

SUSSEX POLICE AUTHORITY - 12 FEBRUARY 2009

REVENUE BUDGET AND CAPITAL PROGRAMME 2009-10 to 2011-12

REPORT BY CHIEF CONSTABLE, CHIEF EXECUTIVE AND TREASURER

Background and Purpose of Report

- 1.1 This report sets out the proposed revenue and capital budget to deliver the priorities of the Local Policing Plan for Sussex for the period to 2011-12.
- 1.2 In preparing this report, officers were guided by the views at the last Police Authority meeting to set a precept increase for 2009-10 of no more than 4.9%.
- 1.3 The report
 - updates the Authority, in Section 2, for the latest position on service and financial planning
 - re-affirms, in Section 3, the Chief Constable's service priorities and development ambitions, with supporting details of the revenue-funded service developments
 - details, in Section 4 and 7, the proposed revenue and capital budgets for 2009-10
 - sets out, in Section 5, the staffing implications for officer and staff numbers
 - describes, in Section 9, the medium term implications and risk areas in the budget
 - details, in the remaining sections, the technical aspects of the budget including proposals on reserves, the outcome of further consultation and the Chief Financial Officer's report.
- 1.4 The proposed budget provides for additional front-line capacity for policing Sussex, particularly to enhance neighbourhood policing and continue to invest in keeping people safe. Despite having fewer resources than most forces in England and Wales and in keeping with Sussex's strong record of delivering high level performance, the budget takes into account over £7.5m of cash-releasing efficiency savings. In addition, it builds on the performance the Force has achieved in 2008-09.

Latest Position on Service and Financial Planning

- 2.1 There has been little change in the service planning position since the last report to the Authority. Similarly there has been little change in the proposed Force targets for 2009-10, reported at item 4 on the agenda, although since the last Authority meeting the Home Office has given an indication of the likely level of Sussex's public confidence target. There has been no significant change in the priorities of local partners as reflected in Local Area Agreements.
- 2.2 In addition to the finalisation of some estimates, the financial planning position has had two material changes since the report to the last meeting of the Authority. The first change relates to national reductions in interest rates that were announced in December and January. The consequence is that the Authority is now forecast to receive £1.3m less interest in 2009-10 than had been anticipated in the December budget proposals. Even this level of income is at risk if further interest rate reductions take place. The Treasurer and Chief

Constable have considered the reduction in income and the plans to manage this are detailed in section 3.

- 2.3 The second change is that no agreement has yet been reached with Gatwick Airport Ltd on funding for policing of the Airport in 2009-10, and negotiations are continuing.
- 2.4 Other financial developments are summarised below
- the Government announced the final grant settlement for 2009-10 on 21 January 2009. This showed no change from the position reported to the Police Authority in December. Details are shown in Appendix 1. The final settlement means that Sussex will receive an increase in formula grant that is 0.3% below the average for police authorities. If Sussex had received the average grant increase, it would amount to some £0.5m extra funding a year.
 - there has been no change in the Government's clear expectation that average council tax increases are to be "substantially under" 5% in 2009-10. As is customary, the Government will not announce any plans on capping until after authorities have set their budgets
 - the latest combined position on council tax collection fund deficits and the tax base in East and West Sussex, and Brighton and Hove shows a net improvement of £0.188m from the position reported at the last Authority meeting.
 - the Government has not yet agreed the Chief Constable's estimates for the costs of policing the Labour Party Conference scheduled for September this year. A Home Office grant of up to £6.112m has been sought, including the planning and capital costs incurred in 2008-09
 - details from ACPO TAM of replaced grant funding for ports policing are expected later this month; for planning purposes the level of grant is assumed to be unchanged from the 2008-09 amount of £4.638m.

Chief Constable's Budget Proposal

- 3.1 The Chief Constable's budget proposal for 2009-10 has been put forward to ensure that the demanding targets for Serving Sussex, as set out in the Local Policing Plan, can be resourced effectively.
- 3.2 The budget proposal has been through a rigorous process of review within the Force, as well as scrutiny through the three strategic Boards that include Lead Members from the Authority. Budget developments were detailed in reports considered by the PPSG in November and the Police Authority in December.
- 3.3 The Chief Constable's assessment of the budget proposal is that, taken as a whole, it enables valuable and much-needed support towards the delivery of the Local Policing Plan priorities, and will enhance further the Force's ability to keep people safe and develop neighbourhood policing. The requirement for additional investment has been mitigated by considerable work by the Chief Constable and Treasurer to deliver further efficiency savings, compounded by process improvements demonstrated within Operation Quest. Cash-releasing savings totalling over £7.5m in 2009-10 are included in the budget proposal, equivalent to a precept increase of over 9%.
- 3.4 Appendix 2 of the report sets out the proposed budget developments. These represent the priority investments necessary to ensure Sussex Police can meet

the level of performance expected in the Policing Plan. The savings, which include measures to meet the proposed reductions in interest receipts referred to in 2.2, are detailed in Appendix 3.

Proposed Revenue Budget 2009-10

- 4.1 The revenue budget proposed for 2009-10 is set out in Appendix 4 and represents
- a budget of £252.860m, an increase of 3.17% over 2008-09 which equates to a precept increase of 4.48%
 - an additional 114 FTE police officer and staff posts, of which 40 are police officer posts devoted to additional front-line capacity in 2009-10, with plans for a further 31 neighbourhood policing posts by March 2011
 - £7.530m of cash-releasing efficiency savings in 2009-10
 - the three-year pay awards agreed for police officers and police staff
 - price inflation of 2% other than for specific commodities where known
- 4.2 The budget assumes the phased recruitment across 2009-10 of the 114 FTE additional police officers and staff to allow the start-up costs to be contained within the full year cost of £4.509m.
- 4.3 The proposed budget does not include, at this stage, Authority funding for the Worth Project, a partnership project which provides independent domestic violence advisers working with witness care suites in West Sussex. Appendix 5 describes the arrangements in place in East Sussex and Brighton and Hove.
- 4.4 The budget has also taken account of the service developments that the Force and Authority are on course to achieve in 2008-09, detailed in Appendix 6, and the forecast revenue position for 2008-09.

Staffing Numbers

- 5.1 The Chief Constable is seeking to ensure the most effective and productive workforce mix of police officers and staff are available to deliver the Policing Plan outcomes. The Chief Constable is mindful of the flexibility, first introduced in 2007, over funding for police officer posts under the Crime Fighting Fund, and the Authority's approval last July that frontline staff should be seen in future as a measure of workforce strength instead of solely police officer establishment numbers.
- 5.2 The current profile of probationer constable intakes will be maintained in 2009-10 to minimise potential vacancies. However, lower than expected numbers of leavers may introduce the risk of the police officer establishment being exceeded at certain times in the year, leading to a potential overspend. This could be potentially offset by underspends at other times. The aim is to equalise the establishment levels shown in paragraph 5.3 below and the revenue budget across the year. The Authority will need to be aware of this risk when considering budget monitoring reports.
- 5.3 An estimate of the police officer and police staff (including PCSO) numbers included in the proposed budget is summarised in the table below and detailed at Appendix 10.

Estimated Staffing Numbers

	Police Officers	Police Staff inc PCSOs	Total Staff
	FTE	FTE	FTE
Total estimated staffing as at 31 March 2009	3,176	2,645	5,821
Plus: Budget investments 2009-10	45	69	114
Proposed civilianisation	(12)	12	-
Total estimated staffing as at 31 March 2010	3,210	2,726	5,935
Plus: Budget investments 2010-11	31	-	31
Total estimated staffing as at 31 March 2011	3,241	2,726	5,967

Use of Authority Reserves

- 6.1 The Chief Constable and the Treasurer have reviewed the application of the Authority's reserves in accordance with the policy agreed by the Authority in October 2008.
- 6.2 In 2009-10, £9.415m of net transfers from reserves are proposed to support the revenue budget. The table below summarises the source and application of these reserves. Further details are in Appendix 9.

