



REPORT TO: British Transport Police Authority

DATE: 9 December 2009

SUBJECT: Revenue Budget and Capital Programme 2009/10
Monitoring at Period 8 (30 October 2009)

SPONSOR: Chief Constable

AUTHOR: Director of Finance and Corporate Services

1. PURPOSE OF REPORT:

- 1.1 This report provides an overview of the position on the revenue budget and capital programme in respect of British Transport Police's (BTP's) net expenditure only, for the current year as at Period 8 – ending 30 October 2009.
- 1.2 The year to date position on the revenue budget shows actual net expenditure just over £140,000 behind profiled budget to period 8 (0.12% of budget). The forecast outturn on the revenue budget indicates, at this stage, an underspend of £50,000 after the transfer of £400,000 to reserves as determined at the British Transport Police Authority's (BTPA's) Strategy, Budget and Performance Monitoring (SB&PM) Committee meeting on 11 November 2009.
- 1.3 Expenditure on the capital programme is on target to achieve except for delays in the London North (LN) Area Custody Project. A schedule of projects is being prioritised to ensure that full use is made of the Department for Transport (DfT) capital grant.



2. REVENUE BUDGET:

- 2.1 The forecast outturn shows an underspend of £50,000. This is after taking into account new contributions to reserves of £400,000 in respect of the provision for the police staff pay award not required and agreed at the last meeting of the SB&PM Committee.
- 2.2 Appendices A and B summarise the year to date and forecast outturn and indicate that the year to date position shows an underspend against profile of £141,000 (0.12% of profiled budget).

Analysis by FHQ and Areas (Appendix A)

- 2.3 The year to date position on the Deputy Chief Constable's (DCC's) Portfolio shows a net overspend of £61,000 (0.6%). This budget pressure relates to legal costs associated with cases being dealt with by Professional Standards Department (PSD). It is expected that the portfolio will cover the overspend and come in on budget at year end.
- 2.4 The Crime Department's budget shows a small underspend (£12,000 or 0.1%) against profile for the year to date and an expected forecast overspend of £9,000 (less than 0.1%). This is a much improved position from period 7 (year to date overspend £57,000 and forecast outturn overspend £34,000).
- 2.5 The Operations Department's budget shows an underspend year to date of £44,000 but it is expected that the forecast outturn will be close to the updated budget.
- 2.6 The Director of Human Resources' budget is showing an underspend year to date of £64,000 (0.7%) and this is as a result of holding posts vacant within the portfolio. However, it is expected that the forecast outturn will be close to the updated budget.



- 2.7 The year to date position on the Director of Finance and Corporate Services' budget reflects some ongoing vacant posts and delayed costs relating to later occupation of the Cardiff premises. The forecast outturn shows a net underspend of £70,000 – an acceptable position.
- 2.8 As far as Areas are concerned all are close to profiled budget at year to date (within about 1%) with the trend continuing to the forecast outturn. Both Wales and Western and Scotland budgets are being reviewed in detail with the expectation that revised forecasts will be much closer to the approved budgets.

Subjective Analysis (Appendix B)

- 2.9 The year to date position on staff costs at £164,000 (0.17%) is an improvement on that for period 7 and reflects a review of recruitment plans etc. The forecast outturn shows a small overspend (£99,000 or 0.06%) which relates to costs for services being paid for by grant or additional income.
- 2.10 The communications and computers budget shows an overspend of £48,000 (0.8%) year to date against profile and is the result of some earlier planned purchases of equipment, costs associated with the virus earlier in the year and additional costs of the network. The small forecast overspend (0.5%) is mainly as a result of additional network costs and the impact of the virus earlier in the year..
- 2.11 The transport budget shows an overspend year to date (£48,000 or 1.8%) – this relates mainly to additional hotel and travel costs caused by operational requirements. However, it is expected that savings will be made in this budget as a result of the *Frontlinefirst2* Programme's process to enable the forecast outturn to be as close to budget as possible.



- 2.12 The supplies and services budget shows a similar level of overspend year to date and forecast outturn. The re-provision of protective vests that are past their advised 'use by' date, additional forensic costs and legal fees are the main contributors to this overspend.
- 2.13 Grants for the provision of specific services have been approved and these are due to be received in the latter part of the year. The forecast additional £19,000 will be offset by the costs of providing those services.
- 2.14 The year to date position and the forecast outturn on income reflect the underlying trend of additional income over budget. Much of this additional income will cover the costs of the additional services provided.

London Underground:

- 2.15 The figures for London Underground Area (LU) are not part of Appendices A and B but the figures for period 8 are provided below:

Revenue Budget 2009/10 - London Underground (L Area)								
	To Period: 08				Full Year			
	Profiled Budget	Actual	Variance		Approved Budget	Forecast Outturn	Variance	
	£'000	£'000	£'000	%	£'000	£'000	£'000	%
Staff Costs	29,009	28,431	578	2	47,676	46,822	854	1.8
Other costs	2,397	2,670	-273	-11.4	3,965	4,374	-409	-10.3
Gross Expenditure:	31,406	31,101	305	1	51,641	51,196	445	0.9

Staffing costs are behind profile because of delays in recruitment and some posts are being held vacant in an attempt to achieve a target underspend on the year of £0.5m as requested by London Underground limited (LUL). The largest element of the overspend – both year to date and forecast on other costs relates to forensic costs, increases in information technology expenditure and consultancy services.



3. CAPITAL PROGRAMME:

3.1 Appendix C sets out a summarised position on the capital programme as at period 8 which indicates that, overall, just over 50% of the approved DfT funded programme has been spent or committed to date – a considerable improvement on previous years at this time.

