

DORSET POLICE AUTHORITY - 12 FEBRUARY 2010

BUDGET 2010/11

REPORT BY THE CHIEF CONSTABLE

PURPOSE OF THE REPORT

To present the revenue and capital budget required to meet the operational requirements of the Force in 2010/11.

1. INTRODUCTION

- 1.1 In December 2009 members received a paper outlining the funding settlement for 2010/11 and the impact of that settlement on the 2010/11 budget setting process. The final funding settlement was exactly as outlined in the three year settlement announced in December 2007. The December 2009 paper outlined a draft revenue budget requirement for 2010/11 of £120,482,000, maintaining services at the 2009/10 level, requiring a precept increase of 5.84%. This budget requirement already included savings in excess of £600,000.
- 1.2 The December 2009 meeting resulted in members deciding that two budget options would be presented to the February 2010 meeting, one for a 4.96% precept increase and one for a 3.50% precept increase. This decision took into account the base 5.84% precept increase required for a standstill budget, the need to maximise funding in 2010/11 to offset the significant shortfall projected for 2011/12 and the fact that previously capped authorities will have their precept increases limited to 3% in 2010/11.
- 1.3 The recommended budget set out in this paper has been prepared in conjunction with the three year strategy and annual Policing Plan and will provide the Force with the minimum level of resources needed to address the priorities set out in the Plan.
- 1.4 After taking into account savings that have already been identified, it is now possible to set a budget requirement of £120,304,100 that will limit the required budget increase to 3.77% and the precept increase to 4.38% (14.5 pence per week for a Band D Council Tax payer). The results of the recent Community Safety Survey identified that 82% of residents would support an increase in council tax at this level.
- 1.5 The Treasurer's paper, also on today's agenda, provides further details of the serious national economic context, the tougher capping regime this year and the complications of anticipated future actions by government to address the national fiscal deficit.

- 1.6 Both options presented in this report will require additional savings to those already identified. It is also anticipated that further savings will be identified from within the Continuous Improvement workstreams to provide full year benefits in 2011/12. Savings are considered in further detail at paragraph 2.3.
- 1.7 The scale of the projected shortfall in 2011/12 is such that a 2010/11 precept set at the December figure of 4.96% would deliver the maximum mitigation to that year and provide a permanent increase in the base level of funding. A 4.96% precept increase would also allow some of the cuts put forward under Cost Challenge to be reinstated. A 4.96% precept increase (16.4 pence per week) would therefore represent a highly desirable outcome. However, in the current economic circumstances it is recognised that the budget increase must be the minimum necessary to ensure service continuity and maintain stability with the Medium Term Financial Strategy and Policing Plan.
- 1.8 In order to achieve a budget within a 4.38% precept increase, a reduction of 12 police officer posts has been necessary. These have been achieved as the remaining civilianisations under the five year programme previously approved by the Police Authority.
- 1.9 The budget has been compiled with reference to the Force strategic assessment and is designed to deliver the annual Policing Plan and three year strategy, which members will recognise includes the period when the Force will be policing the Olympic Games.
- 1.10 In line with the medium term financial plan, the budget includes a risk line of £300,000 without which a further 0.60% increase in council tax precept would be required. The budget monitoring process undertaken by Chief Officers will continue to closely monitor budgets throughout the year and allocate any savings identified against the risk line.
- 1.11 In accordance with the decision taken by the December 2009 Police Authority, a second option is set out later in this paper detailing the impact of a 3.50% precept increase (£119,853,200 budget requirement, 3.38% budget increase).

2. CHANGES SINCE THE DECEMBER 2009 PAPER

- 2.1 Detailed proposals on the 2010/11 revenue and capital budget were presented to members at the Police Authority meeting on 17 December 2009. At that meeting only provisional settlement figures had been received and taxbase and collection fund figures were not available.
- 2.2 Final taxbase and collection fund figures are now available and are included within the budget proposal. Details are included in the Treasurer's paper also submitted to the Authority. With the exception of the Olympic capital and revenue grants, all grant figures have now been confirmed, including the security grant. A summary of the 2010/11 revenue budget is attached at Appendix A, including a schedule of revenue holding accounts. A summary of significant changes since the draft budget presented in December 2009 is set out below.

