

# NORTHERN JOINT POLICE BOARD

29 August 2008

Agenda Item	
Report No	

## Revenue monitoring as at end July 2008

### Report by the Chief Constable

#### **SUMMARY**

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

#### **BACKGROUND**

The budget presented within this Revenue Monitoring report reflects the total budget allocated within Force. This differs from the revenue budget presented to, and approved by, the NJPB in January. An adjustment was made to this earlier budget in respect of additional specific grant income to be received from the Scottish Government and a transfer from General Reserves (Operational Contingency). The working budget, net of Loan Charges, is £58.8m.

It should be noted that the budgetary transition associated with the service transfer of Information and Communications Technology (ICT) has neither been progressed or approved. The budget presented includes an amount of £2,156k in respect of ICT Services – the expenditure to date figure also includes expenditure on these services. Staff costs have transferred with the SPSA assuming responsibility for salary and associated costs from 1 April 2008. Further details on this transfer will be presented within Revenue Monitoring reports brought to future meetings of the Board.

#### **Direct Employee Expenses**

At this stage in the financial year it is not anticipated that there will be any significant deviation from budget. The implementation of the Force Review recommendations is currently having an impact on this area of the budget. Members will recall that during the last two years Police Staff appointments were generally made on a temporary basis. All of these contracts have now come to an end and Police Staff numbers are currently lower than the post Force Review Establishment but this will stabilise towards the year end. Similarly a recruitment programme for Police Officers is progressing well and officer numbers will be on target at 31 March 2009.

#### **Indirect Employee Expenses**

This section of the budget contains all pension related costs and is the area subject to a higher degree of variation from budget. At present an overspend of £149k is anticipated within this area as a result of ill-health retirements and commutation payments to deferred pensioners. As the year progresses we will know the retirement pattern with more certainty and utilise any underspend within the recurring pension cost areas to minimise the overspend on commutations.

## **Premises Related Expenditure**

No deviations from budget are anticipated at this time.

## **Transport Related Expenditure**

Due to increases in the cost of petrol and diesel it is anticipated that expenditure within this area of the budget will be £75k higher than budget.

Supplies and Services, Third Party Payments and Support Services are all expected to be in line with budget by 31 March 2009.

## **Income**

Rental Income from hill-top sites in excess of budget should result in an over recovery of income in the region of £120k by the year end. Whilst income from transfer values is included here any over recovery within this area will offset additional pension costs.

Overall the anticipated year end position at this time is an overspend of £104k. This is based upon the known position for retirals at the end of July. There will be some movement downwards on this as actual retirement dates are confirmed. Every effort will be taken to reduce this underspend. However, should this not be possible any overspend at the year end will be funded via a draw down from general reserves.

<b><u>RECOMMENDATION</u></b>
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The Board is invited to note the current revenue position.
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**I Latimer**  
**Chief Constable**

**19 August 2008**

**NORTHERN CONSTABULARY 2008/2009 REVENUE MONITORING**

<b>REVENUE MONITORING STATEMENT AS AT END July 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	40,556	13,297	12,527	40,556	-
Indirect Employee Expenses	12,317	3,279	3,274	12,466	(149)
Premises Related Expenditure	3,323	1,020	1,020	3,323	-
Transport Related Expenditure	1,593	498	521	1,668	(75)
Supplies & Services	6,026	1,793	1,854	6,026	-
Third Party Payments	18	5	20	18	-
Support Services	279	1	0	279	-
<b>GROSS EXPENDITURE</b>	<b>64,112</b>	<b>19,893</b>	<b>19,216</b>	<b>64,336</b>	<b>(224)</b>
Income	(5,308)	(2,692)	(3,463)	(5,428)	120
<b>NET BUDGET</b>	<b>58,804</b>	<b>17,201</b>	<b>15,753</b>	<b>58,908</b>	<b>(104)</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>