

**Hampshire Police Authority
Revenue Budget 2010/11 and
Capital Programme 2010/11 to 2013/14**

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Revenue Budget Summary 2010/11

Forward Budget 2010/11	Original Budget 2009/10	Inflation	Other changes	Current Policies 2010/11	Budget pressure & growth	Savings	2010/11 Forward Budget
	£000	£000	£000	£000	£000	£000	£000
Expenditure:							
Employees	282,918	6,934	3,424	293,276	100	(1,837)	291,539
Premises	9,682	241	269	10,192	0	(88)	10,104
Transport	5,167	129	24	5,320	0	0	5,320
Travel and Subsistence	4,620	104	(383)	4,341	0	(691)	3,650
IT and Communications	12,775	327	40	13,142	1,896	(1,100)	13,938
Supplies and Services	15,702	396	401	16,499	764	(290)	16,973
National Levies	863	22	45	930	0	0	930
Grants Paid	1,146	29	1	1,175	0	0	1,175
Capital Financing (net)	1,943	0	1,624	3,567	364	154	4,085
Total Expenditure:	334,816	8,180	5,446	348,442	3,124	(3,852)	347,714
Income:							
Service Income	(10,857)	(217)	2,084	(8,990)	0	0	(8,990)
Additional Specific Grants	(24,340)	(276)	(94)	(24,709)	0	0	(24,709)
Total Income:	(35,197)	(493)	1,991	(33,699)	0	0	(33,699)
Net Expenditure on Police Services:	299,619	7,687	7,437	314,743	3,124	(3,852)	314,015
Police Authority Expenses and Grants:	1,603	41	11	1,655	0	0	1,655
Interest on Balances	(151)	0	151	0	0	0	0
Inflation Provision	3,909	0	(3,909)	0	0	0	0
Total Overall Net Expenditure:	304,980	7,728	3,690	316,398	3,124	(3,852)	315,670
Contributions to / (from) Reserves:	(280)	0	93	(187)	566	(2,300)	(1,921)
Amount from General Grants and Taxation:	304,700	7,728	3,783	316,211	3,690	(6,152)	313,749
		2.54%	1.24%	103.78%	1.21%	-2.02%	102.97%

Summary of changes in current policies net revenue expenditure 2009/10 to 2010/11

Assumptions used in calculating pay and price changes:

Police officer pay	2.55% from 1 September 2010
Police staff pay	2.58% from 1 September 2010
Premises	5.0%
Transport fuel	5.0%
Grants payable	0.0%
Specific grants receivable	0.0%
All other items	2.5%

The overall cost of pay and prices inflation is equivalent to 2.54% of net expenditure

Other changes incorporated within the current policies budget:

Cost increase	£000
Additional capital financing	1,624
Increased premises rates	272
Reduced revenue income from vehicle sales	257
Adjustment for counter terrorism specific grant	250
Mandatory IMPACT posts approved in 09/10 budget	243
Regional Intelligence Unit	210
Competency Related Threshold Payments	160
Interest receivable on cash balances	151
Reduced income from aerial sites	96
Reduced income from servicing vehicles	72
Senior Command Course costs	65
Telephone investigation costs	50
Covert operations	50
Other (net)	283
Total	3,783

Notes:

1. The pay inflation provision of £3.8m is included within employees rather than within the inflation row for 2010/11.
2. Income from policing events has been reduced by £1.5m with an offsetting reduction of £1.5m in employee expenditure.
3. BCU Fund was extended for a further year to 2010/11 adding £1.0m to the employee expenditure budget and offsetting £1.0m income to the specific grant budget.

Summary of budget pressures and growth 2010/11

Title	Time	Detail	2010/11 £m	Assessment
Body Armour Replacement	2010/11 & 11/12	Replace body armour for all officers and staff issued with body armour (4,500 sets)	0.639	Operational necessity
Mobile data	Ongoing	Implement next phase of mobile data. £1.5m capital, £0.5m revenue running costs. Revenue implication	0.841	Operational improvement
HR Modernisation	One off	Implement replacement HR IT system	0.700	Operational necessity
Reserves	One off	A contribution to reserves from 2009/10 underspend to mitigate risk and/or assist with capital costs required to sustain operation delivery	0.566	Operational delivery
IT support of ANPR	Ongoing	Auto Number Plate Recognition (ANPR)	0.287	Operational necessity
IT Security	One Off	Implement Identity & Access Management to National Standards required to access police network	0.250	Operational necessity
Local confidence	Ongoing	Extend the existing survey contract to provide quarterly confidence monitoring at CDRP level	0.120	Operational delivery
Counter Terrorism Training Exercise 2011	2010/11 & 11/12	Counter Terrorism training exercise during late 2011 to be shared with Thames Valley. Grant of £300k may be available. Will require a full-time planning team for the event as well as "live" players. Estimate based on cost of planning team but there will be other expenditure which cannot be quantified at this time	0.100	Operational necessity
E-Borders Implementation	Ongoing	E-Borders implementation and ongoing maintenance	0.087	Operational necessity
IT support of Airwave	Ongoing	Covert Airwave	0.072	Operational necessity
Replacement of essential CBRN kit	Ongoing	Chemical, Biological, Radiological and Nuclear (CBRN) kit is initially funded by the Home Office but replacement of worn out kit must be funded locally. £0.042m for 10% turnover and £0.010m for kit and equipment maintenance	0.052	Operational necessity
Litho Printing Press	Ongoing	One off capital cost of £0.250m, £0.013m maintenance, £0.060m savings per annum. Revenue implication	-0.024	Spend to save
			3.690	

Summary of savings 2010/11

Sources of funding	Amount £m
Use of 2009/10 underspend	2.300
Increase police staff vacancy savings factor	1.500
Capitalise IT expenditure	0.773
Deducting home to work mileage	0.250
Introduce single user rate for mileage	0.275
Remove lease car benefit for new starters	0.008
One-off delay in replacing lower mileage vehicles	0.064
Review of essential users under current policy	0.025
Not replacing 5 motorcycles	0.005
Roads Policing Unit fleet reduction	0.004
Criminal Justice Department review	0.187
Forensics budget	0.150
Conferences	0.123
Books and publications	0.100
Overtime	0.100
IT network	0.100
Reducing energy demand	0.075
Forensic Resource Management Unit to Call Management	0.050
Cut stationery and office consumables budget by 10%	0.040
Reduce internal window cleaning	0.010
End use of travel warrants	0.010
Reduce building running costs	0.003
Total	6.152

Ongoing effects of budget pressures, growth & savings

Budget pressures and growth

Description	2010/11	2011/12	2012/13	2013/14
	£'000	£'000	£'000	£'000
Body armour replacement programme	639	639	0	0
Mobile Data	841	841	841	841
HR Modernisation	700	0	0	0
Contribution towards reserves	566	0	0	0
IT support of Automatic Number Plate Recognition	287	287	287	287
IT Security	250	0	0	0
Local confidence surveys: increase for quarterly CDRP level	120	120	120	120
Counter Terrorism Exercise 2011	100	100	0	0
E-Borders Implementation	87	13	13	13
IT support of covert Airwave	72	72	72	72
Chemical, Biological, Radiological and Nuclear (CBRN) Annual Running Costs	52	52	52	52
Litho Printing Press	23	23	23	23
	13	13	13	13
	(60)	(60)	(60)	(60)
Total impact of budget pressures and growth	3,690	2,100	1,361	1,361

