

FINANCIAL GUIDELINES FOR DISTRICT POLICING PARTNERSHIPS

(These guidelines supersede the previous version issued July 2003
and apply retrospectively from 1 April 2005)

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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
- to provide final DPP accounts in a format agreed, no later than five weeks after the end of the financial year, by 4 May each year
- to allow the Board, its agents and auditors reasonable access to their premises, and to records relating to the DPP

- to ensure that all practicable measures and controls are in place and operating to prevent theft or fraud
- to ensure spending by a DPP shall not exceed the total agreed budget without prior agreement
- to consult with the Board before disposing of any assets provided for DPP purposes

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:

- consult with the NIO on a timely basis, to secure adequate funding from the NIO
- 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 to ensure that sufficient funds are available to run the DPP for the next financial year
- make 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

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 by the end of January each year. The Board will liaise with the NIO to assess the level of funding available for supporting DPPs. The deadline for finalising budgets is 3 February each year, as per the timetable in appendix 1.

4.2 By 2 November, the Board will send DPP Managers an information pack for preparing budgets including:

- a timetable for setting budgets (appendix 1)
- a proforma spreadsheet (appendix 2)
- a form for supplementary information (appendix 3)
- detailed budget guidance notes

4.3 The draft budget should be submitted to the Board by the end of November, using the standard budget pro forma spreadsheet provided. The budget should be supported with detailed costings and all supplementary information requested on the form provided.

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.

4.5 When budgets are agreed, the Board will send a letter of offer, (appendix 4), to the Chief Executive who will be required to formally agree the budget by completing the letter of acceptance, (appendix 5). 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, such as may occur in the appointment of Independent Members to the DPP.

The Board is only able to give a best estimate of central costs which may be incurred in relation to selection and interviewing of independent members, as the number of applications will vary.

4.10 Providing all parties adhere to the budget timetable, budgets will be finalised by the 3 February to meet council deadlines for setting the domestic rates.

4.11 Latest Best Estimates (LBEs)

4.11.1 It is the responsibility of the DPP Manager to phase budgets when they are being set, as the timing of expenditure will depend on annual action plans and when work is planned to take place. This information must be provided on a spreadsheet showing the budget phasing and will be used to assist with financial management.

4.11.2 At the end of each quarter the DPP Manager should check what had been planned to be spent to that point ie the phased budget, with the actual expenditure and investigate any variances. Reasons for variances may include changed price or timing differences, invoices not received, work not taking place when planned, work cancelled, etc. Each budget heading should be checked to review what has been spent to date, costs committed between the end of the quarter and the point when the exercise is being completed and an estimate of costs for the remainder of the year. Based on the outcome the DPP Manager should either agree the existing budget or revise and provide the LBE and may wish to rephase budgets.

4.11.3 Where there are significant variances and the DPP Manager has changed or rephased budgets, a breakdown of what work is planned, when it will take place and the cost of each area of work must be provided for each budget heading changed. The DPP Manager is required to provide the Board with details of further work that will take place in the financial year.

4.11.4 If there is no valid reason for the underspend and no further work is planned, this will indicate a saving on that budget.

4.11.5 In the event of a budget pressure DPP Managers should discuss the possibility of viring budgets with the Board.

4.11.6 The Board is required to provide LBEs to the NIO at regular intervals, and this includes the funding provided to DPPs. The main LBE exercise takes place in November each year when the Board needs to provide a monitoring return to the NIO which will 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, 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 4 weeks after quarter end.

4.11.7 The agreed LBE figures will become the revised budget for the DPP for the financial year.

4.11.8 At the end of the third quarter a review of expenditure will also take place. The actual expenditure should be compared to the LBE agreed at the second quarter. DPP Managers should advise the Board of any savings or pressures on their budgets to allow maximum use of available funds between DPPs.

4.11.9 Please also see appendix 9 on Latest Best Estimates

5. DETAILED BUDGET GUIDANCE NOTES

5.1 It is recommended that budgets are set taking into consideration historical costs and future proposals which should be amended for any known variances and within guidelines advised by the Board.

5.2 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.

5.3 The following budget headings are ring fenced and cannot be used for any other purposes without prior consent of the Board:

- DPP Manager Salary & Allowances
- Other Staff/SLA
- Recruitment of Independent Members
- NISRA
- Central Training
- Audit Fees

5.4 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 requires to vire expenditure it must seek prior approval from the Board.

