



**SCOTTISH POLICE
AUTHORITY**
ÙGH DARRAS POILIS NA H-ALBA

Agenda Item 3.1

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| Meeting | SPA Resources Committee |
| Date | 13 August 2025 |
| Location | Video Conference |
| Title of Paper | Quarter 1 Financial Monitoring Report |
| Presented By | Lynn Brown, Acting Head of Finance |
| Recommendation to Members | For discussion (Appendix A) |
| Appendix Attached | Yes - Appendix A – Quarter 1 Finance Report |

PURPOSE

The purpose of this report is to provide Members with an update on the financial position of the SPA and Police Scotland for quarter one (Q1) of the financial year 2025-26.

Members are invited to discuss the content of the report and Appendix A (Finance Report).

1. BACKGROUND

- 1.1 The Board approved the 2025-26 annual budget on 27 March 2025 which set out the spending plans for Police Scotland, Forensic Services and SPA Corporate regarding revenue, capital, and reform for the coming financial year.
- 1.2 The Authority received a core revenue funding increase of £56.7m (4.1%), plus an additional £15.2m to fund 60% of increased national insurance costs and an additional £10.0m to support reform and modernisation. The remaining national insurance costs will be funded in 2025-26 through reduced employer pension contributions, however, savings are required to be identified in-year for delivery in 2026-27 to fund these costs on a recurring basis.
- 1.3 The budget for 2025-26 includes a core budget for around 16,500 officers and an average 5,900 FTE police staff. National insurance changes resulted in a £25.3m cost pressure for policing. The annual pay award is also a significant year-on-year pressure, with every 1% pay increase costing an additional £12.5m. Other pressures include new technology costs, general inflation and other specific price increases.
- 1.4 The budget includes vacancy management savings and an income challenge to be delivered as part of the overall budget, as well as over £9.0m of non-pay savings and efficiencies - a highly challenging requirement given that only 14% of the budget relates to non-pay costs.
- 1.5 The reform budget to support change and transformation for 2025-26 is £20.3m. The budget includes £16.2m of overprogramming to be managed in-year as the work progresses on the prioritisation of change.
- 1.6 The total capital allocation for 2025-26 is £71.0m including capital receipts. This investment marks the starting point of delivery of the estate's masterplan, supports the rolling replacement programme and progress change and transformation programmes. It is recognised that additional resources are required in key enabling functions to support and deliver an increased capital programme.

2. FURTHER DETAIL ON THE REPORT TOPIC

- 2.1 The Head of Finance provides the routine finance report which outlines the year to date and forecast position for the revenue, capital, and reform budgets.
- 2.2 Appendix A provides the detailed Quarter 1 (Q1) finance report.

Revenue

- The Q1 net expenditure forecast is in line with budget and funding.
- The Q1 forecast position presents a number of challenges, particularly when viewed in the context of the emerging cost pressures. Key risk areas include overtime, ill-health pension costs and non-pay expenditure.
- Pay negotiations for 2025-26 are also ongoing, the outcome of which will have an impact on the final outturn position.
- The forecast will be closely monitored alongside the financial threats and opportunities detailed on page 19 of Appendix A, some of which may crystallise as we move towards the Q2 forecast.
- The year-to-date actual position is £1.1m under budget.

Capital

- The capital forecast at Q1 is £71.3m, £0.3m above the budget position of £71.0m. The forecast overspend is fully funded by additional capital receipts and other grants.
- Budget holders presented their capital delivery plans to Capital Planning Task Force (CPTF) and any updates are reflected in the Q1 forecast.
- The capital forecast at Q1 requires £8.9m of slippage to be achieved throughout the year.
- Finance are engaging regularly with business areas to support delivery of their capital plans, and to ensure there is a pipeline of spend to be brought forward if there is any significant slippage on capital plans.

- The year-to-date capital spend at Q1 is under budget by £2.2m (net of slippage).

Reform

- The reform forecast at Q1 of £20.7m, £0.4m (fully funded) above the budget position of £20.3m.
- The Q1 reform forecast has removed £7.8m of the £16.2m overprogramming included as part of the approved budget, leaving £8.4m of slippage still to be achieved across the remainder of the year.
- The year-to-date reform spend at P3 is over budget by £0.5m (net of slippage).

3. FINANCIAL IMPLICATIONS

- 3.1 The financial implications are set out in detail within the report.

4. PERSONNEL IMPLICATIONS

- 4.1 There are no personnel implications in this report.

5. LEGAL IMPLICATIONS

- 5.1 There are no legal implications in this report.

6. REPUTATIONAL IMPLICATIONS

- 6.1 Failure to maximise funding or control costs may lead to operational or financial consequences likely to harm the reputation of Police Scotland and the SPA.

7. SOCIAL IMPLICATIONS

- 7.1 There are no social implications in this report.

8. COMMUNITY IMPACT

- 8.1 There are no community implications in this report.

9. EQUALITIES IMPLICATIONS

9.1 There are no equality implications in this report.

10. ENVIRONMENT IMPLICATIONS

10.1 There are no environmental implications in this report.

RECOMMENDATIONS

Members are invited to note the year-to-date and Q1 forecast position for revenue, capital, and reform at appendix A.



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Finance

Corporate Finance team

Appendix A

Finance report

Quarter 1 2025/26



Revenue budget

Finance dashboard

Q1 2025/26
Year to June 2025

Revenue

| | | |
|-----|-----|-----|
| G | G | G |
| Apr | May | Jun |

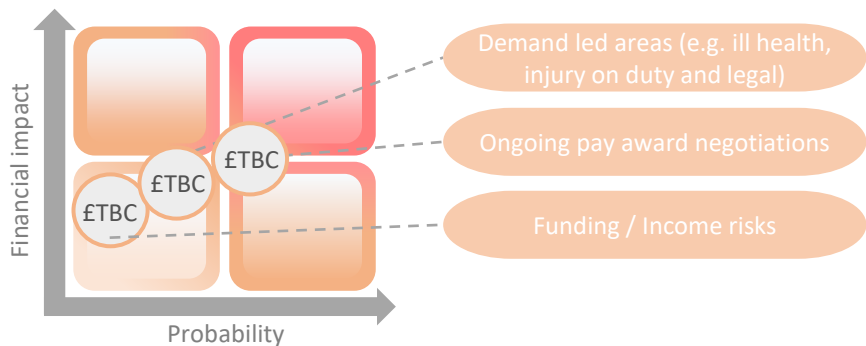
- YTD £1.1m under budget
- FY Q1 forecast in line with budget and funding

Revenue variance (£m)

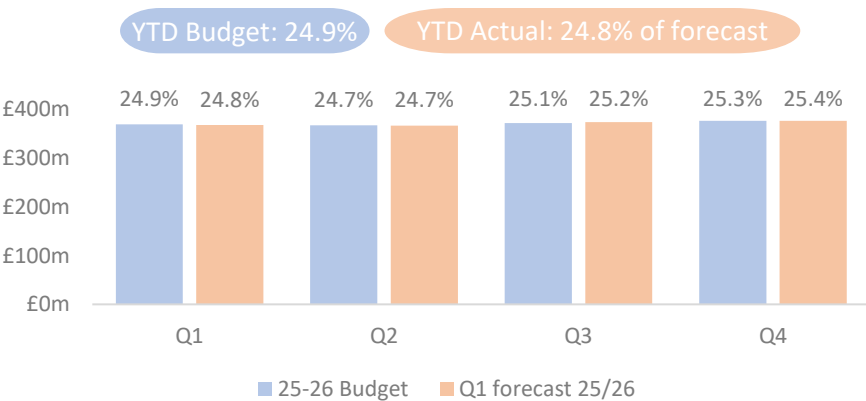
| | YTD actual v budget | FY FC v Budget |
|-------------------|---------------------|----------------|
| Police Scotland | 0.4 | -0.2 |
| Forensic Services | 0.5 | -0.1 |
| SPA corporate | 0.2 | 0.3 |
| Total | 1.1 | 0.0 |

