



REPORT TO: British Transport Police Authority
DATE: 24 March 2011
SUBJECT: Draft Capital Programme 2011/12- 2013/14
SPONSOR: Chief Constable
AUTHOR: Director of Finance and Corporate Services

1. PURPOSE OF PAPER

1.1 This report sets out a draft Capital Programme for the period 2011/12 to 2013/14. This was considered by the British Transport Police Authority (BTPA) Finance Group on 16 March 2011. The recommendation of the Group is that the Capital Programme for 2011/12 be approved subject to confirmation by the Department for Transport (DfT) of the Delegated Expenditure Limit (DEL) for 2011/12 of £11.2m and that the proposals for 2012/13 and 2013/14 be noted.

2. BACKGROUND

2.1 Each year the DfT is required to notify the BTPA of the amount included in their authorised spending programme known as the Departmental Expenditure Limit (DEL) for capital expenditure. For 2011/12, organisational changes within the DfT have delayed formal notification of the capital DEL but informal indications are that the amount included in the Comprehensive Spending Review (CSR) for BTPA in 2011/12 was £11.2m. This correlates with the level of capital spending previously approved which was averaged at £11m per annum for the three years to 2010/11.

2.2 At the time of drafting this report, further contact is being made with the DfT to press for formal confirmation of the capital DEL for 2011/12. If this is not received, consideration would be needed as to how this affects the BTPA position in proceeding with the capital programme. Clearly there are a number of schemes in progress that are contractually committed and cannot be stopped because of the absence of a formal DEL notification. It may be possible, however, to suspend further contractual commitments until clarification has been received. A further update on the position will be provided orally at the BTPA meeting on 24 March.

2.3 Draft proposals for capital schemes to be included in the programme were circulated with the report to the Finance group. The guidance of the Group was that the total Capital Programme should be restricted to the £11.2m anticipated DEL cover without any over programming to allow for slippage. Members will recall that in previous years, the Capital Programme approved included schemes totalling more than the available resources but with an assumed level of in year slippage to keep within the control total. This approach has attracted some criticism and has not been adopted in the draft submitted with this report.

2.4 The Strategic Command Team (SCT) have reviewed the programme in the light of the Finance Group guidance and a proposed draft Capital Programme is shown in overview in Appendix A with detailed scheme proposals in Appendices B (i) to B (v). In order to keep within the overall DEL available, the provisions for Minor Works in both the Estates and IT programmes have been reduced. In the event that slippage does arise, funds could be reallocated to these areas of expenditure within the overall total of £11.2m.





- 2.5 For future years, a planning assumption is made that DEL allocation of £11.2m will remain unchanged over the three year programme. This is in line with the previous approval of the DfT to a three year programme of £33m for the years 2008/09 to 2010/11.
- 2.6 Inclusion of an item in the capital programme does not give approval to spend until an appropriate business case is presented in accordance with the agreed governance arrangements. For those projects costing over £1m, such business cases must be approved by BTPA as required by the Scheme of Delegation. Any adjustments to the Programme will be reported to the Finance Group alongside the quarterly monitoring reports.

3. PROPOSED CAPITAL PROGRAMME

- 3.1 The main elements of the draft programme are as follows:

Estates

- 3.2 The major scheme for the North London Custody suite will be completed in 2010/11 with only retention monies carried over to 2011/12. The draft proposals for 2011/12 include a number of smaller projects that are required to meet various demands for operational improvements. These would enable improvements to be made that would upgrade the overall standard of the estate.
- 3.3 A provision has also been included of £0.5m for bringing Blundell St vacant space into use. This is now likely to be linked to the establishment of a firearms capability. A separate report on this agenda deals with the proposals for this development. Further costings will need to be carried out when a more detailed specification is available.
- 3.4 Provision of £2m is made in 2012/13 for a replacement to Holmes House. It is not clear at present whether BTP will be forced to vacate this building but the building is currently held on a short term lease. The landlord has intended to redevelop the site and could give notice at any time. However, this appears to be unlikely in the immediate future and it is assumed that no costs will arise in 2011/12. Given the state of the property market and the need to obtain planning approval, it is possible that the landlord may be willing to provide a long term lease to the BTPA. In the event that this proves to be possible, there will no longer be a need for this item.
- 3.5 Provisions are also included in future years for a Custody Suite in South London and for a new police station at Stratford. Neither of these projects are considered to be definite requirements at this stage but are substantial items that need to be kept in the draft programme to ensure that they are kept under consideration in the allocation of capital funding resources.

