

Revenue & Capital Monitoring Report

Q1 - 2025/26

Resources and Estates Committee (REC)

22nd September 2025

Police Authority Board (PAB)

8th October 2025



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

Q1 - Revenue & Capital Summary

Revenue Outturn Summary - Forecast to 31 March 2026

At Q1 25/26 the Police revenue budget is forecast to be overspent by £0.9m/0.7% against the net budget of £122.4m. The underlying overspend is largely due to a net £1m cost pressure resulting from the revised implementation plan for the Fraud and Cyber Crime Reporting and Analysis Service (FCCRAS), considering the agreement with Home Office to a 50/50 'risk share' for current service extension costs. Whilst this is an improved position compared to the £1.5m budgetary pressure identified in the 25/26 budget setting report, a further £0.5m FCCRAS target saving remains within the Q1 forecast which presents a further risk. Other cost pressures identified at Q1 including agency staff costs, forensic, premises and an under recovery of overheads from funded work totalling £1.1m which are offset by a combination of unplanned staff vacancies, due to lower than budgeted staff numbers at the beginning of the financial year and other unplanned supplies and services underspends. As recruitment increases, however, the ability of the budget to absorb such cost pressures will diminish and alternative mitigations are likely to be required. Whilst CoLP will continue to endeavour to manage the £0.9m deficit down there is a risk that the FCCRAS cost pressure (in addition to CoLP's funding of 1/3 of the FCCRAS capital implementation costs) may require recourse to internal borrowing as reported to Members at the point of budget setting in February 2025.

Key variances at Q1 are explained in slides 3-9 including a "bridge" analysis of key variances on slide 7. Risks and opportunities outside of the Q1 (30 June 2025) monitoring period are set out in slide 10.

Capital Outturn Summary

The total capital outturn for 2025/26 is forecast to be £15.185m and compares to a CoLP Capital Programme budget of £13.565m. This represents an overspend of £1.620m and due to increased spending on FCCRAS programme, resulting from the rephasing of works from 2024/25 into 2025/26. This outturn forecast will be reviewed at Q2 following the conclusion of commercial negotiations for programme delivery. It is expected that all other non-FCCRAS projects will be contained within the approved capital programme funding.

Accrued borrowing via an internal loan facility with the City of London Corporation, as at 1st April 2025 was £0.922m. Considering the additional FCCRAS programme spend across both revenue and capital, it is forecast that this may increase up to circa £10m by the end of 2025/26, subject to confirmation of increased spending on FCCRAS - and potentially to circa £20m by 27/28 subject to final funding strategy for the new firing range.

Police Authority Board Outturn Summary

The outturn for the Police Authority Team budget is £911k against a latest approved budget of £1.0m, an underspend of £89k (Table 6 below refers), this is predominantly due to £69k of unbudgeted Home Office grant funding for administering the Serious Violence Duty in 25/26.

Revenue – Financial Summary Q1

Table 1 2025/26 CoLP Revenue Budget	Budget	Actual	Variance	25/26	Projected	Projected	Notes
	YTD	YTD	to Date	Full Year	Outturn	Variance	
	£m	£m	(Better) / + Worse	Budget	(Better) / + Worse	(Better) / + Worse	
PAY							
Officers	22.2	19.9	(2.3)	88.8	87.6	(1.1)	(i)
Staff	11.6	10.1	(1.5)	46.3	45.3	(1.0)	(ii)
Overtime	1.0	0.6	(0.4)	3.8	4.8	1.0	(iii)
Agency	0.3	0.2	(0.1)	1.2	1.4	0.2	
Police Officer Pension	0.0	0.0	0.0	20.7	20.7	0.0	
Indirect employee costs	0.8	0.5	(0.2)	3.0	2.9	(0.3)	
TOTAL PAY	35.8	31.3	(4.5)	163.8	162.6	(1.2)	
NON-PAY							
Premises Costs	0.9	0.9	0.0	3.5	3.6	0.1	
Transport	0.6	0.1	(0.6)	2.5	2.4	(0.1)	
Supplies and Services	11.9	15.7	3.8	47.5	47.0	(0.6)	(iv)
Third Party Payments	3.1	(11.9)	(15.0)	12.2	12.3	0.0	
Unidentified Saving	(0.4)	0.0	0.4	(1.7)	0.0	1.7	(v)
CoL Support Services	0.9	0.9	0.1	3.4	3.5	0.1	
Capital Charges	1.9	0.0	(1.9)	7.6	7.6	0.0	
Transfer to Reserve	0.4	0.0	(0.4)	1.5	1.5	0.0	
TOTAL NON-PAY	19.1	5.7	(13.5)	76.6	77.9	1.2	
TOTAL EXPENDITURE	54.9	37.0	(18.0)	240.4	240.5	0.0	
INCOME							
Specific Grants	(18.5)	(2.3)	16.2	(94.8)	(95.0)	(0.2)	(vi)
Partnership	(3.8)	(0.3)	3.4	(15.1)	(15.1)	0.0	
Fees & Charges	(0.9)	(0.1)	0.7	(3.4)	(2.7)	0.7	(vii)
Transfer from Reserves	(0.5)	(0.0)	0.5	(2.1)	(1.7)	0.4	(viii)
CoLP Core Funding	(30.6)	(30.6)	0.0	(122.4)	(122.4)	0.0	
Capital Financing	(0.6)	0.0	0.6	(2.5)	(2.5)	0.0	
TOTAL INCOME	(54.9)	(33.3)	21.5	(240.4)	(239.6)	0.9	
UNDERLYING DEFICIT	0.0	3.6	3.6	0.0	0.9	0.9	

Revenue Monitoring Supporting Information Q1

(i) Police Officer Pay

The forecast for Police Officer pay is an underspend of £1.1m underspend against a latest approved budget of £88.8m (-1.3%). The variance, is principally due to vacancies across a range of funded activities which results in a corresponding reduction in government grant, partnership income, reserves and overhead cost recovery. The outturn against the core officer budgets, is expected to be broadly breakeven (£163k underspend). The Police Officer headcount at the end of June 2025 was 1,007, comprising baseline National Uplift target of 996 officers and a 11 Neighbourhood Officers against a target of 14. In 25/26 £2.6m of ringfenced Home Office funding is dependent on CoLP maintaining an Officer headcount of 996 officers which is measured at the end of September and March each year. Additionally, a maximum of £1.47m of funding has been provided to CoLP in 25/26 to increase the Neighbourhood Policing Team by 14 FTEs. The Q1 forecast assumes that both targets will be met (slide 9 refers).

Neighbourhood Uplift – In 25/26 forces have been allocated a share of £200m funding to increase visibility and engagement with local communities by boosting neighbourhood policing teams with 3,000 more officers, PCSOs and special constables by 31 March 2026. CoLP has received £1.47m of this funding and has committed to deliver 14 additional neighbourhood policing officers in 25/26. As at the end of June 2025, 11 officers were in post and the expectation is that all 14 posts will be filled by the end of August 2025. Of £1.47m available funding, CoLP is eligible to claim £1.26m. The under-utilisation of £0.21m is due to recruitment delays compared to the initial onboarding assessment.

