	Variation Overspend / (Underspend)
	£'000	£'000	£'000	£'000	£'000	£'000
ICT	265	3,375	(3,110)	5063	5063	0
Fleet Annual Replacement Schemes	2,100	2,605	(505)	4,014	3,798	216
Specific Capital Schemes - Operations	153	748	(595)	1,537	1,119	418
Specific Capital Schemes - Local Policing	243	2,428	(2,185)	3,216	3,221	(5)
Specific Capital Schemes - Specialist Crime	1,232	1,254	(22)	1,586	1,687	(101)
<b>Total: Core Capital Programme</b>	<b>3,993</b>	<b>10,410</b>	<b>(6,417)</b>	<b>15,416</b>	<b>14,888</b>	<b>528</b>
Specific Capital Schemes - Estate Strategy	497	3,902	(3,405)	4,867	5,781	(914)
<b>Overall Total:</b>	<b>4,490</b>	<b>14,312</b>	<b>(9,822)</b>	<b>20,283</b>	<b>20,669</b>	<b>(386)</b>

4.3. The significant capital projects are ICT and Fleet replacement schemes, Building the Future, Agile Working and Storm-Surrey Contact Centre, a schedule showing a description of each scheme is provided at Appendix B.

4.4. Capital expenditure is financed from grants received from the Home Office and 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	Total Financing £m	%
Home Office Capital Grant	0.626	3%
Other Grants and Income	0.000	0%
Capital Receipts	7.275	35%
Revenue Funding	3.889	19%
Borrowing	8.878	43%
Total	20.669	100%

## 5. Draft 2020/21 Capital Programme

5.1. The future capital programme is currently being updated for the PCC to approve as part of the budget setting process in February 2020. The draft summary position is shown below, with the full programme shown in Appendix C.

Capital Programme Summary	Year 1	Year 2	Year 3	Year 4	Year 5
DESCRIPTION	2019/20 (including c/fwd)	2020/21	2021/22	2022/23	2023/24
	£'000's	£'000's	£'000's	£'000's	£'000's
ICT Renewals	3,309	2,234	1,795	1,795	1,795
ICT New Schemes	1,298	525	225	225	225
Business Led IT Projects	3,304	1,475	150	150	-
Fleet Replacement and Equipment	3,237	3,761	3,132	3,492	3,736
Estate Strategy	4,990	2,485	4,350	17,700	24,890
Equipment	910	0	-	-	-
<b>Total</b>	<b>17,048</b>	<b>10,480</b>	<b>9,652</b>	<b>23,362</b>	<b>30,646</b>

5.2. The Force is planning to reduce the overall size of the capital programme which is shown on the full programme in Appendix C. The aim of this is to reduce reliance on capital receipts and external borrowing, along with providing additional resources for the replacement of Airwaves radios.

5.3. The capital programme is funded from more than one source, including capital receipts, Government grant, reserves or revenue, there is no capacity to draw on the other sources. If capital receipts are delayed or lower than expected this impacts on the Force's ability to fund the programme.

5.4. The PCC has already committed to external borrowing for the Building the Future project which has an impact on revenue, the reduction in the overall size of the capital programme will minimise the requirement for additional external borrowing.

5.5. There is a critical risk from the delay in the introduction of the Airwaves radio replacement, Emergency Services Network ESN). As the delay extends, the current Airwave handsets are beginning to fail and Chief Officers have agreed to replace these old handsets with a new Airwave radio, which will require additional resourcing.

5.6. The significant projects are Estates, Fleet and ICT led, with many projects being IT related or having an IT dependency.