Key for variances: green = underspend red = overspend

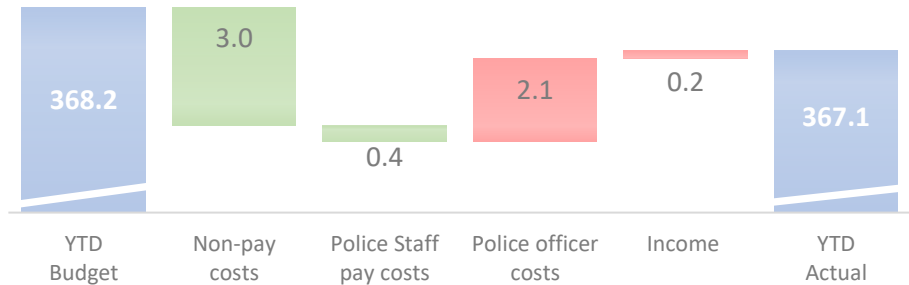
Threats



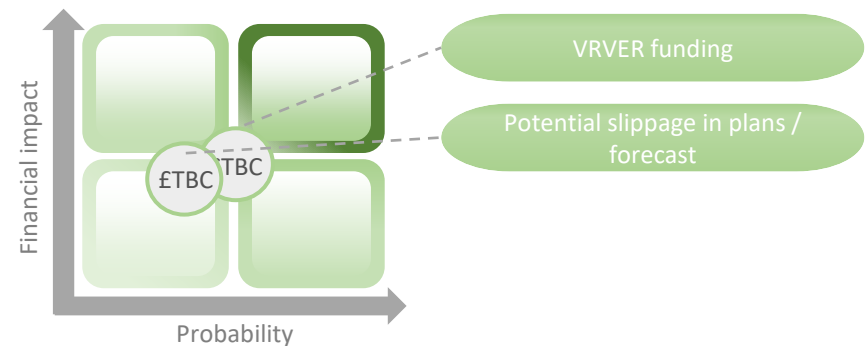
Revenue budget spend profile (£m)



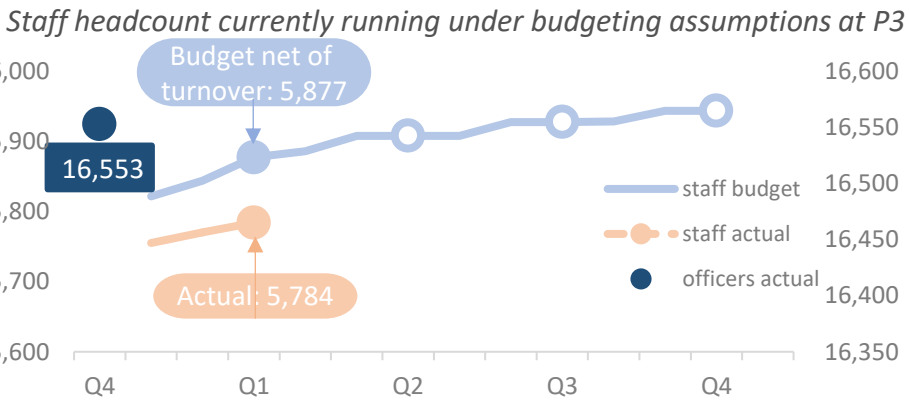
Revenue: YTD actual costs £1.1m lower than budget



Opportunities



People numbers (FTE) – Revenue Budget



Revenue

(service area)

Budget / Forecast deliverability status remains at green

Q1 net expenditure forecast in line with budget/funding

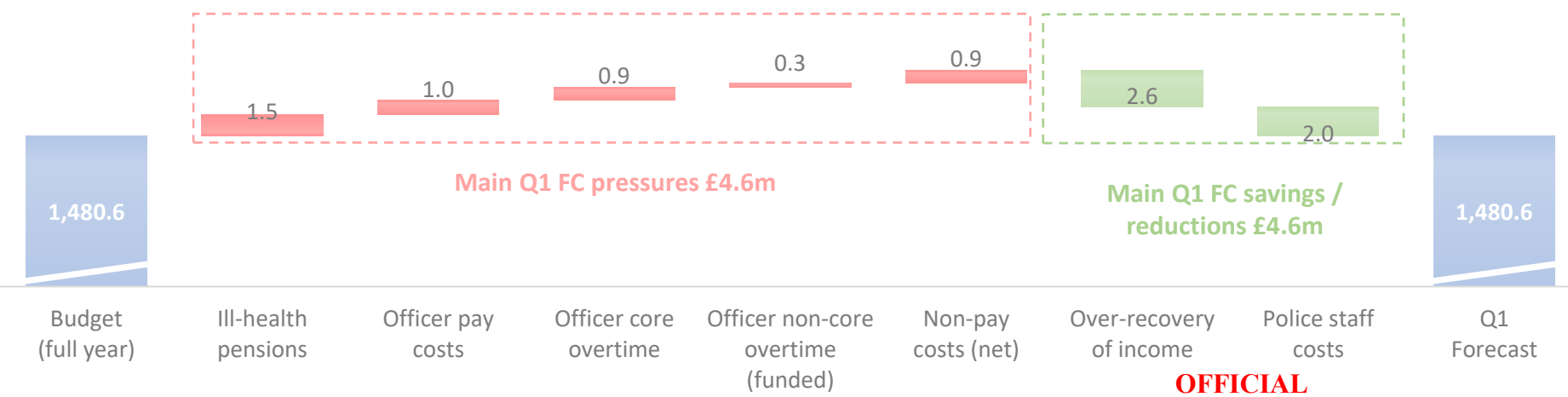
Total expenditure in line with funding

- Full year Q1 FC breakeven position in line with budget and funding.
- The Q1 forecast position presents a number of challenges, particularly when viewed in the context of the emerging cost pressures. Key risk areas include overtime, ill-health pension costs and non-pay expenditure.
- Pay negotiations for 2025-26 are also ongoing, the outcome of which will have an impact on the final outturn position.
- The forecast will be closely monitored alongside the financial threats and opportunities detailed on page 19, some of which may crystallise as we move towards the Q2 forecast.

Revenue variance by area (£m)

| | Year to date | | | Full year | | |
|--------------------------|--------------|--------------|------------|----------------|----------------|------------|
| | Budget £m | Actual £m | Var. £m | Budget £m | Q1 FC £m | Var. £m |
| Police Scotland | 355.0 | 354.6 | 0.4 | 1,427.7 | 1,427.9 | (0.2) |
| Forensic Services | 11.8 | 11.3 | 0.5 | 47.4 | 47.5 | (0.1) |
| SPA Corporate | 1.4 | 1.2 | 0.2 | 5.5 | 5.2 | 0.3 |
| Total expenditure | 368.2 | 367.1 | 1.1 | 1,480.6 | 1,480.6 | 0.0 |
| Funding | | | | | | |
| GiA - core | | | | 1,455.4 | 1,455.4 | 0.0 |
| GiA - additional | | | | 25.2 | 25.2 | 0.0 |
| | | | | 1,480.6 | 1,480.6 | 0.0 |

Detailed budget to FY Q1 forecast (£m)*



Revenue

(service area)

Year to date under budget by £1.1m

Revenue variance by spend type (£m)

| | Year to date | | | | Full year | | | |
|-----------------|--------------|-----------|------------|--------|-----------|-------------|------------|--------|
| | Bud £m | Act £m | Var. £m | % | Bud £m | Q1 FC £m | Var. £m | % |
| Police officers | 246.9 | 249.0 | (2.1) | (0.9%) | 987.9 | 991.6 | (3.7) | (0.4%) |
| Police staff | 80.2 | 79.8 | 0.4 | 0.5% | 325.1 | 323.1 | 2.0 | 0.6% |
| Non-pay | 52.3 | 49.3 | 3.0 | 5.7% | 215.5 | 216.4 | (0.9) | (0.4%) |
| Income | (11.2) | (11.0) | (0.2) | (1.8%) | (47.9) | (50.5) | 2.6 | 5.4% |
| Total | 368.2 | 367.1 | 1.1 | 0.3% | 1,480.6 | 1,480.6 | 0.0 | 0.0% |

Movement: YTD variance to FY FC variance (£m)



Revenue variances

- Variances are explained in detail on pages 6 and 7.

Revenue variances profile

- Police officer adverse variance increases steadily throughout the year due to ill health pensions and overtime pressures continuing.
- Police staff costs continues to steadily show a favourable variance as the year progresses.
- Non-pay costs profile projects a movement to an adverse variance in the second half of the year due to timing and slippage in expenditure experienced in the year-to-date position.
- Income moves to a favourable position as the year progresses due to over-recovery of additional income materialising.

