

Performance and Resources Scrutiny Programme 2022/23

Report to: the Office of the Police, Fire and Crime Commissioner for Essex

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Author on behalf of Chief Officer:	Richard Jones, Head of Business Partnering and Management Accounting
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COG meeting date / date of approval (Please indicate whether paper presented to COG or not)	25th January 2023

1.0 Purpose of Report

This report identifies the 2022/23 Month 9 position for the Force.

2.0 Recommendations

2.1 To note the latest position in the monitoring report.

2.2 To note the appropriations to/from earmarked reserves (virements and journals), as noted in Section 2 of the report.

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2.3 To note that the report includes a forecast of £0.921m to appropriate Revenue Consequences of Capital underspends to the Transformation Reserve, as agreed at Month 8 (contra entry on Supplies and Services), subject to PFCC decision report.

3.0 **Executive Summary**

Noted within Section 1 of the main body of the report.

4.0 **Introduction/Background**

This report sets out the December, Month 9, financial position.

5.0 **Current Work and Performance**

The Month 9 financial position is reported in the main body of the report.

6.0 **Implications (Issues)**

The implications are reported in the main body of the report.

6.1 **Links to Police and Crime Plan Priorities**

The Force budget is used to help meet the priorities of the Police and Crime plan.

6.2 **Demand**

The Force budget is reviewed and re-allocated within virement rules to match demand e.g. overtime funded by vacancies.

6.3 **Risks/Mitigation**

Risk Register URN 452 - Short and Long Term Capital Finance.

6.4 **Equality and/or Human Rights Implications** - N/A

6.5 **Health and Safety Implications** - N/A

7.0 **Consultation/Engagement**

The pay forecasts are based on information received from HR Organisational Management

8.0 **Actions for Improvement** - N/A

9.0 **Future Work/Development and Expected Outcome**

The force is seeking a full reimbursement of Op Hazel expenditure from the Home Office, which if agreed, would result in additional income of £4.125m and a revenue forecast underspend of £0.668m. Home Office funding of £1.503m has been received to date, based on an Op Hazel forecast spend of £5.103m that was submitted to the Home Office in October 2022, less a 1% contribution of force budget.

1. Executive Summary

REVENUE

The revenue forecast overspend at month 9 is £3.457m against the 2022/23 revenue budget of £352.2m (0.98% variance).

The forecast overspend includes Op Hazel expenditure of £5.628m (based on the position at the end of December) and receipt of Home Office funding of £1.503m. The force is seeking a full reimbursement of Op Hazel expenditure from the Home Office, which if agreed, would result in additional income of £4.125m and a revenue forecast underspend of £0.668m.

The force variance to current budget at subjective level is detailed in Section 3.3 of the report and the movement from Month 8 to Month 9 is detailed in Section 3.4 of the report.

WORKFORCE

The Police Officer strength forecast at the end of December is 3,634 FTE and forecast to be 3,755 FTE at year end. The underspend on Police Officer Pay and Allowances, excluding overtime and Temporary Duty Allowance, is £1.350m.

The Police Staff strength at the end of November is 2,101 FTE. Total vacancies at 30th November are 306 FTEs, to include 2022/23 force growth posts. The underspend on Police Staff Pay and Allowances, excluding overtime, is £2.789m

The PCSO strength at the end of November is 94 FTE and forecast to be 105 FTE at year end.

The workforce tables are noted in Section 4 of the report.

RESERVES

The net appropriation from earmarked reserves for Month 9 is £0.010m.

The Revenue Summary table in Section 3.1 of the report includes a forecast of £0.921m to appropriate Revenue Consequences of Capital underspends to the Transformation Reserve, as agreed at Month 8 (contra entry on Supplies and Services), subject to PFCC decision report.

The detailed breakdown of all earmarked reserves and general reserve is noted in Section 5 of the report.

CAPITAL

The forecast for month 9 is a year end spend of £11.937m, which is a £6.541 underspend against the latest revised budget of £18.478m (35.4% variance).

The financing requirement for unfinanced capital expenditure is forecast at £3.084m which equates to approximately 25.8% of the year's financing plan, excluding the £10m required to meet short-term cashflow commitments. Based on the latest treasury management information available there may be a need for external borrowing in 2022/23, but not until the last quarter of the financial year at least.

The capital tables and commentary are noted in Section 6 of the report.

2. List of Appropriations to/from Earmarked Reserves

URN	Description	£'000	Commentary/Description	Governance Process	Earmarked Reserve	Subjective Heading
Appropriations to Earmarked Reserves						
N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total		0				
Appropriations (from) Earmarked Reserves						
ER010/22	Op Javelin	(10)	To meet the cost of various security initiatives across the estate, to include HQ reception glass screen and security lighting at Canvey Police Station	Appropriation from Earmarked Reserve for its intended use	Transformation Reserve	Premises
Total		(10)				
Net appropriation to/(from) Earmarked Reserves		(10)				

