

Cumbria Police Authority

15 February 2012
Agenda Item Number 10

Proposed Capital Programme 2012-13 and beyond

A report by the Chief Constable

1. Summary

1.1. The purpose of this paper is twofold : -

- (i) Firstly, to update members on progress of schemes within the current approved capital programme and the effect they will have on the capital programme for 2012-13 and beyond.
- (ii) Second, to advise members with an updated view of new capital developments the Chief Constable would wish to bring forward in 2012-13 further to the agreements made at the December meeting of the Police Authority.

1.2. In relation to the proposals, the paper seeks to recognise the wider and longer term financial implications facing the Constabulary and Authority. It is recognised that longer term IT capital requirements are less certain, can fluctuate from year to year, and may alter in the longer term, as technologies and structures change. In order to provide members with an indication of the possible financial impacts of these fluctuations, the capital programme presented in this report has been prepared over a longer term basis (10 years). The papers also link to an adjoining paper, elsewhere on the agenda, which deals with revenue budget for 2012-13 and MTFF.

2. Recommendations

2.1. Members are asked to:

- (i) Note and comment on the proposed Capital Programme for 2012-13 and beyond.
- (ii) Approve the latest estimates of expenditure against current schemes.
- (iii) To note that a final business case with regards to the proposal supported by Police Authority in Principle to develop a new BCU and custody facility at Barrow as outlined in paragraph 4.7.2 will be brought before members in March.

3. Impact of current Schemes on the 2012-13 Capital Programme

- 3.1. A number of current approved capital schemes will run into 2012-13 and beyond. For many projects this is in accordance with the planned profile of expenditure, although in some instances it results from project slippage. Prior to outlining new capital plans and resources for 2012-13, for members' information, it is worthwhile to briefly take stock of progress on existing schemes, which will impact on spending in 2012-13 and beyond.
- 3.2. In the November capital programme report to Governance Committee members were provided with a summary of progress on the 2011-12 capital programme and implications for future years based on projections at the end of September 2011. To remind members the main conclusion was as follows :-

Spending originally budgeted for 2011-12 now profiled into future periods was projected to amount to £4.2m (43% of the original budget), with four of the eight schemes planned new schemes in 2011-12 expected to progress beyond the scoping phase in the year. It is attributable to a number of schemes but are predominantly IT related (95%).

Year Scheme Approved	Scheme	Qtr 2 £000's	Qtr 3 £000's
2004-05	Disability Discrimination Act - Estates Works	0	18
2006-07	Sleuth	709	751
2007-08	Storm (Command & Control)	99	203
2008-09	Mobile Working	151	135
2009-10	IT Applications Server Replacement (Fixed Penalties)	30	30
2009-10	Police National Database Phase 1	138	185
2010-11	IT Replacements 2010-11	20	154
2010-11	Finance & Business Systems Upgrade	152	262
2010-11	ANPR	0	4
2011-12	IT Replacements 2011-12	393	393
2011-12	IT Network & Radio Infrastructure 2011-12	1,097	1,097
2011-12	Vehicle Replacements 2011-12	224	401
2011-12	Digital Interview System	360	360
2011-12	IT Applications Server Replacement (Case & Custody)	200	293
2011-12	Police National Database Phase 2	607	607
2011-12	Ambleside Police Station - Division (approved by PA 20/12/11 - shown as in 2011-12 in error)	0	30
	Total	4,180	4,923

Projections for the current programme have now been updated based on the position at the end of December. The quarter 3 position to the end of December will be reported in more detail to the Governance Committee in March. The figures differ only slightly from those presented to FPP and Police Authority in December. The above

table illustrates the forecast slippage at September (Qtr 2) compared with that at December (Qtr3).