3.2 As reported to the SB&PM Committee at its last meeting, the London North Area Custody Project has slipped from the original plan because of delays in planning consent, the manufacturing of the units and some other technical matters. There is a schedule of projects which will be brought to BTP's Programme Board to ensure that the full £13m of DfT grant is utilised. .

4. RECOMMENDATION:

4.1 It is recommended that the BTPA note the position on the revenue budget and capital programme.

Appendix A

Revenue Budget 2009/10 - Analysis by Budget Holder	To Period: 08				Full Year				Report Paragraph
	Profiled Budget	Actual	Variance		Approved Budget	Forecast Outturn	Variance		
	£'000	£'000	£'000	%	£'000	£'000	£'000	%	
FHQ Departments:									
Deputy Chief Constable	10,072	10,133	(61)	(0.61)	17,142	17,142	0	0.00	2.3
ACC (Crime)	9,440	9,428	12	0.13	16,467	16,476	(9)	(0.05)	2.4
ACC (Operations)	10,947	10,903	44	0.40	18,972	18,973	(1)	(0.01)	2.5
ACC (London and the Olympics)	407	432	(25)	(6.14)	701	701	0	0.00	
Director of Human Resources	8,709	8,645	64	0.73	15,260	15,237	23	0.15	2.6
Director of Finance and Corporate Services	10,704	10,619	85	0.79	23,409	23,339	70	0.30	2.7
Total FHQ:	50,279	50,160	119	0.24	91,951	91,868	83	0.09	
Areas:									
London North	13,116	13,047	69	0.53	23,205	23,180	25	0.11	2.8
London South	15,153	15,126	27	0.18	26,464	26,420	44	0.17	2.8
North East	8,391	8,356	35	0.42	14,668	14,658	10	0.07	2.8
North West	9,386	9,361	25	0.27	16,374	16,342	32	0.20	2.8
Wales and Western	9,521	9,578	(57)	(0.60)	16,299	16,359	(60)	(0.37)	2.8
Scotland	7,104	7,181	(77)	(1.08)	12,220	12,304	(84)	(0.69)	2.8
Total Force:	112,950	112,809	141	0.12	201,181	201,131	50	0.02	

Appendix B

Revenue Budget 2009/10 - Analysis by Expenditure / Income Type	To Period: 08				Full Year				Report Paragraph
	Profiled Budget	Actual	Variance		Approved Budget	Forecast Outturn	Variance		
	£'000	£'000	£'000	%	£'000	£'000	£'000	%	
Expenditure:									
Staff costs	95,829	95,665	164	0.17	164,983	165,082	(99)	(0.06)	2.9
Premises	7,987	7,931	56	0.70	14,471	14,479	(8)	(0.06)	
Communications and Computers	5,684	5,732	(48)	(0.84)	10,012	10,063	(51)	(0.51)	2.10
Transport	2,721	2,769	(48)	(1.76)	4,380	4,402	(22)	(0.50)	2.11
Supplies and Services	8,712	8,770	(58)	(0.67)	19,046	19,090	(44)	(0.23)	2.12
Capital charges etc.	6,889	6,889	0	0.00	12,032	12,032	0	0.00	
Contribution to Reserves					400	400	0		2.2
Total expenditure:	127,822	127,756	66	0.05	225,324	225,548	(224)	(0.10)	
Income:									
Grants	(1,413)	(1,432)	19	(1.34)	(2,842)	(2,861)	19	(0.67)	2.13
Other income	(13,459)	(13,515)	56	(0.42)	(21,301)	(21,556)	255	(1.20)	2.14
Total income:	(14,872)	(14,947)	75	(0.50)	(24,143)	(24,417)	274	(1.13)	
Total Net Expenditure (Force only):	112,950	112,809	141	0.12	201,181	201,131	50	0.02	

Appendix C

Capital Programme 2009/10 - Position at the end of Period 8											
	Budget			Year to Date				Forecast			Report Paragraph
	Original Programme	In Year Changes	Revised Programme	Commitments	Actual Spend	Total Spend and Commitments	Balance Remaining of Revised Programme	Forecast Spend for the Year	Variance from Revised Programme Underspend / (Overpend)		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%	
Department for Transport Funded:											
Estates	7,870	0	7,870	297	1,816	2,113	5,757	6,649	1,221	15.52%	3.2
Information Technology	4,791	(500)	4,291	1,418	1,709	3,127	1,164	4,152	139	3.25%	
Vehicles	1,900	0	1,900	1,454	49	1,503	397	1,900	0	0.00%	
Other	1,191	146	1,337	79	1,057	1,136	201	1,359	(22)	-1.65%	
Central Street Landlord's Contribution	(1,200)	0	(1,200)	0	(1,185)	(1,185)	(15)	(1,185)	(15)	1.25%	
Unallocated	(1,552)	354	(1,198)					125	(1,323)	110.43%	
Total DfT Funded:	13,000	0	13,000	3,248	3,446	6,694	7,504	13,000	0	0.00%	
Funded from Other Sources:											
Olympics (DfT Separately Funded)	1,180	0	1,180	373	103	476	704	700	480	40.67%	3.3
CCTV Hub (Network Rail)	506	94	600	275	296	571	29	605	(5)	-0.84%	
Airwave - Severn Tunnel (Network Rail)	226	34	260	259	0	259	1	259	0	0.06%	
Other	95	120	215	0	75	75	140	89	126	58.44%	
Total Other Funding:	2,007	248	2,255	907	474	1,381	874	1,654	601	26.64%	
Total Programme:	15,007	248	15,255	4,155	3,920	8,075	8,378	14,655	601	3.94%	