

Performance and Resources Scrutiny Programme 2024/25

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

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1.0 Purpose of Report

This report identifies the 2024/25 Month 5 position for the Force.

2.0 Recommendations

- To note the latest position in the monitoring report.
- To note the appropriations to/from earmarked reserves (virements and journals), as noted in Section 2 of the 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 July, Month 5, financial position.

5.0 Current Work and Performance

The Month 5 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 URN 2761: MTFs 2024/25 – Balancing the Budget and Its Potential Impact on Services and Outcomes for Victims and Public Trust and Confidence in Essex Police.

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

6.5 Health and Safety Implications - N/A

7.0 Consultation/Engagement – N/A

8.0 Actions for Improvement - N/A

9.0 Future Work/Development and Expected Outcome

Additional funding of £0.480m in relation to an overachievement of 2024/25 Police Officer Uplift is included in the revenue forecast, based on confirmation that the force will be eligible for a payment of £48,000 per officer recruited above the force's maintenance headcount of 3,810 (baseline plus total three-year allocation), up to a maximum of 10 officers, resulting in a Police Officer headcount of 3,820.

If the additional PUP headcount target of 10 is not met in full by financial year end, the force will forego the total additional funding of £0.480m.

For any shortfall in relation to the force's maintenance headcount of 3,810, loss of income would be £80,000 per officer, up to a headcount shortfall of 57 officers (i.e. headcount of 3,753), followed by a total loss of all grant funding of £9.553m from a headcount shortfall of 58 officers or more.

1. Executive Summary

REVENUE

The revenue forecast overspend as at month 4 is £2.433m against the 2024/25 revenue budget of £385.5m (0.63% variance).

Additional funding of £0.480m in relation to an overachievement of 2024/25 Police Officer Uplift is included in the revenue forecast, based on confirmation that the force will be eligible for a payment of £48,000 per officer recruited above the force's maintenance headcount of 3,810 (baseline plus total three-year allocation), up to a maximum of 10 officers. If the additional PUP headcount target of 10 is not met in full by financial year end, the force will forego the total additional funding of £0.480m.

WORKFORCE

Police Officer strength forecast at the end of August is 3,696 FTE and forecast to be 3,754 FTE at year end. The headcount for the end of August is 46 under 3,810 but forecast to reach 3,820 by March 2025. The overspend on Police Officer Pay and Allowances, excluding overtime and Temporary Duty Allowance, is £0.826m.

Police Staff strength at the end of July is 2,115 FTE. Total vacancies at 31st July are 237 FTEs. The overspend on Police Staff Pay and Allowances, excluding overtime, is £0.315m.

PCSO strength at the end of July is 87 FTE and forecast to be 85 FTE at year end. The overspend on PCSO Pay and Allowances is £0.058m.

RESERVES

The net appropriations from earmarked reserves for month 5 is £1,470m.

The forecast deficit before appropriations from earmarked reserves and general reserve is £6.301m.

A list of all appropriations to and from earmarked reserves is noted in Section 2 of the report.

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

CAPITAL

The capital financial monitoring position for month 5 is a forecast spend of £18.392m, which is a £2.802m underspend against the latest revised budget of £21.194m (13.2% variance).

The financing requirement for unfinanced capital expenditure is forecast at £12.873m, equating to 70% of the year's financing plan. Based on the latest cashflow position, there is not expected to be a need for external borrowing to support capital expenditure in 2024/25 but further short-term external borrowing may be required.

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						
ER013/24	Forfeitures income	25	Appropriation to allocate in-year forfeitures income to Forfeitures Reserve	Approval by Chief Constable through COG	Forfeiture Monies Reserve	Fees charges and other service income
Total		25				
Appropriations (from) Earmarked Reserves						
ER014/24	Reduction in the Welfare, Wellbeing and Workplace Reserve	(400)	Funding no longer required within Transformation Reserve, returned to General Reserve	Appropriation from Earmarked Reserve for its intended use	Transformation Reserve	General Reserve
ER015/24	Capital Expenditure Funded by Revenue via Future Capital Funding Reserve	(1,000)	Technical appropriation to reflect financing of the capital programme with revenue funding from the Future Capital Funding Reserve	Technical	Future Capital Funding Reserve	Capital & Other Adjustments
ER016/24	Legal Claims - Allard claims	(95)	To offset the costs incurred in the financial year to the end of month 5, in respect of Allard claims and related compensation	Appropriation from Earmarked Reserve for its intended use	Legal Claims Reserve	Supplies & Services
Total		(1,495)				
Net appropriation to/(from) Earmarked Reserves		(1,470)				