Use of Authority Reserves in the 2009-10 Budget

Reserve	Application	from	to
		£m	£m
Asset replacement reserve	Support purchase of replacement Airwave terminals, personal protective vests and the armoured Landrover	1.680	
Asset replacement reserve	Contribution to support future replacement provision		0.897
Major Change reserve	Support the CCTV Control System Replacement	0.123	
Capital Reserve	Support the Capital Programme	7.740	
PFI Reserve	Interest on the PFI Reserve		0.200
Asset Seizures reserve	Support the cost of Financial Investigators	0.270	
Asset Seizures reserve	Contribution from Home Office for Proceeds of Crime		0.270
General Reserve	Support for anticipated reduction in investment interest	0.969	
		10.782	1.367

- 6.3 The Authority approved changes to the reserves policy in October 2008. No further changes to the reserves policy are proposed at this stage.

Capital Programme to 2012

- 7.1 The proposed Capital Programme of £39.5m for the 3 year period to 2012 has been prepared on the basis of the Capital Strategy submitted to the Police Authority in October. This set out investment plans, and the expected performance outcomes, from the Authority's estates, fleet, information systems and protective services equipment.
- 7.2 The Programme was reviewed by the Capital Strategy Board, which includes three members of the Authority, last month. A number of changes were considered which relate to new schemes that are fully funded from external resources. The planned expenditure profile was reviewed in detail.
- 7.3 The proposed Capital Programme is summarised in the table below.

Proposed Capital Programme to 2012

	2009-10	2010-11	2011-12	3 Year Programme
	£m	£m	£m	£m
Force Level Projects	1.773	1.087	0	2.860
IS Strategy	2.734	3.395	3.554	9.683
Estates	6.534	3.457	3.812	13.803
Fleet	3.136	3.562	3.326	10.024
Protective Services	0.700	0.700	0.767	2.167
CCTV	0.913	0	0	0.913
Total	15.790	12.201	11.459	39.450

- 7.4 The Capital Programme has to be funded by balancing the planned level of capital expenditure against the amount of prudential borrowing allowed, the amount of Home Office capital grant, the Authority's forecast of capital reserves and receipts, together with the pressures on the revenue budget. The planned level of borrowing is within the previously authorised limit and the additional revenue implications, including financing charges, have been taken into account in the revenue budget and in the Medium Term Financial Forecast. The proposed financing of the capital programme is summarised in the table below and in Appendix 7.

Capital Programme Financing 2009 to 2012

	2009-10	2010-11	2011-12	3 year capital Programme
	£m	£m	£m	£m
Total Capital Programme	15.790	12.201	11.459	39.450
Financed by:				
Capital Grants	3.112	3.112	3.112	9.336
Reserves	7.993	4.282	0.004	12.279
Capital Receipts Applied	0	0.122	6.543	6.665
Revenue contribution	1.800	1.800	1.800	5.400
Authorised Prudential Borrowing	2.885	2.885	0	5.770
Financing	15.790	12.201	11.459	39.450

- 7.5 In addition to the above, the Capital Strategy Board last month supported, in principle, an outline business requirement for the force-wide replacement of analogue interview recorders with a networked digital solution. Further work is required on the business case, including costs and efficiency savings, the acquisition and year 1 implementation costs. Subject to the completion of the final business case and its scrutiny by the Board, the Authority is asked to note this potential addition to the Capital Programme.

Cash Flow

- 8.1 The Police Authority is required to set, before the beginning of each financial year, a number of key treasury management and cashflow limits. The Local Government Act 2003 also requires the Police Authority to set prudential ratios and limits in accordance within the requirements of the "CIPFA Prudential Code for Capital Finance in Authorities". The Code, which is based largely on self-regulation, sets out the indicators that it expects authorities to use, and the factors that they must take into account, to demonstrate that their plans are prudent, sustainable and affordable. It does not, however, include suggested, indicative limits or ratios. These are to be set by each individual authority.

8.2 Details of the proposed ratios and limits, required by the Code are summarised in Appendix 8.

Implications for Future Years

9.1 The Authority needs to be mindful of the implications for future years of the commitments set out in the budget. The Medium Term Financial Forecast for the period to 2012 is set out in the table below and detailed in Appendix 11.

Medium Term Financial Forecast

	Revenue Budget and Police Precept		
	2009-10	2010-11	2011-12
Precept = 4.48%			
Net Revenue Budget	£252.860m	£261.667m	£273.223m
Savings included in the MTFF	£7.530m	£2.111m	£0.870m
Projected Precept	4.48%	5.20%	9.91%
Additional savings required to get to an Indicative precept of:	n/a	£0.575m	£4.728m
	4.48%	4.48%	4.00%

9.2 The Forecast includes the following assumptions:

- the full year effect of the budget proposals set out in this report.
- the impact of the 2008 Pre Budget Report on national insurance and fuel duty changes, particularly affecting 2011-12
- £2.981m further cash savings by 2011-12, but an additional £5.303m savings are required to achieve the indicative level of precept
- expenditure on the policing of Gatwick Airport is fully funded by the policing charge to Gatwick Airport Ltd
- no further adverse changes in specific grant funding
- revenue costs of the capital programme
- formula grant to 2011 remaining at the level announced in November 2008
- an assumed uplift of grant of only 1% for 2011-12
- no worsening of the billing authorities collection fund deficits
- only marginal tax base changes
- an assumed increase in pension contribution rates for both police officers and staff of 1% in 2011-12.

9.3 There are clear risks in the Authority's financial position, as described in Appendix 12. Strategic financial risks that score highly are

- further and sustained reductions in interest rates
- the failure of a major supplier
- the reopening of the Government's 2010-11 grant settlement
- the erosion of the grant protection provided to Sussex by the floor
- a write down in the value of investments with Icelandic-owned banks
- a need to deliver more cash releasing efficiencies
- declining values of anticipated capital receipts

9.4 The challenge to generate further cash-releasing efficiency savings will be a demanding one and the PPSG will consider a report at its next meeting including setting a challenging efficiency target for the Force to meet.

- 9.5 The Chief Constable firmly believes that, despite the significant record Sussex Police and the Authority have in providing value money and delivering efficiency savings, further developments to support policing in Sussex will require the Authority to consider increasing the police precept above the indicative level. Sussex Police Authority has the third lowest Band D precept of the shire forces. Its level of precept is 18% less than the shire average.
- 9.6 Coupled with Sussex's below-average levels of grant funding, the Chief Constable reluctantly considers that further increases in the precept will be necessary to maintain a sustainable financial platform and this should form a fundamental part of the Authority's medium term financial planning.

Consultation

- 10.1 The preparation of the Policing Plan and budget for 2009-10 has included opportunities for public and stakeholder consultation. The Authority was appraised of the results of these consultations at its last meeting.
- 10.2 Consultation with representatives of business rate payers, as required by the Local Government Finance Act 1992, took place between 1st December 2008 and 23rd January 2009. These stakeholders were contacted via letter with an invitation to participate in a bespoke on-line survey and this has proven to be a popular methodology to register feedback compared to previous years. A summary of the results of the business survey is set out below:
- over a third of respondents (41%) agreed to some extent that *Sussex Police provide value for money* (5% Strongly Agree, 36% Agree), and a similar proportion (44%) had "mixed views" on this point and 15% disagreed with this statement
 - a majority of the business survey sample (55%) *disagreed* with the assertion that *Sussex Police has enough funding*. A third (33%) had mixed views. Just over one in ten respondents (12%) agreed with this statement
 - the majority of respondents (56%) felt that the *current level of council tax* was just right and 18% felt the tax was too low. A similar proportion (19%) of respondents felt the level was too high
 - business survey respondents were also asked whether in principle they would be *prepared to pay an extra 10p per month* in order to fund specific improvements. Just under half of the sample (46%) said they would be prepared to pay this extra amount. Over a third (40%) said they would not be prepared to pay the extra amount
 - as with the main public survey, business respondents prepared to pay the extra 10p per month were asked to choose one area of policing which they would most support with additional expenditure. The most popular choices were "Tackling ASB" (41%), "Local policing" (35%), and "Reducing overall crime" (10%).