Savings

Description	2010/11	2011/12	2012/13	2013/14
	£'000	£'000	£'000	£'000
2009/10 underspend	(2,300)	0	0	0
Increase vacancy savings factor	(1,500)	(1,500)	(1,500)	(1,500)
Capitalisation of IT expenditure	(773)	0	0	0
Home to Work Mileage	(250)	(250)	(250)	(250)
Introduce Single User Rate	(275)	(275)	(275)	(275)
Remove lease car benefit for new starters	(8)	(8)	(8)	(8)
Delay vehicle purchases	(64)	0	0	0
Reduce essential users	(25)	(25)	(25)	(25)
Not replacing 5 motorcycles	(5)	(5)	(5)	(5)
Reduce Roads Policing Unit fleet	(4)	(4)	(4)	(4)
Criminal Justice Department	(187)	(187)	(187)	(187)
Forensics budget	(150)	(150)	(150)	(150)
Conferences budget reduction	(123)	(123)	(123)	(123)
Books & publications budget reduction	(100)	(100)	(100)	(100)
Bank Holiday overtime	(100)	(100)	(100)	(100)
IT Network contract	(100)	(100)	(100)	(100)
Energy Management Strategy	(75)	(75)	(75)	(75)
Forensic Resource Management Unit	(50)	(50)	(50)	(50)
Stationery and office consumables budget reduction	(40)	(40)	(40)	(40)
Internal window cleaning	(10)	(10)	(10)	(10)
Travel warrants	(10)	(10)	(10)	(10)
Running costs of corporate buildings	(3)	(3)	(3)	(3)
Total impact of savings	(6,152)	(3,015)	(3,015)	(3,015)
Net total impact	(2,462)	(915)	(1,654)	(1,654)

Updated Medium Term Financial Strategy as at February 2010

Medium Term Financial Strategy 2010/11 to 2013/14	Forecast Budget 2010/11	Forecast Budget 2011/12	Forecast Budget 2012/13	Forecast Budget 2013/14
		£'000	£'000	£'000
Expenditure:				
Employees	291,539	297,771	301,178	304,734
Premises	10,104	10,353	10,609	10,871
Transport	5,320	5,453	5,589	5,728
Travel and Subsistence	3,650	3,739	3,828	3,919
IT and Communications	13,938	14,261	14,616	14,981
Supplies and Services	16,973	17,391	17,163	17,653
National Levies	930	953	977	1,001
Grants Paid	1,175	1,204	1,234	1,265
Capital Financing (net)	4,085	4,645	4,645	4,645
Total Expenditure:	347,714	355,769	359,840	364,798
Income:				
Service Income	(8,990)	(9,337)	(9,567)	(9,803)
Additional Specific Grants	(24,709)	(25,017)	(25,286)	(25,561)
Total Income:	(33,699)	(34,353)	(34,853)	(35,364)
Net Expenditure on Police Services:	314,015	321,415	324,987	329,434
Police Authority Expenses and Grants:	1,655	1,692	1,726	1,760
Interest on Balances	0	0	0	0
Inflation Provision	0	0	0	0
Total Overall Net Expenditure:	315,670	323,107	326,713	331,194
Contributions to / (from) Reserves:	(1,921)	(187)	(187)	(187)
Amount from General Grants and Taxation:	313,749	322,920	326,526	331,007
Funded by:				
Expected amount from General Grants	(213,014)	(213,014)	(213,014)	(213,014)
Council tax precept	(100,156)	(102,537)	(104,998)	(107,539)
Council tax collection fund surplus	(579)	(579)	(579)	(579)
Total amount funding expected:	(313,749)	(316,131)	(318,591)	(321,132)
Budget (surplus)/ shortfall:	(0)	6,789	7,935	9,876

Assumptions used in Medium Term Financial Strategy

The main assumptions used when projecting forward:

Police officer pay	1.0% pa from 1 September 2011
Police staff pay	1.0% pa from 1 September 2011
Employers' National Insurance	10.1% UAP & 13.8% UEL (i.e. +1%)
Police officer pension contribution	24.5% of pensionable pay
Police staff pension contribution	19.8% of pensionable pay
Non-pay	2.5% pa
Government grant	0.0% pa
Council tax	2.0% pa

Budgeted employee establishment (full time equivalents)

	2009/10	2010/11	2011/12	2012/13	2013/14
Police officers	3,746	3,746	3,746	3,746	3,746
PCSOs	333	333	333	333	333
Police staff	2,484	2,484	2,484	2,484	2,484
Total	6,563	6,563	6,563	6,563	6,563

Note: 2009/10 data as at 31 January 2010

There are no planned reductions in employee numbers within the Medium Term Financial Strategy but the need to eliminate the budget shortfall shown for future years could result in changes to employee numbers as plans for those savings are developed and delivered.

Revenue budget 2010/11 analysed by portfolio holder

Budget 2009/10	Portfolio and OCU/Dept	Budget 2010/11
£'000		£'000
490	Chief Constable and ACPO	518
	Deputy Chief Constable	
6,521	Service Delivery Department	6,205
18,672	IT and Communications Department	17,690
975	Force Solicitor (including Licensing)	775
2,233	Professional Standards	2,193
(1,058)	Efficiency & Productivity	0
458	Head Office (including projects)	360
27,801		27,223
	Assistant Chief Constable Crime & Criminal Justice	
35,797	Crime OCU - 7	38,740
7,912	Criminal Justice Dept	7,565
2,146	Custody	2,038
1,210	Special Events	1,163
1,355	Head Office	668
48,420		50,174
	Assistant Chief Constable 'TO'	
36,193	Central OCU	37,879
14,006	Isle of Wight	14,610
33,405	North and East OCU	35,147
24,739	Portsmouth	26,319
29,603	Southampton	31,202
31,841	Western	33,017
15,159	Call Management	15,726
377	Head Office	343
185,323		194,243
	Assistant Chief Constable 'HR & Operations'	
24,775	Operations OCU - 8	25,604
2,765	Personnel	2,971
6,957	Training	7,071
318	Head Office	255
34,815		35,901
	Director of Finance & Resources	
8,811	Business and Property Services	9,261
1,512	Finance	1,470
2,990	Transport	3,333
157	Head Office	160
13,470		14,224
	General Items	
933	Compensatory Grant	957
1,943	Capital Financing (net)	4,085
4,601	Budgets awaiting allocation	5,021
3,909	Inflation Provision	0
(280)	Contributions to / (from) Reserves	(1,921)
0	General Income	0
(151)	Interest	0
877	National levies	930
1,053	Injury award pensions	1,053
(20,107)	Specific Grants not allocated	(20,314)
(7,222)		(10,189)
303,097	Total Constabulary:	312,094
1,603	Police Authority	1,655
304,700	Total Net Expenditure:	313,749

Summary revenue budget and Hampshire Police Authority precept 2010/11

	2009/10 £'000	2010/11 £'000
Gross expenditure	340,328	349,369
Income and interest receivable	(11,008)	(8,990)
Net expenditure before grant	329,320	340,379
Specific grants	(24,340)	(24,709)
Expenditure net of specific grants	304,980	315,670
Contributions to/(from) reserves	(280)	(1,921)
Budget requirement	304,700	313,749
Funded by:		
Police Grant	(121,851)	(125,323)
Revenue Support Grant	(16,065)	(11,119)
National non-domestic rates	(69,600)	(76,572)
Total Government formula grant	(207,516)	(213,014)
Net surplus on collection funds	(507)	(579)
Precept met by council tax payers	96,677	100,156
Taxbase Band D equivalent dwellings	680,296	684,831
Council tax per Band D dwelling	£142.11	£146.25
Increase over previous year (£)	£6.57	£4.14
Increase over previous year (%)	4.8%	2.9%

Council Tax at each band 2010/11

Council tax at each band								
Band	A	B	C	D	E	F	G	H
£	97.50	113.75	130.00	146.25	178.75	211.25	243.75	292.50
No. of dwellings	104,796	175,480	212,437	137,118	93,479	52,104	30,108	3,303
Total number of dwellings							808,825	