3. Revenue

3.1 Revenue Summary

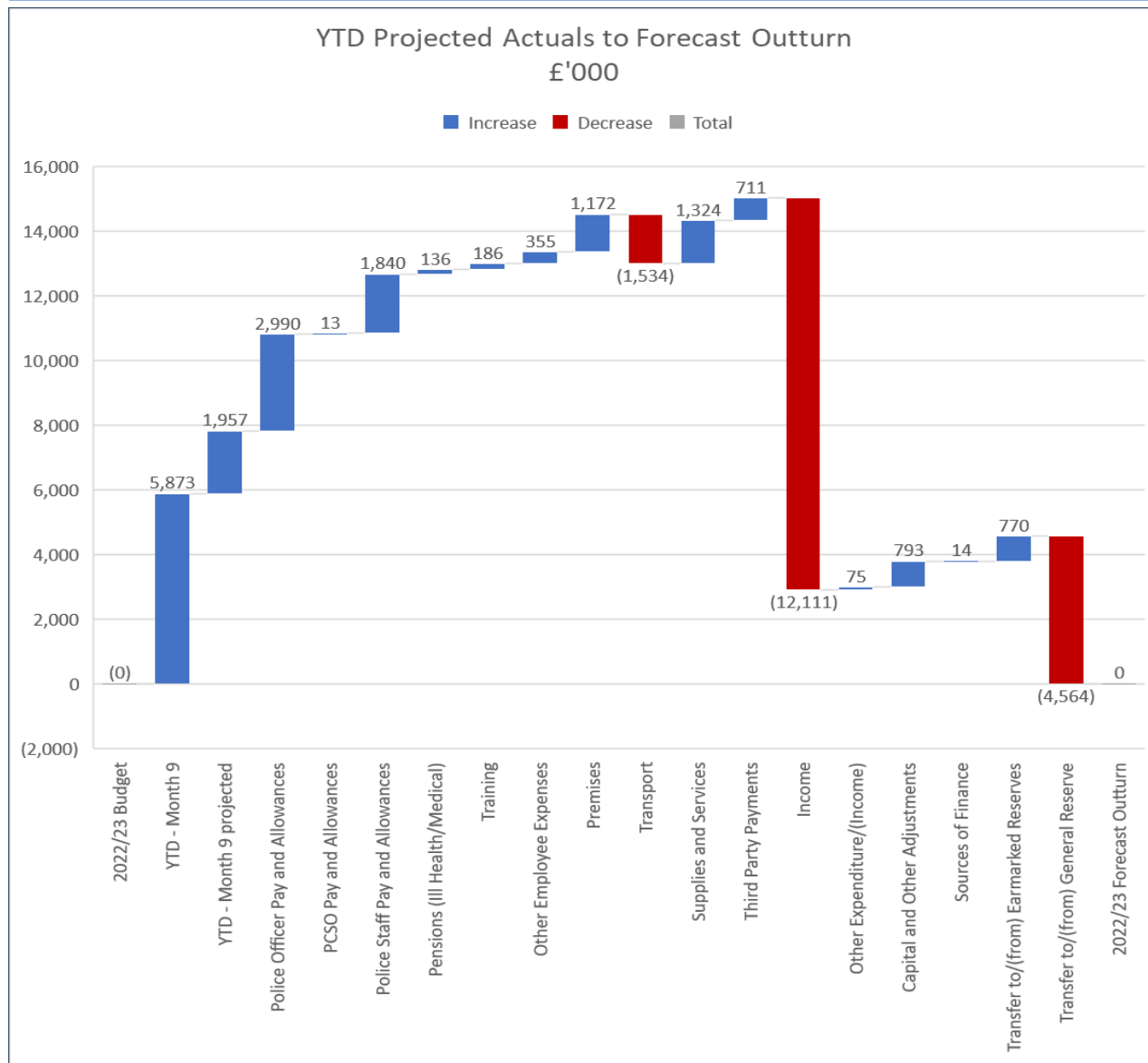
In Month - Month 09			Year to Date - Month 09			Subjective Heading	Full Year							
Budget ¹	Actual	Variance	Budget ¹	Actual	Variance		Original Budget ²	Adjustments to Original Budget	Revised Budget	Year to Date Actual	Year End Forecast ³	Variance Over/(Under) Spend - Original Budget	Variance Over/(Under) Spend - Revised Budget	Movement from Prior Month - Revised Budget
£000	£000	£000	£000	£000	£000		£000	£000	£000	£000	£000	£000	£000	£000
17,487	17,792	304	157,387	153,930	(3,457)	Employees								
741	762	21	6,672	9,408	2,736	Police Officer Pay and Allowances	206,514	3,335	209,849	153,930	208,500	1,986	(1,350)	(40)
87	138	51	784	1,168	384	- Police Officer Pay and Allowances	7,715	1,182	8,896	9,408	12,230	4,516	3,334	185
0	0	0	0	0	0	- Overtime and Operational Performance	1,085	(40)	1,045	1,168	1,601	516	556	(24)
18,316	18,692	376	164,843	164,506	(337)	- Associated Police Pay	0	0	0	0	0	0	0	0
						- In-Year Savings Shortfall/(Surplus)	215,313	4,478	219,791	164,506	222,331	7,017	2,540	121
290	337	47	2,610	2,565	(44)	Police Officer Pay and Allowances	3,615	(136)	3,480	2,565	3,433	(182)	(46)	167
7,793	7,082	(711)	70,138	66,599	(3,539)	PCSO Pay and Allowances	92,753	764	93,517	66,599	90,728	(2,025)	(2,789)	(142)
158	312	154	1,419	2,266	847	Police Staff Pay and Allowances	1,146	746	1,892	2,266	2,932	1,786	1,039	(52)
7,951	7,394	(557)	71,557	68,865	(2,692)	- Police Staff Pay & Allowances	93,899	1,510	95,409	68,865	93,660	(239)	(1,749)	(194)
354	308	(46)	3,185	3,026	(159)	- Police Staff Overtime and Agency	4,247	0	4,247	3,026	4,171	(75)	(75)	(2)
160	105	(54)	1,436	1,344	(92)	Police Staff Pay and Allowances	1,852	63	1,915	1,344	1,978	126	63	0
54	(242)	(296)	485	322	(163)	Pensions (Ill Health / Medical)	547	99	647	322	785	238	138	25
27,124	26,594	(530)	244,116	240,629	(3,487)	Other Employee Expenses	319,473	6,014	325,488	240,629	326,358	6,885	870	118
801	1,554	753	7,210	7,239	28	Employees Total	9,611	3	9,614	7,239	10,824	1,213	1,210	26
523	490	(32)	4,704	6,279	1,575	Premises	6,204	68	6,272	6,279	6,838	633	566	2
3,541	2,722	(819)	31,866	30,525	(1,341)	Transport	42,242	245	42,487	30,525	42,024	(218)	(463)	(1,076)
0	0	0	0	0	0	Supplies and Services	446	(446)	0	0	0	(446)	0	0
3,541	2,722	(819)	31,866	30,525	(1,341)	- Supplies and Services	42,688	(201)	42,487	30,525	42,024	(664)	(463)	(1,076)
663	978	315	5,965	7,207	1,242	- In-Year Investments	7,874	79	7,954	7,207	10,320	2,446	2,366	27
32,651	32,338	(313)	293,861	291,878	(1,983)	Third Party Payments	385,851	5,963	391,814	291,878	396,363	10,512	4,549	(903)
(3,295)	(3,380)	(85)	(29,651)	(21,876)	7,776	Gross Expenditure	(35,006)	(4,529)	(39,535)	(21,876)	(41,279)	(6,272)	(1,743)	(114)
29,357	28,959	(398)	264,210	270,002	5,792	Income	350,845	1,434	352,279	270,002	355,085	4,240	2,805	(1,017)
4	(75)	(79)	39	(217)	(256)	Net Cost of Services	52	0	52	(217)	(214)	(266)	(266)	0
66	0	(66)	597	0	(597)	Other Expenditure / (Income)	796	0	796	0	793	(3)	(3)	0
29,427	28,884	(543)	264,846	269,785	4,939	Capital and Other Adjustments	351,694	1,434	353,128	269,785	355,664	3,970	2,536	(1,017)
(29,350)	(29,713)	(363)	(264,150)	(264,160)	(10)	Net Expenditure	(352,200)	0	(352,200)	(264,160)	(352,200)	0	0	0
77	(829)	(907)	696	5,624	4,928	Sources of Finance	(506)	1,434	928	5,624	3,464	3,970	2,536	(1,017)
38	(10)	(48)	341	454	113	(Surplus)/Deficit before appropriations	712	(258)	455	454	1,375	663	921	921
(115)	0	115	(1,037)	(206)	831	Contribution to/(from) Earmarked Reserves	(206)	(1,177)	(1,383)	(206)	(4,839)	(4,634)	(3,457)	95
0	(840)	(840)	0	5,873	5,873	Contribution to/(from) General Reserve	0	0	0	5,873	0	0	0	0
						(Surplus)/Deficit after appropriations	0	0	0	5,873	0	0	0	0

¹Even monthly profile of Revised Budget

²2022/23 Budget agreed at Police, Fire and Crime Panel

³Includes Op Hazel expenditure of £5.6m, less £1.5m Home Office funding received to date

3.2 Year to Date Projected Actuals to Forecast Outturn



Supporting Commentary

YTD – Month 9 and Month 9 projected

Year To Date actuals, extrapolated for remaining months of the year

Police Officer Pay and Allowances

Impact of joiners/leavers, Detective and AFO Bonus Payments, pay increments, and year end accruals (including overtime)

Police Staff Pay and Allowances

Impact of staff pay award, further force growth posts, and year end accruals (including overtime)

Premises

Significant price increase for electricity and gas due to come into effect from October 2022. Planned and reactive maintenance paid in arrears and subject to year end accruals

Transport

Vehicle Insurance premiums paid for the period October 2022 to September 2023 and subject to prepayment

Supplies and Services

Several instances of services invoiced in arrears and subject to year end accruals, including significant expenditure still forecast for Forensics Analysis and Insurance Claims Expenditure.

