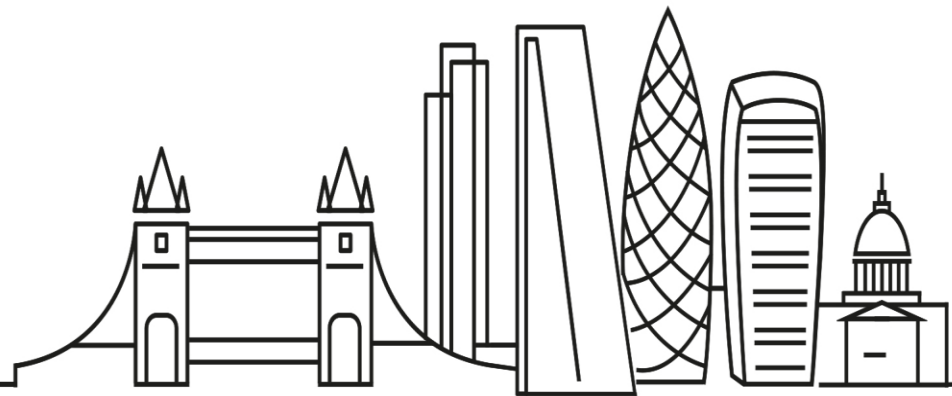


Resources, Risks and Estates Committee (RREC)  
Police Authority Board (PAB)

## **Revenue & Capital Monitoring 2024/25 (Q1)**

Dates: 18/09/2024  
02/10/2024



A local service with a national role, trusted by our communities to deliver policing with professionalism, integrity and compassion

# 2024/25 Q1 - Revenue & Capital Summary

## CoLP Revenue Outturn Summary

The overall gross expenditure outturn variance for 24/25 is expected to be an overspend of £10.1m, which is mainly due to the revised delivery implementation plan for the launch of the Future Cyber Crime Reporting and Analysis Service (FCCRAS). This has necessitated extensions to existing Action Fraud service contracts of c£12.9m and is reflected in the additional supplies and services expenditure shown in Table 1. The net outturn, however, is forecast to be a breakeven position with net pay savings, underspends against third party payments, additional Home Office grant income and a transfer from a specific Action Fraud Reserve offsetting the gross expenditure variance. The gross expenditure forecast does not include implications arising from the July 2024 Officer pay award announcement as this was outside of the April – June reporting period. However, the high-level impact and financial consequences of this are set out on slide 4 & 5. These and other emerging pressures will be developed in the Q2 reporting.

**Key variances at Q1 are explained in slides 3-7 with an accompanying “bridge” analysis of key variances on slide 8. Risks and opportunities outside of the Q1 (30 June 2024) monitoring period are set out in slide 10.**

## Capital Outturn Summary

The total capital outturn for 2024/25 is forecast to be £14.862m and compares to a CoLP Capital Programme budget of £10.345. This represents an overspend of £4.517m which is due to rephasing of FCCRAS milestones payments from 2023/24 to 2024/25. Additionally, delays to the start of several national programmes, has resulted in net slippage in 2024/25 on other projects amounting to £0.933m. It is proposed that this unplanned slippage is used to fund in year revenue cost pressures and other new projects subject to prioritisation and approval through Strategic Change Board, noting the medium-term financial implications on affordability resulting from any substitution and re-prioritisation.

## Police Authority Board Outturn Summary

The outturn for the Police Authority Team budget is £928k against a latest approved budget of £1m, an underspend of £72k (Table 7 below refers), this is mainly due to an on-going vacancy in the PAB Team.



# 2024/25 Q1 - Revenue Summary

Table 1 2024/25 CoLP Revenue Budget	Budget Q1 YTD	Actual Q1 YTD	Variance to Date (Better) / + Worse	24/25 Full Year Budget	Projected Outturn (Better) / + Worse	Projected Variance (Better) / + Worse	Notes
	£m	£m	£m	£m	£m	£m	
<b>PAY</b>							
Officers	19.8	19.0	(0.8)	80.0	80.4	0.4	(i)
Staff	10.4	8.6	(1.8)	42.2	40.2	(2.0)	(ii)
Overtime	0.5	0.6	0.1	2.9	3.0	0.1	
Agency	0.2	0.3	0.2	1.1	1.2	0.1	
Police Officer Pension	0.0	0.0	0.0	18.6	19.5	0.9	(iii)
Indirect employee costs	0.7	0.5	(0.2)	2.9	2.5	(0.4)	(iv)
<b>TOTAL PAY</b>	<b>31.6</b>	<b>29.0</b>	<b>(2.6)</b>	<b>147.7</b>	<b>146.8</b>	<b>(0.9)</b>	
<b>NON-PAY</b>							
Premises Costs	0.1	1.1	1.1	4.3	4.3	0.0	
Transport	0.7	0.2	(0.5)	2.8	2.5	(0.3)	(v)
Supplies and Services	8.8	14.0	5.2	35.0	48.4	13.4	(vi)
Third Party Payments *	8.4	(11.7)	(20.1)	9.8	7.9	(1.9)	(vii)
Unidentified Saving	0.0	0.0	0.0	0.0	0.0	0.0	
CoL Support Services	0.0	0.1	0.1	3.1	3.1	(0.0)	
Capital Charges	0.0	0.0	0.0	5.0	4.8	(0.2)	(viii)
Transfer to Reserve	0.0	0.0	0.0	0.5	0.5	0.0	
<b>TOTAL NON-PAY</b>	<b>17.9</b>	<b>3.7</b>	<b>(14.2)</b>	<b>60.5</b>	<b>71.5</b>	<b>11.0</b>	
<b>TOTAL EXPENDITURE</b>	<b>49.6</b>	<b>32.8</b>	<b>(16.8)</b>	<b>208.2</b>	<b>218.3</b>	<b>10.1</b>	
<b>INCOME</b>							
Specific Grants	(21.0)	3.1	24.2	(72.8)	(82.7)	(9.9)	(ix)
Partnership	(3.6)	(1.1)	2.5	(16.2)	(15.6)	0.6	(x)
Fees & Charges	(0.7)	0.8	1.4	(3.2)	(3.0)	0.2	
Transfer from Reserves	(0.5)	0.0	0.5	(2.0)	(3.0)	(1.0)	(xi)
CoLP Core Funding	(23.7)	(23.7)	0.0	(114.1)	(114.1)	0.0	
<b>TOTAL INCOME</b>	<b>(49.6)</b>	<b>(21.0)</b>	<b>28.7</b>	<b>(208.2)</b>	<b>(218.3)</b>	<b>(10.1)</b>	
<b>UNDERLYING DEFICIT</b>	<b>0.0</b>	<b>11.8</b>	<b>11.9</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	

# 2024/25 Q1 - Revenue Monitoring Supporting Information

## (i) Police Officer Pay and Overtime

The forecast for Police Officer pay is an overspend of £354k against a latest approved budget of £80m (0.4%). CoLP's Officer headcount at the end of 24/25 totalled 1002 against a revised headcount target of 996 (see slide 9). Whilst this secured £2.1m for Police Uplift Funding (PUP), lower than anticipated attrition in the first quarter of 24/25 has resulted in officer numbers running above the budgeted establishment during Q1 which has partially contributed to the forecast overspend. Although an officer adjustment factor has been included in the 24/25 budget, the downward trajectory in officer numbers has been slower than anticipated and with £3.1m of ringfenced funding dependent on the maintaining an officer headcount of 996, it is forecast that CoLP will continue to exceed its budgeted headcount on and around the September 2024 and March 2025 check points and the outturn forecast. Careful monitoring of the workforce plan will continue through 24/25 via the Force's Strategic People Board.