Savings Applied – Cost Challenge

- 2.3 As indicated in the December 2009 paper, the Cost Challenge process, which took place during September and October 2009, identified a significant number of

potential savings. These savings have been considered by Chief Officers to identify those that are deliverable in 2010/11 and which will be taken into the current Continuous Improvement programme.

- 2.4 The savings that will be removed from the base budget in 2010/11 total £1,226,000 (rising to a full year saving of £1,690,000 in 2011/12). Further savings will be progressed through the Continuous Improvement programme during 2010/11 with the intention of achieving an expectation of significant further savings in 2011/12. In addition, there is a clear anticipation that the regional collaboration programme will deliver future savings. Any such additional savings have not been adjusted for in either year's budget.
- 2.5 The savings identified for 2010/11 include a proposed scheme for police staff to purchase additional annual leave, renegotiated contracts, and the reduction of 17 police staff posts through turnover. A summary of savings identified is shown at Appendix B.
- 2.6 As also mentioned in the December 2009 paper, the freeze on police staff recruitment means that police staff pay budgets (excluding Police Community Support Officers) will not have a 'vacancy factor' applied during 2010/11. This means that the total savings figure will be netted down by £735,000 for that year only. This will allow the police staff establishment to be managed down to achieve full year savings equivalent to over 100 posts in 2011/12. This will be provided by a continuous improvement programme to concentrate scarce resources in priority areas as well as a reduction in posts. It will include reduced hours, changes in shift patterns, reductions in overtime and so on. These reductions will be achieved partly from the Cost Challenge savings, and partly from further savings to be identified through the continuous improvement programme.

Taxbase and Collection Fund

- 2.7 Final taxbase and collection fund figures have now been received from district and unitary authorities. Full details are included in the Treasurer's paper to the Authority. The December 2009 draft budget proposals assumed a taxbase of 293,303 (Band D equivalent); no assumptions were made in respect of a surplus or deficit. The final figures indicate a taxbase of 294,733 (resulting in savings equivalent to approximately £260,000) and a collection fund surplus of £303,136. However, the collection fund surplus clearly represents a one-off saving, while the increase in taxbase can also not provide any certainty in respect of future funding. Whilst this is clearly of significant benefit in reducing the precept in 2010/11, it cannot be assumed to recur the following year and hence represents a risk in the medium term financial plan.

Driver Awareness Scheme Courses

- 2.8 The figures presented to the Police Authority in December 2009 assumed that the income from Driver Awareness Scheme courses would be consistent with the base budget set in 2009/10. However, current year monitoring indicates approximately £100,000 under-recovery on these schemes. The base budget for 2009/10 included anticipated additional income of £350,000. This income was budgeted to allow the provision of further driver education, and to contribute to wider road safety activity in the Force. While this has largely been achieved, and the provision of such education continues to represent an important tool to enhance driver behaviour and standards

in Dorset, it is now clear that this level of income is not fully sustainable. A reduction in income budget for 2010/11 of £100,000 has therefore been applied.

Proceeds of Crime Act Income

- 2.9 The principal objective of the Proceeds of Crime Act (POCA) is to deny criminals the assets that they have acquired through criminal activities. As has previously been reported to the Police Authority, Dorset Police continues to have significant success in this area. However, actual income received under the Proceeds of Crime Act has been lower than the budget in each of the last three years, with current year income projected to be £180,000 against a budget of £346,000. This income only represents a fraction of the confiscation orders and cash forfeitures resulting from seizures. As reported in the budget monitoring paper presented to this meeting, the shortfall in 2009/10 will be met from a specific POCA reserve. The most significant factor in the lower level of income is the delay between seizing assets and the realisation of cash for these assets by the Home Office.
- 2.10 Although the level of POCA seizures within Dorset Police continues to be high, and further receipts from existing seizures are anticipated in future years, it would be prudent to reduce the target income in this area by £69,000 in 2010/11.

Contribution to Icelandic Impairment

- 2.11 The draft budget presented to the Authority in December 2009 included the repayment, over three years, of the outstanding impairment arising from funds lost in the Icelandic banking crisis of 2008. This loss has currently been taken against the PFI reserve, which clearly has an impact on future revenue funding. The repayment of the Icelandic loans impairment will therefore reimburse the PFI reserve.
- 2.12 In addition to this three year repayment, the Police Authority has also agreed the transfer of any year end underspend towards this loss. At the end of the second quarter, this underspend was anticipated to be £254,000. However, as the monitoring paper also presented to this meeting shows, a small overspend is now anticipated in 2009/10. The three year contribution has therefore been revised and increased by £85,000 per annum.

