

PUBLIC ACCOUNTABILITY BOARD

7TH NOVEMBER 2022

BUDGET MONITORING REPORT – SEPTEMBER 2022

REPORT OF THE CHIEF CONSTABLE

1. Purpose of the Report

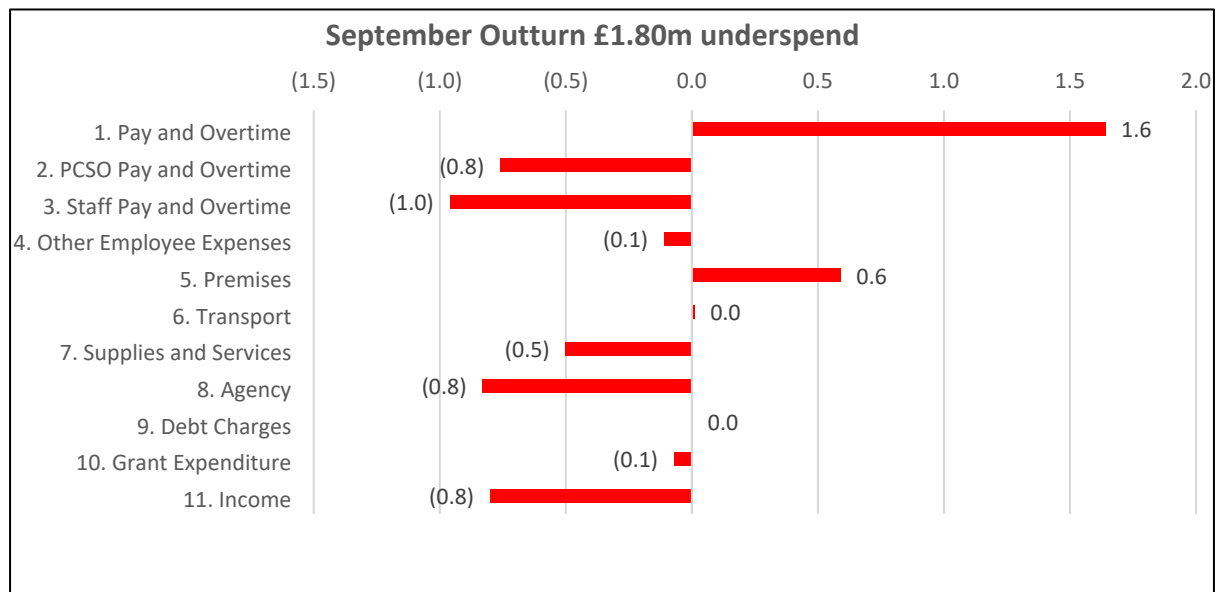
This report is to inform the Public Accountability Board of the Force's projected outturn on its revenue and capital budgets as at 31st March 2022. It is based on an analysis of income and expenditure for the period 1st April 2021 to 31st March 2022 before accounting adjustments. This report covers the Force financial position only and should be read in conjunction with the report by the PCC Chief Finance Officer.

