

# **FINANCIAL GUIDELINES FOR DISTRICT POLICING PARTNERSHIPS**

(These guidelines supersede the previous versions  
and apply from 1 April 2010)

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## **1. INTRODUCTION**

**1.1** This document complements the Code of Practice on Functions and Responsibilities of the DPPs. It has been produced separately to provide detailed guidance to assist Councils and DPPs to carry out their statutory responsibilities and to allow for procedural changes which may take place in future.

Schedule 3, paragraph 11 of the Police (Northern Ireland) Act, 2000 act states:

*The Board shall for each financial year make to the council a grant equal to three-quarters of the expenses reasonably incurred by the council in that year in connection with the establishment of, or exercise of functions by, a DPP.*

**1.2** These guidelines describe the conditions which are attached to the financial grant which the Northern Ireland Policing Board, hereinafter known as the Board, makes to councils in relation to the costs of DPPs.

## **2. FINANCIAL RESPONSIBILITIES OF THE COUNCIL**

**2.1** The Council and the DPP will ensure that their functions are carried out in accordance with current legislation. In doing this, the DPP has responsibility to ensure that it operates within the limits of its statutory responsibility and that the requirements and standards of accountability for public expenditure are adhered to. *The Council shall provide 25% of the expenditure in connection with the establishment of a DPP and the operational costs incurred by a DPP in carrying out its function.*

**2.2** In addition the Council, on behalf of the DPP, is required:

- to provide assurance that funding has been wholly, exclusively and necessarily incurred by the council in respect of the functions of the DPP
- on behalf of the DPP to agree with the Board an amount sufficient to establish and maintain a DPP in the council area for the next financial year
- to put in place, and operate adequate and timely accounting systems
- to provide details of quarterly expenditure to support grant claims and to submit such claims within 3 weeks of the quarter end
- to provide final DPP accounts in a format agreed within 3 weeks of the end of the financial year ending 31 March
- to allow the Board, its agents and auditors reasonable access to their premises, and to records relating to the DPP
- to implement and apply sufficient controls in respect of safeguarding Board monies including areas of theft and fraud
- to ensure spending by a DPP shall not exceed the total agreed budget without prior agreement, and accept responsibility for 100% of excess spend not approved by the Board
- to consult with the Board before disposing of any Board funded assets provided for DPP purposes
- to have effective Corporate Governance and Risk Management procedures in place for the DPP which should be confirmed annually to the Board in the Council's letter of acceptance of funding

### **3. FINANCIAL RESPONSIBILITIES OF THE BOARD**

**3.1** *The Board will provide funding to allow DPPs to carry out their functions in accordance with the Police (Northern Ireland) Act, 2000. Schedule 3, paragraph 11.*

The Board is required to:

- to secure adequate funding from government and consult with them on a timely basis
- provide guidelines to DPPs on matters relating to finance
- provide funding to councils in line with Schedule 3 paragraph 11 of the Act, to support the DPP in relation to establishment and operational costs
- agree an annual budget with the Council, within financial constraints, to ensure that sufficient funds are available to run the DPP for the next financial year
- process grant payments to Councils on a timely basis
- provide details to the Councils of central costs incurred by the Board which are subsequently recharged to DPPs
- provide advice and information on closing of year end accounts on a timely basis
- act as a point of contact for any financial queries
- the Board will seek agreement of the Council before entering an overspend situation which may commit the Council to additional expenditure

#### **4. OVERVIEW OF DPP ANNUAL BUDGETS**

**4.1** The Council, on behalf of the DPP, shall agree with the Board an amount sufficient to meet the operational needs of the DPP for the next financial year. The Board is committed to work with Councils to agree budgets to meet their deadlines for setting the rates. The Board will liaise with government to assess the level of funding available for supporting DPPs.

**4.2** By the end of October, the Board will send DPP Managers an information pack for preparing budgets including:

- a timetable for setting budgets
- a budget worksheet for inclusion of budget detail and phasing information
- detailed budget guidance notes

**4.3** The draft budget should be submitted to the Board by mid November, using the workbook provided. The budget should be supported with detailed costings and all supplementary information requested in the workbook provided, including budget phasing details. See Appendices 3 – 6 for details required.

**4.4** Board officials will discuss draft budgets with DPP Managers, who in turn will liaise with council finance officers about the draft budget on behalf of the DPP. A provisional budget offer will be sent for confirmation of figures.

**4.5** When budgets are agreed, the Board will send a letter of offer, (appendix 7), to the Council Chief Executive who will be required to formally agree the budget by completing the letter of acceptance, (appendix 8). Grant payments will be based on expenditure details received from councils on a quarterly basis. No payment will be made until receipt of the signed letter of acceptance.

**4.6** The budget for the DPP, which is agreed each year between the Council and the Board, must not be exceeded without prior consent.

**4.7** Where consent has been given by the Council and the Board, the overspend will be financed using the agreed percentage, 75% from Board and 25% from the Council.

**4.8** Where the overspend is sanctioned by the Council and not the Board, the Council will be responsible for 100% of the additional cost.

**4.9** In respect of central costs the Board will endeavour not to vary its expenditure without the prior agreement of the Council, however there may be occasions when this may be unavoidable because of a legislative requirement. The Board will give a best estimate of central costs.

**4.10** Providing all parties adhere to the budget timetable, budgets will be finalised by early February to meet council deadlines for setting the domestic rates.

**4.11** If there is failure to meet budget deadlines, the Board will allocate funding based on previous use of funds and subject to available funding. Prior to taking this action the Board will advise the Council.