In July 2024, the Government announced a 4.75% pay award for Police Officers and an increase in the maximum rate for London Allowance by £1,250 for all officers. Early indications are that the Government will fund 2.3% of the pay award increase, with Force's required to fund the remaining 2.45%. Historically any additional pay award funding has been allocated in line with the core grant funding formula which excludes police officers who are externally funded. However, it is expected that this exclusion will be regularised in 24/25 through additional funding from the pay award grant. Based on a 3% budgeted pay award for Officers, the additional funding above a 2.45%, therefore, provides a potential 0.55% opportunity of c£0.4m in 24/25, which if actualised will be allocated to emerging cost pressure. Confirmation of CoLP's share of the £175m Home Office pay award funding is awaited and an update will be provided at Q2.

Separately, the Government has also announced a £1,250 increase the maximum rate for the London Allowance, however, this is not subject to additional Home Office funding. Instead, the rate paid is determined by the Commissioner with approval from the Police Authority Board. Increasing the London Allowance has the potential to increase Officer Pay cost by £820k in 24/25, rising to a £1.4m full year effect and would represent a significant financial pressure.



# 2024/25 Q1 - Revenue Monitoring Supporting Information

## **Police Officer Overtime**

Officer overtime is forecast to be £0.1m overspent against the original budget of £2.7m. Some of this relates to overtime on special one-off events and hotspot funding for which the CoLP expects to be reimbursed. The forecast will be further developed in Q2, see slide 11.

## **(ii) Police Staff Pay**

Police Staff pay, compared to a budget of £42.2m, is forecast to be underspent by £2m by the end of the Financial Year. This underspend is largely driven by slower than expected staff recruitment including vetting delays with CoLP's staff strength as at 31 March 2024, being 463 FTEs compared to a budgeted permanent establishment of 539, see slide 9. A 3% staff pay award has been proposed with effect from the 1 July 2024 and negotiations continue with staff unions over the quantum of the award. The 24/25 budget assumed a 3% increase in staff pay, however, should the final award exceed 3%, every 1% increase above 3% will have a £420k full year impact.

## **(iii & viii) Pension Deficit Grant**

From 1 April 2024 employer contributions into the Police Officer Pension Scheme increased by 4.3%, rising from 31% to 35.3%. The impact of this is expected to be a net increase in cost to the CoLP Police Pension account of £0.9m which will be fully funded by additional Home Office grant income.

## **(iv) Indirect Employee Costs**

Indirect employee costs are forecast to be underspent by £0.4m. This is mainly due to lower than anticipated expenditure on employee related training costs due to on-going vacancies.



# 2024/25 Q1 - Revenue Monitoring Supporting Information

## Non-Pay

Overall non-pay costs are anticipated to be £10.8m overspent by the end of the Financial Year. There are a number of factors contributing to this:

- A £0.3m underspend is forecast on Transport costs which is mainly due to lower than estimated Concessionary Travel scheme costs resulting from higher than estimated officer contributions **(note v)**.
- A £13.4m overspend is forecast on Supplies and Services budgets **(vi)** which is mainly due to additional POCA funded expenditure £0.3m and the rephasing of go live for FCCRAS. In 24/25 the revised delivery implementation plan has created an additional (net) cost of £12.9m above the original 24/25 budget. This additional cost pressure will be mitigated through additional Home Office Grant funding and use of internal core resources including drawdown from reserves **(see notes ix & xi)**.
- Third Party payment is forecast to be £1.9m underspent against the latest budget. The underspend is mainly due to a £2.1m reduction in Home Office Fraud Reform funding (Regional Organised Crime Units of £1.6m and the Fraud Protect £0.5m) which was communicated after the 24/25 budget was set **(note vii)**. In the case of the Action Fraud extension costs and reduction in Fraud Reform Funding there has also been a corresponding adjustment to Government grant income

## **(viii) Capital Charges**

A £0.2m underspend is forecast against a £5.0m capital charges budget due to rephasing of the capital programme to balance the Q1 outturn forecast.

## **(ix) Specific Government Grants**

The forecast Government Grant outturn is an over achievement of £9.9m against the original budget of £103.2m. This is due to £11.5m of additional Home Office funding principally for National Lead Force activities, net of a £2.3m reduction in the Fraud Reform Grant and a shortfall of £0.4m against funding assumptions for the Anti-Money Laundering Act Regulations (AMLAR) and National Cyber Security Programme (NCSP) matched by reductions in expenditure.



# 2024/25 Q1 - Revenue Monitoring Supporting Information

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## **(x) Partnership Income**

Partnership income is forecast to be an under-recovery of £0.6m against an original budget of £16.2m. This is mainly due to a shortfall in the Force's contribution to the work of the Funded Units of (£0.7m). It is expected that this adverse variance can be contained within the Forces overall resource base and will be factored into the 25/26 budget setting process.

## **(xi) Use of Reserves**

The use of Reserves is forecast to increase by £1.0m compared an original budget of £2m. This is due to the increased use of the POCA reserve to fund eligible expenditure (slides 15-17 refer) and a £0.8m drawdown from a specific an Action Fraud Reserve which was created in 23/24 to help mitigate contract extension cost pressures. It is expected that the use of this Reserve, in conjunction with additional Home Office funding and forecast savings within the Police budget will absorb the wider Action Fraud extension costs pressures in 24/25 ahead of the FCCRAS go live.

## **2024/25 Mitigations**

In 24/25 CoLP was required to deliver £15.5m of mitigations to deliver a balanced budget. Of this some £8.5m related to increases in national (core grant £5.9m) and local (Business Rates Premium (BRP) £2.6m) funding which were realised. Of the remaining £7m, current forecasts suggest an over-achievement of £3m which is mainly due to better overhead recovery from funded work than anticipated in the 24/25 budget.



