

**Report of the Chief Constable to the Chair and Members  
of the Policy & Resources Panel  
27<sup>th</sup> January 2010**

**Executive & Presenting Officer: Mrs Ann Hall, Assistant Chief Officer  
(Finance & Commissioning)**

**Status: For decision**

**Capital Monitoring Report to 30<sup>th</sup> November 2009**

**1 Purpose**

1.1 Members approved the capital programme for 2009/10 and the capital plan for 2009/13 at their meeting on 26<sup>th</sup> February 2009. This report sets out the progress against delivery of the programme and is part of the process introduced by the Authority to maintain prudent financial management.

**2 Recommendations**

Members are recommended to:

- 2.1 Note the contents of the report.
- 2.2 Approve £46k being allocated into the Accommodation Adjustment line from the Provision for Estates Strategy.
- 2.3 Approve the addition of the Integrity Unit Relocation Scheme at a cost of £28k from the Provision for Estates Strategy.
- 2.4 Approve the addition of the Saadian PINS system scheme at a cost of £38k to be funded from the ISIS Provision.
- 2.5 Approve a reduction in the Air Support budget of £350k.

### **3 Reasons**

#### **3.1 Changes to the Programme**

Members approved a capital programme totalling £9,806k at their meeting on 26<sup>th</sup> February 2009. The programme included new schemes; schemes carried forward from 2008/09 and unallocated funding.

3.2 Since the original programme was agreed a number of changes have been identified. These are detailed at Appendix B.

3.3 The £46k to be added into the Accommodation Adjustment is due to additional requirements on an accommodation project.

3.4 The Integrity Unit Relocation scheme requires £28k to facilitate the movement of that unit to different premises as we are vacating their current building. The revenue consequences of this project are included in the long term financial plan.

3.5 The Saadian PINS system is a computerised system which will allow the Force to effectively interrogate the prisoner intelligence database which is currently done manually. The implementation of such a solution is a national recommendation. There are no revenue consequences of this project.

3.6 The reduction of £350k to the Air Support budget is due to the purchase price of the helicopter, from the North East Air Support Unit, costing less than the £1.5m initially anticipated. This is offset by a reduction in the capital receipt received by the Authority for its share of the assets in the consortium. It therefore has no overall impact on the Capital Programme.

3.7 Subject to Members approving the proposed changes the budget now stands at £11,269k in 2009/10.

#### **3.8 Budget Monitoring**

Appendix C details actual expenditure against budget to date and shows an underspend of £36k. This is primarily driven by an under spend on the Fleet Replacement Programme which is currently undergoing a review.

#### **3.9 PFI Expenditure**

Members requested further information to be included in this Capital Report around our PFI schemes. As Members will be aware the Authority has entered into 2 PFI schemes which have significantly improved the accommodation available to the Officers and Staff of Cleveland Police to enable us to deliver an improved service to the people of Cleveland.

#### **Urlay Nook**

- The first contract that we entered into was for the Tactical Training Centre at Urlay Nook and this 25 year contract commenced in April 2001. Payments in relation to this PFI scheme are expected to total £1,560k in

- The remainder pays for the maintenance of the building, the staff which transferred to the supplier who operates the building and the running costs of the building.
- We receive a Grant from the Home Office in relation to this PFI scheme in 2009/10 this will total £933k which covers the Interest and Purchase costs.
- The ownership of the building will pass to Cleveland Police Authority at the end of the contract.

#### Action Stations

- The second contract that we entered into was for the Centralised Cell Accommodation and District HQ Facilities and this 25 year contract commenced in January 2007.
- Payments in relation to this PFI scheme are expected to total £4,644k in 2009/10; of this £1,527k relates to the costs to purchase the buildings over the 25 years. £1,638k relates to the interest charges required to be paid on the money that was used to build the assets. In effect both of these payments are as per the mortgage payments an individual would make on their homes. The remainder pays for the maintenance of the buildings, the staff which transferred to the supplier who operates the buildings and the running costs of the buildings.
- We receive a Grant from the Home Office in relation to this PFI scheme in 2009/10 this will total £3,165k which covers the Interest and Purchase costs.
- The ownership of the building will pass to Cleveland Police Authority at the end of the contract.

#### 3.10 Capital Plan

The capital plan includes three major schemes which, per original timescales, are due to be completed in 2009/10:

- Strategic Road Policing Facility (£5.25m)
- Hartlepool Refurbishment (£4.8m)
- Mobile Working Project (£2.7m)

#### 3.11 Strategic Road Policing Facility

This project went operational in the week commencing 3<sup>rd</sup> August 2009, with the official opening taking place on 18<sup>th</sup> September. This scheme has a budget of £2.2m in 2009/10, having spent the remainder in 2008/09. The final invoices and costs are expected over the coming months before a final position for this scheme is reported.