## 5. DETAILED BUDGET GUIDANCE NOTES

- Budgets should be based on plans for the forthcoming year, taking into consideration the work of the DPP. The budget must be set within financial constraints and guidelines advised by the Board.
- DPP budgets are calculated and agreed with Councils at the 100% cost of the business of running the DPP. In line with legislation the Board will fund 75% of agreed expenditure and the remaining 25% by Council.
- The following budget headings are ring fenced and cannot be used for any other purpose without prior consent of the Board:
  - DPP Manager Salary
  - Members Allowances
  - Other Staff
  - SLA
  - Central Costs
- DPPs will have the ability to vire expenditure between any other budget headings to allow maximum flexibility for best use of funds. If the DPP wishes to make significant virements, details should be provided to the Board prior to implementation. Please contact the Board if you require clarification over potential virements.
- Should the DPP wish to participate in an activity not agreed during the budget process, the DPP Manager must contact the Board to discuss the potential to review budgets within the existing limits, or to provide additional funding outside the agreed budget, subject to availability.

**Within each budget heading the following conditions apply:**

### 5.1 DPP Managers salary (ring fenced budget)

**5.1.1** The Board will pay the DPP Managers salary to a maximum of NJC/Local Government PO2 scale, (to a maximum of scale point 38). Councils who pay their DPP Manager above this scale will be liable for 100% of any excess salary costs.

**5.1.2** The grant awarded is for a DPP Manager engaged on DPP activities. The grant requested **must** reflect the percentage of time the manager is engaged on carrying out DPP work. If the manager carries out duties other than DPP work the grant awarded will be reduced to fund the appropriate percentage of manager's time, as detailed in the letter of offer.

**5.1.3** Joint DPP/CSP working arrangements – where Councils implement changes to existing structures to incorporate new joint working arrangements, the Board will offer a salary budget for work carried out by staff in relation to DPP work. This information should be provided when agreeing the budget and any subsequent changes should be agreed with the Board in advance of implementing changes.

The budget will be calculated on the actual scale points of DPP post holders and the percentage time spent on DPP work. However, total funding available will not exceed the maximum level of funding for one DPP Manager ie PO2 grade scale point 38. Payments will be based on actual costs, up to the maximum agreed budget.

## **5.2 Staff Absences**

**5.2.1** The Board provides funding for part time admin support and in the event of absence of the DPP Manager, the Council must arrange for adequate arrangements to ensure that queries to the DPP are responded to.

**5.2.2** In the event that a DPP Manager is absent from duty on any temporary basis of over 4 weeks, on sick absence or maternity leave, and it is deemed necessary to provide temporary cover for the staff absence, the Board will pay reasonable expenses on the understanding that council standards are met in relation to monitoring staff absences.

**5.2.3** Staff employed on a temporary basis should not be paid at a higher rate than the permanent member of staff. Funding will be based on agreed hours to be worked and actual salary paid.

**5.2.4** These conditions also apply to administrative staff employed for the DPP.

**5.2.5** The Board will not provide funding for additional staff during periods of extended annual leave.

**5.2.7** Budgets should be set based on normal working arrangements. If additional costs are incurred due to staff absences, relating to sick absence or maternity leave, the DPP Manager or Council, should advise the Board of these potential costs separately. If the claim meets the criteria in 5.2.2 – 5.2.3 the Board will provide funding at 75% of the cost involved.

### **5.3 DPP Manager and Members Travel**

**5.3.1** Travel costs will be paid in line with NJC/Local Government rates and conditions.

**5.3.2** Mileage claims should be reasonable and relate to DPP business only. Mileage claimed should be made for the shortest route for the journey. In an effort to minimise costs it is recommended that members and staff travel together where possible.

**5.3.3** The Board requires councils to keep separate claim forms relating to DPP business to facilitate the audit process. Receipts for expenses incurred must be obtained and included with the claim. All claims must be in line with current Council Financial policies.

**5.3.4** When members mileage exceeds the current threshold of 8,500 miles per annum, inclusive of both council and DPP business, council rules will apply and mileage should be paid at a lesser rate.

**5.3.5** Claims must be submitted within three months of the date incurred.

### **5.4 DPP Members Allowances (ring fenced budget)**

**5.4.1** Schedule 3, paragraph 10 of the Police (Northern Ireland) Act 2000, states:

*The council may pay to the chairman, the vice chairman and other members of the DPP such allowances as the council, with the approval of the Board may determine.*

**5.4.2** The standard allowance must take the form of an annual retainer to be paid to each member of the DPP. No attendance allowance should be paid.

**5.4.3** The current allowances payable to members of the DPP are shown in Appendix 11.

## **5.5 National Insurance on Members Allowances**

Some councils may incur national insurance (NI) costs due to the payment of allowances for elected members who sit on both council committees and the DPP. The Board will agree a reasonable proportion of NI costs. This will be based on the proportion of the cost of DPP allowances compared to the overall cost of all allowances paid. The Board will fund 75% of this proportion of NI costs.

## **5.6 Treatment of Allowances for Purpose of Taxation and Social Security Benefits**

**5.6.1** The allowances paid to members may be taxable. It is the responsibility of independent members to advise HMRC of allowances.

**5.6.2** Those members in receipt of benefits should seek advice from the appropriate agency.

## **5.7 Reconstitution of DPPs (ring fenced budget)**

**5.7.1** When a reconstitution of DPPs takes place the Board will agree a budget for each stage of the campaign ie advertising, selection and interviewing.

**5.7.2** The budget estimated for reconstitution will be a best estimate. The Board will levy all costs incurred in an appropriate manner ie allocate specific costs provided and apportion general costs using an average of the number of applications in the last competition and the percentage population of Northern Ireland represented by that Council District.

**5.7.3** The actual costs incurred will be advised to councils on completion of the exercise, as the Board can only finalise the cost at this stage. In the event that costs exceed budget, 25% of the additional cost will be charged to Council. Likewise, if costs are under budget any savings will be passed on to councils at 25%.

## **5.8 Service Level Agreements (SLA) and Other Staff (both budgets are ring fenced)**

**5.8.1** The 'SLA' budget is to cover the DPP's contribution to the overheads of Council under agreed headings. .

**5.8.2** 'Other Staff' – this budget is for financial assistance for administrative support for the DPP

**5.8.3** Councils will have flexibility as to how the agreed annual amount is allocated between 'Other Staff' and 'SLA'.

