

DECISION RECORD

Number 010

This document records a decision taken by the Commissioner, together with details of the advice he received prior to taking the decision.

Decision taken

Revenue and Capital Outturn 2015-16

The Police and Crime Commissioner has taken a decision to:

- a. Approve the carry forward application from the Force totalling £0.697m
- b. The application of the reserves as detailed in the attached report
- c. Approve the revised Capital Programme totalling £60.169m


Date

10th August 2016

Details of advice taken

A report from the Acting Director for Resources dated 8th August 2016 "Revenue and Capital Outturn 2015-16 inc. Application of Reserves"(attached)

Steve Dainty
Acting Director for Resources
10th August 2016

Signed: .....
Stephen Mold – Police and Crime Commissioner

Date: 11-8-16



COMMUNITY JUSTICE SECURITY

Northamptonshire Police and Crime Commission

Supporting Report to the Police and Crime Commissioner

Date of Report	8 th August 2016
Subject	Revenue and Capital Outturn 2015-16 Inc. Application of Reserves
Report Author	Steve Dainty - Acting Director for Resources

1. Purpose of Report

1.1 The purpose of this report is to inform the Commissioner of the final revenue and capital out-turn position for 2015-16 and for the Commissioner to approve the application of the reserves 2015-16

2. Decision(s) Recommended:

2.1 That the Police and Crime Commissioner for Northamptonshire formally approves:

1. Carry forward application from the Force
2. The decision on the application of reserves
3. The revised Capital Programme totalling £60.169m

3. Relevant background / Chronology of Key Events:

REVENUE

- 3.1 The report to the Police and Crime Panel 5th July 2016 reported a provisional revenue outturn position of £117.86m against an approved budget of £119.98m which represented a £2.12m underspend (Force £1.693m and OPCC £0.427m).
- 3.2 Subsequent to this report, as a result of work undertaken on the closedown process, further adjustments to the accounts have been required. These are:
1. To reflect a late notification of an underspending on the regional innovation programme of £0.386m.

2. To remove an erroneous accrual of £1.767m from the 2014-15 Accounts for an advance payment of employee contributions to the Local Government Pension Scheme. This payment was never made.

The effect of these movements reduces the underspend in 2015-16 from £2.12m to £0.739m. However item 2 above will also increase the reported underspend in 2014-15 and consequentially increase the reserve balance brought forward as at 1st April 2015 by that amount.

- 3.3 An application has been received from the Force to carry forward budgets to 2016-17 for items originally programmed to be spent in 2015-16 but have slipped in to 2016-17. The proposals are listed below and will be carried forward via the carry forward reserve.

Carry Forward	Amount £,000
Vehicle and faster roads training	86
Niche	225
Regional Innovation Projects	386
TOTAL	697

- 3.4 Underspending by the OPCC is normally transferred to the OPCC carry forward reserve
- 3.5 The level of Reserves as at 31st March 2016 totals £16.110m. This differs from the level reported to the Police and Crime Panel, reflecting the movement in the underspend as detailed in para 3.2 above. The reserves include both the General Reserve, which provides the Commissioner with a degree of in year flexibility and provides for unforeseen circumstances and incidents, totals £4.404m. This represents 3.8% of net revenue expenditure and exceeds the level proposed in the Reserve Policy (between 2% and 3%) and is also on the high end of the range suggested by External Audit (between 3% and 4%). However it is considered that this level of general reserve is justified in the context of the climate of financial austerity, and the scale and pace of radical change which is required over the period to 2022
- 3.6 The balance £11.706m represents various earmarked reserves and includes the Initiative Fund, £2.941m, and the newly created Capital/Transformation Reserve, £3.010m.

