

**THE CHIEF CONSTABLE OF
SUFFOLK**

STATEMENT OF ACCOUNTS

31 March 2013

**Statement of Accounts
for the year ended 31 March 2013**

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Independent auditor's report to the Chief Constable of Suffolk

Opinion on the Chief Constable for Suffolk's financial statements

We have audited the financial statements of the Chief Constable for Suffolk for the year ended 31 March 2013 under the Audit Commission Act 1998. The financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and the related notes 1 - 2. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

This report is made solely to the Chief Constable for Suffolk, as a body, in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable for Suffolk, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Chief Finance Officer and auditor

As explained more fully in the Statement of the Chief Finance Officer's Responsibilities set out on page 3, the Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Chief Constable for Suffolk's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Chief Finance Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Statement of Accounts to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of the Chief Constable of Suffolk as at 31 March 2013 and of its expenditure and income for the year then ended; and
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

Opinion on other matters

In my opinion, the information given in the explanatory foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we report by exception

We report to you if:

- in our opinion the annual governance statement does not reflect compliance with 'Delivering Good Governance in Local Government: a Framework' published by CIPFA/SOLACE in June 2007;
- we issue a report in the public interest under section 8 of the Audit Commission Act 1998;
- We designate under section 11 of the Audit Commission Act 1998 any recommendation as one that requires the Chief Constable for Suffolk to consider it at a public meeting and to decide what action to take in response; or
- We exercise any other special powers of the auditor under the Audit Commission Act 1998.

We have nothing to report in these respects.

Conclusion on the Chief Constable for Suffolk's arrangements for securing economy, efficiency and effectiveness in the use of resources

Respective responsibilities of the Chief Constable for Suffolk and the auditor

The Chief Constable for Suffolk is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Chief Constable for Suffolk has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report to you our conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission.

We report if significant matters have come to our attention which prevent us from concluding that the Chief Constable for Suffolk has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable for Suffolk's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our audit in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria and guidance, published by the Audit Commission in November 2012. We have considered the results of the following:

- our review of the Annual Governance Statement;
- our review of the results of the work of other regulatory bodies or inspectorates, to consider whether there is any impact on my responsibilities; and
- any work mandated by the Audit Commission and our locally determined risk-based work on transitional arrangements.

The Audit Commission has determined these criteria are those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Chief Constable for Suffolk put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2013.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Chief Constable for Suffolk had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Conclusion

On the basis of our work, having regard to the guidance on the specified criteria published by the Audit Commission in November 2012, we are satisfied that, in all significant respects, the Chief Constable for Suffolk put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2013.

Certificate

We certify that we have completed the audit of the accounts of the Chief Constable for Suffolk in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

..... Date:.....

Neil A Harris
Audit Director
For and on behalf of Ernst & Young LLP, Appointed Auditor
Luton

September 2013

Statement of Responsibilities for the Statement of Accounts

The Chief Constable of Suffolk Responsibilities

The Chief Constable must:

- arrange for the proper administration of the Chief Constable’s financial affairs and ensure that one of its officers has the responsibility for the administration of those affairs. That officer is the Chief Financial Officer (CC).
- manage its affairs to ensure economic, efficient and effective use of resources and safeguard its assets.
- Approve the Statement of Accounts.

I approve the following Statement of Accounts:

.....

.....

D Paxton
The Chief Constable of Suffolk

Date

The responsibilities of the Chief Financial Officer (CC)

The CFO (CC) is responsible for preparing the Statement of Accounts for the Chief Constable of Suffolk in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom based on International Financial Reporting Standards (“the code”).

In preparing this statement of accounts, the CFO (CC) has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the code of practice and its application to local authority accounting.

The CFO (CC) has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certificate by Chief Financial Officer (CC)

I certify that this statement of accounts has been prepared in accordance with proper accounting practice and presents a true and fair view of the financial position of the Authority at 31 March 2013, and its income and expenditure for the year to that date.

.....

P Clayton FCCA (CFO CC)

.....

Date

Chair of Audit Committee

- These accounts were reviewed by the Audit Committee on 24 September 2013

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A Tyler

.....

Date

Explanatory Foreword

This section highlights some of the more important issues that were reported in the accounts and comments on any issues that have had a major effect on the Chief Constable's finances.

