

## PART TWO: HRA FORMAT (ENGLAND)

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
Housing Revenue Account Income and Expenditure Statement (England)		
HRA Income	Dwelling Rents (Gross)	General needs housing Sheltered accommodation Temporary accommodation Social Homebuy.
	Non-dwelling Rents (Gross)	Garages Shops Land Other (eg pubs, telephone masts, wayleaves).
	Tenants' Charges for Services and Facilities	Service charges ( <i>Note 1</i> ) Heating and utility charges Charges to tenants for Supporting People services Charges for other welfare services ( <i>Note 2</i> ) (excluding essential care) Other charges to tenants ( <i>Note 3</i> ).
	Leaseholders' Charges for Services and Facilities	
	Other Charges for Services and Facilities	Community centres Public houses.
	Contributions Towards Expenditure	From social services authorities In respect of transferred dwellings Rechargeable repairs Grants for Supporting People initiative Compensation payments from contractors and settlement of insurance claims Financial assistance from the Government for repair of HRA property damaged as a result of an emergency or disaster.
	Reimbursement of Costs	Court costs, insurance and other income.

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
	<del>HRA Subsidy Receivable (Note 4)</del>	
	Sums directed by the Secretary of State that are income in accordance with IFRS (if any)	
HRA Expenditure	Repairs and Maintenance	Responsive Planned Associated costs (Note 45).
	Supervision and Management	Policy and management Managing tenancies Right-to-buy administration Rent collection, recovery and accounting.
	Special Services	Communal heating Communal lighting Lifts Laundry services Caretaking Concierge schemes Cleaning Ground maintenance Welfare services (excluding essential care) Other special services (eg CCTV).
	Rents, Rates, Taxes and Other Charges	Lease rentals on property Properties where LA landlord is responsible for the council tax Rates and water charges payable in non-dwellings Insurance costs paid by the landlord.
	<del>Subsidy Limitation Transfer to the GF (Note 56)</del>	
	Transfer of HRA Surplus to the General Fund	
	<del>Transfer of HRA Subsidy Surplus to CLG (Note 4)</del>	

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
	Increase/(decrease) in Impairment of Debtors	
	Depreciation and Impairments of Fixed Assets ( <i>Note 567</i> )	Depreciation and impairment – dwellings Depreciation and impairment – all other HRA assets.
	Amortisation of <del>Deferred Charges</del> and Intangible Assets ( <i>Note 678</i> )	
	Debt Management Costs	
	Sums directed by the Secretary of State that are expenditure in accordance with IFRS (if any)	
Net cost of HRA services as included in the whole-authority Comprehensive Income and Expenditure Statement		
	HRA services' share of Corporate and Democratic Core	
	HRA share of other amounts included in the whole-authority Net Cost of Services but not allocated to specific services	
Net cost of HRA services including HRA share of costs not allocated to specific services		
	Gain or loss on sale of HRA non-current assets	
	HRA share of interest payable and similar charges including amortisation of premiums and discounts	
	HRA share of pensions interest cost and expected return on pensions assets ( <i>Note 789</i> )	
	HRA Investment Income ( <i>Note 8109</i> )	Mortgage interest on HRA properties sold under RTB

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
		Interest on capital cash balances Interest on revenue cash balances.
	HRA share of capital grants and contributions receivable	
Surplus or deficit for the year on HRA Income and Expenditure Statement		
<del>Statement of Movement on the Housing Revenue Account Statement (England)</del>		
<del>Increase/(decrease) in the Housing Revenue Account Balance comprising:</del>		
	<del>Surplus or deficit for the year on the HRA Income and Expenditure Statement</del>	
	<del>Difference between interest payable and similar charges including amortisation of premiums and discounts determined in accordance with the Code and those determined in accordance with statute</del>	
	<del>Difference between any other item of income and expenditure determined in accordance with the Code and those determined in accordance with statutory HRA requirements (if any)</del>	
	<del>Gain or loss on sale of HRA non- current assets (proceeds and carrying value adjusted against the Capital Receipts Reserve and the Capital Adjustment Account respectively)</del>	
	<del>HRA share of contributions to or from the Pension Reserve (Note 9)</del>	
	<del>Capital expenditure funded by the Housing Revenue Account (adjusted against the Capital Adjustment Account)</del>	