4. Revision of the Capital Strategy 2012-13 and Beyond

- 4.1. The construction of the capital strategy for 2012-13 takes place against a backdrop of unprecedented financial challenge following the cuts in funding announced in the 2010 Spending Review and subsequent grant settlement. In addition, in recent years the Authority has undertaken an ambitious programme of capital works which have depleted the Authority's capital financing resources. In cognisance of this financial position, the Chief Constable has restricted future capital proposals to those of the most pressing need, principally around the rolling replacement programmes for fleet and IT infrastructure.
- 4.2. During 2011-12 the Constabulary has conducted a number of far reaching reviews with the aim of streamlining support services in order to reduce costs. Whilst the reviews have primarily focused on identifying revenue budget reductions in some instances capital savings have also been identified, the effects of which have been incorporated into the capital strategy presented in this report in so far as they have been agreed.
- 4.3. In setting a capital strategy, the Prudential Framework for capital expenditure requires that Authority's set a capital programme that is prudent, affordable and sustainable. In recognising this requirement, and the fact that within the capital programme rolling programmes for fleet and in particular IT, there can be considerable fluctuations in capital resources required from year to year, the capital programme has been extended to provide an indicative capital programme for a 10 year period.
- 4.4. However, it should be noted that in this period of great organisational and strategic and technological change and in the current economic climate, it is difficult to provide meaningful estimates in terms of both capital requirements and available funding over such a long time frame. Accordingly the capital strategy has been split across two time frames. The first section covers the conventional four year medium term planning period up to 2015-16 and incorporates detailed planned schemes. The first section also allocates finance to the proposed schemes to demonstrate that they can be funded within available resources. The second section provides more indicative estimates of capital costs, but rather than presenting a funded programme to 2021, merely points to the likely available capital resources in later years and the potential difficulties of funding a capital programme of the size now being contemplated. These figures are still to subject to detailed scrutiny and evaluation within the Constabulary, but nonetheless provide some context for more immediate capital allocation decisions.
- 4.5. The paragraphs below provide further details of the capital strategy as presented in the main business areas.
- 4.6. ICT Capital Programme**
- 4.6.1. In 2010-11, a review of ICT related capital schemes was targeted with achieving a reduction in the region of 50%. The capital strategy agreed in February 2011 reflected more modest savings of £821k (14%) identified as a result of this work, from £5,995k

in February 2010 to £5,174k as part of the agreed programme in February 2011.

- 4.6.2. In 2011-12, there has been some considerable slippage in the delivery of IT schemes in the capital programme, which were reported to the November Governance Committee. This prompted a further, more detailed, review of the IT capital strategy in light of the restructure of the ICT directorate and aimed to realign the programme more closely to the resources available to deliver it. The IT strategy was agreed by Police Authority in December and is now incorporated in the capital programme.
- 4.6.3. A more detailed analysis of the IT capital strategy is provided at **Appendix 3**.

4.7. **Estates Capital Programme**

- 4.7.1. The most pressing issue, both for the Chief Constable and members of the Authority, is to provide a sustainable solution to the main accommodation in Barrow and, in particular to the custody suite, where there are a number of problems which need to be addressed, both in terms of the facilities themselves and in relation to the size of the suite. Members will recall that there had been an indicative capital scheme to develop a substantive new HQ and custody suite in the coming years, but which was deferred, when it became clear that the cost of such a scheme was unaffordable, given the reduction in funding likely to be available to the Authority and Chief Constable, resulting from announcements made in the 2010 Spending Review.

More recent discussions around custody facilities have led to the development of broadly based outline sketches of a much scaled back development, which would address some of the issues relating to Custody. To this end the Chief Constable was asked to produce indicative drawings and costs to the Finance and Policing Plan Working Group for discussion. Additionally, there were subsequent discussions at the joint strategy event in November. Most recently, the Constabulary Chief Officer Group have discussed this option in some detail. In summary, those discussions raised concerns both about whether such a development would overcome many of the current deficiencies. Additionally, such an option was seen as offering a poor return on the investment, as it was felt that such an approach was not sustainable, did not have professional estates support, would need further investment in the medium term and therefore did not offer Value for Money.

- 4.7.2. Following further discussions at the December meeting of Finance and Policing Plan Working Group, there was strong support from members and the Chief Constable to continue to explore the development of a new BCU HQ and custody suite at Barrow modelled around a budget of £7m. The Police Authority in December approved in principle the proposals and a detailed business case is now being developed and will be presented to members of the Police Authority for approval in March 2012 after discussion by the Finance and Policing Plan working group.
- 4.7.3. The capital strategy for estates also includes routine works required to improve the condition of some flat roofs and to update heating, ventilation and cooling installations. A more detailed analysis of the estates capital strategy is provided at **Appendix 4**.

4.8. **Fleet Capital Programme**

- 4.8.1. As part of the change programme a review of fleet was undertaken earlier in 2011-12. The review included both capital and revenue aspects associated with the operational fleet and with the grey fleet (hire cars and other travel costs). The estimated replacement costs for future years are based on the best estimates available from the current framework prices and current turnkey conversion costs. The figures for future years have been increased by a notional amount for inflation in accordance with the procedure adopted in the production of the overall MTFF.
- 4.8.2. A more detailed analysis of the fleet capital strategy is provided at **Appendix 5**.
- 4.8.3. In 2007 a ballistically protected vehicle was purchased as a separate capital project (following a strategic threat and risk assessment), the vehicle which has an expected life of 10 years is not included in the current fleet replacement plan. A report was considered by Operations Board to consider adding this vehicle to the operational fleet replacement programme.

4.9. Home Office Resources supporting Capital Spending

- 4.9.1. In December 2011 provisional capital grant allocations from the Home Office for the three year period 2012-13 to 2014-15 were announced (see table below). The actual grant received in 2011-12 is £674k. The provisional grant allocations provided include the effects of a notification received from the Home Office advising of the intention of capital funding being top sliced to provide capital funding for the National Police Air Service (NPAS). Initial indications were that capital grant funding for Cumbria would be reduced by £50k in 2012-13, £70k in 2013-14 and £50k in 2014-15. The Authority and Constabulary have responded to the provisional allocations as part of the normal consultation process setting out that it believes the top slicing arrangements to be unfair for those forces, like Cumbria who do not have dedicated air support and who did not intend to be part of NPAS.

