

POLICE AND CRIME COMMISSIONER (PCC) FOR LINCOLNSHIRE  
REQUEST FOR DECISION

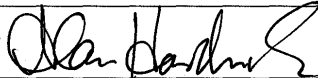
REF: 018/2013  
DATE: 28 June 2013

<b>SUBJECT</b>		<b>2013/14 CAPITAL BUDGET MONITORING REPORT</b>
<b>REPORT BY</b>	<b>FORCE CHIEF FINANCE OFFICER AND CHIEF CONSTABLE</b>	
<b>CONTACT OFFICER</b>	<b>ALUN JONES, INTERIM FORCE CHIEF FINANCE OFFICER</b> <b>TELEPHONE: (01522) 558187</b>	
<b>EXECUTIVE SUMMARY AND PURPOSE OF REPORT</b> This report provides a summary of the 2013/14 capital programme.  The proposed capital programme for 2013/14 is £10.030m. The provisional outturn for 2013/14 is £9.492m.  The proposed changes from the approved 2013/14 capital programme are the revisions to the building schemes.		
<b>RECOMMENDATION</b>	<i>That the proposed allocation of the building scheme capital programme be agreed.</i>	

**POLICE AND CRIME COMMISSIONER FOR LINCOLNSHIRE**

I hereby approve the recommendation above, having considered the content of this report.

Signature:



Date: 28/06/13

**A. NON-CONFIDENTIAL FACTS AND ADVICE TO THE PCC**

**A1. INTRODUCTION AND BACKGROUND**

**Summary**

This report shows planned capital expenditure of £9,492k against the budget of £10,030k. This is the capital report as at 31<sup>st</sup> May 2013. The report is based on expenditure forecasts matching budget where there is no information to indicate otherwise.

The projected budget and expenditure forecasts are shown in Appendix 1 to this report as well as plans for financing the programme.

### **Budget plan for 2013/14**

- The Force is planning to complete all the projects shown in Appendix 1 in order to develop policing services. This is particularly the case for business transformation. The commitment to take on all the slippage from 2012/13 in the next year shows the determination of the Force to push ahead with change.
- The programme still needs to be reduced by £550k for the business transformation work that is to be treated as revenue spending. The work to support business transformation will still be done, but it does not lead to the creation of assets. This will also reduce the borrowing needs leading to lower revenue costs in 2014/15.

### **Scheme Changes**

#### **Building schemes:**

The Asset Development Plan within the Asset Management Strategy proposed a list of projects to modernise and refurbish the estate ensuring that it is fit for purpose. The Force Chief Officer Group has reviewed and prioritised this list on the basis of known maintenance requirements and operational policing needs. Details of the priority schemes for 2013/14 are provided at Appendix 2.

This will require changes to the existing approved programme as shown in the table below

CAPITAL PROGRAMME 2013/14	APPROVED £000'S	PROPOSED £000'S
Nettleham FHQ – server room	250	170
Nettleham FHQ – other schemes	370	129
Boston	16	303
Lincoln	100	222
Skegness	90	194
North Hykeham	200	-
Bracebridge Heath	-	8
Total	1026	1026

### **Scheme Commentaries and Variances**

The variance of £550k on the transition and transformation project is due to the identified revenue items.

### **Business Transformation Profile**

- An estimate is shown at Appendix 3. After 2 months £318k has been spent of the £6,726k budget for the year.
- This will be reviewed each month and compared to actuals.
- Current T-Police go live date of 1<sup>st</sup> October 2013 for Finance and 1<sup>st</sup> April for the rest.

**Risks**

- Slippage in general is an issue for capital expenditure. The average underspend has been more than 40% for the last 7 years.
- This is most likely in Business Transformation since this is the largest scheme and it is of an innovative nature rather than being a more standard project.
- There are also risks around the expenditure on replacement body armour. It may be that regular replacement of small values each year is a better model than large one off purchases. A change in approach could create an underspend of £300k. This will be confirmed and reported fully next month.