Officer Pay Award - The Q1 forecast currently excludes the impact of the 4.2% Police Officer pay award announced in July 2025 which was 1.4% higher than budgeted. Most force in England and Wales assumed a pay award of 2.8% following Government public sector pay recommendations in December 2024. Following the July 2025 announcement the Home Office have confirmed that nationally a £120m grant will be provided to forces to compensate them for the impact of the 25/26 pay award. Assuming this is allocated in line with the core grant funding formula, it is expected that CoLP's share (0.7% c. £840k) should be sufficient to offset the impact of the 25/26 core officer pay award. Confirmation of funding for non-core funded activities is still awaited.



Revenue Monitoring Supporting Information

(ii) Police Staff Pay

Police Staff pay, compared to a budget of £46.3m, is forecast to be underspent by £1.0m by the end of the Financial Year. This underspend is largely driven by slower than expected staff recruitment in 24/25 which has impacted staffing numbers in 25/26. Whilst the trajectory of staff recruitment has increased, current workforce plans (slide 10) indicate that a number of unplanned vacancies will continue for the remainder of this financial year, which at Q1 has offset other cost pressures. As staff recruitment increases, however, alternative and sustainable mitigations will need to be identified. The Q1 25/26 forecast assumes a 2.9% pay award, compared to the 2.8% budgetary provision, but this is unconfirmed. This assumption will be reviewed at the end of Q2 to assess affordability should further information become available. The part year impact of a 1% increase in the staff pay award is estimated to create an additional £260k cost pressure, rising to a £360k full year impact.

(iii) Police Officer Overtime

Officer overtime is forecast to be £1.0m overspent against the original budget of £3.8m, however, c.£950k of this will be offset by the Hotspot delivery grant which is also reflected in an increase in government grants. The budgets will be updated for Q2.

(iv) Agency

Net agency costs are forecast to be £166k overspent at the end of 25/26 due to agency staff backfilling staff vacancies. This position, however, is net of a £183k saving in the Economic and Cyber Crime Academy budget which is being used to partially offset a shortfall in fees and charges income due to lower-than-expected uptake at the start of 25/26. The adjusted overspend in agency costs is therefore £349k.



2024/25 Q1 - Revenue Monitoring Supporting Information

Non-Pay (notes iv & v)

Overall non-pay costs are anticipated to be £1.2m overspent by the end of the Financial Year. This overspend is largely due to a £1m cost pressure relating to the revised implementation plan for the Fraud and Cyber Crime Reporting and Analysis Service (FCCRAS), net of an agreement with Home Office to a 50/50 'risk share' for current service extension costs. The 25/26 estimates included a FCCRAS unidentified savings requirement of £1.5m (note v). At the time of budget setting Members of the Police Authority Board were advised that this time limited pressure, combined with CoLP's funding of 1/3 of the FCCRAS capital implementation costs, may require recourse to an internal loan facility ,if unmitigated in year by savings. Of the £1.5m identified saving target relating to the FCCRAS project, the Q1 forecast assumes that only £0.5m of this cost pressure will be achievable through supplies and services savings plans (note iv), with the remaining £1m a cost pressure to the 25/26 outturn which CoLP will endeavour to manage down across the rest of the financial year.

Other in year non-pay cost pressures include Forensics (£257k) digital storage and outsourced services, back dated national non-domestic rates charges (£246k – three years' worth) and an under-recovery of corporate overheads due to lower recruitment outcomes for funded activities. Whilst these cost pressures are offset in 25/26 by a combination of unplanned pay savings and supplies and services underspends in Local Policing, sustainable savings plans will be required to tackle these underlying cost pressures across the medium-term financial plan. This will be progressed during the 26/27 business planning cycle.

(vi) Government Grants

The forecast Government Grant outturn is an over achievement of £0.2m against the original budget of £94.8m. This is mainly due to £1m of expected Hotspot funding (Slide 19 refers) and £0.2m of other unbudgeted government grant income offset by a £0.9m reduction in Home Office funding principally for National Lead Force activities including Fraud Reform, Anti-Money Laundering Programme, the Illicit Fraud grant and Cryptocurrency grant funding, all due to lower than expected recruitment outcomes.



2024/25 Q1 - Revenue Monitoring Supporting Information

(vii) Fees & Charges

Fees and charges is forecasting a deficit of £0.7m against an original budget of £3.4m. This is mainly due to a shortfall in income from the Economic and Cybercrime Academy (ECCA) of £562k based on a lower than expected number of bookings to Q1, noting that the 25/26 income target for the ECCA has been set to achieve full cost recovery. Of the ECCA shortfall £562k, £345k has been mitigated through a combination of vacancies and saving against temporary staff (agency) budgets. The forecast also assumes a reduction in speed awareness income of £80k resulting from a reduction in camera speed enforcement activity.

(viii) Transfer from Reserves

The transfer from reserves is forecast to decrease by £0.4m compared an original budget of £2.1m. This is due to a lower than anticipated use of the POCA reserve to fund the Asset Recovery- and Civil Recovery- Teams (slide 17 refers) due to alternative funding sources being identified from existing grant funding agreements.

Mitigations

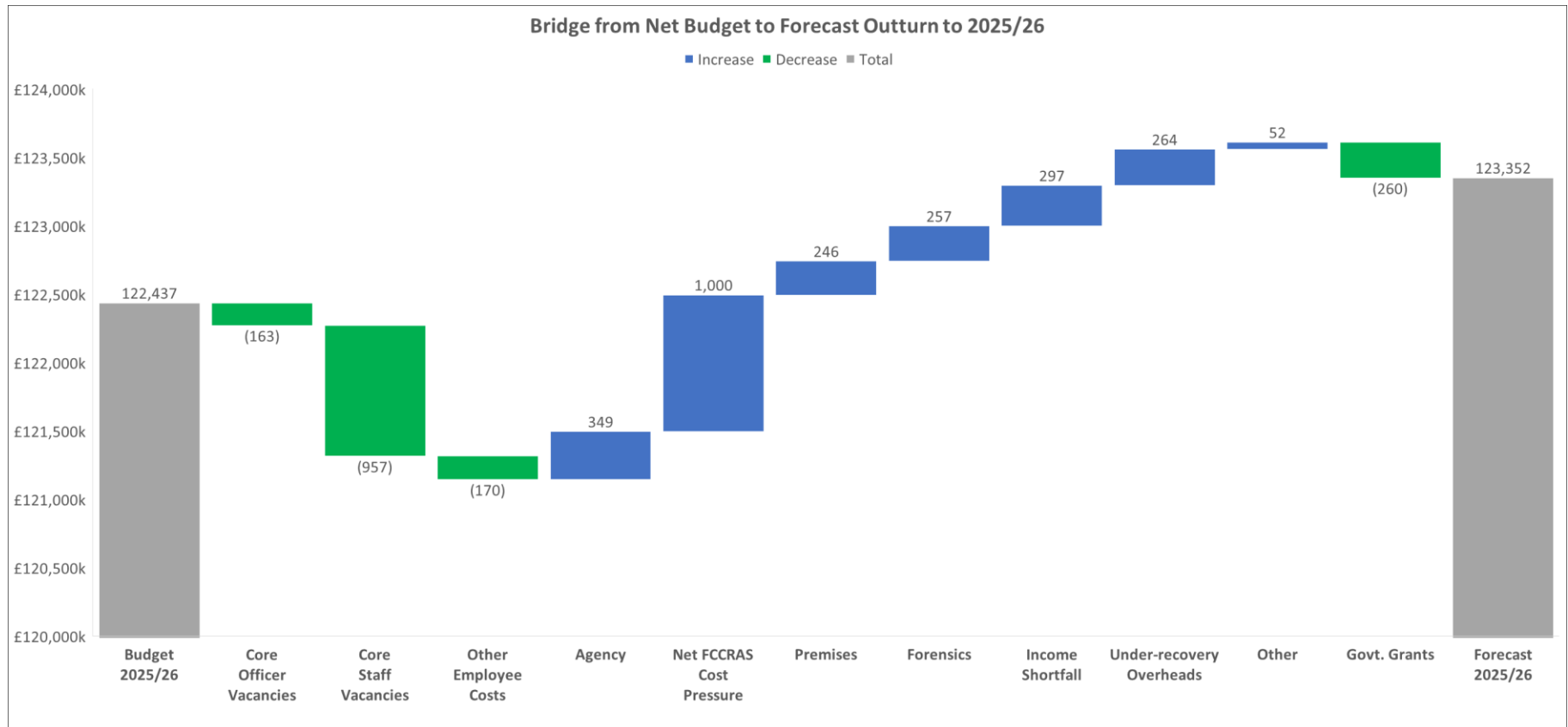
In 25/26 CoLP was required to deliver £4.4m of mitigations to deliver a balanced budget. Of this some £4.5m is expected to be delivered, noting the £1.5m FCCRAS funding solution may require recourse to an internal loan facility subject to compensating savings being identified in the remainder of 25/26.