Collection authority tax bases and share of precept 2010/11

Collection authority	Tax base	Precept (£)
Basingstoke and Deane	63,578.00	9,298,282.50
East Hampshire	48,057.30	7,028,380.13
Eastleigh	44,087.61	6,447,812.96
Fareham	42,650.00	6,237,562.50
Gosport	27,599.90	4,036,485.38
Hart	37,915.60	5,545,156.50
Havant	42,823.00	6,262,863.75
Isle of Wight	55,167.00	8,068,173.75
New Forest	72,826.00	10,650,802.50
Portsmouth	59,361.30	8,681,590.13
Rushmoor	31,409.87	4,593,693.49
Southampton	66,167.00	9,676,923.75
Test Valley	45,496.00	6,653,790.00
Winchester	47,692.11	6,974,971.09
	684,830.69	100,156,488.41

Band D Council Tax – Police Authorities in England and Wales

Rank	Shire police authorities	Band D council tax 2009/10	Band D council tax 2010/11	Increase in Band D council tax 2009/10 to 2010/11
		(£)	(£)	%
1	Essex	128.25	132.12	3.0%
2	Sussex	134.73	138.42	2.7%
3	Kent	134.65	138.68	3.0%
4	Cheshire	140.70	144.53	2.7%
5	Bedfordshire	140.56	144.77	3.0%
6	Hampshire	142.11	146.25	2.9%
7	Lancashire	142.08	146.27	2.9%
8	Hertfordshire	142.82	147.82	3.5%
9	Durham	147.51	153.41	4.0%
10	Thames Valley	151.27	154.30	2.0%
11	Devon & Cornwall	149.22	156.60	4.9%
12	Wiltshire	152.59	157.77	3.4%
13	Nottinghamshire	152.82	160.11	4.8%
14	Suffolk	156.06	160.74	3.0%
15	Derbyshire	161.32	163.74	1.5%
16	Humberside	162.41	166.47	2.5%
17	Avon & Somerset	161.26	168.03	4.2%
18	Cambridgeshire	164.70	169.56	3.0%
19	Leicestershire	165.21	169.63	2.7%
20	Warwickshire	171.22	174.10	1.7%
21	Staffordshire	172.71	177.61	2.8%
22	West Mercia	173.62	178.72	2.9%
23	Lincolnshire	174.06	179.28	3.0%
24	Dorset	172.44	180.00	4.4%
25	Cleveland	182.47	187.84	2.9%
26	Norfolk	185.58	191.16	3.0%
27	Northamptonshire	186.66	193.20	3.5%
28	Cumbria	188.25	193.89	3.0%
29	Surrey	197.10	198.54	0.7%
30	Gloucestershire	193.99	199.69	2.9%
31	North Yorkshire	199.17	204.55	2.7%
Average		162.18	167.03	3.0%

Hampshire difference from average -£20.78
 Hampshire 2010/11 council taxbase 684,830.69
 Difference from average x taxbase -£14,227,910
 Therefore, Hampshire and Isle of Wight council taxpayers pay
 £14m less than the shire police authorities average.

Precept 2010/11 Questions and Answers

What is the budget for Hampshire Police Authority in 2010/11?

The total budget figure in 2010/11 is £313.7 million, compared to £304.7 million in 2009/10, an increase of just under 3%.

What does this mean for the Council Tax level?

The police element of the Council Tax is a rise of 2.9%. This is combined with the local council(s) and fire and rescue authority amount to determine the actual Council Tax bill for a household. On a Band D dwelling this is a rise of £4.14 per annum or 8p per week.

Why is the Police Authority Council Tax rise higher than some of the local councils and fire and rescue authority?

Police authority council tax rises are traditionally the highest of all the local authorities. This is because Council Tax is a relatively small proportion of police finances, and therefore extra spending above a fixed grant increase falls on a smaller base, thus causing a higher percentage Council Tax increase.

Councils, fire and rescue and police authorities are funded in different ways and have different cost and service pressures.

Compared to other shire Police Authorities around the country, Hampshire Police Authority's council tax rate remains in the bottom quartile.

The Police Authority needs an extra £9 million this year – what for?

There are three main ways in which the extra money will be spent in 2010/11:

1) Pay awards. The pay awards for both police officers and police staff were fixed for three years by the Government. 2010/11 is the third and final year of the three year deal.

For police officers, the increase is 2.55% from 1 September 2010 and for police staff the increase is 2.58% from 1 September 2010. The police staff increase is higher than the police officers' increase in 2010, but was lower in each of the two preceding years within the three year deal.

2) Price increases. During 2008/09 there were significant inflationary pressures which eased during early 2009/10. However, inflation has begun to rise again in 2010. The Retail Price Index (RPI) for January 2010 was a 3.7% increase on the same time last year. The Consumer Price Index (CPI) was 3.5%.

After accounting for 'current policies', i.e. the cost of providing the same services as in 2009/10, there is a budget shortfall of £2.5m.

3) Mandatory and necessary growth. For example, the Authority has to replace body armour that is reaching its expiry date (£0.6m), replace the ageing staff IT system (£0.7m) which is no longer fit for purpose, implement new IT controls to continue to be able to access the national police network (£0.3m) and provide IT support to key operational systems such as Automatic Number Plate Recognition (£0.3m). In

addition, £0.8m has been earmarked for mobile data investment to allow officers to spend more time working in the community and £0.6m earmarked to support capital expenditure.

The total growth and budget pressures provided for within the budget is £3.7m

Will the frontline be cut?

The Authority and Constabulary has identified efficiency savings of £6.2m to set a balanced budget. These efficiency savings are targeted in areas that will not impact upon frontline policing. The budget agreed does not include any reduction to police officer numbers.

The Authority and Constabulary has implemented efficiency measures throughout 2009/10 which has resulted in a projected underspend that will allow a contribution of £2.3m to be made towards the 2010/11 budget.

A further £1.5m will be saved by delivering further efficiency savings in police staff working practices. Changes to IT expenditure will save £0.8m, reductions to travel and transport costs will save £0.6m and reductions in conference expenses, publications and stationery will save £0.3m. The total saving is £6.2m.

How will this budget affect future years beyond 2010/11?

Although the 2009/10 underspend is a one-off, much of the additional expenditure outlined above is also one-off expenditure so the total package of savings exceeds the total value of additional budget pressures and growth in every year from 2011/12 onwards which helps with the expected budget pressures in future years.

In the past ten years, the Authority and Constabulary have made £69m of efficiency savings. However, because of this success, making efficiency savings that do not impact on performance is becoming more difficult. The Authority and Constabulary are very aware that public spending cuts are likely for 2011/12 onwards. A Savings Team has been formed to look at opportunities for transformational change, including where beneficial working jointly with other partners, that aims to make significant efficiency savings for 2011/12 onwards.