## 6. Decisions required

6.1. The PCC is asked to note the both the current Capital Programme for month 6 and the draft plan for 2020/21.

## Appendix A

### Capital Budget Position at 30 November 2019

Scheme	Chief Officer	Total 19-20 Budget (incl. Conts)	Actual Spend YTD Apr-19-Nov-19	Full Year Forecast	Forecast to Budget Variance	Total Budget for 2020/21	Total 2 Year Budget
<b>IT Renewal &amp; Upgrades</b>							
<b>End User Devices</b>							
Hardware Refresh Desktop & Laptops	CIO	810,000	16,069	810,000	0	621,000	1,431,000
Windows 10	CIO	986,000	6,345	986,000	0	0	986,000
Agile hardware (Estates)	CIO	300,000	0	300,000	0	300,000	600,000
<b>Infrastructure</b>							
Telephony	CIO	78,000	5,759	77,995	(5)	72,000	150,000
Office 365 Planning & Pre-implementation	CIO	0	0	0	0	371,000	371,000
Infrastructure & Networks	CIO	450,000	49,540	450,000	0	945,000	1,395,000
Datacentre Improvements	CIO	30,000	0	30,000	0	0	30,000
Planned Server Replacement	CIO	461,480	14,991	461,250	(230)	0	461,480
IL4 Remediation (Joint)	CIO	0	0	0	0	0	0
Firewall & Security Devices	CIO	1,000	1,121	1,121	121	0	1,000
IDAM	CIO	360,000		360,000	0		360,000
Airwave Upgrade	CIO	225,000		225,000	0		225,000
<b>Process</b>							
Network Monitoring Tool	CIO	200,000	0	200,475	475		200,000
<b>Digital</b>							
DEMS / DAMS	CIO	659,000	74,377	658,660	(340)	0	659,000
Body Worn Video Infrastructure	CIO	184,000	0	183,600	(400)	0	184,000
Mobile data Terminals - Refresh	CIO	108,000	96,468	108,000	0	0	108,000
Joint Intranet	CIO	55,000		55,000	0		55,000
IT Developments (unallocated)	CIO	155,241	0	155,241	0	(63,987)	91,254
<b>Sub-Total</b>		<b>5,062,721</b>	<b>264,669</b>	<b>5,062,342</b>	<b>(379)</b>	<b>2,245,013</b>	<b>7,307,734</b>
<b>Fleet Annual Replacement Schemes</b>							
Vehicle Replacement	CFO	2,296,800	1,701,899	2,558,381	261,581	0	2,296,800
Fleet Equipment	CFO	479,000	0	479,000	0	0	479,000
Vehicle Telemetry	CFO	632,565	398,152	782,485	149,920	0	632,565
Operations Command Equipment	CFO	390,000	0	195,000	(195,000)	0	390,000
<b>Sub-Total</b>		<b>3,798,365</b>	<b>2,100,051</b>	<b>4,014,866</b>	<b>216,501</b>	<b>0</b>	<b>3,798,365</b>
<b>Specific Capital Schemes - Estates Strategy</b>							
Building the Future	CFO	3,000,000	15,329	2,015,329	(984,671)	5,530,231	8,530,231
Divisional Estates' Strategy	CFO	145,150	147,814	147,814	2,664	0	145,150
Air Conditioning	CFO	200,000	0	200,000	0	0	200,000
Former Section House Scheme	CFO	300,000	94,839	350,534	50,534	0	300,000
Estates' Strategy - Environmental	CFO	121,520	4,318	121,520	(1)	0	121,520
Agile Working Developments	CFO	1,801,968	98,198	1,818,724	16,756	0	1,801,968
Electric Vehicle Infrastructure	CFO	5,993	0	5,993	0	0	5,993
Niche Evidential Property	CFO	206,338	136,795	206,843	505	0	206,338
<b>Sub-Total</b>		<b>5,780,969</b>	<b>497,293</b>	<b>4,866,757</b>	<b>(914,212)</b>	<b>5,530,231</b>	<b>11,311,200</b>
<b>Specific Capital Schemes - Operations</b>							
ANPR	ACC Op	206,379	125,985	206,379	(0)	0	206,379
Taser Replacement and Uplift	ACC Op	400,761	0	400,761	0	0	400,761
Drone Replacement	ACC Op	8,851	(4,916)	35,084	26,233	0	8,851
Camera Partnership	ACC Op	503,500	31,974	894,974	391,474	0	503,500
<b>Sub-Total</b>		<b>1,119,491</b>	<b>153,043</b>	<b>1,537,198</b>	<b>417,707</b>	<b>0</b>	<b>1,119,491</b>
<b>Specific Capital Schemes - Local Policing</b>							
ICCS	ACC Op	40,950	0	40,950	0	0	40,950
ESN- Hardware & Infrastructure	ACC Op	500,000	0	500,000	0	0	500,000
ESN-Devices	ACC Op	155,000	0	155,000	0	345,000	500,000
Queue Buster 101	ACC LP	24,855	27,147	27,147	2,292	0	24,855
Storm-Surrey Contact Centre	ACC LP	2,500,000	215,482	2,492,419	(7,581)	0	2,500,000
<b>Sub-Total</b>		<b>3,220,805</b>	<b>242,629</b>	<b>3,215,516</b>	<b>(5,289)</b>	<b>345,000</b>	<b>3,565,805</b>
<b>Specific Capital Schemes - Specialist Crime</b>							
HTCU & POLIT Infrastructure Remediation	ACC SC	20,000	72,761	19,279	(721)	0	20,000
Digital Forensics	ACC SC	337,020	0	337,020	0	0	337,020
Specialist Crime Capabilities Programme	ACC SC	75,203	4,916	75,203	0	0	75,203
SEROCU Western Hub	ACC SC	1,154,215	1,154,215	1,154,215	0	0	1,154,215
POLIT Workstations	ACC SC	100,000	0	0	(100,000)	0	100,000
<b>Sub-Total</b>		<b>1,686,438</b>	<b>1,231,892</b>	<b>1,585,717</b>	<b>(100,721)</b>	<b>0</b>	<b>1,686,438</b>
<b>Total Schemes</b>		<b>20,668,789</b>	<b>4,489,578</b>	<b>20,282,397</b>	<b>(386,392)</b>	<b>8,120,244</b>	<b>28,789,033</b>
Unallocated - Budget Only	CFO	0		0	0	287,085	287,085
<b>Overall Total</b>		<b>20,668,789</b>	<b>4,489,578</b>	<b>20,282,397</b>	<b>(386,392)</b>	<b>8,407,329</b>	<b>29,076,118</b>