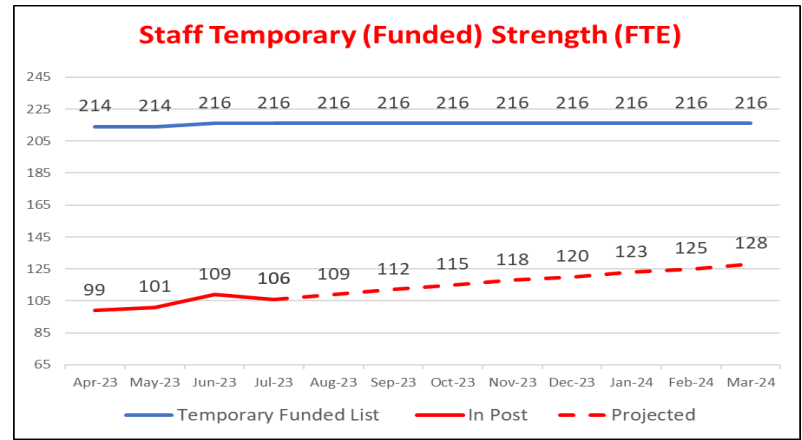
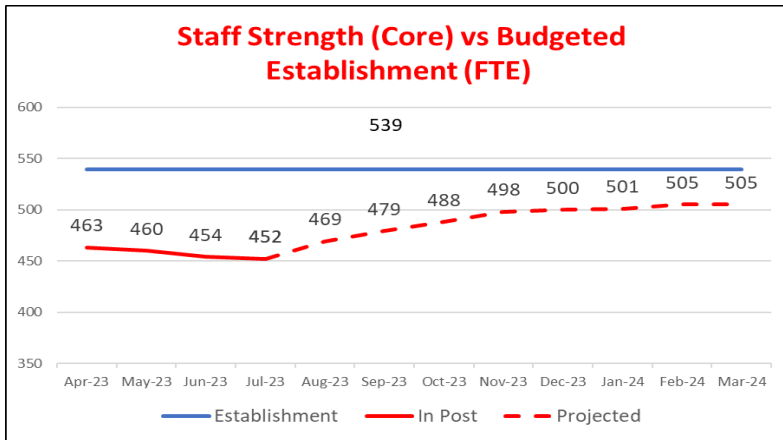
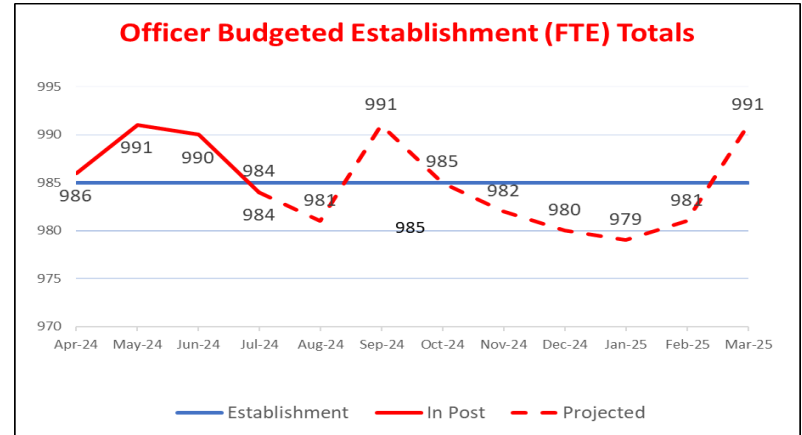
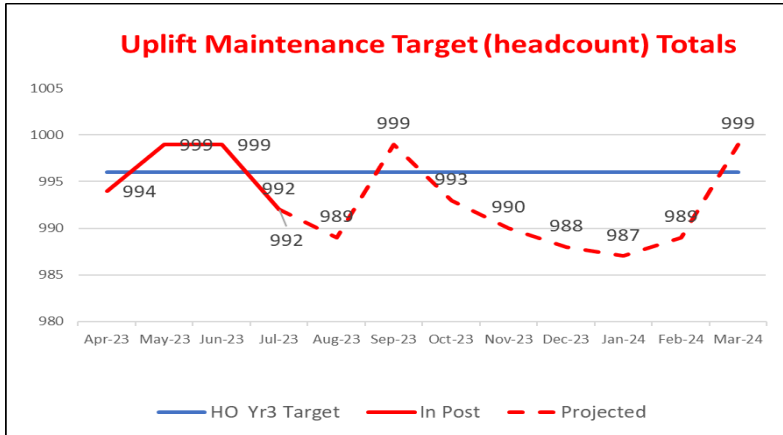
# 2024/25 Q1 - Revenue Monitoring Bridge Analysis

Bridge from Net Budget to Forecast Outturn to 2024/25





# 2024/25 Q1 – Workforce Dashboard



# 2024/25 Q1 - Risks and Opportunities

There are several financial risks and opportunities outside of the Q1 monitoring period (1 April – 30 June 2024) which may impact the Force's final revenue outturn. These include:

## Risks:

- Final confirmation of the Police Officer pay award funding and distribution methodology to include non-core activities, £250k risk;
- The impact of any (unfunded) increase in the London Allowance payable to Police Officers should the Metropolitan Police Service (MPS) decide to enhance the London Allowance. The part year financial impact being c£0.82m rising to c£1.4m full year;
- The unconfirmed staff pay award, with every 1% increase above the 3% budgeted assumption representing a £420k cost pressure;
- Proposed increases in the cost of the Command-and-Control agreement with the MPS due changes to the MPS recharging methodology.
- Wider operational pressures including the cycle squad, CCTV, Administration of Justice demands, events and protest activities could lead to an increase in overtime and other costs.
- FCCRAS implementation and further implications arising from the updated detailed delivery plan.
- Other downstream revenue consequence of the capital programme.
- Risk of failure to deliver / sustain mitigations

## Opportunities:

- Unplanned staff vacancies due to a lower-than-expected staff recruitment outcomes.
- The 24/25 pay estimate for officers assumed a 3% increase in pay. With the Home Office funding 2.3% of the 4.75% increase there is a potential 0.55% cost benefit of c£400k.
- Further improvements in overhead recovery from funded activities.
- Early work on productivity review may identify early opportunities to at least better absorb operational and other demand pressures.



# 2024/25 Q1 - Mitigations

The 2024/25 revenue estimate included £15.5m of mitigations to deliver a balanced budget. Of this some £8.5m related to increases in national (Core grant £5.9m) and local (Business Rates Premium (BRP) £2.6m) funding which were realised. The remaining £7m of target mitigations are set out below:

Table 2 2024/25 Mitigations Plan	Target £m	Forecast £m	Variance Better/ (Worse) £m	Sustained £m	R A G	Notes
Reduction in Action Fraud exceptional costs	0.5	0.0	(0.5)	2.0		(i)
Higher proportion of more junior PCs	0.8	0.8	0.0	0.0		(ii)
Increased recharging of costs to funded activities and change	3.1	6.6	3.5	3.1		(iii)
Non-pay savings: professional fees, release of inflationary provision & other	1.8	1.8	0.0	1.8		(iv)
Adjustment for phasing of staff recruitment to full establishment	0.8	0.8	0.0	0.0		(v)
<b>Total</b>	<b>7.0</b>	<b>10.0</b>	<b>3.0</b>	<b>6.9</b>		

## Notes

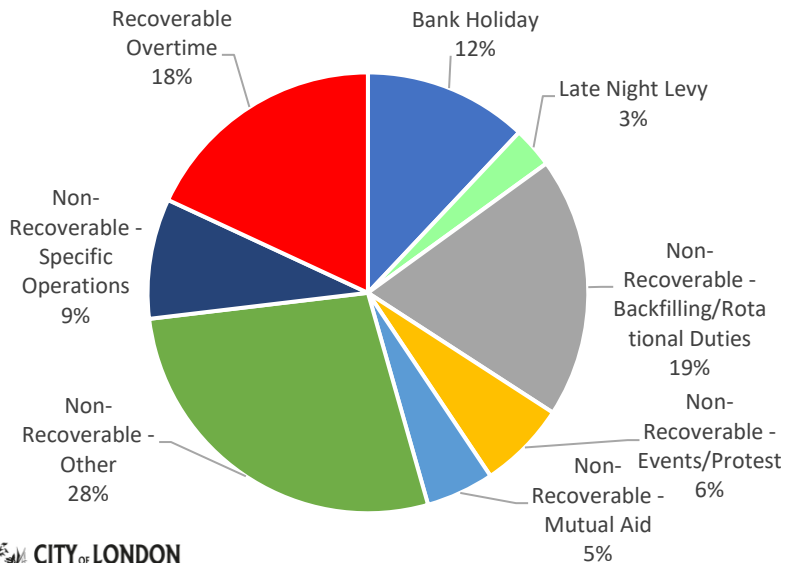
- (i) **Action Fraud** – unrealised saving due to revised delivery implantation plan for the FCCRAS programme. The sustained saving includes the release of a £1.5m Action Fraud risk mitigation included in the 2024/25 budget .
- (ii) **More Junior PCs** – The Office Uplift Programme resulted in a higher number of more junior PCs than in the Force’s operational model. Whist this provides a second year of savings in 24/25 with incremental progression and a higher proportion of attrition mitigated by transferees this saving is expected to be eliminated in 25/26.
- (iii) **Increased Recharging to Funded Activities** – includes £3.3m of additional overhead cost recovery from Home Office and £0.2m TfL funded work. NB. the mitigation includes the recovery of direct costs in addition to overheads where there has been an overachievement against plan.
- (iv) **Non-pay saving** – excluding FCCRAS - removed from 24/25 budgets.
- (v) **Trajectory of staff recruitment** – the mitigation is expected to achieved and in 24/25 exceeded by £2m due to slower than planned staff recruitment (not included as an additional mitigation).