General and earmarked revenue reserves

General and Earmarked Revenue Reserves											
	Balance at 31/03/09	Movements in 2009/10	Balance at 31/03/10	Movements in 2010/11	Balance at 31/03/11	Movements in 2011/12	Balance at 31/03/12	Movements in 2012/13	Balance at 31/03/13	Movements in 2013/14	Balance at 31/03/14
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Reserve:	7,106										
Repayment of balance of 2007/08 overspend		1,175									
Contribution as approved within the budget		(187)		(387)		(387)		(387)		(387)	
Police Authority carry forward from 2008/09 underspend		(117)									
Carry forward approved from 2008/09 underspend		(2,023)									
2009/10 underspend used to support 2010/11 budget		2,300		(2,300)							
			8,254		5,567		5,180		4,793		4,406
Insurance Reserve:	394										
No changes expected - although this will depend on any major claims not fully covered by current insurance arrangements		0		0		0		0		0	
			394		394		394		394		394
Spend to Save Reserve:	0										
Gains paid in/out		0		0		0		0		0	
			0		0		0		0		0
Earmarked Reserves:	2,101										
ACRO surety (£1,000k in opening balance))		0									
Netley Business Plan		0									
Movements in future years will depend on balances on devolved budgets and decisions made at the time relating to one-off growth proposals etc. - so no changes are shown		(1,088)		0		0		0		0	
			1,013		1,013		1,013		1,013		1,013
Capital (Revenue Contributions) Reserve:	5,011										
General contribution from revenue account		200		200		200		200		200	
IT contribution for network replacement (£1,077k in open bal)		4		(140)		(941)					
Specific contributions from revenue account		501		949							
Used to support capital programme		(4,635)		(1,715)		(200)		(200)		(200)	
Contribution towards capital in 2010/11 budget		0		566							
			1,081		941		0		0		0
Total Revenue Reserves:	14,612	(3,870)	10,742	(2,827)	7,915	(1,328)	6,587	(387)	6,200	(387)	5,813

Note: As forecasted at the Hampshire Police Authority meeting on 16 February 2010, updated for separate IT contribution to network replacement as agreed by the Finance Committee on 9 February 2010. This will continue to be updated during the year.

Protocols for reserves

Reserve	Purpose	Use of Reserve	Management and Control	Review Process
General	To provide an adequate balance for one-off expenditure or unforeseen additional costs that may arise during the year	To provide for unexpected events, such as a major crime investigation and / or unexpected financial changes during the year.	Treasurer	Finance Committee and Police Authority in preparing budgets and close of accounts.
Capital (Revenue Contributions)	To facilitate revenue contributions towards the financing of capital expenditure	To finance locally resourced capital expenditure	Director of Finance and Resources	Medium Term Financial Strategy, budget monitoring and close of accounts.
Insurance	To cover excess costs and additional claims	To supplement budgeted insurance premiums	Treasurer / Director of Finance and Resources	At least annually on close of accounts
Spend to Save	To provide funding for investment which will generate future savings	For approved investment purposes	Director of Finance and Resources	Reviewed annually
Earmarked	To provide for carry forward of planned savings on devolved budgets	To fund non-recurring expenditure in future years	Chief Constable / Director of Finance and Resources	Reviewed annually with close of accounts

Statement by Treasurer Local Government Act 2003

1. The Act comprises of a series of duties and powers that give statutory support to important aspects of good financial practice.
2. Section 25 of the Act requires the Chief Financial Officer (the Treasurer) to report to the Authority when setting its council tax on:
 - the robustness of the estimates included in the budget
 - the adequacy of the financial reserves in the budget
3. The Authority is required to have regard to this report in approving the budget and council tax. It is appropriate for this report to be part of the council tax precept report to the Committee, provided that the content is also fully available to the Authority in making its final decision.
4. CIPFA guidance on reserves and balances provides the general framework for this report. This puts emphasis on the Medium Term Financial Strategy (MTFS). The MTFS was reported to the September 2009 Finance Committee and updated at the December 2009 meeting. The level of reserves has been scrutinised and a forward strategy set. The forecast for reserves and purpose, use and monitoring of each reserve are set out elsewhere in the budget book.
5. Section 25 of the legislation concentrates more on uncertainty within the budget year rather than what may be known losses or higher spending required in future years or greater future uncertainty.
6. The Authority's decision on the precept for 2010/11 is the conclusion of the process involving consideration of the draft budget:
 - by the Committee in considering the MTFS and grant, budget and council tax outlooks in the Autumn;
 - by the Constabulary's Resource Management Board;
 - by the Constabulary's Budget Review Group (at which the Authority was represented) which looked at one third of budgets as part of a three year programme to review all budgets in detail;
 - by the Constabulary's Budget Reductions Gold Group (at which the Authority was represented) which looked at HMIC benchmarking data, South East forces benchmarking data, ideas generated in previous years and any new ideas to identify potential savings;
 - by including savings identified by through the Efficiency and Productivity Review;

- at the Authority's informal Budget Review Group made up of the Chair of the Authority, the Chairman and Vice-Chairman of the Finance Committee and another member of the Authority;
 - initial consideration by the Finance Committee;
 - budget consultation with residents, staff associations, business and council tax payers/residents associations.
7. The Treasurer has ensured that appropriate information and advice was given at all these earlier stages so that a positive opinion can be given at this stage.
8. In setting the budget the Authority should have regard to the strategic, operational and financial risks facing the Authority in the context of an overall approach to risk management. The risks include:
- Inflation
 - Police officer pay is provided at 2.55% as at 1 September 2010. This increase has been agreed with the Federation, subject to review if there is significant change in inflation indices. The police staff pay award is agreed at 2.58% from 1 September 2010. General prices (where appropriate) at 2.5%, with premises and transport at 5.0% due to pressures on utilities and fuel prices. Grants paid and specific grants receivable are budgeted at 0%. These should be adequate, particularly for pay, but action might be required if inflation in some areas is greater than provided for. Additional vacancy management within year is used to absorb any excess
 - interest rates are covered in more detail in the Treasury Management report to the February Finance Committee. The budget assumes that rates are fairly static or, if they do change, it is not likely to significantly adversely effect the budget;
 - pay drift – increments are budgeted for;
 - additional spending and savings included in the budget - details of these are fully set out and implications understood in previous consideration.
 - efficiency savings – there is a good track record covering the process and achievement of these, although this makes continuous achievement more challenging;
 - budgets and MTFS – these are well established processes;
 - strength of financial information and reporting arrangements – again well established with regular monitoring reports;
 - capital programme – payments generally tend to slip rather than accelerate. Significant capital expenditure will be incurred on

- the level of borrowing and outstanding debt is relatively low but will increase in future years as major projects are undertaken and the availability of capital receipts reduces. These matters are fully covered in the Treasury Management report and Prudential Indicators;
- contingent liabilities were reported in the 2007/08 and 2008/09 final accounts for the level of Special Priority Payment. The estimated exposure is circa £0.5m for each financial year;
- major incidents is the most uncertain risk, but the general reserve should be adequate based on previous experience;
- risk management and insurance arrangements have in recent years proved to be effective and not resulted in undue financial strain on the budget. A strategic risk register is used to record, monitor and manage significant risks. The strategic risk register is reported to the Authority's Governance Committee and the Force's Resource Management Board;
- the Audit Commission in its 2008/09 Annual Audit Letter stated that the Authority's financial planning framework remains sound;
- the announcement of three year general grant settlements for 2008/09 to 2010/11 has allowed certainty for those years. The three year grant settlement also included a number of "Rule 2" specific grants, although some specific grants are still subject to annual approval.
- risk of capping of the 2010/11 budget has been fully set out in previous reports and considerations. The Minister said that she was pleased that the average band D council tax was 3% in 2009/10 and that the Government expected to see a further fall in 2010/11. She stated "We expect the average band D council tax increase.....to fall to a 16 year low in 2010/11. We remain prepared to take capping action against excessive increases set by individual authorities and requiring them to re-bill for a lower council tax if necessary. It is not thought that capping would be a significant risk with a budget requirement and precept increase less than 3%.

9. In setting the levels of reserves due regard has been given to Local Authority Accounting Panel Bulletin 77 issued in November 2008. This includes:
- the treatment of inflation and interest rates;
 - estimates of the level and timing of capital receipts;
 - the treatment of demand led pressures;
 - the treatment of planned efficiency savings and productivity gains;
 - the financial risks inherent in any significant partnerships, major outsourcing arrangements or major capital developments;
 - the availability of reserves, government grants and other funds to deal with major contingencies and the adequacy of provisions;
 - the general financial climate to which the authority is subject.