Chief Financial Officer's Report

- 11.1 The Local Government Act 2003 requires the Treasurer, as the statutory chief financial officer of the Authority, to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides.
- 11.2 The Treasurer is required to consider matters of risk and uncertainty. These areas have been considered alongside the Chief Constable's Risk Assessment process.
- 11.3 Taking into account the factors set out above, the Treasurer as the statutory Chief Financial Officer of the Authority is satisfied with the robustness of the estimates and adequacy of reserves which this budget provides.
- 11.4 The Treasurer's commentary on areas of financial risk is set out in Appendix 12.

Conclusions

- 12.1 The Police Authority has a duty to secure efficient and effective policing for Sussex. Authority members have considered the budget strategy and proposals at its meetings in October and December, and elsewhere, alongside the development of the Local Policing Plan.
- 12.2 The Authority is keenly aware of the pressures that council-tax payers in Sussex face, and the desire to ensure any increases are as low as possible. The Authority is also aware of the efficiency and performance improvements that the Chief Constable has secured, and is proposing, in the policing of Sussex.
- 12.3 Taking all these factors into consideration, including the very clear requirements for the enhancements needed to deliver the ambitions of the Local Policing Plan, the Chairman and Vice-Chairman recommend the Authority to support the proposed budget option of £252.860m.
- 12.4 This would result in an increase of 3.17% of the revenue budget on a like-for-like basis and a recommended precept increase of 4.48% or an increase of 11 pence per week compared to 2008-09 for a typical Band D property. The police share of the precept for a Band D property would rise to £134.46 a year. Over 70% of households in Sussex live in properties that are in Band D or lower, where precept increases will be at this amount or proportionately lower. Full details of the precept calculations and the Council Tax for each property band are given in Appendix 13.

RECOMMENDED

Revenue

- [a] That a revenue budget for 2009-10 of £252,860,000 inclusive of a contingency provision of £0.174m, is approved as detailed in Appendix 4

Capital

- [b] That the capital programme, as detailed in Appendix 4, is approved including expenditure of £15.790m for 2009-10

- [c] That the proposed methods of financing the capital programme for 2009-10, including the use of borrowing, shown in Appendix 7, are approved

Cash Flow

- [d] That a maximum operational borrowing limit of £7.530m for prudential borrowing and an additional £15m of borrowing for temporary cash flow purposes, giving an authorised borrowing limit of £22.530m, are approved.
- [e] That a limit of 100% on borrowing at fixed rates and 25% on borrowing at variable rates is approved.
- [f] That a £15m limit on investments for a year or longer is approved.

Reserves

- [g] To approve the use, contributions and transfers in reserves as set out in the report and detailed in Appendix 9.

Precept

- [h] The level of precept for 2009-10 to be agreed at £83,534,837.43 and to issue precepts to be collected by the Brighton and Hove City Council and the Borough and District Councils in the Counties of East Sussex and West Sussex in accordance with the details as set out in Appendix 13.

Future Years

- [i] The implications for future years in section 9 are noted, including the target for future efficiency savings.

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Appendices

1. Sources of Funding
2. 2009-10 Budget Developments
3. Savings and Efficiencies
4. Proposed Revenue Budget and Capital Programme
5. Arrangements for witness advisors in witness suites in East Sussex and Brighton & Hove
6. Assessment of delivery of Budget Proposals made in 2008-09
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9. Reserves and Balances
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12. Areas of Financial Risk
13. Tax Base and Levy

SOURCES OF FUNDING

Grants	2008-09 £m	2009-10 £m	2010-11* £m
Grant percentage increase	2.44	2.50%	2.50%
Revenue Support Grant (inc Business Rates)	69.268	70.613	72.379
Home Office Grant	96.401	99.197	101.677
Total Formula Revenue Grant	165.669	169.810	174.057
Total Central General Funding	165.669	169.810	174.057

Capital Grant (excl supported capital expenditure)	3.112	3.112	3.112
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	£m	£m	£m
Central Funding	165.669	169.810	174.057
Police Precept from Council Tax	79.874	83.535	88.101
Collection Fund Surplus/(Deficit)	-0.464	-0.485	-0.489
FUNDING FOR NET EXPENDITURE	245.079	252.860	261.667
Precept increase	4.92%	4.48%	5.20%
Budget increase	3.34%	3.17%	3.59%

Grants Detail

Rule 2' General Grants	£m	£m	£m
Rural policing	0.538	0.538	0.538
South East allowance	1.104	1.104	1.104
Special priority payments	1.528	1.528	1.528
DNA	1.664	1.664	1.664
Student officer grants (IPLDP)	0.684	0.684	0.684
Total Rule 2 Grant	5.518	5.518	5.518

Specific Revenue Grants			
Basic Command Unit	0.937	0.937	<i>Ceases</i>
Crime Fighting Fund	6.209	6.209	6.209
Neighbourhood Policing Fund (PCSOs)	6.857	7.043	7.233
PFI Grant	3.263	3.263	3.263
DSP Grant	4.638	4.638	4.638
CTIU	3.804	n/a	n/a
Police Military Liaison Officer	0.126	0.126	0.126
Prevent	0.104	0.104	0.104
Airport Security Grant	0.802	0.879	0.879
Otter Grant	n/a	6.112*	n/a
Local Criminal Justice Board	0.160	0.160	0.160
Sexual Assault Referral Centre (SARC)	0.010	0.054	n/a
Police Pensions	16.074	16.556	17.053
Total Specific	42.984	46.081	39.665

Other Capital Grants	2008-09 £m	2009-10 £m	2010-11* £m
HO Air Operations Capital funding	0.240	n/a	n/a
Airport Security Grant	0.065	n/a	n/a
National Barrier Asset	0.982	n/a	n/a
ANPR	0.060	n/a	n/a

Indicative*

APPENDIX 2

2009-10 Budget Developments Summary

Division / Department	Bid Description	Full Year Cost £	Extra Officers fte	Extra Staff fte
Neighbourhood Policing Board		2,719,106	34.5	48.44
CJD	Neighbourhood Policing Team (+ 31 extra officers in 2010-11)	877,158	28.5	0
CD	PCC Call Handlers	525,592	0	17.44
Force	Specialist investigations - new composite bid based on resource allocation work by SIB	395,624	6	8
CDD	Implementation of review of Corporate Communications	390,000	0	11
CJD	Appropriate Adult Service	200,000	0	0
CJD	Neighbourhood Policing Branch - Neighbourhood Watch Funding, Licensing Co-ordinator, MSA, Community Engagement Officer, Specials / PCSOs Co-ordinator	104,296	0	3
CJD	PPO Co-ordinators and Support	113,463	0	4
B&H	Additional PNSOs	69,903	0	3
CD	Compass Gazetteer	43,070	0	2
Keeping People Safe Board		820,656	6.00	15.5
HQ CID	Counter Terrorism Bid - Command, Analytical Research Team, CT Co-ordinator, Dedicated Source Unit	434,386	5	7
OD	Tasking planning and performance	121,546	0	5.5
HQ CID	Supt. Authorising Officer	86,128	1	0
OD	ANPR Back Office Function - Data manager & Intelligence Analyst	74,270	0	2
HQ CID	Pension Costs of POLIt & SIB	65,000	0	0
OD	Ports Policing BSO	31,826	0	1
IS	Misper Database	7,500	0	0
Best Use of Resources Board		969,692	5.15	4.60
HRD	Payment of On-Call Allowance	300,000	0	0
CDD	Additional ACC post	220,000	2.00	1.00
HRD	Assessment & verification team	197,685	3.00	0
Finance	Additional Specialist Resources - Business Consultant and IFRS Accountant posts	119,000	0	2.00
HRD	Substance Misuse Testing of Police Staff	52,907	0.15	0.60
Facilities	Energy Management and Environmental Manager	47,000	0	1.00
HRD	Counselling Service	33,100	0	
Total	Chief Constable's Budget Proposal	4,509,454	45.65	68.54