**5.8.4** Although the 26 councils vary in size, the functions of a DPP Manager are of a standard nature. The standard job evaluation of the post currently reflects this. Similarly, the level of administrative and SLA support is viewed as being of a fixed nature.

**5.8.5** Budgets for Other staff and SLA are dependent on the level of funding available to the Board.

**5.8.6** It is the responsibility of councils to maintain detailed records in respect of SLA and other staff expenditure.

**5.8.7** Funding for Other Staff and SLA is provided for actual expenditure incurred up to the maximum levels of the agreed budgets. Funding requests **must be supported by a detailed breakdown of expenditure**. This record should show actual expenditure and a breakdown of allocated internal recharges.

## **5.9 DPP Members Training**

**5.9.1** At the start of each new term of office there will be a need for introduction training for new DPP members and the Board will agree a budget for this training.

**5.9.2** In addition, DPPs may have specific training requirements for their own area. It is preferable for training to take place on a regional basis. The Board will allocate a budget to each DPP for training which they organise on a local or regional basis. DPP Managers should ensure they have sufficient budget to cover the costs of any training entered into with other DPPs. DPP Managers should seek to apportion costs equally among participating DPPs.

**5.9.3** Some training will be organised centrally by the Board. This will be paid for initially by the Board and councils will be recharged 25% of their share of actual costs. Details of charges and the method of apportioning these costs will be provided to councils.

**5.9.4** DPPs will be charged for the cost of all places booked on training events whether or not representatives attend the course. The only exception will be if the Board is advised in writing of any cancellation 7 days prior to the start of the course, or as specifically directed for a particular course where different conditions or a minimum charge may apply.

## **5.10 DPP Manager Development**

DPP Managers may attend training organised for DPP Members. They may also identify development opportunities for themselves relating to the post of DPP Manager. As DPP Managers are employed under council terms and conditions, any request for training should be in line with council policy and should be discussed with council line managers. All requests should be submitted to the Board for consideration and will be subject to available funding.

## **5.11 Public Consultation Survey (ring fenced budget)**

It is intended that public consultation will be undertaken by NISRA every 2 years. This work will be commissioned and organised centrally by the Board.

## **5.12 Engagement of the Public with the Police in Preventing Crime**

**5.12.1** The Board will agree an annual budget with each DPP for engagement of the public with the police in preventing crime. This is the main DPP operational budget and should be based on the activities detailed in the DPP Strategy/Action Plan as described at paragraph 2.7 of the Code of Practice. The DPP Manager should include details of the planned activity, when it will take place and costs for each activity. This may also involve consultation, which should take account of gaps identified in the main NISRA survey and normally be undertaken by Members, generally with minimal costs.

**5.12.2** This funding should be used to raise public awareness of the issues and priorities arising from community consultation, to inform, encourage involvement of members of the community and take individual responsibility to actively support the PSNI in preventing crime.

**5.12.3** DPP Managers may wish to consult with Board staff to discuss work planned in this area. The DPP should investigate potential partners who will develop these strategies into physical projects. **The Board will not provide funding in relation to practical crime prevention measures.** Their role is confined to supporting the DPPs as they encourage the public to engage with the police in preventing crime.

**5.12.4 Partners and Communities Together (PACT)** - PACT panels are made up of a group of representatives from a variety of agencies including DPPs. It is preferable that PACT meetings will be funded by **all** partner agencies. DPPs may provide some support to PACT and this could take the form of making a contribution towards paying for leaflets which may be distributed in relation to a problem identified in the area, or venue hire for community or council premises. As PACT groups are not constituted and do not have a bank account, any funding provided must be processed by the DPP and **not** provided directly to PACT members/groups.

### **5.13 DPP Meetings (Public and Private)**

This budget should be used to meet the costs incurred for holding DPP meetings. This will include the cost of venues and reasonable refreshments.

### **5.14 Advertising**

This budget should be used for advertising meetings in public. There is no requirement for public notices to be placed in the press as a means of advertising these meetings. The DPP should advertise in ways that reach all parts of the community. The DPP Manager should be mindful of the cost and effectiveness of the method and location of placing adverts and of alternative means of raising awareness of meetings.

### **5.15 Public Relations (PR)**

This budget should be used to publicise work and raise general awareness within the public domain of DPPs in supporting policing within the community.

The DPP Manager should include a breakdown of costs for work planned and resources required. This may include articles in Council magazines, leaflets, information packs for meetings, campaigns with targeted groups, publicity for local events, materials for stands at shows, radio campaigns, and promotional items.

DPPs may wish to purchase promotional items which should be included in the PR budget. It is expected the level of expenditure on these items will not be significant and purchased with the intent to obtain best value for money. Promotional items should:

- be low cost, giveaway items such as pens, pencils, highlighters, rulers, desk calendars, tax disc holders, etc
- **not** include crime prevention items such as personal attack alarms, property marking pens, smart water, and counterfeit detection pens.

- **not** include items such as hi-viz jackets, polo shirts, memory sticks, torches, ice scrapers, sports water bottles
- **not** be in the form of awards of cash or vouchers regardless of value (see section 14.2)

A record of promotional items purchased and distributed should be monitored and controlled by the DPP Manager.

## **5.16 Insurance**

**5.16.1** It is the responsibility of the council to determine if their existing indemnity cover is sufficient to cover the additional responsibility associated with the operation of a DPP. Councils may consider existing insurance arrangements are sufficient, however they will have the discretion to obtain additional indemnity should they consider it is necessary. The Board should be informed if separate insurance is required for the DPP.

**5.16.2** The Board will fund 75% of the additional costs incurred in providing necessary indemnity where these costs have been included in the agreed budget and approved by the Board.

## **5.17 Audit Fees**

The Board will pay the costs of the external audit undertaken by the Local Government Audit (LGA). These costs will be charged to councils on an actual fee basis as advised by the LGA, on the normal 75/25% basis. Any internal audit costs, where these are applicable, should be covered by the SLA.