5.5 Should the DPP wish to participate in an activity that has not been accounted for when the budget was set, the DPP Manager should contact Board staff to discuss if there is potential to review budgets within the existing budget headings, or to provide funding outside the agreed budget, subject to availability of funds.

Within each budget heading the following conditions apply:

5.6 DPP Managers salary

5.6.1 The Board will pay the DPP Managers salary to a maximum of NJC/Local Government PO2 scale, scale points 35 to 38, currently £27,492 to £29,859. Councils who pay their DPP Manager above this scale will be liable for 100% of any excess pay.

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

5.6.3 The Council should maintain a time allocation sheet for the DPP Manager which will be included in the audit of DPP expenditure.

5.7 Staff Absences

5.7.1 In the event that a DPP Manager is absent from duty on any temporary basis of over 4 weeks eg 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.

5.7.2 Staff brought in on a temporary basis should not be paid at a higher rate than the permanent member of staff.

5.7.3 These conditions also apply to administrative staff employed specifically for DPP work.

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

5.7.5 Budgets should be set based on normal working arrangements. In the event of additional costs incurred due to staff absences, eg for sick pay or maternity pay, the DPP Manager should advise the Board of these potential costs separately. If the claim meets the criteria in 5.7.1 – 5.7.3 the Board will provide funding at 75% of the cost involved.

5.8 *DPP Managers Travel and Subsistence*

5.8.1 The DPP Manager's travel and subsistence costs will be paid in line with NJC/Local Government rates and conditions.

5.9 *DPP Member's Allowances*

5.9.1 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.

5.9.2 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.

5.9.3 The current allowances payable to members of the DPP are shown in Appendix 8.

5.10 *DPP Member's Travel and Subsistence*

5.10.1 Allowances for members will be paid in line with NJC/Local Government rates and conditions. With effect from 1st April 2006 claims for travel and subsistence for members on DPP business must not be made later than three months after the date on which the expenditure was incurred.

5.10.2 The Board requires that councils keep separate claim forms relating to DPP business. This will facilitate the tracing of DPP expenditure, especially relating to councillors who may attend other council business on the same day that they are working on DPP matters. Where DPP Members have to purchase a meal or refreshments resulting from DPP business, a receipt must be obtained and included with the claim. All claims must be in line with current Council Financial policies.

5.10.3 When a councillor exceeds the 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.

National Insurance on Members Allowances

5.10.4 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 pay a 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.

5.11 Treatment of Allowances for Purpose of Taxation and Social Security Benefits

5.11.1 The allowances paid to members may be taxable. It is the responsibility of independent members to advise the Inland Revenue of allowances.

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

5.12 Recruitment of Independent Members

5.12.1 When a recruitment campaign is taking place the Board will agree a budget for each stage of the campaign ie for advertising, selection and interviewing.

5.12.2 The budget estimated for recruitment will be based on costs in previous competitions. The Board will agree a method of apportioning recruitment costs. For the 2005/06 campaign it was agreed to spread the cost of advertising equally between all DPPs, and that selection and interviewing costs would be apportioned by using an average of the number of applications in the first round and the percentage population of Northern Ireland represented by that Council District.

5.12.3 The actual costs incurred will be advised to councils on completion of the exercise, as the Board will only be able to finalise the cost at this stage. In the event of an overspend, 25% of the additional cost will be charged to Council. Likewise, any savings from the estimated costs included in the budgets will be passed on to councils at 25%.

5.13 Service Level Agreements (SLA) and Other Staff

5.13.1 The budget for 'Other Staff' is to cover support staff costs for the DPP ie a part time member of staff on administration duties for the DPP, or staff costs for finance, personnel, etc.

5.13.2 The budget for 'SLA' is to cover the DPP's contribution to the overheads of council, that are of a fixed nature.

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

5.13.4 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.

5.13.5 Both these budgets will be reviewed with councils on an annual basis in light of the LGA audit to see if they are 'reasonable'. Information available to the Board to date has not been sufficient to allow a meaningful review to take place.

5.13.6 It is the responsibility of councils to maintain detailed records in respect of SLA and other staff expenditure to enable the review to take place in future.

5.13.7 From April 2005, DPPs will be funded 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.

5.13.8 The level of funding for these budgets is currently under review, as part of the overall DPP review and DPPs will be kept informed of the outcome.