Third Party Payments

2022/23 ATHENA/7 Force expenditure to date yet to be invoiced, partially me knoffset by Misc. Insurance premiums paid for the period October 2022 to September 2023 and subject to prepayment

Income

Even monthly profile of budget for externally funded income streams that are receipted on a quarterly basis, as well as other income streams that can occur at any stage during the financial year, for example, PFCC commissioning budgets - MOJ/NHS funding, etc. The Home Office Police Uplift Grant for £3m is yet to be received

Capital and Other Adjustments

MRP adjustment budget

Transfer to/(from) Earmarked Reserves

Scheduled appropriation to the Transformation Reserve for IT projects

Transfer to/(from) General Reserve

Scheduled appropriation for increase to South East Allowance and to meet revenue forecast overspend position for the force

3.3 Revenue Summary – Supporting Commentary

Police Officer Pay and Allowances - £2.540m overspend

Explanation of forecast variance

The overspend includes Op Hazel Police Officer Overtime (including Bank Holidays) and associated NI payments totalling £2.0m.

The forecast excluding Op Hazel includes an underspend due to changes in recruitment, leaver, and growth profiles since budget setting (£2.2m). Further underspend includes the impact of the reduction in Employers National Insurance rate from November 2022 (£0.6m) and Home Office Op Grip funding for Officer posts that are already provided for in Pay Budget Setting (£0.3m).

This underspend is offset by the inclusion of the pay award agreed in July, net of Home Office contribution (£1.4m) and an overspend for Temporary Duty Allowance due to substantive vacancies waiting to be filled from the promotion process (£0.5m). The Bank Holiday overtime budget is also overspent due to normal rostered working days being covered at Bank Holiday rate for the additional Bank Holiday on the 19th September 2022 (£0.3m).

In addition, there is a significant Police Officer Overtime overspend (over and above the overtime and NI spend of £1.5m for Op Hazel) to cover vacancies in Contact Management and Crime and Public Protection in response to increased investigative requirements, notably in high harm areas where crime rates have risen considerably (£0.9m), OPC to reflect significant activity in connection with Force Support Unit (FSU) vacancies, Roads Policing and OPC special operations (£0.3m), and SCD to reflect the level of vacancies and activity experienced within the Major, Economic and Cyber budget (£0.2m).

Explanation of adjustments to Original Budget (virements)

The adjustment from Original Budget to the Revised Budget during Month 8 (which have a corresponding forecast change) include externally funded activity for Op Grip, Seconded Officers, and NCLCC County Lines totalling £0.114m. Previously reported adjustments to Original Budget, up to and including Month 8, total £4.370m.

Police Staff Pay and Allowances - £1.749m underspend

Explanation of forecast variance

The underspend includes material variances in relation to the impact of net leavers to date (£2.5m), the impact of the opening force funded strength being 30.5 FTE less than budget (£1.0m), maternity savings against established posts (£0.5m), delays in the recruitment of staff growth posts (34.5 FTE still to be recruited) and existing staff recruited to staff growth posts which create vacancies elsewhere (£0.5m), and the impact of the reduction in Employers National Insurance rate from November 2022 (£0.3m). The underspend is partially offset by the impact of the Staff pay award that was agreed on the 24th October 2022 by the Police Staff Council (£1.7m), budgeted savings relating to the 2021/22 savings programme not expected to be achieved in year (£0.7m), and Police Staff Overtime overspends for Contact Management and Crime and Public Protection resulting from vacancies and the requirement to manage backlogs in various areas, to include referrals, visits, and risk assessments (£0.7m).

Explanation of adjustments to Original Budget (virements)

The adjustment from Original Budget to the Revised Budget during Month 8 (which have a corresponding forecast change) include externally funded activity for Op Grip, and shift allowance/weekend enhancement for externally funded PCSOs totalling £0.063m (decrease). Previously reported adjustments to Original Budget, up to and including Month 8, total £1.573m.

Premises - £1.210m overspend

Explanation of forecast variance

The overspend is following receipt of updated pricing information from our energy supplier with effect from October 2022, which has been used to determine the forecast expenditure for gas and electricity up to financial year end, over and above provision made within 2022/23 budget setting.

Transport - £0.566m overspend

Explanation of forecast variance

The overspend includes an estimate of inflationary increases for vehicle fuel based on latest prices, over and above provision made within 2022/23 budget setting and reflects expected increase in vehicle parts and equipment expenditure, based on the 2021/22 year end outturn position, partially offset by an underspend in relation to vehicle insurance premiums following confirmation of the premium element relating to the period October 2022 to March 2023. The decrease reflects the revised allocation of premium across SEERPIC forces, based on claims experience and vehicle numbers.

Supplies and Services - £0.463m underspend

Explanation of forecast variance

The forecast variance includes an adjustment to the Council Tax Sharing Agreement forecast, resulting in £0.4m of extra costs being recognised to match precept schedule adjustments for 2022/23, plus the impact resulting from the difference in the 2021/22 year-end accrual estimate compared to the actual shareback adjustment; an increase of £0.2m relating to insurance claims following a detailed review of the outstanding claims position as at the end of November, with the number of open liability claims increasing significantly since the previous year-end; and accommodation and food provisions provided for Op Hazel, and communications and technology dual running costs of the Data Centre; both of which are partially offset by a reduction in forensic analysis costs based on average monthly submission spends to date. The forecast has been updated at Month 9 to reflect Revenue Consequences of Capital underspends of £0.921m that are planned for appropriation to the Transformation Reserve at financial year end, as agreed at Month 8.

Third Party Payments - £2.366m overspend

Explanation of forecast variance

The overspend is due to Mutual Assistance required from other Police forces for Op Hazel, totalling £3.0m. The overspend is partially offset by a £0.3m underspend due to a reduction in third party payments to other ERSOU forces; £0.2m underspend for the PNC subscription managed by IT services;

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£0.1m underspend for 7Forces relating to staff vacancies and IT project delays resulting in reduced expenditure this year; and a £0.1m underspend in NPAS contributions against the base budget, based upon the agreed charging formula.

Income - £1.743m surplus

Explanation of forecast variance

The forecast includes income of £1.503m received from the Home Office in relation to Op Hazel, based on a forecast spend of £5.103m that was submitted to the Home Office in October 2022, less a 1% contribution of force budget. In addition, the forecast includes recovery of force overhead expenditure of £0.146m following a detailed review of the Stansted Overhead recharge calculation, which forms part of an agreed contract amendment for 2022/23, and £0.105m surplus income for Op London Bridge mutual assistance to the Metropolitan Police and Thames Valley Police. These elements are offset by a revision to Home Office grant funding of £0.112m for Op Grip, relating to amended spending plans for 2021/22 where income was anticipated and accrued for, but will no longer materialise.