## **5.18 Running Costs**

This includes general administration costs eg printing, telephones, photocopies, postage, stationery and sundries. Budgets should be based on estimated requirements relating to use by the DPP and within financial criteria advised by the Board.

A budget up to a maximum of £250 is available for sundry items not included under other specific budget headings. It is not anticipated there will be major spend in this budget as any significant expenditure should be included in other headings when setting the overall budget.

## **5.19 Equipment**

**5.19.1** The Board does not anticipate the need, or have the capacity to fund significant expenditure on equipment. If any essential office equipment is required, DPP Managers should submit a business case to the Board, including details of specifications and costings. Proposals will be considered on merit and subject to available funding.

**5.19.2** A register of all equipment purchased for DPPs using Board funding should be maintained within Council. This equipment is 75% owned by the Board. Councils should have this register available for inspection at any time. The threshold for equipment on the register will depend on Council policy.

## **5.20 Funding to local groups for consultation with the police**

The Board will fund local existing Community Police Liaison Committees (CPLCs), which the PSNI deem to be an effective consultative forum whose core remit is local policing. These groups will be funded at 75% by the Board and 25% by the Council. These groups must be:

- representative of the community in which they live
  - properly constituted
  - work in partnership with local police and other agencies
  - define local policing issues
  - assist in establishing policing priorities in their community
  - have a bank account open in the name of the group
- 
- Where it appears to the Board that a DPP has not made satisfactory arrangements in relation to any local community, the Board may, after consultation with the DPP make arrangements to facilitate consultation in line with it's statutory obligations (see Sections 16 and 23 of the Police (NI) Act 2000)
  - Before making arrangements to set up a consultative forum the DPP or the Board is required to consult with the District Commander as to the arrangements that would be appropriate (see Section 23(5) of the Police (NI) Act 2000)
  - Funding will be provided for room hire, tea and coffee and reasonable administration costs ie postage and stationery costs. Costs must be bona fide and auditable. Groups should submit invoices and supporting documentation directly and promptly to the DPP Manager who will check and authorise payment of actual expenditure incurred.
  - The maximum funding available to any one group will be £400 per year, however, it is not anticipated that many groups will avail of the maximum funding. The DPP Manager should ensure value for money is achieved in the use of public funds. Money should be provided on actual rather than proposed expenditure.

## **6 LATEST BEST ESTIMATES (LBEs)**

**6.1** To assist with financial management of the DPP expenditure, the DPP Manager will phase the budget when it is being set. The phasing of expenditure will depend on the annual action plan.

**6.2** To maintain good financial management the DPP Manager should check actual spend against the phased budget and investigate any variances. Each budget heading should be checked taking into account financial commitments and a review should be made of projected costs to year end. Based on the outcome of this exercise the DPP Manager should either agree the existing budget or revise the projected year end spend.

**6.3** Where there are significant variances, the DPP Manager may change or rephase budgets. They should advise the Board of any changes they wish to make, and provide a breakdown of what work is planned, when it will take place and the cost of each area of work, and listing any budget virements.

**6.4** If there is no valid reason for the underspend and no further work is planned, this will indicate a saving on that budget. Managers are encouraged to make full use of available budgets and may wish to identify additional work to be funded by any savings. However, if an underspend is anticipated they must advise the Board.

**6.5** In the event of a budget pressure DPP Managers may vire within the budget, except for those budgets which are ring fenced (salaries, members allowances, other staff costs, SLA, central costs). Details of significant virements should be advised to the Board. Please contact the Board if you require clarification over potential virements.

**6.6** If there is an urgent pressure of work and no funding can be identified in the budget, DPP Managers should submit a business case to the Board, including all relevant costings, so that consideration can be given for additional funding. This will be subject to available funding in the Board and the Council being able to fund 25% of this additional cost.

**6.7** The Board is required to provide LBEs to the NIO at regular intervals, and this includes expenditure on the DPPs. The main LBE exercise takes place in October/November each year. The Board needs to provide a monitoring return to the NIO to report any potential underspend or overspend. DPP figures included in this exercise will be based on the actual costs to the end of the second quarter, ie for the period April to September. The timescale for completing this exercise is very short and the deadline for DPP Managers to submit the information is no later than 3 weeks after quarter end.

**6.8** The LBE figures will become the revised budget for each DPP for the financial year.

**6.9** It is good practice to review actual expenditure against budget on a regular basis and Managers should carry out a review each quarter as a minimum.

## **7. Recruitment Costs for DPP Staff**

If a vacancy occurs the Board will fund reasonable costs for recruitment on the normal 75/25% basis.

These costs will not be included in normal operational budgets, as they will occur when a vacancy arises. The Council should contact the Board to advise when a recruitment competition is to take place and provide an estimate of costs. The Board will advise if funding is available.

The Board is not able to fund costs relating to assessment centres used for recruitment competitions.

## **8. DPP GRANT PAYMENTS**

**8.1** Grant payments cannot be made until the Board has received formal acceptance of the DPP budget from the Chief Executive on behalf of the Council, agreeing to the terms and conditions of funding. This will be in the form of returning a signed copy of the letter of acceptance, (Appendix 8).

**8.2** The Board will provide funding to councils in quarterly instalments based on expenditure returns submitted by councils. Funding is paid in arrears and is based on 75% of actual expenditure, provided it is in line with the agreed budget.

**8.3** The timetable for submitting grant claims is shown in Appendix 2

**8.4** Grant claims should be submitted on the grant claim form (Appendix 9). Information provided should show actual expenditure for each quarter and a cumulative total to date.

**8.5** The Board will make payment to an account specified by the council and this will be made by BACS transfer.

**8.6** Councils must maintain financial records that clearly identify all expenditure relating to the operation of the DPP. Councils must submit details of expenditure on a quarterly basis. The claim should be submitted no later than 3 weeks from the end of each quarter. It should be presented under the agreed budget heading and should show the expenditure for the quarter and the cumulative expenditure for the year to date. The Board will normally process the payment within 2 weeks of receipt.

