

For Decision	
Public	
Report to:	Strategic Resources & Performance Board
Date of Meeting:	3rdSeptember 2014
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Agenda Item:	12

Period 4 (End of July) Capital Monitoring and Forecast Report 2014-2015

1. Purpose of the Report

- 1.1 To provide information on the actual expenditure against the 2014-2015 Capital Programme to the end of July 2015. Information is also provided on the anticipated monthly profile of expenditure for the remainder of the year, and on any updates on the progress of schemes.

2. Recommendations

- 2.1 That the Period 4 forecast of £15.160m is approved for submission to the PCC for final approval.(Para 4.2)
- 2.2 That the virement between projects is approved. (Para 4.6)
- 2.3 That the savings to the programme of £0.722m (Para 4.5) are approved and schemes added to the programme are approved for submission to the PCC for final approval. (Para 4.2).
- 2.4 That cumulative expenditure to period 4 of £1.465m against the original budget of £15.598m is noted

3. Reasons for Recommendations

- 3.1 To provide an update on this major area of expenditure as required by Financial Regulations.

4. Summary of Key Points

- 4.1 There are four main areas to the Capital Programme:
- Estates Projects controlled by Tim Wendels, Head of Estates and Facilities Management.

- Information Services Projects controlled by Christi Carson, Head of Information Services.
- Other Projects - which have managers from across the Force or come under the control of the Commissioner.

4.2 The original budget for the year was £8.397m. Slippage from 2013/14 of £7.201m was approved by the PCC on 6th May 2014 giving a revised budget of £15.598m. All capital projects have been reviewed and the revised forecast is £15.160m after a general provision for slippage of £3.000m. This is detailed by scheme in Appendix 1 and the movements are in the table below.

	£m
Original Programme approved by the PCC	8.397
Slippage approved to be carried forward from 2013-2014	7.201
Original Budget	15.598
New schemes / additional costs approved by the Commissioner	
Additional Access Control Works	0.105
Full costs of Arrow Centre Conversion	0.696
Multi Force Shared Service set up costs	3.207
Regional contribution to relocation of EMSOU	0.273
Refurbishment work at Meadows/Riverside	0.025
Regional Schemes discontinued	-0.533
Net savings on Force schemes	-0.189
Slippage expected to be carried forward to 2015-2016	-1.022
Appendix 1 Forecast	18.160
Additional Slippage Risk	-3.000
Period 4 Forecast	15.160

4.3 Cumulative expenditure at Period 4 on all schemes was £1.565m. The cumulative expenditure is detailed by scheme in Appendix 1 and summarised in the following table:

	Budget for Year	Forecast Period 4	Actual spend P4	Budget Remaining
	£m	£m	£m	£m
Estates	5.861	5.623	0.591	5.031
I & S	8.588	7.908	0.860	7.049
Other	1.149	4.629	0.114	4.515
Total (Appendix 1)	15.598	18.160	1.565	16.595
Slippage		-3.000		-3.000
Forecast	15.598	15.160	1.565	13.595

4.4 Budget managers have identified schemes where expenditure of £1.022m is likely to slip into 2015-2016. More information is contained in the following table;

Slippage Analysis	£m	
Access Control Improvement Works	-0.305	Delayed due to confirmation of Estates review. This has now been completed and a works scheduled
Broxtowe Refurbishment	-0.200	Delays due to partnership issues
Bunkered fuel tank works	-0.100	Delays with the national contract
FHQ Ground floor & COT Offices	-0.150	Work not a priority in 2013/14
FHQ Gym & shower improvements	-0.050	Work not a priority in 2013/14
Modular build Selston Golf Course	-0.015	Work halted pending negotiations with Tin Hat Centre
Ollerton House demolition	-0.020	Potential sale
Shared Services	-0.182	Work not a priority in 2013/14
Total slippage anticipated	-1.022	Forecast Period 4

4.5 Net savings of £0.722m have accrued during the year

Scheme	Reason	£m
Regional ANPR Solution for the East Midlands	Changes in IS collaboration means scheme is unlikely to proceed	-0.100
Regional Desktop – Email	Changes in IS collaboration means scheme is unlikely to proceed	-0.075
Regional LAN Desk Merger development	Changes in IS collaboration means scheme is unlikely to proceed	-0.258
Regional Licensing Various Products	Changes in IS collaboration means scheme is unlikely to proceed	-0.100
Telephony Project	Savings on overall scheme	-0.147
Other net savings / additional cost under £0.050m		-0.042
		-0.722

- 4.6 Virements between schemes have been made from generic budgets for specific projects. The Biomass boiler has been formally approved by the Commissioner

Scheme	£m
Energy Initiatives	-0.480
Biomass boilers	0.480
Estates Review	-0.028
Bridewell Panic Alarm	0.001
Mansfield Woodhouse	0.027
Shared Services	-0.075
Bircotes Information Centre	0.075
Sundry minor & emergency works	-0.016
Rose Cottage	0.016