Introduction

2012/13 was a significant year for changes in the governance arrangements for policing. On 22 November 2012, following elections held on 15 November 2012, Tim Passmore took up the Office of the Police and Crime Commissioner for Suffolk, replacing the Suffolk Police Authority. At the same time the Chief Constable of Suffolk formally became a separate legal entity, chief constables have the power to direct and control all officers, some members of police staff and police volunteers. From November 2012, this power must be used in such a way as is reasonable to help the PCC to carry out their role. Financially, the PCC is responsible to the public for the management of the Police Fund whereas the Chief Constable has day to day responsibility for the management of the budget allocated to him by the PCC to perform his duties. The reforms identified within the Police Reform and Social Responsibility Act 2011 (the Act) are due to be phased in over a number of years rather than in one go.

Legislative Changes

Part 1 of the Act, contains provisions to abolish Police Authorities and replace them with directly elected Police and Crime Commissioners (PCC) for each police force outside London. PCCs are responsible for securing an efficient and effective police force. The Chief Constable is responsible for maintaining the Queen's Peace and has operational direction and control over the force's officers and staff.

Both the PCC and the Chief Constable were created under the Act as new corporate entities (as Corporations Sole). These corporate entities were also established as Schedule 2 (Accounts Subject to Audit) bodies under the Audit Commission Act 1998.

The Accounts and Audit (England) Regulations 2011 require authorities to follow "proper practices in relation to accounts" for the preparation of the Statement of Accounts. The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) constitutes a "proper accounting practice" in England and Wales under the terms of Section 21 (2) of the Local Government Act 2003. PCCs in England and Wales are defined as local authorities under Section 23 (as amended by the Police Reform and Social Responsibility Act 2011) and will therefore need to follow the Code.

The Home Office Financial Management Code of Practice for the Police Service of England and Wales sets out that the Chief Financial Officer of the CC will be responsible for ensuring the production of the Statements of Accounts. The legal framework indicates that the single entity financial statements should be produced in accordance with the Code's requirements.

Accounting for the transfer of functions to the new bodies

The Act allows for the establishment of two new bodies, the PCC and the Chief Constable. The 2012/13 Code sets out that a transfer of functions in full from the responsibility of one authority (or other public sector body) to another is required to be accounted for using the principles that apply to group reorganisations. The Code also sets out that merger accounting should be applied where the entity in which the interest has been acquired was 100% in public sector ownership both before and after acquisition by the local authority. The principle established in section 2.5 of the Code is such that local authorities (including Police Authorities) are deemed to be under common control. Therefore, overall government control of the body is unchanged.

There are two possible approaches to the application of merger accounting in the Code which should be considered:

1. Where PCCs and Chief Constables consider that the transfer of functions results in the establishment of new police bodies, then the approach would require that the financial statements of the abolished Police Authorities reflect their results up to the date of transfer whilst the statements of the new bodies report their results from the date of inception. The assets and liabilities of the Police Authority would be transferred at their carrying amount to the receiving PCC (and Chief Constable) as at the transfer date (subject to the exceptions specified in paragraph 2.5.2.1 a) and b) of the Code).
2. The alternative approach is that the establishment of the police bodies may be accounted for using merger accounting ie per FRS 6 *Acquisition and Mergers*. This is presented in the financial statements by restating the financial performance, position and cash flows of the entities involved as if the service or function performed had always taken place in these entities. Assets and liabilities are required by the Code to be transferred at their carrying amount with certain exceptions specified within paragraph 2.5.2.1.

The PCC and Chief Constable have agreed to apply the second option. By applying this option, the results and cash flows of the Police Authority were brought into the financial statements of the PCC and the Chief Constable from 1 April 2012, adjusted to achieve uniformity of accounting policies. Restatement of comparatives, including that of the results for Police Authority from the previous period, should be provided in accordance with the Code's adoption of IAS 1.

Comparatives should be adjusted as necessary to achieve uniformity of accounting policies and consistency of presentation. In applying merger accounting to the financial statements from 1 April 2012, then the entities have not been accounted for as new bodies, as the accounting treatment presents the new entities as if they had always existed

These arrangements apply to the group accounts and single entity financial statements of the PCC and the Chief Constable. This approach means that there are one set of financial statements for the Chief Constable for the full year ending 31 March 2013. It also means that no financial statements have been produced for the Police Authority for the financial year 2012/13.

On 22 November 2012 the assets, liabilities and reserves of Suffolk Police Authority were transferred directly to the OPCC (Suffolk). Statutory and local control arrangements determine that the PCC holds all the assets, liabilities and reserves including the police pension liability on his Balance Sheet and this will remain the case during this first phase of transition, as through the control framework it is clear that future risks and benefits flow to the PCC from these balances rather than to the Chief Constable.