Explanation of adjustments to Original Budget (virements)

The adjustments from Original Budget to the Revised Budget reflect the other side of some of the adjustments noted under Police Officer and Police Staff Pay and Allowances for Home Office funding and externally funded activity, all of which have a corresponding forecast adjustment.

Other Expenditure/(Income) - £0.266m surplus

Explanation of forecast variance

The forecast returns on investments are higher than originally anticipated due to increases in base rate over and above budgeted expectations, as well as the additional opportunities available in the investment market, plus a reduction in the forecast for interest payable for short term loans due to the expected borrowing expected to be lower than the original forecast.

Contribution to Earmarked Reserves - £0.921m

The forecast includes a planned appropriation of Revenue Consequences of Capital underspends of £0.921m to the Transformation Reserve, as agreed at Month 8 (contra entry on *Supplies and Services*), subject to PFCC decision report.

Contribution from General Reserve - £3.457m

As noted in Section 1 of the report in terms of the revenue forecast overspend position for the force. The adjustment from Original Budget to the Revised Budget is to reflect funding from the General Reserve to meet the in-year cost of £1.177m associated with increasing the South East allowance by £500/annum from 1 September 2022, as per the PFCC decision report.

3.4 Main Forecast Movements since Month 8

Main Changes to Forecast Outturn Variance since Month 8

	Change in Forecast Outturn Variance £m	
Month 8 Forecast Outturn Variance	3.6	Overspend
Police Officer Pay and Allowances	0.1	The increase in forecast variance is due to Op Hazel overtime to cover continued work by the Investigations team, with all operation specific overtime codes now closed.
PCSO Pay and Allowances	0.1	The increase in forecast variance is in connection with expected costs for externally-funded PCSOs to reflect difficulties in recruitment and retention in those roles, with an equivalent reduction in forecast income.
Police Staff Pay and Allowances	(0.2)	The reduction in forecast variance includes the impact of staff joiners and leavers, primarily resulting from 16 FTE leavers in December across a number of commands.
Supplies and Services	(0.1)	The reduction in forecast variance includes IT maintenance software 22/23 uplift that is no longer required, single online home licence underspends, and other emerging underspends for various software licences.
Income	(0.1)	The reduction in forecast variance is in connection with expected costs for externally-funded PCSOs to reflect difficulties in recruitment and retention in those roles, with an equivalent increase in forecast expenditure.
Further Variances	0.1	Various changes across the force to reflect latest information which are less than £100k, including Third Party Payments, Premises Related Costs and Other Employee Expenses
Month 9 Forecast Outturn Variance	3.5	Overspend

Forecast appropriations to/(from) earmarked reserves

	£m	
Supplies and Services	(0.9)	Revenue Consequences of Capital underspends for ESMCP - ICCS Project, Data Centre Migration Project, and ESMCP - ESN Project, which are all planned for appropriation to the Transformation Reserve.
Contribution to/(from) earmarked reserves	0.9	To reflect Revenue Consequences of Capital underspends to be appropriated to the Transformation Reserve, subject to PFCC decision report.
Total	-	

4. Workforce Analysis

4.1 Police Officer – FTEs and Monthly Financial detail

2022/23 - Police Officers Pay/Strength - Using 2022/23 Budget Setting Model

Ref	Strength	2022/23 Budget Setting												
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs
1	Strength @ beginning of month (note 1)	3,575	3,594	3,577	3,640	3,623	3,686	3,669	3,716	3,699	3,682	3,729	3,712	
2	Leavers	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(228)
3	Starters - To cover attrition			53		34		32			51		34	204
4	Starters - Transferees	2	2	2	2	2	2	2	2	2	2	2	2	24
5	Starters - Growth	36		27		46		32			13		26	180
6	Starters	38	2	82	2	82	2	66	2	2	66	2	62	408
7	Net change	19	(17)	63	(17)	63	(17)	47	(17)	(17)	47	(17)	43	180
8	Officer strength month end	3,594	3,577	3,640	3,623	3,686	3,669	3,716	3,699	3,682	3,729	3,712	3,755	
9	Difference to 3,755 FTEs - over / (under)	(161)	(178)	(115)	(132)	(69)	(86)	(39)	(56)	(73)	(26)	(43)	0	
	Budget	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
10	1st April 2022 Strength (note 2)	£16.64m	£16.64m	£16.64m	£16.64m	£16.64m	£17.06m	£17.06m	£17.06m	£17.06m	£17.06m	£17.06m	£17.06m	£202.64m
11	2022/23 Leavers (note 3)	(£0.09m)	(£0.19m)	(£0.28m)	(£0.38m)	(£0.47m)	(£0.56m)	(£0.66m)	(£0.75m)	(£0.85m)	(£0.94m)	(£1.04m)	(£1.14m)	(£7.35m)
12	2022/23 Starters - Constables (to cover attrition)	£0.00m	£0.00m	£0.16m	£0.16m	£0.27m	£0.27m	£0.37m	£0.37m	£0.37m	£0.52m	£0.52m	£0.63m	£3.62m
13	2022/23 Starters - Transferees	£0.01m	£0.02m	£0.03m	£0.05m	£0.06m	£0.07m	£0.08m	£0.09m	£0.10m	£0.11m	£0.13m	£0.14m	£0.89m
14	2022/23 Starters - Growth	£0.18m	£0.18m	£0.32m	£0.32m	£0.55m	£0.55m	£0.71m	£0.71m	£0.71m	£0.78m	£0.78m	£0.91m	£6.71m
15	2022/23 Starters - Total	£0.19m	£0.20m	£0.51m	£0.53m	£0.88m	£0.89m	£1.16m	£1.17m	£1.18m	£1.41m	£1.43m	£1.67m	£11.22m
16	Monthly Budget (note 4 & 5)	£16.74m	£16.66m	£16.88m	£16.79m	£17.05m	£17.38m	£17.56m	£17.48m	£17.39m	£17.53m	£17.45m	£17.59m	£206.51m