- 4.7 Within the IS Programme there are several projects on Mobile Data which are to be subsumed within Project Latitude, a regional project being led by ACC Torr. Any expenditure currently being made from these budgets is to keep current systems operational. These schemes are shaded on the Appendices and total £1.097m of expenditure still to be spent. This is currently all scheduled for spending in March but it is not possible to put any certainty on this at the current time. In addition a further £0.5m of spend for a mobile data platform is on hold because of problems with Capita, the preferred supplier. Again there is a high risk of slippage on this project if the issues are not quickly resolved.
- 4.8 Appendix 2 shows the profiling estimate of expenditure for the remainder of the year. Comments are attached where the profiling can not yet be forecast accurately and therefore there is a greater risk of slippage into 2015/16. As a result of the risk of a number of these projects slipping a £3m general project slippage provision has been included in the forecast. Most of the risk rests with IS projects but there is also a distinct possibility some of the FHQ estates initiatives will slip as priorities change.
- 4.9 The changes to the programme will impact upon financing decisions by the Commissioner. Some increases to the programme are supported by grants and contributions and hence the overall impact is less.

	2014-2015 Estimate £m	2014-2015 Forecast P4 £m
Capital Programme	8.397	11.981
Slippage from 2013-14	7.201	7.201
Slippage to 2014-2015		-1.022
General Slippage not specified to project		-3.000
Total	15.598	15.160

Financed by		
Capital Receipts	-0.800	-0.800
Capital Grants	-1.800	-1.889
Additional Contribution Arrow Centre		-0.989
Net Financing need	12.998	11.482

- 4.10 The above forecast does not currently include the capital impact of the successful innovation schemes awarded to the region in late July 2014. Detailed plans are still being agreed with the Home Office. As regional project lead Nottinghamshire were successful in being awarded 4 innovation grants totalling £4.9m. In most of the bids a force contribution is also required typically 50% and the bids are a mixture of capital & revenue. Further funding is also given but not guaranteed for 2015/16. Detailed plans are still being worked on and given the delay in announcing the successful bids it's possible some of the 2014/15 funding will be requested to be deferred into 2015/16. The innovation fund is unlikely to be received until May 2015 so the whole project will need funding by the Force. Estimated net capital spend for Notts Police based on the original bids will be circa £1.1m if the request to defer expenditure is not granted.

5. Financial Implications and Budget Provision

- 5.1 The financing of the Capital Programme has a direct effect on the future year's revenue costs both in terms of MRP charge and borrowing costs.

6. Human Resources Implications

- 6.1 None known.

7. Equality Implications

- 7.1 None known.

8. Risk Management

- 8.1 None known.

9. Policy Implications and links to the Police and Crime Plan Priorities

- 9.1 The Business Case approval for individual projects are linked to Police and Crime Plan Priorities.

10. Changes in Legislation or other Legal Considerations

- 10.1 Not Applicable

11. Details of outcome of consultation

11.1 Not Applicable

12. Appendices

12.1 Appendix 1 - Capital Forecast Period 4 2014-2015.
Appendix 2 - Capital Forecast Period 4 2014-2015 Profiling

Appendix 1 Capital Monitoring Period 4 2014-2015

	Original budget for year	Potential Slippage 2015/16	Revised budget for year	Virements Period 04	New Projects	Under(-) /Over spend	Forecast	Period 04 Actual spend	Period 04 Budget Remaining
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Estates Projects									
Access Control Improvement Works	420	-305	115		105		220	12	208
Arrow Centre Conversion	300		300		696		996		996
Biomass Boilers	0		0	480			480		480
Bircotes Information Centre	71		71	75			146	26	120
Bridewell Panic Alarm System	6		6	1			7	7	0
Bridewell Refurbishment	92		92				92		92
Broxtowe Refurbishment	239	-200	39				39		39
Bunkered Fuel Tank Works	225	-100	125				125		125
CCTV (Non Custody)	69		69				69	12	57
Central New Build	20		20				20		20
Custody Improvements	433		433				433	64	369
Demolition of Huts	137		137				137	35	102
Eastwood Police Station Replacement	20		20				20		20
Energy Initiatives	922		922	-480			442	96	346
Estates Review	61		61	-28			33	18	15
FHQ Accessible Improvements to OHU	15		15				15		15
FHQ Conference Facilities	350		350				350		350
FHQ Fire Protection - Telephony room	150		150				150		150
FHQ Flat roof	0		0				0		0
FHQ Gate House Replacement	35		35				35		35
FHQ Ground floor & COT offices	150	-150	0				0		0
FHQ Gym & shower improvements	50	-50	0				0		0
FHQ Kennels	617		617				617	6	611
FHQ Open Plan Offices	350		350				350	194	156
FHQ Re-surfacing of roads & car parking	200		200				200		200
FHQ Tanking to Property store	50		50				50		50
Flat Roofs Replacement	107		107				107	81	26
Mansfield PS Kitchen Improvements	75		75			-30	45		45
Mansfield Server Room	52		52				52	29	23
Mansfield Woodhouse	0		0	27			27		27
Meadows/Riverside					25		25		25
Modular Build Selston Golf Course	25	-15	10				10		10
New Shared Service at Robinson way	0		0				0		0
Ollerton House demolition	20	-20	0				0		0
Ollerton Police Station Refurbishment	33		33			-20	13		13
PCC Accomodation	1		1			5	6		6
R22 Air Con gas	0		0				0		0
Radford Rd Kitchen & rest room	50		50				50		50
Radford Rd Toilet & Tea point refurbishment	50		50				50		50
Retford Shared Service base	50		50				50		50
Rose Cottage	0		0	16			16		16
Shared Services	262	-182	80	-75			5	5	0
Southern Control Room Upgrade	4		4			2	6	6	0
Sundry minor & emergency works	150		150	-16			134		134
West Bridgford 1st floor refurbishment	0		0			1	1	1	0
	5,861	-1,022	4,839	0	826	-42	5,623	592	5,031