Financial Year	Actual Grant Allocation £'000	Provisional Grant Allocation £000
2011-12	674	0
2012-13	0	900
2013-14	0	800
2014-15	0	900
Total	674	2,600

- 4.9.2. Finally, to remind members, use of Home Office capital grant is not restricted to the year of allocation, but can be retained until needed, earning interest in the interim. The capital financing proposals in section 7 of this report indicate that the reserve of unapplied capital grants which the Authority has built up over the years, amounting to £3.316m at the end of 2010-11, are forecast to be fully applied by 2013-14. Members should note that it was previously forecast that these reserves would be fully applied during 2011-12 but as a result of revised spending profiles in the capital programme this has now been extended to 2013-14.

5. Financing of Capital Proposals

5.1. Financing of capital expenditure to 2015-16

5.1.1. The Capital Proposals now put forward are part of a long term indicative capital plan, which amounts to a total of £20m between 2012-13 and 2015-16 and £44m when viewed over 10 years to 2021-22.

5.1.2. As indicated in paragraph 4.4, the table below sets out a schedule of financing to support the proposed capital programme for a four year period to 2015-16.

	2011-12	2012-13	2013-14	2014-15	2015-16	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Capital Expenditure						
Existing Schemes	5,818	2,626	787	0	0	9,231
Proposed Schemes 2012-13	0	5,620	5,943	2,522	2,901	16,986
	5,818	8,245	6,730	2,522	2,901	26,217
Financing						
Capital Grants	2,322	2,212	1,889	900	900	8,223
Capital Receipts	310	2,815	0	0	0	3,125
Direct Revenue Contributions	1,588	1,200	1,200	1,200	1,200	6,388
Capital Reserve	290	18	3,641	422	801	5,173
Borrowing	1,308	2,000	0	0	0	3,308
	5,818	8,245	6,730	2,522	2,901	26,217

5.1.3. Members should note that at the end of 2010-11 the Authority's capital financing requirement (which measures the underlying need to borrow) amounted to £12m after adjusting to remove the effects of the PFI arrangement. This figure will increase by £3.3m as a result of the residual costs in relation to the Kendal Custody works and the proposed Barrow scheme.

5.1.4. In November 2011 a former police house at 12 Derwent Drive, Kendal was sold and a capital receipt of £185k was generated similarly in January 10 Clifton Court, Workington was sold and a capital receipt of £125k was generated. A small proportion of these sums can be allocated to the revenue budget to offset costs associated with the disposal of the property. The balance of the receipts has been earmarked to be used to part fund the estates proposals regarding the Allerdale Rural Deployment Centre and the Barrow BCU and Custody facilities as outlined in the above report and in the Authority paper regarding estates rationalisation elsewhere on this agenda.

5.1.5. Other material sources of capital finance over the period set out in the table below include: -

- Capital grants – £8m, using existing grants and, for the future, applying expected grants based on the provisional levels of grant entitlement announced in December 2011.
- Capital receipts – the proposed financing includes estimated capital receipts of £3m arising as a result of the proposed estates rationalisation programme.

- Capital reserves
 - The general capital reserves at the end of 2010-11 amounted to £5.7m. It is anticipated that £2.7m of this will be used to finance the current programme to 2015-16 leaving a balance of £3m which is currently uncommitted.
 - In addition, as a result of the proposed funding of the Barrow development as agreed in December, £3.3m of the forecast revenue underspend for 2011-12 will be earmarked (subject to its availability at the year end) in a specific reserve to part fund this scheme, which at this stage the majority of which is forecast to be drawn down during 2012-13.
- Direct Revenue Contributions - £6.4m, assuming a revenue contribution of £1.6m in 2011-12 (which includes a revenue contribution from the Management of Change budget in respect of Allerdale Rural, Central Services and Ambleside) and an annual contribution of £1.2m thereafter.

5.2. Longer term financing of capital expenditure

5.2.1. Beyond 2015-16, broad indications point to cumulative payments between 2016-17 and 2021-22 of more than £23m, averaging in excess of £4m per annum over that period. Whilst the revenue budget is being significantly downsized, a more mixed picture is emerging around future capital spending needs. Although there have been some reductions in fleet requirements from the change programme review, longer term indicative requirements for ICT look, for the moment to be increasing. As the report sets out earlier, the longer the outlook, the more uncertain things become. But the projections are the best available today, notwithstanding that uncertainty.

