

# NORTHERN JOINT POLICE BOARD

14 November 2008

Agenda Item	
Report No	

## Revenue monitoring as at end September 2008

### Report by the Chief Constable

#### **SUMMARY**

To inform the Board of the Revenue expenditure position as at the end of September 2008.

#### **BACKGROUND**

Members are advised that the proposed transfer of ICT Services to the SPSA has not yet taken place, and as such the budget presented still includes an amount of £2,156k along with the corresponding expenditure. As reported previously, further details on this transfer will be presented within Revenue Monitoring reports brought to future meetings of the Board.

#### **Direct Employee Expenses**

At this point in time, it is anticipated that there will be a year end underspend of £452k in this area.

In terms of Police Support Staff, some of the new posts created by the Force Review process have not yet been filled but many of the early retirements/voluntary redundancies progressed quicker than was originally anticipated.

There has also been movement in the balance of retirement and recruitment of Police Officers which will result in an underspend within Police Pay related costs.

#### **Indirect Employee Expenses**

As reported previously, this section of the budget contains all pension related costs and is the area subject to a higher degree of variation from budget. An overspend of £1,278k is currently predicted, however, it should be noted that of this figure, approximately £690k relates to additional lump sum payments due to police officers retiring since 01 April 2008 following the change to the factors used to calculate the allowable commutation for retiring police officers. Whilst the Scottish Government has indicated monies will be made available to fund these costs, the mechanism for payment has still to be confirmed and this is therefore still included as an overspend in the Revenue Account. The remaining overspend relates to commutations paid to deferred pensioners and ill health retirements. While no more deferred pensioners are anticipated before the year end, further ill health retirements cannot be ruled out.

#### **Premises Related Expenditure**

No deviations from budget are anticipated at this time.

## **Transport Related Expenditure**

Overall within this area of the budget an overspend of £87k is estimated. Increases in the cost of petrol and diesel will result in expenditure being £50k higher than budget. This is slightly less than previously reported due to the price of fuel stabilising, and indeed reducing in some areas. Increasing costs of external repairs and maintenance will also contribute to the estimated out-turn position.

## **Supplies & Services**

A slight overspend is expected in Supplies and Services in respect of Supervision costs of work undertaken by Site Sharers on hill-top sites. This will however, be offset by a corresponding increase in income as these costs are passed on to the Site Sharers.

Support Services is expected to be in line with budget by 31 March 2009, with a small overspend anticipated in Third Party Payments.

## **Income**

In total it is estimated that income will be in excess of budget by approximately £552k. This is made up as follows –

	£
• Increased Rentals for hill-top sites	100k
• Hill-top sites supervision (offset by associated costs)	75k
• Refund of charges	177k
• Charges for Police Services (in excess of budget)	200k

Overall the anticipated year end position at this time is an overspend of £443k. Additional funding due in respect of enhanced commutation payments will see this overspend moving to an underspend position of £254k. Any underspend at the end of the financial year will transfer to the general reserves, within allowable limits.

### **RECOMMENDATION**

The Board is invited to note the current revenue position.

**I Latimer**  
**Chief Constable**

**7 November 2008**

## NORTHERN CONSTABULARY 2008/2009 REVENUE MONITORING

<b>REVENUE MONITORING STATEMENT AS AT END September 2008</b>					
	<b>Annual Budget £'000</b>	<b>Budget to Date £'000</b>	<b>Expenditure to Date £'000</b>	<b>Year End Estimate</b>	<b>Estimated YE Variance £'000</b>
Direct Employee Expenses	40,547	20,002	19,032	40,095	452
Indirect Employee Expenses	12,320	4,815	5,953	13,598	(1,278)
Premises Related Expenditure	3,323	2,260	2,300	3,323	-
Transport Related Expenditure	1,596	744	810	1,683	(87)
Supplies & Services	6,029	2,730	2,707	6,104	(75)
Third Party Payments	18	18	25	25	(7)
Support Services	279	1	9	279	-
<b>GROSS EXPENDITURE</b>	<b>64,112</b>	<b>30,570</b>	<b>30,836</b>	<b>65,107</b>	<b>(995)</b>
Income	(5,308)	(3,293)	(3,948)	(5,860)	552
<b>NET BUDGET</b>	<b>58,804</b>	<b>27,277</b>	<b>26,888</b>	<b>59,247</b>	<b>(443)</b>

<b>Board Approved Budget</b>	<b>58,273</b>
<b>Additional Funding</b>	<b>280</b>
<b>T/F from Operational Contingency</b>	<b>250</b>
 <b>Working Budget</b>	 <b>58,804</b>