

**THE OFFICE OF POLICE AND CRIME COMMISSIONER
FOR DERBYSHIRE
DECISION RECORD**

Request for PCC Decision	Received in OPCC Date: 18 September 2017	OPCC Ref: 35/2017
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REVISED CAPITAL PROGRAMME

Executive Summary:

The revised capital programme was presented as part of the report, attached at Appendix A.

Decision

- i. The changes to the 2017/2018 to 202/21 capital programme was approved.
- ii. The latest capital funding position (paragraph 2.15) was noted.

Declaration

I confirm that I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct for the Police and Crime Commissioner for Derbyshire. Any such interests are recorded below.

None

The above request has my approval.

Signature

Hardyal Dhindsa

Date 18 September 2017

PUBLICATION SCHEME CONSIDERATIONS

Is the related Section B report to be published **Yes**

The report contains commercially sensitive information.

Is the publication of this approval to be deferred **No**

If Yes, provide reasons below

Date to be deferred to –

NB Statutory Instrument 2011/3050 (as amended by SI 2012/2479) states that: *all decisions made by a PCC are in the types of information that must “be published as soon as practicable after it becomes available to the elected local policing body”.*

OFFICER APPROVAL

Chief Executive or Nominee:

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report.

I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner

Name Andrew Dale

Date 18 September 2017

STRATEGIC GOVERNANCE BOARD
MONDAY 18 SEPTEMBER 2017
JOINT REPORT OF THE CHIEF CONSTABLE/TREASURER

9A: REVISED CAPITAL PROGRAMME

1. PURPOSE OF THE REPORT

- 1.1 To present the Revised Capital Programme for 2017/18 to 2020/21.

2. INFORMATION AND ANALYSIS

2.1 Revised Capital Programme 2017/18

- 2.2 The Capital Programme for 2017/18 has been updated to reflect the re-profiling of projects, virements and variations on schemes. The Revised Capital Programme is shown at **Appendix A** and is summarised below: -

Capital Programme	Approved Estimate 2017/18 £000s	Reprofiling from 2016/17 £000s	Reprofiling to future years £000s	Revised Estimate 2017/18 £000s
Building Works	6,024	2,365	(1,658)	6,731
Vehicles & Equipment	2,125	(150)	(300)	1,675
IS Schemes	3,920	1,192	(1,914)	3,198
EMCTIU	177	28	0	205
Total	12,246	3,435	(3,872)	11,809

- 2.3 Re-profiling of budget of £3.435m from 2016/17 to 2017/18 was approved by the Strategic Governance Board on the 26 June 2017.
- 2.4 Virements in the Capital Programme 2017/18 brought about by a review of requirements are summarised below: -

Capital Scheme	£000s	£000s
Virements - Buildings		
Capitalised Maintenance	(285)	
Building Works – Mechanical & Engineering	285	
Police Premises Fund	(969)	
Joint Police & Fire HQ Change Requests	220	
C Division Refurbishment	749	0
Virements – IS		
Niche System	(1,400)	
IS Customer Projects	400	
Telephony System	1,000	0
Total		0

2.5 A lesser amount is required in the Capital Programme for Niche Development. An emerging issue is the replacement of a new telephone system in the Call Centre, this is to replace the current telephony infrastructure to introduce multi-channel, digital contact solutions to improve the service the Force provides. £1m has therefore been vired for the telephone system. The remaining £0.4m has been included under IS customer projects for any future Business Futures workstreams.

2.6 The nature of the capital programme can lead to delays in incurring expenditure. In order to aid early identification of these areas budget holders have been asked to identify schemes where expenditure is likely to be incurred in future years rather than the 2017/18 programme. In addition, some capital expenditure has been deliberately put on hold so that key projects can be implemented. These steps have resulted in the re-profiling of expenditure from 2017/18 into future years as summarised in the table below:-

Capital Scheme	Re-profile £'000s	Re-profile £'000s
<u>Building Works</u>		
Capitalised Maintenance	(330)	
Police Premises Fund	(328)	
Condition Survey Work	<u>(1,000)</u>	(1,658)
<u>Vehicles & Equipment</u>		
Equipment	(300)	(300)
<u>IS Schemes</u>		
IS Infrastructure Projects	(114)	
Emergency Services Network EMSCP	(1,000)	
Telephony System	(800)	(1,914)
		(3,872)