5.2.2. In terms of the financing of capital expenditure as set out at **Appendix 1**, the proposed programme up to 2015-16 utilises significant proportions of available capital resources. In particular, it consumes: -

- All accumulated capital grants from past years Home Office annual allocations coupled with expected annual allocations to 2015-16
- A significant proportion of current capital resources
- An annual contribution from the revenue budget of £1.2m

Accordingly, beyond 2015-16 an increasing capital deficit begins to appear, amounting to £7.8m by the end of the outlook period. During that period, annual capital commitments average in excess of £4m per annum, with little over £2m per annum available in sustainable capital finance, made up of a contribution from the revenue account (£1.2m) and Home Office capital grant (estimated to £0.9m), where the long term commitment may be in doubt, especially at current values. Additionally, the remaining capital reserves are fully utilised quickly.

5.2.3. Balancing future longer term capital programmes may well become as taxing in the years ahead as the current downsizing of the revenue budget is at the moment. Prudential borrowing will offer little assistance for relatively short lived assets such as vehicles and IT equipment, because the impact on the revenue budget would be significant and counter productive.

5.3. Ongoing costs arising from Capital Schemes.

5.3.1. Ongoing costs arising from capital expenditure can be grouped into two distinct component sections. On the one hand most capital schemes incur ongoing running costs, and in addition, there are the costs in terms of interest foregone or direct borrowing to finance the expenditure.

6. The Prudential Code of Practice and Sustainability of Capital proposals

6.1. The Prudential Code for Capital Finance requires that supporting a Capital Programme by external borrowing must be judged in terms of its Prudence, Affordability and Sustainability and in the context of the broader budget proposals. Past decisions by the Chief Constable's to defer investment in some new major projects until the financial challenges facing the Authority are addressed are entirely consistent with the objectives of the code. The annual Statement of Treasury Management and Prudential Indicators for 2012-13 and the following three years will be presented to the main budget meeting to accompany the formal budget proposals.

6.2. However, it should be noted that, in advance of the budget meeting, the effects of capital proposals on the revenue budget both in terms of direct revenue support for schemes and the costs of borrowing to fund the programme have been fully incorporated into the revenue budget for 2012-13 and the accompanying medium term financial projections to 2015-16 contained in the budget report elsewhere on this agenda.

Stuart Hyde
Chief Constable

Appendices

1. Schedule of existing and proposed capital expenditure
2. Schedule of proposed capital financing
3. Detailed breakdown of ICT capital schemes.
4. Detailed breakdown of Estates capital schemes.
5. Detailed breakdown of Fleet capital schemes

Contact points for further information

Michael Thompson - Director of Finance and Resources
Telephone No: 01768 217005
E Mail: michael.thompson@cumbria.police.uk

Roger Marshall – Head of Financial Services
Telephone No: 01768 217020
E Mail: Roger.Marshall@cumbria.police.uk

Michelle Bellis – Accountancy Services Manager
Telephone No: 01768 217021
E Mail: Michelle.Bellis@cumbria.police.uk