**8.7** As grant payments may not be made in advance of the expenditure being incurred, the final payment for the financial year will be made on agreement of the year-end figures, after the accounts have been audited by Local Government Audit and the Board has been provided with the LGA audit certificate.

## **9. CENTRAL COSTS**

The quarterly grant payment will be amended to take account of any adjustments for central costs incurred by the Board. These may include costs for reconstitution of the DPP, training, audit fees and NISRA. These costs are initially paid by the Board and recharged at 25% to councils. A breakdown of these costs will be provided to Councils, showing invoice details and the basis of apportioning costs.

## **10. YEAR-END ACCOUNTS**

**10.1** The deadline for councils to submit completed annual accounts is 3 weeks after the end of the financial year, 31 March. This is to ensure the Board can meet its obligation to NIO for consolidation purposes. The following information should be submitted by the deadline:

- the grant claim spreadsheet showing details of expenditure (Appendix 9)
- a statement of income and expenditure in the agreed format, (Appendix 10)
- detailed breakdown of claims for SLA
- detailed breakdown of claims for 'Other Staff'
- breakdown of claim for national insurance costs and the basis for apportioning costs between council and the Board

**10.2** These returns should show all expenditure incurred, including all accrued expenditure for the financial year. In the normal course of events, DPPs should not make prepayments, but if this occurs, the accounts should be adjusted accordingly.

**10.3** The figures provided will be checked and agreed between the Board and Councils before being submitted to LGA Audit. A timetable for closing accounts will be provided by the Board in line with the dates in Appendix 2

**10.4** Final accounts must be signed by the Council's Chief Executive to certify that all expenditure was incurred wholly, necessarily and exclusively on the running of the DPP, to allow the Board to comply with government guidelines and to complete the Boards accounts by mid May.

**10.5** LGA audit of accounts – accounts will be agreed with the Board before they are forwarded to LGA Audit. There is a very tight timetable for the accounts to be audited and this will normally take place over a 2 week period in May. LGA Audit will liaise with DPP Managers to agree a date for the audit of their accounts. DPP accounts have to be audited before the Board's audit can be finalised. The deadline to complete the Board's draft accounts is early May. The audit certificates should be provided to the Board by the end of May. The final grant payment for the financial year will be made shortly after the receipt of the audit certificates from LGA Audit.

## 11. AUDIT PROCEDURES

**11.1** To enable the Board to fulfil its statutory requirement to provide an assurance to the NIO on the expenditure of the Board, the council shall afford the Board, its agents and auditors reasonable access to their premises, and to records relating to the DPP. Sample checks may be carried out on relevant processes to gain assurance that all financial and procedural managerial controls are adhered to.

**11.2** The final accounts will be signed by the Chief Executive to confirm to the Board that all reasonable steps have been taken to ensure adequate controls, manage financial risks and effectively manage allocated resources.

**11.3** The Board will rely on the professional services of the Local Government Auditor (LGA) to audit each council's accounts and grant claims in relation to the DPP. The NI Audit Office will invoice the Board for the LGA audit of each DPP and the Board will recharge DPPs. **Audit costs should be accrued at year-end and included in the list of annual accruals.**

**11.4** Councils must have assurance procedures in place ensuring that terms and conditions of the grant are being met and being monitored. This is a condition of the grant and a statement is included in the letter of acceptance of the DPP budget signed by the Chief Executive. The assurance requires a regular review of administration, operational effectiveness, risk management, controls and corporate governance arrangements.

**11.5** The Council will ensure that all practicable measures and controls are in place and operating to prevent theft or fraud. The Council shall notify the Board immediately in any case of fraud or suspected fraud. If this is the case the Board and Council will agree to pursue the fraud through the courts.

## **12. PROCUREMENT**

**12.1** When dealing with procurement, irrespective of the value of the goods or services being procured, staff involved in the process should ensure that the highest standards in line with the 7 principles of public life as detailed in HM Treasury guidance 'Managing Public Money' at [www.hm-treasury.gov.uk/d/mpm\\_whole.pdf](http://www.hm-treasury.gov.uk/d/mpm_whole.pdf) (Annex 2.4) and see Appendix 12. Individuals should disclose any personal or business interest or potential issue, which the public might reasonably think, could influence judgment in the awarding of contracts or work.

**12.2** Guidance in 'Managing Public Money' states that goods and services should be acquired by competition unless there are convincing reasons to the contrary which should be clearly documented where this applies.

**12.3** When councils are purchasing goods and services on behalf of the DPP they should follow normal council procurement procedures. Written records should be retained of all oral and written quotations obtained.

**12.4** It is recommended that each DPP Manager should attach a copy of their local council procurement policy to these guidelines.

### **13. DISPOSAL OF EQUIPMENT**

**13.1** Any equipment purchased with funding from the Board must not be disposed of without prior authorisation of the Board. Prior to disposal the council should consult with the Board to satisfy itself that the assets are no longer needed for DPP purposes. In line with the funding of DPPs, 75% of the money raised from the sale of any DPP equipment must be returned to the Board. The council shall also ensure that the procedures for disposal of equipment represent the greatest benefit possible, and the disposals are properly accounted for and disclosed.

**13.2** For any equipment being disposed of appropriate measures must be taken to ensure there is no loss of information to the Board or Council.