Revenue

(spend type)

Police officers variance by spend type (£m)

| | Year to date | | | | Full year | | | |
|---------------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|---------------|
| | Bud £m | Act £m | Var. £m | Var. % | Bud £m | Q1 FC £m | Var. £m | Var. % |
| Police officer pay | 233.8 | 234.1 | (0.3) | (0.1%) | 929.8 | 930.8 | (1.0) | (0.1%) |
| Overtime - core | 4.5 | 5.2 | (0.7) | (15.6%) | 23.0 | 23.9 | (0.9) | (3.9%) |
| Overtime – non-core | 0.9 | 1.1 | (0.2) | (22.2%) | 3.5 | 3.8 | (0.3) | (8.6%) |
| Allowances | 1.2 | 1.2 | 0.0 | 0.0% | 5.7 | 5.7 | 0.0 | 0.0% |
| Pensions | 6.5 | 7.4 | (0.9) | (13.8%) | 25.9 | 27.4 | (1.5) | (5.8%) |
| Total | 246.9 | 249.0 | (2.1) | (0.9%) | 987.9 | 991.6 | (3.7) | (0.4%) |

Police staff variance by spend type (£m)

| | Year to date | | | | Full year | | | |
|--------------------------|--------------|-------------|------------|-------------|--------------|--------------|------------|-------------|
| | Bud £m | Act £m | Var. £m | Var. % | Bud £m | Q1 FC £m | Var. £m | Var. % |
| Staff pay and allowances | 79.2 | 78.9 | 0.3 | 0.4% | 321.1 | 318.9 | 2.2 | 0.7% |
| Overtime | 0.9 | 0.9 | 0.0 | 0.0% | 3.7 | 3.8 | (0.1) | (2.7%) |
| Special constables | 0.1 | 0.0 | 0.1 | 100.0% | 0.3 | 0.4 | (0.1) | (33.3%) |
| Total | 80.2 | 79.8 | 0.4 | 0.5% | 325.1 | 323.1 | 2.0 | 0.6% |

Police officer costs

- Q1 forecast overspends in ill health pensions due to higher number of leavers anticipated above budgeted assumptions (£1.5m), officer pay costs (£1.0m) relating to funded officers offset by anticipated income, core overtime (£0.9m) and non-core overtime (£0.3m, funded)

Police staff costs

- Q1 forecast for police staff under mainly due to FTE numbers running below budgeted assumptions.

Revenue

(spend type)

Non-pay variance by spend type (£m)

| | Year to date | | | | Full year | | | |
|----------------------|--------------|-------------|------------|-------------|--------------|--------------|--------------|---------------|
| | Bud £m | Act £m | Var. £m | % | Bud £m | Q1 FC £m | Var. £m | % |
| Other employee | 1.7 | 1.3 | 0.4 | 23.5% | 12.4 | 12.0 | 0.4 | 3.2% |
| Premises | 16.4 | 16.0 | 0.4 | 2.4% | 68.7 | 69.1 | (0.4) | (0.6%) |
| Transport | 5.0 | 5.5 | (0.5) | (10.0%) | 20.1 | 20.5 | (0.4) | (2.0%) |
| Supplies & Services | 11.5 | 10.4 | 1.1 | 9.6% | 42.1 | 42.3 | (0.2) | (0.5%) |
| ICT | 10.3 | 10.2 | 0.1 | 1.0% | 42.1 | 42.3 | (0.2) | (0.5%) |
| Administration | 2.7 | 1.4 | 1.3 | 48.1% | 10.7 | 10.8 | (0.1) | (0.9%) |
| Third party payments | 3.9 | 3.4 | 0.5 | 12.8% | 16.1 | 16.1 | 0.0 | 0.0% |
| Other costs | 0.8 | 1.1 | (0.3) | (37.5%) | 3.3 | 3.3 | 0.0 | 0.0% |
| Total | 52.3 | 49.3 | 3.0 | 5.7% | 215.5 | 216.4 | (0.9) | (0.4%) |

Income variance by type (£m)

| | Year to date | | | | Full year | | | |
|---------------------------|---------------|---------------|--------------|---------------|---------------|---------------|------------|-------------|
| | Bud £m | Act £m | Var. £m | % | Bud £m | Q1 FC £m | Var. £m | % |
| Specific grant funding | (2.2) | (2.1) | (0.1) | (4.5%) | (9.1) | (10.8) | 1.7 | 18.7% |
| Funded officers and staff | (1.0) | (1.1) | 0.1 | 10.0% | (4.6) | (4.9) | 0.3 | 6.5% |
| Public fees | (1.5) | (1.5) | 0.0 | 0.0% | (6.3) | (6.5) | 0.2 | 3.2% |
| Rental and hire | (1.9) | (2.0) | 0.1 | 5.3% | (7.4) | (7.5) | 0.1 | 1.4% |
| Mutual aid | (0.2) | (0.3) | 0.1 | 50.0% | (0.6) | (0.9) | 0.3 | 50.0% |
| Services of police | (3.6) | (2.8) | (0.8) | (22.2%) | (13.8) | (14.0) | 0.2 | 1.4% |
| Seconded officers | (0.2) | (0.2) | 0.0 | 0.0% | (1.0) | (1.0) | 0.0 | 0.0% |
| Other income | (0.6) | (1.0) | 0.4 | 66.7% | (5.1) | (4.9) | (0.2) | (3.9%) |
| Total | (11.2) | (11.0) | (0.2) | (1.8%) | (47.9) | (50.5) | 2.6 | 5.4% |

Non-pay

- Main Q1 forecast overspends in non-pay are property repairs (£0.6m), vehicle service & maintenance costs (£0.3m), specialist consumables (£0.3m), operational kits (£0.2m), accident damage repairs (£0.2m), IT licences and subscriptions (£0.2m), losses on asset disposals (£0.2m) offset by underspends in telecoms expenditure (£0.4m), investigative expenses (£0.3m), health & safety costs (£0.3m) and other items net (£0.1m).

Income

- Q1 forecast over-recovery in income – mainly specific grant funding (£1.7m) and other additional income (£0.9m, net).

Revenue

(further business area detail)

DCC Operational Policing

- Overspends in police officer overtime core (£1.9m) and non-core (£0.3m); and other items net (£0.3m) offset by over-recovery of income (£2.3m).

| | £m | FTE |
|---------------------|--------------|-------------|
| Budget | 216.7 | 3,411.5 |
| Q1 Forecast | 216.9 | 3,343.7 |
| FY variance | (0.2) | 67.8 |
| <i>YTD variance</i> | <i>(0.1)</i> | <i>56.1</i> |

Corporate centre

- Underspend relates to anticipated slippage included in the Corporate Centre to be achieved by the divisions (£3.0m) offset by increase in police officer pay costs (£1.0m).

| | £m | FTE |
|---------------------|--------------|------------|
| Budget | 963.5 | 16,500.0 |
| Q1 Forecast | 961.5 | 16,500.0 |
| FY variance | 2.0 | 0.0 |
| <i>YTD variance</i> | <i>(1.7)</i> | <i>0.0</i> |

DCC Transformation

- Underspends in IT maintenance (£0.5m) and police staff costs (£0.1m) offset by overspends in supplies & services (£0.2m) and IT licences & subscriptions (£0.1m)

| | £m | FTE |
|---------------------|------------|------------|
| Budget | 82.0 | 483.3 |
| Q1 Forecast | 81.7 | 474.6 |
| FY variance | 0.3 | 8.7 |
| <i>YTD variance</i> | <i>0.8</i> | <i>0.6</i> |

SPA Corporate

- Underspends in staff costs (£0.2m) and non-pay costs (£0.1m).

| | £m | FTE |
|---------------------|------------|------------|
| Budget | 5.5 | 51.2 |
| Q1 Forecast | 5.2 | 46.2 |
| FY variance | 0.3 | 5.0 |
| <i>YTD variance</i> | <i>0.2</i> | <i>5.7</i> |

DCC Professionalism & Enabling Services

- Overspends in officer ill health pensions (£1.5m), property repairs (£0.5m), transport related costs (£0.4m), police staff costs (£0.4m), operational kits (£0.3m) and liability claims (£0.3m) offset by underspends in utilities (£0.5m) and other items net (£0.2m) and over-recovery of income (£0.4m).

| | £m | FTE |
|---------------------|--------------|--------------|
| Budget | 165.5 | 1,393.5 |
| Q1 Forecast | 167.8 | 1,396.7 |
| FY variance | (2.3) | (3.2) |
| <i>YTD variance</i> | <i>1.4</i> | <i>45.2</i> |