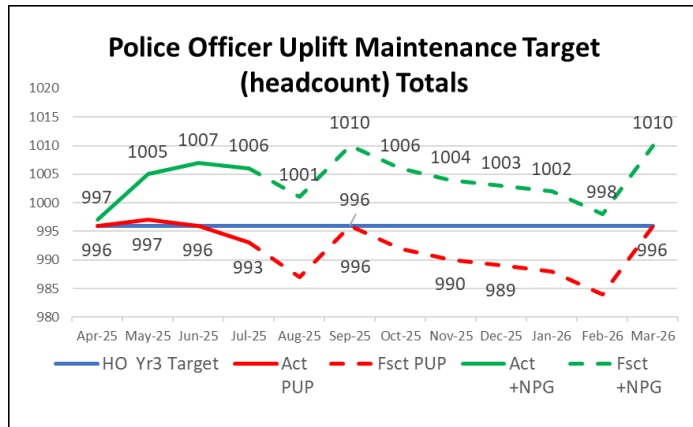
Bridge Analysis Q1

Estimated Overspend for CoLP by 31st March 2026 of £0.9m/0.7%

Key variances are shown below:

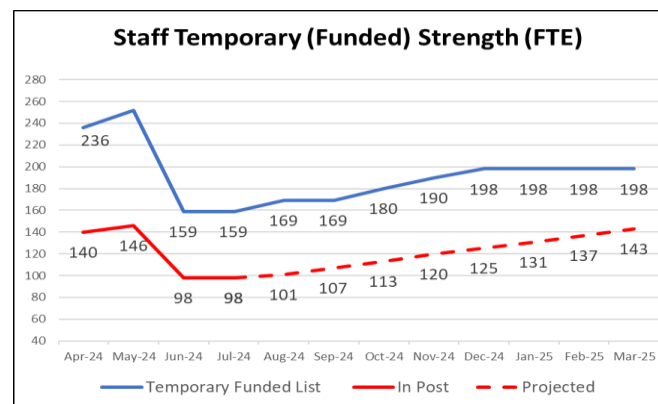
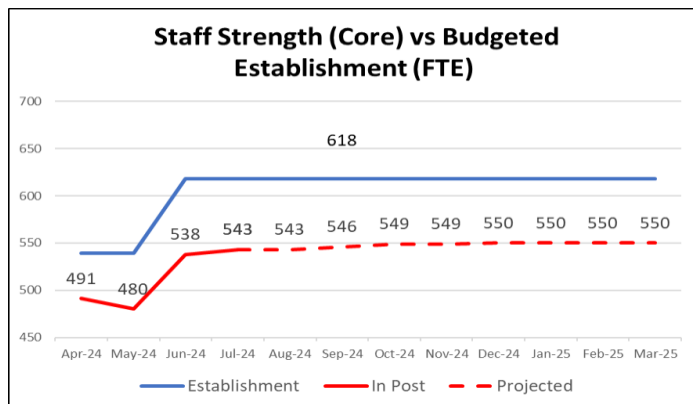


Workforce Summary



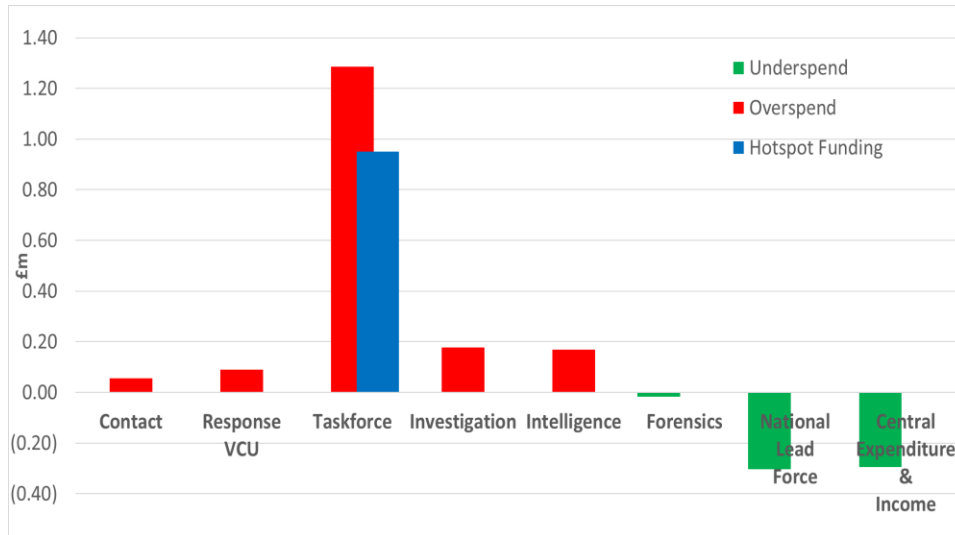
Police Officers - the Police officer workforce forecast assumes the Uplift Maintenance headcount target of 996 officers will be met in both September 2025 and March 2026 securing £2.6m of ringfenced Uplift funding.

In 25/26 CoLP also agreed a neighbourhood policing uplift of 14FTE officers to assist with the achievement of the Government's Neighbourhood Policing Commitment to increase officer numbers by 3,000 in 25/26. Up to £1.5m of Home Office grant funding has been made available to CoLP to achieve this uplift. As at 30th June 2026 11 officers were in post with recruitment to full Neighbourhoods establishment expected by August 2025.



Staff – The staff workforce forecast assumes that both the core and temporary funded strength will be lower than budgeted due to slower than anticipated external recruitment. The change to the staff establishment temporary totals is due to a reclassification of FCCRAS roles to formalise the new structure.