# 2024/25 Q1 – Overtime Analysis

Police Officer and Staff overtime outturn forecast is estimated to be £3.0m against a budget of £2.9m resulting in an overspend of £0.1m. Of the £0.6m expenditure to date, £122k relates to recoverable activities such as the Funded Units for which CoLP expects to be fully reimbursed. A summary of overtime incurred by category is shown below.

The overtime forecast will be further developed in Q2 taking account of recent national events and the impact of the police officer pay award which was above budgeted pay assumptions.

**ACTUAL OVERTIME BY TYPE - Q1 (APRIL TO JUNE 2024)**



Overtime Category	£'000
Bank Holiday	75
Late Night Levy	19
Non-Recoverable - Backfilling/Rotational Duties	119
Non-Recoverable - Events/Protest	40
Non-Recoverable - Mutual Aid	31
Non-Recoverable - Other	171
Non-Recoverable - Specific Operations	55
Recoverable Overtime	112
<b>Total Overtime Q1 (April to June 2024)</b>	<b>622</b>

The final 2024/25 overtime outturn will be influenced by the incidence of unexpected policing events across 24/25, noting that Home Office reimbursement is generally only available where overtime costs associated with a single event exceed a threshold of 1% of core funding. In the case of the City of London Police the threshold in 2024/25 is £664k per event.

Overtime will continue to be reported monthly to the Force's Strategic Finance Board.



# 2024/25 Q1 - Business Area Summaries

Revenue outturn summaries for each of the business areas is shown in Table 3 below:

<b>Table 3: Q1 2024/25 Department Revenue Summaries</b>	<b>2024/25 Budget (Q1 YTD)</b>	<b>2024/25 Actual (Q1 YTD)</b>	<b>Variance to Date +Deficit / (Surplus)</b>	<b>2024/25 Latest Budget</b>	<b>Projected Outturn +Deficit / (Surplus)</b>	<b>Projected Variance +Deficit / (Surplus)</b>	<b>Notes</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	
Local Policing	7.90	9.00	1.10	31.70	35.10	3.40	1
Specialist Operations	7.60	8.90	1.30	30.40	28.80	(1.60)	2
National Lead Force	1.60	3.90	2.30	6.60	8.50	1.90	3
Corporate Services	0.60	9.40	8.80	32.60	31.70	(0.90)	4
Central Income & Expenditure	0.60	4.40	3.80	12.90	10.10	(2.80)	5
<b>Total</b>	<b>18.30</b>	<b>35.60</b>	<b>17.30</b>	<b>114.20</b>	<b>114.20</b>	<b>0.00</b>	

**Local Policing: £3.4m overspend.** This is mainly due to a high number of Student Officers (135) being attached to Local Policing to gain neighbourhood policing experience during their two-year training programme. The cost of the student cohort in 24/25 is estimated to be £6.5m of which £3.1m will offset by police officer vacancies within Local Policing and the remainder through officer vacancies in other business areas. Overtime is predicted to be overspent by £0.1m due to the learning curve of the student officers and for non-recoverable activities. However, with recent national events there is a risk that the expected overtime variance could increase significantly. As in 24/25 pre-emptive measures have been put in place by the senior leadership team to contain overtime and this will be monitored closely through the local management team and via the Force's Strategic Finance Board.



# 2024/25 Q1 - Business Area Summaries continued

**(ii) Specialist Operations (SO): £1.6m underspend.** Combined Officer, Staff and Overtime pay costs are forecast to underspend by £1.5m at the end of the financial year. This is mainly due to substantive vacancies in both officer and staff roles. The former being a consequence of maintaining officer numbers within the budgeted officer headcount of 996; considering the high number of student officers in Local Policing. Savings of £150k are expected against non-pay budgets including Transport (£48k) and Supplies & Services (£187k) which will be offset by an increase of £85k in forensic services costs due to increased investigatory work. Increases in government grants and third-party income of £225k including a Civil Recovery grant (£40k), Op Safeguard (custody cell) income (£65k) and TfL (£120k) funding under the Special Services Agreement. This has been offset by a reduction in the drawdown from the Proceeds of Crime Act (POCA) Reserve (£250k) to fund the net cost of the Asset Recovery and uplift in the Civil Recovery Teams due to lower than anticipated pay costs resulting from vacancies.

**(iii) National Lead Force: £1.9m overspend.** The forecast outturn for National Lead Force activities in 24/25 is £8.5m compared to an original budget of £6.6m resulting in an overspend of £1.9m. Whilst significant contract extension costs (£12.9m) associated with the revised delivery plan for the launch of the FCCRAS have been mitigated through additional Home Office funding and from internal CoLP resources. Scope changes to the design of the FCCRAS and lower than anticipated Action Fraud/FCCRAS savings compared to budgeted, along with a £0.7m core budget under-provision for one of the Force's funded units of have combined to create a £1.9m cost pressure. At this stage it is considered that this can be contained within wider savings – principally from staff underspends.



# 2024/25 Q1 Business Area Summaries continued

**(iv) Corporate Services: £0.9m underspend.** Police Officer Pay is forecast to be underspent by £0.8m due to vacancies equivalent to 13 PC FTE, this is linked to the high number of student officers attached to Local Policing and the requirement to remain within a budgeted headcount of 996 officers. Staff Pay is also forecast to be underspent by £0.8m at the end of the financial year due to recruitment outcomes being lower than anticipated due in part to vetting delays. A Gold Group has been established to assess the implications and impact of the vetting delays and to make recommendations to increase throughput. Other Employee Related Expenditure is forecast to be underspent by £0.3m due to lower-than-expected training costs due to on-going vacancies. These pay savings of £1.9m are partially offset by additional agency worker costs of £0.3m to backfill vacancies, a shortfall in income arising from training courses (£0.2m) based on income generation to date and lower than expected staff cost recovery from funded activities and capital projects of £0.5m again due to vacancies.