Forensics services

- Overspend in non-pay costs (£0.8m) offset by underspend in police staff costs (£0.7m).

| | £m | FTE |
|---------------------|--------------|------------|
| Budget | 47.4 | 601.2 |
| Q1 Forecast | 47.5 | 600.0 |
| FY variance | (0.1) | 1.2 |
| <i>YTD variance</i> | <i>0.5</i> | <i>9.8</i> |

Capital and Reform budgets

Finance dashboard

Q1 2025/26
Year to June 2025

Capital

| | | |
|-----|-----|-----|
| G | A | A |
| Apr | May | Jun |

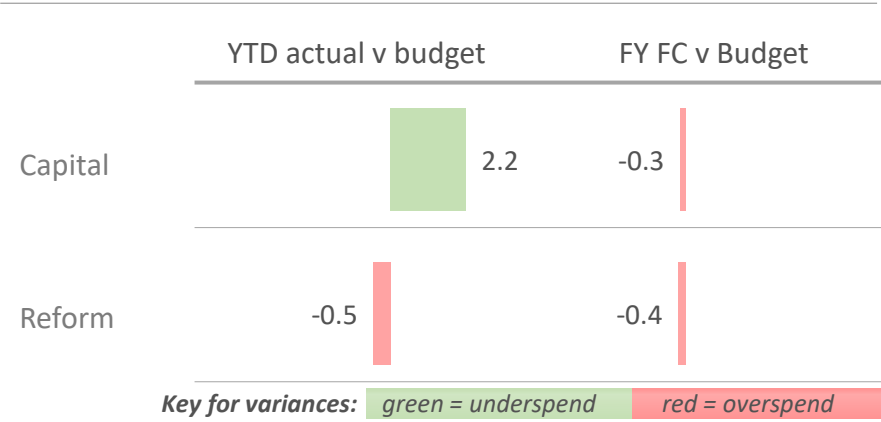
- YTD £2.2m under budget
- FY Q1 forecast £0.3m over budget (fully funded)

Reform

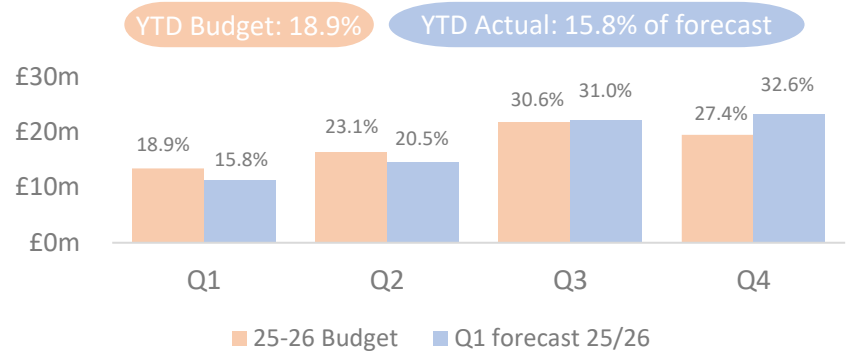
| | | |
|-----|-----|-----|
| G | G | G |
| Apr | May | Jun |

- YTD £0.5m over budget
- FY Q1 forecast £0.4m over budget (fully funded)

Capital and Reform variances (£m)

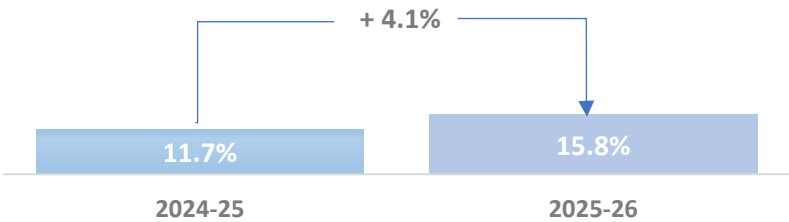


Capital spend profile (£m)



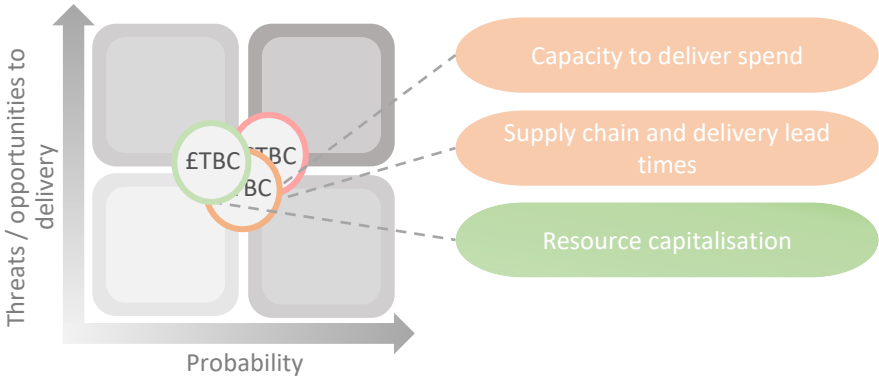
Capital: year to date : % of forecast spent

YTD spend higher when compared with previous year

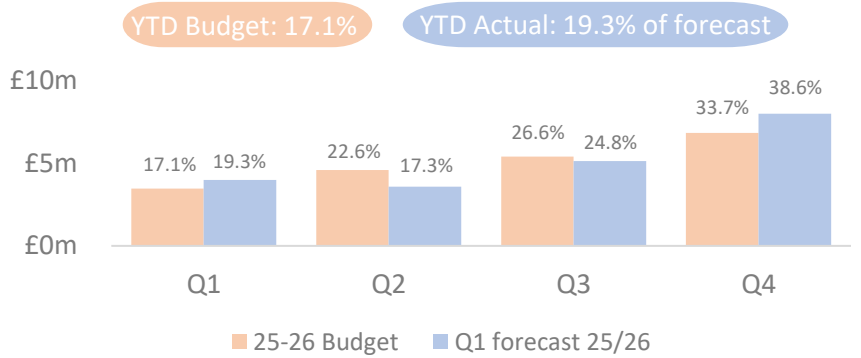


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Threats and opportunities

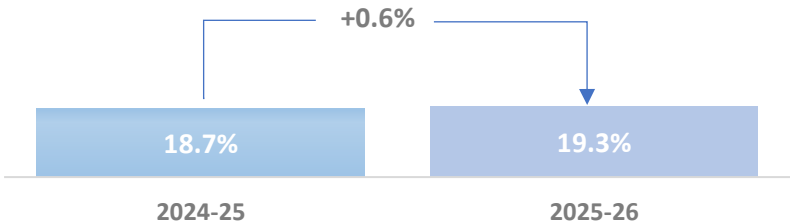


Reform spend profile (£m)



Reform: year to date : % of forecast spent

YTD slightly higher than in the previous year



Capital

Budget deliverability remains at amber

- YTD £2.2m under budget
- FY Q1 forecast £0.3m over budget (fully funded)

① DEPP = Digitally Enabled Policing Programme
② MC&E = Modern Contact & Engagement
③ PDW = Policing in a Digital World
④ Operational policing -= combines approved budget for Crime & CJS £4.8m, Local Policing & OSD £4.1m, and £0.1m for SPE training.

Year to date: £2.2m under budget

- Operational Policing (£1.6m under) – mainly arising from Operational Support Division, slippage to expected delivery of body armour (£0.6m) and other items (£1.0m).
- Estates (£1.1m under) – mainly slippage delays to Tain, Alness and Dingwall upgrades (£0.7m) and Bilston Glen Heating upgrades (£0.4m).
- Fleet (£0.9m under) – delays in rolling replacement deliveries.
- Other items (£1.4m over) – mainly anticipated year to date slippage at period 3.
- Delivery plans continue to be monitored through the Capital Planning Taskforce and Capital Investment Group and are reported monthly.

Forecast: £0.3m over budget (funded)

- BAU capital has remained static at Q1 forecast.
- Slippage identified £2.0m.
- DEPP programme £0.8m under:
 - £0.7m reduction in BWV due to lower staff capitalisation (£0.5m) and the removal of optimism bias (£0.2m).
 - £0.1m reduction in COS phase 3 due to reduced staff capitalisation.
- Other projects £0.9m under, mainly arising from a reduction in Data Drives Digital for software as a service which is now reform funded (£0.6m) and other items (£0.3m).
- Increase in funding of £0.3m made up of: £0.1m increase in capital receipts and £0.2m increase in other grants for Digital projects.