2022/23 Outturn Strength - Based on HR information received 10th November 2022														
Strength	Actual FTE								Forecast FTE					
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total	
	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	
17	1st April 2022 Strength	3,572	3,543	3,525	3,585	3,564	3,621	3,602	3,686	3,660	3,634	3,714	3,694	
18	Leavers	(28)	(19)	(21)	(22)	(18)	(29)	(21)	(27)	(29)	(20)	(20)	(20)	(273)
19	Starters (note 7)	1	0	81	1	77	9	105	3	3	100	0	81	460
20	Other Adjustments (note 8)	(2)	0	(0)	0	(1)	0	(0)	(2)	0	0	0	0	(4)
21	Net change	(29)	(18)	60	(21)	58	(19)	84	(26)	(26)	80	(20)	61	183
22	Officer strength - month end	3,543	3,525	3,585	3,564	3,621	3,602	3,686	3,660	3,634	3,714	3,694	3,755	
23	Difference to 3755fte - over / (under)	(212)	(230)	(170)	(191)	(134)	(153)	(69)	(95)	(121)	(41)	(61)	0	
Actuals /Forecast £	Actual £								Forecast £					
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
24	Costed Strength before starters/leavers	£15.63m	£16.56m	£16.56m	£16.42m	£16.56m	£18.68m	£17.65m	£17.99m	£17.97m	£17.81m	£18.09m	£18.08m	£208.00m
25	2022/23 Leavers									(£0.06m)	(£0.12m)	(£0.19m)	(£0.37m)	
26	2022/23 Starters									£0.01m	£0.29m	£0.51m	£0.81m	
27	Other Costs									£0.02m	£0.02m	£0.02m	£0.06m	
28	Monthly Actual	£15.63m	£16.56m	£16.56m	£16.42m	£16.56m	£18.68m	£17.65m	£17.99m	£17.97m	£17.78m	£18.28m	£18.42m	£208.50m
Variance from Budget Setting														
	Actual FTE								Forecast FTE					
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total	
	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	
29	Strength @ beginning of month (negative=reduction)	(3)	(51)	(52)	(55)	(59)	(65)	(67)	(30)	(39)	(48)	(15)	(18)	
30	Leavers (positive number = less leavers)	(9)	0	(2)	(3)	1	(10)	(2)	(8)	(10)	(1)	(1)	(1)	(45)
31	Starters	(37)	(2)	(1)	(1)	(6)	7	39	1	1	34	(2)	19	52
32	Other Adjustments	(2)	0	(0)	0	(1)	0	(0)	(2)	0	0	0	0	(4)
33	Month End Strength Change - FTEs	(51)	(52)	(55)	(59)	(65)	(67)	(30)	(39)	(48)	(15)	(18)	0	3
34	Change per month FTEs	(48)	(1)	(3)	(4)	(5)	(2)	37	(9)	(9)	33	(3)	18	
	Actual £								Forecast £					
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
35	Monthly Financial Change	(£1.11m)	(£0.10m)	(£0.32m)	(£0.37m)	(£0.49m)	£1.30m	£0.09m	£0.51m	£0.58m	£0.25m	£0.83m	£0.83m	£1.99m

Notes	
1	The budget was built on the assumption that at the start of April 2022 there would be 20 strength over and above the approved 2021/22 establishment of 3,555 as a result of the decisions to press ahead with recruiting to achieve the planned 200 officer growth in 2022/23
2	The 1st April 2022 strength is not profiled on a monthly basis for budget setting and the above shows the annual amount divided over 12 months with a 2.5% pay rise in September i.e. there is no profile adjustment for incremental increases.
3	Leavers could be at any rank but assumed to be at experienced constable level for the purpose of profiling the monthly budget. Figures are cumulative.
4	The monthly budget for starters is based on the profile and rank of agreed growth posts as per budget setting with the balance to cover attrition assumed to be constables.
5	The budget includes Police Officer pay, NI, pension, allowances, 0.5% employers apprenticeship levy and recharges for collaborative posts. Overtime and Bank Holiday pay is not included.
6	The change in strength and budget may not always match due to the mix of starters and leavers.
7	Starters includes probationers, transferees and rejoiners
8	Other adjustments include miscellaneous losses and gains e.g. officers going on secondment or career break. It also includes net adjustments to part time hours

4.2 Modelling of Financial impact from changes to Officers leaver and joiner profile

The table below seeks to model the estimated financial impact from 1, 5, or 10 FTE less leavers than the leavers projections supplied by HR, with an even adjustment to the intakes scheduled for June, August, October, and January to maintain an end of year projection of 3,755 FTE Officers. The financial impact of 1, 5 or 10 FTE less leavers per month is £0.121m, £0.607m or £1.214m, respectively. The same would apply in reverse for more leavers.

Estimated impact of changes to leavers and joiners profiles Cost/(Saving)

	INTAKE		INTAKE		INTAKE		INTAKE		INTAKE				
	April 12 months	May 11 months	June 10 months	July 9 months	August 8 months	September 7 months	October 6 months	November 5 months	December 4 months	January 3 months	February 2 months	March 1 month	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
Estimated Impact of 1 FTE less Leaver per month	54,385	49,853	45,321	40,789	36,256	31,724	27,192	22,660	18,128	13,596	9,064	4,532	353,500
Estimated Impact of 3 FTE less probationers joiner per intake			(85,253)		(68,203)		(52,431)			(26,216)			(232,103)
													Net Impact
													121,397

	INTAKE		INTAKE		INTAKE		INTAKE		INTAKE				
	April 12 months	May 11 months	June 10 months	July 9 months	August 8 months	September 7 months	October 6 months	November 5 months	December 4 months	January 3 months	February 2 months	March 1 month	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
Estimated Impact of 5 FTE less Leavers per month	271,925	249,265	226,605	203,945	181,280	158,620	135,960	113,300	90,640	67,980	45,320	22,660	1,767,500
Estimated Impact of 15 FTE less probationer joiners per intake			(426,265)		(341,015)		(262,155)			(131,080)			(1,160,515)
													Net Impact
													606,985

	INTAKE		INTAKE		INTAKE		INTAKE		INTAKE				
	April 12 months	May 11 months	June 10 months	July 9 months	August 8 months	September 7 months	October 6 months	November 5 months	December 4 months	January 3 months	February 2 months	March ² 1 month	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
Estimated Impact of 10 FTE less Leavers per month	543,850	498,530	453,210	407,890	362,560	317,240	271,920	226,600	181,280	135,960	90,640	45,320	3,535,000
Estimated Impact of 30 FTE less probationer joiners per intake			(852,530)		(682,030)		(524,310)			(262,160)			(2,321,030)
													Net Impact
													1,213,970

4.3 Police Officers, Police Staff, PCSOs and Specials - FTEs

FTE Changes Impacting Pay Forecasts - 2022/23 Month 9

1. Police Officers - Budget Based on Strength								
	Current Position - FTEs		Financial Forecasting FTEs					Strength at 31st March 2023
	Establishment Target	Strength @ month end	Strength at 1st April 2022	Starters for the year	Transferees for the year	Leavers for the year	Other adjustments e.g. change in hours	
Budget Setting			3,575	384	24	(228)	0	3,755
HR data @ 31 October 22	3,755	3,686	3,572	440	18	(271)	(4)	3,755
HR data @ 30 November 22	3,755	3,660	3,572	442	18	(273)	(4)	3,755
Change	0	(26)	0	2	0	(2)	0	0

2. Police Staff - Budget Based on Establishment (please see note below)*						
	Current Position - FTEs		Financial Forecasting FTEs			
	Establishment @ 100% **	Strength @ month end	Establishment @ 100% at 1st April 2022	Vacancy Factor Establishment @ 1st April 2022 *	Actual starters to date	Actual leavers to date
Budget Setting			2,318	2,183		
HR data @ 31 October 22	2,408	2,107			151	(196)
HR data @ 30 November 22	2,407	2,101			165	(216)
Change	(1)	(6)	0	0	14	(20)

* Vacancy Factor is 7% for departments with less than 30 FTE and 8% for departments with more than 30 FTE for all areas except for FCR, Resolution Centre, PFCC's Office and externally funded who have a 0% Vacancy Factor

** Police Staff Establishment includes 2022/23 Growth

3. PCSOs - Budget Based on Establishment								
	Current Position - FTEs		Financial Forecasting FTEs					Strength at 31st March 2023
	Establishment @ month end	Strength @ month end	Establishment @ 1st April 2022	Strength at 1st April 2022	Starters for the year	Leavers for the year	Other adjustments e.g. change in hours	
Budget Setting			103	103	0	0	0	103
HR data @ 31 October 22	102	99	103	94	21	(9)	(1)	105
HR data @ 30 November 22	102	99	103	94	21	(10)	0	105
Change	0	(0)	0	0	0	(1)	1	0