2. Recommendations

The Board is recommended to note the content

3. Background Information

OVERVIEW FOR MONTH



3.1 Key points

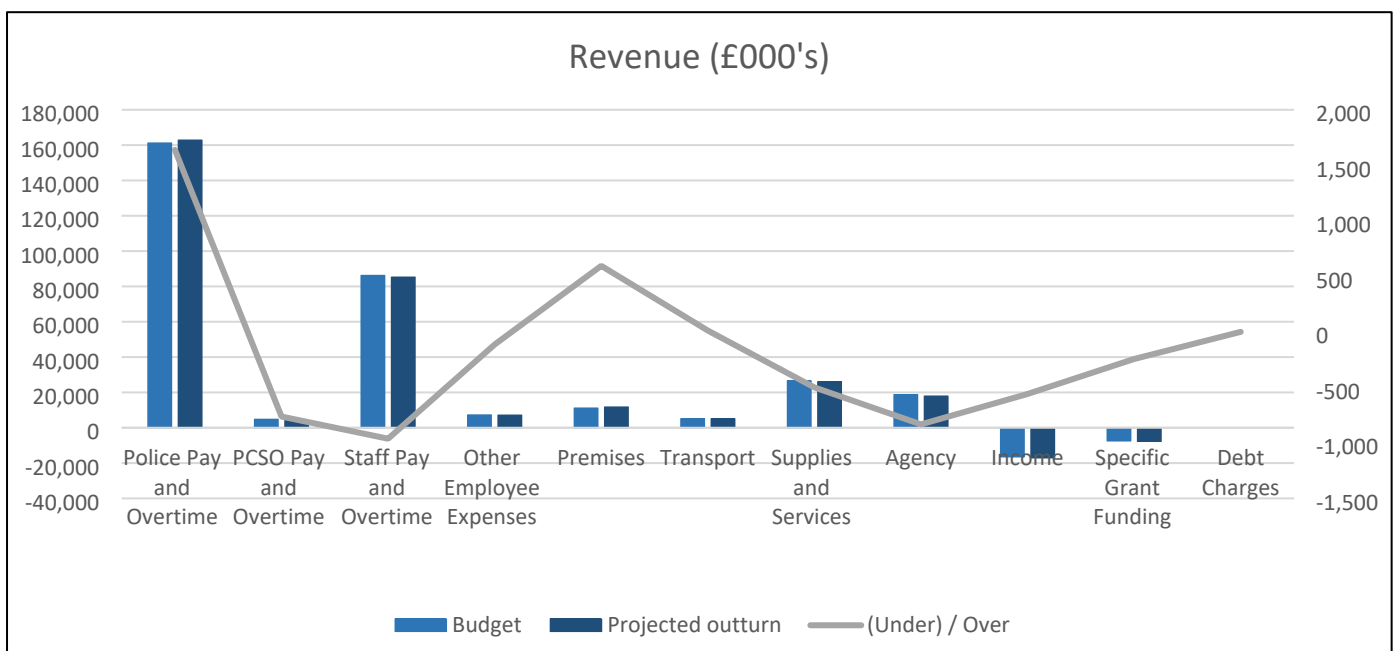
- The £1.80m projected underspend is 0.60% of the total budget before legacy costs.
- In year the force has direct revenue financed £1.80m of Officer Uplift capital costs.
- The projected underspend does not include any adjustments that may be required for the reopened staff pay award or the reversal of the 1.25% National Insurance increase as we have not as yet received any certainty or clarification. For the NI adjustment the additional underspend is expected to be in the region of £0.77m.
- There have been significant changes to the Officer Workforce Plan and staff/PCSO vacancies due to the continuing recruitment challenges:
 - The Officer Workforce Plan has changed significantly since budget setting. The PCC approved changes to the Plan which reduced projected officer strength by 68 resulting in an underspend in Police Pay of £2.58m. The workforce plan is projected

to bring officer numbers back in line in 2023/24. This change has allowed the Force to fund the Detective Now Programme, summer surge activity and additional overtime to backfill the vacancies. This projected underspend in pay is now offset by an overspend in overtime.

- Underspends of £3.19m on staff pay are due to current and expected vacancies within existing and growth roles. This is an area of focus for the Force, linked to the Savings Programme. This underspend is offset by the staff lump sum pension prepayment (£1.2m) which has been consistently charged to the revenue account but this was not included in the budget. In addition there is an overspend on overtime to backfill vacancies and demand.
- Underspends of £0.76m are projected on PCSOs due to vacancies and shift and weekend working changes not yet implemented. Numbers are expected to be brought back in line when the PCSO apprenticeship is introduced early next year.

3.2 Revenue Summary

	Approved Budget £000	Projected Outturn £000	(Under) / Overspend £000	% of budget
Police Pay and Overtime	161,247	162,886	1,639	1.02%
PCSO Pay and Overtime	4,852	4,089	(763)	(15.7%)
Staff Pay and Overtime	86,287	85,325	(962)	(1.1%)
Other Employee Expenses	7,314	7,200	(114)	(1.6%)
Premises	11,201	11,796	594	5.3%
Transport	5,165	5,177	12	0.2%
Supplies and Services	26,622	26,122	(500)	(1.9%)
Agency	18,822	17,989	(833)	(4.4%)
Income	(16,502)	(17,112)	(610)	3.7%
Specific Grant Funding	(7,520)	(7,764)	(0.24)	3.24%
Grant Expenditure	2	(67)	(69)	(3937.4%)
Net Expenditure Before Legacy	297,439	295,640	(1,799)	(0.60%)