Human Rights Implications

None Identified

Race Equality / Diversity Implications

None Identified

Risk Management Implications

As identified in the report

Financial Implications

As identified in the report

Personnel Implications

As identified in the report

Capital Programme 2012-13 to 2021-21 – Existing Schemes

Project Description	Scheme Status (Firm/ Indicative)	Forecast Outturn 2011-12 £'s	Forecast Outturn 2012-13 £'s	Forecast Outturn 2013-14 £'s	Forecast Outturn 2014-15 £'s	Forecast Outturn 2015-16 £'s	Forecast Outturn 2016-17 £'s	Forecast Outturn 2017-18 £'s	Forecast Outturn 2018-19 £'s	Forecast Outturn 2019-20 £'s	Forecast Outturn 2020-21 £'s	Forecast Outturn 2021-22 £'s	Total Costs £'s
Existing Schemes													
Fleet Schemes													
Vehicle Replacements & Adaptations 2010-11	Firm	201,639	0	0	0	0	0	0	0	0	0	0	201,639
Vehicle Replacements & Adaptations 2011-12	Firm	683,660	400,640	0	0	0	0	0	0	0	0	0	1,084,300
Sub Total Existing Fleet Schemes		885,299	400,640	0	0	0	0	0	0	0	0	0	1,285,939
Estates Schemes													
South Estate - Kendal Custody	Firm	1,307,997	0	0	0	0	0	0	0	0	0	0	1,307,997
Disability Discrimination Act Works (2007/08)	Firm	10	18,004	0	0	0	0	0	0	0	0	0	18,014
Fire Behaviour and Public Order Training Establishment	Firm	200,000	0	0	0	0	0	0	0	0	0	0	200,000
HQ Refurbishment - Establishment of Central Services Department #	Firm	99,000	0	0	0	0	0	0	0	0	0	0	99,000
Allerdale Rural Deployment Centre #	Firm	813,000	0	0	0	0	0	0	0	0	0	0	813,000
Ambleside Police Station Alterations #	Firm	0	30,000	0	0	0	0	0	0	0	0	0	30,000
Sub Total Existing Estates Schemes		2,420,007	48,004	0	0	0	0	0	0	0	0	0	2,468,011
ICT Schemes													
IT Replacements 2010-11	Firm	584,094	134,121	0	0	0	0	0	0	0	0	0	718,215
ANPR (Motorway Equipment Replacement)	Firm	40,140	4,150	0	0	0	0	0	0	0	0	0	44,290
Finance and Business System Upgrade	Firm	490,252	261,993	0	0	0	0	0	0	0	0	0	752,245
Application Hardware Replacement (Holmes II)	Firm	33,312	0	0	0	0	0	0	0	0	0	0	33,312
PND Phase 1 (Incl. Confidential Network & IAM)	Firm	21,671	185,766	0	0	0	0	0	0	0	0	0	207,437
Mobile Working	Firm	1,022,208	134,815	0	0	0	0	0	0	0	0	0	1,157,023
Oracle 11i-Origin HR System	Firm	65,109	0	0	0	0	0	0	0	0	0	0	65,109
Command & Control/STORM	Firm	168,431	202,161	0	0	0	0	0	0	0	0	0	370,592
Implementation of Stand Alone e-learning	Firm	10,006	0	0	0	0	0	0	0	0	0	0	10,006
Sleuth	Firm	8,447	750,263	0	0	0	0	0	0	0	0	0	758,710
Application Hardware Replacement (Case & Custody)	Firm	68,671	293,829	0	0	0	0	0	0	0	0	0	362,500
Application Hardware Replacement (Fixed Penalties)	Indicative	0	30,000	0	0	0	0	0	0	0	0	0	30,000
Digital Interview System	Indicative	0	180,000	180,000	0	0	0	0	0	0	0	0	360,000
PND Police National Database (Phase 2)	Indicative	0	0	607,453	0	0	0	0	0	0	0	0	607,453
Sub Total Existing ICT Schemes		2,512,341	2,177,098	787,453	0	0	0	0	0	0	0	0	5,476,892
Total Existing Schemes		5,817,647	2,625,742	787,453	0	0	0	0	0	0	0	0	9,230,842

Capital Programme 2012-13 to 2021-21 – Proposed Schemes

Project Description	Scheme Status (Firm/ Indicative)	Forecast Outturn 2011-12 £'s	Forecast Outturn 2012-13 £'s	Forecast Outturn 2013-14 £'s	Forecast Outturn 2014-15 £'s	Forecast Outturn 2015-16 £'s	Forecast Outturn 2016-17 £'s	Forecast Outturn 2017-18 £'s	Forecast Outturn 2018-19 £'s	Forecast Outturn 2019-20 £'s	Forecast Outturn 2020-21 £'s	Forecast Outturn 2021-22 £'s	Total Costs £'s
Proposed Schemes 2012-13													
Fleet Schemes (see Appendix 5 for details)													
Fleet Replacement Programme	Firm	0	655,200	850,750	751,800	1,240,443	1,291,730	1,128,713	983,825	1,128,000	1,078,800	1,301,073	10,410,334
Ballistically Protected Vehicle	Indicative	0					60,000						60,000
Sub Total Proposed Fleet Schemes		0	655,200	850,750	751,800	1,240,443	1,351,730	1,128,713	983,825	1,128,000	1,078,800	1,301,073	10,470,334
Estates Schemes (see Appendix 4 for details)													
Barrow - Redevelopment & Extension of Custody Facilities	Indicative	0	3,500,000	3,500,000	0	0	0	0	0	0	0	0	7,000,000
Roof Repairs - Various	Indicative	0	0	0	0	37,625	143,000	78,750	0	0	0	0	259,375
Heating, Ventilation & Cooling Plant - Various	Indicative	0	0	0	0	0	55,000	0	0	70,500	0	0	125,500
Sub Total Proposed Estates Schemes		0	3,500,000	3,500,000	0	37,625	198,000	78,750	0	70,500	0	0	7,384,875
ICT Schemes (see Appendix 3 for details)													
ICT Rolling Desktop, Infrastructure Server & Storage Replacement	Firm	0	321,800	627,095	579,390	293,905	1,101,980	363,825	404,570	953,865	422,160	1,361,955	6,430,545
- ICT Hardware (Desktop, Laptop, Server, Storage, Printers, Appliance) Rep	Firm	0	30,000	0	0	32,250	0	0	34,500	0	0	36,750	133,500
- ICT Software Application Replacement	Firm	0	30,000	312,625	577,500	301,000	731,500	146,250	0	94,000	450,000	728,875	3,371,750
- ICT Hardware (Communications/Network) Replacement	Firm	0	94,500	159,644	163,538	0	0	0	0	235,000	240,000	245,000	1,137,682
- ICT Hardware (Radios) Replacement	Firm	0	476,300	1,099,364	1,320,428	627,155	1,833,480	510,075	439,070	1,282,865	1,112,160	2,372,580	11,073,477
ICT Network & Radio Infrastructure	Indicative	0	383,000	76,875	0	0	0	1,406,250	440,450	0	0	0	2,306,575
- ICT Communications/Network Replacement	Indicative	0	530,000	108,548	342,195	113,843	116,490	0	1,725,000	1,334,683	391,080	129,728	4,791,566
- ICT Radio Replacement	Indicative	0	913,000	185,423	342,195	113,843	116,490	1,406,250	2,165,450	1,334,683	391,080	129,728	7,098,141
ICT Projects	Indicative		25,000	0	0	0	0	0	0	0	0	0	25,000
ICT Infrastructure Solution Replacement	Indicative		50,000	307,500	107,625	882,306	495,000	509,063	345,000	0	1,047,900	551,250	4,295,644
Sub Total Proposed IT Schemes		0	1,464,300	1,592,287	1,770,248	1,623,304	2,444,970	2,425,388	2,949,520	2,617,548	2,551,140	3,053,558	22,492,262
Total Proposed Schemes 2012-13		0	5,619,500	5,943,037	2,522,048	2,901,372	3,994,700	3,632,851	3,933,345	3,816,048	3,629,940	4,354,631	40,347,471
Total Proposed Programme 2012-13		5,817,647	8,245,242	6,730,490	2,522,048	2,901,372	3,994,700	3,632,851	3,933,345	3,816,048	3,629,940	4,354,631	49,578,313

