

ANNUAL REVIEW OF CHARGING POLICY

PURPOSE OF THE REPORT

1. To review the charges for police officers' services, together with other services provided by the Constabulary, and seek approval of the current charging policy.

BACKGROUND

2. The Police and Magistrates Courts Act 1994 introduced a Financial Code of Practice for all police authorities. The Code, revised in October 2000, recommends that the policy on charging for police services under Section 15 of the Police Act 1964, subsequently amended by Section 25 of the Police Act 1996, should be agreed by the Authority, but decisions on charging should be delegated to the Chief Constable.
3. In addition, the Police Act 1996 (section 92) made provision for district councils to grant funds to their police authority to cover the cost of additional police patrols. The Local Government and Rating Act 1997 (section 31) extended this facility to parish councils.

CURRENT CHARGES FOR POLICE SERVICES

4. Appendix 1 summarises the current basis of charge. The majority of charges are set nationally and are outside the control of the Authority. There are only three main types of income over which the Authority can exercise reasonable influence -
 - Charges for police services under Section 25, Police Act 1996.
 - Grants for police services under Section 92, Police Act 1996.
 - Charges for police services under Section 31, Local Government and Rating Act 1997.
5. This report does not comment on income which is derived from leases of police property which is governed by the terms of the individual agreements, nor on income controlled by the Authority (e.g. interest on balances), nor contributions from partner agencies.

CURRENT CHARGING POLICY

Police Act 1996 (Section 25)

6. Under this legislation, the costs of deploying police officers at private events can be recovered from the organisers. This is an accepted and widely used practice and the current charging policy ensures that an economic charge is made for deploying officers, including a notional pension contribution and a significant contribution to overheads.
7. Charging policy needs to distinguish between different categories of event, in particular:
 - Commercial events, intended to generate private profit
 - Non-commercial events, i.e. charitable or community events
 - Statutory events reflecting constitutional rights or processes, e.g. ceremonial events.
8. It is reasonable to charge the full economic cost of special police services provided for commercial events.
9. Charges for non-commercial events should be abated to maintain good relations between police and local communities to support neighbourhood policing and securing cooperation and information to address serious crime.
10. Whilst charitable events may generally be viewed favourably, police authorities need to give careful consideration to their policy on charging for police services. Some major events may require substantial policing and can generate large sums albeit for charitable distribution. A reasonable contribution towards police costs is both desirable and feasible.
11. Non recovery of costs represents a subsidy from public funds and authorities should satisfy themselves that they are supporting appropriate charitable purposes in this way.
12. The table below indicates the nature of events for which policing is provided and the charge levied.

<u>Classification of Events</u>	<u>Charging Band</u>
Commercial Events	Full Cost Recovery
Traffic Management at Commercial Events	Full Cost Recovery
Sports Events (Rugby, Football)	Full Cost Recovery
Road Races	Full Cost Recovery
Sponsored Walk	Full Cost Recovery
Major Charity Events	Cost Recovery
Traffic Management non Commercial Events	Cost Recovery
Community Events	Cost Recovery
Community Walk Days	No Charge
Religious Parades/ Remembrance Sunday	No Charge
Statutory Events	No Charge

13. The full cost recovery charge per rank is based on:
- The Constabulary basic pay and allowances average
 - Police Overtime
 - Indirect overheads
 - Employers' actuarial cost of pensions.
 - Productive hours

Using this basis, the economic cost of a police constable including overtime is £45.57 per hour (£42.87 in 2007), Sergeant £56.42 per hour (£53.46).

14. Cost recovery excludes charges in respect of indirect overheads

POLICE ACT 1996 (SECTION 92) AND LOCAL GOVERNMENT AND RATING ACT 1997 (SECTION 31)

15. Services which are provided under this legislation are for the benefit of the local council tax payer rather than a profit making organisation and are used when costing resources to be included in local partnerships.
16. The charge levied is set for each rank based on the average cost, taking account of salary, all allowances and employers' national insurance contributions. The charge does not seek to recover indirect overheads nor the police pension contribution.
17. On this basis the hourly charge with effect from 1 September 2008 of a police constable would be £17.17 (£16.80) and a sergeant £21.35 (£20.98). These rates would be increased for overtime if actually incurred.

OTHER CHARGES NOT SUBJECT TO GOVERNMENT LEGISLATION

18. Very little scope is available to generate other types of income where charges can be determined locally. The Constabulary will continue to review its services and ensure that realistic charges are made and costs recovered wherever appropriate.

RECOMMENDED: That

- (1) the report be noted;
- (2) the current charging policy for services provided under sections 25 and 92 of the Police Act 1996 and Section 31 of the Local Government and Rating Act 1997 be approved, and the associated decisions on charging continue to be delegated to the Chief Constable.

DAVID WHATTON
CHIEF CONSTABLE

LIZ LUNN
TREASURER

BASIS OF CHARGE FOR 2009

TYPE OF INCOME	BASIS OF CHARGE
a) Mandatory Basis	
Firearms Certificates	National - Home Office
Recoverable Prosecution Costs (S12 Magistrates Courts Act 1980)	Charges awarded by Court (Subject to national maximum)
Vehicle recovery	Statutory charge
b) Discretionary Basis	
Police Services (S25 Police Act 1996)	Cost Recovery as outlined in the main report
Police Services (S92 Police Act 1996 and S31 Local Government and Rating Act 1997)	Average Salary Scale (by rank) for Police Officer (excludes overheads and pensions)
c) Other Charges – For information	
Learning and development training	Tuition fees Accommodation / meal charges
Vehicle Sales	Auctions - Best Price obtained
Accident Reports	National - Home Office set the original charges some years ago - these are updated annually by inflation