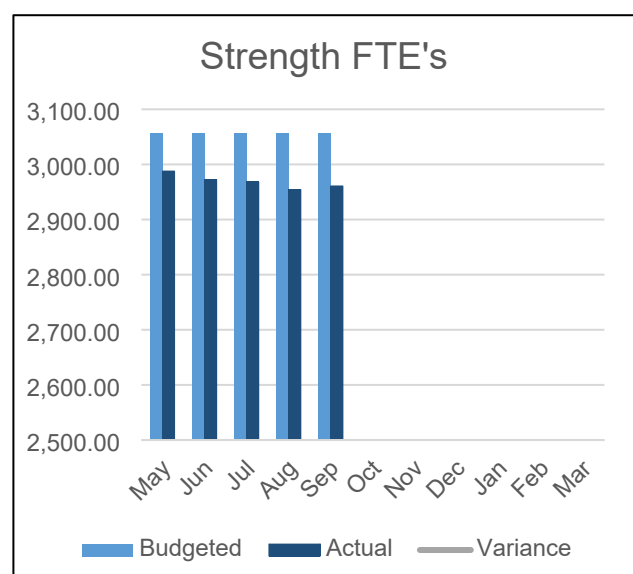
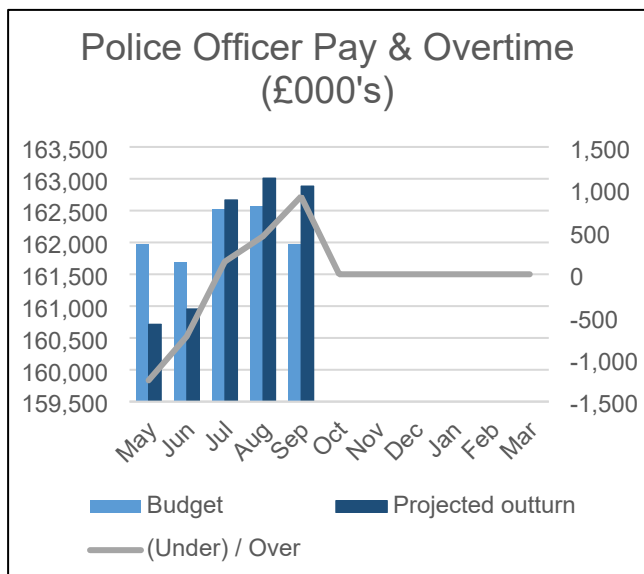


POLICE OFFICERS PAY & OVERTIME

- Total projected outturn of £1.64m overspend, (£0.08m overspend in pay and £1.56m overspend on overtime).
- Police pay is projecting to overspend by £0.08m, this is mainly due to the Workforce Plan changes. However, this is offset by overspends due to changes in unsocial hours, acting rank costs and an increase in on costs for overtime. It has also been utilised to fund Detective Now and Summer Surge activity.
- The Workforce Plan approved by the OPCC reduced our planned strength from 3,055.91 to 2,987.91, a reduction of 68. This created an underspend of £2.58m. Since then, further changes have been made and September strength is 2,961.

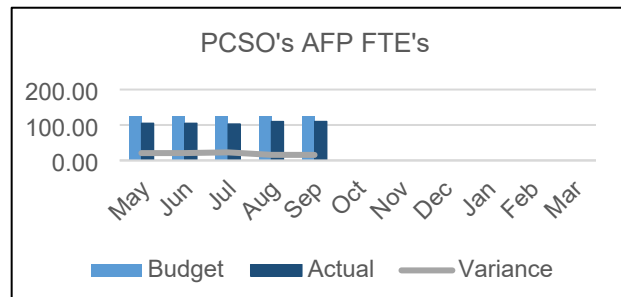
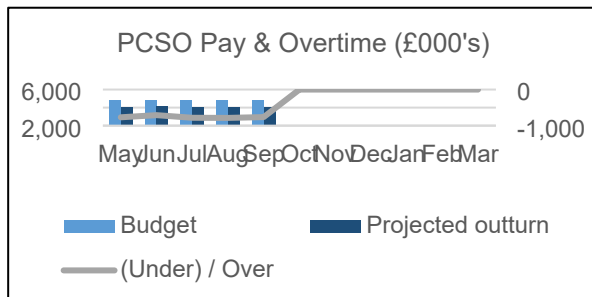
Reason	Value £m
Work Force Plan Changes	(£2.58)
GRIP Funding	(£0.25)
Small Variances across Departments	(£0.02)
Acting Rank increases	£0.10
NI additions due to additional overtime	£0.21
Maternity Pay	£0.22
Allowance & untaken Leave	£0.23
NI Increased projections	£0.37
Police pay underspends funding Detective Now	£0.40
Police pay underspends funding Summer Surge	£0.68
Movement to WFP change relating to ARV Grant	£0.72
Total	£0.08

- GRIP funding of £0.25m, confirmed post budget setting, has funded 5 FTE posts.
- Overtime is projecting to overspend by £1.55m.
- The main areas contributing to the overspend are Districts £0.83m, Sheffield recording £0.43m relating to vacancies within the Reactive, Proactive and Response teams, Crime Services £0.31m relating to Force Crime Bureau and PVP teams and OSU and Force Control Room £0.28m relating to operational requirements.



PCSO PAY & OVERTIME

- Total projected underspend of £0.76m (£0.78m underspend in pay offset by £0.02m overspend on overtime).
- £0.42m underspend due to the revised student recruitment plan. This is a temporary underspend due to slippage in recruitment as the PCSO apprenticeship is developed. The workforce plan is expected to bring numbers back in line in 2023/24.
- A £0.36m underspend is projected in shift and weekend working allowances due to an expected change that has not yet been implemented. This is being reviewed for a potential saving.
- PCSO FTE's are currently projected to end at 104.4, which is 21.6 under the budget of 126.00.