Police Overtime

- 2.13 Police overtime has been re-examined and £64,000 has been removed from the proposed 2010/11 allocation.
- 2.14 The Home Office has set out their intentions to reduce police overtime by £70m nationally each year. Full details of how this centrally imposed target is to be implemented have yet to be received.
- 2.15 Currently the Force incurs average overtime of 1.4 hours per officer, per week resulting in an annual cost of £2.7m. A significant proportion of overtime relates to bank holiday working and cover for sick leave. Operationally overtime is essential in providing flexibility to ensure incidents are properly managed and time is not wasted in handing over the management of an incident from one officer to another at the change of shift.
- 2.16 When full details of any requirement are known they will be reported back to members together with the financial and operational implications.

Interest on Balances

- 2.17 Interest on balances has been calculated based on the recommended budget requirement and anticipated movements on balances during 2010/11. It is assumed the average interest received will be 1.0% (the current average investment return for 2009/10 is 0.92%). These changes have added £56,000 to the budget requirement.

Capital Budget

- 2.18 The capital budget now presented to the Authority is unchanged from that presented in December.
- 2.19 The capital programme for 2010/11 is set out at Appendix C. This Appendix details the new capital schemes to be commenced and budgeted for in 2010/11.
- 2.20 However, in addition to the new schemes, there will continue to be expenditure incurred on existing schemes, including the Bournemouth Custody scheme. The capital cash flow is therefore anticipated to be significantly different from the capital programme. The projected capital cash flow for the next five years, including sources of funding, is set out at Appendix D.

3. 2010/11 BUDGET OPTION 1 – 4.38% PRECEPT INCREASE (RECOMMENDED)

- 3.1 The first budget option presented represents a precept increase of 4.38% (3.77% budget increase). This is the recommended current level of budget requirement having taken account of the changes since December 2009 shown at paragraph 2 above, and represents an increase of £7.56 per annum (14.5 pence per week) for a Band D Council Tax payer. The effect on different households across the County is reflected in the table below.

Band	Increase per week (pence)	% of households
A	9.7	14%
B	11.3	21%
C	12.9	31%
D	14.5	23%
E	17.7	16%
F	20.9	8%
G	24.1	4%
H	29.0	1%

- 3.2 The above table relates to the percentage of Council Tax income collected. In addition to the above, certain categories of people pay reduced Council Tax, such as residents on low incomes, or are exempt. Examples of adults who will not be taken into account when calculating the Council Tax due on a property are students, apprentices and patients (including care home residents).
- 3.3 This budget proposal has been set taking full account of the requirements and priorities set out in the Policing Plan.

- 3.4 A budget set at this level gives a total budget requirement of £120,304,100 and includes base budget savings of £2.2m, including the Cost Challenge savings shown at paragraph 2.3 (above).
- 3.5 A precept increase of 4.38% would also provide a significant contribution towards the base budget going forward to 2011/12, where a significant deficit is projected due to the national economic situation (see paragraph 5 below).
- 3.6 While it is anticipated that some further savings will be achieved during 2010/11 from the Continuous Improvement workstreams, these savings have not yet been identified. It is recommended that the part year effect of any such savings that may be realised in 2010/11 be transferred to reserves to accelerate the repayment of the Iceland impairment losses. This would reduce the base budget requirement in 2011/12 and beyond, while preserving a higher base level of funding in that year. The full year effect of such savings would also then be applied to the budget requirement in 2011/12, reducing even further the amount required in that year.
- 3.7 The recommended budget requirement for 2010/11 is shown at Appendix A in traditional subjective format, together with indicative figures for the following four years. This appendix also shows estimated funding for that period. These future years' figures are of course particularly uncertain at this time and include numerous estimates. They do however continue to indicate that significant further savings will be required in 2011/12 and beyond.
- 3.8 Appendix E shows the budget requirement for 2010/11 in the format used for budget monitoring during the year. This is the format against which variances will be reported throughout 2010/11. The recommended budget for 2010/11 is also shown at Appendix F in Police Objective Account format.
- 3.9 Regular benchmarking of services and costs against other forces and internal service reviews continue to evidence the highly efficient service provided by Dorset Police. Appendix G provides a schedule of high level comparators for Member's information.
- 3.10 Given the significant uncertainty around available grant funding in 2011/12 and beyond, and potentially tougher restrictions on precept increases, this option, based on a precept increase of 4.38%, is the option that I strongly recommend to the Authority.