Information Technology

- 3.6 The major project in the IT capital programme is the completion of the Wide Area Network (WAN) replacement at £1.65m. The current contractual commitment to capital cost of the WAN replacement totals £3.05m spread over 2010/11 and 2011/12.
- 3.7 Further costs outside the basic contract will arise to complete ducting work in running WAN connections to the various buildings affected. The costs involved are dependent on surveys to be carried out prior to connections being installed and decisions on the level of resilience



required for the sites involved. It is difficult to assess required prior to the survey work but a broad estimate based on surveys of the initial sites to be connected indicates potential costs up to £180k. These costs are not currently separated in the programme but will be contained within the minor works allocations.

- 3.8 No new IT projects are included in 2011/12 and the balance of the programme relates to ongoing replacements and upgrades of IT equipment and completion of the Case and Custody project.
- 3.9 Provision is included in the 2012/13 programme for the Electronic Data Records Management System (EDRMS) that is estimated to cost £700k spread over two years. This has previously been considered but deferred for technical reasons and limitations of financial resources. Further consideration will be needed as to the implementation requirements for this system if this is to go ahead.

CCTV

- 3.10 A separate schedule has been included for CCTV developments to take account of the scale of the investment proposed. The programme allows for the completion of the Ebury Bridge scheme funded by Network Rail. This has been a £6m investment and it is estimated that £1.2m will now fall into 2011/12. The full capital receipt has already been received and funding from this will be carried over to meet the balance of the scheme costs.
- 3.11 Further investment is also proposed by Network Rail which will make £2m available for CCTV development in 2011/12. This is reflected in the capital programme offset by the capital receipt. A further report seeking scheme approval for these works will be submitted in due course when specific proposals have been determined. In addition, investment of £500k is proposed within the BTP capital programme that would complement the Network Rail investment to provide an enhanced service.
- 3.12 There are revenue costs associated with these developments of £265,000 in 2012/13 building up to £0.3m in 2013/14 that are not currently reflected in the Medium Term Financial Plan. These costs would add to the savings targets currently being addressed to contain the core PSA charges within the approved planning targets.

Fleet

- 3.13 Provision is included for fleet replacements at £2.175m based on the normal criteria of age and mileage.

Other equipment

- 3.14 A range of other purchases proposed for the Protective Services portfolio are outlined in Appendix B (v). These take account of the ongoing threats from terrorist organisations and hi-tech requirements to deal with specialist crime.

4. CONCLUSIONS



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- 4.1 The draft Capital Programme has been drawn up within the annual level of DEL allocation provisionally advised by the DfT. Formal notification of the DEL has not yet been received but is being actively progressed.
- 4.2 Proposals for future years will need to be reviewed as required at the appropriate time.
- 5 RECOMMENDATION:**
- 5.1 It is recommended that approval is given to the programme as outlined in Appendices A and B in respect of proposed expenditure of £11.2m in 2011/12 and that proposals for expenditure in 2012/13 and 2013/14 be noted.





Appendix A

SUMMARY		Future Years budget		
Scheme	Sponsor Dept	2011/12	2012/13	2013/14
		£000	£000	£000
Estates		3,022	5,050	5,940
Information Technology		4,756	2,245	2,180
CCTV		500	154	135
Fleet		2,175	2,750	2,720
Other equipment etc		747	1,001	222
TOTAL DfT FUNDED CAPITAL PROGRAMME		11,200	11,200	11,197





Appendix B (i)