3. Revenue

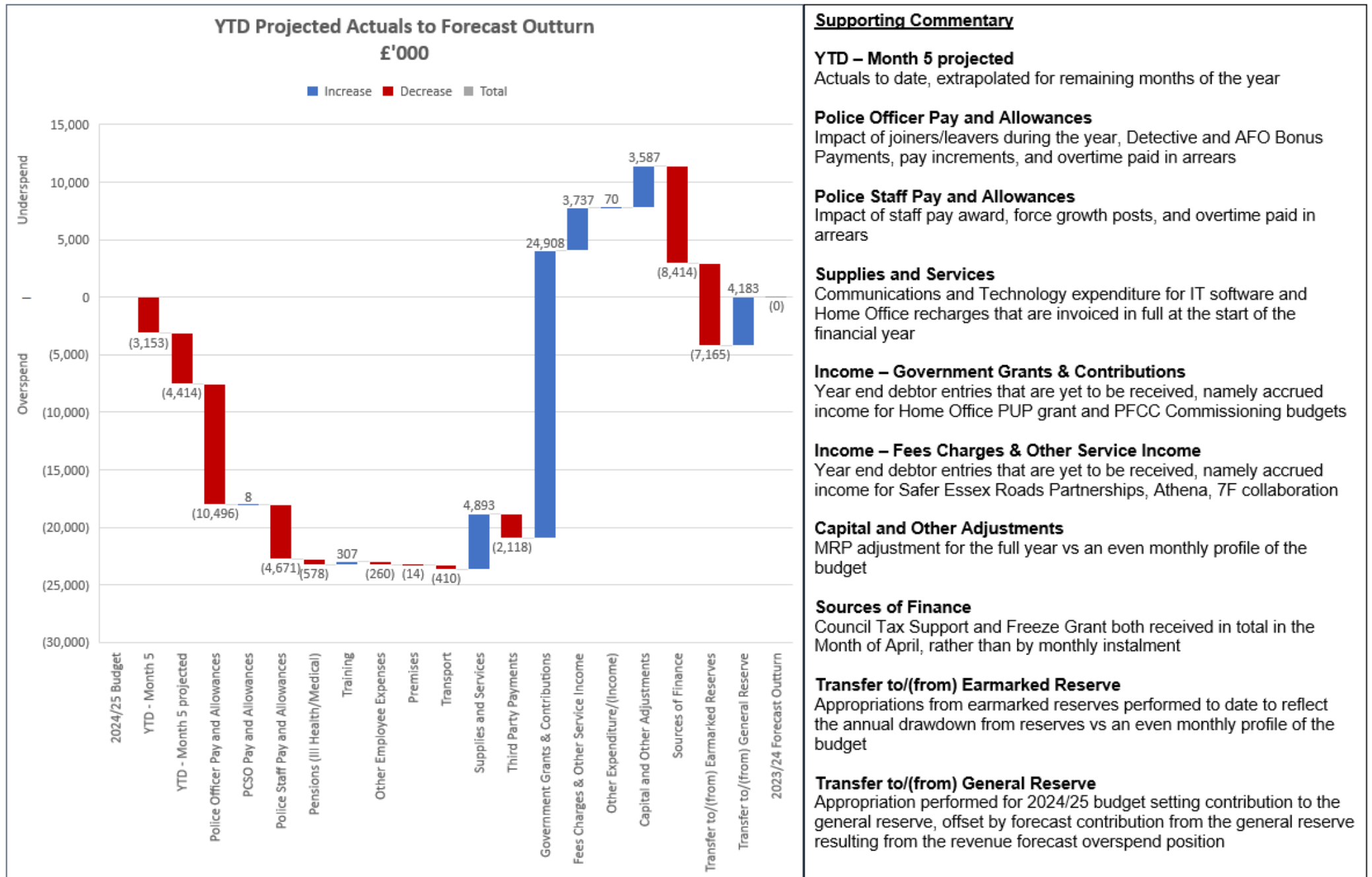
3.1 Revenue Summary

In Month - Month 05			Year to Date - Month 05			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	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
						Employees								
						<u>Police Officer Pay and Allowances</u>								
20,706	20,084	(622)	103,528	99,577	(3,951)	- Police Officer Pay and Allowances	245,122	3,346	248,468	99,577	249,295	4,172	826	39
690	1,003	313	3,451	3,793	342	- Overtime and Operational Performance	7,060	1,223	8,283	3,793	9,175	2,115	892	159
88	116	29	439	469	31	- Associated Police Pay	1,074	(20)	1,053	469	1,243	169	189	22
21,484	21,204	(280)	107,418	103,840	(3,579)	Police Officer Pay and Allowances	253,256	4,548	257,804	103,840	259,712	6,456	1,908	219
						PCSO Pay and Allowances								
299	295	(4)	1,493	1,522	29		3,567	17	3,584	1,522	3,644	77	60	(8)
						<u>Police Staff Pay and Allowances</u>								
8,643	8,339	(304)	43,216	41,429	(1,787)	- Police Staff Pay & Allowances	101,956	1,763	103,719	41,429	104,034	2,078	315	133
113	137	24	565	706	141	- Police Staff Overtime and Agency	1,116	239	1,355	706	1,760	644	405	(14)
8,756	8,476	(280)	43,781	42,135	(1,646)	Police Staff Pay and Allowances	103,072	2,002	105,074	42,135	105,794	2,722	720	119
398	345	(53)	1,988	1,795	(193)	Pensions (Ill Health / Medical)	4,770	0	4,770	1,795	4,885	115	115	0
132	36	(97)	662	800	138	Training	1,611	(23)	1,588	800	1,612	1	24	24
50	47	(3)	251	154	(97)	Other Employee Expenses	392	210	602	154	629	237	27	0
31,119	30,403	(716)	155,593	150,245	(5,348)	Employees Total	366,668	6,754	373,422	150,245	376,277	9,609	2,855	353
989	1,015	26	4,943	4,844	(99)	Premises	11,650	214	11,864	4,844	11,639	(10)	(224)	(154)
537	475	(62)	2,685	2,561	(124)	Transport	6,433	10	6,443	2,561	6,556	123	113	(13)
4,345	3,581	(764)	21,723	23,758	2,034	Supplies and Services	46,826	5,310	52,136	23,758	52,126	5,300	(10)	379
615	51	(564)	3,076	2,343	(733)	Third Party Payments	7,466	(83)	7,383	2,343	7,741	275	358	46
37,604	35,525	(2,080)	188,020	183,750	(4,270)	Gross Expenditure	439,043	12,206	451,249	183,750	454,339	15,297	3,091	611
						<u>Income</u>								
(3,796)	(1,919)	1,877	(18,978)	(8,776)	10,202	- Government Grants & Contributions	(38,723)	(6,824)	(45,547)	(8,776)	(45,969)	(7,247)	(423)	(3)
(1,536)	(1,317)	220	(7,682)	(6,143)	1,538	- Fees Charges & Other Service Income	(18,045)	(391)	(18,436)	(6,143)	(18,482)	(437)	(46)	(206)
(5,332)	(3,235)	2,097	(26,659)	(14,919)	11,740	Income	(56,767)	(7,215)	(63,982)	(14,919)	(64,451)	(7,684)	(469)	(209)
32,272	32,289	17	161,361	168,831	7,470	Net Cost of Services	382,275	4,991	387,266	168,831	389,888	7,613	2,622	402
						Other Expenditure / (Income)	(168)	24	(144)	(226)	(612)	(444)	(468)	(94)
190	1,000	810	952	2,562	1,610	Capital and Other Adjustments	1,284	1,000	2,284	2,562	2,562	1,278	278	0
32,450	33,191	740	162,252	171,168	8,915	Net Expenditure	383,391	6,015	389,406	171,168	391,839	8,447	2,433	308
(32,128)	(30,089)	2,039	(160,641)	(164,147)	(3,506)	Sources of Finance	(385,538)	0	(385,538)	(164,147)	(385,538)	(0)	(0)	0
322	3,102	2,780	1,612	7,021	5,409	(Surplus)/Deficit before appropriations	(2,147)	6,015	3,868	7,021	6,301	8,447	2,433	308
						Contribution to/(from) Earmarked Reserves	1,297	(6,415)	(5,118)	(5,118)	(5,118)	(6,415)	0	0
(426)	(1,995)	(1,569)	(2,132)	(5,118)	(2,985)	Contribution to/(from) General Reserve	850	400	1,250	1,250	(1,183)	(2,033)	(2,433)	(308)
104	400	296	521	1,250	729	(Surplus)/Deficit after appropriations	0	0	0	3,153	0	0	0	0
0	1,506	1,506	0	3,153	3,153									