Overtime Q1



The graph shows the largest projected over and underspends relating to officer and staff overtime. The blue column denotes Hotspot funding which is expected to offset £0.95m of the forecast overspend.

The forecast is based on current demands extrapolated to the end of the financial year and the eventual outturn will be influenced by the incidence of unplanned events/demands during the remainder of 25/26.

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



Local Policing £1.4m overspend - £950k relates to Hotspot policing activities which are matched by additional Home Office grant income, leaving a net overspend £450k. Material overtime variances forecast at Q1 include Student Officer (£104k), Support Operations Group (£189k) and Firearms backfilling duties to maintain officer numbers (£190k), which are offset against underspend in Ops and Duty Planning (-£188k).

Specialist Operations £185k overspend - principally due to operation related work, reactive crime demands and the backfilling of duties due to vacancies. Majority of forecasted budget pressure exists in Volume Crime Unit and Sensitive Intelligence unit and Custody where rotational duties where overtime is claimed to close resilience gaps.

National Lead Force £303k underspend - largely due to additional scrutiny within Funded Units to reduce spend and aligning overtime costs to the correct units. Also, a quieter period within Fraud Ops due to the lifecycle of cases. Spend is expected to increase in the coming months with the near finalisation of several big cases.

Central Expenditure & Income £295k underspend - this relates to the release of an overtime provision created in 25/26 from the increase in the National and International City Grant. This sum has been released to mitigate the residual overtime cost pressure at Q1 not met from additional income/funding.



Risks and Opportunities Q1

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

Risks:

- Final confirmation of the distribution methodology for the £120m additional Home Office funding to help meet the cost of the 4.2% Police Officer pay increase in 2025.
- The unconfirmed staff pay award, with every 1% increase above the 2.8% budgeted assumption representing a £260k cost pressure in 2025/26, £360k full year;
- Reduction in government grant funding for national functions resulting from the reprioritisation of Home Office resources towards inflation, defence, immigration and delivery of neighbourhood policing commitments.
- Wider operational and demand pressures including data storage costs, national Police ICT service charges, Administration of Justice demands, events and protest activities which could lead to an increase in overtime and other costs.
- FCCRAS implementation and future run cost pressures.
- 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.
- Further improvements in overhead recovery from funded activities.
- Productivity improvements enabling demand pressures to be absorbed - along with potentially cashable savings.
- Identification of efficiencies, cost savings and reprioritisations from 2025 business planning outcomes.



Mitigations Q1

The 2025/26 revenue estimate included £14.9m of cost pressures which required mitigation to deliver a balanced budget. Of this some £10.5m was met from increases in central (Core grant £6.6m) and local (Business Rates Premium (BRP) £2.5m) funding and £1.4m through budget reprioritisation leaving £4.4m of target mitigations as set out below:

Table 6 Mitigations Plan	Target £m	Forecast £m	Variance (Better)/ Worse £m	Sustained £m	R A G	Notes
Higher proportion of more junior PCs	0.2	0.4	(0.2)	0.0		(i)
Increased recharging of costs to funded activities and change	1.5	1.4	0.1	1.5		(ii)
Non-pay savings: professional fees, release of inflationary provision & other	0.7	0.7	0.0	0.7		(iii)
Adjustment for phasing of staff recruitment to full establishment	0.5	0.5	0.0	0.0		(iv)
Funding solution for revised FCCRAS delivery approach	1.5	1.5	0.0	0.0		(v)
Total	4.4	4.5	(0.1)	2.2		

Notes:

- I. More Junior PCs** – The Office Uplift Programme resulted in a higher number of more junior PCs than in the Force’s operational model. Whilst this provides a third year of savings in 25/26 with incremental progression and a higher proportion of attrition replaced by transferees this saving is expected to be eliminated in 26/27.
- II. Increased Recharging to Funded Activities** – additional overhead cost recovery from Home Office and other funded activities.
- III. Non-pay saving** – excluding FCCRAS - removed from 25/26 budgets.
- IV. Trajectory of staff recruitment** – whilst the mitigation is forecast to achieved in 25/26 by 26/27 it is expected that this cost savings will no longer be possible as staff recruitment reaches full capacity.
- V. Funding solution for revised FCCRAS delivery approach** – subject to any programme savings being identified during 25/26 achievement of this mitigation may require recourse to additional internal loan funding/use of specific Action Fraud Reserve.



Business Area Summaries Q1 [1 of 3]

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

Table 3: Department Revenue Summaries	2025/26 Budget (Q1 YTD)	2024/25 Actual (Q1 YTD)	Variance to Date +Deficit / (Surplus)	2025/26 Latest Budget	Projected Outturn +Deficit / (Surplus)	Projected Variance +Deficit / (Surplus)	Notes
	£m	£m	£m	£m	£m	£m	
Local Policing	8.7	9.6	0.9	34.9	36.4	1.5	(i)
Specialist Operations	7.8	8.7	0.8	31.2	30.5	(0.7)	(ii)
National Lead Force	3.1	5.8	2.7	12.2	12.9	0.7	(iii)
Corporate Services	8.4	9.5	1.1	33.6	33.4	(0.2)	(iv)
Central Income & Expenditure	2.6	0.6	(2.0)	10.5	10.1	(0.4)	(v)
Total	30.6	34.2	3.6	122.4	123.4	0.9	

Local Policing: £1.5m overspend - Pay is forecast to overspend by £1.4m, driven by over-established and temporary officer posts (of which student officers - £3.8m) £5.4m, but offset through vacancies £4.5m. Some additional cost pressures from pay awards confirmed post budget setting £130k which will be funded centrally, and temporary/acting promotions funded through held substantive posts (£350k representative full year impact). Staff vacancy underspend forecast 100k net, noting potential over established posts pressure should all vacancies be filled in-year. Overtime overspend £1.4m at current annualised rate, with c.£950k forecast for Hotspot delivery where budget not yet in place - net overspend £450k forecast. Other Employee Expenses underspend forecast - significant underspend against TFG local training budget -£273k, and Supplies and Services underspend also forecast - significant underspend against TFG Equipment and Licences budgets -£363k, offset against unbudgeted Hotspot expenditure and overspend on subsistence.



Business Area Summaries Q1 [2 of 3]

(ii) Specialist Operations (SO): £0.7m underspend. At Q1 2025/26, Specialist Operations is forecasting an outturn position of £30.5m against a net budget of £31.2 m (circa £0.7m underspend). Whilst there remains significant levels of Officer/Staff vacancies from previous FY (x51), x18 posts are awaiting start dates due to vetting with the remaining at various stages of recruitment planning. Pay forecast has been profiled to reflect this assumption with a caveat for attrition. Combined Officer/Staff & Overtime pay costs are forecasted to underspend by £1.3m which includes supernumerary post for Police NOW students and expected overspend in overtime to provide resilience for backfilling and operations. Pay assumptions also factor a pay award of 2.8% for Officers (which and Staff. Overtime remains a significant risk within SO and the forecast will be developed through each quarter in parallel with governance reviews within SO SLT. New special segments will assist in analysing pressures at department level. Savings are forecasted to be achieved in supplies and services budgets mainly due to Cyber Griffin ringfenced funding allocated for growth. However, significant risks need to reviewed for anticipated non-pay expenditure in the Sensitive Intelligence Unit & existing pressures in Forensic Services for data storage costs and outsourced forensic services, due to inflation & de mand. Additional income within Govt't grants of £0.4m has been secured for PUP PECT, Civil Recovery and the Custody Detainee scheme.