Efficiency Strategy Register 2008-11 v21 February 2010

The efficiency register captures efficiency savings from past, present and future initiatives. The 2008/09 total efficiencies of £9.359m have already been saved. Further efficiency savings of £15m are already identified for 2009/10. There is an ongoing process to identify and quantify efficiency savings, so more savings could be added to this total. However, an appropriate performance indicator has to be agreed for each saving initiative to ensure that the cashable saving has not been achieved at the expense of service delivery. Therefore, a reduction in budget or expenditure will only count as an efficiency saving if the financial reduction is achieved without any adverse impact upon performance. The register aims to serve multiple purposes required for internal planning, scrutiny and compliance with Home Office efficiency and productivity rules. The table below summarises the current position for Hampshire Police Authority. The Authority's target is to achieve £33m of efficiency savings over the three year period 2008-11. The summary shows the Authority is on course to deliver savings of £25m (75% of the target) by the end of the second year (2009/10).

Summary table

Year	Cash £'000	Non –cash £'000	Total £'000
08/09 actual	6,239	3,120	9,359
09/10 estimate	8,760	6,546	15,306
10/11 estimate	613	0	613
11/12 + estimate	0	0	0
Total	15,612	9,666	25,278

The detailed efficiency register is updated on a regular basis and reported to the Authority's Finance Committee. An extract of the efficiency register initiatives in 2009/10 is shown overleaf.

Extract of efficiency register for 2009/10

2009/10	Savings Initiative	Owner	Estimated Benefit		
			Net Estimated Gain £'000	Cash Releasing £'000s	Non-Cash Releasing £'000s
	Redistribution of specialist posts	ACCSO	325	325	0
	Holmes Indexing, intel & forensics	ACCSO	500	500	0
	Roads Policing Unit Mgmt Team	ACCSO	200	200	0
	Reduce overtime to HMIC average	All	2,000	2,000	0
	Collaborate on IT help desk	DCC	77	77	0
	Force Chaplain services	DCC	14	14	0
	Private Medical Treatment	DCC	100	100	0
	Reduce Advertising	DCC	50	50	0
	Reduce Professional Standards	DCC	150	150	0
	Reduce Criminal Justice Dept	ACCSO	250	250	0
	Reduce Initial Trainers x2	Supt Training	64	64	0
	Reduction in Police Staff - Review	ALL	1,058	1,058	0
	Reduction in Police Officers	ALL	2,215	2,215	0
	Review of IT Contracts	Head of IT	300	300	0
	Corporate Review - Service Delivery Dept etc	CS Hindle	1,250	1,250	0
	5 OCU fleet mgmt vehicle utilisation	CI Bottomley	8	8	0
	6 OCU PCSO Funding from partnerships	F&BM	147	147	0
	Shift Review - cash reduction in overtime	ACC P&OS	0	50	0
	7 OCU new IT for Comms Intel Unit release 6 staff 50%	DI Ashworth	81	0	81
	1 OCU 3 x PCSO posts sponsored by City Council - Reg19	Supt 1 OCU	71	0	71
	2 OCU - Tech Service Unit computer analysis	Insp Clawson	128	0	128
	SSD - Stop and Account C12 forms	Insp Clapham	19	0	19
	8 OCU - RMS Tasking improved workflow	PS Steele	11	0	11
	Central Archive Facilities more efficient file mgmt	Mr Mc Iwraith	33	0	33
	Compressed Training IPLDP from 23 to 18 weeks	Jane Dunleavy	328	0	328
	Comms Intel Unit automated system relaeasing 6 staff	DI Ashworth	195	0	195
	Shift Review -non cash	ACC P&OS	5,300	0	5,300
	Contact Management Project	Supt Call Mgt	340	0	340
	Crimesec 38s new process	Performance	41	0	41
	Christmas Card - use e card instead	Corp Comms	2	2	0
	Total		15,256	8,760	6,546

Capital Programme 2010/11 to 2013/14 – Approved Schemes Only

Spent prior to 31 March 2009	Those schemes which have already been approved and are either annual programmes or projects for which full business cases and / or project appraisals have been agreed (with the exception of those marked #).	Total Scheme Cost	Updated programme 2009/10	2010/11	2011/12	2012/13	2013/14 and later years
£'000		£'000	£'000	£'000	£'000	£'000	£'000
	Estates Programme Board:						
Annual	Building Improvements	Annual	1,618	300	300	300	300
	Energy and water conservation programme	800		200	200	200	200
4,324	Southampton OCU - accommodation project	38,138	15,164	15,800	2,850		
1,614	Netley - Inkerman Building remodelling project	2,015	401				
4	Netley - electricity supply issues (Vickery building)	358	354				
	New Headquarters - accommodation programme						
11,009	- Initial purchase / preliminary work	12,537	1,170	358			
	# - Phase 1 (PHQ Staff)	6,391	5,391	1,000			
	# - Phase 2 (Ember House, Bar End & Central Archive)	5,000	5,000				
	Retentions on completed schemes	41	41				
	Total Estates Programme Board:		29,139	17,658	3,350	500	500
	Information Management Programme Board						
143	Capital Project Oberon	348	205				
	Capitalisation of IT equipment (2010/11 budget)	1,000		1,000	1,000	1,000	1,000
	Network Replacement phase 1 (agreed Feb Fin Ctee)	1,213	1,073	140			
	Total Information Management Programme Board:		1,278	1,140	1,000	1,000	1,000
	Communications Board:						
7,246	Airwave Project	7,317	71				
281	Replacement of Airwave equipment - initial wave	600	319				
	Total Communications Board:		390	0	0	0	0
	Transport Management Committee:						
Annual	Vehicles	Annual	4,658	2,500	3,500	3,500	3,500
	Safer Roads Partnership - Tele Traffic Equipment	152	152				
	Total Transport Management Committee:		4,810	2,500	3,500	3,500	3,500
	Grand Totals:		35,617	21,298	7,850	5,000	5,000

Capital Programme 2010/11 to 2013/14 –Unapproved Schemes

#	Those schemes that have been approved for inclusion in the programme but for which no formal business case and / or project appraisal has been agreed.	Total Scheme Cost	2009/10	2010/11	2011/12	2012/13	2013/14 and later years
		£'000	£'000	£'000	£'000	£'000	£'000
Estates Programme Board:							
#	IoW OCU Estate Strategy Implementation	6,000		250	2,500	2,500	750
#	IoW OCU custody centre	3,600		1,800	1,800		
#	HQ Replacement Programme Phase 3	3,000					3,000
#	Additional security measures across the Estate	1,250		950	300		
#	SO Overt Hub for North	2,900				100	2,800
#	SO Overt Hub for South East	4,800				4,800	
#	Netley - residential accommodation	3,500				3,500	
#	Netley - recruitment centre	500				500	
#	Netley - refit main kitchen (Victoria House)	250		250			
#	North & East OCU - Estate Strategy Implementation	16,300		500	6,800	9,000	
#	Western OCU - Estate Strategy Implementation	11,300		2,050	5,800	3,450	
#	Portsmouth OCU - Estate Strategy Implementation	18,550			1,550	17,000	
#	Central OCU - Estate Strategy Implementation	26,000			4,100	21,900	
Total Estates Programme Board:		97,950	0	5,800	22,850	62,750	6,550
Resource & PPM Governance Board:							
#	Litho Printing Press	250		250			
		250	0	250	0	0	0
Information Management Programme Board:							
#	Network Replacement phase 2	950		700	250		
#	Mobile Data	4,500		1,500	1,500	1,500	
Total Information Management Programme Board:		5,450	0	2,200	1,750	1,500	0
Communications Board:							
#	Capitalisation of IT equipment purchases 2010/11	1,000		1,000			
#	Replacement of Airwave equipment	2,835		2,835			
#	Update of Airwave operating software	1,500		1,500			
#	Replacement of Altaris Command & Control equipment	2,565			2,565		
#	Replacement of switchboard technology	80		80			
Total Communications Board:		6,980	0	4,415	2,565	0	0
Grand Totals:		110,630	0	12,665	27,165	64,250	6,550