CAPITAL

- 3.7 The approved Capital Programme totalled £52.253m with estimated payments in 2015-16 of £7.823m. The final out turn for 2015-16 was £7.024m with the slippage of £0.799m falling in later years.
- 3.8 Seven schemes have increased in costs, whilst six schemes decreased. The net effect of this has been to increase the value of the programme by £1.016m. Details of these can be found in the attached report.
- 3.9 Financing of up to £6.9m has also been approved by the former Commissioner for the Decant Plan from Wootton Hall, which will be funded from reserves.

3.10 Consequently the total cost of the capital programme has increased by £7.916m to £60.169m. This increase in costs will be funded mainly by the use of external contributions, capital receipts and reserves.

4. Consultation:

4.1 A formal report on the provisional outturn was taken to the Police and Crime Panel on the 5th July 2016.

5. Compliance Issues:

5.1 Is this a decision of 'significant public interest?'

5.1.1 No. The proposals contained herein are in line with previous approvals regarding the strategy of the revenue budget and capital programme

5.2 Is the recommended decision consistent with the priorities set out in the Northamptonshire Police and Crime Plan 2014/17?

5.2.1 This is a report on the expenditure of both the OPCC and Force, all of which are consistent to the whole of the Police and Crime Plan 2014/17

5.3 What are the financial and procurement implications of this decision?

5.3.1 Not applicable. All financial, best value and procurement implications are detailed above

5.4 Will further decisions be required?

5.4.1 No further decisions are required

5.5 Legal Implications

5.5.1 None

5.6 Risk Management

5.6.1 None

5.7 Has an Equality Impact Assessment been undertaken?

5.7.1 No

6. Evaluation of alternative option(s):

6.1 None applicable

7. List of background reports used to compile this report:

7.1 Police and Crime Panel report 5th July 2016 (attached)

8. List of appendices accompanying this report (if any):

- 8.1 Police and Crime Panel report 5th July 2016
- 8.2 Revised Capital Programme
- 8.3 Revised Reserves as at 31st March 2016

9. Approvals

Date

Has this report been approved by the author's line manager?
Name Line Manager Here

Yes

08/08/2016

Has this report been approved by the s. 151 officer?
Steve Dainty

Yes

08/08/2016

Has this report been approved by the Chief Executive?
John Neilson

Yes

08/08/2016

RESERVES 2015-16

	Carry Forward		General	Pensions	Transformation	Restructure	Initiatives Fund	Capital/Transfm	Specials/Volunteers	Other	TOTAL
	Force	OPCC									
Opening Balance - 1st April 2015	1,212	929	4,281	1,197	708	2,799	1,362	59	1,684	4,192	18,423
Adjustment to opening balance re 2014-15 LGPS creditor			1,767								1,767
Revised opening position 1st April 2015	1,212	929	6,048	1,197	708	2,799	1,362	59	1,684	4,192	20,190
Contributions 2015-16											
Contribution to General Balances			123								123
Child Protection						1,000					1,000
Transfers 2015-16											
Transformation Reserve					-708	0	708				0
Specials/Volunteers							1,684		-1,684		0
Restructuring Reserve						-2,500	2,500				0
Insurance							1,500			-1,500	0
PCC Reserve							22			-22	0
Copy Bureau Reserve							48			-48	0
Movement in Reserves 2015-16											
Special and Volunteers							-850				-850
Capital Spending funding 2015-16								-59			-59
Transfer to Capital/Transformation	-1,212					-299		1,711		-200	0
Temp Internal Borrowing Cap Prog							-4,289				-4,289
Initiatives Funding 2015-16							-744				-744
Under Spending 2015-16	697	427	-1,767	83				1,299			739
Closing Balance 31st March 2016	697	1,356	4,404	1,280	0	0	2,941	3,010	0	2,422	16,110