2009-10 Budget Investments and Developments. Supporting Information

Service Development and location in Local Policing Plan	Background / Drivers	Benefits and Risks
Neighbourhood Policing		
<p>Neighbourhood Policing Teams Uplift</p> <p>(28.5 police officer posts)</p> <p><i>LPP paragraphs 15-22</i></p>	<p>Neighbourhood Policing is a Force priority and a core element of our policing style. The bid enables Sussex to have at least a dedicated PCSO for every ward; a dedicated neighbourhood specialist constable for every 3 wards and a dedicated neighbourhood specialist sergeant for every 6 wards</p>	<p>Benefits</p> <p>The proposal should lead to improved confidence and satisfaction levels; reduced fear of crime; and crime reduction and detection through targeted problem-solving activity. There will be non-cashable savings such as reduction in repeat incidents, where effective problem-solving occurs in partnership with other agencies and communities. The increased investment in Neighbourhood Policing should enable a concomitant improvement in community engagement and priority-setting, with greater capacity focused on identifying, and adopting a problem solving approach to, the issues of greatest concern to local communities. It is expected that this will in turn deliver increased public confidence and satisfaction. Secondary benefits should include reduced crime and disorder and increased detections, and an increased flow of community intelligence.</p> <p>Risks</p> <p>Benefits not realised and insufficient uplift in performance compared to targets</p>
<p>PCC Call Handlers</p> <p>(17.44 police staff posts) 1 year only.</p> <p><i>LPP paragraph 33</i></p>	<p>Additional capacity to ensure non-emergency call answering times and call handling performance targets are maintained whilst CIMS roll out is completed. Bid is to maintain call answering performance and continue to achieve over 90% customer satisfaction with non emergency call handling whilst CIMS roll out is completed and PCC staff train, use and become familiar with its operation and the system itself becomes fully stable.</p>	<p>Benefits</p> <p>Sustained efficiency in call answering (reducing abandoned calls) more likely to result in less call backs, higher levels of public satisfaction and less complaints. Staff able to spend more time during initial investigation phase of call, likely to improve quality of information/intelligence and public service.</p> <p>Risks</p> <p>Call answering and handling performance compromised with adverse impact on targets including customer satisfaction</p>
	<p>This provides a stronger and more consistent risk management approach to reports of domestic</p>	<p>Benefits</p> <p>Domestic violence incidents against those most at risk will be better</p>

Service Development <i>and location in Local Policing Plan</i>	Background / Drivers	Benefits and Risks
<p>Specialist Investigations</p> <p>(6 police officer and 8 police staff posts)</p> <p><i>LPP paragraphs 69, 71, 74</i></p>	<p>violence. Units have comparatively low staffing levels with insufficient detective officer capacity to investigate properly offences against high risk victims of domestic violence. The bid will significantly improve the Force's capability to meet the requirements of the ACPO Protective Services Minimum Standards for missing persons. A significant reduction in the numbers of repeat missing persons, particularly those traditionally reported to Police by Health and Social Care, have been achieved in Forces where this role has been implemented at a BCU and District levels.</p> <p>The creation of Missing person co-ordinators will significantly improve the Force's capability to meet the requirements of the ACPO Protective Services Minimum Standards for missing persons. Current NPIA guidance makes specific recommendations about PPU administrators and their role. At the moment growth is necessary to comply with NPIA guidance</p>	<p>investigated with better criminal justice outcomes.</p> <p>Missing person investigations will be more thorough and co-ordinated leading to people being found more quickly.</p> <p>Public Protection Officers will be able to spend more of their time and be more interventionist in their monitoring of sex offenders and other dangerous people.</p> <p>Risks</p> <p>Those most at risk of domestic violence will continue to be at risk of harm. The public at large will be at greater risk from sex offenders and other dangerous people in the community.</p>
<p>Corporate Communications</p> <p>(11 police staff posts)</p> <p><i>LPP paragraphs 15-22</i></p>	<p>The Home Office's July 2008 Green Paper defines a single national performance indicator for policing: public confidence. An independent review recommended changes to structures and strategies to improve communication with external stakeholders, public and with Sussex Police's own staff.</p>	<p>Benefits</p> <p>Increased public confidence, better internal communications resulting in improved focus on Force priorities. Improved confidence in Sussex Police and Sussex Police Authority, with communities more confident that local problems are being tackled and better informed about how to assist leading to a significant service improvement to the public.</p> <p>Risks</p> <p>Difficulty in meeting fully meet the single national performance indicator</p>
<p>Appropriate Adult Service Provision.</p> <p><i>LPP paragraphs 48-51</i></p>	<p>This bid proposes the reorganisation of existing Appropriate Adult provision across Sussex Police to one which is robust, consistent and fit for purpose.</p> <p>To provide an Appropriate Adult service with 24hr cover across all 6 custody sites in Sussex, with a service level agreement outlining agreed attendance times</p>	<p>Benefits</p> <p>Better utilisation of time and resources for operational officers (including PACE Superintendents) and custody staff of all ranks and grades. If only 20% of AA requests were supplied through this service the savings in PC time alone could be worth £117,000. Increased offences brought to justice.</p> <p>Better utilisation of time and resources for operational officers (including PACE Superintendents) and custody staff of all ranks and grades.</p> <p>Increased offences brought to justice.</p>

Service Development <i>and location in Local Policing Plan</i>	Background / Drivers	Benefits and Risks
		<p>More effective use of officer time. Cells available more quickly. Increase in victim care when suspect is dealt with expeditiously and effectively. Reduced 'lost' cases where no justice for victim and consequent loss of confidence/satisfaction in Police.</p> <p>Risks The continued provision of a service that is capable of improvement with the consequent risks of self-harm to vulnerable detainees</p>
<p>Neighbourhood Policing Branch in CJD.</p> <p>(3 police staff posts)</p> <p><i>LPP paragraphs 15-26</i></p>	<p>Provision of funding for an enhanced Neighbourhood Watch, Licensing and community engagement including practical support for community safety activities within the Force and a Specials / PCSOs Co-ordinator post.</p>	<p>Benefits Saving of Police Officer time (allows specialist teams to engage more fully with the community). Achieves greater integration with Neighbourhood Support Teams, achieves all core service principles and promotes greater partnership working.</p> <p>Risks Potential to adversely affect customer perception with the organisation, having a negative impact on the reputation of the Force. Ineffective use of police resources. Inability to meet targets for reductions in public place crime and disorder.</p>
<p>Prolific Priority Offender Co-ordinators + Support</p> <p>(4 police staff posts)</p> <p><i>LPP paragraphs 48-49</i></p>	<p>Funding for additional 3 coordinator posts based at East Sussex, North Downs and West Downs divisions to manage the Divisional Prolific and Priority Offender Scheme and 1 support post to effect delivery of targets set out in the Prolific and Priority Offenders Premium Service document and the West Sussex Prolific and Priority Offenders Operational Group Action Plans. The bid ensures a force-wide approach in line with Brighton & Hove Division.</p>	<p>Benefits There are benefits for local partners in a reduction of re-offending rates that this will support. SCJB have set a target of bringing 85% of offences involving PPOs to justice. The current level is 80%.</p> <p>Risks Limited transfer of information across agencies and ineffective targeting of PPOs resulting in deteriorating performance and increased risk. The Home Office has set a target of reducing the conviction rate of PPOs on Intensive Supervision Schemes by 24%. Sussex is currently achieving 79%. The Home Office Target of 100% timeliness for the updates of JTrack within 7 days would not be achieved.</p>
<p>Police Neighbourhood Support Officers (PNSOs)</p>	<p>Crowhurst Road Police Station is the base for Neighbourhood Specialist Teams for the East area of the city and Operational Response officers. The building has a Front Office capability which is currently open to the public Monday to Saturday on</p>	<p>Benefits Increased public confidence in local policing. Better accessibility to policing services in the north of the city.</p> <p>Risks Reduced public confidence in local</p>