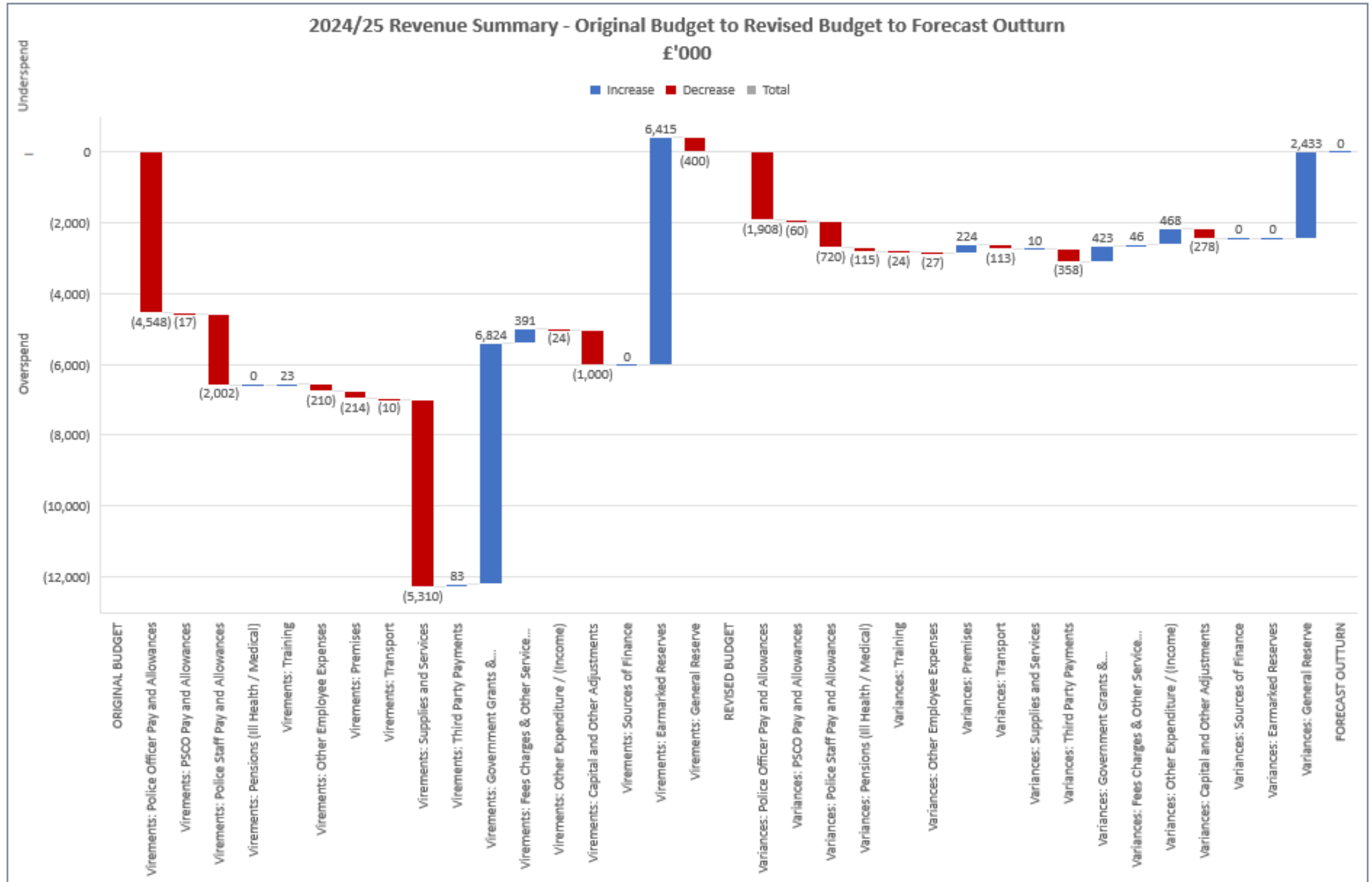
¹Even monthly profile of Revised Budget

²2024/25 Budget agreed at Police, Fire and Crime Panel

3.2 Year to Date Projected Actuals to Forecast Outturn



3.3 Original Budget to Revised Budget to Forecast Outturn



3.4 Revenue Summary – Supporting Commentary

Police Officer Pay and Allowances - £1.908m overspend

Explanation of forecast variance

The forecast overspend includes the impact of the opening strength being 3 FTE more than budgeted and changes to recruitment and leaver profiles (£0.158m). The forecast also includes overspends for Police Officer overtime for Forcewide Operations, OPC, SCD, C&PP, LPAs, PSD and Force Tasking, based on vacancies and volumes of activity (£0.842m), in addition to Bank Holiday overtime across the force (£0.050m); Temporary Duty Allowance based on the impact of abstraction from LPA teams for other demands (£0.300m) and resources directed at policing of violent hot spots under Op Grip to ensure that the full grant is claimable (£0.306m). The net increase in cost as a result of the net pay award is included in the forecast (£0.252m).

PCSO Pay and Allowances - £0.060m overspend

Explanation of forecast variance

The forecast overspend includes the impact of the opening strength being 4 FTE more than budgeted, partially offset by leavers forecast during 2024/25.

Explanation of adjustments to Original Budget (virements)

The adjustment from Original Budget to the Revised Budget during Month 5 (which has a corresponding forecast change) includes anticipated HO funding for the pay award (£2.750m increase), abnormal loads income offsetting related overtime cost (£0.105m) and funding of Op Landscape overtime (£0.368m increase).

Previously reported adjustments to Original Budget, up to and including Month 4, total £1.325m.

Explanation of adjustments to Original Budget (virements)

Nothing material to report.

Police Staff Pay and Allowances - £0.720m overspend

Explanation of forecast variance

The forecast overspend includes the impact of an opening strength difference, projected 2024/25 bulk intakes predominantly for the Contact Centre, and starters and leavers during the first quarter (£0.208m). The forecast also includes the anticipated net impact of the pay award (£0.107m) and overspends for Police Staff overtime (including Back Holiday overtime), including Contact Management and SCD, based on vacancies and volumes of activity (£0.419m).

Police Pensions (Ill Health/Medical) - £0.115m overspend

Explanation of forecast variance

The forecast overspend reflects additional injury pension-related costs, in respect of unbudgeted lump sums payable as well as an increase in monthly pension costs, based on demand-led factors with additional officers being paid injury pensions compared to the budget setting assumption.

Other Employee Expenses (Ill Health/Medical) - £0.027m overspend

Explanation of forecast variance

Nothing material to report.

Explanation of adjustments to Original Budget (virements)

The adjustment from Original Budget to the Revised Budget during Month 5 (which has a corresponding forecast change) includes anticipated HO funding for the pay award (£1.150m increase).

Previously reported adjustments to Original Budget, up to and including Month 4, total £0.838m.

Explanation of adjustments to Original Budget (virements)

Nothing to report.

Explanation of adjustments to Original Budget (virements)

The adjustment from Original Budget to the Revised Budget during Month 5 includes Allard claims being met from Legal Claims Reserve.

Previously reported adjustments to Original Budget, up to and including Month 4, total £0.138m.

Premises - £0.224m underspend

Explanation of forecast variance

The forecast includes a one-off credit received for contract cleaning regarding recovery of a proportion of SARC related expenditure from the prior 3 years (£0.070m). Also, a reduction of cost following a reassessment of gas and electricity charges for the remainder of 2024/25 (£0.300m). This is partially offset by an increase in professional fees for regular attendance and review of vacant properties plus SARC lease-related legal fees (£0.085m).

Transport - £0.113m overspend

Explanation of forecast variance

The forecast includes material overspends for Vehicle Parts, Equipment and Tyres (£0.518m) and the impact of the annual review of Detention Officer eligibility to claim Essential User Lump Sum Allowance (0.069m), offset by material underspends for Vehicle Fuel (£0.285m) and Vehicle Insurance premium (£0.209m).

Explanation of adjustments to Original Budget (virements)

Nothing material to report.

Previously reported adjustments to Original Budget, up to and including Month 4, total £0.211m.

Explanation of adjustments to Original Budget (virements)

Nothing material to report.

Supplies and Services - £0.010m overspend

Explanation of forecast variance

The forecast underspend includes a saving in respect of revenue consequences of capital following a detailed analysis of the in-year requirement, encompassing the underlying movement in the capital programme since 2024/25 budget setting (£0.6m); an increase in Home Office/Police Digital charges for NLEDS and IAM, which is offset by an appropriation of a Section 31 grant from the Restricted Grant Reserve, in addition to communications and technology underspends for airwave call charges and IT circuit costs (£0.3m); a saving against budgeted inflationary cost pressures for Taser ammunition (£0.2m) and the impact of lower than expected Home Office recharges for CSP Data (£0.1m). The forecast underspend is partially offset by high demand on kennelling and fees in relation to Dangerous Dogs, which is a nationally recognised pressure (£0.7m); an increase in misconduct cases, in addition to new fees for panel attendees (£0.1m); an increase in legal fees, which is linked to vacancies within the Legal team (£0.1m); and an increase in the forecast for Preservation and Production Order costs for comms data, together with other small adjustments across the range of supplies and services budgets (£0.1m).

Explanation of adjustments to Original Budget (virements)

The adjustment from Original Budget to the Revised Budget during Month 5 (which has a corresponding forecast change) includes revenue consequence reclassification to align to current reporting position (£0.014m) and offsetting part adjustment to MCA Costs (£0.035m).

Previously reported adjustments to Original Budget, up to and including Month 4, total £5.360m.

Third Party Payments - £0.358m overspend

Explanation of forecast variance

The forecast overspend includes the profile difference of ERSOU ROCU costs when compared to budget setting (£0.220m) and the annual contribution to NPAS budget, where the contribution from forces was communicated after finalisation of 2024/25 budget setting (£0.138m). Also includes the estimated net impact of the ERSOU pay award (£0.036m). These overspends are partially offset by an underspend resulting from slippage in the Athena work programme, predominantly for digital case file functionality (£0.056m).