(iii) National Lead Force: £0.7m overspend. Core Officer pay within NLF Fraud and Co-ordination (4 FTE) is expected to be underspent by £362k due to vacancies which are expected to be filled later in the year, along with an underutilisation of supplies and services budgets of £145k within NLF Co-ordination. This net underspend of £507k, however, has been offset by:

- 1) a forecast overspend on Funded Units of £151k, which comprises the anticipated underachievement of income on Economic & Cyber Crime Academy (£217k) due to a reduced uptake of training courses in the first part of the year, coupled with the aim to achieve full cost recovery. This is partly offset by additional income of £67k from the Association of British Insurers to fund inflationary pressures within the Insurance Fraud Enforcement Department (IFED).
- 2) A £1.045m overspend due to the revised implementation plan for the Fraud and Cyber Crime Reporting and Analysis Service (FCCRAS) programme. Whilst this appears to be an improved position compared to the estimated £1.5m budgetary pressure identified in the 25/26 revenue estimate report, a £0.5m savings target remains in the Q1 forecast and therefore presents a further outturn risk. Action will be required during 25/26 to eliminate this £0.5m savings target and to manage down the overall £0.7m forecast overspend.

Business Area Summaries Q1 [3 of 3]

(iv) Corporate Services: £0.2m underspend. At Q1 25/26 the Corporate Services budget is forecast to be underspend by £212k at the end of the financial year. This is mainly due to staff vacancies across the directorate. However, there are some cost pressures in Estates as rates are higher than budgeted by £246k including 3 years of rates charges relating to an off site parking facility which were not included in the budget although this cost pressure has been partly offset by premises repairs savings of £130k. Outside of the Q1 forecast there is a risk of higher than budgeted legal fees relating to professional standards reviews which will need to be carefully managed.

(v) Central Expenditure & Income (CE&I): £0.4m underspend. At Q1 2025/26, the Central E&I budget is forecasting an outturn position of £10.1m against a net budget of £10.5m (circa £0.4m underspend). This is largely due to the release of several provisions, including a 0.8% pay award contingency for officer and staff pay (0.3m) and use of £0.3m from an overtime provision created from the increase in the National and International Capital City grant for 25/26. The release of these provisions is offset by a £0.25m unbudgeted pay cost pressure relating ill health retirements and other workforce transition costs.

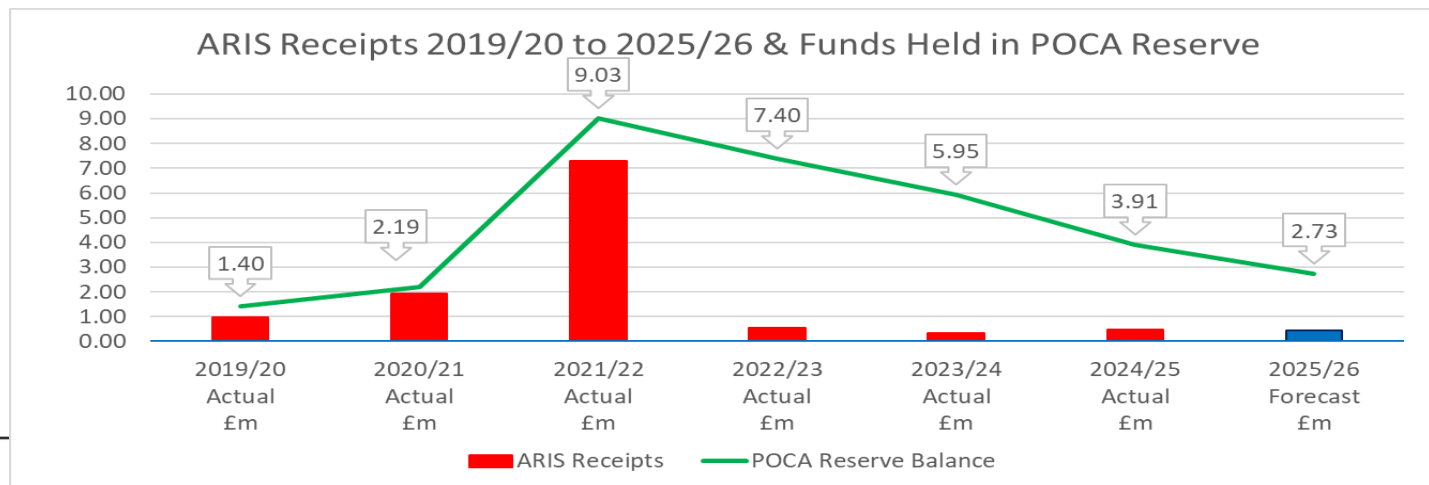


Proceeds of Crime Act (POCA)/ Asset Recovery Incentivisation Scheme (ARIS) Q1 [1 of 2]

The Proceeds of Crime Act 2002 (POCA) gives power to the police and other public bodies to confiscate assets and cash from individuals who are convicted of offences or who, on the balance of probability, have benefited from their illegal activities. The Asset Recovery Incentivisation Scheme (ARIS) was set up in 2006. ARIS is a mechanism for returning to law enforcement agencies a proportion of the assets they recover 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.

The forecasting of ARIS receipts is challenging and subject to several uncertainties including the timetable of court proceedings, final confiscation orders being issued and the future valuation of the assets. ARIS receipts and a 50% top slice to fund national asset recovery work.

As can be seen from the chart below, ARIS receipt can vary significantly year on year, however, over the last three years, receipt into CoLP have averaged c £0.5m per annum. Over the same period some £5m of ARIS receipts have been used to drive crime reduction and asset recovery through funding the Asset Recovery and Civil Recovery Teams. Critically, while this has been made possible by a significant ARIS receipt in 21/22, based on current and forecast ARIS receipts into CoLP it will not be possible to sustain funding for the Asset Recovery and Civil Recovery Teams from the POCA Reserve beyond 2027/28 when alternative funding or cost reduction measures will be necessary.



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



Proceeds of Crime Act (POCA)/ Asset Recovery Incentivisation Scheme (ARIS) Q1 [2 of 2]

Considering the current balance in the POCA account (£3.91m) and the current cost of the Asset and Civil Recovery Teams (£2.1m), the use of the Reserve will be limited to the following activities in 25/26:

Table 4: Q1 POCA Funded Expenditure	2025/26 Approved Budget	Forecast Outturn 2025/26	Projected Variance (Better) / + Worse	Notes
	£'000	£'000	£'000	
Asset Recovery Team	1,686	1,306	(380)	(i)
Civil Recovery Team	400	327	(73)	(ii)
Total Asset Recovery	2,086	1,633	(453)	
Economic and Cyber Police HQ Communications Support	0	90	90	(iii)
Total Crime Reduction	0	90	90	
Grand Total	2,086	1,723	(363)	

All bids to use the POCA Reserve are subject to affordability and a cost/benefits assessment.