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Capital variance by programme (£m)

| | Year to date | | | Full year | | |
|---|--------------|--------------|------------|--------------|-------------|--------------|
| | Budget £m | Actual £m | Var. £m | Budget £m | Q1 FC £m | Var. £m |
| Estates | 5.0 | 3.9 | 1.1 | 29.4 | 29.4 | 0.0 |
| Digital Div (rolling) | 1.6 | 1.9 | (0.3) | 14.7 | 14.7 | 0.0 |
| Digital Div (airwave) | 2.0 | 2.0 | 0.0 | 5.0 | 5.0 | 0.0 |
| Fleet | 2.0 | 1.1 | 0.9 | 11.8 | 11.9 | (0.1) |
| Operational Policing ④ | 2.7 | 1.1 | 1.6 | 9.0 | 8.9 | 0.1 |
| Forensic services | 0.1 | 0.1 | 0.0 | 2.7 | 2.7 | 0.0 |
| Total BAU | 13.4 | 10.1 | 3.3 | 72.6 | 72.6 | 0.0 |
| <i>Change: legislative & inflight</i> | | | | | | |
| DEPP ① | 0.6 | 0.3 | 0.3 | 3.1 | 2.3 | 0.8 |
| MC&E ② | 0.6 | 0.4 | 0.2 | 2.0 | 2.0 | 0.0 |
| PDW ③ | 0.1 | 0.1 | 0.0 | 1.7 | 1.7 | 0.0 |
| Other projects | 0.5 | 0.4 | 0.1 | 2.5 | 1.6 | 0.9 |
| Total change | 1.8 | 1.2 | 0.6 | 9.3 | 7.6 | 1.7 |
| Total before slippage | 15.2 | 11.3 | 3.9 | 81.9 | 80.2 | 1.7 |
| Slippage | (1.7) | (0.0) | (1.7) | (10.9) | (8.9) | (2.0) |
| Total | 13.5 | 11.3 | 2.2 | 71.0 | 71.3 | (0.3) |
| Funding | | | | | | |
| GIA - core | | | | 70.0 | 70.0 | 0.0 |
| Capital receipts | | | | 1.0 | 1.1 | (0.1) |
| Other | | | | 0.0 | 0.2 | (0.2) |
| Total | | | | 71.0 | 71.3 | (0.3) |

Capital

As at Period 3 £60.3m out of £81.9m budget (before slippage) is on track with delivery plan

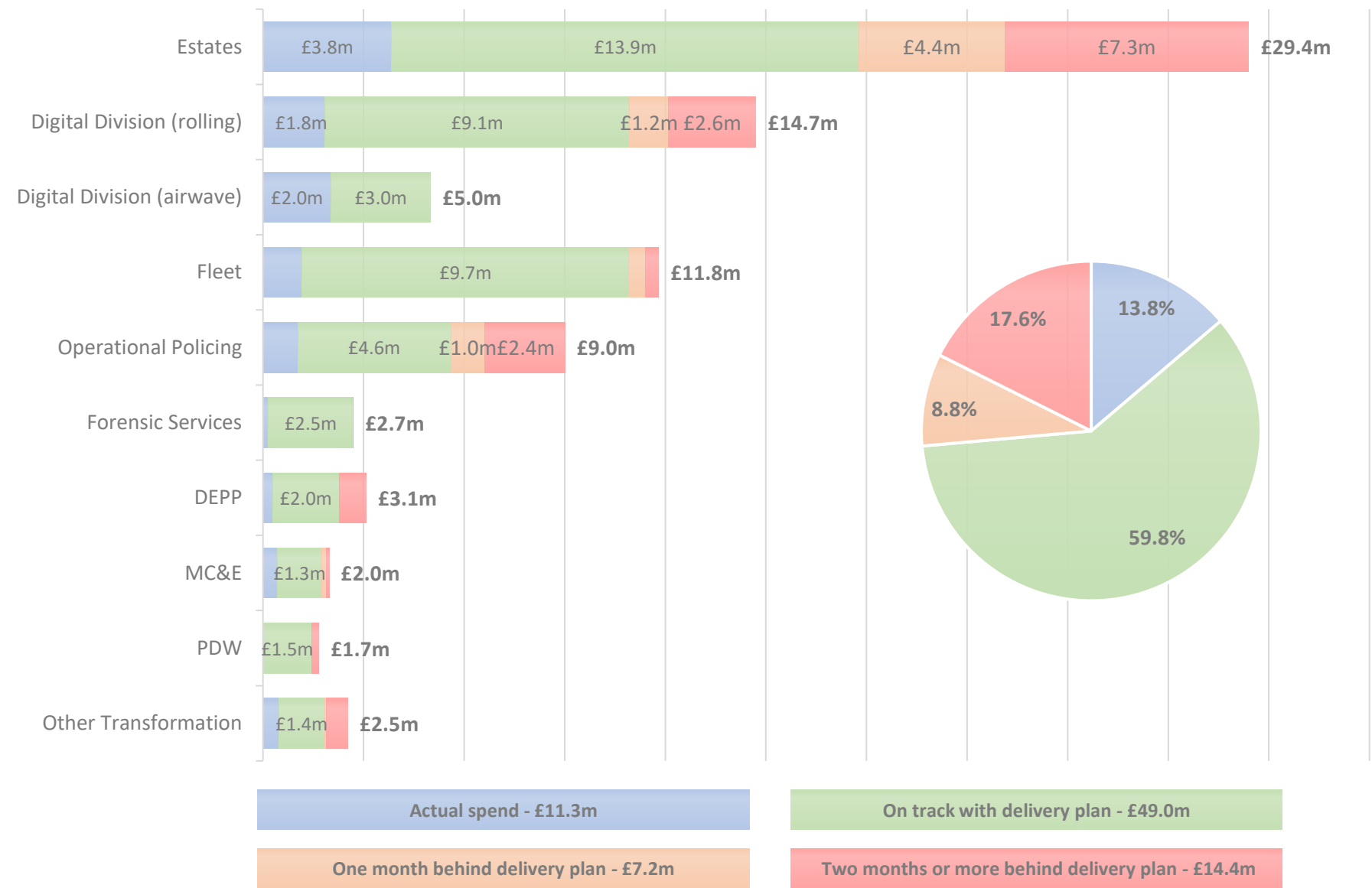
£38.1m of capital spend is spent or committed to date (53.7% of the budget)

Budget holders presented their capital delivery plans to CPTF and reflected any updates on their Q1 forecast.

Deliverability of Q1 forecast will be reported from period 4 onwards

DEPP = Digitally Enabled Policing Programme
MC&E = Modern Contact & Engagement
PDW = Policing in a Digital World
Operational policing combines approved budget for Crime & CJS, Local Policing & OSD, and SPE training.

Capital budget deliverability status (£m) – Total £81.9m



Capital -

DCC Professionalism & Enabling Services

Budget deliverability status is amber

Year to date under budget by £2.1m

FY Q1 forecast £0.1m over budget (fully funded)

Year to date: under budget by £2.1m

- £3.7m of spend not delivered in line with capital plan:
 - Tain, Alness and Dingwall upgrades £0.7m due to works starting on site late June (no risk to deliverability in year).
 - Delays in Bilston Glen heating upgrades £0.4m now due to start on site in July (overall reduction of £0.3m in full year forecast which has been reallocated to another Estates project).
 - Estates staff capitalisation £0.3m as process to capitalise still to be agreed.
 - Other Estates items £1.3m including reactive projects (£0.3m) and heating projects (£0.2m) along with various small items.
 - Fleet (rolling replacement) of £0.9m to be delivered in Q2 (no risk to deliverability in year).
 - LTD training facility upgrades £0.1m delivery due in Q2 due to contractor availability (no risk to deliverability in year).
- Offset by actuals of £1.6m from estate slippage in 2024-25 not in the 2025-26 plan (£0.7m) and plan items delivered earlier than expected (£0.9m).