Income – Government Grants & Contributions - £0.423m surplus

Explanation of forecast variance

The forecast surplus includes additional Police Uplift Programme income to reflect recruitment of an additional 10 officer headcount over the PUP target of 3,810 (£0.480m) and Home Office funding for force funded officers deployed to Op Ivy in 2024/25 (£0.149m). The forecast surplus is partially offset by a deficit relating to the uplift in pension funding rate for CT Grant funded officers not being reclaimable via the CT Grant. Notification was received from the Home Office in March 2024 that the Pension Uplift Grant includes funding for CT officers (£0.136m).

Explanation of adjustments to Original Budget (virements)

Previously reported adjustments to Original Budget, up to and including Month 4, total £0.083m.

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 Pay and Allowances, Police Staff Pay and Allowances, PCSO Pay and Allowances, Supplies & Services, Third Party Payments, and appropriations to earmarked reserves, for Home Office funding and externally funded activity, all of which have a corresponding forecast adjustment.

Income – Fees, Charges & Other Service Income - £0.046m surplus

Explanation of forecast variance

The forecast surplus includes additional one-off abnormal loads income (£0.112m), recovering of costs from the Federation National Board (£0.078m) and a reduction in the shortfall on MCA Costs (£0.149m). The increase to the forecast is offset by a reduction in vehicle seizure income (£0.076m) and by a deficit for the Magistrates Costs Awarded income budget as a result of the 2023/24 Roads Policing restructure, on the basis that monthly income does not reflect the additional court spaces being filled (£0.352m), partially offset by surplus income for works carried out to vehicles on behalf of City of London Police (£0.060m) and recharges for force funded officers on short term attachment to HMICFRS (£0.050m).

Other Expenditure/(Income) - £0.468m surplus

Explanation of forecast variance

The forecast surplus is due to an increase in investment income based on a revised calculation of expected returns across the remainder of year. The increase in surplus also reflects an updated position on expected interest payable linked to external borrowing forecasts.

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 Pay and Allowances, Police Staff Pay and Allowances, PCSO Pay and Allowances, Supplies & Services, Third Party Payments, and appropriations to earmarked reserves, for Home Office funding and externally funded activity, all of which have a corresponding forecast adjustment.

Explanation of adjustments to Original Budget (virements)

The adjustments from Original Budget to the Revised Budget reflect the interest on the Allard claim (£0.024m).

Capital and Other Adjustments - £0.278m overspend

Explanation of forecast variance

The forecast overspend is due to an increase in minimum revenue provision (MRP) forecast based on greater demand on the financing requirement at 2023/24 year end compared to the budget setting assumption. This is due to reduced capital receipts receivable in 2023/24, leading to a greater MRP burden in respect of short-life assets from 2024/25 onwards (£0.278m).

Contribution from Earmarked Reserves

Explanation of forecast variance

Nothing to report.

Contribution from General Reserve - £2.433m

Explanation of forecast variance

As noted in Section 1 of the report in terms of the revenue forecast overspend position for the force.

Explanation of adjustments to Original Budget (virements)

The adjustments from Original Budget to the Revised Budget reflect the forecast application of revenue funding for financing of capital expenditure (to CAA) (£1.000m).

Explanation of adjustments to Original Budget (virements)

As noted in Section 2 and Section 5 of the report.

Explanation of adjustments to Original Budget (virements)

Nothing to report.

3.5 Main Forecast Movements

Main Changes to Forecast Outturn Variance since Month 4

Areas of Change	Change in Forecast Outturn £m	Comments
Month 4 Forecast Outturn Variance	2.1	Overspend
Police Officer Pay and Allowances	0.4	The increase in forecast includes the net impact of the agreed pay award after anticipated HO funding £0.3m and an increase in O/T, mainly OPC £0.3m offset by a reduction to the forecast due to the recruitment profile (£0.3m).
Police Staff Pay and Allowances	0.1	The increase in forecast includes the net impact, after HO funding, of the pay award which is assumed to be in line with the rate awarded to officers £0.1m.
Premises	(0.2)	The overall reduction in forecast includes a reduction of gas and electricity charges for the remainder of 2024/25 following a reassessment (£0.3m). This is partially offset by an increase in professional fees for regular attendance and review of vacant properties plus SARC lease-related legal fees £0.09m.
Supplies and Services	0.4	The increase in forecast includes additional dangerous dogs expenditure £0.48m, offset by a favourable movement on project revenue consequences (£0.19m), principally relating to IT with the remaining in-year forecast for the Contact Management/Workforce Management Tool project now removed.
Other Expenditure / (Income)	(0.4)	The forecast includes an increase in private hire income regarding one off abnormal loads income which offsets police overtime cost (£0.1m), a decrease in interest payable (£0.1m) based on the latest cashflow forecast projections, and a reduction in the shortfall on MCA Costs (£0.1m).
Month 5 Forecast Outturn Variance	2.4	Overspend

4. Workforce Analysis

4.1 Police Officer – FTEs and Monthly Financial detail

2024/25 - Police Officers Pay/Strength - Using 2024/25 Budget Setting Model

Ref	2024/25 Budget Setting													
	Strength	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)	3,755	3,734	3,712	3,743	3,721	3,700	3,743	3,722	3,700	3,743	3,721	3,700	
2	Leavers	(23)	(23)	(23)	(23)	(23)	(23)	(23)	(23)	(23)	(23)	(23)	(23)	(276)
3	Joiners - Probationers	0	0	52	0	0	65	0	0	64	0	0	62	243
4	Joiners - Transferees	2	1	2	1	2	1	2	1	2	1	2	1	18
5	Total Joiners	2	1	54	1	2	66	2	1	66	1	2	63	261
6	Net change	(21)	(22)	31	(22)	(21)	43	(21)	(22)	43	(22)	(21)	40	(15)
7	Officer strength FTEs - month end	3,734	3,712	3,743	3,721	3,700	3,743	3,722	3,700	3,743	3,721	3,700	3,740	
8	Difference to 3,755 FTEs - over / (under)	(21)	(43)	(12)	(34)	(55)	(12)	(33)	(55)	(12)	(34)	(55)	(15)	
	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
9	1st April 2024 Strength (note 2)	£20.36m	£20.36m	£20.36m	£20.36m	£20.36m	£20.87m	£20.87m	£20.87m	£20.87m	£20.87m	£20.87m	£20.87m	£247.93m
10	Leavers (note 3)	(£0.11m)	(£0.21m)	(£0.32m)	(£0.43m)	(£0.54m)	(£0.64m)	(£0.75m)	(£0.86m)	(£0.97m)	(£1.07m)	(£1.18m)	(£1.29m)	(£8.38m)
11	Joiners	£0.00m	£0.00m	£0.20m	£0.20m	£0.20m	£0.44m	£0.44m	£0.44m	£0.68m	£0.68m	£0.68m	£0.91m	£4.85m
12	Starters - Transferees	£0.01m	£0.02m	£0.03m	£0.04m	£0.05m	£0.05m	£0.07m	£0.07m	£0.08m	£0.09m	£0.10m	£0.11m	£0.71m
13	Starters - Total	£0.01m	£0.02m	£0.22m	£0.23m	£0.24m	£0.49m	£0.50m	£0.51m	£0.76m	£0.77m	£0.78m	£1.02m	£5.56m
14	Monthly Budget (note 5 & 6)	£20.27m	£20.17m	£20.27m	£20.17m	£20.07m	£20.72m	£20.63m	£20.52m	£20.67m	£20.57m	£20.47m	£20.60m	£245.12m