Capital Programme 2012-13 to 2021-21 – Proposed Financing

Financed By:	Forecast Financing 2011-12 £000	Forecast Financing 2012-13 £000	Forecast Financing 2013-14 £000	Forecast Financing 2014-15 £000	Forecast Financing 2015-16 £000	Forecast Financing 2016-17 £000	Forecast Financing 2017-18 £000	Forecast Financing 2018-19 £000	Forecast Financing 2019-20 £000	Forecast Financing 2020-21 £000	Forecast Financing 2021-22 £000	Total Financing £000
Capital Receipts	310,300	2,815,000	0	0	0	0	0	0	0	0	0	3,125,300
Direct Revenue Contributions	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	13,200,000
Direct Revenue Contributions - Additional Contributions/Virements	45,866	0	0	0	0	0	0	0	0	0	0	45,866
Direct Revenue Contributions - Allerdale Rural	213,000	0	0	0	0	0	0	0	0	0	0	213,000
Direct Revenue Contributions - Central Services	99,000	0	0	0	0	0	0	0	0	0	0	99,000
Direct Revenue Contributions - Ambleside	30,000	0	0	0	0	0	0	0	0	0	0	30,000
Capital Grants												
Capital Grants - Applied from Reserve	1,749,566	2,077,423	1,889,104	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	12,916,093
Specific Capital Grant - Mobile Data	522,208	134,815	0	0	0	0	0	0	0	0	0	657,023
Contribution from Fire and Rescue Services	50,000	0	0	0	0	0	0	0	0	0	0	50,000
Capital Reserves												
General Capital Reserve	0	0	1,456,386	422,048	801,372	1,894,700	1,091,812	0	0	0	0	5,666,318
Estates Rationalisation Reserve	289,700	0	2,185,000	0	0	0	0	0	0	0	0	2,474,700
DDA Reserve	10	18,004	0	0	0	0	0	0	0	0	0	18,014
Borrowing												
Borrowing (Notional linked to Kendal Scheme)	1,307,997	0	0	0	0	0	0	0	0	0	0	1,307,997
Borrowing (Notional linked to Barrow Scheme)	0	2,000,000	0	0	0	0	0	0	0	0	0	2,000,000
Total Financing	5,817,647	8,245,242	6,730,490	2,522,048	2,901,372	3,994,700	3,191,812	2,100,000	2,100,000	2,100,000	2,100,000	41,803,311
<i>Shortfall of Capital Financing</i>		0	0	0	0	0	441,039	1,833,345	1,716,048	1,529,940	2,254,631	7,775,002