Note: The PCSO Establishment includes 13 FTE partnership funded posts which are externally funded

4. Specials - Headcount	Actual Strength	Target Strength
Budget Setting		600
HR data @ 31 October 22	367	600
HR data @ 30 November 22	364	600
Change	(3)	0

5. Detailed Reserves Analysis

Earmarked Reserves and Provisions - Opening and Closing Balances								
Reserve	1st April 2022 - Opening Balance	Budget Setting Contribution / (Allocation) 2022/23	In-Year Contribution 2022/23	In-Year Allocation 2022/23	Current Month Closing Balance	Forecast In-Year Allocation	Forecast Year End Balance	Description of Earmarked Reserve
1 Reserves held by Essex Police but managed as third party reserves								
Op Dagenham Maintenance Reserve	£0.092m	-	-	-	£0.092m	-	£0.092m	Essex share of maintenance reserve held by each of the 7F to fund the cost of minor repairs to multi-occupancy building held for Op Dagenham.
Total	£0.092m	£0.000m	£0.000m	£0.000m	£0.092m	£0.000m	£0.092m	
2 Project Reserves								
N/A	-	-	-	-	-	-	-	N/A
Total	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	£0.000m	
3 Ringfenced Reserve								
Proceeds of Crime Act	£2.047m	(£0.391m)	-	-	£1.656m	(£0.206m)	£1.450m	POCA Reserve holds receipts received through the Asset Recovery Incentive Scheme to fund crime reduction related expenditure.
Forfeiture Monies Reserve	£0.426m	£0.025m	-	(£0.262m)	£0.189m	-	£0.189m	Forfeiture Monies Reserve holds funds transferred from the Misuse of Drugs Act Seizures Fund.
Restructuring Reserve	£1.023m	-	-	-	£1.023m	(£0.600m)	£0.423m	Reserve to help fund future years restructuring costs (Redundancies, LGPS Financial Strain and relocation expenses). Agreement to fund £0.600m of Op Hazel expenditure if Home Office funding not available.
Operational Transformational Reserve (OTR)	£0.479m	(£0.139m)	£0.085m	(£0.011m)	£0.414m	(£0.414m)	-	OTR report is submitted to OPFCC Performance and Resources Board on a quarterly basis. OTR marked for closure following 2022/23, with residual balance transferred to the Transformation Reserve.
Transformation Reserve	£1.110m	-	-	(£0.140m)	£0.970m	£1.261m	£2.231m	Reserve to help fund the one-off costs of implementing the IT and Estates Transformation Strategies. OTR forecast residual balance of OTR to be transferred to the Transformation Reserve in 2022/23. Forecast appropriations include transfer of OTR residual balance of £0.340m and Revenue Consequences of Capital underspends for IT projects of £0.921m for utilisation in 2023/24.
Data Analytics Reserve	£0.028m	(£0.028m)	-	-	-	-	-	Data Analytics and Visualisation Tool to be delivered in 2020/21 and into 2021/22. RECOMMEND CLOSURE OF THIS RESERVE - NIL BALANCE.
Legal Reserve	£1.316m	-	-	-	£1.316m	-	£1.316m	Provision to fund the cost of one-off commitments for legal claims (Allard & Ors v Devon & Cornwall Constabulary) and consultancy/legal costs in respect of McCloud v Sargeant judgement. Awaiting legal advice before utilisation of the reserve.
PEQF Reserve	£0.326m	(£0.046m)	-	-	£0.280m	-	£0.280m	PEQF mobilisation costs to be used for the introduction of the new PEQF training programme.
Restricted Grant and Contributions Reserve	£0.103m	-	-	(£0.091m)	£0.012m	(£0.012m)	-	Reserve to hold balances of restricted grants and contributions to allow balances to be held until eligible spend incurred.
Total	£6.858m	(£0.579m)	£0.085m	(£0.504m)	£5.859m	£0.030m	£5.889m	
4 Operational Reserves								
Major Operational Reserve	£1.500m	-	-	-	£1.500m	(£1.500m)	-	It is good practice to hold a reserve for dealing with major incidents that will not be reimbursed by the Home Office e.g. Colchester murders, Operation Henley. These reserves are typically 1% of the force budget. Agreement to fund £1.500m of Op Hazel expenditure if Home Office funding not available.
COVID Roadmap Violence Reduction Reserve	£0.229m	(£0.229m)	-	-	-	-	-	COVID Roadmap Violence Reduction Reserve to be utilised in 2021/22 for the purposes of Operation Sunshade, which aims to address violent crime reduction surrounding the easing of lockdown measures. Residual element of funding for COVID regulations at Stansted Airport was removed as part of 2022/23 budget setting. RECOMMEND CLOSURE OF THIS RESERVE - NIL BALANCE.
Chief Constables Operational C/Fwd	£0.750m	-	-	(£0.100m)	£0.650m	(£0.650m)	-	Operational Carry Forward resulting from the 2019/20 and 2020/21 force underspend. Agreement to fund £0.650m of Op Hazel expenditure if Home Office funding not available.
Specials Constabulary Reserve	£0.145m	(£0.145m)	-	-	-	-	-	Reserve to fund ongoing (non-pay) activities associated with the growth of the Special Constabulary. RECOMMEND CLOSURE OF THIS RESERVE - NIL BALANCE.
Future Capital Funding	£4.358m	£1.665m	£0.262m	-	£6.285m	(£6.185m)	£0.100m	Reserve to apply revenue financing to fund the force capital programme
Total	£6.982m	£1.291m	£0.262m	(£0.100m)	£8.435m	(£8.335m)	£0.100m	
5 PFCC Reserves								
Commissioning Grants / Safer Streets	£3.174m	-	-	-	£3.174m	-	£3.174m	Includes PFCC Commissioning Budget C/Fwd of £1.418m and Safer Streets funding of £1.755m
Total	£3.174m	£0.000m	£0.000m	£0.000m	£3.174m	£0.000m	£3.174m	
6 General Reserve								
General Reserve	£14.818m	(£0.206m)	-	(£1.177m)	£13.435m	£0.493m	£13.928m	The 2022/23 General Reserve opening balance is £14.818m, which represents 4.2% of the 2022/23 force budget of £352.2m. The in-year allocation of £1.177m reflects the funding of the increase to the South East Allowance and the forecast allocation reflects the forecast overspend for the force expenditure, less contribution from Earmarked Reserves to fund Op Hazel expenditure and a £1.2m over achievement of 2022/23 PUP allocation in the form of additional grant. The 2022/23 General Reserve closing balance is £13.928m, which represents 4.0% of the 2022/23 force budget of £352.2m.
Total Revenue Reserves	£31.924m	£0.506m	£0.347m	(£1.781m)	£30.996m	(£7.813m)	£23.183m	