**Scheme Commentaries**

**Building Schemes**

Scheme	Manager	Start Date	Finish Date	Comments
Bracebridge Heath refurbishment	John Whitehead	Sept	March	When formal approval from PCC is received, a detailed work plan will be prepared for the 2013/14 financial year.
FHQ - Car Park Project	John Whitehead	Sept	March	
FHQ - FCR refurbishment	John Whitehead	Sept	March	
FHQ - Roof replacement	John Whitehead	Sept	March	
FHQ - Boiler replacement	John Whitehead	August	October	
FHQ - Server: fire suppression	John Whitehead	Sept	March	
FHQ - Server: cooling system	John Whitehead	Sept	March	
FHQ - Accommodation	John Whitehead	Sept	March	
Skegness roof	John Whitehead	Sept	March	
Skegness Custody	John Whitehead	Sept	March	
Skegness Boiler and Control	John Whitehead	August	October	
Boston Boiler and Control	John Whitehead	August	October	
Boston Heating System	John Whitehead	Sept	March	
West Parade Roof	John Whitehead	Sept	March	
Boston Windows	John Whitehead	Sept	March	
Boston Reception	John Whitehead	Sept	March	
West Parade Custody	John Whitehead	Sept	March	
Boston Custody	John Whitehead	Sept	March	

### ICT schemes

Scheme	Manager	Start Date	Finish Date	Comments
Mobile Data	Pete Dyer	Sept	March	May go into 2014/15. Underspend possible.
Airwave replacement handsets	ICT	April	March	

### Other schemes

Scheme	Manager	Start Date	Finish Date	Comments
Vehicles	Janis Knibbs	April	March	£150k carry forward spent. Plans in place for spending 2013/14 budget throughout the year.
Body Armour	Duncan Watson	Sept	March	The quality of the current equipment may mean that less spend is required. To be confirmed next month.
Business Transformation Projects	Jennifer Robertson	April	March	
T Police	Elise McDade	April	March	Project plan in place to deliver Finance w.e.f 1st October and preparatory work on other functions.
Email Upgrade	Darren Richmond	April	March	
Other ICT Projects	Darren Richmond	April	March	
Boston 4 Cell Custody	Paul Wells		April	Completed
Fleet Workshop	Mick Farmer	April	March	
Transition and Transformation	Jennifer Robertson	April	March	
ICT Hardware Refresh	Darren Richmond	April	March	
ICT Software Refresh	Darren Richmond	April	March	
Legacy Apps Support	Darren Richmond	April	March	

## **A2. LINKS TO POLICE AND CRIME PLAN AND PCC'S STRATEGIES/PRIORITIES**

The capital programme assists in delivering the Asset Management Strategy, the ICT Strategy and the Business Transformation Programme.

**B. FINANCIAL CONSIDERATIONS**

As described in the report.

**C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS**

Any in year changes to the capital programme must be approved by the PCC, having consulted the PCC's CFO.

**D. PERSONNEL AND EQUALITIES ISSUES**

None

**E. REVIEW ARRANGEMENTS**

Monitoring of the capital programme is carried out monthly by Resource Governance.

**F. RISK MANAGEMENT**

Major capital schemes are controlled under the project methodology adopted by the Force with individual projects being controlled by a Project Board chaired by a senior officer of the Force.

**G. PUBLIC ACCESS TO INFORMATION**

Information in this form along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation. Part 1 of this form will be made available on the PCC's website within one working day of approval. However, if release by that date would compromise the implementation of the decision being approved, publication may be deferred. An explanation for any deferment must be provided below, together with a date for publication.

<p><b>Is the publication of this form to be deferred? No</b></p> <p><b>If Yes, for what reason:</b></p>  <p><b>Until what date:</b></p>
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Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate part 2 form.

Is there a part 2 form? No

If Yes, for what reason:

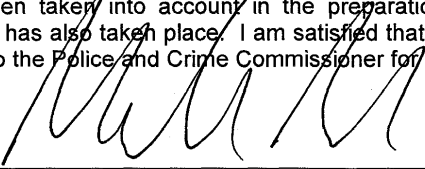
**ORIGINATING OFFICER DECLARATION**

	Tick to confirm
Originating Officer: CC's Chief Finance Officer recommends this proposal for the reasons outlined above.	✓
Financial advice: The PCC's Chief Finance Officer has been consulted on this proposal.	✓
The CC's Chief Finance Officer has been consulted on this proposal.	✓
Monitoring Officer: The PCC's Monitoring Officer has been consulted on this proposal	✓
Chief Constable: The Chief Constable has been consulted on this proposal	✓

**OFFICER APPROVAL**

**Chief Executive**

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. Consultation outlined above has also taken place. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner for Lincolnshire.

Signature:  Date: 28/6/13.