5.14 Training – Core/local training

5.14.1 At the start of each new term of office there will be a need for introduction training for new DPP members. A new introduction programme is being discussed and will be put in place for members.

5.14.2 In addition, DPPs may have specific training requirements for their own area, or within their region. Requests to provide local training should be submitted to the Board for agreement. These should be accompanied by costings. The Board will consider each application on merit, checking there is no duplication of training to be organised centrally, and advise if the event can take place.

5.14.3 The Board will agree with councils a figure per member on an annual basis. This can be used for core training organised by the Board and training organised locally. The overall total budget must not be exceeded.

5.14.4 Events organised locally will initially be paid for by councils, and funded at 75% by the Board. Centrally organised training 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.

Please note that 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.

5.15 Training - DPP Manager

5.15.1 There may be further training requirements for DPP Managers in addition to that detailed above. Requests for training should relate directly to the requirements for the post of DPP Manager and should be discussed with council line managers. As DPP Managers are employed under council terms and conditions, requests for funding for Further Education courses should be in line with council policy. All requests should be submitted to the Board for agreement.

5.16 Public Consultation Survey

5.16.1 It is intended that consultation will be undertaken by NISRA every 2 years. This work will be commissioned and organised centrally by the Board. A survey took place in both 2003/04 and 2004/05 and then in 2006/07. There will be no consultation for 2007/08.

5.17 Secondary Consultation

5.17.1 The Board agrees an annual budget with each DPP for secondary consultation based on information provided by DPPs showing proposed methods of consultation and the groups to be surveyed. It was agreed that DPPs will organise consultation locally for 2005/06. Please see section 10 re procurement of consultation providers.

Secondary consultation should take account of gaps identified in the main NISRA survey. Staff from the Boards Statistics and Research Branch can provide advice on the most effective methods of consultation.

5.18 *Gaining Co-operation of the Public with the Police in Preventing Crime*

5.18.1 The DPP budget under this heading should be based on the activities detailed in the Community Engagement Annual Plan as described at paragraph 2.7 of the Code of Practice. The DPP Manager should include a breakdown of costs for planned activities.

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

5.18.3 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.

5.19 *Meetings in Public*

5.19.1 This budget should be used to meet the costs incurred for holding meetings in public. This will include the cost of venues and appropriate refreshments.

5.20 Advertising

5.20.1 This budget should be used for the cost of advertising meetings in public. It is not a requirement for public notices to be placed in the press as a means of advertising these meetings. 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. The DPP should advertise in ways that reach all parts of the community taking account of Section 75.

5.21 Publicity

5.21.1 This budget should be used for PR events and publicity to raise general awareness within the public domain of the work of DPPs in supporting policing within the community. The DPP Manager should include a breakdown of costs for events planned and resources required.

5.22 Additional Insurance

5.22.1 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. While the Board believes that existing insurance arrangements in councils will be sufficient, councils have the discretion to obtain additional indemnity should they consider that it is necessary.

5.22.2 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.

5.23 Audit Fees

5.23.1 The Board will pay for 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.

5.24 Running Costs

5.24.1 This includes general administration costs eg printing, telephones, photocopies, postage and stationery. Budgets should be based on historical costs and adjusted for any known variances.

5.25 Equipment

5.25.1 The Board will pay 75% of the costs of any essential office equipment purchased by the Council in connection with the work of the DPP Manager or administrative support. The Board does not anticipate the need, or have the capacity to fund significant expenditure on equipment.

5.25.2 A register of all equipment purchased for DPPs using Board funding should be maintained. 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 is £500.

5.26 Sundries

5.26.1 This budget is set at £500 and is a contingency for 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.

Funding to local groups for consultation with the police

5.27 Existing Groups

5.27.1 The Board will fund local existing groups, 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

5.27.2 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.

5.27.3 Funding will be provided for room hire, tea and coffee and reasonable administration costs ie postage and stationery costs for minutes. Costs must be bona fide and traceable. Groups should submit invoices and supporting documentation directly and promptly to the DPP Manager who will check and authorise payment of actual expenditure incurred.

5.27.4 The maximum funding available to any one group will be £400 per year, however, it is anticipated that not many of the groups will reach the maximum of £400. The DPP Manager should take account of value for money and ensure best use of available funds.