It was established at stage 1 of the police reform measures mentioned above, that control and risk for all expenditure, income, assets and liabilities sit with the PCC and therefore the Chief Constable entity was in effect acting as an agent of the PCC throughout the reporting period. Therefore within the PCC's single entity financial statements, resources consumed at the request of the Chief Constable are shown as income and expenditure of the PCC. Due to the agency relationship between the PCC and the Chief Constable, the Chief Constable's accounts have been drawn up along the principles of IAS 18 - Revenue Recognition.

Explanation of financial statements

The 2012/13 statement of accounts for the Chief Constable of Suffolk are set out on the following pages. The purpose of individual primary statements are explained below:

- This Movement in Reserves Statement (MIRS) shows the movement in the year on the different reserves held by an entity, analysed into 'usable reserves' (ie those that can be applied to fund expenditure or reduce local taxation) and unusable reserves. During the financial year the Chief Constable did not hold any reserves. All reserves are held by the PCC and a detailed breakdown of these are disclosed in the PCC and PCC Group's Financial Statements.
- The Comprehensive Income and Expenditure Statement (CIES) shows the Income and the Expenditure incurred by the Chief Constable in the year to provide services in accordance with generally accepted accounting practices. The Chief Constable received no income and incurred no expenditure in his name during the year, instead he was provided with a budget by the PCC. The financial resources of the PCC consumed at the request of the Chief Constable during the year are recorded within the Note 7 of the PCC's Statement of Accounts and in the table below.
- The Balance Sheet shows the value at the year-end date of the assets and liabilities recognised by the Chief Constable. The net assets of the Chief Constable (assets less liabilities) are matched by the reserves held. At the year end no assets or liabilities were recognised by the Chief Constable. The PCC is responsible for the Police Fund and its associated assets and liabilities, therefore all risks and benefits remain with him.
- The Cash Flow Statement shows the changes in cash and cash equivalents held by the Chief Constable during the reporting period. The statement shows how the Chief Constable generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. All financial transactions arose within the accounting books of the PCC, the Chief Constable therefore held no cash or cash equivalent balances during the accounting period.

Costs incurred by the PCC at the request of the Chief Constable

As mentioned above during the reporting period no income was received or expenditure incurred in the name of the Chief Constable, instead, net expenditure budgets were provided to the Chief Constable by the PCC. The table below shows expenditure incurred by the PCC at the Chief Constable's request and reported to him on a segmental basis.

	County Policing Command £000	Protective Services £000	Custody & Criminal Justice £000	Human Resources & Training £000	Finance & Resources £000	Other Services £000	Reported to Management £000	Not reported to management £000	Not included in Policing Services £000	3rd Party Recharge Adjustment £000	Costs of Policing Services £000
Reported to Cabinet in 2012/13											
Fees charges and other income	(319)	(1,885)	(838)	(23)	(559)	(1,308)	(4,932)	-	-	(1,490)	(6,422)
Government grants	(58)	(1,161)	-	-	-	(5,815)	(7,034)	-	-	-	(7,034)
Total Income	(377)	(3,046)	(838)	(23)	(559)	(7,123)	(11,966)	-	-	(1,490)	(13,456)
Employee expenses	49,518	22,137	9,492	4,013	6,975	5,520	97,655	26,261	(16,270)	-	107,646
Other service expenses	2,093	3,521	2,515	474	8,830	3,540	20,973	661	(2,983)	1,490	20,141
Depreciation and impairments	948	630	638	104	1,260	5,176	8,756	-	-	-	8,756
Total Operating Expenditure	52,559	26,288	12,645	4,591	17,065	14,236	127,384	26,922	(19,253)	1,490	136,543
Net Operating Expenditure	52,182	23,242	11,807	4,568	16,506	7,113	115,418	26,922	(19,253)	-	123,087
Reported to Cabinet in 2011/12											
Fees charges and other income	(390)	(1,670)	(1,153)	(26)	(560)	(1,016)	(4,815)	-	-	-	(4,815)
Government grants	-	(1,489)	-	-	-	(6,148)	(7,637)	-	-	-	(7,637)
Total Income	(390)	(3,159)	(1,153)	(26)	(560)	(7,164)	(12,452)	-	-	-	(12,452)
Employee expenses	50,959	24,818	9,467	2,862	7,668	5,354	101,128	34,860	(16,638)	-	119,350
Other service expenses	3,340	4,279	2,269	564	7,077	2,635	20,164	471	(2,151)	-	18,484
Depreciation and impairments	1,012	1,089	496	131	1,085	7,249	11,062	-	-	-	11,062
Total Operating Expenditure	55,311	30,186	12,232	3,557	15,830	15,238	132,354	35,331	(18,789)	-	148,896
Net Operating Expenditure	54,921	27,027	11,079	3,531	15,270	8,074	119,902	35,331	(18,789)	-	136,444