Service Development <i>and location in Local Policing Plan</i>	Background / Drivers	Benefits and Risks
(3 police staff posts) <i>LPP paragraphs 18-22</i>	temporary funding. The bid will allow for the front office to be staffed and open to the public Monday to Saturdays 9am to 5pm.	policing. Inappropriate use of Police staff to man the office. Reduced access to services.
Compass Gazetteer (2 police staff posts) <i>LPP paragraphs 88, 121-122</i>	Compass Gazetteer supports key force systems including CIMS and HOLMES. The data on the gazetteer must remain accurate and therefore to ensure our key systems have accurate location information and also to comply with MOPI a permanent arrangement would be required from 1st April 2009.	Benefits Improved accuracy in crime data to support crime investigation, problem solving and quality of service targets. Non-cashable time efficiencies for researchers and analysts Risks Quality of information not sustained and the Gazetteer effectiveness would be undermined leading to compromises in data quality standards affecting CIMS, HOLMES and the PND.
Keeping People Safe		
Operation Athena Counter Terrorist Posts (5 police officer and 7 police staff posts) <i>LPP paragraphs 58-60</i>	Performance in the area of CT requires development. A great deal of work is required to mitigate the threat from Counter Terrorism and Domestic Extremism. This requires leadership and direction. HQ CID cannot manage this capability within the existing command. To do so would undermine the ability to effectively target and mitigate the threat from Serious and Organised Crime. Without this growth the Force would effectively reduce organised crime capability to build CT capability. This represents an unacceptable risk. The CT footprint within the force represents a high risk. New ACPO minimum standards and APACS performance indicators along with the need to coordinate work under the 4 P's make this post essential in mitigating the threat from terrorism.	Benefits These measures will ensure that the Force's Counter Terrorism capability is managed and will deliver to the outputs/ outcomes required under ACPO Minimum Standards and APACS performance indicators. Risks Ability to provide crime and Counter Terrorism work to the required standard would be compromised.
Operations Department Tasking, Planning and Performance Unit (5.5 police staff posts) <i>LPP paragraphs 78-79</i>	New Unit to ensure improved operational links arising from intel development to targeted performance in Operations Department units.	Benefits Improvement to performance through better identification of information and operational research to Operations Department portfolio holders through a business driven support structure. Risks Performance benefits not realised to the anticipated level; reduced effectiveness in delivering operational outcomes within the Department.
Superintendent	Replaces current funding from Home	Benefits

Service Development <i>and location in Local Policing Plan</i>	Background / Drivers	Benefits and Risks
		Inefficient information flow that is created by the missing persons investigation process is continued and out of step with systems now in use by the majority of UK forces.
Energy Management & Environmental Manager (1 police staff post) <i>LPP paragraph 113</i>	Sussex Police, through its Climate Change and Environmental Strategy has targets to reduce our carbon footprint and ensure its activity does not negatively impact on the environment. In order to achieve these targets the post of Energy Management and Environmental manager is required.	Benefits Reduced energy consumption leading to reduced costs and a lower CRC. Introduce measures for creating an energy efficiency programme. Awareness throughout Sussex Police to ensure all employees and contractors understand their contribution to energy conservation measures. Risks Inability to reduce our Carbon Reduction Commitment of approx £160k and meet our targets to reduce carbon emissions.
Counselling Service <i>LPP paragraph 99</i>	The number of individuals wishing to access the current counselling service has increased year on year. The severity, complexity and breadth of issues facing the Counsellors is increasing. Furthermore individuals currently in need of support that was traditionally available to them through Sussex Police are reporting feeling devalued. This is likely to have a negative impact on retention.	Benefits Reduction in sickness absence Potential reduction in staff turnover. Improved staff motivation. Improved morale. Improved retention. Risks Increase in turnover Individuals in need of support feel devalued. This is likely to have a negative impact on retention. Staff may become disengaged with the organisation resulting in prolonged sick leave or voluntary separation.

APPENDIX 3

Savings and Efficiencies included in the 2009-10 Budget

Savings included in 2009-10 budget	£m
Challenge Programme 09-10 savings	0.506
Injury pension provision reduction	1.800
Officer Allowance changes	0.410
Equal pay audit provision adjustment	0.250
Forensic Science Budget	0.210
PFI Detainee number reduction	0.500
Other corporate savings	0.124
Debt Charges Review	0.237
Further Procurement Savings	0.250
Ill health pension change in treatment	1.800
Communications civilianisation 12 posts	0.121
Sub -Total	£6.208
Further savings to meet reduced interest receipts forecast	£m
Reduction in revenue budget contingency	0.226
Collection Fund income above the December 2008 forecast	0.188
Application of interest received above 2008-09 forecast (non-recurring)	0.448
Capital financing changes for minimum revenue provision	0.460
Sub-Total	£1.322
TOTAL	£7.530

PROPOSED REVENUE BUDGET 2009-10

2009-10 Revenue Budget	£'000
Police Officers	127,062
Police Overtime	5,323
Support Staff	66,422
PCSO's	10,008
Other Employee costs	11,111
Total Employees	219,926
Total Buildings And Premises	14,318
Total Transport	8,694
Total IT and Communications	15,279
Total Supplies and Services	24,044
Total Other Expenditure	8,757
Gross Expenditure	291,018
Total Income	(28,453)
Operational Net Expenditure	262,565
Pensions Net Expenditure	29,046
Force Net Expenditure	291,611
Authority Net Expenditure	1,263
Financial Provisions Net	(10,772)
Total Gross Expenditure	275,990
Less Total HO Grants	(29,242)
Total Net Expenditure	252,860

Note:

The revenue budget above reflects nationally-agreed categories of subjective spending.

In addition, a new objective analysis of police revenue expenditure has been developed by the Association of Chief Police Officers. The objective analysis shows spending by functional area (such as local policing, road policing and special investigations). An objective analysis enables more meaningful comparisons of police spending and supports the national efficiency and productivity agenda.

ACPO agreed in December 2008 to implement the new objective analysis from 2009-10 and the Force Finance Department will be presenting the 09-10 budgets in the new objective analysis format as well as the existing subjective analysis.

PROPOSED CAPITAL PROGRAMME 2009-10 to 2011-12									
	2009-10	2010-11	2011-12	Total		2009-10	2010-11	2011-12	Total
Scheme	£m	£m	£m	£m	Scheme	£m	£m	£m	£m
Force Projects					Estates Strategy				
ANPR		0.135		0.135	HQ Redevelopment	0.630	0.925	0.924	2.479
IMPACT	1.773	0.952		2.725	Lewes Police Station	1.980			1.980
Total Projects	1.773	1.087	0	2.860	Crowborough Police Station			0.575	0.575
IS Strategy					Kingstanding Redevelopment	0.580	1.000	0.335	1.915
Active Directory Update	0.070		0.100	0.170	Generator Upgrades	0.050	0.150	0.150	0.350
Exchange 2007 Update	0.050	0.130		0.180	Astley House	1.500	1.279		2.779
Sharepoint 2007 Update	0.070	0.140		0.210	Key Buildings Power Upgrades	0.080	0.044	0.044	0.168
WAN Links Upgrade	0.060		0.060	0.120	Sussex House Protective Services	0.509			0.509
Telephony refresh or migration		0.130	0.254	0.384	Crawley Custody	1.155			1.155
Storage environment upgrade	0.324	0.250	0.100	0.674	Hastings Workshop Replacement			0.575	0.575
Business Objects Upgrade/Refresh		0.120	0.050	0.170	Hastings Custody			1.150	1.150
Implementation of Contact Mgmt Strategy		0.200	0.200	0.400	Window Replacements	0.050	0.059	0.059	0.168
PENTIP		0.050		0.050	Total Estates Strategy	6.534	3.457	3.812	13.803
NSBIS SB info System		0.020		0.020	Fleet Replacement	3.136	3.562	3.326	10.024
Holmes 2020		0.100	0.050	0.150	Operational Equipment	0.200	0.200	0.200	0.600
Intranet Upgrades			0.075	0.075	Technical Services	0.500	0.500	0.567	1.567
Intranet content management	0.035	0.070		0.105	Protective Services Strategy	0.700	0.700	0.767	2.167
Command & Control System	0.500	0.450	0.100	1.050	CCTV Control System Upgrade Opt 2	0.913	0	0	0.913
Mobile Computing (MDT)	0.150	0.300	0.400	0.850	Total Capital Programme	15.790	12.201	11.459	39.450
Fleet system	0.072			0.072					
PIMS/COPS Replacement			0.100	0.100					
CRASH		0.100		0.100					
Remote Access/Home Working			0.110	0.110					
National Case Management System			0.150	0.150					
Imaging Solutions			0.500	0.500					
Server Refresh	0.250	0.500	0.250	1.000					
Federated Data	0.200			0.200					
Holmes version upgrade	0.080	0.020		0.100					
AMB Nemesis interface	0.110	0.050	0.050	0.210					
Disaster Recovery	0.300	0.150		0.450					
OIS /Antage Enhancements	0.075	0.000	0.050	0.125					
GIS mapping upgrade	0.005	0.015	0.075	0.095					
CRM System enhancements	0.050	0.050	0.050	0.150					
Impact Upgrades/enhancements			0.035	0.035					
Video Witness upgrades	0.020		0.020	0.040					
ITIL		0.075		0.075					
General sys and infra dev and enhancements		0.100	0.185	0.285					
SAP enhancements	0.075	0.075	0.075	0.225					
NEMESIS enhancements	0.025	0.025	0.050	0.100					
Software support environment	0.128	0.075	0.075	0.278					
Collaborative projects and ISS4PS	0.085	0.100	0.100	0.285					
ISIS Architecture			0.150	0.150					
Strategic Initiatives for a resilient IS function		0.100	0.100	0.200					
Business Continuity			0.040	0.040					
Total IS Strategy	2.734	3.395	3.554	9.683					