Reserves Q1

Police Reserves are set out in Table 5 below:

Based on the Q1 position, it is expected that Reserves will reduce in 25/26 by £807k from an opening balance of £12.844m to £12.037m. Whilst the Q1 revenue outturn forecast only includes the contribution from the POCA Reserve, other specific reserves will provide contingency funding for slippage into 25/26 of repairs and maintenance works to Bishopsgate and New Street from 24/25 year once costs are confirmed. There may be a requirement to drawdown from the Action Fraud Reserve to mitigate any inyear overspend.

From 25/26 an annual revenue provision of £0.5m will be made to provide a contingency for future premises repairs, maintenance and replacement works. This is to ensure contributions are smoothed to reduce the impact of peaked expenditure in a single financial year and will provide additional financial resilience.

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.

Table 5				
Use of Reserves	Opening Balance 2025/26 £'000	Forecast Transfers To Reserve £'000	Forecast Transfers From Reserve £'000	Forecast Closing Balance 2025/26 £'000
General Reserve	6,595	0	0	6,595
Specific Reserves:				
Proceeds of Crime Act	3,908	500	1,723	2,685
Action Fraud Reserve	498	0	0	498
Emergency Services Mobile Technology	294	0	0	294
Repairs, Maintenance & Improvements	723	500	0	1,223
Projects Reserve	584	0	584	0
Corporate Priorities	0	500	0	500
CoLP Secure City	242	0	0	242
Total Specific Reserves	6,249	1,500	2,307	5,442
Total	12,844	1,500	2,307	12,037



Police Authority Team Revenue Budget Q1

Table 6 sets out the Police Authority Team budget and forecast outturn for Q1 25/26. The total Police Authority Team budget is a net expenditure position of £1.0m as shown in table 6 below. The outturn for 25/26 is expected to be £911k, which is an underspend of £89k compared to budget. This variance is mainly due to the receipt of temporary unbudgeted Home Office grant funding for administering the Serious Violence Duty in 25/26 of £96k.

Table 6: Police Authority Team Budget	Budget Q1 YTD	Actual Q1 YTD	Variance to Date (Better) / + Worse	25/26 Full Year Budget	Projected Outturn +Deficit / (Surplus)	Projected Variance +Deficit / (Surplus)
£'000	£'000	£'000	£'000	£'000	£'000	£'000
Pay						
Staff	183.5	156.0	(27.5)	734.0	741.0	7.0
Indirect employee costs	3.8	0.0	(3.8)	15.0	15.0	0.0
Total Pay	187.3	156.0	(31.3)	749.0	756.0	7.0
Non-Pay						
Transport	0.5	0.0	(0.5)	2.0	2.0	0.0
Supplies and Services	44.3	91.0	46.8	177.0	177.0	0.0
Third Party Payments	0.0	0.0	0.0	0.0	0.0	0.0
CoLC Recharges	18.0	18.0	0.0	72.0	72.0	0.0
Non-Pay	62.8	109.0	46.3	251.0	251.0	0.0
Total Expenditure	250.0	265.0	15.0	1,000.0	1,007.0	7.0
Government Grants	0.0	0.0	0.0	0.0	(96.0)	(96.0)
Total Income	0.0	0.0	0.0	0.0	(96.0)	(96.0)
Net Expenditure	250.0	265.0	15.0	1,000.0	911.0	(89.0)



Hotspot Funding [Slide 1 of 3]

Hotspot Progress Update

In 25/26 the City has been allocated a £1.0m Home Office grant funding for visible hotspot policing initiatives tackling serious violence and ASB (the 'GRIP' programme). This is a continuation of the 24/25 Hotspot programme. Q1 has been a transition period, with plans rolled over from 24/25 whilst new problem orientated plans were developed for 25/26. In Q1 25/26 CoLP has delivered 2,250 visible 'Hotspot' patrol hours, which is akin to the 24/25 profile. Whilst it is planned that £1.0m of grant funding will be fully utilised in 25/26 there may be some variations in programme delivery from Q2 and Table 7 below will be updated accordingly. Risks to full utilisation of the grant fund include the availability of officer overtime, where there are competing demands including: abstractions, training and leave presents a risk to delivery and plans may be revised. This risk is being actively managed and will be subject to continuing operational review.

Table 7	Budget YTD	Actual YTD	Variance to Date (Under) / + Over	25/26 Full Year Budget	Projected Outturn	Projected Variance (Under) / + Over	Notes
Anti-Social Behaviour and Hotspot Response Initiatives	£'000	£'000	£'000	£'000	£'000	£'000	
Analytical Staff-ASB and Hotspot Response	15.0	18.9	3.9	60.0	60.0	0.0	(i)
Problem Solving Training	19.6	0.6	(19.0)	78.2	78.2	0.0	(ii)
Data Visualisation	12.8	51.4	38.5	51.4	51.4	0.0	(iii)
Op- Zennor	80.7	76.9	(3.8)	322.8	322.8	0.0	(iv)
Operation Vigilant	37.9	26.3	(11.5)	68.2	68.2	0.0	(v)
Taxi and Compliance Checks	7.3	2.2	(5.1)	33.2	33.2	0.0	(vi)
CCTV monitoring staff	10.6	6.7	(3.9)	110.4	110.4	0.0	(vii)
Q1 PACT foot Patrols	21.3	0.0	(21.3)	21.3	21.3	0.0	(viii)
Q1 Cycle Team increased deployment	16.6	3.9	(12.6)	16.6	16.6	0.0	(ix)
Q1 Dedicated Ward Officer Patrols	11.4	15.3	3.8	11.4	11.4	0.0	(x)
Q2-Q4 Hotspot Rough Sleeping	0.0	0.0	0.0	17.9	17.9	0.0	(xi)
Q2-Q4 Hotspot Personal Robbery	0.0	0.2	0.2	20.9	20.9	0.0	(xii)
Q2-Q4 Retail Related Crime	0.0	0.6	0.6	17.9	17.9	0.0	(xiii)
Q2-Q4 Hotspot Violence in the Night Time Economy	0.0	0.4	0.4	169.6	169.6	0.0	(xiv)
Total	233.2	203.4	(29.8)	1,000.0	1,000.0	0.0	

Hotspot Funding [Slide 2 of 3]

Notes to Table 7:

- i. **Analytical Staff** - this is to provide analytical staff to gather more and improved data on serious violence and ASB in the City alongside tracking the impact of the other Hotspot initiatives.
- ii. **Problem Solving Training** –to embed problem-orientated and Hotspots policing to maximise outcomes.
- iii. **Data Visualisation and Geospatial Mapping** to enhance operational decision making.
- iv. **Op Zennor** – this includes delivery of a multi-borough initiative tackling crime on and around inner London bridges £166.4k, other management, co-ordination and administrative expenditure.
- v. **Operation Vigilant** – training officers to prevent sexual violence in the night-time economy (NTE) and significantly increasing police patrols in NTE hotspots.
- vi. **Taxi and Compliance checks** – funding periodic deployment of officers to tackle taxi touts and check taxis and private hire vehicles in the City.
- vii. **CCTV monitoring staff** – significantly increasing the number of staff monitoring CCTV feeds during peak hours, improving the real-time detection and prevention of crime.
- viii. **PACT Foot Patrols** – Q1 funding to enable more foot patrols to prevent business and personal robberies and thefts.
- ix. **Cycle Team** – funding for the increased deployment of the Cycle Team to tackle robbery, theft, and ASB.
- x. **Dedicated Ward Officers (DWO)** funding to increase patrols in the City's residential estates.