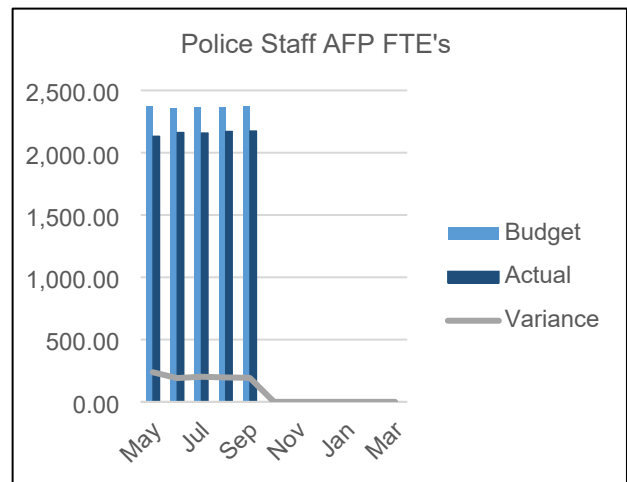
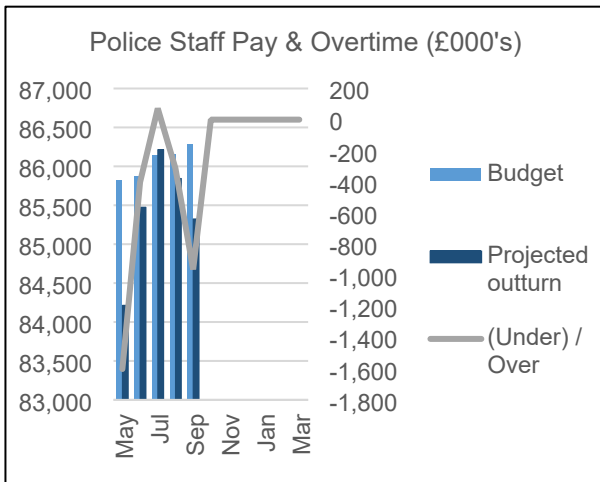


POLICE STAFF PAY & OVERTIME

- Total projected underspend of £0.96m (£1.96m underspend in pay offset by £1.00m overspend on overtime).
- The staff pay projected underspend is £3.19m (see below), partially offset by the payment of the staff pension lump sum of £1.23m which was unbudgeted.

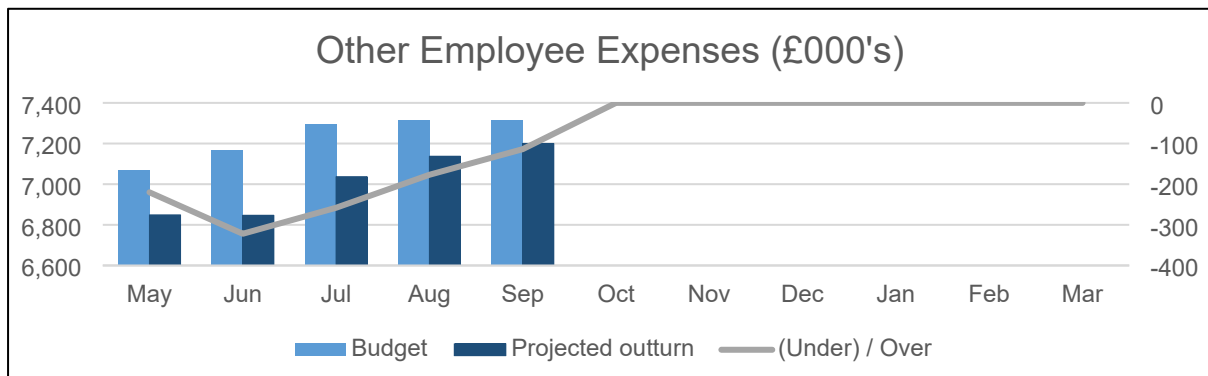
District/Department	Value £m
Force wide growth - IT target operating model £0.65m, Comms Data Review £0.31m and release of revised growth not required £0.30m	(£1.26)
Crime Services – DFU, PVP and Intel	(£0.64)
Business Change & Innovation – Tech Enabled Team vacancies	(£0.37)
IT	(£0.26)
Sheffield – 6 x IO's delayed recruitment	(£0.18)
Regional Lead – Stores & Procurement	(£0.15)
FCR – Changes in WFP	(£0.14)
Doncaster, additional leavers	(£0.12)
CJU – vacancies across the department	(£0.04)
Corporate Finance	(£0.04)
Small variances across the Force	£0.01
Total	(£3.19)

- The more significant areas are: Crime Services, which includes underspends relating to the DFU review, delays in the recruitment of IO's, PVP and FCB due to vacancies currently being offset by overtime costs, PNC and Intel. Projected underspends on BC&I relate to the Tech Enabled team and IT is due to the unapproved target operating model as the service is under review.
- Overtime is projected to overspend by £1.00m. The main variances are within Crime Services £0.28m FCR £0.27m and CJU £0.10m.
- Staff AFP strength is 2,175.52 which is below budget by 192.94, however there are 192.70 externally, income and temporary funded posts bringing us to 0.24 below budget in line with the workforce plan. This doesn't however include the growth posts that have not as yet been created.