#### 3.12 Hartlepool Refurbishment

This was officially opened in June 2009. There are still some final invoices coming into the organisation for this project and the final position will be

reported once these have been received. It is anticipated that this will be finalised by May 2010.

### 3.13 Cleveland Universal Police Information Device (CUPID)

There are now 710 CUPID devices being used within the Force and the roll-out continues in Stockton. The full roll-out into Stockton is expected to be completed in January.

### 3.14 Air Support

The table below sets out the financial position in relation to the purchase of the Helicopter. This compares the original budget that was set with the expected position as at the end of November 2009. This takes into account the deposit that has been paid, the exchange rates as at the end of November, the revised grant application that was approved by the NPIA on the 3<sup>rd</sup> February 2009, as previously reported to Members, and also the guaranteed minimum value that we will trade in our current helicopter for.

<b>Helicopter Purchase</b>	Original Budget	Expected Position as at Nov 2009
	£k	£k
Deposit - April 2009	509	518
Acceptance - June 2010	3,698	3,771
Delivery - Jan 2011	807	779
Retention - Jan 2012	100	102
<b>Total Purchase Cost</b>	<b>5,114</b>	<b>5,170</b>
Grant	(2,046)	(2,136)
Trade in current helicopter	(1,125)	(1,000)
<b>Net Cost to CPA</b>	<b>1,943</b>	<b>2,034</b>

3.15 As can be seen from the above table, despite the significant fluctuations in the exchange rate of Sterling versus both the Euro and US Dollar the overall cost of the Helicopter purchase is not expected, at this time, to be significantly different to the original budget. The exchange rates will continue to be monitored on a regular basis and updates will be reported to Members.

## **4 Implications**

### 4.1 Finance

There are no financial implications other than those mentioned above.

### 4.2 Equal Opportunities & Diversity

Diversity considerations are kept under constant review in line with Force policies and 'Putting People First'. There are no issues arising from this report to bring to Members attention.

4.3 Human Rights Act

There are no Human Rights Act implications arising from this report.

4.4 Sustainability

This report is part of the process established by the Authority to establish sustainable annual and medium term financial plans and maintain prudent financial management.

4.5 Risk

There are no further risks to bring to Members' attention other than those outlined in the body of the report.

**5 Conclusions**

- 5.1 This report sets out progress against delivery of the Capital Programme for 2009/10 and recommendations to make optimum use of the capital resource available to the Authority to refresh and develop the asset base for policing in the 21<sup>st</sup> Century in line with the vision of 'Putting People First'.

Sean Price  
Chief Constable

**Outline Description of Capital Schemes**

**ESTATES SCHEMES**

**Hartlepool Refurbishment**

Scheme to bring Hartlepool Custody Suite up to the same standard as the Action Stations PFI Custody facilities.

**Disability Discrimination Act (DDA) Modifications**

The Disability Discrimination Act 1995 places a statutory duty on organisations to make reasonable adjustments to the physical fabric of their premises to improve accessibility.

**Strategic Road Policing Unit**

The development of a new fleet headquarters to replace that current location at Cannon Park.

**Building Management System (BMS) Outstation Improvements**

To automate and take control of the maintenance of a buildings working environment.

**HQ Lift Upgrade and Replacement**

The replacement of the executive lift which has been out of operation for a number of years.

**HQ Uninterruptible Power Supply (UPS) replacement**

Due to operational requirements the UPS system that ensures all essential equipment remains operational in the event of a power failure, needs replacing.

**HQ Boiler Pump Replacement**

The present pumps in the HQ Boiler Room are approx 25 years old and approaching the end of their serviceability. The replacement of the pumps is to protect the integrity of the service delivery and improve energy efficiency.

**Lighting Protection - Phase 2**

A lighting Protection System is required to protect the electronic systems from a lightning strike.

**External Storage Containers**

The purchase of storage containers to replace the currently rented. This will make a considerable saving to the Force over a number of years.

**Vulnerable Persons Unit - Kirkleatham**

The centralised accommodation of the Vulnerable Persons Unit in the South of the Authority Area.

### **Vulnerable Persons Unit - Billingham**

The centralised accommodation of the Vulnerable Persons Unit in the North of the Authority Area.

### **North Ormesby Gates**

Installation of 2 access/egress box key operable gates to improve security.