4. 2010/11 BUDGET OPTION 2 – 3.5% PRECEPT INCREASE

- 4.1 The second option presented represents a precept increase of 3.5% (3.38% budget increase). This would provide a base budget of £119,853,200, and represents an increase of £6.03 per annum (11.6 pence per week) for a Band D Council Tax payer.
- 4.2 A budget set at this level would require further base budget savings to be identified of £450,900 with effect from 2010/11, and would provide a lower base budget for 2011/12 onwards. This reduction is equivalent to 13 police officers.
- 4.3 Whilst the Continuous improvement workstreams may be able to identify sufficient savings to provide for a 3.5% precept increase during 2010/11, it is not currently known exactly where these savings would be found. In effect this would increase the risk line from £300,000 to £750,900, and demand immediate savings be identified and achieved rather than planned reductions providing a stable base for future budgets in support of the policing objectives.

- 4.4 To set a budget at this level will result in a permanent loss of £450,900 from the base budget and reduce the options for lower budget requirements from 2011/12 onwards. It will take longer to repay the losses from Icelandic investments, and may put at risk such areas as future capital and PFI scheme financing.

5. FUTURE YEAR IMPLICATIONS

- 5.1 2010/11 is the last year of the three year settlement. During the three year period the Force and the Service has had a high level of certainty over external funding and pay awards.
- 5.2 No such certainty is available for future years. For 2011/12 the base formula will be reviewed and the Treasury and Home Office has set a target to reduce spend by £545 million. If applied proportionally across the Service, this would equate to £5 million less for Dorset Police (equivalent to 150 police constables or 10% increase in precept).
- 5.3 Future years are likely to see much tighter controls on levels of council tax.
- 5.4 The Force is dependent on significant specific grants – security, neighbourhood policing grant, forensics, rural policing, police reform, probationer training and private finance initiative credits which in total amount to over £10 million, all of which are granted on an annual basis and could be subject to further reductions.
- 5.5 In addition to these extreme financial pressures, the demands upon the Force, from both the public and Home Office, are ever increasing. The resources and specialist equipment needed to tackle serious and organised crime was also increasing.
- 5.6 Over the past five years the Force has shown itself capable of continually improving its service, aligning resources to constantly shifting demands and producing year-on-years efficiencies. This has only been possible with the full support of the Police Authority.
- 5.7 If we wish to maintain and improve on this level of performance, it is critical that we do everything possible to maintain as high a level of base funding as possible.
- 5.8 By adopting this approach the Force and Authority will be in the strongest possible position to meet the financial and operational challenges of the next three years.

6. COMMUNITY SAFETY SURVEY

- 6.1 As reported in December, the results of the Community Safety Survey were slightly later than usual this year and became available in January 2010. The survey sought to identify what level of council tax increase would be supported by the population of Dorset.

6.2 The percentage of respondents supporting council tax rises shown below:

Annual increase per council tax payer	% of Respondents Supportive	Equates to Budget increase of	Equates to Precept increase of	Increase / (Decrease) on 4.41% Precept Increase
no increase	16%	1.85%	0.00%	(£2,240,900)
increase of £2	85%	2.36%	1.16%	(£1,651,500)
increase of £4	84%	2.87%	2.32%	(£1,062,000)
increase of £6	83%	3.37%	3.48%	(£472,500)
increase of £8	82%	3.88%	4.64%	£116,900
increase of £10	81%	4.39%	5.80%	£706,400
increase of £12	76%	4.90%	6.96%	£1,295,900
increase of £14	39%	5.41%	8.12%	£1,885,300
increase of £16	9%	5.92%	9.28%	£2,474,800

6.3 The above table demonstrates that 82% of the respondents would support a council tax increase in excess of 4.38%.

7. CONCLUSION

7.1 The recommended budget requirement, having taken into account all currently available savings, requires a 4.38% precept increase.

7.2 While it would be possible to reduce the budget requirement further, by relying on potential as yet unidentified saving opportunities, there is every likelihood that this could adversely affect the operational effectiveness and efficiency of the Force and would provide a permanently lower base level of funding. It would also take longer to repay the Icelandic investment losses and may jeopardise financing of future capital schemes.