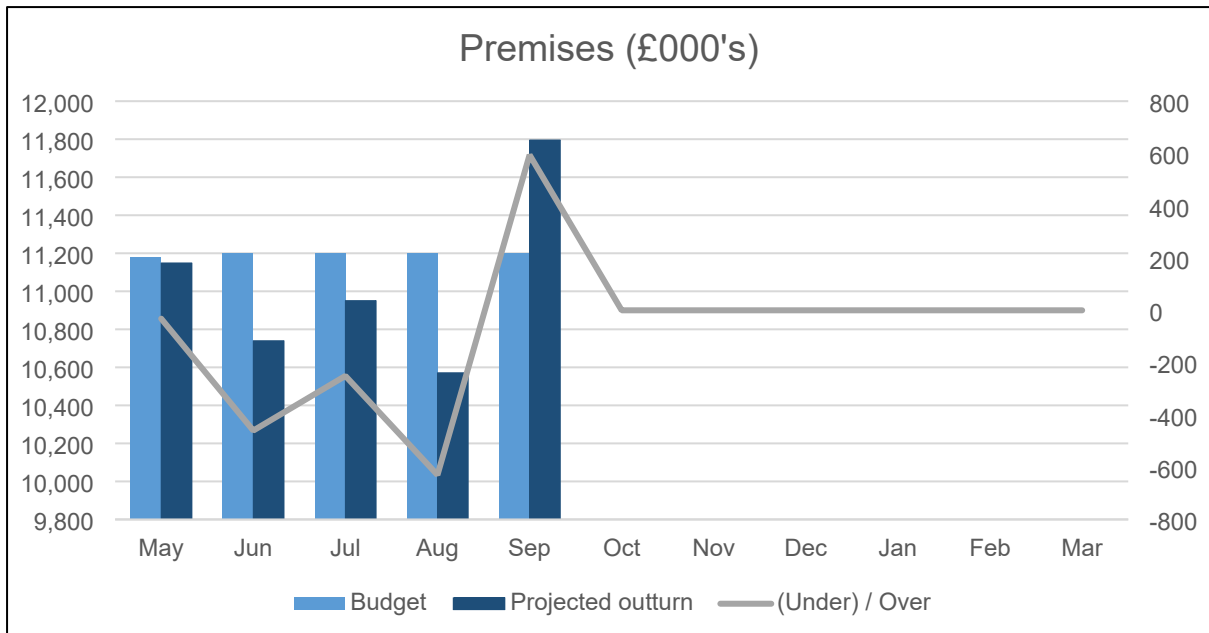
OTHER EMPLOYEE EXPENSES

- Total projected underspend of £0.11m.
- £0.37m underspend on ill health retirements due to fewer retirees than expected (4 v 9), this was captured as a saving in June.
- £0.10m overspend on general recruitment costs including medical and external training costs for Internet Sexual Offences Team (ISOT) training carried forward from 21/22.
- £0.07m overspend on the apprenticeship levy to reflect historic trends, this has been reviewed for the 23/24 budget setting process.