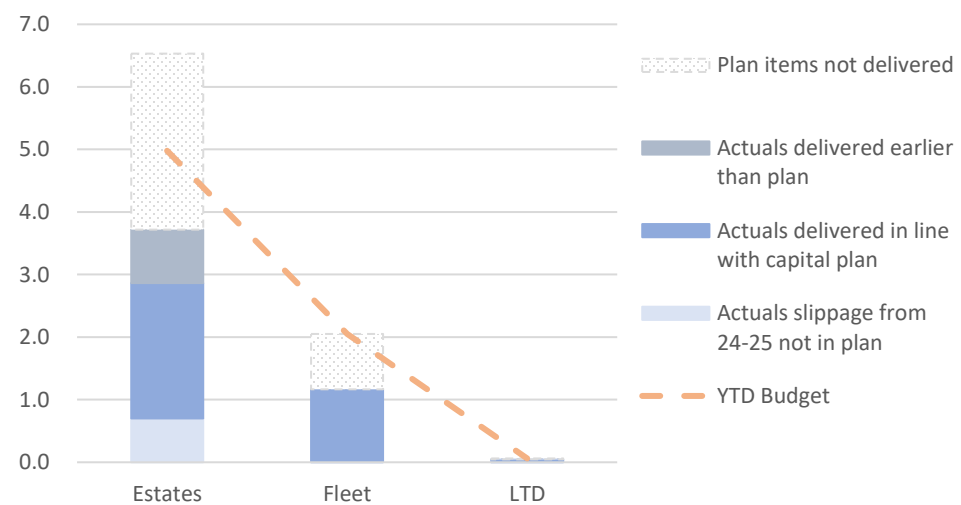
Forecast: £0.1m over budget (funded)

- The Q1 forecast has increased overall by £0.1m (fully funded) due to the removal of forecast from Operational Policing and reallocation to Fleet to purchase specialist policing vehicles.
- Capital delivery plans and forecasts have been updated by business areas to accurately reflect current timelines and spend profiles.

Capital variance by programme (£m)

| | Year to date | | | Full year | | |
|---------|--------------|--------------|------------|--------------|----------|------------|
| | Budget £m | Actual £m | Var. £m | Budget £m | FC £m | Var. £m |
| Estates | 5.0 | 3.9 | 1.1 | 29.4 | 29.4 | 0.0 |
| Fleet | 2.0 | 1.1 | 0.9 | 11.8 | 11.9 | (0.1) |
| LTD | 0.1 | 0.0 | 0.1 | 0.1 | 0.1 | 0.0 |
| Total | 7.1 | 5.0 | 2.1 | 41.3 | 41.4 | (0.1) |

Capital plan tracker – DCC Professionalism & Enabling Services (£m)



Capital -

DCC Operational Policing

Budget deliverability status is amber

Year to date under budget by £1.6m

FY Q1 forecast £0.1m under budget

Whilst LTD £0.1m for SPE training is included under Operational Planning on page 8, it is excluded on this page to be included in DCC Professionalism & Enabling Services area on page 10.

Year to date: under budget by £1.6m

- £1.6m of spend not delivered in line with capital plan:
 - Operational Support - delays in delivery of body armour £0.7m (no risk to deliverability in year).
 - Operational Support – delays in other equipment £0.7m (overall reduction in full year forecast of £1.0m to be reallocated to different projects within portfolio).
 - Local Policing equipment extended timelines £0.2m (no risk to deliverability in year).

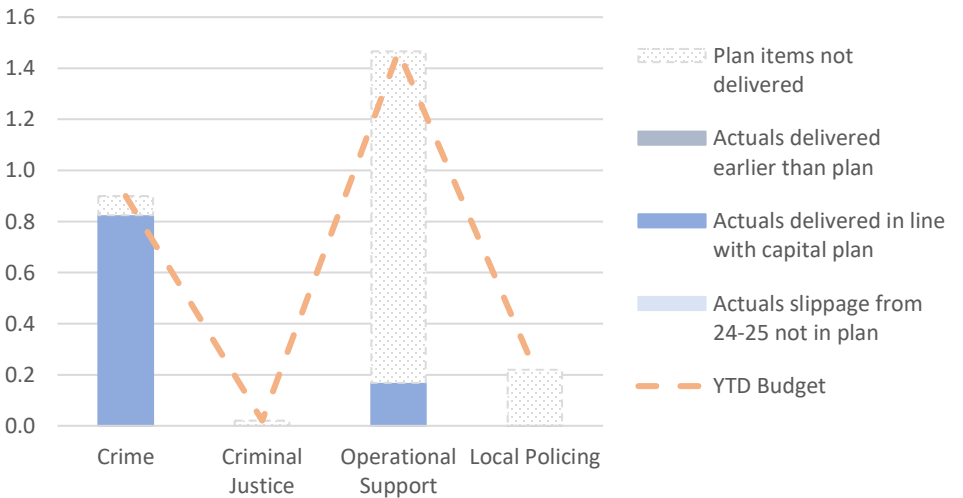
Forecast: £0.1m under budget

- The Q1 forecast has decreased overall by £0.1m due to the reallocation of specialist policing vehicles purchases to Fleet.
- There have been internal reallocations of £0.9m within the portfolio:
 - £0.6m increase to Local Policing to bring forward pipeline spend - final plans yet to be confirmed.
 - £0.3m increase to Crime for bids approved by the Operational Policing Capital Task Force.
- Capital delivery plans and forecasts have been updated by business areas to accurately reflect current timelines and spend profiles.

Capital variance by programme (£m)

| | Year to date | | | Full year | | |
|---------------------|--------------|--------------|------------|--------------|----------|------------|
| | Budget £m | Actual £m | Var. £m | Budget £m | FC £m | Var. £m |
| Crime | 0.9 | 0.8 | 0.1 | 3.6 | 3.9 | (0.3) |
| Criminal Justice | 0.0 | 0.0 | 0.0 | 1.2 | 1.2 | 0.0 |
| Operational Support | 1.5 | 0.2 | 1.3 | 3.4 | 2.4 | 1.0 |
| Local Policing | 0.2 | 0.0 | 0.2 | 0.7 | 1.3 | (0.6) |
| Total | 2.6 | 1.0 | 1.6 | 8.9 | 8.8 | 0.1 |

Capital plan tracker – DCC Operational Policing (£m)



Capital -

DCC Transformation

Budget deliverability status is amber

Year to date under budget by £0.3m

FY Q1 forecast £1.7m under budget

Year to date: under budget by £0.3m

- £1.6m of capital plan items not delivered:
 - Digital Division Laptop and desktop refresh timelines extended £0.3m (no risk to deliverability in year as items are in bonded storage).
 - Digital Division £0.2m other items timelines extended into Q2 (no risk to deliverability in year).
 - DEPP £0.5m behind due to Body Worn Video optimism bias and staff capitalisation underspend £0.4m and COS phase 3 reduction in staff capitalisation £0.1m (overall reduction to Q1 forecast £0.7m detailed below).
 - MC&E £0.2m behind due to decreased staff capitalisation throughout the programme year to date (no risk to deliverability in year).
 - Other projects delays totalling £0.4m mainly relate to Data Drives Digital programme (overall reduction to Q1 forecast of £0.9m detailed below).
- Offset by actuals of £1.3m within Digital Division (rolling) and Digital transformation slippage from 2024-25 and not included in the 2025-26 plan.

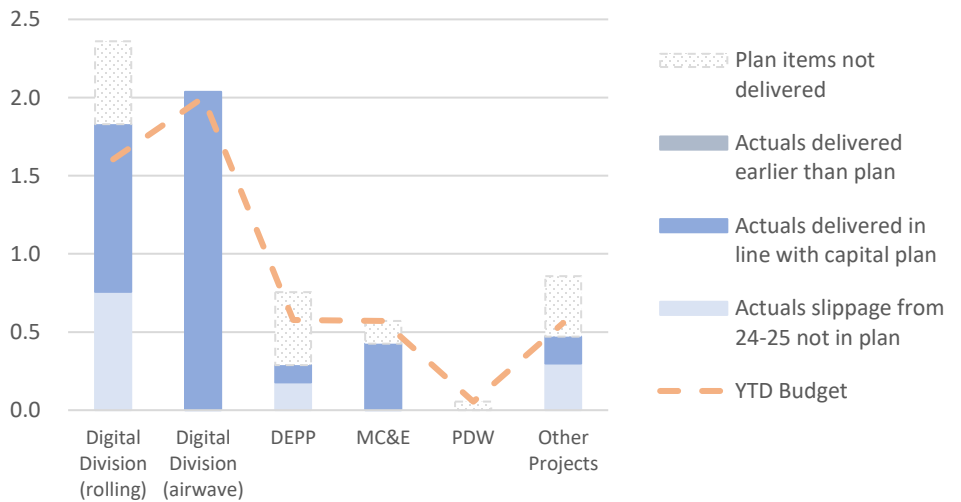
Forecast: £1.7m under budget

- The Q1 forecast has decreased overall by £1.7m due to a reduction in transformation capital detailed below:
 - £0.7m reduction in BWV due to lower staff capitalisation (£0.5m) and the removal of optimism bias (£0.2m).
 - £0.1m reduction in COS phase 3 due to reduced staff capitalisation.
- Other projects £0.9m under, mainly arising from a reduction in Data Drives Digital for software as a service which is now reform funded (£0.6m) and other items (£0.3m).