Notes

- 1 The budget was built on the assumption that at the start of April 2024 we would have reached the approved establishment of 3,755 FTE.
- 2 The 1st April 2024 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% payrise 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 entry routes assumed at budget setting.
- 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 Joiners 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
- 9 The PUP requirement is to achieve a headcount of 3,810, plus an additional 10 officers

2024/25 Forecast Strength

Strength	Actual FTE				Forecast FTE									Total FTEs
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs		
15 1st April 2024 Strength	3,758	3,742	3,722	3,746	3,720	3,696	3,753	3,730	3,707	3,753	3,728	3,703		
16 Leavers	(19)	(22)	(28)	(26)	(27)	(29)	(27)	(27)	(27)	(27)	(27)	(27)	(312)	
17 Joiners (note 7)	2	1	53	1	2	85	4	4	73	1	2	78	306	
20 Other Adjustments (note 8)	1	1	(1)	(0)	1	0	0	0	0	1	0	0	3	
21 Net change	(16)	(20)	24	(25)	(24)	56	(23)	(23)	46	(25)	(25)	51	(4)	
22 Officer strength FTEs - month end	3,742	3,722	3,746	3,720	3,696	3,753	3,730	3,707	3,753	3,728	3,703	3,754		
23 Difference to 3755fte - over / (under)	(13)	(33)	(9)	(35)	(59)	(2)	(25)	(48)	(2)	(27)	(52)	(1)		
24 Officer headcount - month end	3,810	3,790	3,813	3,788	3,764	3,820	3,797	3,774	3,820	3,794	3,769	3,820		
25 Difference to PUP headcount 3810 - over/(under) (note 9)	(0)	(20)	3	(22)	(46)	10	(13)	(36)	10	(16)	(41)	10		
Actuals /Forecast £	Actual £				Forecast £									Total £m
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m		
24 Costed Strength before joiners/leavers	£19.08m	£20.18m	£19.98m	£20.25m	£20.13m	£21.81m	£21.12m	£21.20m	£21.15m	£21.28m	£21.32m	£22.09m	£249.59m	
25 Leavers						(£0.13m)	(£0.25m)	(£0.37m)	(£0.49m)	(£0.61m)	(£0.73m)	(£0.85m)	(£3.42m)	
26 Joiners						£0.02m	£0.34m	£0.35m	£0.37m	£0.64m	£0.63m	£0.65m	£3.00m	
27 Other Costs						£0.02m	£0.02m	£0.02m	£0.02m	£0.02m	£0.02m	£0.02m	£0.13m	
28 Monthly Actual	£19.08m	£20.18m	£19.98m	£20.25m	£20.13m	£21.72m	£21.23m	£21.21m	£21.05m	£21.33m	£21.24m	£21.91m	£249.30m	

Variance from Budget Setting

Strength	Actual FTE				Forecast FTE									Total FTEs
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs		
29 Strength @ beginning of month (negative=reduction)	3	8	10	3	(1)	(4)	10	8	7	10	7	3		
30 Leavers (positive number = less leavers)	4	1	(5)	(3)	(4)	(6)	(4)	(4)	(4)	(4)	(4)	(4)	(36)	
31 Joiners	(0)	0	(1)	0	0	19	2	3	7	0	0	15	45	
32 Other Adjustments	1	1	(1)	(0)	1	0	0	0	0	1	0	0	3	
33 Month End Strength Change - FTEs	8	10	3	(1)	(4)	10	8	7	10	7	3	14	11	
34 Change per month FTEs	5	2	(7)	(3)	(3)	13	(2)	(1)	3	(3)	(4)	11		
Monthly Financial Change	Actual £				Forecast £									Total £m
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m		
35 Monthly Financial Change	(£1.19m)	£0.01m	(£0.29m)	£0.08m	£0.06m	£1.00m	£0.60m	£0.69m	£0.38m	£0.76m	£0.77m	£1.31m	£4.18m	

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, September, December, and March (no financial impact) 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 £0.127m, £0.635m or £1.269m, 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			
	April	May	June	July	August	September	October	November	December	January	February	March	
	12 months	11 months	10 months	9 months	8 months	7 months	6 months	5 months	4 months	3 months	2 months	1 month	
	£	£	£	£	£	£	£	£	£	£	£	£	Total
Estimated Impact of 1 FTE less Leaver	55,651	51,013	46,376	41,738	37,101	32,463	27,825	23,188	18,550	13,913	9,275	4,638	361,730
Estimated Impact of 3 FTE less probationer joiner			(111,819)			(78,274)			(44,728)				(234,821)
	Net Impact												126,910
	April	May	June	July	August	September	October	November	December	January	February	March	
	12 months	11 months	10 months	9 months	8 months	7 months	6 months	5 months	4 months	3 months	2 months	1 month	
	£	£	£	£	£	£	£	£	£	£	£	£	Total
Estimated Impact of 5 FTE less Leavers	278,254	255,066	231,878	208,691	185,503	162,315	139,127	115,939	92,751	69,564	46,376	23,188	1,808,651
Estimated Impact of 15 FTE less probationer joiner			(559,097)			(391,368)			(223,639)				(1,174,103)
	Net Impact												634,548
	April	May	June	July	August	September	October	November	December	January	February	March	
	12 months	11 months	10 months	9 months	8 months	7 months	6 months	5 months	4 months	3 months	2 months	1 month	
	£	£	£	£	£	£	£	£	£	£	£	£	Total
Estimated Impact of 10 FTE less Leavers	556,508	510,132	463,757	417,381	371,005	324,630	278,254	231,878	185,503	139,127	92,751	46,376	3,617,302
Estimated Impact of 30 FTE less probationer joiner			(1,118,194)			(782,735)			(447,277)				(2,348,206)
	Net Impact												1,269,096

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

FTE Changes Impacting Pay Forecasts - 2024/25 Month 5

1. Police Officers - Budget Based on Strength								
	Current Position - FTEs		Financial Forecasting FTEs					
	Establishment Target	Strength @ month end	Strength at 1st April 2024	Starters for the year	Transferees for the year	Leavers for the year	Other adjustments e.g. change in hours	Strength at 31st March 2025
Budget Setting			3,755	243	18	(276)	0	3,740
HR data @ 30 June 24	3,755	3,746	3,758	248	25	(279)	1	3,753
HR data @ 31 July 24	3,755	3,720	3,758	281	25	(312)	3	3,754
Change				33	0	(34)	2	2

2. Police Staff - Budget Based on Establishment (please see note below)*							
	Current Position - FTEs		Financial Forecasting FTEs				Other adjustments e.g. change in hours
	Establishment @ 100%	Strength @ month end	Establishment @ 100% at 1st April 2024	Vacancy Factor Establishment @ 1st April 2024 *	Actual starters to date	Actual leavers to date	
Budget Setting			2,346	2,127			
HR data @ 30 June 24	2,349	2,121			57	(47)	(2)
HR data @ 31 July 24	2,352	2,115			70	(66)	(1)
Change					13	(19)	1

* Vacancy Factor is 13% for larger commands and 7% for smaller teams with the main exceptions being most of Contact Management and externally funded posts which have a 0% Vacancy Factor

3. PCSOs - Budget Based on Establishment								
	Current Position - FTEs		Financial Forecasting FTEs					
	Establishment @ month end	Strength @ month end	Establishment @ 1st April 2024	Vacancy Factor Establishment @ 1st April 2024 *	Starters for the year	Leavers for the year	Other adjustments e.g. change in hours	Strength at 31st March 2025
Budget Setting			99	89				
HR data @ 30 June 24	98	88	99	93	0	(9)	(0)	85
HR data @ 31 July 24	99	87	99	93	0	(9)	(0)	85
Change					0	0	0	0

