

NORTHERN JOINT POLICE BOARD

27 November 2009

Agenda Item	
Report No	

Revenue monitoring as at end October 2009

Report by the Chief Constable

SUMMARY

To inform the Board of the Revenue expenditure position as at the end of October 2009.

BACKGROUND

As highlighted previously, the 2009/10 budget reflects the transfer of ICT to the Scottish Police Services Authority (SPSA). The agency agreement came into operation as from 1 July 2009, with ICT costs now falling to the SPSA. The Scottish Government has still to refund Forces for costs incurred prior to this date, but, as this is currently being progressed, the statement presented today does not include these costs.

Direct Employee Expenses

At this point in time it is anticipated that there will be a £1.3m underspend in this area. This is mainly due to vacancies not yet filled, and the balance of retirement and recruitment of police officers.

Indirect Employee Expenses

As reported previously, the change in factors used to calculate lump sum commutations for retiring officers has now been backdated to 1 December 2006. The costs of these backdated payments are £429k, which is shown in the statement presented today, as the monies have not yet been paid over by the Scottish Government. However, discussions are currently taking place at a national level to decide the method of reimbursement.

Premises

Whilst a small underspend is predicted in this area, it should be noted that this is made up of an overspend in Maintenance of Hill Top Sites (to be offset against income), and an underspend on Tower painting. Due to the timing of the tender procedure, the painting works cannot be commenced until the weather improves, which will take us into financial year 2010/11.

Transport

The overspend in Transport costs is largely due to an increase in repairs and maintenance of vehicles – a result of the ageing fleet, and increased transport costs. Increased travel costs as a result of significant operational incidents also contribute to this overspend.

Supplies and Services

The anticipated overspend in this area relates mainly to extra Airwave coverage and warranties, legal fees, Tower supervision (offset by income), and Accommodation costs (again as a result of major operational incidents).

Income

Income is expected to be approximately £433k over budget by the year end. This is largely due to income from seconded officers, income from Maintenance of Hill Top Sites and Tower Supervision (to offset expenditure as highlighted above), and increased Hill Top Sites rents. This over recovery takes account of a decrease in expected interest on revenue balances, as a result of the low interest rates.

Whilst the current estimated outturn is an underspend of £708k, as the year progresses, any changes to estimated outturns will be reported to future Boards.

<u>RECOMMENDATION</u>

The Board is invited to note the current revenue position.
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I Latimer
Chief Constable

7 November 2009

NORTHERN CONSTABULARY 2009/2010 REVENUE MONITORING

REVENUE MONITORING STATEMENT AS AT END OCTOBER 2009					
	Annual Budget £'000	Budget to Date £'000	Expenditure to Date £'000	Year End Estimate	Estimated YE Variance £'000
Direct Employee Expenses	43,141	24,552	23,885	41,871	(1,270)
Indirect Employee Expenses	11,994	6,570	7,226	12,559	565
Premises Related Expenditure	3,799	2,558	2,335	3,779	(20)
Transport Related Expenditure	1,838	990	1,152	1,988	150
Supplies & Services	3,754	1,948	2,097	4,054	300
Third Party Payments	24	12	11	24	0
Support Services	287	2	6	287	0
GROSS EXPENDITURE	64,836	36,632	36,712	64,562	(275)
Income	(5,652)	(3,838)	(4,649)	(6,085)	(433)
NET BUDGET	59,184	32,794	32,063	58,477	(708)

Board Approved Budget	59,360
Less Loan Charges	(1,836)
Add Additional Funding	1,551
Transfer from Reserves	109
Working Budget	59,184

16/11/2009

Budget prepared by Northern Constabulary