5.28 Specific additional community consultation

In addition to the support provided to existing community consultation groups the Board may support specific community consultation in the following circumstances:

5.28.1 The PSNI may identify an additional need for consultation and the DPP will have a responsibility to make arrangements to facilitate consultation by the police with any local community.

5.28.2 In responding to this need the DPP or the Board shall consult the Chief Constable as to the arrangements that would be appropriate.

5.28.3 In these circumstances the Board will pay 100% of the reasonable expenses incurred in undertaking this aspect of community consultation. Where the meeting is being arranged by the DPP agreement should be obtained from the Board before any expenditure is incurred.

5.28.4 If this exercise results in a new community consultation group being established they should be funded in line with the provision made at 5.27.1 – 4 above.

5.28.5 Separate operational guidelines will be available for administering grants to groups.

6. DPP GRANT PAYMENTS

6.1 Grant payments will be made after the Board has received formal acceptance of the budget agreeing to the terms and conditions of funding from the Chief Executive on behalf of the Council and the DPP. This will be in the form of returning a signed copy of the letter of acceptance, (appendix 5).

6.2 The Board will provide funding to councils in quarterly instalments based on expenditure returns submitted by councils. Funding will be paid based on 75% of actual expenditure, provided it is in line with the agreed budget. The exception is 100% funding for facilitating consultation with the community at the request of the PSNI as set out at section 5.28.1 – 3 above.

6.3 The Board will make payment to the account specified by the council.

6.4 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 within 4 weeks at the end of each quarter and presented in the same format as the proforma budget spreadsheet, (appendix 2). The Board will normally process the payment within 3 weeks of receipt.

6.5 The fourth quarter payment will be made on agreement of the final year-end figures. This payment will be reduced by 5% of the total annual expenditure, which will be retained until after the LGA has carried out the audit of DPP accounts. Payment of the 5% retention will be made on receipt of the LGA certificate.

7. ADMINISTRATION OF CENTRAL COSTS

7.1 The quarterly grant payment will be revised to take account of any adjustments for central costs incurred by the Board. These may include costs for recruitment of independent members, training, audit fees and consultation. The Board will recharge 25% of these costs to councils. Details of these costs will be provided to Councils, indicating invoice details and the basis of apportioning costs.

8. YEAR-END ACCOUNTS

8.1 The deadline for councils to submit completed annual accounts is 5 weeks after the end of the financial year, 31 March. A timetable for closing accounts can be seen in appendix 6. The following information should be submitted by the deadline of 4 May each year:

- a spreadsheet showing details of expenditure in the normal agreed format for quarterly returns
- 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
- a statement of income and expenditure in the agreed format, (appendix 7)

8.2 These returns should show all expenditure incurred and all accrued expenditure for the financial year.

8.3 Final accounts must be signed by the 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 18 June.

9. *AUDIT PROCEDURES*

9.1 To enable the Board to fulfil its 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 issues are adhered to.

In the final accounts the Chief Executive also signs assurance to the Board stating that all reasonable steps have been taken to put adequate controls, manage financial risks and effectively manage allocated resources.

9.2 The Board will rely on the professional services of the Local Government Auditor (LGA) to audit each council's annual grant claim, 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.

9.3 Councils must have assurance procedures in place guaranteeing that terms and conditions of the grant are being met and are being monitored. A letter confirming this, and signed by the Chief Executive, must be provided to the Board. The assurance requires a regular review of administration, operational effectiveness, risk management, controls and corporate governance arrangements.

9.4 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.

10. *PROCUREMENT*

10.1 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 of honesty, integrity, impartiality, transparency and objectivity are preserved at all times. Individuals should disclose/declare any personal or business interest or potential issue, which the public might reasonably think, could influence judgment in the awarding of contracts or work.

10.2 Government Accounting 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.

10.3 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.

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

11. DISPOSAL OF EQUIPMENT

11.1 Any equipment purchased with funding from the Board can only be disposed of with prior notification to the Board. 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 should 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.