- 2.7 Priority building works on C Division Headquarters have commenced as well as improvements to kitchens and bathrooms in several police premises. Other work has been delayed due to changes in the new policing model and further condition surveys taking place before other work commences.
- 2.8 A significant part of the provision for general Equipment replacement is likely to remain uncommitted during this year.
- 2.9 Work has commenced on the Emergency Services Network, it is unlikely that the devices will be purchased this financial year.
- 2.10 Budget has been included for the Telephony System (see 2.5), the scheme is likely to commence in March 2018 so the majority of the budget has been reprofiled to 2018/19.

2.11 Changes Capital Programme 2018/19 to 2020/21

- 2.12 Other changes to the future years Capital Programme brought about by a review of requirements are shown in **Appendix A** and are summarised below: -

Capital Scheme	2018/19	2019/20	2020/21
	£000s	£000s	£000s
Approved Capital Programme	11,911	4,674	3,674
Reprofiling			
As per 2.6 above	3,872		
North Division Accommodation	(2,500)	2,500	
New Schemes/Increase in Provision			
Derby East LPU Accommodation		2,500	
North Division Accommodation			2,500
IS Customer Projects	1,000	1,000	1,000
IS Infrastructure Projects	500	500	500
Total Changes	2,872	6,500	4,000
New Capital Programme	14,783	11,174	7,674

- 2.13 Extra provision has been included for Derby East LPU Accommodation and for the North Division Accommodation. A total budget of £5m for each. North Division has been reprofiled forward a year.
- 2.14 Extra provision (£1m per year) has been included for IS Customer Projects to help support any Business Futures workstreams. Also it has been highlighted by the Head of IS that budget will be required for future infrastructure projects (£0.5m per year).

2.15 The effect the above changes have on the funding of the capital programme are summarised as follows: -

Capital Programme	Funding 2017/18 £000s	Funding 2018/19 £000s	Funding 2019/20 £000s	Funding 2020/21 £000s
Approved Funding	12,246	11,911	4,674	3,674
Funding from previous yr	3,549	4,079	2,739	(2,171)
Review of Capital Receipts	93	32	90	0
Extra Revenue Contributions	0	1,500	1,500	1,500
Total	15,888	17,522	9,003	3,003
Difference Between Expenditure and Available Funding Cumulative	4,079	2,739	(2,171)	(4,671)

2.16 Capital receipts have been reviewed following changes to the new policing model.

2.17 Extra Revenue Contributions to support the Capital Programme have been included (£1.5m per year), this is subject to approval by the Commissioner. These revenue contributions are to ensure that Derbyshire Police is able to fund its ongoing need to replace existing equipment/fleet and technology. This means that it only borrows to fund future long term capital investment.

2.18 Even with the extra Revenue Contributions, there is still a shortfall in funding of £4.671m which may require additional borrowing, depending on the timing of these schemes. The Constabulary will need to maintain flexibility in how it uses its resources as the period of financial uncertainty continues.

3. RECOMMENDATIONS

3.1 To approve the changes to the 2017/18 to 2020/21 capital programme.

3.2 To note the latest capital funding position (paragraph 2.15).

4. IMPLICATIONS

**All implications are assessed and scored to the table below.
HIGH – supporting explanation and narrative required and to be contained within the report**

MEDIUM – narrative to be contained within the report at the discretion of the author

LOW – no narrative required

	LOW	MEDIUM	HIGH
Crime and Disorder	X		
Environmental	X		
Equality and Diversity	X		
Financial		X	
Health and Safety	X		
Human Rights	X		
Legal	X		
Personnel	X		

Contact details in the event of enquiries	Name: External telephone number: Email address: sgbenquiries@derbyshire.pnn.police.uk
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BACKGROUND PAPERS

1.

ATTACHMENTS

Appendix A Revised Capital Programme for 2017/18 to 2020/21