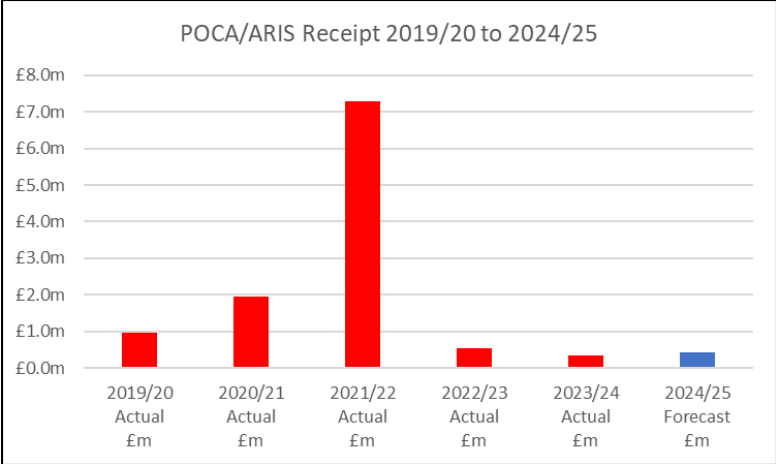
**(v) Central Expenditure & Income (CE&I): £2.8m underspend.** This division of service is used to manage indirect income and expenditure items which relate to all business areas. In 2024/25 the CE&I budget included several provision to manage a staff pay award up to 3% and an officer adjustment factor to manage the Uplift risk of over recruitment against the 996 Officer target. Both provisions, totalling £0.9m have been released. In addition, a central contingency for agency pay costs of £0.2m has been made available to offset the higher than budgeted agency costs in Corporate Services. A further £0.3m underspend is expected on Transport costs due to lower net Concessionary Travel scheme expenditure resulting from higher than budgeted officer contributions and a £1.3m transfer from Reserves is shown in this business area to partially mitigate the Action Fraud contract extension costs (0.8m) and to offset additional POCA funded expenditure.



# 2024/25 Q1 - Proceeds of Crime Act (POCA)/ Asset Recovery Incentivisation Scheme (ARIS)

The principal driver for Asset Recovery Incentivisation Scheme (ARIS) is to seek repatriation of funds to victims as detailed in the Proceeds of Crime Act (POCA). ARIS receipts should be used to drive up performance on asset recovery or, where appropriate, to fund local crime fighting priorities for the benefit of the community. Typically, the use of ARIS funds by POCA Agencies falls into four main categories: Crime Reduction, Community Projects, Asset Recovery work and Miscellaneous.

Currently, there are £20m of victim focused assets under investigation and a further £6m which fall within the Asset Realisation Incentivisation Scheme (ARIS). Any ARIS recoveries and receipts into the Force, however, are subject to final confiscation orders, future valuation and a 50% Home Office top slice. As demonstrated by Table 3 and the accompanying bar chart, the actualisation of ARIS receipts varies significantly from year to year. While the current 2024/25 forecast is based on average receipts from 2022/23 and 2023/24, this will be updated at Q2 considering the ARIS forecast contained in a separate report which will be submitted to November's RREC.



2021/22 includes a significant ARIS/POCA receipt from Operation Neutron.





# 2024/25 Q1 - Proceeds of Crime Act Funded Expenditure

Table 4 below provides a summary of those revenue workstreams which are expected to be funded from the Proceeds of Crime Act (POCA) Reserve. In 2024/25 £2.2m of revenue and £0.8m of capital expenditure is expected to be funded from the POCA Reserve. The impact of this on the reserve position is shown in slide 19.

An explanatory note follows on slide 18.

Table 4: Q1 2024/25 POCA Funded Expenditure	2024/25 Approved Budget	Forecast Outturn 2024/25	Projected Variance (Better) / + Worse	Notes
	£'000	£'000	£'000	
Safer City Partnership	50	50	0	(i)
Cyber Resilience Outreach Project (New)	10	10	0	(ii)
Fraud Forum Event (New)	0	15	15	(iii)
<b>Total Community Projects</b>	<b>60</b>	<b>75</b>	<b>15</b>	
Asset Recovery Team	1,300	1,400	100	(iv)
Civil Recovery Team	300	300	0	(v)
<b>Total Asset Recovery</b>	<b>1,600</b>	<b>1,700</b>	<b>100</b>	
Operation Creative	200	138	(62)	(vi)
NBCC Communications & Marketing	10	10	0	(vii)
Covert Tasking Budget	60	5	(55)	(viii)
Economic and Cyber Police HQ Communications Support (New)	0	144	144	(ix)
<b>Total Crime Reduction</b>	<b>270</b>	<b>297</b>	<b>27</b>	
NLF: People Strategy	93	93	0	(x)
<b>Total Miscellaneous</b>	<b>93</b>	<b>93</b>	<b>0</b>	
<b>Total Revenue Funding</b>	<b>2,023</b>	<b>2,165</b>	<b>142</b>	
Power BI Phase 2	645	734	89	(xii)
Auto-Redaction (New)	0	99	99	(xi)
<b>Total Capital Funding</b>	<b>645</b>	<b>833</b>	<b>188</b>	
<b>Grand Total</b>	<b>2,668</b>	<b>2,998</b>	<b>330</b>	

# 2024/25 Q1 - Proceeds of Crime Act Funded Expenditure

## Notes to table 4:

- i. Contribution to Safer City Partnership from annual ARIS receipts.
- ii. Funding to support an outreach project delivered in partnership with the London Cyber Resilience Centre.
- iii. Funding to support a Fraud Forum event to raise fraud awareness.
- iv. Funding of Asset Recovery Team was agreed for an initial period of three years 2022/23 to 2024/25 of £1.3m per annum. Forecast overspend due to pay inflation.
- v. Total funding of £300k pa was agreed from 23/24 to drive civil recovery activities across a period of three years.
- vi. Initiative, designed to disrupt and prevent websites from providing unauthorised access to copyright content.
- vii. Funding to support a communications support to business crime reduction.
- viii. Overtime/Tasking budget to support covert operations.
- ix. Funding to engage a temporary communications resource (18 months) to support CoLP's national economic and cybercrime capabilities.
- x. NLF People Strategy – Project designed to implement initiatives to improve recruitment and retention of staff within economic crime across the UK
- xi. Project to introduce an auto-redaction tool (nationally developed) to drive efficiencies and reduce failure demand.
- xii. PowerBI is a project to improve business intelligence through data visualisation and integration (see Capital section).

All new bids are subject to a cost/benefits assessment. A review of the benefits and outcomes in relation to historic POCA funded initiatives is being undertaken and will be reported to this committee in due course.



# 2024/25 Q1 - Reserves

Police Reserves are set out in Table 5 below:

Based on the Q1 position, it is expected that Reserves will reduce by £3.3m from an opening balance of £13.6m to £10.3m. This is due to ARIS/POCA funded activities referred to in slide 15-17 and use of a specific Action Fraud Reserve which was created in 2023/24 to help mitigate the financial risk of the FCCRAS project.

The Force's General Reserve remains at 5% of Net Revenue Expenditure which is in line with Home Office expectations. The adequacy and any requirement to draw upon the General Reserve, will be kept under review.