## **14. HOSPITALITY, COMPETITION PRIZES, GIFTS AND INCENTIVES**

### **14.1 Current NIO guidance on hospitality**

- Management hospitality, training and conferences - no more than £4.25 per head
- Alcohol should not normally be provided for lunches or daytime activities
- No subsistence allowance where refreshments were provided at public expense
- Approval for exceeding the limit should be gained from the relevant officer in council

### **14.2 Key points to consider**

- A pre-condition of issuing any prize is that it will be in the direct interests of the DPP to assist with fulfilling its statutory responsibilities.
- Details of the provision of prizes must be recorded by the DPP.
- The DPP Manager must ensure best use of available funds and expenditure must not be excessive in line with HM Treasury guidance 'Managing Public Money' at [www.hm-treasury.gov.uk/d/mpm\\_whole.pdf](http://www.hm-treasury.gov.uk/d/mpm_whole.pdf)
- Conduct of staff should not foster suspicion of a conflict of interest in line with the seven principles of public life (see Appendix 12).
- Expenditure must be able to withstand both internal and external scrutiny and incurred in accordance with the principles of regularity and propriety in line with Treasury guidance 'Managing Public Money' as above
- Competition prizes in the form of cash lottery tickets, gift vouchers or gift cheques, regardless of the amount, cannot be provided.
- The DPP should obtain approval of the Board for any expenditure for any purpose which is or might be considered novel or contentious

### 14.3 Hospitality

- It is recognised that at events held by DPPs there will be occasions when hospitality may be provided eg at DPP meetings, training events and PR events. Reasonable costs may be incurred depending on the nature of the activity, however the DPP Manager should consider would such expenditure be acceptable to the public.
- The level of hospitality offered should be proportionate to the length of the event or training course
- If an event is to be held during the Christmas period it is not acceptable to hold an event for DPP members only. A Christmas reception is acceptable if it is used to reach out into the community as part of an outreach programme and could include members of groups attending consultation events and/or those you work with.
- All hospitality given or received by staff or members must be entered on the DPP gifts and hospitality register

**DPP Key Dates**

**Grant Payments**

Grant claims to be submitted to NIPB no later than 3 weeks after each end quarter end – NIPB to process and pay claims within 2 weeks of receipt, except the final payment which will be made after receipt of the audit certificate

Quarter 1 (Apr-Jun)	Grant claim to NIPB by 23 July 2010
Quarter 2 (Jul-Sep)	Grant claim to NIPB by 22 October 2010
Quarter 3 (Oct-Dec)	Grant claim to NIPB by 21 January 2011
Quarter 4 (Jan-Mar)	Grant claim to NIPB by 22 April 2011

**Closing Accounts**

Early March 2010	NIPB issue year end instructions to Councils
Early April 2010	NIPB provide Councils with details of recharges for central costs
23 April 2010	Councils submit year end returns/draft accounts
early May for 2 weeks	LGA Audit to audit DPP accounts
End of May	LGA to provide audit certificates
Mid June	Final grant payment made

**Latest Best Estimates**

22 October 2010	In-year monitoring return for NIO. Provide year end projections based on second quarter figures and with detail of any budget changes, pressures or savings identified
-----------------	--

**Budgets**

Mid October	NIPB send out guidelines and instructions for setting budgets
Mid November	DPP Managers submit budget proposals with supporting information
Early January	NIPB agrees budgets and emails provisional offer
Early February	NIPB send out letter of offer
End of February	Councils return signed letter of acceptance

**FLOWCHART FOR SETTING BUDGETS**

**September**

Discussion & preparation within NIPB of general budget information and guidelines which will be sent to all DPPs



**October**

Initial request to DPP Managers - information provided on budget setting timetable, guidelines and spreadsheet with request to submit first draft information by mid November



**mid November**

First drafts of budgets submitted by DPPs to NIPB



**December**

Board to consult with DPP Managers to agree bids for specific budget headings and overall level of funding



**February**

Board to send formal letter of offer to councils

After funding has been confirmed by the NIO

## COMPLETING BUDGET SPREADSHEETS

When budgetary information has been prepared details of work planned should be entered on the budget spreadsheets provided by the Board (appendix 4 -6).

The budget workbook format links spreadsheets and has protected cells.

Details should be entered onto the workbook in the following order:

1. 'Budget Details' sheet - initially enter information on this spreadsheet. Enter information only in cells coloured yellow.
2. 'Proposed Budget' sheet - will be updated automatically from the entries on the 'Budget Details' sheet. Please check totals in each budget heading and the overall total agrees on both sheets.
3. 'Budget Phasing' sheet – enter details of when expenditure is planned:
  - Salary, other staff, members allowances and SLA will normally be split equally over 12 months and a formula has been entered to calculate the phasing
  - Other costs will depend on the DPP work plan and should be entered separately. **As the work of the DPP is not the same each month, phasing should reflect this and it is not expected that other costs will be phased evenly.**
  - Check that total phasing equals your total budget claim, a check column has been included on this worksheet

## APPENDIX 4

### DPP BUDGET 20xx/xx - DETAIL SHEET

Enter name of DPP

Please provide a detailed breakdown of costs for the following budget headings - continue on a separate page if necessary:

What work is being planned and what resources are being used			Breakdown of costs
<b>DPP Manager Salary</b>		<b>Enter details</b>	
Pay point in 20xx/xx and scale			0
Percentage pay award anticipated		2%	0
Percentage time spent on DPP work			0
Percentage on costs and amount claimed for superannuation			0
National insurance - deduct Lower earnings limit (£5715) and multiply by 9.1%		5715	0
Total claim			0
<b>DPP Manager Travel and Subsistence</b>		Miles Travelled	
<b>1000 - 1199cc</b>	47.7		0
<b>1200 - 1450 cc</b>	60.1		0
<b>Other - provide detail below</b>			0
			0
Total claim			0
<b>Other Staff</b>			
Provide details and breakdown of costs	Enter cost		
			0
			0
			0
			0
Total grant claim			0
<b>Members Allowances</b>		Enter Number	
Chair @ £5040 pa	£5,040		0
Vice Chair @ £3780 pa	£3,780		0
Members @ £2520 pa	£2,520		0
			0
National insurance on members allowances based on information of allowances submitted			0
			0