Note: The PCSO Establishment includes 9 FTE partnership funded posts which are externally funded

4. Specials - Headcount	Actual Strength	Target Strength
Budget Setting		427
HR data @ 30 June 24	245	427
HR data @ 31 July 24	249	427
Change	4	

5. Detailed Reserves Analysis

Earmarked Reserves and Provisions - Opening and Closing Balances								
Reserve	1st April 2024 - Opening Balance	Budget Setting Contribution / (Allocation) 2024/25	In-Year Contribution 2024/25	In-Year Allocation 2024/25	31st March 2025 Closing Balance	Forecast In-Year Contribution / (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	£0.109m	-	-	-	£0.109m	-	£0.109m	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	£0.109m	£0.000m	£0.000m	£0.000m	£0.109m	£0.000m	£0.109m	
2 Ringfenced Reserve								
Proceeds of Crime Act	£1.414m	(£0.100m)	£0.100m	(£0.084m)	£1.330m	(£0.234m)	£1.096m	POCA Reserve holds receipts received through the Asset Recovery Incentive Scheme to fund crime reduction related expenditure.
Forfeiture Monies Reserve	£0.304m	(£0.055m)	£0.025m	(£0.002m)	£0.272m	£0.025m	£0.297m	Forfeiture Monies Reserve holds funds transferred from the Misuse of Drugs Act Seizures Fund.
Restructuring Reserve	£0.785m	-	-	(£0.039m)	£0.746m	(£0.009m)	£0.737m	Reserve to help fund future years restructuring costs (Redundancies, LGPS Financial Strain and relocation expenses).
Transformation Reserve	£1.618m	(£0.289m)	-	(£0.586m)	£0.743m	-	£0.743m	Reserve to help fund the one-off costs of implementing the IT, Estates, and Welfare, Wellbeing and Workplace Improvement proposals.
Legal Reserve	£0.869m	£0.654m	-	(£0.195m)	£1.328m	(£0.335m)	£0.993m	Reserve established to fund the cost of one-off commitments for legal claims (Allard & Ors v Devon, Cornwall Constabulary and McCloud v Sargeant).
PCER (formerly PEQF) Reserve	£0.111m	-	-	-	£0.111m	(£0.111m)	-	PCER (formerly PEQF) mobilisation costs to be used for the introduction of the new PCER (formerly PEQF) training programme.
Restricted Grant and Contributions Reserve	£0.593m	(£0.113m)	-	(£0.450m)	£0.030m	-	£0.030m	Reserve to hold balances of restricted grants and contributions to allow balances to be held until eligible spend incurred.
Insurance Reserve	£0.400m	£0.200m	-	-	£0.600m	-	£0.600m	Reserve to hold balances to help manage the impact of volatile claim trends on revenue, and to assist with any unforeseen shortfalls in respect of premium cover.
Total	£6.092m	£0.297m	£0.125m	(£1.355m)	£5.159m	(£0.663m)	£4.496m	

Earmarked Reserves and Provisions - Opening and Closing Balances								
Reserve	1st April 2024 - Opening Balance	Budget Setting Contribution / (Allocation) 2024/25	In-Year Contribution 2024/25	In-Year Allocation 2024/25	31st March 2025 Closing Balance	Forecast In-Year Contribution / (Allocation)	Forecast Year End Balance	Description of Earmarked Reserve
3	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. These reserves are typically 1% of the force budget.
Chief Constables Operational C/Fwd	£0.750m	-	-	(£0.310m)	£0.440m	-	£0.440m	Operational Carry Forward resulting from the force underspend. Allocations to date for Exigency of Duty (July 2024), Op Recover, Op Ignition and Infrastructure Development Plans.
Future Capital Funding	£0.100m	£1.000m	-	-	£1.100m	(£1.000m)	£0.100m	Reserve to apply revenue financing to fund the force capital programme.
Total	£2.350m	£1.000m	£0.000m	(£0.310m)	£3.040m	(£1.000m)	£2.040m	
4	PFFC Reserves							
Commissioning Grants / Safer Streets	£6.152m	-	-	(£3.885m)	£2.267m	-	£2.267m	Includes PFFC Commissioning Budget C/Fwd of £2.650m and Safer Streets funding of £3.502m.
Total	£6.152m	£0.000m	£0.000m	(£3.885m)	£2.267m	£0.000m	£2.267m	
5	General Reserve							
General Reserve	£12.622m	£0.850m	£0.400m	-	£13.872m	(£2.433m)	£11.439m	The 2024/25 General Reserve opening balance is £12.622m. The 2024/25 General Reserve closing balance is £11.347m, which represents 2.9% of the 2024/25 force budget of £385.5m. Includes £0.850m budgeted contribution to the General Reserve.
Total Revenue Reserves	£27.325m	£2.147m	£0.525m	(£5.550m)	£24.447m	(£4.096m)	£20.351m	

6. Capital

6.1 Capital Summary

CAPITAL PROGRAMME 2024/25 MONTH 5 MONITORING POSITION SUMMARY REPORT

	2024/25 Original Budget PF&C Panel	2024/25 Subject to Approvals Funding Distribution	2024/25 Other Approved Changes (Table 6.3.1)	2024/25 Revised Budget	2024/25 Actuals (to end of reporting period)	2024/25 Forecast	2024/25 Forecast Budget Variance (Table 6.3.2)	2024/25 Previous Month Forecast Outturn	2024/25 Movement to Previous Month (Table 6.3.3)
	£000	£000	£000	£000	£000	£000	£000	£000	£000
EXPENDITURE -									
ANPR projects	0	0	0	0	0	120	120	120	0
Estates projects	6,681	890	622	8,193	839	6,014	(2,179)	5,966	48
IT projects	6,409	3,850	(1,728)	8,530	2,390	7,928	(602)	8,391	(463)
Transport projects	1,000	2,119	100	3,219	466	3,182	(37)	3,182	0
OPC projects	0	0	74	74	59	63	(11)	74	(11)
SCD projects	0	0	298	298	126	298	(0)	298	0
Other projects	25	0	0	25	63	237	212	181	56
<i>Subject to Approval projects</i>	8,596	(6,859)	(884)	854	0	550	(304)	550	0
TOTAL EXPENDITURE	22,711	0	(1,517)	21,194	3,944	18,392	(2,802)	18,762	(370)
FINANCING -									
Capital Receipts	4,260	0	(478)	3,782		4,506	724	3,782	724
Revenue Contributions	1,000	0	0	1,000		1,000	0	1,000	0
Capital Grants & Contributions	0	0	13	13		13	0	13	0
Financing Requirement	17,451	0	(1,052)	16,399		12,873	(3,526)	13,967	(1,094)
TOTAL FINANCING	22,711	0	(1,517)	21,194	3,944	18,392	(2,802)	18,762	(370)

Notes

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 £2.802m underspend incorporates slippage carried forward to 2025/26, and other changes, as set out in Table 6.3.2.
3. The financing model has been updated as per a 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 (PWLB) 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

cashflow forecast, a small net surplus is expected by the end of 2024/25. Whilst not mandatory, an additional amount of cash may also be sourced via external borrowing to meet the PFCC's £10m minimum threshold for liquidity purposes and compliance with MiFID II legislation. 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 starting budget position of **£22.711m** as set at the February 2024 Police Fire & Crime Panel, has reduced to a revised budget of **£21.194m** as at month 5. The decrease of £1.517m comprises slippage to existing approved budget brought forward from 2023/24 of £1.523m, changes to existing budget of (£3.628m), £0.529m of new approved projects, and £0.059m of new projects approved under delegated authority.

