

# POLICE AND CRIME COMMISSIONER FOR LEICESTERSHIRE *DECISION RECORD*

To be completed in cases where a decision is required

## DECISION OF POLICE AND CRIME COMMISSIONER

**Date:** 7<sup>th</sup> November 2016

**Officers present:** Helen King, Chief Finance Officer

**Received in OPCC Date:** 03/11/16

**OPCC Ref:** EYFC009116

**Title:** Building works following flood of Admin 2

### Summary of Issue:

A flood in the Administration 2 building at FHQ on the 17<sup>th</sup> of October caused considerable damage to the building and contents and is subject to an insurance claim.

Administration 2 has not been refurbished from its construction in the 1980s and was not only looking very tired, but is based on a cellular office design which is very inefficient for modern policing. Additionally, an open plan lay out would also allow the Force to accommodate more staff in the same footprint.

The Three Year Capital Programme 2016/17 to 2018/19 includes the 'Refurbishment of Admin 2 Ground Floor' as a 2018/19 proposed scheme with an estimated cost of £350k. The scheme is to completely refurbish the ground floor and create an open plan environment.

All of the work to put the building back in use under the insurance claim (ceilings, flooring, rewiring, lighting, kitchens/WCs and furniture etc.) will have to be replaced again under the proposed refurbishment in 18/19.

There would be considerable efficiencies in bringing the refurbishment works forward. The above elements would then only need to be only replaced once. Additionally, the building would only need to be out of action for one four month period rather than two.

The value of the insurance works has not yet been confirmed as the loss adjusters are still working on this. However, it is expected that this will be in the region of £50k to £100k. Whatever the final value of the insurance works is, it will be a direct contribution towards the financing of the proposed refurbishment project, thereby reducing the need to use OPCC's resources. The insurers have confirmed that a settlement under the policy will still be made if the refurbishment scheme is progressed providing that the reinstatement works take place in some form.

## Financial Impact

### Capital

The 16/17 budget would increase by £350k to £6,919 with a corresponding reduction in 2018/19.

Bringing forward the scheme would require an additional £300k (based on the lower insurance estimate) of potential borrowing in 2016/17. This would be offset by a reduction in the borrowing requirement in 2018/19 of £350k, a net overall saving in financing of £50k.

### Revenue Impact in relation to financing charges

	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000
Current MRP Forecast - Before proposed Changes	1,568	1,853	2,471	2,707	2,487
MRP Forecast - following proposed changes	1,568	1,858	2,476	2,698	2,478
Additional Cost / (Saving)	0	5	5	-9	-9

*(MRP is calculated on the basis of 25years)*

### Corporate Governance Framework

In accordance with Corporate Governance Framework (B3) formal approval is sought from the Police and Crime Commissioner to increase the 2016/17 capital programme by £350k to facilitate the refurbishment of Admin 2 as set out above. The reinstatement works are now being planned but before these can be progressed further a decision is required regarding the timing of the refurbishment to Admin 2.

### Recommendations presented:

It is recommended by the Force that the proposed refurbishment of Administration 2 is brought forward from 18/19 to the current financial year to allow savings to be made and to maximise the operational use of the accommodation.

### Key discussion points at meeting:

The reduced impact on revenue and capital costs in timing the arrangements

### It was resolved that :

The change to the Capital Programme be agreed and the refurbishment of Admin2 brought forward..

**OFFICE OF PCC APPROVAL**

**Chief Executive or Chief Finance Officer:**

I have been consulted about the proposal and confirm that appropriate advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner

**My recommendation is that given the circumstances outlined in this Decision Record and the advice from the Force Finance and Estates Team in this, it is both timely and appropriate to bring forward the Admin 2 building refurbishment in the Capital Programme. Therefore, these works would be undertaken in 2016/17, rather than rectifying the flood damage now and then refurbishing the building in 2018/19.**

**This approach will rectify the damage undertaken by the flood works and refurbish the building as originally planned at the same time. Furthermore, the insurance contribution will reduce the total cost included in the Current Capital Programme by at least £50K (subject to final agreement on the value with the insurers).**



**Signature:**

**Name: Helen King**

**Date:03/11/16**

**Publication Scheme**

**Decision of Monitoring Officer:**

As Monitoring Officer for the Office of Police and Crime Commissioner for Leicestershire I have determined that :

It is appropriate to publish this record of decision made by the Police and Crime Commissioner : **Yes / Part Redacted / No**

It is appropriate to publish the contents of the assessment of the decision by either of the senior post holders in the Office of the Police and Crime Commissioner for Leicestershire (i.e. either the Chief Executive or Chief Finance Officer) : **Yes / Part Redacted / No**

It is appropriate to publish details of the decision by the Police and Crime Commissioner for Leicestershire : **Yes / Part Redacted / No**

**Reasons for any non Publication (referencing appropriate legislation):**

**Not applicable**

Signature 

Name **DAVID PEET**  
**(Acting Monitoring Officer)**

Date **3.11.16**

**Police and Crime Commissioner for Leicestershire**

Having received the advice set out above and reviewed relevant documentation my decision in regard of this matter is:

**Supported / Not Supported**

Signature 

Date **7th November**  
**2016**