7.3 82% of all respondents to the Community Safety Survey indicated their support for a precept increase of 4.64%. This figure reduces only very slightly, to 81%, for respondents who would support an increase of 5.80%.

7.4 The significant uncertainty around future grant funding means that every opportunity should be taken to protect the operational effectiveness of the Force against future shortfalls. A precept increase of 4.38% will provide permanent base budget funding of £450,900 greater than a precept increase set at 3.50%.

8. RECOMMENDATIONS

8.1 It is recommended that the budget requirement for 2010/11 is approved at £120,304,100, a precept increase of 4.38%.

8.2 It is recommended that the capital programme as set out at Appendix C is approved.

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Appendices

- Appendix A – Budget Requirement Five Years Commencing 2010/11
- Appendix B – Schedule of Agreed Cost Challenge Savings 2010/11
- Appendix C – Capital Programme 2010/11
- Appendix D – Capital Cash Flow Five Years from 2010/11
- Appendix E – Budget Requirement for 2010/11
- Appendix F – Budget for 2010/11 and Indicative Budget for 2011/12 shown in Police Objective Account Format
- Appendix G - Key Facts and Comparators

BUDGET REQUIREMENT FIVE YEARS COMMENCING 2010/11

SUMMARY	Budget Requirement 2010/11 £000's	Budget Requirement 2011/12 £000's	Budget Requirement 2012/13 £000's	Budget Requirement 2013/14 £000's	Budget Requirement 2014/15 £000's
EMPLOYEES	113,202	115,258	117,057	118,762	120,556
PREMISES RELATED EXPENSES	5,013	4,780	4,478	4,522	4,562
TRANSPORT RELATED EXPENSES	3,979	4,037	4,213	4,398	4,600
SUPPLIES AND SERVICES	7,466	7,479	7,527	7,571	7,641
THIRD PARTY PAYMENTS	9,550	9,609	9,690	9,769	9,850
POLICE AUTHORITY	692	707	719	731	743
OTHER CAPITAL CHARGES	463	1,010	1,233	1,412	1,310
CONTRIBUTIONS TO / (FROM) RESERVES	(483)	(209)	(237)	(546)	(514)
RISK MANAGEMENT	(300)	(300)	(300)	(300)	(300)
SERVICE CHANGES	0	200	400	600	800
EXPENDITURE	139,583	142,570	144,779	146,920	149,248
GOVERNMENT GRANT	(6,947)	(6,957)	(6,980)	(6,977)	(6,974)
OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	(1,285)	(1,296)	(1,313)	(1,330)	(1,348)
CUSTOMER & CLIENT RECEIPTS	(2,384)	(2,381)	(2,371)	(2,302)	(2,333)
RECHARGES TO OTHER ACCOUNT HEADS	(149)	(151)	(152)	(154)	(155)
TRANSFERS FROM RESERVE	(98)	(50)	0	0	0
SPECIAL GRANTS	(2,953)	(2,953)	(2,953)	(2,953)	(2,953)
PFI CREDITS	(5,238)	(5,238)	(5,238)	(5,238)	(5,238)
INTEREST ON BALANCES	(225)	(207)	(210)	(213)	(216)
INCOME	(19,279)	(19,231)	(19,216)	(19,167)	(19,217)
NET EXPENDITURE	120,304	123,338	125,563	127,753	130,030
GOVERNMENT GRANT	66,949	66,949	66,949	66,949	66,949
COUNCIL TAX	53,355	56,389	58,614	60,804	63,081
TOTAL FUNDING	120,304	123,338	125,563	127,753	130,030
Projected Band D Council Tax	180.00	190.94	198.08	205.07	212.33
% Increase	4.38%	6.08%	3.74%	3.53%	3.54%
Budget Increase %	3.77%	2.52%	1.80%	1.74%	1.78%
NB: Future Year Funding at 2.5% Council Tax Increases WEF 2011/12		£121,436	£122,903	£124,424	£125,978
Projected Shortfall at 2.5% Council Tax Increase		£1,902	£2,653	£3,329	£4,052
Shortfall Represented as Number of Police Officers		54	76	95	116