Worth Project – equivalent provision in Brighton & Hove and East Sussex

Worth Services provides Independent Domestic Violence Advisor (IDVA) services to the population of West Sussex. This role is split between providing support to victims who are referred by the police through the Anti Victimisation Units (AVU), people attending the Sexual Assault Referral Centre (SARC), and those who come to notice through the criminal justice system. The latter is intrinsically linked with the police Witness Care Units.

Pan Sussex provision by Worth

Worth provides the sexual violence crisis support workers at the Sexual Assault Referral Centre (SARC) in Crawley. These workers respond on a 24/7 basis to reports of rape and are arranged so that they are in a position to attend to meet the officer and the victim. They provide the victim with an appropriate supportive environment which meets both the investigative and physical and emotional care needs of the victim. This element of the service provision is pan Sussex.

Equivalent provision in Brighton & Hove

The Independent Domestic Violence Advisor (IDVA) service in Brighton & Hove is provided through partnership funding which is held and managed by the Crime and Disorder Reduction Partnership. This is delivered through three distinct routes all funded by the CDRP budget, which draws down on various funding streams including the BCU fund, Area Based Grant and Safer and Stronger Communities fund. The service is provided by an organisation called RISE (formerly Women's Refuge Project) and comprises a Refuge provision, a Helpline and 3.5 IDVAs.

Presently there is one IDVA employed to service the Helpline. There are plans to recruit another IDVA for this to extend the hours of the service from a very small aperture presently to a more consistent service of 10am to 4pm Monday to Friday.

There are currently 3 full time IDVAs in post in Brighton based at the Partnership Community Safety Team. Already recruited, as an addition, is a part-time LGBT specific IDVA.

The cost of these services (with the exception of the Refuge Provision which does not compare with services provided by Worth) is around £288,000 per annum. This is approximate because the CDRP budget has not been set for 2009-10.

Equivalent provision in East Sussex

East Sussex's arrangements are part of a holistic, multi-agency approach to domestic violence which is supported through the community safety partnerships. There are two IDVAs working from the domestic violence courts, and a third is being actively recruited. Their remit is to provide support to medium and high risk victims of DV, in conjunction with nine adult support workers based in the ESCC 'supporting people' team. Most referrals are made through the police and domestic abuse Multi-Agency Risk Assessment Conferences (MARACs). There is insufficient capacity to meet the level of demand.

The IDVA posts are funded by the Crime Reduction Initiative, but there have been other funding streams that preceded the LAA, via the East Sussex County Council. Unfortunately health and other partners have not been able to continue to fund these posts at the same level. The County Council fund part of a post that exists in the Eastbourne District General Hospital, until March 2009. CRI also provide limited support through one worker based in the Accident and Emergency Department at the Conquest Hospital, Hastings but this is threatened due to a change in funding. This is now limited to peak time coverage through temporary funding from Hastings Borough Council. The 'supporting people' team of ESCC are also trying to renegotiate their involvement as this work is seen as quite specialised.

One of the issues about the continuation of funding was the lack of evaluation as there is not yet any data capture from the DV courts system.

**DELIVERY OF 2008-09 BUDGET DEVELOPMENTS –
THREE QUARTER YEAR ASSESSMENT**

		Progress in Recruiting for Posts	Progress made in delivering the planned Developments
Target Area	Development	✓✓✓ ✓✓ ✓ -	All posts have been recruited Most posts have been recruited Less than half the posts are filled No posts have been filled
Civil Contingencies	Emergency Planning Officers	✓✓✓	Posts filled.
Counter Terrorism & Major Crime	Dedicated Review Team	✓✓	2 posts filled. 1 vacancy remains. Active recruitment process.
Public Order	CBRN Training Officers	✓✓✓	Posts filled.
Protecting Vulnerable People	Public Protection Policy, Audit & Inspection Team	✓✓	2 posts filled. 1 vacancy remains with successful candidate appointed and starts in February 2009.
	Paedophile On-Line Investigation Team	✓✓	1 Sgt & 5 DC's in post. 1 vacancy remains with successful candidate appointed (Met transferee). Start date April 2009.
Serious & Organised Crime	Unmarked Vehicles & Vehicle Servicing	✓✓✓	
	IMPACT Management Team	✓✓✓	
	Vetting Officers	✓✓✓	
	Phase 2 Protective Services Growth	✓✓✓	
Strategic Roads Policing	Operations, Casualty Reduction, Planning & Training and Review officers	✓✓	1 post remains to be filled
Major Crime	Dedicated Disclosure & Exhibits Team	✓✓✓	All posts have been filled.

		Progress in Recruiting for Posts	Progress made in delivering the planned Developments
Target Area	Development	✓✓✓ ✓✓ ✓ -	All posts have been recruited Most posts have been recruited Less than half the posts are filled No posts have been filled
HQ CID	Phase 2 Protective Services Growth	✓✓✓	
	INI Posts (re Blanchard)	✓✓✓	
CDD	HR Director	✓✓✓	
	Driver	✓✓✓	
CDD	Consultation & survey team	-	The recruitment process is close to being completed. These are new and specialist roles for Sussex Police, which has extended the process of formulating job descriptions and agreeing gradings.
HRD	Specials training	✓✓✓	
W Downs	Supervisory Uplift	✓✓✓	
E Sussex		✓✓✓	
Brighton	Neighbourhood Policing Uplift:	✓✓✓	
E Sussex		✓✓✓	
N Downs		✓✓✓	
W Downs		✓✓✓	
W Downs		✓✓✓	

NB. Where recruitment has had to be phased through the year any underspend after set up costs has been applied to in year performance initiatives as reported to the Authority in the Budget Monitoring Reports.

Capital Financing**SUSSEX POLICE AUTHORITY
PROPOSED CAPITAL PROGRAMME**

	2009-10 £m
(a) CAPITAL PROGRAMME FINANCING PROPOSALS	
Capital Grant	3.112
Capital Expenditure Reserve	7.740
Asset Replacement Reserve	130
Capital Receipts	0
Major Change Reserve	0.123
Revenue contribution	1.800
Authorised Prudential Borrowing	2.885
External Funding	0
Total Financing requirement	15.790
(b) CAPITAL EXPENDITURE RESERVE	Total £m
Balance as at 1.4.2009	12.022
2009-10 contribution	0
Financing Requirement 2009-10	(7.740)
Estimated Balance as at 1.4.2010	4.282
2010-11 contribution	0
Financing Requirement 2010-11	(4.282)
Estimated Balance as at 1.4.2011	0
(c) CAPITAL RECEIPTS	
Estimated Balance as at 1.4.2009	2.755
Receipts in 2009-10	0
Financing Requirement 2009-10	0
Estimated Balance as at 1.4.2010	2.755