<b>Members travel</b>	Rate	Mileage	
first 8,500miles			
<b>1000 - 1199cc</b> (47.7p per mile)	47.70		0
<b>1200 - 1450 cc</b> (60.1p per mile)	60.1		0
<b>Other - provide detail below</b>			
			0
			0
<b>Member training – max budget available £750</b> Please give detail of courses		<b>Enter amount</b>	
			0
			0
			0
<b>DPP Manager Development – provide detail of training</b> you may wish to attend for consideration by the Board		<b>Enter amount £</b>	
			0
			0
<b>Engagement</b> Please enter details below		<b>Enter amount £</b>	
			0
			0
			0
			0
			0
			0
Total grant claim			0
<b>Funding groups</b> Please provide a list of existing groups/potential new groups			
			0
			0
			0
Total grant claim			0
<b>DPP meetings (public &amp; private)</b>	<b>Cost per meeting £</b>	<b>Number of Meetings</b>	
Public meetings Please enter details below			0
Private meetings Please enter details below			0
Cost of Refreshments			0
			0
Total grant claim			0

<b>Advertising</b>	<b>Cost per meeting £</b>	<b>Number of Meetings</b>	
Advertising Please enter details below			0
			0
			0
Total grant claim			0
<b>PR</b> Please provide a breakdown of budget claim			
			0
			0
			0
			0
<b>Running costs</b>	<b>Enter details £</b>		
Insurance			0
Printing/PR (please provide detail below)			
			0
Telephone & fax			0
Photocopiers			0
Postage			0
Stationery			0
<b>Sundries</b>			
Maximum budget available £250 – budget requested			0
<b>Service Level Agreement (SLA)</b> provide details/breakdown of budget bid	<b>Enter amount £</b>		
			0
			0
			0
			0
			0
			0
	Total grant claim		0
<b>Central Costs – as provided by NIPB</b>			
NISRA			
Audit Fees			0
Other			
			0

**Proposed Budget Sheet**

**APPENDIX 5**

**ANNUAL BUDGET 20xx/xx**

	<b>Proposed Budget 20xx/xx</b>
Council Costs	
DPP Manager Salary	
DPP Manager Travel & Subsistence	
Other Staff	
Members Allowances	
Members Travel & other costs	
National Insurance on members allowances	
DPP Manager Development	
DPP Members Training	
<b>Engagement</b>	
Funding Groups	
DPP Meetings - Public/Private meetings	
Advertising/PR	
<b>Running Costs</b>	
Insurance	
Printing/PR	
Telephones & Fax	
Photocopies	
Postage	
Stationery	
Sundries	
Service Level Agreement	
Sub-total	
<b>Central Costs</b>	
NISRA	
Audit Fees	
Sub-total	
<b>Total Budget</b>	

## APPENDIX 6

### BUDGET PHASING

	Proposed Budget 20XX/XX	A	M	J	J	A	S	O	N	D	J	F	M	TOTAL
DPP Manager Salary														
DPP Manager Travel														
Other Staff														
Members Allowances														
Members Travel														
Nat Ins on allowances														
<b>Manager Development</b>														
Members Training														
Engagement														
Funding Groups														
Public/Private meetings														
Advertising														
PR														
Insurance														
Printing														
Telephones & Fax														
Photocopies														
Postage														
Stationery														
Sundries														
Service Level Agreement														
<b>Central Costs</b>														
DPP Members Training														
NISRA														
Audit Fees														
<b>Total Budget</b>														

## APPENDIX 7

Amanda Stewart  
DPP Support Manager

Date: x February xxxx

Dear Chief Executive

### ***DPP FUNDING 20xx/xx- LETTER OF OFFER***

The Northern Ireland Policing Board (the Board), under section 11 of Schedule 3 to the Police (Northern Ireland) Act 2000, as amended (the Act) is required:

*to make to the council a grant equal to three quarters of the expenses reasonably incurred by the council in that year in connection with the establishment of, or the exercise of functions by, a DPP.*

The Board is also responsible under paragraph 3 (d) (iii) of the Act to assess the effectiveness of the DPPs in performing their functions.

The Board has provisionally agreed a budget of xxxxxxxx with your Council for the running costs of the xxxxxxxx District Policing Partnership (DPP) for the financial year 1 April 20xx to 31 March 20xx.

The breakdown of the provisionally agreed budget is outlined on the budget spreadsheet attached. The Board will fund up to 75% of each budget heading up to a maximum budget of xxxxxxxx . The council will be liable for a 25% contribution of these costs.

### **General Terms of the Offer**

The budget must not be exceeded without prior agreement between the Council and the Board. Where consent to exceed this budget has been given by both the Council and the Board, the overspend will be financed using the agreed percentage, 75% from the Board and 25% from the Council. Where an overspend has been incurred by the DPP and not approved by the Board, the Council will be responsible for 100% of the additional cost.

The Board will seek agreement of the Council before entering an overspend situation which may commit the Council to an overspend.

### **Specific Conditions of the Offer**

1. The funding provided is to be used solely for running the DPP.
2. This offer is governed by the conditions for DPP funding as detailed in the District Policing Partnership Code of Practice and the DPP Financial Guidelines.
3. This offer is conditional on acceptance of and adherence to terms and conditions contained in the Financial Guidelines for District Policing Partnerships
4. Funding for the DPP Manager salary is based on the actual scale point up to a maximum of scale point 38. Funding is conditional on the DPP Manager being engaged xxx% on DPP work. If the manager carries out duties not advised when the budget was set, the Council must advise the Board as soon as possible. Where the DPP Manager is engaged on other duties of the Council, or others, the funding offer will be reduced accordingly, to reflect the actual time spent on DPP work.

### **Acceptance**

I would be grateful if you could complete the enclosed letter of acceptance of the funding offer with a copy of the budget attached and return it to me by xx February 20xx.

Yours sincerely

On behalf of the Northern Ireland Policing Board

cc: DPP Manager

**DPP FUNDING 20xx/xx**

**LETTER OF ACCEPTANCE  
Xxxxxxxx Council**

**The Offer**

The budget of £xxxxxx is agreed to run the District Policing Partnership in this council for the financial year 1 April 20xx to 31 March 20xx.