The brought forward slippage from 2023/24 totalling £1.523m includes IT related projects of £0.250m, Estates related projects of £1.095m, Transport slippage of £0.100m, as well as OPC projects totalling £0.074m.

Additional budgetary movement comprises £0.529m of business cases approved as Stage C's where no previous Stage B budget setting bid was submitted. A further £0.059m of projects have been approved under delegated authority utilising the capital holding account and revised capital governance arrangements in place from the 1st April 2024 onwards.

Other changes to the existing programme include an increase of £0.074m for the Charging Infrastructure MIP7 project and (£0.840m) relating to the reprofiling of the SARC project to 2025/26. Changes to the IT approved budget comprise a reduction to the DFU budget to 2025/26 totalling (£1.978m), and changes to the subject to approval programme since the February budget was approved, comprising a (£0.825m) reduction for FCR platform which has now been replaced by the Contact Management (CMTR) project.

Since the original budget was approved there have been £6.859m of business cases approved, previously categorised as subject to approval. The impact of these approvals is reflected within the 'subject to approvals' columns in the capital tables within this report.

The £6.859m approved at the boards include the following material schemes:

- £3.675m of IT projects relating to the Infrastructure Technical Refresh programme and £0.175m for Contact Management Technology review project
- £2.119m for the Fleet Replacement rolling programme 2023/24
- £0.890m of Estates projects including £0.050m for Boreham Infrastructure MIP4 and £0.840m relating to the SARC project subsequently reprofiled to 2025/26

Forecast Position – Summary

The forecast for month 5 is a year-end spend of £18.392m, reflecting a forecast underspend of (£2.802m) against the current budget of £21.194m, compared to the month 4 underspend of (£2.432m). The decrease in the forecast since previous month equates to (£0.370m), solely relating to approved budgets.

Forecast Variances

The forecast underspend of (£2.802m) comprises slippage of (£2.520m) and an underspend of (£1.108m), both offset by a net forecast overspend of £0.827m.

Forecast slippage of (£2.520m) (from 2024/25 to 2025/26)

Estates – the majority (£2.226m) of the month 5 variance falls under this area, with the material variances comprising:

- Harwich and Dovercourt Collaboration - (£1.718m) slipping into 2025/56 due to delays in the tendering process with no further movement in month 4.
- Capital Maintenance Programme - (£0.360m) of new slippage being recognised in month 4 for various major remedial works now delayed until 2025/26
- Laindon CEL - (£0.038m) of slippage, including a minor additional movement in month 4. The project is expected to be completed in the third quarter of the year, with the slippage specifically relating to retention covering the defect period.
- EV Charging Infrastructure MIP7 – (£0.036m) of slippage, incorporating a reduction of £0.048m in month 4 compared to the (£0.084m) slippage reported in month 3.
- Boreham Infrastructure – (£0.050m) of new slippage in month 4, with related works reprofiled to 2025/26.

IT - £0.278m of new slippage is being reported for month 5 relating to the Infrastructure Technical Refresh and DFU Digital Forensic Platform projects.

Net forecasts overspend of £0.827m

The main elements comprise:

Estates - £0.451m being reported including £0.300m for Harwich & Dovercourt, relating to the purchase sum of the land not previously being recognised within the forecast, and an additional £0.054m of overspend in month 5 relating to the Capitalised Maintenance Programme and SARC (MIP 9B) projects.

ANPR – Expenditure of £0.120m for purchase of equipment as reported in month 3 with no further movement in month 5. The Stage C1 business case is in progress to ensure the budget is approved, which is currently included in the subject to approvals line.

Other projects – Expenditure of £0.240m relating to the Body Armour Replacement Programme with an additional £0.057m being reported in month 5. A budget of £0.280m is

currently included in the subject to approval programme for which a Stage C1 business case is currently in progress.

Net forecast underspend of (£1.108m)

The main areas comprise:

Estates – (£0.405m) in total, including (£0.072m) for Chelmsford Police Station, and (£0.284m) for Laindon CEL Phase 2 MIP3 following a project review at month 3, including an additional amount which has been recognised as slippage.

IT – forecasting a variance of (£0.335m) in total, including (£0.185m) of additional underspend for month 5 mainly relating to Infrastructure Technical Refresh, relating to the Checkpoint upgrade no longer being required, as well as a general reduction in prices compared to the original forecast.

Subject to Approvals – Comprising (£0.304m) of forecast reductions as previously reported in month 4, comprising ANPR equipment replacement (£0.120m) and body armour (£0.183m), with a Stage C1 business case currently in progress for both of these projects.

Financing

The financing plan for 2024/25 reflects the optimal allocation of capital resources over the medium-term financial period to minimise costs to the force. The forecast for capital receipts is £4.506m in month 5 compared to £3.782m for month 4, an increase of £0.724m, with the sale of Harlow MIT now expected in 2024/25 again. The full amount of £4.506m is forecast to be used for capital financing in 2024/25. It should be noted that these amounts are subject to change due to the continued challenges within in the property market, as well as high development costs.

£1.000m of revenue contributions are available to fund the 2024/25 capital programme, reducing the immediate financial burden on the revenue account over the coming years from high Minimum Revenue Provision (MRP) charges that would be required if these resources were not available. This includes the higher MRP costs which accrue from spend on short-life assets.

The financing requirement for unfinanced capital expenditure is forecast at £12.873m which equates to approximately 70% of the year's financing plan. Based on the latest treasury management information available, there is expected to be a need for further external borrowing in 2024/25 however this will most likely be short-term only and will not be required to support capital expenditure.

6.3 Capital Summary - Supporting Tables

6.3.1 Other Approved Budget Changes

CAPITAL PROGRAMME 2024/25 MONTH 5 MONITORING POSITION
OTHER APPROVED BUDGET CHANGES

	Slippage b/f	SB - Changes to Existing Programme*	SB - New Projects Approved	Budget Advanced from Future years	Delegated Authority - Changes from New Projects and to Existing Programme*	Total Movements
	£000	£000	£000	£000	£000	£000
OTHER APPROVED BUDGET CHANGES						
ANPR projects	-	-	-	-	-	-
Estates projects	1,095	(766)	294	-	-	622
IT projects	250	(1,978)	-	-	-	(1,728)
Transport projects	100	-	-	-	-	100
OPC projects	74	-	-	-	-	74
SCD projects	5	-	235	-	59	298
Other projects	-	-	-	-	-	-
<i>Subject to Approval projects</i>	-	(884)	-	-	-	(884)
TOTAL	1,523	(3,628)	529	0	59	(1,517)

*changes to existing programme relate to differences in values between budget setting bid compared to final approved business case

6.3.2 Forecast Expenditure Variances

CAPITAL PROGRAMME 2024/25 MONTH 5 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	120	0	0	120
Estates projects	0	451	(404)	(2,226)	(2,179)
IT projects	0	12	(335)	(278)	(602)
Transport projects	0	0	(37)	0	(37)
OPC projects	0	5	0	(16)	(11)
SCD projects	0	0	0	0	0
Other projects	0	240	(28)	0	212
<i>Subject to Approval projects</i>	0	0	(304)	0	(304)
TOTAL	0	827	(1,108)	(2,520)	(2,802)