## Appendix B Description of capital programmes

Scheme	Chief Officer	Description
<b>IT Renewal &amp; Upgrades</b>		
<b>End User Devices</b>		
Hardware Refresh Desktop & Laptops	CIO	Purchase of new / replacement Laptops, Desktops, Tablets, MDT's for new recruits and existing members of the workforce.
Windows 10	CIO	Surrey cost of implementation of Windows 10 throughout both forces.
Agile hardware (Estates)	CIO	IT costs relating to the agile working project in Estates.
<b>Infrastructure</b>		
Telephony	CIO	Improvements to the Telephony within the Forces, such as using Skype and associated systems.
Office 365 Planning & Pre-implementation	CIO	Surrey cost of implementation of Office 365 throughout both forces.
Infrastructure & Networks	CIO	Improvement of infrastructure and networks
Datacentre Improvements	CIO	Improvement of the datacentre.
Planned Server Replacement	CIO	Improvements and upgrades to existing servers as well as looking at implementing new and improved server systems in the future.
IL4 Remediation (Joint)	CIO	Linked to Firewall and security devices
Firewall & Security Devices	CIO	Costs associated with Small Sites, Bandwidth Upgrades, Programme Development Team, Security Services, Firewalls.
IDAM	CIO	Implementation of IDAM (Identity Access Management) in both forces in collaboration with TVP and Hampshire. Includes costs for Third space, Cyberiam (Sailpoint), Osirium. Cloud Services third party.
Airwave Upgrade	CIO	Improvements to the existing radio's for officers.
<b>Process</b>		
Network Monitoring Tool	CIO	Network monitoring and protection equipment such as SNOW, Infrastructure Monitoring, EPM, Service Desk Tool Set, Huntsman.
<b>Digital</b>		
DEMS / DAMS	CIO	Surrey cost of implementation of DEMS (Identity Access Management) in both forces in collaboration with TVP and Hampshire.
Body Worn Video Infrastructure	CIO	Implementation of Body Worn Video project in both forces.
Mobile data Terminals - Refresh	CIO	Development work for Mobile Data Terminals (MDT's) and associated devices.
Joint Intranet	CIO	Surrey share of associated costs for the implementation and development work for the Joint Intranet project for the two forces.
<b>Fleet Annual Replacement Schemes</b>		
Vehicle Replacement	CFO	Annual vehicle replacement scheme
Fleet Equipment	CFO	Replacement of equipment as part of vehicle replacement
Vehicle Telemetry	CFO	Equipment fitted to vehicles to record driver behaviour.
Operations Command Equipment	CFO	PSU vehicles for Operations Command
<b>Specific Capital Schemes - Estates Strategy</b>		
Building the Future	CFO	Project developing the new leatherhead HQ proving a modern, efficient and flexible work environment.
Divisional Estates' Strategy	CFO	Refurbishment of divisional sites.
Air Conditioning	CFO	To provide comfort cooling to major rest areas around divisions and at HQ.
Former Section House Scheme	CFO	To develop houses under the former section house scheme for rental
Estates' Strategy - Environmental	CFO	Schemes to improve environmental performance of our estates.
Agile Working Developments	CFO	To provide agile working areas in stations and HQ sites.
Electric Vehicle Infrastructure	CFO	Provision of charging points for electric vehicles.
Niche Evidential Property	CFO	Joint project with Sussex to provide a complete system for recording of seized and found property.
<b>Specific Capital Schemes - Operations</b>		
ANPR	ACC Op	Estate refurbishment and development of new sites
Taser Replacement and Uplift	ACC Op	Annual replacement programme and uplift in Taser carrying officers
Drone Replacement	ACC Op	Annual replacement and development programme
Camera Partnership	ACC Op	Asset replacement and capital investment programme
<b>Specific Capital Schemes - Local Policing</b>		
ICCS	ACC LP	Integrated Communication Control System
ESN- Hardware & Infrastructure	ACC LP	Emergency Service Network -Devices (redistributed to Airwave devices)
ESN-Devices	ACC LP	Emergency Service Network -Devices (redistributed to Airwave devices)
Queue Buster 101	ACC LP	Manage non-emergency calls more efficiently
Storm-Surrey Contact Centre	ACC LP	Storm - Surrey Contact Centre (replacement of ICAD)
<b>Specific Capital Schemes - Specialist Crime</b>		
HTCU & POLIT Infrastructure Remediation	ACC SC	As below
Digital Forensics	ACC SC	Funding for DFT Kiosks, workstations, a new Phone Lab and Android Grey Key (a phone unlocking device that will save divisions money). Potential surplus - currently with IT to ascertain if new server costs still required. If not then a balance of c£80k may be returned.
Specialist Crime Capabilities Programme	ACC SC	Remaining estates costs from closed programme
SEROCU Western Hub	ACC SC	PCC & CC agreed contribution to new SEROCU building
POLIT Workstations	ACC SC	Workstations for Paedophile Online Investigation Team (POLIT), purchase has stalled due to contract changes - potential slippage required