Appendix 1 Capital Monitoring Period 4 2014-2015

	Original budget for year	Potential Slippage 2015/16	Revised budget for year	Virements Period 04	New Projects	Under(-) /Over spend	Forecast	Period 04 Actual spend	Period 04 Budget Remaining
	£000	£000	£000	£000	£000	£000	£000	£000	£000
IS Projects									
Airwave Device Replacement	44		44				44	30	14
Command & Control Replacement	0		0				0		0
Compliance Monitoring Tool	66		66				66	45	21
Continued Essential Hardware Refresh	437		437				437	237	200
Crime Recording (CRMS) A & E	94		94				94	24	70
Criminal Justice	0		0				0		0
Desktop Virtualisation	300		300				300		300
Efinancials Upgrade	47		47				47	1	46
Enabling Change	450		450				450	70	380
Essential Hardware Refresh	0		0				0		0
Essential Infrastructure Upgrades	235		235				235	27	208
Exchange 2010	225		225				225	15	210
Federated Criminal Justice System	0		0				0		0
ICCS Replacement	0		0				0		0
Improvements to Digital Investigation Storage	600		600				600	8	592
Internet Access for All	250		250				250		250
Local Perimeter Security Enhancements	50		50				50		50
Local Printing Reduction	23		23				23	23	0
Memex Upgrade	20		20				20		20
Migrate to PSN	50		50				50		50
Mobile ANPR for Fleet	5		5				5	4	1
Mobile Data Changes and Enhancements	36		36				36		36
Mobile Data HO Pentip	41		41				41		41
Mobile Data Incident Update	150		150				150		150
Mobile Data Managed Crime & Risk Forms	93		93				93		93
Mobile Data Platform	500		500				500		500
Mobile Data Remote Working	841		841				841	23	818
Mobile Data Stop & Search	12		12				12		12
Mobile Date HO Crash	170		170				170		170
Mobile Device Pilot	130		130				130	19	111
Network Infrastructure Improvements	400		400				400		400
Private Cloud Expansion	120		120				120		120
Regional ANPR Solution for the East Midlands	100		100			-100	0		0
Regional Desktop - Email	75		75			-75	0		0
Regional LAN Desk Merger development	258		258			-258	0		0
Regional Licensing Various Products	100		100			-100	0		0
Regional Project Storage (DIR)	167		167				167	38	129
Replacement of Photocopiers	355		355				355	142	213
Ring of Steel ANPR Cameras	0		0				0		0
SourceOne Upgrade	35		35				35	3	32
SQL Server 2012	120		120				120		120
SSL Gateway - Increase Capacity	8		8				8		8
Storage Solutions	0		0				0		0
Telephony Project	1,431		1,431			-147	1,284		1,284
Upgrade Operational Support	15		15				15		15
Windows 7	535		535				535	150	385
	8,588	0	8,588	0	0	-680	7,908	859	7,049

Appendix 1 Capital Monitoring Period 4 2014-2015

	Original budget for year	Potential Slippage 2015/16	Revised budget for year	Virements Period 04	New Projects	Under(-) /Over spend	Forecast	Period 04 Actual spend	Period 04 Budget Remaining
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Other Projects									
Artemis Fleet Management	284		284				284	85	199
Body armour	50		50				50		50
Contract Management System	33		33				33		33
COT team vehicles	50		50				50	10	40
Evidence Storage - A & E	100		100				100		100
Firearms Cabinets & Access Storage	100		100				100		100
Non-driver slot vehicles	100		100				100	19	81
Safes & Ballistic Boxes	42		42				42		42
Crime Tracker	10		10				10		10
Northern Property Store Increased Storage	200		200				200		200
Share of Nottm City Council Forest Sport Zone	150		150				150		150
Equipment Contingency	30		30				30		30
Relocation of EMSOU	0		0		273		273		273
MFSS	0				3,207		3,207		3,207
	1,149	0	1,149	0	3,480	0	4,629	114	4,515
Total Approved Programme	15,598	-1,022	14,576	0	4,306	-722	18,160	1,565	16,595