Detailed Breakdown of ICT Capital Schemes

<----- 4 Yr MTFE Timescale ----->

Project Description	Forecast Outturn 2012-13 £'s	Forecast Outturn 2013-14 £'s	Forecast Outturn 2014-15 £'s	Forecast Outturn 2015-16 £'s	Forecast Outturn 2016-17 £'s	Forecast Outturn 2017-18 £'s	Forecast Outturn 2018-19 £'s	Forecast Outturn 2019-20 £'s	Forecast Outturn 2020-21 £'s	Forecast Outturn 2021-22 £'s	Total Costs £'s
ICT Rolling Replacement Schemes											
ICT Hardware (Desktop, Laptop, Server, Storage, Printers, Appliance) Replacement											
PC Replacement Program	50,000	100,000	50,000	100,000	50,000	100,000	50,000	100,000	50,000	100,000	750,000
Monitors Replacement	10,000		10,000		10,000		10,000		10,000		50,000
Laptop Replacement Program				100,000					100,000		200,000
Server Replacement Program		30,000			300,000		30,000			300,000	660,000
Printers \ Multi Function Printers	100,000		30,000		30,000		30,000		30,000		220,000
Storage (Data Growth)	50,000		50,000				50,000		50,000		200,000
Storage Area Network (Workington)		300,000					300,000				600,000
Storage Area Network (HQ)					500,000					600,000	1,100,000
Centera (File \ Email Archiving)						150,000					150,000
Websence		70,000					70,000				140,000
Enterprise Backup Replacement			300,000				300,000				600,000
Specialist Resource External	76,800	76,800	76,800	38,400	76,800	38,400	76,800	76,800	76,800	76,800	691,200
Specialist Resource Internal	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	350,000
Sub Total	321,800	611,800	551,800	273,400	1,001,800	323,400	351,800	811,800	351,800	1,111,800	5,711,200
Estimated Inflation #	0	15,295	27,590	20,505	100,180	40,425	52,770	142,065	70,360	250,155	719,345
Total	321,800	627,095	579,390	293,905	1,101,980	363,825	404,570	953,865	422,160	1,361,955	6,430,545
ICT Software Application Replacement											
Infrastructure Software	30,000			30,000			30,000			30,000	120,000
Estimated Inflation #	0	0	0	2,250	0	0	4,500	0	0	6,750	13,500
Total	30,000	0	0	32,250	0	0	34,500	0	0	36,750	133,500
ICT Hardware (Communications \ Network) Replacement											
Firewall Service Modules					100,000						100,000
Ace Load Balancer's			50,000						50,000		100,000
Cabelling for Server Core		30,000		30,000			30,000			30,000	150,000
Routers		50,000					50,000				100,000
Server Core LAN 6509			100,000			100,000			100,000		300,000
Data Switch replacement		225,000						225,000			450,000
Firewall Replacement \ Renewal					65,000					65,000	130,000
MDS Fibre				250,000							250,000
IP Telephony	30,000		400,000								430,000
Avaya Telephony Switch					500,000				500,000		1,000,000
Sub Total	30,000	305,000	550,000	280,000	665,000	130,000	0	80,000	375,000	595,000	3,010,000
Estimated Inflation #	0	7,625	27,500	21,000	66,500	16,250	0	14,000	75,000	133,875	361,750
Total	30,000	312,625	577,500	301,000	731,500	146,250	0	94,000	450,000	728,875	3,371,750
ICT Hardware (Radio's) Replacement											
Motorola Radio Hand Sets	94,500	155,750	155,750				200,000	200,000	200,000	200,000	1,006,000
Estimated Inflation #	0	3,894	7,788	0	0	0	35,000	40,000	45,000	45,000	131,681
Total	94,500	159,644	163,538	0	0	0	235,000	240,000	245,000	245,000	1,137,681