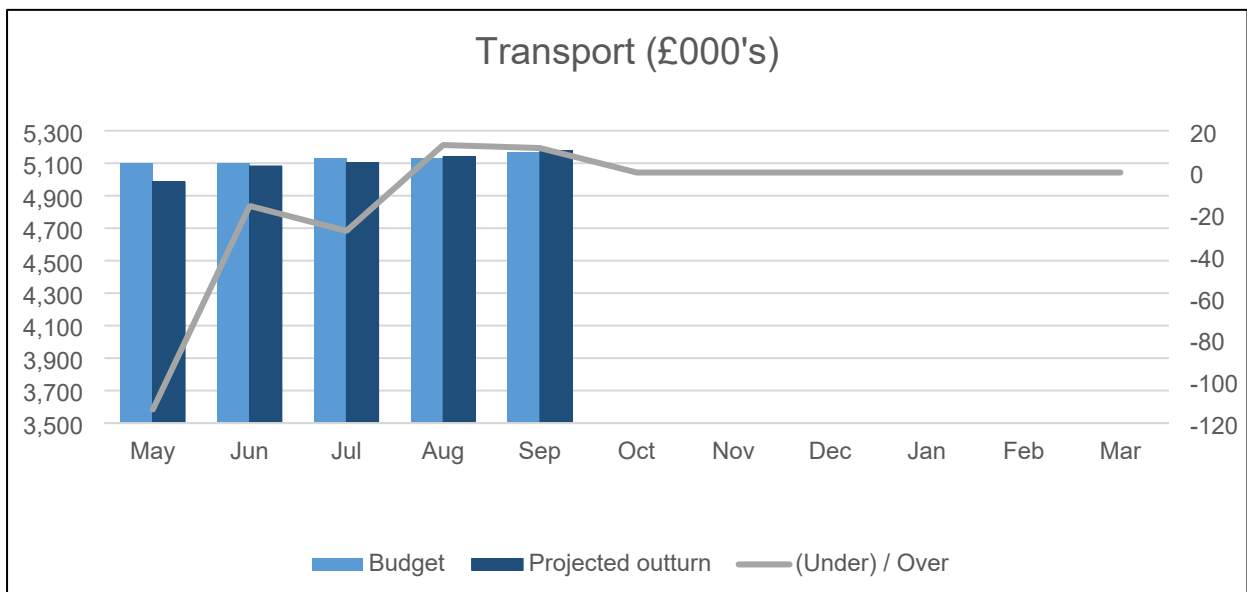
PREMISES

- Total projected overspend of £0.59m.
- £1.14m projected overspend based on the latest information provided by the energy team.
- £0.18m overspend due to projections in relation to accommodation for ISOT growth.
- £0.12m overspend due to unachieved savings for rent due to the purchase of Pioneer Close now not expected to happen.
- £0.50m underspend due to rates rebates spanning back to 2017.
- £0.35m underspend due to revised projections relating to Uplift.



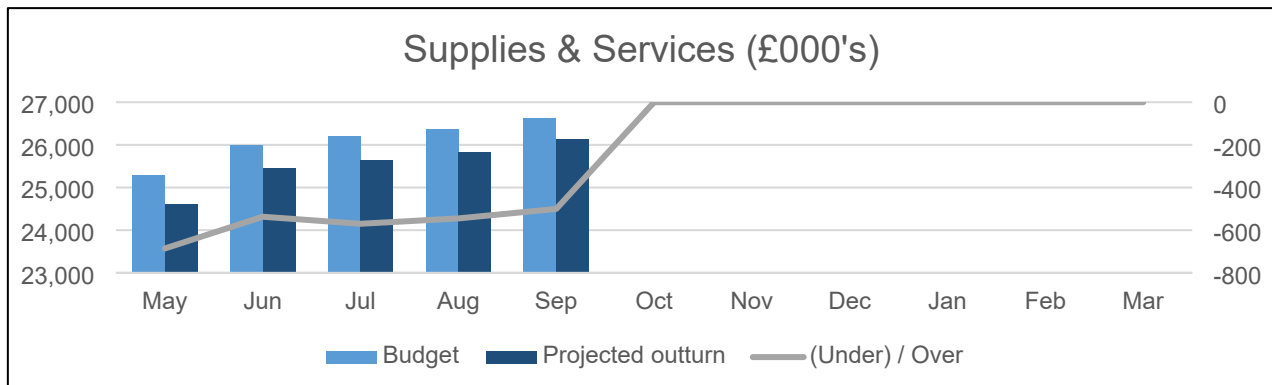
TRANSPORT

- Total projected overspend of £0.01m.
- £0.08m projected underspend on casual users mileage based on historic trend and a reduction of travel. This will be reviewed as the year progresses in line with the Smarter Ways of Working programme.
- £0.04m projected underspend on vehicle running costs.
- £0.12m overspend on fuel due to the increase in prices.
- £0.03m overspend on hire of cars due to additional costs from summer surge.