12. HOSPITALITY AND GIFT POLICY

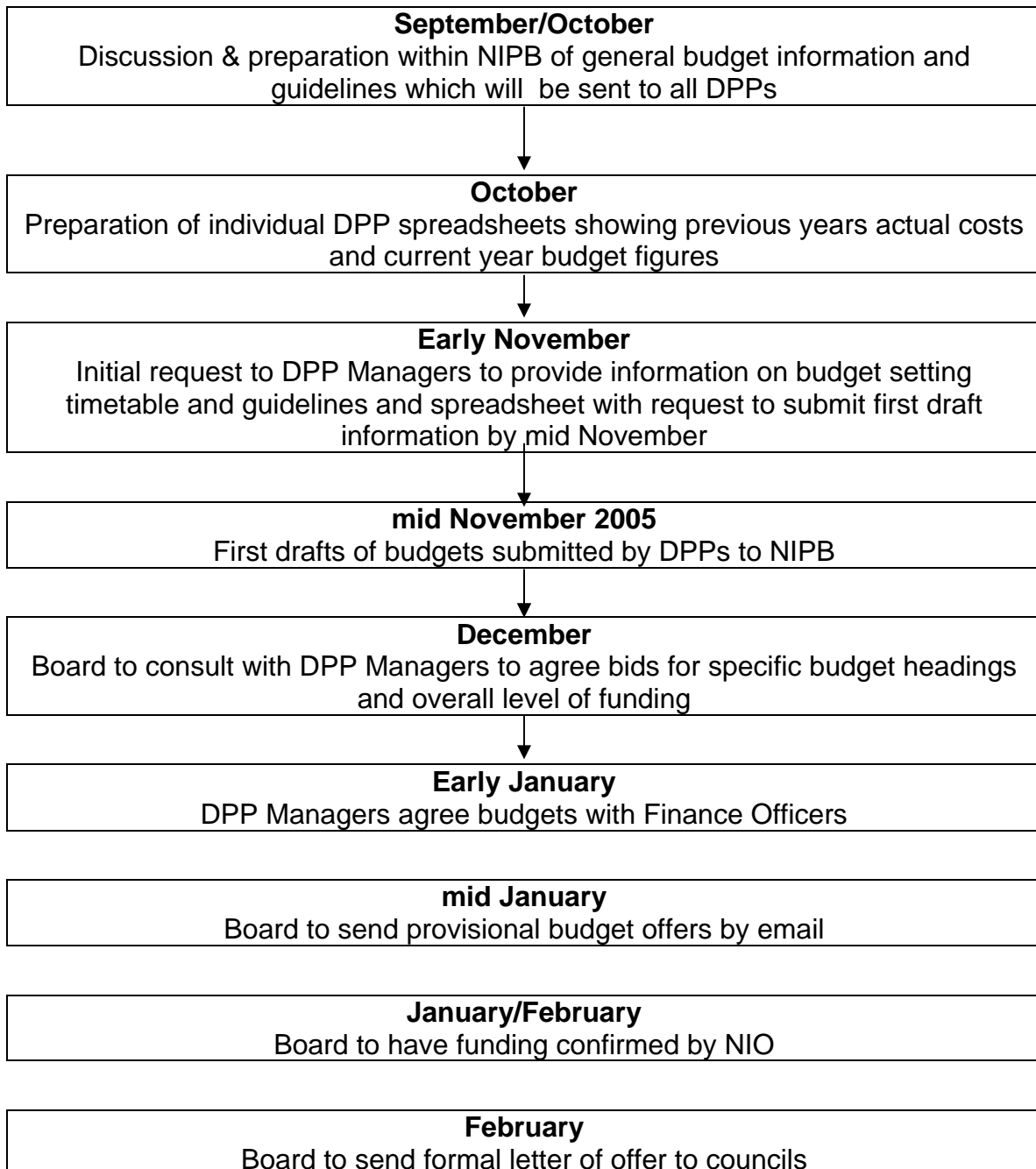
12.1 It is recognised that at events held by DPPs there will be occasions when hospitality will need to be provided eg at public and private meetings, training events and PR events. Reasonable costs may be incurred depending on the nature of the activity, however the DPP Manager should consider would such expenditure be acceptable to the public.

12.2 There are a number of key points to be remembered when providing hospitality or when considering the issue or acceptance of gifts:

- The DPP Manager should ensure best use of available funds
- The conduct of an employee should not foster the suspicion of a conflict of interests
- All expenditure on gifts and hospitality must be able to withstand both internal and external scrutiny
- All gifts and hospitality financed by the DPP should always be in the direct interest of the DPP
- The level of gift or hospitality offered must not be excessive

12.3 If an event is to be held during the Christmas period please note that 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 eg to invite groups used in consultation processes and those you work with or deal with.