6.3.3 Delegated Authority Approvals

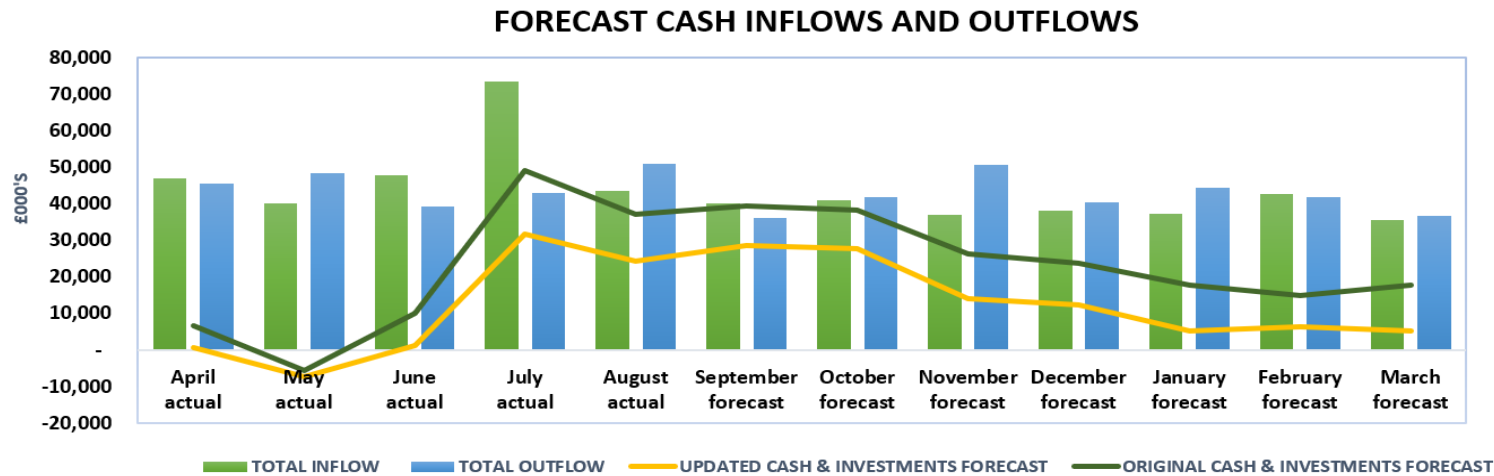
There were no delegated authority approvals for capital projects within month 5.

6.3.4 Forecast Outturn Monthly Movement

CAPITAL PROGRAMME 2024/25 MONTH 5 MONITORING POSITION FORECAST OUTTURN VARIANCE MOVEMENTS TO BUDGET

	Forecast Outturn	Forecast Outturn Variance	Explanation
	£000	£000	
Month 4 reported position	18,762	(2,432)	
Infrastructure Technical Refresh 2023/24	(380)	(380)	£200k reprofiled to 25/26, £180k reduction due to checkpoint upgrade not required and reduction in prices compared to the original forecast.
DFU Digital Forensic Platform	(78)	(78)	Reprofiled due to delay with the availability of Technical Architect.
Body Armour Programme 2023/24	56	56	Increase in forecast relating to new recruits
Capitalised Maintenance Programme 2020/21 & 2021/22	25	25	Increase forecast in maintenance work, the overspend will be offset by underspend in other projects
Sexual Assault Referral Centre (MIP 9B)	26	26	Advance work for initial consultants
Net impact of other immaterial movements < £50k (reductions, underspends and slippage)	(19)	(19)	Various
Month 5 reported position	18,392	(2,802)	

7. Cashflow Forecast



Summary	Forecast £000	Actual £000	Variance £000
Expenditure			
Supplier payments	13,291	12,800	(491)
HMRC payments	7,742	7,570	(172)
Essex LGPS payments	1,700	1,767	67
Payroll	28,218	28,785	567
Total cash outflow	50,951	50,922	(29)
Income			
Govt grant	(21,835)	(22,052)	(217)
Precepts	(14,221)	(14,262)	(41)
Other net receipts	(8,505)	(7,135)	1,370
Total cash inflow	(44,561)	(43,449)	1,112
Total cash (inflow)/outflow	6,390	7,473	1,083

August Commentary

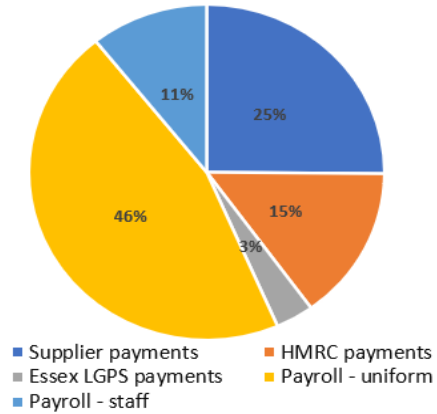
Expenditure

Supplier payments were £0.491m lower than forecast, with the average weekly BACS run value during the period being marginally less than the forecast £2.5m forecast per week. Other variances included an increase of £0.567m relating to core payroll and overtime costs, and £0.067m of additional LGPS payments, both offset by a reduction of £0.172m for HMRC payments.

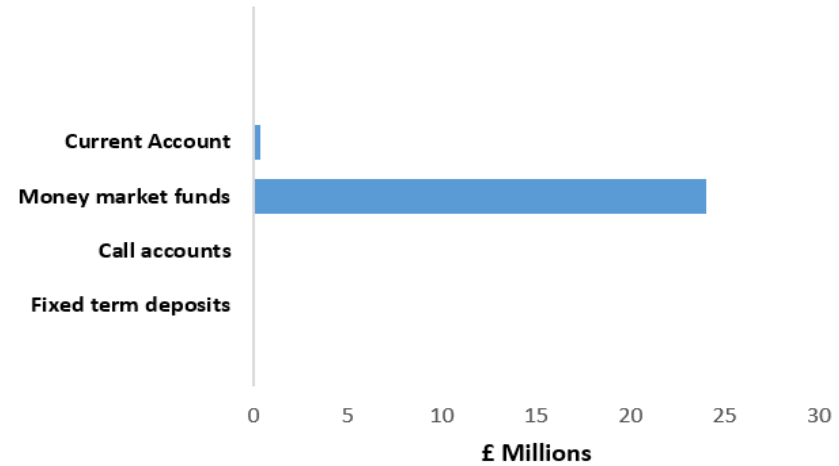
Income

The significant variance for cash inflows related to other net receipts, which comprised a £1.370m shortfall compared to the forecast. This shortfall related to Counter Terrorism Intelligence Unit (CTIU) reimbursements of £1.3m which was delayed, VAT reimbursements of £0.750m which were also not received until September, and a £0.700m negative variance relating to the sale of property (Feering Police Station) which has now been deferred to later in the year. All of these shortfalls were offset by an increase in other miscellaneous income of £1.297m, including £0.908m of income from Kent Police. The increase in other government grant of £0.217m related to Officer Recruitment Grant from the Home Office.

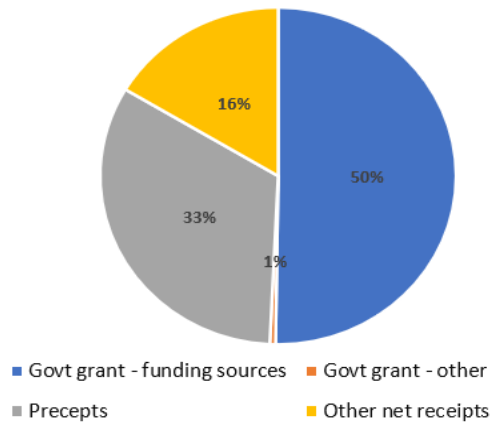
August Expenditure Breakdown



Investments @ 31st August



August Income Breakdown



External Borrowing/Financing

The PFCC cashflow position reflected a surplus balance of £24.380m as at 31st August 2024, encompassing both investments and current account balances. Thereafter, the cashflow position is expected to remain in credit for the remainder of the majority of 2024/25 with a small surplus balance forecast by the end of the year. Due to MiFiD requirements and for liquidity/cash management purposes, the PFCC may choose to source additional monies for short-term external borrowing at this time, thus meeting the minimum cash threshold requirement of £10m.