Capital variance by programme (£m)

| | Year to date | | | Full year | | |
|--------------------------------|--------------|--------------|------------|--------------|----------|------------|
| | Budget £m | Actual £m | Var. £m | Budget £m | FC £m | Var. £m |
| Digital Div (rolling) | 1.6 | 1.9 | (0.3) | 14.7 | 14.7 | 0.0 |
| Digital Div (airwave) | 2.0 | 2.0 | 0.0 | 5.0 | 5.0 | 0.0 |
| Change: legislative & inflight | | | | | | |
| DEPP ① | 0.6 | 0.3 | 0.3 | 3.1 | 2.3 | 0.8 |
| MC&E ② | 0.6 | 0.4 | 0.2 | 2.0 | 2.0 | 0.0 |
| PDW ③ | 0.1 | 0.1 | 0.0 | 1.7 | 1.7 | 0.0 |
| Other projects | 0.5 | 0.4 | 0.1 | 2.5 | 1.6 | 0.9 |
| Total | 5.4 | 5.1 | 0.3 | 29.0 | 27.3 | 1.7 |

Capital plan tracker – DCC Transformation (£m)



Reform

Budget deliverability remains at green

- YTD £0.5m over budget
- FY Q1 forecast £0.4m over budget (fully funded)

① EPF = Enabling Policing for the Future
② ETP = Estates Transformation Programme
③ PDW = Policing in a Digital World
④ MC&E = Modern Contact & Engagement
⑤ DEPP = Digitally Enabled Policing Programme
⑥ DDD = Data Drives Digital
⑦ LPP = Local Policing Programme
⑧ PPLC = Public Protection Legislative Change

Year to date: £0.5m over budget

- EPF - £1.1m behind due to Enabling Services Review (ESR) as awaiting confirmation to progress to the next phase of review (£0.7m) and delay in e-financials upgrade (£0.4m).
- DDD - £0.4m behind within Force Wide Analytics (FWA). Timelines for server upgrades and integration and milestone work pushing into summer.
- MC&E - £0.3m behind due to UCCP delays in maintenance contracts starting.
- Other Projects - £0.4m behind due to expected slippage.
- Offset by expected slippage of £2.7m.

Forecast: £0.4m over budget (funded)

- £0.4m funded overspend offset with additional grant funding.
- £7.8m slippage identified. £8.4m of slippage still to be identified to deliver forecast.
- Q1 forecast variances:
 - Overall Transformational resource reduced by £3.6m due to recruitment timescales across all programmes.
 - EPF £1.5m reduction to expected professional services spend.
 - Other projects - NLEDS £1.3m reduction due to Home Office funding dual running costs.
 - Cyber Security £0.5m reduction due to market engagement challenges.
 - Other projects £0.5m reduction due to expected slippage.

OFFICIAL

Reform variance by work stream (£m)

| | Year to date | | | Full year | | |
|-----------------------|--------------|--------------|------------|--------------|-------------|------------|
| | Budget £m | Actual £m | Var. £m | Budget £m | Q1 FC £m | Var. £m |
| EPF① | 1.5 | 0.4 | 1.1 | 7.5 | 5.9 | 1.6 |
| ETP② | 0.6 | 0.6 | 0.0 | 4.7 | 4.6 | 0.1 |
| PDW③ | 0.1 | 0.1 | 0.0 | 4.0 | 3.5 | 0.5 |
| Cyber Security | 0.2 | 0.1 | 0.1 | 2.8 | 1.5 | 1.3 |
| MC&E④ | 0.4 | 0.1 | 0.3 | 2.5 | 1.7 | 0.8 |
| DEPP⑤ | 0.5 | 0.6 | (0.1) | 2.1 | 2.2 | (0.1) |
| DDD⑥ | 0.8 | 0.4 | 0.4 | 2.0 | 1.7 | 0.3 |
| Forensic Services | 0.4 | 0.3 | 0.1 | 1.6 | 1.4 | 0.2 |
| Digital Division | 0.4 | 0.4 | 0.0 | 1.5 | 1.2 | 0.3 |
| LPP⑦ | 0.1 | 0.1 | 0.0 | 0.9 | 0.5 | 0.4 |
| PPLC⑧ | 0.0 | 0.0 | 0.0 | 0.1 | 0.2 | (0.1) |
| P&D Programme | 0.0 | 0.0 | 0.0 | 1.2 | 1.1 | 0.1 |
| Other projects | 1.2 | 0.9 | 0.3 | 5.6 | 3.6 | 2.0 |
| Total before slippage | 6.2 | 4.0 | 2.2 | 36.5 | 29.1 | 7.4 |
| Slippage | (2.7) | 0.0 | (2.7) | (16.2) | (8.4) | (7.8) |
| Total | 3.5 | 4.0 | (0.5) | 20.3 | 20.7 | (0.4) |
| Funding | | | | | | |
| GIA - core | | | | 20.3 | 20.3 | 0.0 |
| Other grant funding | | | | 0.0 | 0.4 | (0.4) |
| | | | | 20.3 | 20.7 | (0.4) |

Reform variance by pay and non-pay (£m)

| | Year to date | | | Full year | | |
|-----------------------|--------------|--------------|------------|--------------|-------------|------------|
| | Budget £m | Actual £m | Var. £m | Budget £m | Q1 FC £m | Var. £m |
| Pay | 2.9 | 2.9 | 0.0 | 15.6 | 12.1 | 3.5 |
| Non-pay | 3.3 | 1.1 | 2.2 | 20.9 | 17.0 | 3.9 |
| Total before slippage | 6.2 | 4.0 | 2.2 | 36.5 | 29.1 | 7.4 |

Reform

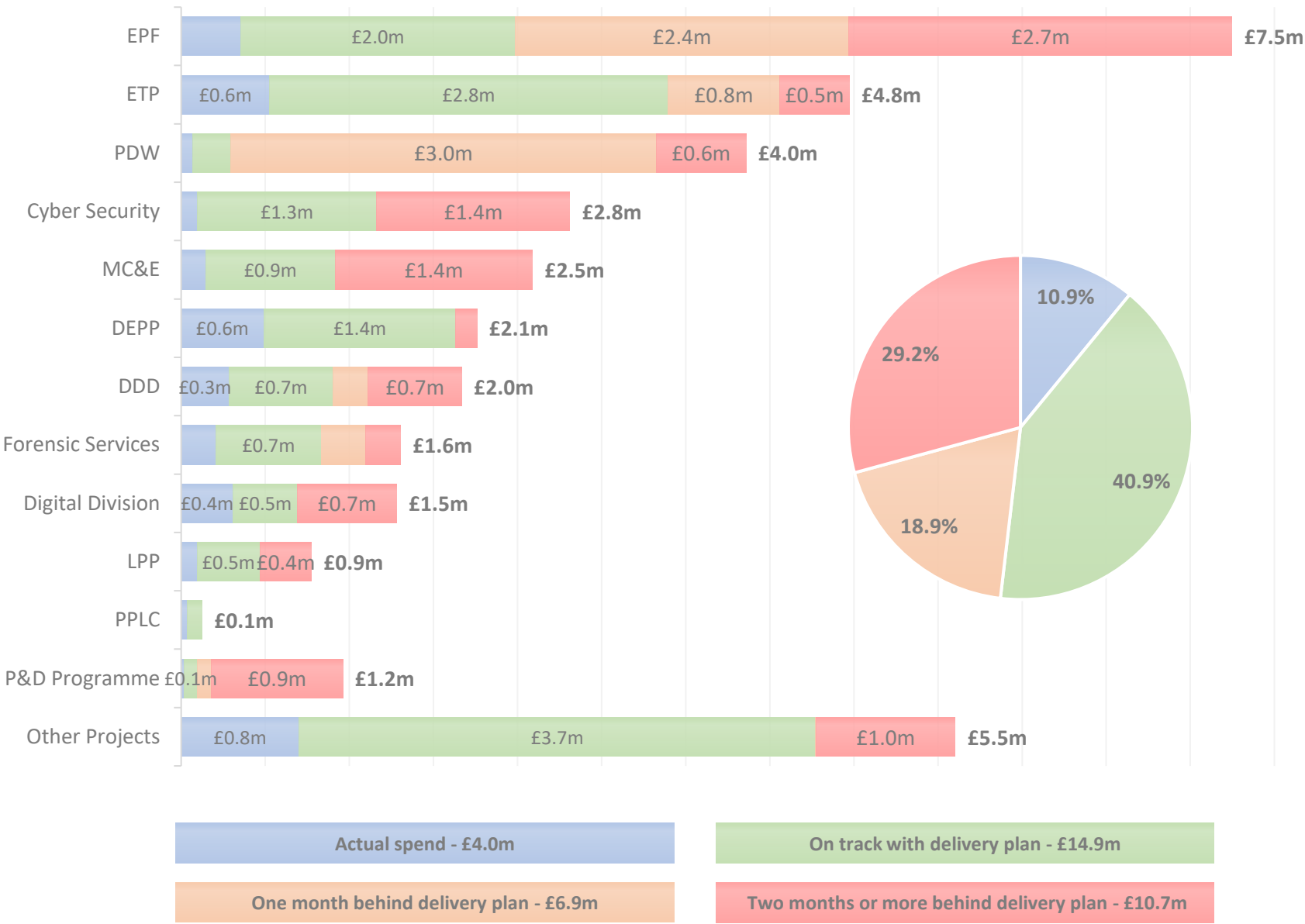
As at Period 3 £18.9m out of £36.5m (before slippage) is on track with delivery plan