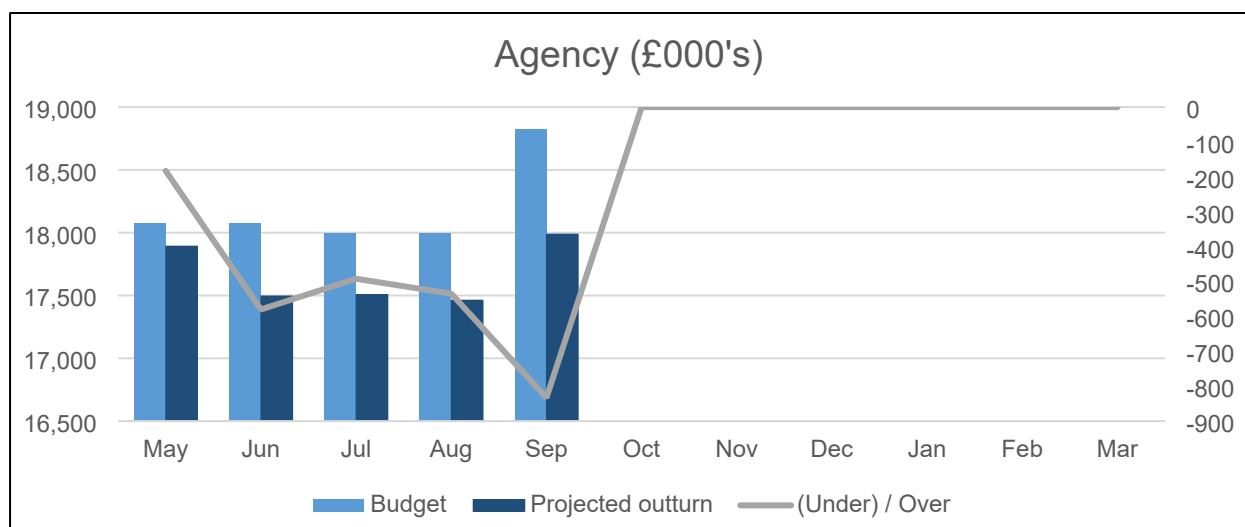
SUPPLIES & SERVICES

- Total projected underspend of £0.50m.
- £0.53m projected underspend due to a Microsoft Enterprise Agreement contract discount received.
- £0.22m projected underspend on staff clothing and uniforms in line with current spending.
- £0.16m projected overspend on hardware & software purchases, an increase of £0.05m due to DAMS project requirements.
- £0.08m overspend on counsel fees and compensation within Legal, this is an agreed carry forward from 21/22.



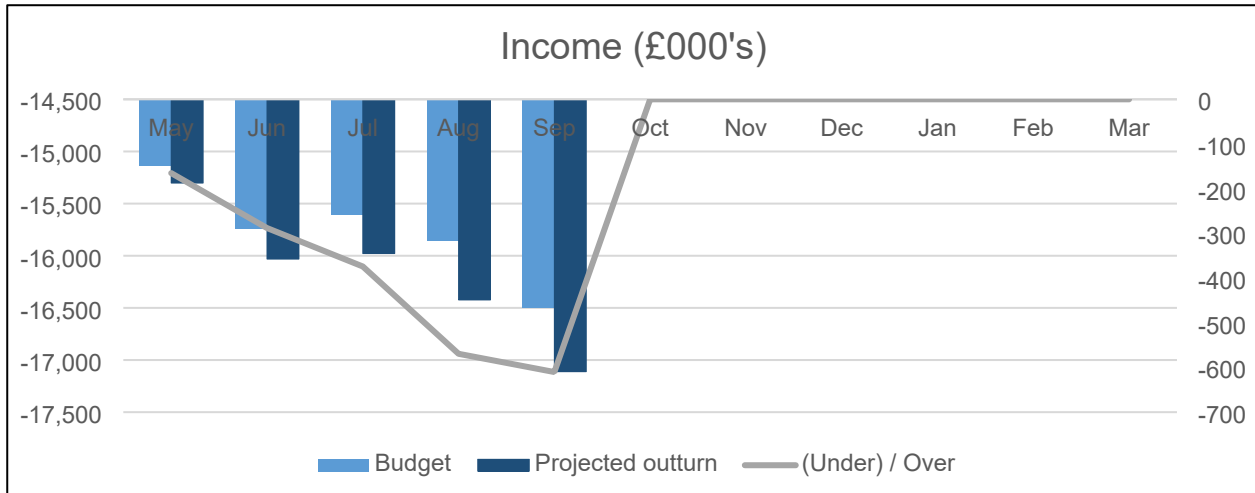
AGENCY

- Total projected underspend of £0.83m.
- £0.32m underspend on Insurance due to premiums renewing at a lower level that anticipated.
- £0.22m underspend on recharges from WYP due to the penalty for the 6 FTE's within ROCU now not expected and changes in other posts.
- £0.21m underspend on External Forensics now reflecting current trends.
- £0.13m underspend on NPAS. At the time of budget setting, there were various options and the budget was set at the highest contribution value. The contribution amount has now been agreed and is lower than the budget.
- £0.11m underspend in Home Office ICT costs, this underspend relates to recharges not received for ICT Subs & Cloud Gateway.
- £0.17m overspend on Mutual Aid to cover football fixtures.



INCOME

- Total projected over achievement of £0.61m.
- £0.39m over recovery from mutual aid offset by additional costs.
- £0.18m over recovery in POCA income.
- £0.12m over recovery from Highways Agency.



SPECIFIC GRANT FUNDING

- £0.24m over achievement on Home Office funding for the agreed Police Pay increase.

LEGACY

- Hillsborough, the Stovewood Enquiry and CSE civil claims are projecting full year outturn of £5.41m, which is on budget.
- This reflects information received from the oPCC.