CAPITAL PROGRAMME 2015-16 TO 2019-20

PROJECT	TOTAL COST £000	PREVIOUS YEARS £000	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000
Transformation Investment							
Interoperability Programme	1,971	1,103	128	740			
Agile Working	4,032	417	55	2,560	500	500	
Demand Reduction	38	5	33				
21st Century Estate (NAH)	20,550	1,433	559	18,191	367		
Sharepoint	313		313				
Decant Plan	6,900			3,300	1,500	400	1,700
Other Force Projects							
Capital Programme Management	166	39	90	37			
Organisational Development	250	60	111	79			
Business Intelligence	284	102	54	128			
Policing the Future Pilots	43	24	14	5			
Regional Collaboration							
Strategic Alliance (PBS)	724	275	155	294			
Regional Shared Information Services	0						
Procurement of Body Worn Video	1,103	582	8	92	80	80	261
Criminal Justice - Interoperable CJ NICHE	4,715	357	2,379	1,729	250		
Proof of concept project on live links and virtual courts	27	27					
PBS - OPA – Knowledge/Policy Management	89	85	4				
Legacy - IT	103	20	29	54			
TOTAL CHANGE PROGRAMME	41,308	4,529	3,932	27,209	2,697	980	1,961
REPLACEMENT SCHEMES							

CAPITAL PROGRAMME 2015-16 TO 2019-20

PROJECT	TOTAL COST	PREVIOUS YEARS	2015-16	2016-17	2017-18	2018-19	2019-20
Information Services	£000	£000	£000	£000	£000	£000	£000
IT Replacement Equip.	2,754	181	220	738	455	455	705
Comms Replacement Equipment - VOIP	16	16					
IT Infrastructure Hardware Replacement	1,897	324	256	492	275	275	275
Photocopier Replacement Programme	329	23	34	176	48	48	
TOTAL REPLACEMENT SCHEMES	4,996	544	510	1,406	778	778	980
OTHER SCHEMES							
Investment							
Compact - Misper	10	10					
Corby Fuel Site	15	15					
Property							
Estates Investment Strategy	355	110	245				
Accessibility Fund	100			25	25	25	25
Upgrade of FCR	127	115	12				
Mereway and CJC Roundabouts	545		545				
Crime and Justice							
Criminal Justice Centre	45	-15					
CJC Intercom	29						
Digital Recording	179	13	54	112			
Information Services							
Enhancement Schemes	250	111	139				
Mobile Data (845) Replacement	8		8				
Airwave - Essential Costs	3,124	20	21	183	2,900		
Mobile Data Roadmap	2,080	2,035	45				
PSN (Public Service Network)	164	61	103				
Forensic System Enhancement	2	2					

CAPITAL PROGRAMME 2015-16 TO 2019-20

PROJECT	TOTAL COST	PREVIOUS YEARS	2015-16	2016-17	2017-18	2018-19	2019-20
Vehicles							
	£000	£000	£000	£000	£000	£000	£000
Vehicle Purchases	6,281	1,002	1,366	1,063	950	950	950
Operational Equipment							
ANPR Equipment programme (RCU)	242	17	44	61	60	60	
Other							
Completed Schemes	309	309					
TOTAL OTHER SCHEMES	13,865	3,805	2,582	1,533	3,935	1,035	975
TOTAL CAPITAL PROGRAMME	60,169	8,878	7,024	30,148	7,410	2,793	3,916

CAPITAL PROGRAMME 2015-16 TO 2019-20

FINANCING	TOTAL	PREVIOUS YEARS	2015-16	2016-17	2017-18	2018-19	2019-20
	£000	£000	£000	£000	£000	£000	£000
Capital Grants	3,827	1,000	827	500	500	500	500
Innovation Funding	2,421	2,057	364				
Useable Capital Receipts	6,809	335			3,180	1,644	1,650
Revenue Funded	1,777	845	86	648	66	66	66
Capital Reserve	3,400	3,341	59				
Prudential Borrowing	25,000	1,300	4,289	17,984	1,427		
External Funding	1,399		1,399				
Reserves - Capital	4,274			4,274			
Capital/Transformation	4,362			3,442	737	183	
Other	6,900			3,300	1,500	400	1,700
TOTAL	60,169	8,878	7,024	30,148	7,410	2,793	3,916