Prudential code indicators

A. Cash Flow

1. The Police Authority is required to set before the beginning of each financial year:
 - ▶ an operational limit for borrowing to reflect the likely level of borrowing required;
 - ▶ an authorised limit for borrowing based on an assessment of realistic risk;
 - ▶ the maximum to be borrowed at fixed rates;
 - ▶ the maximum to be borrowed at variable rates; and
 - ▶ the maximum to be invested for a year or longer
- ▶ It is proposed that the operational limit be set at £7.530m for 2009-10, based on the current position with regard to debt outstanding and the spending and financing plans included in the draft capital programme.
- ▶ It is possible that the Police Authority may also need to borrow temporarily for cash flow management purposes, pending receipt of income, or to meet a large expenditure flow, or to avoid withdrawing short-term investments, where interest rate effects would be detrimental. It is proposed therefore that an authorised limit for borrowing of £22.530m should be approved for 2009-10, to encompass the above operational limit and an additional £15m for temporary borrowing
- ▶ The Police Authority has long-term debt and would normally expect to borrow at fixed rates and therefore it is proposed that the limit on fixed rate debt be set to match the authorised borrowing limit. Because of market circumstances it may be advantageous to defer long-term borrowing at fixed rates for a period. The alternative would be to borrow at variable rates in the short-term and therefore it is proposed that a 25% limit should be set for 2009-10.
- ▶ The Treasurer will continue to lend surplus cash funds in accordance with the Police Authority's Treasury Policy Statement. It is proposed that a limit of £15m be imposed on investments for a year or longer.
- ▶ The Local Government Act 2003 also requires the Police Authority to set prudential ratios and limits in accordance within the requirements of the "CIPFA Prudential Code for Capital Finance in Authorities". The Code, which is based largely on self-regulation, sets out the indicators that it expects authorities to use, and the factors that they must take into account, to demonstrate that their plans are prudent, sustainable and affordable. It does not, however, include suggested, indicative limits or ratios. These are to be set by each individual authority. Details of the proposed ratios and limits, required by the Code are summarised below.

B. Prudential Indicators

	Base 2008-09	Increase From Base 2009-10	Increase From Base 2010-11	Increase From Base 2011-12
Impact of Capital Plans on Council Tax				
Impact on Council Tax (Band D Equivalent)	128.70	0.18%	0.27%	0.07%
Less Government Supported Capital Expenditure		-0.13%	-0.13%	-0.13%
Net Impact on Council Tax		0.05%	0.14%	-0.06%

	Revised Estimate 2008-09 £ '000s	Revised Estimate 2009-10 £ '000s	Revised Estimate 2010-11 £ '000s	Revised Estimate 2011-12 £ '000s
Financial				
Capital Expenditure (less leasing and PFI)	16,081	15,790	12,200	11,459
Capital Financing Requirement	3,878	6,545	9,114	8,797
Actual Debt/Operational Borrowing Limit	4,460	7,530	10,480	10,120
Net Borrowing	-59,500	-52,615	-45,730	-41,730
Authorised Borrowing Limit	19,460	22,530	25,480	25,120
Capital Financing/Net revenue Stream	0.14%	0.19%	0.27%	0.28%

	Estimate 2008-09	Estimate 2009-10	Estimate 2010-11	Estimate 2010-11
Treasury Management				
Compliance with CIPFA Code of Practice	YES	YES	YES	YES
Debt Maturity:				
26-30 Years	0.00%	39.07%	28.09%	0.00%
20-25 Years	100.00%	44.01%	37.83%	65.92%
15-20 Years	0%	16.93%	34.08%	34.08%
10-15 Years	0%	0%	0%	0%
5-10 Years	0%	0%	0%	0%
1-5 Years	0%	0%	0%	0%
Max. Actual Debt at Fixed Rates as a % of Net Borrowing	-7.56%	-14.04%	-22.46%	-24.61%
Max. Actual Debt at Variable Rates as a % of Net Borrowing	-1.89%	-3.51%	-5.61%	-6.15%
Maximum % Borrowing at Fixed Rates	100%	100%	100%	100%
Maximum % Borrowing at Variable Rates	25%	25%	25%	25%
Principal Invested > 364 days	23%	25%	27%	29%

	Estimate 2008-09 £ '000s	Estimate 2009-10 £ '000s	Estimate 2010-11 £ '000s	Estimate 2010-11 £ '000s
Long Term Borrowing - Fixed Rate	4,500	7,385	10,270	10,270
Investments	64,000	60,000	56,000	52,000
Maximum investments at Longer than 1 year	15,000	15,000	15,000	15,000
Percentage of investment longer than 1 year	23.44%	25.00%	26.79%	28.85%
Net Borrowing	-59,500	-52,615	-45,730	-41,730

Reserves and Balances

Reserve ----->	Insurance	Operational	Specific Pensions	Major Change	Capital Expenditure	Asset Replacement	Airwave - Revenue	PFI	Corke Bequest	PCSO Reserve	Asset Seizures	Delegated Budget holder	General Reserve	Total Reserves
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Balance at 31.3.2008	5.396	1.990	5.445	1.611	11.053	-	3.092	11.061	0.001	0.212	0.040	3.600	6.960	50.461
2008-09														-
Provisional Contributions								0.500				0.969		1.469
Estimated expenditure		- 0.612		- 0.683	- 6.712		- 0.737					- 2.971		- 11.715
Additional contributions etc			3.600		0.915	0.750		- 0.104			0.286			5.447
Transfers between reserves	- 0.896	0.460	- 7.209	0.839	6.766	2.607	- 2.355			- 0.212				0.000
Estimated balance at 31.3.2009	4.500	1.838	1.836	1.767	12.022	3.357	-	11.457	0.001	-	0.326	1.598	6.960	45.662
2009-10														-
Provisional contributions								0.200			0.270			1.367
Estimated Expenditure				- 0.123	- 7.740	- 1.680					- 0.270	- 0.969		- 10.782
Additional contributions etc		0.612												0.612
Transfers between reserves														-
Estimated balance at 31.3.2010	4.500	2.450	1.836	1.644	4.282	2.574	-	11.657	0	-	0.326	0.629	6.960	36.859
2010-11														-
Provisional contributions								0.300			0.280			0.580
Estimated Expenditure					- 4.282	- 0.750					- 0.280			- 5.312
Additional contributions etc														-
Transfers between reserves														-
Estimated balance at 31.3.2011	4.500	2.450	1.836	1.644	-	1.824	-	11.957	0	-	0.326	0.629	6.960	32.127
2011-12														-
Provisional contributions								0.300			0.300			0.600
Estimated expenditure											- 0.300			- 0.300
Additional contributions etc														-
Transfers between reserves														-
Estimated balance at 31.3.2012	4.500	2.450	1.836	1.644	-	1.824	-	12.257	0.001	-	0.326	0.629	6.960	32.427

**Sussex Police Authority
Staffing Number Forecast**

Estimated Staffing Numbers

	Police Officers	Police Staff inc PCSO's	Total Staff
Estimated as at 31 March 2009:			
Posts excluding officers on career breaks, maternity/paternity leave and secondments	3,176	2,645	5,821
Plus additional posts	46	69	115
Proposed civilianisation	(12)	12	-
Total estimated staffing as at 31 March 2010	3,210	2,726	5,935
Plus additional posts	31		31
Estimated as at 31 March 2011	3,241	2,726	5,967

Additional Posts			
Keeping People Safe	6.00	15.5	21.5
Neighbourhood Policing	34.5	48.44	82.94
Best use of Resources	5.15	4.6	9.75
Total	45.65	68.54	114.19