FLOWCHART FOR SETTING BUDGETS



PROFORMA SPREADSHEET FOR PREPARING BUDGETS

ANNUAL GRANT CLAIM 200x/0x - A DPP

		Actual Expenditure 200x/0x	Annual Budget 200x/0x	Budget Claim 200x/0x
Staff Costs				
DPP Manager Salary		27,824	29,200	
DPP Manager Travel & Subsistence		2,055	3,000	
Other Staff	*	12,000	12,000	
Members Allowances		51,132	49,200	
Members Travel			4,000	
Training				
DPP Manager Training	*	1,519	1,000	
Secondary Consultation				
Local community consultation	*	4,100	4,500	
Gaining Public Co-operation				
Gaining Public Co-operation	*		1,500	
Assisting Groups				
Funding to Groups	*	6	1,000	
Public Meetings				
Public Meetings	*	2,736	2,000	
Advertising / PR				
Advertising	*	2,725	2,000	
PR and Publications	*	1,975	2,000	
Running Costs				
Insurance		1,575	1,840	
Printing		1,569	2,000	
Telephones & Fax		704	700	
Photocopiers		273	300	
Postage		685	700	
Stationery		1,900	2,000	
Equipment				
Equipment	*	1,855	1,000	
Sundries			500	
Service Level Agreement	*	6,000	6,000	
Sub-total		120,633	126,440	
Central Costs				
Recruitment - Independent Members			12,000	
Core Training organised by BOARD		9,455	15,200	
Local Training	*			
Audit Fees		1,000	1,500	
Sub-total		10,455	28,700	
Total Budget		131,088	155,140	

Supplementary information for

DPP BUDGETS 200x/0x

Please provide details of the following budget headings:

What work is being planned and what resources are being used	Breakdown of costs
Other Staff	
Total grant claim	

DPP Manager Training	
Total grant claim	

Local community consultation	
Total grant claim	

Gaining co-operation of the public	
Total grant claim	

Grants to groups Please give details of existing groups funded	
Total grant claim	

Public meetings	
Total grant claim	

Advertising	
Total grant claim	

PR	
Total grant claim	

Equipment	
Total grant claim	

SLA	
Total grant claim	

Local Training	
Total grant claim	

David Jackson
Director, Community Affairs

APPENDIX 4

Date: 1 February xxxx

Dear Chief Executive

DPP FUNDING 200x/0x- LETTER OF OFFER

The Northern Ireland Policing Board (Board) has provisionally agreed a budget of £xxxxxx with your Council for the running costs of the District Policing Partnership (DPP) in your council for the financial year 1 April 200x to 31 March 200x. The breakdown of the agreed budget is outlined in Appendix A.

The Board will fund up to 75% of each budget heading outlined on Appendix 2, up to a maximum budget of £xxxxxx

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 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 undertakes 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 funding provided is to be used solely for running the DPP.

Code of Practice (currently being revised)

This offer is governed by the conditions for DPP funding detailed in the District Policing Partnership Code of Practice

Financial Guidelines for District Policing Partnerships (DPPs) (currently being revised)

This offer is conditional on acceptance of and adherence to terms and conditions contained in the Financial Guidelines for DPPs. The main conditions contained therein include:

1. Allocation of costs to the DPP
2. Proper use of DPP funding
3. Review of budgets
4. Adherence to set timescales

DPP Manager

This offer is conditional on the DPP Manager being engaged 100% of their time on DPP work. The Council will advise what percentage of the DPP Manager's time is spent on any duties other than DPP work, as this will not be funded by the

Board. 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 and return the following:

- the enclosed letter of acceptance of the funding offer
- a letter of assurance to confirm up to date arrangements of procedures to ensure that the correct management of finance and operational effectiveness are in place

Please complete Appendix B and return it to me as soon as possible.

Yours sincerely

On behalf of the Northern Ireland Policing Board

cc: DPP Manager

David Jackson
Director of Community Affairs
Waterside Tower
31 Clarendon Road
Clarendon Dock
Belfast
BT1 3BG

DPP FUNDING 200x/0x

LETTER OF ACCEPTANCE

Xxxx Council

The Offer

The budget of £xxxxxx is agreed to run the District Policing Partnership in this council for the financial year 1 April 200x to 31 March 200x.

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 £ xxxxxxxx

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.