<b>Table 5 2024/25 Use of Reserves</b>	<b>Opening Balance 2024/25 £'000</b>	<b>Transfers To Reserve £'000</b>	<b>Projected Spend £'000</b>	<b>Closing Balance 2024/25 £'000</b>
<b>General Reserve</b>	<b>6,595</b>	<b>0</b>	<b>0</b>	<b>6,595</b>
<b>Specific Reserves:</b>				
Proceeds of Crime Act	5,946	440	(2,998)	3,388
Action Fraud Reserve	775	0	(775)	0
Emergency Services Mobile Technology	294	0	0	294
<b>Total Specific Reserves</b>	<b>7,015</b>	<b>440</b>	<b>(3,773)</b>	<b>3,682</b>
<b>Total</b>	<b>13,610</b>	<b>440</b>	<b>(3,773)</b>	<b>10,277</b>



# 2024/25 Q1 - Police Authority Team Revenue Budget

Table 6 sets out the Police Authority Team budget and forecast outturn for 2024/25.

<b>Table 6: Police Authority Team Budget 2024/25</b>	<b>Budget Q1 YTD</b>	<b>Actual Q1 YTD</b>	<b>Variance to Date (Better) / + Worse</b>	<b>24/25 Full Year Budget</b>	<b>Projected Outturn +Deficit / (Surplus)</b>	<b>Projected Variance +Deficit / (Surplus)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Pay</b>						
Staff	192.5	163.6	(28.9)	770.0	706.6	(63.4)
Indirect employee costs	3.8	0.0	(3.8)	15.0	7.0	(8.0)
<b>Total Pay</b>	<b>196.3</b>	<b>163.6</b>	<b>(32.6)</b>	<b>785.0</b>	<b>713.6</b>	<b>(71.4)</b>
<b>Non-Pay</b>						
Transport	0.5	0.0	(0.5)	2.0	1.4	(0.6)
Supplies and Services	53.3	66.2	13.0	213.0	146.0	(67.0)
Third Party Payments	0.0	76.3	76.3	0.0	251.1	251.1
CoLC Recharges	0.0	0.0	0.0	0.0	67.0	67.0
<b>Non-Pay</b>	<b>53.8</b>	<b>142.5</b>	<b>88.8</b>	<b>215.0</b>	<b>465.5</b>	<b>250.5</b>
<b>Total Expenditure</b>	<b>250.0</b>	<b>306.1</b>	<b>56.1</b>	<b>1,000.0</b>	<b>1,179.1</b>	<b>179.1</b>
Government Grants	0.0	(251.1)	(251.1)	0.0	(251.1)	(251.1)
<b>Total Income</b>	<b>0.0</b>	<b>(251.1)</b>	<b>(251.1)</b>	<b>0.0</b>	<b>(251.1)</b>	<b>(251.1)</b>
<b>Net Expenditure</b>	<b>250.0</b>	<b>55.1</b>	<b>(194.9)</b>	<b>1,000.0</b>	<b>928.0</b>	<b>(72.0)</b>

The forecast outturn for the Police Authority Team budget as at Q1 2024/25 is an underspend of £72k which is mainly due to a staff vacancy.



# 2024/25 Q1 - Police Authority Team Revenue Budget

Outside of the approved 2024/25 budget, the PAB Team will also administer £1m of hotspot funding to tackle serious violence and anti-social behaviour with a visible 'hotspot' policing presence via the following eight initiatives:

- **£246,000 for Operation Vigilant** – training officers to prevent sexual violence in the night-time economy and significantly increasing police patrols in NTE hotspots.
- **£152,000 for more CCTV monitoring staff** – significantly increasing the number of staff monitoring CCTV feeds during peak hours, improving the real-time detection and prevention of crime.
- **£138,000 for acquisitive crime teams** – funding more foot patrols to prevent business and personal robberies and thefts.
- **£112,000 for the Cycle Team** – funding increased deployment of the Cycle Team to tackle robbery, theft, and ASB
- **£36,000 for Dedicated Ward Officers** – funding more DWO patrols in the City's residential estates.
- **£31,000 for taxi and compliance checks** – funding periodic deployment of officers to tackle taxi touts and check taxis and private hire vehicles in the City.
- **£104,000 for analytical staff** – funding more analysts to gather more and better data on serious violence and ASB in the City, and tracking the impact of the above initiatives.
- **£180,000 transferred to 'bridge crime' initiative** – making up the funding cut to a separate Home Office grant (Safer Streets Fund), to continue delivery of a multi-borough initiative tackling crime on and around inner London bridges.

Progress against these initiatives will be reported during 2024/25.



# Capital Monitoring 2024/25 (Q1 to 30 June 2024)

## Change Portfolio Summary

- The City of London Police are currently in a significant period of change as a result of national and local responsibilities in addition to local, regional and national need for change. Positively, the change programme itself and intended deliverables are designed to meet legislative requirements, increase productivity and improve effectiveness in all areas of policing.
- Due to the very nature of policing, the management of projects and service improvements requires agility and, on occasion, reprioritisation of the planned programme. New legislative requirements, as well as changes in political direction and risk levels can all be factors driving the necessity for that agility, but other driving factors include changes to national programmes which are out of our control.
- The capital plan for 2024/25 includes several of these projects and programmes and has seen slippage in timescales resulting in impacts to intended spends. However, due to a robust prioritisation process, and an extensive list of pending projects, designed to optimise the service to be its very best, a proposal to utilise the spend already agreed for the existing plan for additional projects is made. This work acknowledges the need for slipping projects to move into future years but a comprehensive and cohesive approach to planning between the Change Portfolio and Finance colleagues is in place to assure future projections and formalise the capital plan over coming years.



# Capital Monitoring 2024/25 (Q1 to 30 June 2024)

## Headlines [1 of 2]

The total CoLP Capital Programme budget for 2024/25 amounts to £10.345m as shown in table 7 below. The forecast outturn for the year totals £14.862m, which represents an overspend of £4.517m. The overspend is due to rephasing of FCCRAS milestones payments from 2023/24 to 2024/25 because of the delayed go live, from March 2024 to December 2024. Total FCCRAS project spend is forecast to be in line with the total budget of £31.0m.

<b>Table 7 - CoLP Capital Programme 2024/25</b>	<b>2024/25 Budget</b>	<b>2024/25 Forecast Outturn</b>	<b>2024/25 Variance: Budget vs Forecast Outturn</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Total CoLP Capital Programme 2024/25</b>	<b>10,345</b>	<b>14,862</b>	<b>4,517</b>

The CoLP Capital Programme comprises projects developed and managed by the Force, which are either funded directly from the Force's own resources, from Home Office funding or via a Corporation loan facility as summarised in Table 8 below.

<b>Table 8 – Funding of the CoLP Capital Programme 2024/25</b>	<b>Forecast Outturn 2024/25 £'000</b>	<b>City Loan £'000</b>	<b>Home Office £'000</b>	<b>CoLP Direct Revenue Financing £'000</b>	<b>CoLP POCA £'000</b>
<b>Total Funding Breakdown</b>	<b>14,862</b>	<b>6,448</b>	<b>2,804</b>	<b>4,777</b>	<b>833</b>

CoLP's MTFP now provides £5m pa for direct revenue financing (DRF) of capital plus £1m pa for loan repayment, with the latter being slightly boosted as part of the 2024 BRP settlement, to support faster tracking of loan repayment. While the expectation is that CoLP's capital priorities will normally be managed within the £5m DRF envelope, there may be exceptional circumstances where recourse to the internal loan facility may be necessary and appropriate. This includes the City's £10m contribution to FCCRAS capital spend (much of which has been reprofiled from being loan-funded in 23/24 into 24/25) and potentially, in the medium-longer term, Future Police Estates costs (eg end-user / equipment costs) plus Emergency Service Network implementation costs. Accrued borrowing as at 1 April 2024 was £2.7m and is forecast to increase to £9.2m by 31 March 2025, which is within expected tolerance of c.£10m from last update of the MTFP.