Capital Programme Financing 2010/11 to 2013/14

Financing	Updated programme 2009/10	2010/11	2011/12	2012/13	2013/14 and later years
	£'000	£'000	£'000	£'000	£'000
Capital Programme Expenditure - Approved Schemes Only	35,617	21,298	7,850	5,000	5,000
# Mobile Data		1,500			
# Litho Printing Press		250			
Total amount to be financed:	35,617	23,048	7,850	5,000	5,000
Financed by:					
General Capital Grants	3,854	3,854	3,212	2,462	1,927
Capital Receipts - Residential properties	2,010	1,910	430		3,428
Capital Receipts - Operational buildings		250	3,500		12,500
Capital Receipts - Vehicles	36	54	257	257	257
Capital Receipts - Keyworker housing	20				
Revenue Contributions - General	200	200	200	200	200
Revenue Contributions - Specific e.g. from devolved budgets	501	358			
Revenue Contributions - Network replacement	1,077				
Revenue budget 2010/11 provision (mobile data, IT, printing press)		591	591	591	591
Balance available from unused capital receipts	1,780			1,140	450
Balance available in Capital (revenue contributions) Reserve	5,011			200	400
	14,489	7,217	8,190	4,850	19,753
Balance of resources to carry forward to following year			(340)		(14,753)
Balance from borrowing or other funding arrangements	21,128	15,831		150	
Total funding requirement	35,617	23,048	7,850	5,000	5,000

Financial Health Indicators

	Actual 2008/09	Target 2009/10	Target 2010/11
Variance from budget			
Net service spend (%)	-0.7%	+/- 1%	+/- 1%
Amount met from grant & council tax (%)	-0.7%	+/- 1%	+/- 1%
Balances as a % of budget requirement	5.0%	1.5%	1.5%
Capital Programme			
Carry forward of schemes (% by value)	19.1%	20%	20%
Capital expenditure variance (%)	19.1%	+/- 10%	+/- 10%
Capital receipts variance (%)	0.7%	+/- 10%	+/- 10%
Prudential Indicators			
Capital Financing Requirement	As per Prudential Code report	52.382	As per Prudential Code report
Authorised limit (£m)		62.7	
Upper limit – fixed borrowing (£m)		52.6	
Upper limit – variable borrowing (£m)		26.3	
Ratio of financing costs to net rev stream		0.59	
Income collection			
% of debt > 12 months old at end of year	5.0%	<17.5%	<17.5%
% of debt > 6 months old at end of year	7.3%	<20%	<20%
% of debt > 60 days old at end of year	11.0%	<60%	<60%
% of debt written off to debt raised	0.1%	<1%	<1%

Allocated account codes

Under the Scheme of Delegation, the budget is split between devolved account codes which budget holders are held directly responsible for and allocated account codes which budget holders have less control over but still represent a cost that has to be managed. In principle, budget is devolved unless there is a good reason why not. Therefore, any budget heading not covered by the list of allocated codes can be assumed to be devolved.

Code	Narrative	Description
EM100	POLICE BASIC PAY	Police officers basic pay
EM110	POLICE ACTING UP BASIC PAY	Police acting up basic pay
EM120	POLICE CRTP	Police officers Competency Related Threshold Payments (CRTP)
EM130	POLICE SPP	Police officers Special Priority Payments (SPP)
EM150	POLICE ARREARS OF PAY	Police officers arrears of pay
EM153	POLICE PAY IN LIEU / UNPAID LEAVE	Police officers pay in lieu / unpaid leave
EM700	POLICE COMPENSATORY GRANT	Police officers compensatory grant
EM710	POLICE HOUSING ALLOWANCE	Police officers housing allowance
EM712	POLICE TRANSITIONAL RENT ALLOWANCE	Police officers transitional rent allowance
EM714	POLICE EX-GRATIA PAYMENTS	Police officers ex-gratia payments
EM720	POLICE SE AREA ALLOWANCE	Police officers south east area allowance
EM730	POLICE DOG HANDLER'S ALLOWANCE	Police officers dog handler's allowance
EM732	POLICE SECONDMENT ALLOWANCE	Police officers secondment allowance
EM734	POLICE ACTING UP ALLOWANCE	Police officers acting up allowance
EM736	POLICE INSTRUCTORS ALLOWANCE	Police officers instructors allowance
EM738	POLICE TELEPHONE RE-IMBURSEMENTS	Police officers telephone re-imbursments
EM740	POLICE STAFF OFFICERS ALLOWANCE	Police staff officers allowance
EM742	POLICE LONDON WEIGHTING	Police London weighting
EM744	OTHER POLICE ALLOWANCES	Other police allowances
EM746	FINANCIAL LOSS (SPECIALS)	Financial Loss (Specials)
EM800	STATUTORY SICK PAY - SSP / OCCUPATIONAL SICK PAY - OSP	SSP / OSP - can be tracked via payroll element codes
EM810	SMP / SPP / SAP	Statutory Maternity Pay (SMP) / Statutory Paternity Pay (SPP) / Statutory Adoption Pay (SAP)
EM820	PAY ADVANCES PAID	Payment of pay advances
EM821	PAY ADVANCES RECOVERED	Recovery of pay advances
EM822	INCAPACITY BENEFIT	Incapacity benefit
EM823	LOSS OF EARNINGS (SPECIALS)	Loss of earnings for specials
EM824	BRAINWAVE SCHEME VIA PAY	Includes any NI
EM829	INVALID CODES	Invalid codes
EM830	OVERPAYMENTS	Overpayments
EM831	INTERPRETERS CONTRA PAYMENTS	Contra payments relating to interpreters who are consequently regarded as self employed
EM899	INDUSTRIAL ACTION	Industrial Action
EM900	TRAINING - EXTERNAL OPERATIONAL	Cost of external operational training courses (e.g. course fees) NOT cost of force hiring external training centres - see SS903 . For employee related course travel and subsistence, or out of pocket expenses see TS202 , TS306 , etc.
EM901	TRAINING - EXTERNAL NON OPERATIONAL	Cost of external non operational training courses (e.g. course fees)
EM902	ASSISTED STUDY - CAREER DEVELOPMENT	Financially assisted study.
EM910	STAFF ADVERTISING - POLICE OFFICERS	Advertisement for a specific police officer vacancy. For use by RECRUITMENT ONLY
EM911	STAFF ADVERTISING - POLICE STAFF	Advertisement for a specific police staff vacancy. For use by RECRUITMENT ONLY
EM920	EMPLOYEES MEDICAL FEES / TREATMENT	
EM921	GP REPORTS FOR EMPLOYEES	Cost of medical reports obtained for police officers and police staff - For OCC HEALTH
EM922	EMPLOYEES OCCUPATIONAL HEALTH EXPENSES	
EM925	DRUG SCREENING OF POLICE OFFICERS	Drug screening of police officers
EM930	EMPLOYERS' LIABILITY (PUBLIC & COMBINED PREMIUMS)	For use by FORCE INSURANCE OFFICER ONLY
EM931	EMPLOYERS' LIABILITY (PUBLIC & COMBINED SETTLEMENTS)	For use by FORCE INSURANCE OFFICER ONLY
EM932	FIDELITY GUARANTEE PREMIUMS	For use by FORCE INSURANCE OFFICER ONLY
EM933	PERSONAL ACCIDENT PREMIUMS	For use by FORCE INSURANCE OFFICER ONLY
EM934	PERSONAL ACCIDENT SETTLEMENTS	For use by FORCE INSURANCE OFFICER ONLY
EM935	SUPERINTENDENTS' INSURANCES	
EM945	EMPLOYMENT TRIBUNALS SETTLEMENTS & EXPENSES	For use by PERSONNEL DEPARTMENT / FORCE SOLICITOR
EM946	CONTRIBUTIONS TO POLICE PENSIONS ACCOUNT RE ILL HEALTH RETIREMENTS, ETC	
EM949	POLICE INJURY PENSION PAYMENTS	