Spend within the Red and amber category will potentially contribute to the required £16.2m slippage.

This has been reflected in the Q1 forecast as appropriate.

EPF = Enabling Policing for the Future
ETP = Estates Transformation Programme
PDW = Policing in a Digital World
MC&E = Modern Contact & Engagement
DEPP = Digitally Enabled Policing Programme
DDD = Data Drives Digital
LPP = Local Policing Programme
PPLC = Public Protection Legislative Change

Reform budget deliverability status (£m) – Total £36.5m



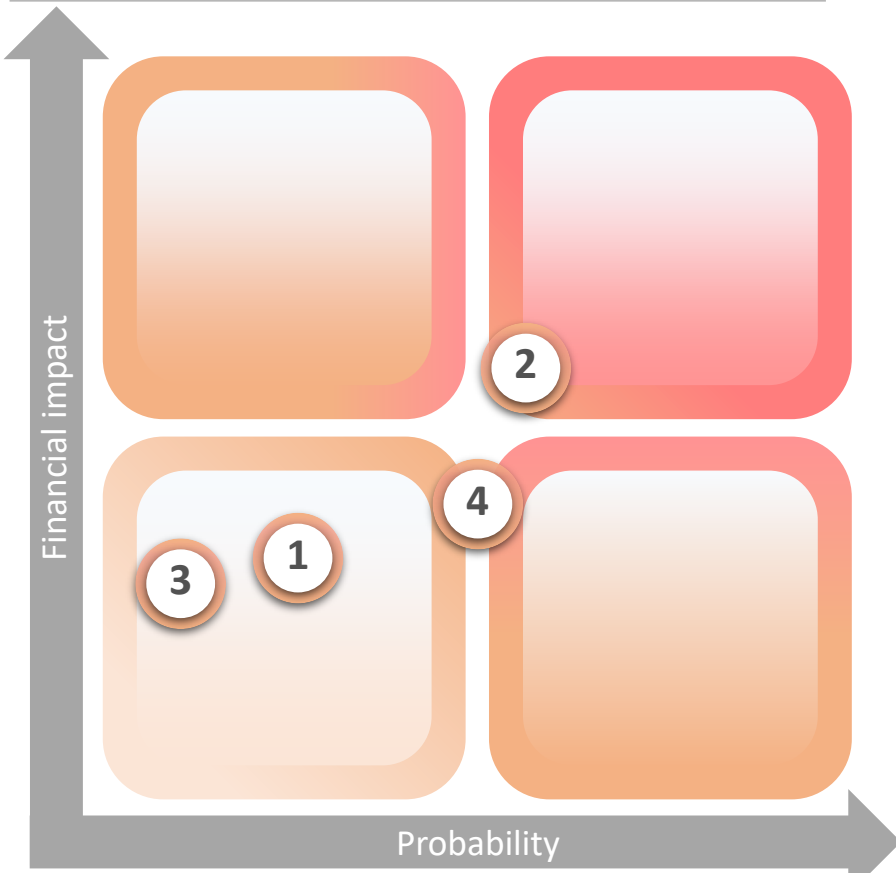
Risk Analysis

Risk analysis

The revenue and capital forecasts are carrying further risks that may materialise.

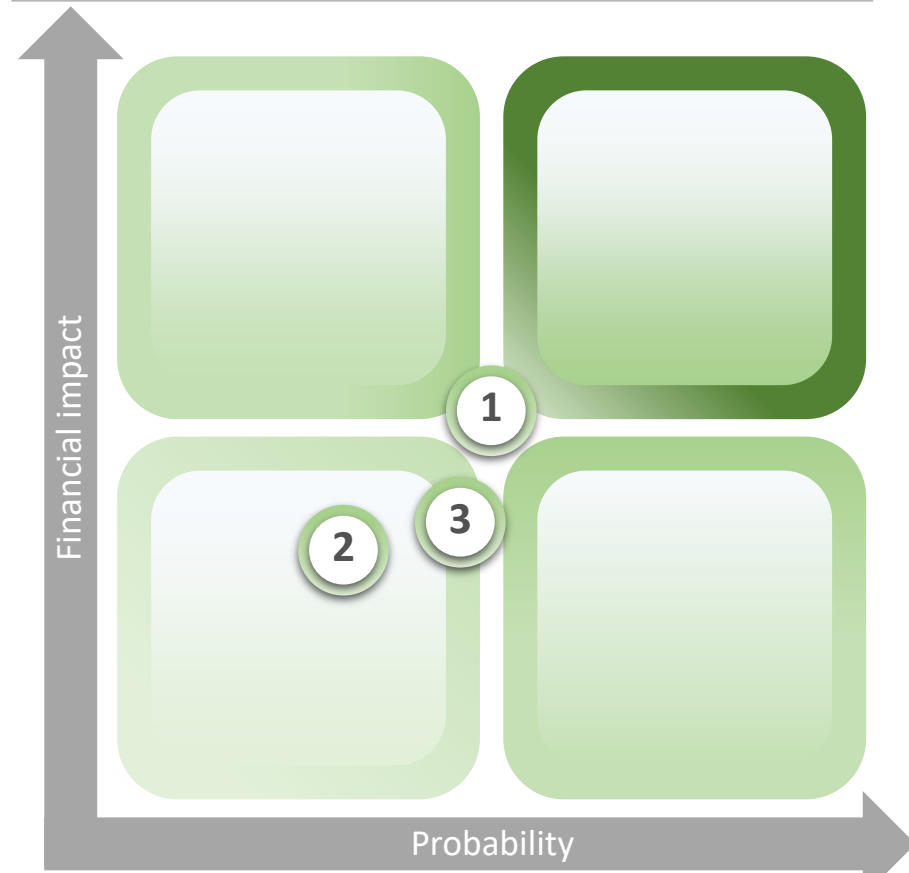
Threats and opportunities risks will continue to be monitored in Q2.

Threats



- 1. Demand led areas (e.g. ill health, injury on duty, legal) – forecast has been set based on assumptions around demand and volume however costs may vary compared to budget available based on actual demand in year.
- 2. Workforce - pay assumptions have been made with regards to pay award, headcount, attrition, T&C's.
- 3. Funding risk for new Legislation and other major events - assumption that these costs when incurred will be fully funded with no financial detriment to the Police Authority.
- 4. Capital - risk of potential slippage, supply chain and delivery lead times and organisational capacity.

Opportunities



- 1. VR / VER - an assumption has been made regarding cost of VR / VER exit packages - actual cost TBC.
- 2. Potential slippage in plans/forecast may arise during the year.
- 3. Capital resources are being reviewed in accordance with the updated capital policy, and costs will be reallocated between revenue and capital as appropriate.