LAND & BUILDINGS		Future Years budget		
Scheme	Sponsor Dept - F & CS Estates	2011/12	2012/13	2013/14
		£000	£000	£000
Blundell St - bringing vacant space into use		500		
Security upgrades		250	250	
Disaster recovery works		50		
King Cross redevelopment		100		
London North - building adaptations		250		
Guildford		250		
Sunderland - upgrade layout		150		
Wales and West AHQ reconfiguration		150		
Scotland		150		
Nottingham		150		
Colchester		125		
FHQ		100		
Newcastle		75		
Pontypridd		75		
Rhyll		30		
Spring House		25		
Reading			300	
Swansea			75	
Gloucester			100	
Corporate Image		100	100	
Minor Works projects		250	250	500
Capitalised staff costs		75	75	75
Retentions from previous years				
- London North Custody		92		
- Other schemes		75	50	15
Holmes Place replacement			2,000	
London South Custody			1,500	4,000
New St Birmingham - relocation by Network Rail			300	
Stratford - New station (further costs in 2014/15 say £1m)			50	1,000
Liverpool St				350
TOTAL LAND & BUILDINGS		3,022	5,050	5,940





Appendix B (ii)

INFORMATION TECHNOLOGY		Future Years budget		
Scheme	Sponsor Dept - IT Services	2011/12	2012/13	2013/14
		£000	£000	£000
WAN Replacement and CCTV network upgrades		1,650		
Disaster Recovery investment		200	100	
Server and Desktop Virtualisation		500	400	
Cyclic replacement programme		100	100	400
Airwave replacements and upgrades		750	750	750
ICCS system upgrade		600	100	
Information Management systems		80	80	80
Minor Projects		276	265	500
Minor equipment replacement		100	100	100
EDRMS			350	350
Case and Custody project	Justice	500		
TOTAL INFORMATION TECHNOLOGY		4,756	2,245	2,180





Appendix B (iii)

CCCTV	Scheme	Sponsor Dept Protective Services - CCTV	Future Years budget		
			2011/12	2012/13	2013/14
			£000	£000	£000
Network Rail Funded schemes					
Ebury Bridge CCTV Hub					
Balance of Project costs			1,200		
Less Network Rail funding			(1,200)		
BTP Contribution / Net receipt			0		
Dedicated CCTV links from 10 Train Operators			1,200		
Deploy systems integration software at 5 Control Centres			670		
Secure CCTV network to 5 key locations			130		
Total			2,000		
Less Network Rail funding			(2,000)		
Net BTP cost			0		
BTP Funded schemes					
Retrieval Cadre Equipment			18	28	17
Siraview software			16	16	16
CCTV Review stations at 12 locations			128	32	24
Scottish Events Room and Network links			249		
Arriva Trains connection to FRCB			89		
Provide network to Process and Evidence locations				78	78
TOTAL CCTV			500	154	135





Appendix B (iv)

FLEET		Future Years budget		
Scheme	Sponsor Dept	2011/12	2012/13	2013/14
		£000	£000	£000
Vehicle Replacement Programme	F & CS - Fleet	2,175	2,750	2,720
TOTAL FLEET		2,175	2,750	2,720





Appendix B (v)

OTHER EQUIPMENT ETC		Future Years budget		
Scheme	Sponsor Dept - Protective Services	2011/12	2012/13	2013/14
		£000	£000	£000
ISO 9001 Certification		4		
SIT Terminal		30		
Holmes Server		80		
iBase development		61		
Taggy Graffiti database		24		
Quickdon PPE replacement programme		270		
Gas tight suits		70		
Bio detection capability		120		
Vehicle Seizure database		25		
Minor equipment / system upgrades		15		
CCTV in Custody Suites		48		
Lab Services ISO Accreditation			30	
Scenes of Crime photographic equipment			176	
Pentip interface			75	
Digital and Video Interview project			200	
Remote operating vehicle			170	
Detection Identification equipment			350	
Freezers				20
Drying Cabinets				30
Photographic Server replacement				60
Server to store master photographic images				60
Replacement Laptops				37
HTCU Fibre Optic cabling for server				15
TOTAL OTHER EQUIPMENT ETC		747	1,001	222