6. Capital

6.1 Capital Summary

CAPITAL PROGRAMME 2022/23 MONTH 9 MONITORING POSITION SUMMARY REPORT

	2022/23 Original Budget PF&C Panel	2022/23 Subject to Approvals Funding Distribution	2022/23 Other Approved Changes (Appendix 1)	2022/23 Revised Budget	2022/23 Actuals (to end of reporting period)	2022/23 Forecast Outturn	2022/23 Forecast Budget Variance (Appendix 2)	2022/23 Previous Month Forecast Outturn	2022/23 Forecast Movement to Previous Month Forecast Outturn
	£000	£000	£000	£000	£000	£000	£000	£000	£000
EXPENDITURE -									
ANPR projects	123	110	70	303	287	292	(11)	292	-
Estates projects	5,308	0	2,248	7,555	752	3,084	(4,471)	2,684	400
IT projects	1,998	2,917	803	5,718	3110	4,765	(953)	5,205	(440)
Transport projects	1,324	2,200	210	3,734	784	2,480	(1,254)	2,480	(0)
OPC projects	455	46	(384)	117	57	62	(54)	70	(8)
SCD projects	-	40	182	222	134	222	-	222	-
Other projects	103	237	146	486	369	689	203	711	(22)
<i>Subject to Approval projects</i>	8,579	(5,550)	(2,686)	343	0	343	(0)	343	-
TOTAL EXPENDITURE	17,889	-	589	18,478	5,494	11,937	(6,541)	12,007	(70)
FINANCING -									
Capital Receipts	4,420	-	(1,608)	2,812		2,812	(0)	2,812	(0)
Revenue Contributions	5,579	-	606	6,185		5,996	(190)	6,185	(190)
Capital Grant	32	-	46	78		46	(32)	78	(32)
External & Other Income	0	-	-	-		0	-	-	-
Financing Requirement	7,858	-	1,545	9,403		3,084	(6,319)	2,932	152
TOTAL FINANCING	17,889	-	589	18,478	5,494	11,937	(6,541)	12,007	(70)

- 1 The revised budget reflects all changes to the capital programme since the original budget was approved at the PF&C Panel, including the allocation of subject to approval funding into the approved programme, as well as other changes such as slippage carried forward from the previous year, and other approved budget changes from the PFCC governance process.
- 2 The forecast budget variance reflects all in-year changes to the capital programme compared to the revised budget. The forecast £6.541m underspend incorporates slippage carried forward to 2023/24, and other changes, as set out in Appendix 1.
- 3 The financing model has been update as per the separate working paper
- 4 There are no actuals to date in the financing column as this process is undertaken at year-end (hence the shading applied to this column).
- 5 The term financing requirement refers to the amount of capital spending that has not yet been financed by capital receipts, capital grants or contributions from revenue income i.e. an underlying need to borrow for capital purposes. This need to borrow can include external borrowing from bodies such as the Public Works Loans Board (PWL) or other public sector bodies. It also includes internal borrowing whereby forces fund capital expenditure from a temporary surplus of cash. For treasury management purposes, and based on the latest 2022/23 Treasury Management report (reported at month 8), the total external borrowing requirement is currently estimated to peak at £3m for the current year (excluding the £10m required to meet short-term cashflow commitments). In relation to the total financing requirement set out in the above report, any shortfall compared to the external borrowing value would be fully met by a corresponding amount of internal borrowing.

6.2 Capital Summary – Supporting Commentary

Budget position

The budget position was revised to **£18.478m** in month 6 with no subsequent movements thereafter up to the current month 9 position. The reduction of £2.686m reported in month 6 primarily reflected several projects in the 2022/23 subject to approvals list which were withdrawn or resubmitted as part as of the 2023/24 budget setting process.

In addition to the £2.686m reductions referred to above, the remainder of the current budget movement for the year to date is a net £3.275m increase, mainly comprising £2.224m slippage brought forward from 2021/22, details of which were included in previous reports.

Since the original budget was approved there has been £5.550m of business cases, previously categorised as subject to approval, that have been approved at Strategic Boards during the year, as well as outside of these boards where applicable. The impact of these approvals is reflected within the 'Subject to Approvals Funding Distribution' column in the capital tables contained within this report.

Movement since previous month

The projected capital position for month 9 reflects an underspend of £6.541m compared to the previous reported underspend of £6.471m. The decrease in the forecast spend since the previous month equates to £0.070m, all relating to approved budget lines, the details of which are included in the supporting table below.

	Changes in Forecast Outturn Variance £000	Explanation
Month 8 Forecast Outturn Variance	(6,471)	
Boreham C Block	450	Works now due to start in 22/23 e.g. earlier than previously anticipated. The forecast also includes expenditure for the OPC Drug Store.
Replacement Portacabins	(50)	The project has been reprofiled with the majority of the works slipped to 23/24 following delays with the internal procurement process
Dashcams	(403)	Reduction of current year forecast of £402.6k following a re-profile of the project. Of this total movement £304.5k is being slipped to 23/24.
IT - various projects	(37)	A reduction in forecast expenditure relating to various IT projects now reporting to slip to 23/24, including Laptops and COSMOS Replacement, mainly due to delivery delays
OPC & other projects	(30)	Slippages to 23/24 relating to Drones and Learning & Development Tablets, due to delivery delays
Month 9 Forecast Outturn Variance	(6,541)	

Forecast variances

The forecast underspend is mainly comprised of three areas – forecast slippage c/f, forecast underspends and forecast overspends, the main elements of which are set out in the following paragraphs.

Forecast Slippage c/f of £6.020m (from 2022/23 to 2023/24)

There are three main areas of spend for the 2022/23 programme which are being forecast to slip into 2023/24, relating to Estates, Transport, and IT. These are comprised of:

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Estates - which is expected to slip £4.103m into future years represented by a reduction of £0.400m from previous reported slippage of £4.503m. Included in the current month movement is £0.450m of expenditure relating to Boreham C Block Refurbishment previously reported to slip but now added back to the current year forecast, offset by £0.050m slippage relating to the EPC Replacement Portacabin programme.

Transport – reporting to slip by £1.295m in month 9 representing a decrease in expenditure relating to both the 2021/22 and 2022/23 Fleet Replacement programmes due to a delay in the delivery of vehicles. There have been no further changes to Transport since month 8.

IT – who are reporting slippage of £0.581m. This includes £0.305m relating to Dashcams (new for month 9) as well as £0.149m relating to Infrastructure Technical Refresh. The remainder of the slippage relates to minor movements on other projects.

Forecast Underspend of £1.017m – mainly relating to Estates & IT

Estates – there have been no movements for month 9 with £0.379m of total forecast underspend. The main reductions continue to include Chelmsford Police Station £0.101m, which slipped from 2021/22 with the previously approved amount now no longer fully required. Other significant slippage includes the Conference Room Regeneration of £0.150m also no longer required, £0.066m for the upgrade of faith rooms (the project has been completed) and £0.062m for other smaller projects.

IT – IT are reporting a forecast underspend of £0.539m, comprising £0.353m relating to the infrastructure Technical Refresh project, £0.084m for Digital Interview Replacement (CODES), £0.058m for Dispatch Communication Server and £0.070m on other projects. There were no changes for month 9.

Forecast Overspend of £0.495m

IT – total forecast overspends of £0.167m including advanced works of £0.070m for the Data Centre Migration project, £0.013m for ESMCP (ESN project), Taser tracking of £0.026m and ESMCP (ICCS supplier replacement) related overspend of £0.058m.

Transport – this forecast overspend relates to earlier years fleet replacement programme budget allocations, totalling £0.075m.