3.3 MTRS Savings

- The 2022/23 savings are £1.76m of which £1.30m has been achieved and captured on the savings plan. There is £0.46m remaining for the 2023/24 full year effect to achieve.
- Further savings have been identified in year and total £1.56m, bring our achieved savings to £2.86m, an overachievement of £1.10m in year. The combined full year effect including these additional savings is £0.55m recurrently.
- The savings that have not as yet been achieved relate to CJU File Build (£0.34m) and Rent & Service charge savings from purchase of Pioneer Close (£0.12m).
- Work is continuing to identify the £7m target set by the PCC and the overachieved savings will contribute to this.

3.4 GROWTH

- The total amount approved for growth in 2022/23 was £13.42m, this is split between MTRS growth of £4.00m, Business Plan growth of £3.31m and Prior Year Growth of £6.12m. Further growth has been approved post budget setting of £2.79m, of which £1.52m is non-recurrent and funded from in year underspends/new savings identified.
- Full Year outturn, including additional supported growth, post budget setting, is projected to be £12.23m, an underspend of £2.20m. YTD spend as of the end of September is £3.14m which is 23% of the total programme value.
- The largest projected underspends are within Crime Services for Comms Data Review £0.31m and within IT for the target operating model £0.65m.
- Growth challenge meetings are currently being carried out by the Director of Resources and Chief Finance Officer to review progress with budget holders.

3.5 UPLIFT SPEND

- Budgeted staff and non-pay costs for 2022/23 are £2.73m.
- Projected outturn for 2022/23 is £2.58m causing an underspend of £0.15m due to reduced projections across the majority of the areas.

3.6 CAPITAL

- The PCC has approved a revised 2022/23 capital programme of £16.48m (£24.62m reduced by £8.24m to reflect past trends in spending).
- Year to Date expenditure against this programme is £4.21m, this reflects 26% of the full year budget.
- The Accountancy team are working closely with the Project Managers to improve the accuracy of projections and have provided training to the majority. The most recent training session was 20th July 2022.
- The significant projects which have slipped to future years are:

Capital Project	Comment	£
Doncaster Police Station & Custody Suite	Moved to 2023/24	£1,576,991
Oracle – MTD & EBS	Original project ceased. Remaining budget required to fund the new project	£566,434
Compartmentation Survey & Remedial Works	Project is underway due to complete in 23/24	£539,536
Body Armour	With BLC, supplier will be picked in Jan so order placed in Mar 23.	£400,000
ESN (Gwent Model)	Project not started	£300,000
Data Migration	CSB is approved, but not started	£224,265
22/23 Joint Data Centre	Project is currently being scoped	£204,505
Corporate WiFi	Project is underway	£181,762
Replacement of AFO/ARVO Body Armour	With BLC, supplier will be picked in Jan so order placed in Mar 23.	£120,000
Total		£4,113,493

- The significant projects which have underspends during the year are:

Capital Project	Comment	£
Smart Contact Implementation Team 2021	This is a combined underspend on projects T15090, T15700, T15270 & T15890.	£227,870

- The significant projects which have overspends during the year are:

Capital Project	Comment	£
Windows 10 Implementation	Project is underway and due to complete in Mar-23	£65,640

- The capital tracker is presented at Strategic Resourcing Board for monitoring in detail. This shows progress against each scheme and overall force position.
- There are currently 48 projects awaiting capital scheme briefs with a total value of £977,418.

3.7 CAPITAL PROGRAMME

- The original Capital Programme for 2022/2027 was approved in February 2022.
- This programme was revised and approved on 8th July 2022.
- This reflects the £16.48m approved for 2022/23 and the requirements going forward.

3.8 EXTERNAL FUNDING

- Total approved is £6.92m revenue and is projected to spend £6.26m with a variance of £0.65m.
- Funding for the Beat Team at Barnsley will end in March 2023.
- Grants above £0.10m and have a date up to 31st March 2023 are as follows:

District/Dept	Grant Project	£	Staff
Forcewide	Uplift programme	£3,404,434	151 x officers
OSU	ARV Uplift	£723,312	12 x officers
PAG	Disclosure & Barring	£677,076	22 x staff
Sheffield	Meadowhall	£312,895	n/a
Barnsley	Town Centre	£264,000	5 x officers
Barnsley	Beat Team	£232,567	5 x officers
Crime Services	Cyber Crime	£165,546	4 x officers (50/50 basis)
Sheffield	DAAT	£120,002	1 x officer / 2 staff
Sheffield	University of Sheffield	£120,000	1 x PC & 2 x PCSO
Crime Services	NLEDS	£117,057	n/a
Rotherham	Child Matters 2	£100,000	n/a
Total		£6,236,889	

Officer Responsible: Debbie Carrington, Chief Finance Officer

Contact Officer: Sheryl Hawley, Chief Accountant