P Clayton FCCA (CFO CC)

Date

Movement in Reserves Statement for the Chief Constable of Suffolk

Year Ended 31 March 2012	General Fund Balance £000	Earmarked Reserves £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Total Usable Reserves £000	Total Unusable Reserves £000	Total Reserves £000
Balance at 1 April 2011	-	-	-	-	-	-	-
Surplus or (deficit) on provision of services (accounting basis)	-	-	-	-	-	-	-
Other comprehensive income and expenditure	-	-	-	-	-	-	-
Total comprehensive income and expenditure	-	-	-	-	-	-	-
Adjustments between accounting basis and funding basis under regulations	-	-	-	-	-	-	-
Net increase / decrease before transfers to Earmarked Reserves	-	-	-	-	-	-	-
Transfers to / from earmarked reserves	-	-	-	-	-	-	-
Increase / decrease in year	-	-	-	-	-	-	-
Balance at 31 March 2012	-	-	-	-	-	-	-

Movement in Reserves Statement for the Chief Constable of Suffolk

Year Ended 31 March 2013	General Fund Balance £000	Earmarked Reserves £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Total Usable Reserves £000	Total Unusable Reserves £000	Total Reserves £000
Balance at 1 April 2012	-	-	-	-	-	-	-
Surplus or (deficit) on provision of services (accounting basis)	-	-	-	-	-	-	-
Other comprehensive income and expenditure	-	-	-	-	-	-	-
Total comprehensive income and expenditure	-	-	-	-	-	-	-
Adjustments between accounting basis and funding basis under regulations	-	-	-	-	-	-	-
Net increase / decrease before transfers to Earmarked Reserves	-	-	-	-	-	-	-
Transfers to / from earmarked reserves	-	-	-	-	-	-	-
Increase / decrease in year	-	-	-	-	-	-	-
Balance at 31 March 2013	-	-	-	-	-	-	-

No financial transactions were carried out in the Chief Constable of Suffolk's books of account during the financial year. All financial reserves are currently held by the PCC for Suffolk. Transactions incurred by the PCC at the request of the Chief Constable are recorded in Note 2 to the Financial Statements.

Comprehensive Income and Expenditure Statement

for the Chief Constable of Suffolk for the year ended 31 March 2013

Gross Expenditure 2011/12 £000	Income 2011/12 £000	Net Expenditure 2011/12 £000		Gross Expenditure 2012/13 £000	Income 2012/13 £000	Net Expenditure 2012/13 £000
			Note			
			Division of Service:			
-	-	-	Local Policing	-	-	-
-	-	-	Dealing with the Public	-	-	-
-	-	-	Criminal Justice Arrangements	-	-	-
-	-	-	Road Policing	-	-	-
-	-	-	Specialist Operations	-	-	-
-	-	-	Intelligence	-	-	-
-	-	-	Investigations	-	-	-
-	-	-	Investigative Support	-	-	-
-	-	-	National Policing	-	-	-
-	-	-	Non-distributed costs	-	-	-
-	-	-	Corporate and democratic core	-	-	-
-	-	-	Net Cost of Police Services	-	-	-
-	-	-	Other Operating Expenditure	-	-	-
-	-	-	Financing and Investment Income and Expenditure	-	-	-
-	-	-	Taxation and Non-specific Grant Income	-	-	-
		-	Deficit/(Surplus) on the Provision of Services			-
		-	Other Comprehensive Income and Expenditure			-
		-	Total Comprehensive Income and Expenditure			-

No financial transactions were carried out in the Chief Constable of Suffolk's books of account during the financial year. PCC resources expended at the request of the Chief Constable are recorded in Note 7 within the PCC's Statement of Accounts.

Balance Sheet for the Chief Constable of Suffolk

as at 31 March 2013

31 March 2012 £000	Notes	31 March 2013 £000
-	Non-Current Assets	-
-	Long Term Debtors	-
-	Total Long term Assets	-
-	Current Assets	-
-	TOTAL ASSETS	-
-	Current Liabilities	-
-	Long Term Liabilities	-
-	TOTAL LIABILITIES	-
-	NET ASSETS / (LIABILITIES)	-
-	Usable reserves	-
-	Unusable reserves	-
-	TOTAL RESERVES	-

The Chief Constable did not own any assets, liabilities or reserves during the financial year.