Hotspot Funding [Slide 3 of 3]

Notes to Table 7 continued:

- xi. **Rough Sleeping** – Funding to provide patrols and problem solving to reduce the impact of the high impact rough sleeping sites within the city, working together with Corporation, Outreach, Businesses, schools and local residents to reduce crime and ASB relating to Rough sleeping, whilst continuing the joint welfare/safeguarding approach to those sleeping on the streets.
- xii. **Retail Related Crime** – Funding for increased patrols at hot spot locations, alongside dedicated problem solving with businesses to prevent and reduce crime longer term.
- xiii. **Violence in the Night Time Economy** – increased patrols and partnership work to provide visible police presence in the hot spot area's, combining licensing enforcement and education alongside problem solving to make environmental changes to prevent and reduce crime, ASB and harm.
- xiv. **Personal Robbery** – Increased patrols at hot spot areas to reduce robbery of personal property, (mainly phone snatch) engaging local businesses, commuters security to raise awareness and provide a presence to deter/disrupt offenders in the locality.



Capital Monitoring (at Q1 to 30 June 2025)

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.
- Slides 24 to 28 set out the Whole Life Capital costs by project, which shows an indicative c£6.0m total increase on budgets (subject to governance and affordability assessments), this is mainly due to estimated increased costs of the FCCRAS project (£6m) based on the development of a new programme plan.
- Slides 29 to 32 set out the in-year 25/26 forecasts for projects.
- Slide 33 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.



Whole Life Capital Spend by Project [Slide 1 of 2]

Prior to presenting the 2025/26 forecast position for projects, it is important to put them in their whole life capital spend context. 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 £41.328m, which compares to a forecast outturn cost of £47.444 m, representing an overspend of £6.116m (14.8%). This is largely due to estimated increased costs of the FCCRAS project (£6.0m) based on the development of a new programme plan.

Table 8 - Summary of all CoLP capital projects underway and their phasing	Budgeted Project Cost £'000	Prior Year Actuals £'000	2024/25 Actual Outturn £'000	2025/26 Forecast Spend £'000	2026/27 Forecast Spend £'000	2027/28 Forecast Spend £'000	Forecast Project Outturn £'000	Variance (Better) / Worse £'000	Notes (on slides 28-30)
FCCRAS	31,038	21,758	6,160	9,120	-	-	37,038	6,000	(a)
Cyclical Replacement - IT laptop devices – refresh	1,600	-	1,302	329			1,631	31	(b)
- Firearms	400	-	126	274	-	-	400	-	(c)
- Horsebox	400	-	306	9	-	-	315	(85)	(d)
- Fleet replacement	994	-	218	775	-	-	993	(1)	(e)
Command and Control	707	-	103	105	518	-	726	19	(f)
Data Analytics (formerly Power BI)	748	98	306	114	-	-	518	(230)	(g)
ICAV	248	195	17	18	30	-	260	12	
Continuous improvement/Feasibility	510	-	-	903	-	-	903	393	(h)
E-discovery	500	-	35	1,000	-	-	1,035	535	(i)
Body Worn Video	309	217	22	15	-	-	254	(55)	
Covert Camera System	106	46	24	41	-	-	111	5	
Covert Surveillance Equipment	247	153	7	84	-	-	244	(3)	
Multi Agency Public Protection System	148	-	11	10	127	-	148	-	(k)
Sub-total (continued next slide)	37,939	22,467	8,637	12,797	675	-	44,576	6,621	



Whole Life Capital Spend by Project [Slide 2 of 2]

Table 8 - Summary of all CoLP capital projects underway and their phasing	Budgeted Project Cost £'000	Prior Year Actuals £'000	2024/25 Forecast Outturn £'000	2025/26 Forecast Spend £'000	2026/27 Forecast Spend £'000	2027/28 Forecast Spend £'000	Forecast Project Outturn £'000	Variance (Better) / Worse £'000	Notes (on slides 28-30)
Sub-total (continued from previous slide)	37,939	22,467	8,637	12,797	675	-	44,567	6,621	
Out of Court Resolutions (OoCR)	163	-	20	8	120	-	148	(15)	
Digital Evidence Management System	60	-	9	18	24	17	68	8	(m)
Forensic Case & Quality Management System	500	-	22	212	-	-	234	(266)	(j)
Role-based Access	77	-	-	75	-	-	75	(2)	(l)
Forensic Image Management System (FIMS)	59	-	40	152	-	-	192	133	(p)
Data Improvement Programme	180	-	-	216	-	-	216	36	(q)
Emergency Service Network	16	-	-	16	-	-	16	0	
Joint ERP- HR	72	-	-	87	-	-	87	15	
Supplementary Revenue Projects	308	-	-	178	72	-	250	(58)	(o)
Funds remaining for other projects	838	-	-	326	-	-	326	(512)	(n)
FPEP Tech Repayment	1000	-		1000	-	-	1000	-	
Contract assessment	100			100	-	-	100	-	
TOTAL COST OF PROJECTS UNDERWAY	41,328	22,467	8,728	15,185	891	17	47,288	5,960	



CoLP Capital Programme [notes, slide 1 of 3]

Notes to tables 8 and 11:

- a) **FCCRAS:** Based on the development of a new programme plan, the total project cost is estimated to increase by £6.0m to £37.0m. This estimate is indicative pending the conclusion of commercial negotiations, which are expected to be finalised by the end of Q2. The £6m cost increase, and any adjustments following the outcome of the commercial negotiations, are continued to be funded jointly by the Home Office and CoLP on a two-thirds, one-third basis.
- b) **IT device (laptops) refresh:** Approval has been given and the rollout commenced to replace laptops over two years at a cost of £1.703m (£1.200m in 2024/25 and £0.503m in 2025/26), partly offset by anticipated income of £0.072m from the return of existing devices, resulting in a net total cost of £1.631m. In FY2425 £1.302 was spent and the net forecast for the current financial year is £329k.
- c) **Firearms:** In 2024/25 there was a partial delivery of the carbines, the balance of £274k will be completed in 2025/26
- d) **Horsebox:** In 2024/25 there was a delay in purchasing the horsebox due to limited supplier selection nationally, however the horse box is now delivered under budget.
- e) **Fleet replacement:** YTD £109k has been spent, leaving a balance of £666k for the remaining of 2025/26.
- f) **Command and Control:** Compared to a budget in 2024/25 of £707k, latest forecast spend is £105k due to the delay in the MPS reset . The whole life project costs are still to be confirmed and remain indicative until additional work has been completed on potential options selection.