## Appendix C

Draft Capital Programme	Year 1	Year 2	Year 3	Year 4	Year 5
DESCRIPTION	2019/20 (including c/fwd)	2020/21	2021/22	2022/23	2023/24
	£'000's	£'000's	£'000's	£'000's	£'000's
<b>IT Renewal &amp; Upgrades</b>					
<b>End User Devices</b>					
- Hardware Refresh Desktop & Laptops	810	621	625	625	625
- Windows 10	986				
- Agile hardware (Estates)	300	300			
<b>Infrastructure</b>					
- Telephony	78	72			
- Office 365 Planning & Pre-implementation	-	371			
- Infrastructure & Networks	450	945	945	945	945
- Datacentre Improvements	30				
- Planned Server Replacement	461				
- IL4 Remediation (Joint)	-				
- Firewall & Security Devices	1				
- IDAM	360				
- Airwave Upgrade	225				
<b>Process</b>					
Network Monitoring Tool	200	225	225	225	225
<b>Digital</b>					
- DEMS / DAMS	659				
- Body Worn Video Infrastructure	184				
- Mobile data Terminals - Refresh	108	225	225	225	225
- Joint Intranet	55				
<b>- Reduction Required</b>	(300)				
<b>ICT Sub Total</b>	4,607	2,759	2,020	2,020	2,020
<b>Fleet Strategy</b>					
- Vehicle Replacement	2,280	2,927	2,927	3,287	3,587
- Vehicle Telemetry	333	460	54	54	54
- Automatic Number Plate Recognition		540	240	240	184
- Fleet Equipment	779	134	111	111	111
- Operations PSU uplift	195				
<b>- Reduction Required</b>	(350)	(300)	(200)	(200)	(200)
<b>Fleet Sub Total</b>	3,237	3,761	3,132	3,492	3,736
<b>Estate Strategy</b>					
- Building the Future	2,230	1,800	4,350	17,700	24,890
- Divisional Estates Strategy					
- Air Conditioning	200				
- Former Section House Scheme	300				
- Estates Strategy Environmental	122				
- Estates Strategy Guildford & Staines					
- Agile Working Developments	1,802	-			
- Electric Vehicle Infrastructure	6				

- Niche Evidential Property	206				
- Chertsey Gun Store Upgrade	200				
- Custody Centre Improvements		685			
- Reduction Required	(1,230)				
<b>Estate Strategy Sub Total</b>	<b>3,836</b>	<b>2,485</b>	<b>4,350</b>	<b>17,700</b>	<b>24,890</b>
<b>Specific Capital Schemes - Operations</b>					
- Automatic Number Plate Recognition (ANPR)	206	150	150	150	
- Taser Replacement & Uplift	401				
- Drone Replacement	9				
- Camera Partnership	500				
<b>Operations Sub Total</b>	<b>1,116</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>-</b>
<b>Specific Capital Schemes - Local Policing</b>					
- Integrated Communication Control System (ICCS)	41				
- ESN Devices - Airwave Handsets	-	1,325			
- Queue Buster 101	25				
- STORM	2,500				
<b>Local Policing Sub Total</b>	<b>2,566</b>	<b>1,325</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Specific Capital Schemes - Specialist Crime</b>					
- HTCUC & POLIT Infrastructure Remediation	20				
- Digital Forensics	337				
- Specialist Crime Capabilities Programme	75				
- SEROCU Western Hub	1,154				
- POLIT Workstations	100				
<b>Specialist Crime Sub Total</b>	<b>1,686</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Proposed Programme</b>	<b>17,048</b>	<b>10,480</b>	<b>9,652</b>	<b>23,362</b>	<b>30,646</b>