# Capital Monitoring 2024/25 (Q1 to 30 June 2024)

## Headlines [2 of 2]

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A breakdown of the 2024/25 capital programme is shown in table 9 on slides 25 to 29.

In addition to the re-phasing of FCCRAS milestone payments into 2024/25, a delayed start to several national programmes, has also resulted in net slippage in 2024/25 on other projects amounting to £0.933m (excluding FCCRAS). It is proposed that this slippage is used to fund in year revenue cost pressures and other new projects subject to prioritisation and approval through Strategic Change Board. Due to inclusion of this sum for new projects in the tables which follow, the slippage of £0.933m does not form part of the overall variance to budget of £4.517m shown below, which is entirely due to the FCCRAS delay.

Whilst tables 8 and 10 focus on the 2024/25 CoLP capital programme, many projects are phased over more than just the one year. Slides 30 and 31, therefore, provide a summary of all CoLP capital projects underway and their phasing. The total budget for each project is shown, across all phased years of its implementation, and is compared to its forecast outturn spend. The total budget for all projects, subject to a £223k revenue funding requirement from the £5m direct revenue financing provision in 2024/25 is £39.386m, which compares to a forecast outturn cost of £39.167m, representing an underspend of £0.219m.

Slide 32 captures several capital projects which are City of London Corporation led and outside of the Force's capital programme but have direct benefits to CoLP. These include the Future Police Estate, Secure City and the new Enterprise Resource Planning system.





# CoLP Capital Programme 2024/25 [Slide 1 of 5]

The CoLP Capital Programme budget for 2024/25 amounts to £10.345m as shown in table 9 below. The forecast outturn for the year is £14.862m, which represents an overspend of £4.517m. The overspend is due to rephasing of FCCRAS milestones payments from 2023/24 to 2024/25 because of the delayed go live, from March 2024 to December 2024. Actual expenditure to date will be added into the Q2 based on full recharge information, noting that at the time of reporting (July 2024) some £3.9m has been accrued for FCCRAS milestones.

<b>Table 9 - CoLP Capital Programme 2024/25</b>	<b>2024/25 Budget</b>	<b>2024/25 Forecast Outturn</b>	<b>2024/25 Variance: Bud. v Forecast Outturn</b>	<b>Notes</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
FCCRAS	4,763	9,280	4,517	(a)
Cyclical replacement – IT Devices	1,200	1,200	0	(b)
- Firearms	400	400	0	(c)
- Horsebox	400	400	0	(d)
- Fleet	358	358	0	(e)
Command and Control	707	84	(623)	(f)
Data Analytics Platform (formerly Power BI)	645	734	89	(g)
Prioritisation and feasibility funding	605	343	(262)	(h)
E-Discovery	292	541	249	(i)
Forensic Case & Quality Management System	216	122	(94)	(j)
Out of Court Resolutions	163	148	(15)	
Multi Agency Public Protection System	148	38	(110)	(k)
Court Surveillance Equipment	91	91	0	
Body Worn Video	79	7	(72)	
Role Based Access	77	22	(55)	(l)
Covert Camera System	63	63	0	
<b>Sub-total (continued next slide)</b>	<b>10,144</b>	<b>13,768</b>	<b>3,624</b>	

# CoLP Capital Programme 2024/25 [Slide 2 of 5]

Table 9 - CoLP Capital Programme 2024/25	2024/25 Budget	2024/25 Forecast Outturn	2024/25 Variance: Bud. v Forecast Outturn	Notes
	£'000	£'000	£'000	
<b>Sub-total (continued from previous slide)</b>	<b>10,207</b>	<b>13,831</b>	<b>3,624</b>	
Digital Asset Management System	60	22	(38)	(m)
ICAV	10	65	55	
Other Supplementary Revenue Projects	68	11	(57)	(n)
<b>Sub-total (prior to new proposals)</b>	<b>10,345</b>	<b>13,929</b>	<b>3,584</b>	
New proposals to utilise slippage:				
1. Forensic Image Management System (FIMS)	0	59	59	(o)
2. Auto Redaction (Pilot)	0	99	99	(p)
Other New Supplementary Revenue Projects	0	51	51	(n)
Contribution to revenue funding shortfall from £5m DRF	0	223	223	(q)
Uncommitted	0	501	501	
<b>Sub-total (new proposals)</b>	<b>0</b>	<b>933</b>	<b>933</b>	
<b>Total CoLP Capital Programme 2024/25</b>	<b>10,345</b>	<b>14,862</b>	<b>4,517</b>	



# CoLP Capital Programme 2024/25 [Slide 3 of 5]

## Notes to table 9:

- a) **FCCRAS:** The forecast overspend in 2024/25 of £4.517m is due to rephasing of FCCRAS milestones payments from 2023/24 to 2024/25 because of the delayed go live, from March 2024 to December 2024. Total FCCRAS project spend is forecast to be in line with the total budget of £31.0m.
- b) **IT device (laptops) refresh:** A draft business case was submitted to the Digital Data and Technology Board on 20 August 2024 which considered options, including a preferred option with a total cost estimate of £1.8m. The total budget in the 2024/25 capital programme is £1.2m, with a further provision of £0.4m in 2025/26. This amounts to a total budget of £1.6m across the two years, representing a shortfall of £0.2m against the latest cost estimate of £1.8m. A full business case will be submitted to the next Strategic Finance Board for consideration.
- c) **Firearms:** A procurement options report was submitted to the Police and Emergency Planning Category Board on 6<sup>th</sup> August. A report will be submitted to Strategic Finance Board in due course with the outcome of this evaluation work and a final cost estimate for approval.
- d) **Horsebox:** There was a delay purchasing the horsebox due to limited supplier selection nationally, but the horsebox is now in the country and due for delivery later this year. There is a commitment to spend £285k in 2024/25, and with further costs to be incurred as the build progresses, it is anticipated that the full £400k budget will be spent in 2024/25.
- e) **Fleet replacement:** an order was placed in August 2024 for 2 Volvo XC90 Armed response Vehicles (ARVs) costing £122k. This reduces the remaining budget in 2024/25 to £236k, which is available for other vehicles which maybe prioritised ahead of establishment of an approved fleet strategy, which will inform the fleet funding requirement across future capital programmes.
- f) **Command and Control:** Forecast spend in 2024/25 reduced to £84k due to the delay in the MPS reset which is now anticipated to start towards the end of the year, with most of the budget to be spent in the following year.