CoLP Capital Programme [notes, slide 2 of 3]

Notes to tables 8 and 11:

- g) **Data Analytics (formerly Power BI):** Phase 1 was completed in 2022/23 at a cost of £98k. The Programme will continue in 2025/26 and the plan is to combine it with the new Data Improvement Project.
- 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. As projects have been identified funds set aside for unidentified funds have reduced and the allocated for feasibility work. The forecast spend this year is currently £903k which is £393k overspent. This is offset in the main by reducing the allocation set aside for new projects by £356k
- i) **E-discovery:** based on current estimates there is a risk of project overspend of £0.535m. However, this will be reviewed subject to procurement options and solutions being identified.
- j) **Forensic Case and Quality Management System:** Paper being prepared with a variety of options. The value of the total project may change substantially depending on the agreed outcome.
- k) **Multi Agency Public Protection System:** a delayed national project and the project is currently on hold.
- l) **Role Based Access:** a delayed national project – Likely to start in F2026/27, will know better next quarter.
- m) **Digital Evidence Management System:** previously called Digital Asset Management. Due to resourcing pressures and reprioritisation, anticipated to start later in 2025/26, and will continue into 2026/27
- n) **Funds Remaining For future projects:** The forecast net underspend of £0.512m at Q1 is being held to balance spend against the non-FCCRAS capital projects, leaving a balance available of £326k to fund on projects originally prioritised for future years. The allocation of any underspends will be subject to overall affordability of the 2025/26 capital programme.



CoLP Capital Programme [notes, slide 3 of 3]

Notes to table 8 and 11:

o) Supplementary Revenue Projects (projects under the £50k Capital de minimis)

- Joint ERP System (local) – budget £25k now expected to complete in 26/27 with a forecast total cost of **£35k**, the increase due to now having a better understanding of the additional CoLP resource requirements from the Corporations' Programme Team
- Digital Case File (national) - budget £10k reprogrammed from 24/25 to 26/27 with total cost expected to increase to circa **£57k**. However, these costs are indicative estimates at this stage with the project being a national one.
- Electronic Display Screen Equipment Management System (EDSEMS) (local) – Legislative compliance – budget **£34k** 25/26, forecast project outturn £47k
- Travel System (AGITO) (local) – value for money, improved financial monitoring – budget **£18k** 25/26.
- Digital Investigation and Intelligence (national) - budget **£14k** reprogrammed from 24/25 into 26/27 and 27/28
- Vetting RPA – Budget **£34k** Project likely to continue into 26/27
- NLEDS - Budget **£43k**. Project likely to continue into 26/27

p) 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 2025/26 with an expected in-year spend of £152k.

q) Auto-redaction: a project to introduce an auto-redaction tool (nationally developed) to drive efficiencies and reduce failure demand.



Capital Monitoring 2025/26 (Q1 to 30 June 2025)

Headlines [1 of 2]

The total CoLP Capital Programme budget for 2025/26 amounts to £13.565m as shown in table 9 below. The forecast outturn for the year totals £15.185m, which represents a net overspend of £1.620m. This is due to estimated increased costs of the FCCRAS project (£1.620m) based on the development of a new programme plan. Table 11 below shows several other smaller variations across non-FCCRAS projects although are expected to be contained within the agreed capital funding envelope for 2025/26. Further explanation of the projects and variations to budget is provided in the notes on slides 26 to 28.

Table 9 - CoLP Capital Programme 2025/26	2025/26 Budget £'000	2025/26 Forecast Outturn £'000	2025/26 Variance: Budget vs Forecast Outturn £'000
Total CoLP Capital Programme 2025/26	13,565	15,185	1,620

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 10 below.

Table 10 – Funding of the CoLP Capital Programme 2025/26	Forecast Outturn 2025/26 £'000	City Loan (FCCRAS) £'000	City Loan (Other Projects)	Home Office £'000	CoLP Direct Revenue Financing £'000	CoLP Project Reserve £'000
Total Funding Breakdown	15,185	6,682	420	2,500	5,000	583

CoLP's MTFP now provides £5m pa for direct revenue financing (DRF) of capital plus £1m pa for 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. Accrued borrowing as at 1 April 2025 was £0.922m and is forecast to increase of up to circa £10m this year subject to confirmation of increased spending on FCCRAS - and potentially to circa £20m by 27/28 subject to final funding strategy for the new firing range.



Capital Monitoring 2025/26 (Q1 to 30 June 2025)

Headlines [2 of 2]

The 2025/26 capital programme (summarised in table 9 on slide 291), is broken down across individual projects in table 11 on slides 31 and 32.

Slide 33 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 2025/26 [Slide 1 of 2]

The CoLP Capital Programme budget for 2025/26 amounts to £13.565m as shown in table 11 below. The forecast outturn for the year is £15.185m, which represents an overspend of £1.620m and due to the increased cost of the FCCRAS programme.

Table 11 below shows several other smaller variations across non-FCCRAS projects which are expected to be contained within the approved capital programme funding for 2025/26. Further explanation of the projects and variations to budget is provided in the notes on slides 26 to 28.

Table 11 - CoLP Capital Programme 2025/26	2025/26 Budget £'000	2025/26 Forecast Outturn £'000	2025/26 Variance: Bud. v Forecast Outturn £'000	Notes on slides 26 to 28
FCCRAS	7,500	9,120	1,620	(a)
Cyclical replacement – IT Devices	431	329	(102)	(b)
- Firearms	-	274	274	(c)
- Horsebox	-	9	9	(d)
- Fleet	459	775	316	(e)
Command and Control	623	105	(518)	(f)
Data Analytics Platform (formerly Power BI)	50	114	64	(g)
ICAV	50	18	(32)	
Continuous improvement and feasibility funding	510	903	393	(h)
E-Discovery	916	1,000	84	(i)
Body Worn Video	-	15	15	
Covert Camera System	-	41	41	
Court Surveillance Equipment	-	84	84	
Multi Agency Public Protection System	133	10	(123)	(k)
Sub-total (continued next slide)	10,672	12,797	2,125	



CoLP Capital Programme 2025/26 [Slide 2 of 2]

Table 11 - CoLP Capital Programme 2025/26	2025/26 Budget £'000	2025/26 Forecast Outturn £'000	2025/26 Variance: Bud. v Forecast Outturn £'000	Notes on slides 26 to 28
Sub-total (continued from previous slide)	10,672	12,797	2,125	
Out of Court Resolutions	-	8	8	
Digital Evidence Management System	56	18	(38)	(m)
Forensic Case & Quality Management System	478	212	(266)	(j)
Role Based Access	75	75	0	(l)
Forensic Image Management System (FIMS)	3	152	149	(p)
Data Improvement Programme	80	216	136	(q)
Joined ERP/HR Recruitment System	72	87	15	
Emergency Service Network		16	16	
Supplementary Revenue Projects	184	178	(6)	(o)
Funds remaining for other projects	838	326	(512)	(n)
FPEP Tech Replacement	1,000	1,000	0	
Contract assessment	100	100	0	
Tackling Organised Exploitation Programme	7	-	(7)	
Total CoLP Capital Programme 2025/26	13,565	15,185	1,620	



Corporation-led Projects benefiting CoLP

In addition to the CoLP-specific projects shown on the slides 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 Development** - £632m (of which the Police building is c.£247m).
- **Future Police Estate** - £118m for ancillary elements of the estate (primarily operational assets plus IT, fit out and other costs).
- **Secure City programme** - £18m.
- **Enterprise Resource Planning (ERP) System implementation.**
- **Future Network Strategy.**