## CAPITAL PROGRAMME

## APPENDIX 1

SCHEME DESCRIPTION	2013/14 Approved £'000	2013/14 Proposed £'000	2013/14 Forecast £'000	2013/14 Variance £'000
<b>1. BUILDING SCHEMES</b>				
FHQ Building Works	370.0	129.0	129.0	-
Server Room	250.0	170.0	170.0	-
Lincoln West Parade	100.0	222.0	222.0	-
North Hykeham Station	200.0	-	-	-
Skegness Station Modernisation	90.0	194.0	194.0	-
Boston Custody	16.0	303.0	303.0	-
Bracebridge Heath	-	8.0	8.0	-
<b>TOTAL BUILDING SCHEMES</b>	<b>1,026.0</b>	<b>1,026.0</b>	<b>1,026.0</b>	<b>-</b>
<b>2. ICT SCHEMES</b>				
Mobile Data	274.0	274.0	274.0	-
Airwave Replacement Hand sets	500.0	500.0	500.0	-
<b>TOTAL ICT SCHEMES</b>	<b>774.0</b>	<b>774.0</b>	<b>774.0</b>	<b>-</b>
<b>3. REPLACEMENT PROGRAMMES AND OTHER SCHEMES</b>				
Vehicles	1,150.0	1,150.0	1,162.0	12.0
Replacement Equipment - Body Armour	353.5	353.5	353.5	-
Business Transformation carry forward	3,593.4	3,593.4	3,593.4	-
2013/14 Business Transformation Projects:				
T Police	747.6	747.6	747.6	-
Email Upgrade	585.4	585.4	585.4	-
Other ICT Projects	250.0	250.0	250.0	-
Boston 4 Cell Custody	239.1	239.1	239.1	-
Fleet Workshop	127.5	127.5	127.5	-
Transition and Transformation	900.6	900.6	350.6	(550.0)
ICT Hardware Refresh	173.9	173.9	173.9	-
ICT Software Refresh	58.9	58.9	58.9	-
Legacy Apps Support	50.0	50.0	50.0	-
<b>TOTAL REPLACEMENT/OTHER SCHEMES</b>	<b>8,229.9</b>	<b>8,229.9</b>	<b>7,691.9</b>	<b>(538.0)</b>
<b>TOTAL PROGRAMME</b>	<b>10,029.9</b>	<b>10,029.9</b>	<b>9,491.9</b>	<b>(538.0)</b>
<b>CAPITAL FINANCING</b>				
Capital Grant	895.0	895.0	895.0	
Capital Receipts	333.0	333.0	333.0	
Borrowing	8,252.9	8,252.9	7,714.9	
Revenue Funding	275.0	275.0	275.0	
Mobile Data Funding	274.0	274.0	274.0	
<b>TOTAL PROGRAMME</b>	<b>10,029.9</b>	<b>10,029.9</b>	<b>9,491.9</b>	

**Analysis of building works**

**APPENDIX 2**

	£000's	£000's
BRACEBRIDGE HEATH POLICE STATION	8	8
FHQ - NETTLEHAM - Main Site	3	
FHQ - NETTLEHAM - FCR	28	
FHQ - NETTLEHAM - Scientific Block	6	
FHQ - NETTLEHAM - Main Building	35	
FHQ - NETTLEHAM - Main Server Room	60	
FHQ - NETTLEHAM - Main Server Room	110	
FHQ - NETTLEHAM - Various Locations	100	
	-43	299
SKEGNESS POLICE STATION	4	
SKEGNESS POLICE STATION	160	
SKEGNESS POLICE STATION	30	194
BOSTON POLICE STATION	35	
BOSTON POLICE STATION	25	
BOSTON POLICE STATION	220	
BOSTON POLICE STATION	7	
BOSTON POLICE STATION	16	303
LINCOLN POLICE STATION (WEST PARADE)	22	
LINCOLN POLICE STATION (WEST PARADE)	200	222
	<b>1026</b>	<b>1026</b>

Refurbishment Project - Contract Retention Payment  
 Car Park Project - Contract Retention Payment  
 FCR Refurbishment Project - Contract Retention Payment  
 Roof Replacement (Main Building, Scientific Block) - Contract Retention Payment  
 Replacement of No1 Boiler  
 Fire Suppression System - Main Server Room  
 Replace Cooling System - Main Server Room  
 Approved Accommodation Plan works  
 Cost reductions  
 Reroofing Project - Contract Retention Payment  
 Remedial Works to Custody (HMIC Report) + Kitchen/Storage alts  
 Replace Boiler and Control System  
 Replacement of No1 Main Boiler and Controls  
 Rezoning of Heating System  
 Replacement Windows/Solar Shading  
 DDA improvements to reception  
 Custody refurbishment  
 Remedial Works to Custody (HMIC Report)  
 Replace Main Block Roof



Appendix 3: Business Transformation - Profile of Spend 2013/14