Other Projects – this is comprised of additional body armour requirements relating to police officer uplifts, totalling £0.231m of which £0.127m related to month 8 and various smaller projects totalling to £0.011m. There were no further movements to report for month 9.

Financing update

The financing plan for 2022/23 reflects the optimal allocation of capital resources over the medium-term financial period to minimise costs to the force. In respect of capital receipts available to the PFCC, the forecast amount receivable in 2022/23 is £1.884m. All of these are due to be used to finance 2022/23 capital expenditure, along with £0.928m of unused receipts brought forward from 2021/22.

£4.358m of revenue contributions were also brought forward from 2021/22. These funds, together with the forecast £1.927m revenue contribution in 2022/23 will assist in funding the current year programme, and reduce the immediate financial burden on the revenue account over the coming years from high Minimum Revenue Provision (MRP) charges that would otherwise be required.

The financing requirement for unfinanced capital expenditure is forecast at £3.084m which equates to approximately 25.8% of the year's financing plan, excluding the £10m required to meet short-term cashflow commitments. Based on the latest treasury management information available there

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may be a need for external borrowing in 2022/23, but not until the last quarter of the financial year at least.

For month 9 the main movements related to the application of revenue funding as well as the financing requirement. The use of revenue contributions decreased by £0.189m for month 9, with £0.467m of slippage on short-life projects offset by £0.280m for other short-life spend which was previously allocated to the financing requirement. In relation to the overall movement on the financing requirement this increased by £0.151m, with £0.450m of this funding the additional Boreham C Block spend now recognised in 22/23, offset by a reduction of £0.299m, including £0.280m of the aforementioned short life spend now being covered by revenue contributions.

CAPITAL PROGRAMME 2022/23 MONTH 9 MONITORING POSITION OTHER APPROVED BUDGET CHANGES

	Slippage b/f	SB - Changes to Existing Programme*	SB - New Projects Approved	Delegated Authority - Changes to Existing	Delegated Authority - New Projects Approved	Total Movements
	£000	£000	£000	£000	£000	£000
OTHER APPROVED BUDGET CHANGES						
ANPR projects	70		-	-	-	70
Estates projects	1,752	411	86	-	-	2,249
IT projects	393	410	-	-	-	803
Transport projects	210		-	-	-	210
OPC projects	(384)		-	-	-	(384)
SCD projects	38	-	144	-	-	182
Other projects	146		-	-	-	146
Subject to Approval projects	-	(2,686)	-	-	-	(2,686)
TOTAL	2,224	(1,865)	230	-	-	589

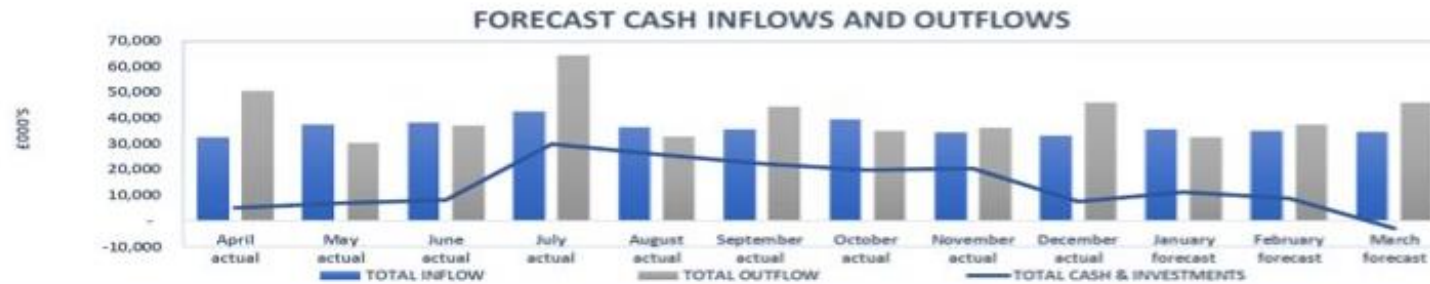
*including differences in values between budget setting bid compared to final approved business case

CAPITAL PROGRAMME 2022/23 MONTH 9 MONITORING POSITION FORECAST EXPENDITURE VARIANCES

	Additions	Forecast Overspend	Forecast Underspend	Slippage c/f	Total Variances
	£000	£000	£000	£000	£000
FORECAST OUTTURN VARIANCES					
ANPR projects	0	1	(12)	0	(11)
Estates projects	0	10	(379)	(4,103)	(4,471)
IT projects	0	167	(539)	(581)	(953)
Transport projects	0	75	(35)	(1,295)	(1,254)
OPC projects	0	11	(50)	(17)	(54)
SCD projects	0	0	(0)	0	(0)
Other projects	0	231	(3)	(25)	204
Subject to Approval projects	0	0	0	0	0
TOTAL	0	495	(1,017)	(6,020)	(6,541)

7. Cashflow Forecast

Cashflow Forecast – December 2022



TREASURY MANAGEMENT ACTIVITIES

	Forecast £000	Actual £000	Variance £000
Expenditure			
Supplier payments	10,495	12,049	1,554
Capital - property acquisitions	0	0	0
HMRC payments	6,936	7,008	72
Essex LGPS payments	1,451	1,451	0
Payroll	24,500	25,519	1,019
Total cash outflow	43,382	46,027	2,645
Income			
Govt grant	(17,221)	(17,836)	(615)
Precepts	(12,396)	(12,396)	0
Other net receipts	(5,394)	(2,997)	2,397
Total cash inflow	(35,011)	(33,229)	1,782
Total cash (inflow)/outflow	8,371	12,798	4,427

DECEMBER COMMENTARY

Expenditure

Supplier payments were £1.554m higher than forecast reflecting a variance to the expected profile of payments processed by Business Services. The main reason for this variance related to the net impact of an additional payment run being processed on the 30/12 (£2.739m) which was not included in the plan, offset by the four weekly BACS runs for the remainder of the month being £1.194m less in total than the plan anticipated.

The other significant variance related to Payroll which was £1.019m higher than the plan anticipated. This included £0.514m relating to staff as a result of pay award adjustments, and a further £0.383m relating to uniform and pensioners.

Income

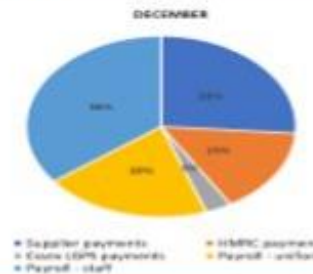
Government Grants exceeded the plan by £0.615m. This related to the Essex Police share of Grip funding to tackle serious violence which equated to £0.513m, as well as a further £0.102m relating to POCA/ARIS grant.

There was a considerable shortfall of £2.397m relating to other net receipts. This related to a delay in receiving the planned monthly VAT reimbursement of £0.750m [this was subsequently received on the 3rd January and was £1.070m] and a delay in the capital receipt for the disposal of Walton Police Station (£0.240m). The remainder of the variance principally related to significantly reduced customer receipts, with an average daily value of £0.091m compared to the estimated daily amount of £0.163m.

External Borrowing/Financing

There has been no external borrowing requirement in 2022/23 to date, however based upon the most recent [month 8] treasury management report it was expected that £3m of external borrowing would be required before year-end, which has now reduced to £2.784m based on the latest cashflow information included in this report.

EXPENDITURE ANALYSIS



INVESTMENTS @ 31ST DECEMBER