Medium Term Revenue Financial Forecast

	2009-10	2010-11	2011-12	2012-13	2013-14
Total Net Budget	252,860	261,669	273,225	283,940	294,979
Increase in Budget	3.17%	3.59%	4.42%	3.92%	3.89%
Council Tax Precept	83,535	88,101	96,830	104,663	112,762
Increase in Council tax	4.48%	5.20%	9.91%	8.09%	7.74%
Description	£'000	£'000	£'000	£'000	£'000
Police Officers	127,062	126,856	132,965	137,843	142,907
Police Overtime	5,323	5,523	5,223	5,223	5,223
Support Staff	66,422	66,549	69,886	72,730	75,689
PCSO's	10,008	10,266	10,673	11,108	11,560
Other Employee costs	11,111	10,863	10,645	10,489	10,236
Total Employees	219,926	220,056	229,392	237,392	245,614
Total Buildings And Premises	14,318	14,979	15,571	16,161	16,778
Total Transport	8,694	8,892	9,096	9,266	9,441
Total IT and Communications	15,279	16,738	15,638	16,338	17,071
Total Supplies and Services	24,044	24,723	25,928	26,680	27,462
Total Other Expenditure	8,757	7,375	7,651	7,943	8,253
Gross Expenditure	291,018	292,762	303,275	313,779	324,618
Total Income	(28,453)	(29,026)	(29,541)	(30,069)	(30,609)
Operational Net Expenditure	262,565	263,736	273,734	283,710	294,009
Pensions Net Expenditure	29,046	29,942	30,838	31,734	32,630
Force Net Expenditure	291,611	293,678	304,572	315,444	326,639
Authority Net Expenditure	1,263	1,294	1,327	1,360	1,394
Financial Provisions Net	(10,772)	(10,920)	(10,110)	(10,110)	(10,110)
Total Gross Expenditure	282,102	284,052	295,788	306,694	317,923
Less Total HO Grants	(29,242)	(22,383)	(22,563)	(22,753)	(22,943)
Total Net Expenditure	252,860	261,669	273,225	283,940	294,979

Areas of Financial Risk

RISK AREA	COMMENT
Service and performance pressures	The Chief Constable believes that the proposals set out in this report are in accordance with the delivery of the 2009-12 Local Policing Plan priorities. However the Authority remains at risk from the cost of major counter-terrorism operations, particularly if these are not funded nationally.
Budget and establishment control	Budgetholders' ability to stay within their allocated budgetary limits will be more challenging as a result of the proposed budget reductions and increased performance targets. There is a reasonable risk that operational pressures jeopardise robust financial discipline and that budget holders fail to take sufficiently rigorous action to secure a sustainable financial budget and performance position. The risk will be mitigated by close corporate monitoring of the overall budget and firm management action to maintain financial discipline.
Capping	<p>Ministers have made clear that they expect average council tax rises in 2009-10 of less than 5%, and that they are prepared to take capping action if necessary. The Government's detailed methodology for capping will not be available until after budget decisions have been taken. In previous years, capping has been determined by both the increase in the budget requirement and the increase in precept over more than one year.</p> <p>Compared to other police authorities, Sussex has one of the lowest levels of police precept in the country. Budget increases have been below 4% in recent years.</p>
Grant Levels	Future levels of grant increase may be considerably lower because of strain on public sector finances following the global economic downturn. The protection provided by the grant floor arrangements could be reduced. The floor protection reduces to £6.983m of grant support in 2010-11.
Budget estimates	<p>The Chief Constable and his finance team have undertaken detailed examination of the budget estimates. The process has been supported by input and review by staff from the Treasurer's office. Internal reports on the budget have been provided and reviewed by the Treasurer and his staff. Regular reports on the budget strategy, and its links to performance priorities, have also been considered by the Authority and by the Planning and Performance Steering Group. Spending pressures in future years that are known at this stage have been included in the Medium Term Financial Forecast (MTFF).</p> <p>At the time of preparing the budget, details of the grant for ports policing were awaited. Also income for airport policing is currently still the subject of negotiation. Any changes in anticipated funding level may involve some risk to the Authority's financial planning.</p> <p>Forecasts of investment income in 2009-10 have been prepared on the best available information. However further interest-rate reductions could adversely impact on the Authority's budget position. A further 0.5% reduction could result in £0.268m reductions in a full year. The position on Icelandic-owned investments continues to be monitored closely and the Authority will be kept appraised.</p> <p>In seeking to ensure average levels of police officer staffing throughout the year, the Chief Constable is planning to over-recruit Police Officer numbers at certain times of the year. The risk will be managed by close monitoring against the budget for establishment, including the National Insurance employer contribution rates for higher earners.</p> <p>New employer pension contribution rates for police officers will be set nationally for application in 2011-12. New employer pension contribution rates for police staff will be required from April 2011, & for personal pension accounts after 2012.</p> <p>The Director of Resources is awaiting final confirmation of an independent review of the accounting treatment of injury pensions for former police officers. This affects a decision to now charge £1.8m of injury pensions to the pension account and not the pension operating account, resulting in a recurrent saving. This amount is at risk if the treatment is found to be incorrect.</p>
Cash releasing efficiency savings	Delivery of cash-releasing efficiency savings up to 2010-11 and future years has yet to be fully identified. The budget includes cash releasing efficiency savings totalling £7.5m in 2009-10. While these savings have been risk reviewed, if these savings cannot be achieved, there are risks for budgetary control and the future resourcing of the MTFF. This risk will again be mitigated by close corporate monitoring of the overall budget and firm management action to maintain financial discipline.
Levels of reserves	Reserves have been reviewed by the Treasurer and the Chief Constable and are considered adequate. The level of reserves will need to be considered in the light of financial outturn reports.

TAX BASE AND LEVY 2009-2010

The Tax base for the year 2009-10 is the aggregate of the amounts calculated by the billing authorities to which the Police Authority issues precepts totalling **621,261.62 Band D equivalents** as set out in the adjacent table.

TOTAL TAX BASE		621,261.62	
Brighton and Hove	92,511.63	West Sussex	
East Sussex		Adur District Council	22,386.00
Eastbourne Borough Council	37,009.00	Arun District Council	60,496.00
Hastings Borough Council	29,117.00	Chichester District Council	51,251.00
Lewes District Council	37,865.05	Crawley Borough Council	35,739.00
Rother District Council	38,877.25	Horsham District Council	57,607.20
Wealden District Council	62,112.50	Mid Sussex District Council	56,854.80
	204,971.80	Worthing Borough Council	38,444.19
			323,778.19

The basic amount of Council Tax, being the budget requirement less the amounts receivable all divided by the tax base shall be **£134.73** to the nearest penny. The amount of Council Tax payable for dwellings listed in a particular valuation band, calculated in accordance with the proportions set out in Section 5(1) of the Act, shall be as follows, shown to the nearest penny:-

Valuation Band	Amount £ p
A	89.82
B	104.79
C	119.76
D	134.73
E	164.67
F	194.61
G	224.55
H	269.46

That the Brighton and Hove Council and the district and borough councils be requested to make payments of sums totalling **£83,702,578.06** due under precepts calculated in proportion to their Council Tax Band D equivalents as follows:-

	£ p
Brighton and Hove City Council	12,464,091.91
East Sussex	
Eastbourne Borough Council	4,986,222.57
Hastings Borough Council	3,922,933.41
Lewes District Council	5,100,345.61
Rother District Council	5,237,931.89
Wealden District Council	8,368,417.13

	£ p
West Sussex	
Adur District Council	3,016,065.78
Arun District Council	8,150,626.08
Chichester District Council	7,039,777.23
Crawley Borough Council	4,815,115.47
Horsham District Council	7,761,418.06
Mid Sussex District Council	7,660,047.20
Worthing Borough Council	5,179,585.72

That the Brighton and Hove City Council and the district and borough councils are required to make payment by equal instalments of the above sums due on or before:-

Brighton and Hove and East Sussex	West Sussex
April 9 th 2009	April 16 th 2009
May 22 nd 2009	May 21 st 2009
July 2 nd 2009	June 25 th 2009
August 7 th 2009	July 30 th 2009
September 11 th 2009	September 3 rd 2009
October 22 nd 2009	October 8 th 2009
November 20 th 2009	November 12 th 2009
January 7 th 2010	December 10 th 2009
February 12 th 2010	January 14 th 2010
March 12 th 2010	February 18 th 2010

The budget requirement to meet the total net expenditure of the Police Authority for the financial year 2009-10 be set at **£253,028,000**

The following sums be payable for the year into the Police Authority's Revenue Account:

	£
Police Grant	99,197,503
Revenue Support Grant and Re-distributed Business Rates	70,612,823

The following sums be payable for the year from the Police Authority's Revenue Account:

Collection Fund Deficit	484,731
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