

TAYSIDE JOINT POLICE BOARD

25 June 2001

Joint Report by the Chief Constable and Treasurer No. PB 31/2001

SUBJECT: TAYSIDE JOINT POLICE BOARD UNAUDITED ABSTRACT OF ACCOUNTS FOR YEAR ENDED 31 MARCH 2001

<p>Abstract: This report contains the unaudited abstract of accounts for Tayside Joint Police Board in respect of the financial year ended 31 March 2001</p>

1. RECOMMENDATION

1.1 It is recommended that the Board:

- (a) note the contents of this report and the unaudited abstract of accounts for the financial year ended 31 March 2001;
- (b) approve the unaudited Abstract of Accounts 2000/2001;
- (c) note the sum of £306,000 is being returned to the Constituent Councils in respect of interest earned on revenue balances of £246,000 and the underspend of £60,000 in non grant earning expenditure
- (d) note the submission of a request to the Scottish Office for repayment of £238,000 in unused Police Grant in 2000/2001 and the intention to reclaim £229,000 from the return of requisitions to the Constituent Councils to provide £467,000 to fund initiatives identified by the Chief Constable to enhance operational efficiency as previously approved by the Board (Report No. PB21/2001 refers)

2. BACKGROUND

2.1 The Board has a responsibility to prepare a statement of accounts on an annual basis. It is also required to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

2.2 In addition it is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs.

In the Tayside Joint Police Board that officer is the Treasurer.

2.3 Among the responsibilities of the Treasurer in this context is to present fairly the financial position of the Board at the accounting date and its income and expenditure for the relevant financial year.

- 2.4 Appended to this report are the unaudited abstract accounts for the financial year ended 31 March 2001 which require to be submitted to the controller of Audit by 30 June 2001.

3. UNAUDITED ACCOUNTS FOR YEAR ENDED 31 MARCH 2001

- 3.1 The unaudited abstract of accounts appended to this report provide the following information in respect of the 2000/2001 financial year:

- Members and Officials
- Treasurer's Report
- Statement of Main Accounting Policies
- Revenue Account (with supporting notes)
- Balance Sheet at 31 March 2001 (with supporting notes)
- Cash Flow Statement (with supporting notes)
- Statement of Responsibilities for the Abstract of Accounts

4. INTEREST ON REVENUE BALANCES

- 4.1 The 2000/2001 Provisional Revenue Budget was considered by the Finance Sub Committee of the Board at its meeting on 6 January 2000. (Report No. PB57/1999 – '2000/2001 Provisional Revenue Budget' refers). In approving Report No. PB57/1999 the Sub Committee noted that interest on revenue balances in 2000/2001 was estimated to be £250,000 and agreed to return any interest generated on revenue balances to the Constituent Councils.
- 4.2 Report No PB 7/2000 – "2000/2001 Revenue Budget" which was approved by the Board at its meeting on 14 February, 2000 agreed a net revenue budget of £59.980 million for Tayside Police for 2000/2001 and also agreed to return any interest earned on revenue balances to the Constituent Councils.
- 4.3 Appendix B to Report PB 7/2000 detailed the requisition level per council. This reflected interest on revenue balances as eligible for grant purposes and as a consequence police grant of 51% was assumed to be deducted from the estimated figure of £250,000 and only 49% (£122,500) deducted from the gross requisitions claimed from the Constituent Councils. Interest earned on revenue balances in the main arises from pre payment of the requisition on the 1st of each month and the view of the Board is that the whole sum earned should be returned to the Constituent Councils. The effect of treating interest on revenue balances as eligible expenditure for grant purposes was to overstate the total requisition level by £127,500.
- 4.4 Section 4 of the Tayside Joint Police Board Unaudited Abstract of Accounts contains the Revenue Account for the year ended 31 March 2001 which restates the budgeted position with regard to police grant and Constituent Councils requisitions reflecting the decision of the Board to return the full estimated amount of interest earned on revenue balances (£250,000) to the Councils. The actual figures for 2000/2001 contained in Section 4 also reflect this decision.

5. POSITION AS AT 31 MARCH 2001

- 5.1 During 2000/2001 interest earned on revenue balances amounted to £246,000 and in accordance with the decision of the Board at the time of setting the Revenue Budget for 2000/2001 this sum has been returned to the Constituent Councils. In addition an underspend of £60,000 in non grant earning expenditure has also been returned to the Constituent Councils.
- 5.2 The arrangements put in place by Scottish Ministers in 1999/2000 which enable Police Authorities to bid for unused police grant in any financial year have been extended into 2000/2001 in the absence of legislation which would permit Police Boards to carry forward working balances.
- 5.3 Net expenditure for 2000/2001 excluding interest earned on revenue balances and non grant earning expenditure referred to above was £467,000 less than budgeted for. At its meeting on 14 May 2001 the Board agreed to make a bid for the police grant share of £467,000 (£238,000) and augment this by the relevant requisition share (£229,000) to fund initiatives identified by the Chief Constable to enhance operational efficiency in 2001/2002 (Report No PB 21/2001 'Bid for 2000/2001 Unused Police Grant' refers).
- 5.4 As at 31 March 2001 the requisition share of the underspend (£229,000) is shown as being due to the Constituent Councils, however in accordance with the Board's decision this will be reclaimed from the Constituent Councils in 2001/2002.
- 5.5 Paragraph 4 of Section 5 of the Unaudited Abstract of Accounts details Agency Expenditure and Income. The significant increase in agency expenditure with Dundee City Council relates in the main to the provision of architectural services in respect of the project to build a new mortuary in Dundee (£80,000) and also the provision of services to assist in the design and printing of the Chief Constable's Annual Report and Policing Plan (£15,000).

6. SUMMARY

- 6.1 The unaudited abstract of accounts for the financial year ended 31 March 2001 appended to this report, in the view of the Treasurer, present fairly the financial position of the Board at the accounting dates and its income and expenditure for the years ended 31 March 2001.
- 6.2 The Accounts comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain. Within the Accounts are details of the main accounting policies applied.
- 6.3 The Accounts indicate that the difficult financial targets set in the financial year have been achieved. This has been possible due to the implementation of a robust budgeting control system.

- 6.4 Copies of the unaudited accounts will be deposited in Police Headquarters in Dundee and the Divisional Headquarters in Perth and Forfar in the near future. An advert to this effect will shortly be placed in the local press and advising that copies of these accounts may be obtained free of charge on application to Police Headquarters.

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15 June 2001

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