HOLDING ACCOUNTS FIVE YEARS COMMENCING 2010/11

Pensions Holding Account

	Budget Requirement 2010/11 £000's	Budget Requirement 2011/12 £000's	Budget Requirement 2012/13 £000's	Budget Requirement 2013/14 £000's	Budget Requirement 2014/15 £000's
Employees	29,424	29,395	31,209	31,615	32,027
Employees Contribution	(5,704)	(5,802)	(5,891)	(6,077)	(6,264)
Employers Contribution	(13,149)	(13,950)	(13,152)	(13,584)	(14,031)
Other Income	(350)	(350)	(350)	(350)	(350)
Government Grant	(10,220)	(9,292)	(11,816)	(11,603)	(11,383)
	0	0	0	0	0

Seconded Officers Holding Account

	Budget Requirement 2010/11 £000's	Budget Requirement 2011/12 £000's	Budget Requirement 2012/13 £000's	Budget Requirement 2013/14 £000's	Budget Requirement 2014/15 £000's
Employees	370	372	374	377	380
Transport Related	20	20	20	20	20
Supplies & Services	15	15	15	15	15
Other Grants & Reimbursements	(405)	(407)	(409)	(412)	(415)
	0	0	0	0	0

SCHEDULE OF AGREED COST CHALLENGE SAVINGS 2010/11

Detail	Division	Budget	Budget
		Saving / (Cost) 2010/11 £000's	Saving / (Cost) 2011/12 £000's
Reduction of 12 police officer posts. Final tranche of approved civilianisation programme.	Central	239.4	352.1
Deletion of 17.5 police staff posts and regradings	Various	223.4	469.2
Introduce scheme to allow purchase of additional annual leave	Human Resources	200.0	200.0
Implementation of new vehicle recovery contract	Procurement & Distribution Services	101.6	101.6
10% Reduction in fleet fuel and maintenance costs over 2 years	Transport	85.0	170.0
Savings in occupational health costs. Increased use of GPs, nurse based telephone referrals and less frequent health monitoring programme	Human Resources	45.5	45.5
Reduce volume of printed material and introduce double sided printing as standard	Information Systems	41.6	41.6
Reduce various devolved non staff budgets, including conference expenses and consultancy costs	Various	34.2	34.2
Reduce software maintenance cover, licences and contracts	Information Systems	40.7	40.7
Reduction of various external contracts (requires 1 additional FTE to deliver savings)	Various	28.3	47.9
Reductions in mobile phone expenditure, including reduced cost non emergency SMS service	Information Systems	21.7	21.7
Savings in energy consumption through increased efficiencies	Estates & Building Services	20.0	20.0
Reduction in Advertising budget	Human Resources	16.0	16.0
Introduction of new national contract for body armour	Procurement & Distribution Services	15.0	15.0
Use of volunteers on lay panels	Learning & Development Unit	12.5	12.5
Review and reduction of stationery items	Procurement & Distribution Services	11.5	11.5
Reductions in police staff overtime and administration of police staff overtime	Various	11.4	11.4
Reduce seldom used Airwave radios	Information Systems	11.3	11.3
Disposal of Police houses	Estates & Building Services	10.0	10.0
Service charge payments from third parties in Police Buildings	Estates & Building Services	10.0	10.0
Remove surplus Airwave fallback	Information Systems	10.0	10.0
Reduction in divisional IS hardware, including printers, laptops and PDAs	Various	5.2	6.4
Dispense with personal issue cameras	Headquarters CID	5.0	5.0
Enhanced training of forensic staff to carry out work usually performed by outside agency	Headquarters CID	5.0	5.0
Train staff to enable more forensic screening of footwear in house	Headquarters CID	5.0	5.0
Removal of Fax Machines	Information Systems	5.0	5.0
Reduction in Divisional equipment budgets	Operations	3.8	3.8
Reduce number of central Independent Advisory Group meetings. Remove £15 policy fee	Community Engagement	3.2	3.2
Networking the fingerprint processing equipment to the Fingerprint Bureau	Headquarters CID	2.9	2.9
Collaborate with another force in the provision of training courses	Learning & Development Unit	2.0	2.0
TOTAL		1,226.2	1,690.5

NB; Savings are shown as positive figures in the above table, costs are shown in brackets.