Code	Narrative	Description
PR100	"LANDLORD" BUILDING MAINTENANCE	Covers: 1) planned and preventative works of repair, maintenance, servicing to the estate, 2) building, mechanical and electrical (m&e), and estate management fees, 3) contractor fixed costs, 4) reactive repairs to buildings and m&e plant. B&PS USE ONLY
PR500	PROPERTY & CONTENT PREMIUMS	For use by FORCE INSURANCE OFFICER USE ONLY
PR501	PROPERTY SETTLEMENTS	For use by FORCE INSURANCE OFFICER USE ONLY
PR503	CONTENTS SETTLEMENTS	For use by FORCE INSURANCE OFFICER USE ONLY
TS301	IOW TRANSPORT ALLOWANCE	Commuting expenses incurred to and from the Isle of Wight as an alternative to Reg 35
TR101	SPARES (TRANSPORT)	Cost of vehicle spares. For use by TRANSPORT DEPARTMENT ONLY
TR102	LUBRICANTS (TRANSPORT)	Cost of vehicle lubricants. For use by TRANSPORT DEPARTMENT ONLY
TR103	PORTABLE VEHICLE EQUIPMENT (TRANSPORT)	Cost of portable vehicle equipment. For use by TRANSPORT DEPARTMENT ONLY
TR110	CONTRACTED OUT TRANSPORT MTCE	Cost of work carried out by contractors. For use by TRANSPORT DEPARTMENT ONLY
TR111	CONTRACTED OUT ACCIDENT ETC REPAIRS	Cost of repairs carried out by accident repair contractors. For use by TRANSPORT ONLY
TR112	CONTRACTED OUT ACCIDENT ETC SPARES	Cost of spares relating to accident repairs. For use by TRANSPORT DEPARTMENT ONLY
TR113	ASU ENGINE REPLACEMENT / MAINTENANCE	Periodic replacement and major maintenance (parts only) of Air Support Unit
TR120	TYRES & TUBES (TRANSPORT)	Cost of vehicle tyres and tubes. For use by TRANSPORT DEPARTMENT ONLY
TR121	BATTERIES (TRANSPORT)	Cost of vehicle batteries. For use by TRANSPORT DEPARTMENT ONLY
TR122	MARINE UNIT MAINTENANCE COSTS	Cost of repair and maintenance of Marine Unit vessels
TR123	UPKEEP OF TRANSPORT & PLANT	Cost of maintenance of workshop / transport related plant TRANSPORT DEPARTMENT ONLY
TR400	MOTOR PREMIUMS	For use by FORCE INSURANCE OFFICER ONLY
TR401	MOTOR SETTLEMENTS	For use by FORCE INSURANCE OFFICER ONLY
TR402	MARINE PREMIUMS	For use by FORCE INSURANCE OFFICER ONLY
TR403	MARINE SETTLEMENTS	For use by FORCE INSURANCE OFFICER ONLY
TR404	AIRCRAFT PREMIUMS	For use by FORCE INSURANCE OFFICER ONLY
TR405	AIRCRAFT SETTLEMENTS	For use by FORCE INSURANCE OFFICER ONLY
TR620	DRIVING LICENCES ETC	Cost of renewal of specialist vehicle (HGV PSV) licences. Also covers 'lost' driving licences by Central Ticket Office.
TR621	ROAD FUND LICENCES & MOT'S (TRANSPORT)	Cost of road fund licences and MOT's for police vehicles. TRANSPORT ONLY
SS103	CBRN EQUIPMENT - PURCHASE & HIRE / REPAIR & MTCE	Chemical, Biological, Radiological and Nuclear equipment. For use by CBRN CENTRE ONLY
SS200	FORENSIC COSTS	All forensic costs. Other costs include DNA storage, evidence bags, pace kits etc.
SS201	NAFIS COSTS	National Automated Fingerprint Identification System (NAFIS) Livescan payments.
SS210	CLINICIANS RETAINER	Clinical services contract for forensic and medical care in custody and rape victims.
SS211	CLINICIANS EXTRA VISITS	
SS212	SARC DOCTORS	SARC is Sexual Assault Referral Centre.
SS217	OTHER CONTRIBUTIONS TO SARC (NON PAY)	Other non pay SARC related contributions such as forensic cleaning of Treetops centre.
SS231	LEGAL COSTS (FORCE SOLICITOR)	Legal costs incurred in defending Chief Constable. For use by FORCE SOLICITOR ONLY
SS241	INTERMEDIARY CHARGES	Costs met locally from 1st April 2009. CJD will receive and pay invoices.
SS311	UNIFORM - FROM CENTRAL STORES	Standard uniform issue entitlement (including body armour) excluding personal issue equipment. For use by B&PS PROCUREMENT - CENTRAL STORES DEPARTMENT ONLY
SS312	UNIFORM - STOCK ADJUSTMENT	For use by B&PS PROCUREMENT - CENTRAL STORES DEPARTMENT ONLY
SS313	UNIFORM - CYCLISTS	For use by B&PS PROCUREMENT - CENTRAL STORES DEPARTMENT ONLY
SS314	UNIFORM - NEW WICKING UNIFORM	For use by B&PS PROCUREMENT - CENTRAL STORES DEPARTMENT ONLY
SS320	PERSONAL ISSUE EQUIPMENT	Personal Protective Equipment (PPE) including ASP baton and holder, speedcuffs and holder and CS spray and holder. For use by B&PS PROCUREMENT - STORES DEPARTMENT ONLY
SS400	GENERAL INSURANCE PREMIUMS	For use by FORCE INSURANCE OFFICER ONLY
SS401	GENERAL INSURANCE SETTLEMENTS	For use by FORCE INSURANCE OFFICER ONLY
SS402	BROKERAGE ETC COSTS	For use by FORCE INSURANCE OFFICER ONLY
SS800	LEGAL SERVICES	Cost of bought in legal services subject to contract / agreement
SS801	INTERNAL AUDIT	For use by FINANCE ONLY
SS802	EXTERNAL AUDIT	For use by FINANCE ONLY
SS803	POLICE PENSIONS SERVICE	For use by FINANCE ONLY
SS804	ESTATE SERVICES	Cost of bought in estate / property services etc subject to contract / agreement
SS805	PAYROLL SERVICES	For use by FINANCE ONLY
SS810	CLERK TO PA	For use by POLICE AUTHORITY ONLY
SS811	TREASURER TO PA	For use by POLICE AUTHORITY ONLY