# CoLP Capital Programme 2024/25 [Slide 4 of 5]

## Notes to table 9:

- g) Data Analytics (formerly Power BI):** Phase 1 was completed in 2022/23 at a cost of £98k. It is now anticipated that remaining and final spend of £734k will take place in 2024/25, which would be £84k ahead of the remaining budget provision.
- h) Prioritisation and feasibility funding:** a budget provision to progress the overarching management of change for CoLP, alongside the quick-time progression of some pipeline projects prior to their gateway 2 attainment. Mainly due to delays in the identification of suitable candidates and their vetting, only £343k is committed in the 2024/25, leaving £262k remaining available in 2025/26.
- i) E-discovery:** based on current estimates there is a risk of overspend, however, these will be reviewed subject to procurement options and solutions being identified.
- j) Forensic Case and Quality Management System:** early scoping to take place in 2024/25, with most spend now likely in 2025/26.
- k) Multi Agency Public Protection System:** a delayed national project – currently in test phase but due for delivery Dec 2024, with most spend expected in 2025/26.
- l) Role Based Access:** a delayed national project – now anticipated to start late 2024/25, with the majority of spend in 2025/26.
- m) Digital Asset Management System:** not yet commenced due to resourcing pressures and reprioritisation, anticipated to start later in 2024/25, with most spend slipping to 2025/26.
- n) Supplementary Revenue Projects under the £50k Capital de minimis:** due to several projects being delayed, largely due to the timing of national programmes, net slippage in year amounts to £0.933m (excluding FCCRAS) which it is proposed be used for other new projects subject to Strategic Change Board prioritisation and business case approval. Currently 3 proposed projects are included as ‘other’ in Table 10, with £0.501m remaining available for further new projects.



# CoLP Capital Programme 2024/25 [Slide 5 of 5]

## Notes to table 9:

### n) Continued

#### Existing Supplementary Revenue projects include:

- Home Office Biometrics (national) – **£24k** 24/25 slipped, moved into 25/26
- Digital Investigation and Intelligence (national) - **£14k** 24/25 slipped, moved into 25/26
- Digital Case File (national) - **£12k** slipped, moved into 25/26
- Joint ERP System (local) – **£10k** 24/25
- Tackling Organised Exploitation Programme (TOEX) (National) – **£7k** 24/25 slipped, moved into 25/26
- Rape Response Review (national) – **£1k** 24/25

Total £68k

#### New Supplementary Revenue projects include:

- Electronic Display Screen Equipment Management System (EDSEMS) (local) – Legislative compliance - **£34k** 24/25
- Travel System (AGITO) (local) – value for money, improved financial monitoring - **£9k** 24/25
- Operation Soteria (national) – national response to violence against women and girls - **£8k** 24/25

Total £51k

- o) Forensic Image Management System (FIMS)** – this project aims to introduce an automated, auditable system which allows images of unidentified suspects to be easily circulated. Implementation is expected in 2024/25.
- p) Auto-redaction:** a project to introduce an auto-redaction tool (nationally developed) to drive efficiencies and reduce failure demand.
- q) CoLP Direct Revenue Financing** – The CoLP revenue budget includes a £5m capital financing provision. To help mitigate in year revenue cost pressure and considering the slippage within the capital programme, £223k of the direct revenue financing budget has been re-prioritised. The requirement for this will be reviewed at Q2.

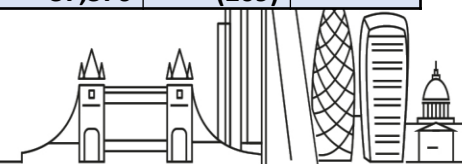


# Summary of CoLP Capital Projects Underway & Their Phasing

## [Slide 1 of 2]

Previous slides show the capital budget for 2024/25 only, however, many projects are phased over more than just the one year and table 10 below provides a **summary of all CoLP capital projects underway and their phasing**. The total budget for each project is shown, across all phased years of its implementation, and is compared to its forecast outturn spend. The total budget for all CoLP projects underway totals £39.386m, which compares to a forecast outturn cost of £39.167m, representing an underspend of £0.219m (0.6%).

<b>Table 10 - Summary of all CoLP capital projects underway and their phasing</b>	<b>Budgeted Project Cost £'000</b>	<b>Prior Year Actuals £'000</b>	<b>2024/25 Forecast Outturn £'000</b>	<b>2025/26 Forecast Spend £'000</b>	<b>2026/27 Forecast Spend £'000</b>	<b>Forecast Project Outturn £'000</b>	<b>Variance (Better) / Worse £'000</b>	<b>Notes (on slides 5 to 7)</b>
FCCRAS	31,038	21,758	9,280	-	-	31,038	-	(a)
Cyclical replacement								
- IT laptop devices – refresh	1,600	-	1,200	400	-	1,600	-	(b)
- Firearms	400	-	400	-	-	400	-	(c)
- Horsebox	400	-	400	-	-	400	-	(d)
- Fleet replacement	358	-	358	-	-	358	-	(e)
Command and Control	707	-	84	623	-	707	-	(f)
Data Analytics (formerly Power BI)	748	98	734	-	-	832	84	(g)
ICAV	248	195	65	-	-	260	12	
Prioritisation and feasibility funding	776	173	343	-	-	516	(260)	(h)
E-discovery	500	-	541	-	-	541	41	(i)
Body Worn Video	309	217	7	-	-	224	(85)	
Covert Camera System	106	46	63	-	-	109	3	
Covert Surveillance Equipment	247	152	91	-	-	243	(4)	
Multi Agency Public Protection System	148	-	38	110	-	148	-	(k)
<b>Sub-total (continued next slide)</b>	<b>37,585</b>	<b>22,639</b>	<b>13,604</b>	<b>1,133</b>	<b>-</b>	<b>37,376</b>	<b>(209)</b>	



# Summary of CoLP Capital Projects Underway & Their Phasing

## [Slide 2 of 2]

<b>Table 10 - Summary of all CoLP capital projects underway and their phasing</b>	<b>Budgeted Project Cost £'000</b>	<b>Prior Year Actuals £'000</b>	<b>2024/25 Forecast Outturn £'000</b>	<b>2025/26 Forecast Spend £'000</b>	<b>2026/27 Forecast Spend £'000</b>	<b>Forecast Project Outturn £'000</b>	<b>Variance (Better) / Worse £'000</b>	<b>Notes (on slides 5 to 9)</b>
<b>Sub-total (continued from previous slide)</b>	<b>37,585</b>	<b>22,639</b>	<b>13,604</b>	<b>1,133</b>	<b>-</b>	<b>37,376</b>	<b>(209)</b>	
Out of Court Resolutions (OoCR)	163	-	148	-	-	148	(15)	
Digital Asset Management System	60	-	22	38	-	60	-	(m)
Forensic Case & Quality Management System	500	-	122	378	-	500	-	(j)
Role-based Access	77	-	22	55	-	77	-	(l)
Forensic Image Management System (FIMS)	59	-	59	-	-	59	-	(o)
Auto-Redaction (POCA) (PILOT)	99	-	99	-	-	99	-	(p)
Other Supplementary Projects	119	-	62	22	40	124	5	(n)
Revenue funding from £5m DRF	223	-	223			223	-	(q)
Uncommitted	501	-	501	-	-	501	-	
<b>TOTAL COST OF PROJECTS UNDERWAY</b>	<b>39,386</b>	<b>22,639</b>	<b>14,862</b>	<b>1,626</b>	<b>40</b>	<b>39,167</b>	<b>(219)</b>	



# Corporation-led Projects benefiting CoLP

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In addition to the CoLP-specific projects above, there are number of 'infrastructure' projects led and funded by the Corporation which will benefit Police – and which need to be managed as key elements of CoLP's overall change planning process, in particular:

- **Salisbury Square** - £596m (of which the Police building is c.£220m and there are additional contributions towards the Range and Joint Command & Control Room)
- **Future Police Estate** - £60m additional funding allocated by Court in 2022 (primarily Eastern Base and rest of GYE plus IT, fit out and other costs)
- **Secure City programme** - £18m
- **Enterprise Resource Planning (ERP)** System implementation
- **Future Network Strategy**