CAPITAL PROGRAMME 2010/11

<u>Scheme</u>	<u>Capital</u> <u>(£000's)</u>	<u>Revenue</u> <u>(£000's)</u>
DESPI - one off capital contribution to DESPI due December 2010	1,050	0
<u>Information Systems</u>		
WAN installation costs	219	0
Server Replacements	111	0
Data Storage	100	0
Email Upgrade	17	0
PNN/CJX capacity increase	80	45
Network Maintenance	55	0
Management Of Digital Evidence	200	0
Computer Replacement	161	0
Total Information Systems	942	45
<u>Transport</u>		
Vehicle Fleet Replacements	1,109	0
<u>Estates</u>		
Replacement Cooler System, HQ Computer Room	575	0
<u>Finance & HR</u>		
Replacement Finance, Payroll & HR System	750	40
<u>Corporate Development</u>		
Performance Management Solution	80	0
Total Capital Programme 2010/11	4,506	85
<u>Funding</u>		
Capital Grant	1,270	0
Borrowing	2,186	0
Capital Receipts (to cover DESPI capital contribution)	1,050	0
Total Capital Funding 2010/11	4,506	0

APPENDIX D

PROJECTED CAPITAL CASH FLOW FIVE YEARS FROM 2010/11

	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
	£000's	£000's	£000's	£000's	£000's
Expenditure					
New Schemes					
Minor Works	575	287	295	303	311
Vehicles	1,109	1,034	1,060	975	1,002
Information Systems	1,692	586	586	626	627
General Equipment	80	82	85	87	90
Major Capital Schemes	1,050	0	0	0	0
	4,506	1,989	2,026	1,991	2,030
Slippage					
From Previous Year	2,487	478	239	241	244
To Following Year	(478)	(239)	(241)	(244)	(247)
Total Capital Expenditure	6,515	2,228	2,023	1,988	2,027
Funding					
Home Office Capital Grant	1,270	1,270	1,270	1,270	1,270
Estimated Use of Receipts (Houses)	1,351	373	275	160	257
Estimated Use of Receipts (Other Police Premises)	2,250	2,200	0	0	0
Funding From / (To) Capital Reserve	0	0	0	(0)	(116)
Borrowing - Minor Schemes	2,186	719	756	721	760
Borrowing - Major Schemes	(542)	(2,334)	(278)	(163)	(144)
Total Capital Funding	6,515	2,228	2,023	1,988	2,027
Capital Reserve					
Opening Balance	(0)	(0)	(0)	0	0
Transfers (to) / From reserve	0	0	0	(0)	(116)
Closing Balance	(0)	(0)	0	0	(116)

**DORSET POLICE REVENUE ACCOUNT 2010/11
ORIGINAL BUDGET IN MONITORING FORMAT**

Central / Devolved	Force Monitoring Heading	Original Budget £000's	Original FTE
Central	Police Pay, Pensions, NI & Allowances	72,261	1,441
	Ill Health Pension Contributions	478	
	All Other Budgets	2,788	4
	PFI Unitary Charge	6,970	
	Rents, rates, utilities	3,123	
	Insurance	1,210	
	Major Operations Contingency	678	
	Forensic Science - General	634	
	DNA Testing	321	
	Forensic Medical Examiners	1,140	
	Contributions to capital	0	
	Police Authority	696	5
	Police Overtime - Football (B'mth)	63	
	Risk Line	(300)	
	POCA income	(277)	
	Specific grants	(11,361)	
	Interest on balances	(225)	
	Other central income budgets	(1,124)	
	Air Support	916	
	Olympics	0	12
Offset Impairment on Icelandic Investments	339		
Central Total		78,331	1,462
Devolved	Bournemouth & Poole	5,250	198
	Dorset County	5,288	193
	C.I.D.	5,766	146
	Operations	7,076	220
	Criminal Justice Division	4,638	163
	OCPD	211	4
	Command Corridor and Staff Assoc.	748	13
	Personnel Services	1,439	36
	LDU	1,340	28
	Corporate Development	588	16
	Community Engagement Department	337	9
	Media & Corporate Communication	403	10
	Professional Standards Department	1,120	43
	IS	4,227	36
	Estates & Buildings Services	1,386	13
	Procurement And Distribution	1,175	20
	Transport	183	4
	Finance	636	14
	Audit, Insurance and Risk Management	163	3
	Devolved Total		41,973
Grand Total		120,304	2,628