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
	Other transfers to/from the Capital Adjustment Account: examples include: Depreciation and impairment Capital grants and contributions HRA share of the Minimum Revenue Provision (Note 11)	
	Transfer to/from Major Repairs Reserve (Note 10)	
	Transfers to/from Housing Repairs Account	
	Sums directed by the Secretary of State to be debited or credited to the HRA that are not income or expenditure in accordance with IFRS	
	<b>Sub total: Increase/(decrease) in the Housing Revenue Account Balance for the year</b>	
	<b>Housing Revenue Account Balance Brought Forward</b>	
	<b>Housing Revenue Account Balance Carried Forward</b>	

Note 1: Since 2002/03 authorities have been able to unpool service charges as part of rent restructuring and, where this has been done, service charges should be included here, along with those which have always been levied as a separate service charge. Service charges that remain pooled should be included within Dwelling Rents (Gross).

Note 2: This denotes activities that at present could be charged to either the HRA or the GF.

Note 3: Other charges to tenants will include items such as laundry and cleaning not identified above.

~~Note 4: This denotes those items within the HRA service that are mutually exclusive, ie if it is an income item there will be no expenditure and vice versa. Specifically, authorities assumed to make a surplus on their HRA would account for the amount of that assumed surplus as an expenditure item, under transfer to CLG. Those that receive subsidy would account for this as an income figure.~~

Note 54: As detailed in the table in Part Four, paragraph 4.2, it is recommended that the planning and clerical processing of repairs be classified as a management item, not repairs. However, it is acknowledged that there may be other types of cost associated with repairs, such as

professional fees for specifying and inspecting work, which may be included under repairs.

~~Note 56: Where deductions from rent rebate subsidy payable (to the GF) have been made due to the operation of the policy on rent rebate subsidy limitation (and as a result of expenditure on modular improvements) a transfer from the HRA to the GF must be made, as directed by the Secretary of State under item 10.~~

Note ~~56~~ 7: These denote the total charges for depreciation, and the value of any impairment charges for the financial year, in respect of dwellings and other assets within the authority's HRA, calculated in accordance with proper practices. Details should be disclosed in notes to the account.

Note ~~67~~ 8: This denotes the value of any charge calculated in accordance with proper practices in respect of ~~deferred charges and amortisation of~~ intangible assets attributable to the HRA. This should be disclosed in notes to the account.

Note ~~78~~ 9: These are lines to accommodate pensions accounting within the HRA in accordance with IAS 19.

Note ~~810~~ 9: Calculated in accordance with the item 8 determination.

~~Note 1011: The Housing Revenue Account — statutory Minimum Revenue Provision was abolished in 2004; however authorities' MRP policies may require debt repayment for certain types of borrowing.~~

# Police Services

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GUIDANCE NOTE: WHAT TO INCLUDE IN THE NET COST OF SERVICE DIVISIONS BELOW THE COST OF SERVICE LINE

## PART ONE: SERVICE EXPENDITURE ANALYSIS FOR POLICE SERVICES

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### Service Division (Mandatory)

Local Policing

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Dealing with the Public

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Criminal Justice Arrangements

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Road Policing

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Specialist Operations

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Intelligence

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~~Specialist~~ Investigation

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Investigative Support

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National Policing

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Non Distributed Costs

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Corporate and Democratic Core

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Net Cost of Police Services

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*Gains/Losses on Disposal of Fixed Assets*

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Levies

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External Interest Payable

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Interest and Investment Income

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~~Extraordinary~~ Items

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Trading Account Surpluses or Deficits

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Pensions Interest Costs and Expected Return on Assets

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Service Division (Mandatory)

*Minimum Revenue Provision*

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*Reversal of Depreciation and Impairment of Fixed Assets*

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## PART TWO: GUIDANCE NOTE: COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR POLICE SERVICES

### 1.0 INTRODUCTION AND BACKGROUND

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- 1.1 **The aim of this guidance is to ensure that different police forces' financial reports** are produced on the most accurate and consistent basis possible. It is not intended to influence how different forces are organised on the ground. This is not CIPFA's role and is contrary to the spirit of Best Value and the requirements of the *Service Reporting Code of Practice for Local Authorities (SeRCOP)*, which encourages innovative approaches to service delivery and autonomy for services. The guidance merely seeks to provide a means for the aggregation of the costs of policing, regardless of how forces are organised, on, where possible, a comparable total cost basis. Section 2 of SeRCOP requires that total cost includes appropriate shares of capital charges, overheads and support services.
- 1.2 From April 2007 police authorities are no longer Best Value authorities in respect of the production of Best Value reviews and performance plans. The relevant legislation is contained in the Police and Justice Act 2006. However, the aim of this guidance is still to ensure that the activities of operational policing are recorded in a consistent, accurate way whilst complying with the requirements of SeRCOP and the *Code of Practice on Local Authority Accounting in the United Kingdom*, which police authorities must still adhere to.
- 1.3 This guidance often refers to officers. *Officers* is used as a generic term. It does not imply work by uniformed police officers as opposed to civilian staff. The choice of personnel to do any particular activity is a local management matter.