Funding available from the Northern Ireland Policing Board (Board) is agreed at a sum of £xxxxxx, as outlined under the budget headings on Appendix A.

**General Terms of the Offer**

The council will fund the remaining 25%, a sum of £ xxxxxx

The budget for the DPP, agreed between the Council and the Board, will not be exceeded without prior consent from the Council and the Board.

Where consent has been given by the Council and the Board, the overspend will be financed using the agreed percentage, 75% from Board and 25% from the Council. Where the overspend is sanctioned by the Council and not the Board, the Council will be responsible for 100% of the additional cost. In respect of central costs, the Board undertake to seek the prior agreement of the Council before entering an overspend situation which may commit the Council to an overspend.

**Specific Conditions of the Offer**

The budget awarded will be wholly, exclusively and necessarily incurred in running the DPP, for the financial year 1 April 20xx to 31 March 20xx. The activities of the DPP will follow the Police (Northern Ireland) Act 2000 and guidelines contained within the Board DPP Code of Practice. The Council agrees to comply with the Financial Guidelines for DPPs in the administration of the DPP.

## **DPP Manager**

The DPP Manager is, and will be engaged 100% of his time on DPP work, and is not engaged on any other council duties. If this situation changes, and the DPP Manager undertakes duties other than DPP work, I will advise the Board so that funding may be reviewed to reflect this.

## **Statement of Financial arrangements and control environment**

I confirm the Council:

- has sound financial procedures and controls in place to govern the activities and expenditure of the DPP.
- will ensure all relevant documentation is retained to support all DPP expenditure claims.
- has arrangements in place to satisfy the requirement for providing assurance on the probity and proper use of funds.
- has effective Corporate Governance and Risk Management procedures in place for the DPP.
- will allow reasonable access to Council records relating to DPP transactions.

Signed.....  
Chief Executive, on behalf of xxxxxxxx Council

Date .....

**GRANT CLAIM FORM**

**APPENDIX 9**

Name of DPP xxxxxxxxxxxxxxxx						
Expenditure Return						
	Qtr 1 Apr- Jun	Qtr 2 Jul- Sep	Qtr 3 Oct- Dec	Qtr 4 Jan- Mar	Actual Spend YTD	20xx/xx Budget / LBE
<b>Council Costs</b>						
DPP Manager Salary					-	
DPP Manager Travel					-	
Other Staff					-	
<b>Sub-total - Staff Costs</b>	-	-	-	-	-	
DPP Manager					-	
Members Training					-	
<b>Sub-total - Training</b>	-	-	-	-	-	
<b>Engagement</b>	-	-	-	-	-	
<b>Funding Groups</b>	-	-	-	-	-	
<b>DPP Meetings</b>	-	-	-	-	-	
Advertising	-	-	-	-	-	
PR	-	-	-	-	-	
Members Allowances						
Members Travel					-	
NI on Members Allowances					-	
<b>Sub-total - Members Costs</b>	-	-	-	-	-	
Insurance					-	
Printing					-	
Telephones & Fax					-	
Photocopiers					-	
Postage					-	
Stationery					-	
Sundries					-	
<b>Sub-total - Running Costs</b>	-	-	-	-	-	
Service Level Agreement	-	-	-	-	-	
<b>Sub-total Council Costs</b>	-	-	-	-	-	
<u>Central Costs</u>						
Central Training					-	
NISRA					-	
Audit Fees					-	
Other					-	
<b>Sub-total Central Costs</b>	-	-	-	-	-	
<b>Grand Total</b>	-	-	-	-	-	

# Statement of Income & Expenditure

## APPENDIX 10

xxxxx Borough Council  
 District Policing Partnership  
 Statement of Income & Expenditure  
 Year to 31 March 20xx

	Cash Basis	Central	Central	Total	Creditors		Debtors		Accruals Basis
		Costs Charged	Costs Accrued	Central Costs	Opening	Closing	Opening	Closing	
	£	£	£	£	£	£	£	£	£
<b>Receipts</b>									
Grant from Policing Board									
Contribution From Council									
<b>Payments</b>									
Staff Costs									
Engagement									
Consultation									
DPP Meetings									
Advertising & Publicity									
Running Costs									
Equipment									
Funding Groups									
Training									
SLA									
Audit Fees									

Certificate of Chief Financial Officer

Subject to the central charges shown above properly reflecting actual costs incurred centrally by the Northern Ireland Policing Board on behalf of the local District Policing Partnership, I am satisfied that the expenditure shown has been wholly, exclusively and necessarily incurred by the Council on the local District Policing Partnership and that the grant receivable from the Policing Board is in accordance with the regulations and conditions applicable.

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Date

**Notes to accounts**

Staff Costs - Include DPP Manager Salary, DPP Manager Travel & Subsistence, Other Staff, Members Allowances and Members Travel & Subsistence

Running Costs - Include Insurance, printing, telephones, photocopies, postage, stationery & sundries

**Standard Annual Allowances for DPP Members**

<b>All DPPs except Belfast</b>	<b>Annual Allowances £</b>
Chair	5,040
Vice Chair	3,780
Member	2,520
<b>Belfast DPP and Belfast Sub-Groups</b>	
Chair	5,040
Vice Chair	3,780
Member	2,520
<b>Enhancements for secondary role on Belfast DPP or Belfast Sub-Groups</b>	
For Belfast Members who are on both the Belfast DPP and one or more Belfast Sub-Group an enhancement will be paid for their secondary role.	
The total DPP annual allowance should be calculated based firstly on the higher allowance then adding the enhancement for the lower allowance. Only one enhancement is payable per member.	
Chair	1,860
Vice Chair	1,400
Member	930

## **Seven Principles of Public Life**

These standards, known as the Nolan principles, should apply to all in the public service

### **Selflessness**

Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their families, or their friends.

### **Integrity**

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties

### **Objectivity**

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

### **Accountability**

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

### **Openness**

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

### **Honesty**

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

### **Leadership**

Holders of public office should promote and support these principles by leadership and example.