DORSET POLICE REVENUE ACCOUNT 2010/11
ORIGINAL BUDGET IN POLICE OBJECTIVE ANALYSIS FORMAT

Police Objective Analysis Level 1	Police Objective Analysis Level 2	Original Budget 2010/11	
		£000	FTE
Local Policing	Community Liaison	1,527	29
	Incident (Response) Management	27,885	582
	Local Command Teams	2,532	39
	Local Investigations	5,053	111
	Local Support Overheads	6,044	76
	Neighbourhood Policing	11,180	299
Local Policing Total		54,221	1,138
Dealing with the Public	Contact Management Units	6,643	179
	Local Call Centre / Front Desk	1,883	61
Dealing with the Public Total		8,526	240
Criminal Justice Arrangements	Coroners Assistance	236	6
	Criminal Justice	2,943	101
	Criminal Records Bureau	(11)	10
	Custody / Prisoner Handling	6,112	110
	Fixed Penalty Scheme (Central Ticket Office)	427	15
	Police National Computer (PNC)	299	12
	Property Officer / Stores	216	11
Criminal Justice Arrangements Total		10,221	265
Road Policing	Casualty Reduction Partnership	935	22
	Traffic Units	4,131	90
	Vehicle Recovery	(70)	2
Road Policing Total		4,996	114
Specialist Operations	Air Operations	1,419	11
	Airport & Ports Policing	1,750	39
	Central Operations Command Team	1,150	13
	Civil Contingencies	553	8
	Dog Section	1,088	20
	Firearms Unit	2,762	54
	Level 1 Advanced Public Order	73	0
	Marine Section	426	7
Specialist Operations Total		9,220	151
Intelligence	Covert	47	0
	Covert Policing	2,348	49
	Intelligence / Threat Assessments	3,702	97
Intelligence Total		6,097	146
Specialist Investigations	Crime Support Command Team	379	4
	Economic Crime	1,090	27
	Major Investigation Unit	2,099	35
	Public Protection	734	14
	Specialist Investigation	2,697	51
Specialist Investigations Total		6,999	131
Investigative Support	External Forensic Costs	1,231	0
	Fingerprint / DNA Bureau	644	14
	Other forensic services	183	3
	Photographic Image Recovery	290	9
	Scenes of Crime Officers	1,759	44
Investigative Support Total		4,106	69
National Policing	ACPO Projects / Initiatives	221	0

Police Objective Analysis Level 1	Police Objective Analysis Level 2	Original Budget 2010/11	
		£000	FTE
	Counter Terrorism / Special Branch	1,004	22
	Other National Policing Requirements	2	13
	Secondments	0	0
National Policing Total		1,227	35
Support Functions	Administration Support	938	11
	Catering	15	0
	Corporate Development	653	16
	Estates / Central Building Costs	10,443	18
	Finance	566	15
	Fleet Services	467	4
	Force Command	989	14
	Human Resources	2,029	37
	Information Communication Technology	4,766	36
	Insurance & Risk Management	1,026	3
	Legal Services	82	0
	Press & Media	622	14
	Procurement	775	13
	Professional Standards	1,824	41
	Social Club Support	1	0
Support to Associations and Trade Unions	228	5	
	Training	5,559	108
Support Functions Total		30,983	335
Police Authority	Authority Admin and Support	329	5
	Consultation	89	0
	Internal Audit	47	0
	Members Expenses	178	0
	Statutory Expenses	74	0
	Treasury Management	188	0
Police Authority Total		904	5
Central Costs	Pensions	979	0
	Revenue Contribution to Capital	141	0
Central Costs Total		1,121	0
Income	Income from Officer Services	(65)	0
	Investment Income	(225)	0
	Other Income	(2,608)	0
	POCA (Proceeds of Crime)	(277)	0
	Specific Grants	(14,777)	0
Income Total		(17,951)	0
Funding Arrangements	Appropriate from / to reserves	(364)	0
Funding Arrangements Total		(364)	0
Grand Total		120,304	2,628

APPENDIX G

SCHEDULE OF KEY FACTS AND COMPARATORS

- 2nd lowest funded Force per head of population (2010/11)
- 2nd lowest grant increase between 1999/00 and 2010/11
- 8th lowest average Council Tax increases since 1999/00
- Council Tax 14th nationally (2009/10)
- 4th Lowest spending force in England and Wales
- Achieved over £30m efficiency savings since 1999/00
- 86% of officers and staff in operational or operational support roles
- Lowest police officer overtime as a % of police officer salary compared with our most similar forces
- Lowest expenditure on Finance, IS and Corporate Development compared with our most similar forces
- Lowest expenditure on Supplies and Services provides to the Force compared with our most similar forces
- Highest levels of public confidence nationally