### 2.0 THE REVISED POLICE SERVICE EXPENDITURE ANALYSIS

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- 2.1 This guidance seeks to provide a means of comparable aggregation of the costs of police activities at service division level in line with the general requirements of SeRCOP specified in the introduction to Section 3 of SeRCOP.
- 2.2 Three optional holding accounts are also identified (Support Functions, Police Authority and Income). These accounts should be allocated to the divisions of

service identified in the Police Services SEA or the two service divisions that Section 2 of SeRCOP requires to be excluded from the definition of total cost, ie Corporate and Democratic Core and Non Distributed Costs.

- 2.3 Capital charges can also be directly attributed to the divisions of service. Capital charges are defined in Section 2 of SeRCOP.

### Additional Guidance

- 2.4 The remainder of the guidance for Police Services is set out as follows:

Part Three details the costs that should be included in the Net Cost of Police Services.

Part Four details those expenditure items accounted for below the cost of service line (see paragraph 5.0 below).

## 3.0 APPLICABILITY OF THE CORPORATE AND DEMOCRATIC CORE

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- 3.1 Section 2 of SeRCOP states clearly that the concept of the Corporate and Democratic Core applies to Police Services. These costs should not be allocated or apportioned to other divisions of service. The definitions in Section 2 of SeRCOP apply equally to Police Services, except that:

The statutory roles of the clerk and treasurer will be under DRM point (b) as officer time spent supporting democratic representation and management.

Corporate Management point (a) is less likely to apply, as the chief constable will either be involved in direct management of services (charged to divisions of service) or with the provision of advice and support to members (charged to DRM).

Corporate Management point (e) will not apply.

## 4.0 APPLICABILITY OF NON DISTRIBUTED COSTS

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- 4.1 Non Distributed Costs as defined by Section 2 (eg past service costs) apply to police forces for non-uniformed police force staff. It is, however, less likely that costs associated with unused shares of IT facilities and the costs of shares of other long-term unused but unrealisable assets will arise at police authorities.

## 5.0 ITEMS BELOW THE COST OF SERVICE LINE

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- 5.1 The revised SEA includes an analysis of the net operating section of the Income and Expenditure Account for police authorities. For additional guidance on this section see the Central Services SEA or the Code.

## 6.0 STATUS AND IMPLEMENTATION

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- 6.1 This SEA for Police Services replaces all previous versions issued by CIPFA and is mandatory for English and Welsh forces from 1 April 2012. 2012/13 SeRCOP applies to the following statutory disclosures:

2012/13 Budgets

2012/13 Performance Indicators

2012/13 Statement of Accounts.

## 7.0 THE RECOMMENDED STANDARD SUBJECTIVE ANALYSIS

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- 7.1 For budgetary and management accounting purposes police authorities/forces may also wish to analyse expenditure using the subjective analysis (already a **requirement of government statistical returns**). CIPFA's Recommended Standard Subjective Analysis is included in Section 4 of SeRCOP.

## 8.0 UPDATING THE GUIDANCE

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- 8.1 CIPFA is dedicated to keeping the guidance up to date and it will be reviewed on an annual basis as a minimum.

PART THREE:  
GUIDANCE NOTE:  
WHAT TO INCLUDE IN THE NET COST OF POLICE SERVICES

Service Division	Includes
Local Policing	Neighbourhood policing Incident (response) management <del>Local investigation</del> Community liaison Local command team and support overheads.
Dealing with the Public	Local call centres/front desk Central communications unit Contact management units.
Criminal Justice Arrangements	Custody/ <del>prisoner handling</del> Criminal justice arrangements Police National Computer (PNC) Civil disclosure/Criminal Records Bureau (CRB) Coroner assistance Fixed penalty scheme (central ticket office) Property officer/stores.
Road Policing	Traffic units Traffic wardens/police community support officer traffic Vehicle recovery Casualty reduction partnership.
Specialist Operations	Central operations command team and support overheads Air operations Mounted police Underwater/search/marine support Dogs section Level 1 advanced public order Airport and ports policing unit Firearms unit Civil contingencies.