Detailed Breakdown of ICT Capital Schemes

<----- 4 Yr MTFE Timescale ----->

Project Description	Forecast Outturn 2012-13 £'s	Forecast Outturn 2013-14 £'s	Forecast Outturn 2014-15 £'s	Forecast Outturn 2015-16 £'s	Forecast Outturn 2016-17 £'s	Forecast Outturn 2017-18 £'s	Forecast Outturn 2018-19 £'s	Forecast Outturn 2019-20 £'s	Forecast Outturn 2020-21 £'s	Forecast Outturn 2021-22 £'s	Total Costs £'s
ICT Projects											
CRASH	25,000										25,000
Estimated Inflation #	0	0	0	0	0	0	0	0	0	0	0
Total	25,000	0	0	0	0	0	0	0	0	0	25,000
ICT Infrastructure Solution Replacement											
Federated Services	50,000		50,000								100,000
STORM		300,000				300,000					600,000
Finance \ Origin					300,000				300,000		600,000
PND (National IAM and Confidential)					50,000				50,000		100,000
Mobile Working											
Infrastructure				400,000					400,000		800,000
Toughbooks				420,750					420,750		841,500
Netbooks			52,500			52,500			52,500		157,500
SLEUTH \Case & Custody						400,000					400,000
HOLMES					100,000					100,000	200,000
Sub Total	50,000	300,000	102,500	820,750	450,000	452,500	300,000	0	873,250	450,000	3,799,000
Estimated Inflation #	0	7,500	5,125	61,556	45,000	56,563	45,000	0	174,650	101,250	496,644
Total	50,000	307,500	107,625	882,306	495,000	509,063	345,000	0	1,047,900	551,250	4,295,644
ICT Communications \ Network Replacement											
CJX contract ends. Replacement Connections		75,000									75,000
WAN Encyption	383,000						383,000				766,000
Voice Recording						250,000					250,000
Wide Area Network Contract						1,000,000					1,000,000
Sub Total	383,000	75,000	0	0	0	1,250,000	383,000	0	0	0	2,091,000
Estimated Inflation #	0	1,875	0	0	0	156,250	57,450	0	0	0	215,575
Total	383,000	76,875	0	0	0	1,406,250	440,450	0	0	0	2,306,575
ICT Radio Replacement											
ICCS Backend	500,000						500,000				1,000,000
ICCS Desktop Terminals	30,000						30,000				60,000
Airwave 2							1,000,000	1,000,000			2,000,000
Radio Vehicle Sets		75,900	75,900	75,900	75,900		75,900	75,900	75,900	75,900	531,300
Radio Vehicle Sets Resource		30,000	30,000	30,000	30,000		30,000	30,000	30,000	30,000	210,000
Supera Covert Radio Replacement			220,000					220,000			440,000
Sub Total	530,000	105,900	325,900	105,900	105,900	0	1,500,000	1,135,900	325,900	105,900	4,241,300
Estimated Inflation #	0	2,648	16,295	7,943	10,590	0	225,000	198,783	65,180	23,828	550,265
Total	530,000	108,548	342,195	113,843	116,490	0	1,725,000	1,334,683	391,080	129,728	4,791,565
Total ICT Schemes	1,464,300	1,592,286	1,770,248	1,623,304	2,444,970	2,425,388	2,949,520	2,617,548	2,551,140	3,053,558	22,492,260

Figures provided by ICT based on October 2011 prices, inflation estimate included to be consistent with MTFE methodology.

Detailed Breakdown of Estates Capital Schemes

<----- 4 Yr MTFF Timescale ----->

Project Description	Forecast Outturn 2012-13 £'s	Forecast Outturn 2013-14 £'s	Forecast Outturn 2014-15 £'s	Forecast Outturn 2015-16 £'s	Forecast Outturn 2016-17 £'s	Forecast Outturn 2017-18 £'s	Forecast Outturn 2018-19 £'s	Forecast Outturn 2019-20 £'s	Forecast Outturn 2020-21 £'s	Forecast Outturn 2021-22 £'s	Total Costs £'s
<u>Estates Schemes</u>											
Barrow Redevelopment & Extension of Custody	3,500,000	3,500,000									7,000,000
Roof Repairs											
- Whitehaven				35,000							35,000
- Ulverston											70,000
- Kendal											50,000
- Headquarters											80,000
Heating, Ventilation & Plant											
- Hunter Lane								60,000			60,000
- Headquarters				0	50,000						50,000
Sub Total	3,500,000	3,500,000	0	35,000	180,000	70,000	0	60,000	0	0	7,345,000
Estimated Inflation #	0	0	0	2,625	18,000	8,750	0	10,500	0	0	39,875
Total	3,500,000	3,500,000	0	37,625	198,000	78,750	0	70,500	0	0	7,384,875

Figures provided by Estates based on October 2011 prices, inflation estimate included to be consistent with MTFF methodology.

Detailed Breakdown of Fleet Capital Schemes

<----- 4 Yr MTFE Timescale ----->

Project Description	Forecast Outturn 2012-13 £'s	Forecast Outturn 2013-14 £'s	Forecast Outturn 2014-15 £'s	Forecast Outturn 2015-16 £'s
Fleet Schemes				
Vehicle Replacements	550,900	681,900	588,400	996,900
Vehicle Adaptions	82,100	148,100	127,600	157,000
Dual Purpose ARV Approved by PA 20/12/11	22,200	0	0	0
Ballistically Protected Vehicle	0	0	0	0
Sub Total	655,200	830,000	716,000	1,153,900
Estimated Inflation #	0	20,750	35,800	86,543
Total	655,200	850,750	751,800	1,240,443

Forecast Outturn 2016-17 £'s	Forecast Outturn 2017-18 £'s	Forecast Outturn 2018-19 £'s	Forecast Outturn 2019-20 £'s	Forecast Outturn 2020-21 £'s	Forecast Outturn 2021-22 £'s	Total Costs £'s
1,005,700	829,900	714,200	805,400	756,600	910,300	7,840,200
168,600	173,400	141,300	154,600	142,400	151,800	1,446,900
0	0	0	0	0	0	22,200
60,000	0	0	0	0	0	60,000
1,234,300	1,003,300	855,500	960,000	899,000	1,062,100	9,369,300
117,430	125,413	128,325	168,000	179,800	238,973	1,101,034
1,351,730	1,128,713	983,825	1,128,000	1,078,800	1,301,073	10,470,334

Figures provided by Fleet based on October 2011 prices, inflation estimate included to be consistent with MTFE methodology.