The unaudited accounts were issued on 28 June 2013 and the audited accounts, as amended following audit, were authorised for issue on 24 September 2013:

.....
P Clayton FCCA (CFO CC)

.....
Date

Cash-flow Statement for the Chief Constable of Suffolk

for the year ended 31 March 2013

2011/12 £000	Note	2012/13 £000
-		-
	Net Surplus/(deficit) on the provision of services	
-		-
	Adjustment for non cash or cash equivalent movements	
-		-
	Adjustment for items included in net deficit on the provision of services that are investing or financing activities:	
-	Capital grants and contributions	-
-		-
<hr/>		<hr/>
-	Net cash flows from operating activities	-
-		-
	Investing activities	
-		-
	Financing activities	
<hr/>		<hr/>
-	Net increase or (decrease) in cash and cash equivalents	-
-		-
	Cash and cash equivalents at the beginning of the reporting period	
<hr/>		<hr/>
-	Cash and cash equivalents at the end of the reporting period	-
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The Cash-Flow Statement does not show any cash-flows during the year as all payments and receipts were made from balances held by the PCC for Suffolk.

Notes to the Financial Statements

for the Chief Constable of Suffolk

1. Accounting Policies

(a) General principles

The Statement of Accounts summarises the transactions of the Chief Constable for the 2012/13 financial year and its position at the year-end 31 March 2013. The Chief Constable is required to prepare an annual Statement of Accounts by the Accounts and Audit regulations 2011, which those regulations require to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2012/13 and the 2012/13 Service Reporting Code of Practice for Local Authorities (SeRCOP), supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

(b) Accruals of income and expenditure

Activity is accounted for in the year that it takes place, not simply in the financial period in which cash payments are paid or received.

(c) Controlling Entity

The Chief Constable is a wholly controlled subsidiary of the Office of the Police and Crime Commissioner for Suffolk.

2. PCC Financial Resources Consumed at the Request of the Chief Constable

As set-out in the Explanatory Forward, whilst the Chief Constable has day to day control over most of the Police and Crime Commissioner's assets, daily direction and control over all police officers and a great majority of police staff, the level of financial and strategic control held by the Police and Crime Commissioner means that on balance, transactions, benefits and liabilities sit within the accounts of the Police and Crime Commissioner and there are no transactions or balances within the Chief Constable's accounts. We consider this to be in line with IAS 18 – Revenue recognition. In particular:

- Assets, officers and staff are employed in delivery of the Police and Crime Commissioner's Police and Crime plan through which the Police and Crime Commissioner sets the strategic direction of the Constabulary.
- The Police and Crime Commissioner has control of all income and therefore ultimately the levels of officers and staff employed.
- The Police and Crime Commissioner has control of the funding to purchase and receives all income from the disposal of all non-current assets.
- The Police and Crime Commissioner holds the Police Fund and agrees the Chief Constable's delegated budget determining the resource envelope in which he operates under the Police and Crime Commissioner's Scheme of Governance. The budget is funded from income received by the Police and Crime Commissioner, with any under or overspend falling to him. An explanation of spend during the year against this budget is set-out in the Explanatory Forward.
- The financial relationship between the Police and Crime Commissioner and the Chief Constable is determined by the scheme of delegation and financial regulations. As such all transactions are undertaken in the Police and Crime Commissioner's name.

The table below shows the accounting cost in the year to the Police and Crime Commissioner of financial resources consumed at the request of the Chief Constable in providing policing services. The figures shown are in accordance with generally accepted accounting practices and so differ from the Chief Constable's delegated budget, which does not include transactions that are not chargeable against precept (e.g. capital charges and IAS19 pension transactions).

Gross Expenditure 2011/12 £000		Gross Expenditure 2012/13 £000
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Costs incurred at the request of the Chief Constable

53,272	Local Policing	56,148
10,679	Dealing with the Public	11,005
19,511	Criminal Justice Arrangements	14,990
6,210	Road Policing	5,373
8,105	Specialist Operations	7,405
6,592	Intelligence	7,148
26,729	Investigations	27,493
3,998	Investigative Support	3,512
2,527	National Policing	2,638
10,523	Non-distributed costs	230
751	Corporate and democratic core	602
148,896	Gross Cost of Policing Services	136,543