Code	Narrative	Description
LV100	LEVY - POLICE NATIONAL COMPUTER	For use by FINANCE ONLY
LV200	LEVY - NPOIU	Levy for National Public Order Information Unit. For use by FINANCE ONLY
LV500	LEVY - OTHER	
GP100	PA GRANTS TO STATUTORY BODIES	
GP101	PA GRANTS TO VOLUNTARY BODIES	
GP111	PA BE YOUR BEST FOUNDATION GRANT	
GP114	OTHER PA GRANTS	
GP115	HANTS & IOW CRIMESTOPPERS	
GP200	CRIME & DISORDER AUDITS	
GP220	CRIMESTOPPERS GRANT	
GP221	YOUTH OFFENDING TEAM GRANT	YOT Grant
GP222	ARREST REFERRAL GRANT	
GP223	AREA CHILD PROTECTION COMMITTEES	
GP224	VICTIM SUPPORT GRANT	
GP225	OAKSEY GRANT	HO circular 1928. Grant is paid at £1 per serving officer for the Police Sport UK affiliation fee.
SI100	FORCE EVENTS INCOME	
SI513	INSURANCE COSTS RECOVERED	
SI514	THIRD PARTY CLAIMS INCOME	Costs recovered from 3rd parties responsible for damage to police vehicles. TRANSPORT ONLY
SG100	HO CRIME FIGHTING FUND GRANT	
SG106	PCSO HOME OFFICE GRANT	Police Community Support Officer's grant
SG110	RULE 2 GRANTS	Includes SPP, IPLDP, SE Area Allowance, DNA database cost recovery and Rural Grant
SG306	LCJB GRANT	
SG307	OTHER ONE-OFF S&A GOVT GRANTS	
SG399	ADDITIONAL GRANTS OTHER	
IN100	INVESTMENT INTEREST	
IN101	SEIZED MONEY INTEREST	
MA100	PA MEMBERS' GENERAL ALLOWANCES	For POLICE AUTHORITY USE ONLY
MA101	PA MEMBERS' BUSINESS ALLOWANCES	For POLICE AUTHORITY USE ONLY
MA200	PA MEMBERS' TRAVEL CLAIMS	For POLICE AUTHORITY USE ONLY
MA201	PA MEMBERS' SUBSISTENCE CLAIMS	For POLICE AUTHORITY USE ONLY
MA202	PA MEMBERS' CONFERENCE EXPENSES	For POLICE AUTHORITY USE ONLY
MA203	PA MEMBERS' ALLOWANCE (TRIBUNALS ETC)	For POLICE AUTHORITY USE ONLY
MA300	PA CHAIRMAN'S ALLOWANCE	For POLICE AUTHORITY USE ONLY
MA301	PA COMMITTEE CHAIRMAN'S ALLOWANCE	For POLICE AUTHORITY USE ONLY
MA302	PA HOSPITALITY ITEMS	For POLICE AUTHORITY USE ONLY
CF100	INTEREST PAYABLE	For use by FINANCE ONLY
CF101	PROVISION FOR DEPRECIATION	For use by FINANCE ONLY
CF102	CAPITAL CHARGES	For use by FINANCE ONLY
CF103	DEFERRED CRANTS AMORTISATION	For use by FINANCE ONLY
CF105	MRP TRANSFER	For use by FINANCE ONLY
RE100	GENERAL RESERVE	For use by FINANCE ONLY
RE101	PENSIONS RESERVE	For use by FINANCE ONLY
RE102	SPEND TO SAVE ETC RESERVE	For use by FINANCE ONLY
RE103	INSURANCE RESERVE	For use by FINANCE ONLY
RE105	OTHER EARMARKED RESERVES	For use by FINANCE ONLY
RE106	CAPITAL (REVENUE CONTRIBUTION TO RESERVE)	For use by FINANCE ONLY
RE111	RCCO - PARTNERSHIP CONTRIBUTIONS	For use by FINANCE ONLY
RE112	RCCO - OTHER SPECIFIC CONTRIBUTIONS	For use by FINANCE ONLY
RE200	CONTRIBUTIONS ASSOCIATED WITH FRS17	For use by FINANCE ONLY
RE201	INFLATION PROVISION	For use by FINANCE ONLY
RE202	OTHER CONTRIBUTIONS TO / FROM PROVISIONS	For use by FINANCE ONLY

Associated National Insurance and pension contribution costs are also allocated

Grants receivable in 2010/11 budget

The list below includes all grants included in the 2010/11 budget. Throughout the financial year it may be possible to access additional grants. Most of these grants will be 'specific' or ring-fenced so an equal amount of qualifying offsetting expenditure would have to be incurred e.g. mobile data, Airwave, tackling knives, disclosure pilot.

Code	Spec/Gen	Grant	Amount (£)
GG100	General	Police grant	125,322,300
GG101	General	Revenue Support Grant	11,119,000
GG102	General	National Non-Domestic Rates	76,572,300
SG100	General	Crime Fighting Fund	7,521,000
SG106	Specific	PCSO / Neighbourhood Policing	7,618,100
SG107	Specific	BCU Fund	986,000
SG108	Specific	Counter Terrorism/Special Branch	3,197,400
SG110	General	Rule 2 (IPLDP, SPP, SE Area, DNA, Rural)	5,386,600

The GG codes are general grant based on funding formulae. The net increase in funding made available by the Government on these codes is usually the percentage increase referred to by the Government.

The SG codes are specific grant codes. CFF and Rule 2 can now be used for general purposes as the links that used to exist to these sources has been removed. However, they are still required to be reported as additional grants as the formula used is not the same as for the general grants and in the vast majority of cases the amount of grant received has been the same cash amount for a number of years (i.e. no inflation). The absence of inflation uplift on the funding source effectively adds to the current policies budget shortfall each year.

As stated above, the Authority has in the past received further additional specific grants during the course of the financial year. However, as these have to be spent on specific purposes from a budget viewpoint the income received will be netted off by additional expenditure, so there will be no net impact on the budget.

In addition to the revenue grants listed above the Authority will receive £3,854,000 capital grant in 2010/11.

Partnership budgets

The Authority and Force work with other partners to deliver multi-organisation services in order to deliver optimum service and make best use of resources. The major financial partnerships are:

Partnership	Estimated gross value of income & expenditure 2010/11 (£'000)
Safer Roads Partnership	1,700
Youth Offending Team	HPA contribution 696
Local Criminal Justice Board	380
Crime and Disorder Reduction Partnerships	No funds directly held

The Authority also hosts the ACPO Criminal Records Office (ACRO). The gross revenue income and expenditure is estimated at £6,254,000 as shown below:

ACRO	£'000
Income	
Partnership income	(650)
Sales income	(4,300)
Specific grants	(1,300)
Interest received	(4)
Total income	(6,254)
Expenditure	
Employees	3500
Premises	800
Transport	3
Travel and subsistence	160
IT	400
Supplies & services	450
Net surplus for investment	941
Total expenditure	6,254

Other relevant documents

This document contains a summary of the Revenue Budget for 2010/11 and the Capital Programme for the period to 2010/11 to 2013/14.

Further information is available in:

- * The Local Policing Plan
- * The Precept leaflet sent with council tax bills
- * The Efficiency Strategy
- * Reports to the Police Authority's Finance Committee:
 - Medium Term Financial Strategy 2009/10 to 2013/14 (Sep 09)
 - Budget 2010/11 (Dec 09)
 - Budget 2010/11 (Feb 10)
 - Consulting Local Communities on the Precept (Feb 10)
 - Prudential Code (Feb 10)
 - Capital Programme 2010/11 to 2013/14 (Feb 10)
 - Treasury Management (Feb 10)
 - Efficiency Strategy (most meetings)

Acronyms and abbreviations

ACC	Assistant Chief Constable
ACPO	Association of Chief Police Officers
ACRO	ACPO Criminal Records Office
CC	Chief Constable
CIPFA	Chartered Institute of Public Finance and Accountancy
DCC	Deputy Chief Constable
DoFR	Director of Finance and Resources
EPT	Efficiency and Productivity Team
ESLO	Efficiency Strategy Liaison Officer
HMIC	Her Majesty's Inspectorate of Constabulary
HPA	Hampshire Police Authority
HR	Human Resources
IMPACT	Information Management, Prioritisation, Analysis, Co-ordination and Tasking
IoW	Isle of Wight
MTFS	Medium Term Financial Strategy
OCU	Operational Command Unit
OS	Operational Services
PHQ	Police Headquarters
RAP	Resource Allocation Plan
SO	Specialist Operations
TO	Territorial Operations
ZBB	Zero Based Budgeting