Service Division	Includes
Intelligence	Central intelligence command team and support overheads Intelligence/threat assessments Covert policing.
Specialist Investigation	Crime support command team and support overheads Major investigation unit Economic crime (including regional asset recovery team) Specialist investigation Serious and organised crime unit Public protection <a href="#">Local investigation/prisoner processing.</a>
Investigative Support	Scenes of crime officers External forensic costs Fingerprint/ <del>DNA bureau</del> <a href="#">Internal Forensic Costs</a> Photographic image recovery Other forensic services.
National Policing	Secondments (out of force) Counter-terrorism/Special Branch ACPO projects/initiatives Hosting national services Other national policing requirements.
Non Distributed Costs	See Section 2 of SeRCOP.
Corporate and Democratic Core	See Section 2 of SeRCOP Democratic Representation and Management Corporate Management.
Support Functions (optional holding account) Note: in accordance with the requirements of SeRCOP, these costs must be allocated directly or apportioned to service divisions	Support functions need to be charged to appropriate service divisions so that the cost of each service division represents the total cost of each service as defined by Section 2 of SeRCOP. For further guidance on overhead apportionment and recharging please see paragraph 2.15 of SeRCOP and the accompanying guidance. Human resources Finance Legal Fleet services

Service Division	Includes
	Estates/central building costs Information and communications technology (ICT) Professional standards Press and media Performance review/corporate development Procurement Training Administration support Force command Support to associations and trade unions Force band Social club support Insurance and risk management Catering.
<p>Police Authority/<a href="#">Police Crime Commissioner</a> (optional holding account)            Note: in accordance with the requirements of SeRCOP, these costs must be allocated directly or apportioned to service divisions or the relevant section in the Service Expenditure Analysis (eg Corporate and Democratic Core)</p>	<p>Police authority/<a href="#">Police Crime Commissioner</a> costs need to be charged to appropriate service divisions so that the cost of each service division represents the total cost of each service as defined by Section 2 of SeRCOP. For further guidance on overhead apportionment and recharging please see paragraph 2.15 of SeRCOP and the accompanying guidance.</p> <p><b>Members' expenses</b>            Authority admin and support            Consultation            Statutory expenses            Treasury management            Internal audit.</p>
<p>Income (optional holding account)            Note: in accordance with the requirements of SeRCOP, income must be allocated directly or apportioned to service divisions</p>	<p>Income needs to be credited to appropriate service divisions so that the net cost of each service division represents the total cost of each service as defined by Section 2 of SeRCOP. For further guidance on overhead apportionment and recharging please see paragraph 2.15 of SeRCOP and the accompanying guidance.</p> <p>Specific grants            Secondment income            Trading account income            Income from officer services            Proceeds of crime income</p>

Service Division	Includes
	Other income.

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Net Cost of Police Services

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Some teams may deliver functions that relate to more than one division of service. Where the effect will not be material, it is acceptable to allocate the team to the dominant function that it delivers. Where the effect would be material, the costs of the team should be apportioned between the functions delivered.

Some police forces/authorities may have a national policing role that covers functions that are covered in other divisions of service (for example specialist operations). Such forces/authorities should apportion the costs of these functions between the relevant division of service (where the function is carried out on behalf of its local responsibilities) and the National Policing division (where the function is carried out in fulfilment of its national policing role).



**PART FOUR:**  
**GUIDANCE NOTE:**  
**WHAT TO INCLUDE IN THE NET COST OF SERVICE**  
**DIVISIONS BELOW THE NET COST OF SERVICES LINE**

Service Division	Includes
Gains/Losses on Disposal of Fixed Assets	See the Code for what to include in this division.
Levies	Include levies to other bodies (specify locally).
External Interest Payable	See the Code and SeRCOP Central Services SEA for what to include in this division.
Interest and Investment Income	See the Code and SeRCOP Central Services SEA for what to include in this division.
<del>Extraordinary Items</del>	<del>See the Code and SeRCOP Central Services SEA for what to include in this division.</del>
Trading Account Surpluses or Deficits	See the Code and SeRCOP Central Services SEA for what to include in this division.
Pensions Interest Cost and Expected Return on Assets	See the Code and SeRCOP Central Services SEA for what to include in this division.
Minimum Revenue Provision	See the Code and SeRCOP Central Services SEA for what to include in this division.
Reversal of Depreciation and Impairment of Fixed Assets	See the Code and SeRCOP Central Services SEA for what to include in this division.