### **The Parking Bays Stockton**

Preparation and painting of 6 additional parking bays for operational police cars.

### **Integrity Unit Re-location**

Integrity unit moving premises.

## **EQUIPMENT SCHEMES**

### **Airwaves Equipment Replacement**

The upgrade and replacement of the airwaves hand held operator consoles , carried forward from the 2008/9 carry forward.

### **Automatic Number Plate Recognition (ANPR) I & II**

The ANPR programme is largely funded by PSU grant and partnership income.

### **Automatic Number Plate Recognition (ANPR) Storage**

Expand the storage capacity of both the ANPR back office facility (BOF2) and the Cleveland Analytical Research Suite (CARS).

### **Replacement Horse Walker**

Replacement of current horse walker which is nearing end of useful life

## **ICT SCHEMES**

### **Cleveland Universal Police Information Device (CUPID)**

This project will deliver Force wide mobile working for operational officers and police staff. Mobile working was identified as one of the main strands of the IS&T Strategy and is a key element of the Chief Constable's vision for the Force, providing Officers with access to the information and services they require to enable them to remain within their communities.

### **Communication Service Provider (CSP) - Secure Information Software**

Dedicated software to meet the requirements of the covert policing system.

### **IMPACT Data Preparation**

The IMPACT programme was developed nationally in response to Bichard Enquiry to introduce data quality software to enable the Force to measure the quality of crime recording and management, intelligence, child protection and domestic violence data against the national IMPACT solution. There is now an urgent requirement to use the

same tool to clean data prior to the IRIS Intelligence Module going live and enable the ongoing monitoring and cleansing of data.

### **Criminal Justice Extranet (CJX) Resilience**

The Force funds 2 CJX links that provide the connectivity onto the CJX network. This dual link provides resilience onto the CJX network to eliminate the loss of access to CJX should an individual route be lost.

### **E forms**

E-forms technology utilises on-line forms and workflow functionality to reduce the number of forms, reduce bureaucracy and improve efficiency.

### **NSPIS HR Origin & Self Service**

This project is for the upgrade of the Duty Management (DMS) portion of the system from NSPIS to ORIGIN.

### **Relocation of Force Fallback facilities**

Migration of IT and Comms equipment from PRS to M8. Expansion of fallback facility for Control Room

### **Stockton upgrade to Voice Over Internet Protocol (VOIP)**

Replacement of telephony technology at Stockton District.

### **Integrated Risk & Performance Management**

Software to support Forces risk management process.

### **CLIO Software**

IT system for management of activity in relation to urgent incidents.

### **Stockton PABX**

Stockton PABX requires an upgrade in order to provide voice and data networking from Stockton to Wynyard, without this one of the two proposed sites at Wynyard will not have telephony data.

### **Identity & Access Management**

IAM is a national mandated programme which will be used for identification, authentication and authorisation of any of those staff using any police computing systems across the whole UK Police Service.

### **Confidential Environment / Network Encryption**

The Criminal Justice Extranet (CJX) data network was created to provide all criminal justice agencies with secure data networking. New national applications are to be delivered to Forces over the CJX network which requires a more secure environment than is provided by the RESTRICTED level of security. To provide this more secure platform the CJX network is being upgraded to CONFIDENTIAL.

### **Airwaves Replacement Programme**

The upgrade and replacement of the airwaves hand held operator consoles.

### **Airwave in-building Coverage**

The Force has 100% airwave hand terminal outside building coverage but this is reduced when in buildings. To overcome the in-building penetration problem that is being experienced Airwave have developed a way of enhancing the radio signal to provide operational officers with continual radio coverage.

### **St Hildas PFI Communications Fallback project**

This scheme is to expand the fallback facility for the Communications Service Unit. The scheme was previously in the 2008/09 program at a cost of £250k: however it was placed on hold and has been reintroduced to the program at a reduced cost.

### **Promat ID**

The purchase and installation of two PROMAT ID systems to replace the two PM3 units currently in use. The units will be located in the custody area at Middlesbrough

### **Highways Agency Interface**

The project will run solely to include the installation, testing and certification of the interface as installed by Intergraph. The capital cost being nil to Cleveland Police and the Authority.

### **Saadian PINS**

A computerised system to enable the interrogation of the prisoner intelligence database.

## **FLEET SCHEMES**

### **Fleet Replacement Programme**

The programmed replacement of fleet vehicles to maintain operational effectiveness.

## **AIR SUPPORT SCHEMES**

### **Air Support Programme**

The purchase of a helicopter and set up costs at Durham Tees Valley Airport for the new Cleveland Air Operations Unit.