Recruitment of Independent Members

In relation to the recruitment of Independent Members, where both the Council and the Board are committed to paying the costs arising from the volume of applications received, the costs will be split along the normal costs allocation, 75% from Board and 25% from the Council.

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 200x to 31 March 200x. 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

The Council has sound financial procedures and controls in place to govern the activities and expenditure of the DPP. The Council will ensure all relevant documentation is retained to support all DPP expenditure claims.

The Council has arrangements in place to satisfy the requirement for providing assurance on the probity and proper use of funds.

Reasonable access will be allowed to Council records relating to DPP transactions.

Signed

Chief Executive, on behalf of xxxx Council

Date

DPP Year End Accounts Timetable

APPENDIX 6

02/04/07	m	Councils to start year end figures (and submit to NIPB by 4 May) NIPB to submit details of all central costs to Councils	
		↓	
04/05/07	f	Councils to complete year end accounts and submit to NIPB	
05/05/07	s		
06/05/07	s		
07/05/07	m	Bank Holiday	
08/05/07	t	NIPB start to agree accounts with Councils and complete by 25 May	
09/05/07	w		
10/05/07	t		
11/05/07	f		
12/05/07	s		
13/05/07	s		
14/05/07	m		
15/05/07	t		
16/05/07	w		LGA to start audit
17/05/07	t		
18/05/07	f		
19/05/07	s		
20/05/07	s		
21/05/07	m		
22/05/07	t		
23/05/07	w		
24/05/07	t		
25/05/07	f	NIPB complete all DPP accounts	
26/05/07	s		
27/05/07	s		
28/05/07	m		
29/05/07	t		
30/05/07	w		
31/05/07	t		
01/06/07	f		LGA complete audit

APPENDIX 7

STATEMENT OF INCOME & EXPENDITURE FOR YEAR-END ACCOUNTS

..... District Policing Partnership
 Statement of Income & Expenditure
 Year to 31 March 200x

	Cash Basis	Central Costs Charged	Central Costs Accrued	Total Central Costs	Creditors		Debtors		Accruals Basis
	£	£	£	£	Opening	Closing	Opening	Closing	£
Receipts									
Grant from Policing Board									
Contribution from Council									
	_____	_____	_____	_____	_____	_____	_____	_____	_____
	=====	=====	=====	=====	=====	=====	=====	=====	=====

Payments									
Staff Costs									
Members Allowances & travel									
DPP Mnager training									
Main public consultation									
Secondary consultation									
Gaining cooperation of the public									
Funding to groups									
Public meetings									
Advertings									
PR & Publications									
Running costs & sundries									
Equipment									
SLA									
Recruitment of independent members									
Members training									
Audit fees									
	_____	_____	_____	_____	_____	_____	_____	_____	_____
	=====	=====	=====	=====	=====	=====	=====	=====	=====

Certificate of the 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

APPENDIX 8

Standard Allowances for Members of a DPP (revised rates to take effect from 1 April 2006)

	£
1. Chairman (per annum)	5040
2. Deputy Chairman (per annum)	3780
3. Member (per annum)	2520

Allowance payable to members of the Belfast DPP

	£
1. Chairman of the DPP (per annum)	8820
2. Deputy Chairman of the DPP (per annum)	6615
3. Chairman of Sub group (per annum)	4935
4. Deputy Chairman of Sub group (per annum)	4725
5. Member (per annum)	4410

DPP Latest Best Estimates

APPENDIX 9

At the end of each quarter

Amend formula on spreadsheet to calculate phased budget to date

Compare phased budget to actual expenditure in financial ledgers

Check variance column and investigate reasons for variances

Quarter 2 Exercise

Main exercise for NIO monitoring

LBE will become new DPP budget for the financial year

Quarter 3 exercise

DPP Manager to compare actual expenditure to LBE agreed at quarter 2 and confirm if LBE will remain unchanged or advise of savings or pressures

Savings identified

Pressures identified

Advise NIPB

Available funding may be transferred between DPPs

Possible reasons for variances

Issues to be considered re the actual expenditure figure

Invoice may have been received but not processed

Work may be complete but not invoiced

Possible price difference on invoice - although this should be checked before being processed

Costs may have been miscoded

Issues which may affect budget phasing

Incorrect phasing at budget setting

Work delayed

Work rescheduled

Virements between budgets

Issues which may affect LBE

Work cancelled and no other work planned

Price difference