**Home Office** 

## Police Grant (England and Wales)

## Provisional Police Grant Report (England and Wales) 2016/17

December 2015

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#### 1. Introduction

1.1 This Report is prepared by the Secretary of State for the Home Department ('the Home Secretary') under section 46(3) of the Police Act 1996.

1.2 This Report sets out the Home Secretary's determination for 2016/17, made under section 46(2) of the 1996 Act, of the aggregate amount of grants for police purposes that she proposes to pay under section 46, and the amount of grant she proposes to pay each local policing body<sup>1</sup> under the same section. The aggregate amount of grants for police purposes comprises the Home Office Police Core Settlement, Department for Communities and Local Government (DCLG) Formula Funding (further details at section 1.5 below), and Legacy Council Tax Grants. This determination has been approved by the Treasury as required by section 46(2) of the 1996 Act.

1.3 The Report also states the considerations which the Home Secretary took into account in making her determination.

1.4 In determining the allocation among local policing bodies of the whole or any part of the aggregate amount of grants for police purposes, the Home Secretary may, under section 46(4) of the 1996 Act, exercise her discretion in applying such formulae or other rules as she considers appropriate.

1.5 The Home Secretary has decided to continue to apply damping in a way that ensures every local policing body receives the same percentage reduction in the totality of formula funding. Therefore, the allocations of Police Main Grant and DCLG Formula Funding that were provided to local policing bodies in 2015/16 have been reduced in line with the total overall reduction of these grant streams in 2016/17. Funding allocations for both financial years are based on the Police Allocation Formula distribution from 2013/14. This Report sets out information on the formula that was applied to the Police Main Grant element of the Police Core Settlement in 2013/14 as well as referencing separate documentation which sets out the formula used to allocate 2013/14 DCLG Formula.

1.6 As in 2013/14, 2014/15 and 2015/16, DCLG Formula Funding will be paid to local policing bodies by the Home Secretary under section 46 of the Police Act 1996. It is therefore included in this Report. This is as a result of the Government's decision that local policing bodies should be funded from outside the business rates retention scheme.

1.7 Council Tax Freeze Grant relating to the 2011/12, 2013/14, 2014/15 and 2015/16 schemes and Local Council Tax Support (LCTS) funding previously paid to local policing bodies in England by the Secretary of State for Communities and Local Government under section 31 (4) of the Local Government Act 2003, will in 2016/17 also be paid to local policing bodies by the Home Secretary under section 46 of the Police Act 1996. It is therefore included in

<sup>&</sup>lt;sup>1</sup> Police and Crime Commissioners, the Mayor's Office for Policing and Crime and the Common Council of the City of London (which retains its role in providing governance of the City of London Police) are referred to collectively as "local policing bodies", and that term is used in this Report – see section 101(1) of the Police Act 1996.

this Report. This is a result of the Government's ambition to simplify police funding arrangements.

1.8 This Report does not set out the totality of central Government funding to local policing bodies in England and Wales. It does not cover police grant for capital purposes made under section 47(1) of the 1996 Act or police grant for the safeguarding of national security made under section 48(1) of the 1996 Act. Neither does it cover grants paid to local policing bodies in Wales by the Welsh Government. The Common Council of the City of London (on behalf of the City of London Police) and the Greater London Authority (on behalf of the Mayor's Office for Policing and Crime) also receive council tax freeze grant funding separately from DCLG. The Report does not cover this funding.

### 2. Aggregate amount of grants

2.1 Pursuant to section 46(2) (a) of the 1996 Act the Home Secretary hereby determines that the aggregate amount of grants for police purposes to be made under section 46 is  $\pounds$ 7,421,588,629 (comprising  $\pounds$ 4,111,978,225 in Home Office Police Core Settlement,  $\pounds$ 507,388,388 in Legacy Council Tax Grants and  $\pounds$ 2,802,222,016 in DCLG Formula Funding).

#### Allocation of aggregate amount of grants 3.

3.1 Pursuant to section 46(2) (b) of the 1996 Act, the Home Secretary hereby determines that the amount of the aggregate amount of grants for police purposes to be paid to each local policing body other than the Mayor's Office for Policing and Crime, and to the Greater London Authority on behalf of the Mayor's Office for Policing and Crime, in  $2016/17^2$  is the amount shown against its name in column (f) of the table below.

	$(a)^{3}$	$(\mathbf{b})^4$	(c)	$(\mathbf{d})^5$	(e) <sup>6</sup>	( <b>f</b> )
	Allocation of Police Core Settlement	Allocation under Additional Rule 1	Total (a) + (b)	Allocation of DCLG Formula Funding	Allocation of Legacy Council Tax Grants	Overall Total (c)+(d)+(e)
Avon & Somerset	£105,021,859	-	£105,021,859	£56,491,124	£14,708,861	£176,221,844
Bedfordshire	£40,335,062	-	£40,335,062	£23,327,195	£4,637,335	£68,299,592
Cambridgeshire	£48,505,224	-	£48,505,224	£24,401,009	£6,524,727	£79,430,960
Cheshire	£61,480,976	-	£61,480,976	£44,767,549	£8,256,300	£114,504,825
City of London	£18,403,080	-	£18,403,080	£33,625,702	£79,505	£52,108,287
Cleveland	£46,152,314	-	£46,152,314	£38,531,795	£7,668,210	£92,352,319
Cumbria	£28,720,772	-	£28,720,772	£30,822,023	£4,849,759	£64,392,554
Derbyshire	£62,121,630	-	£62,121,630	£37,711,337	£8,699,994	£108,532,961
Devon & Cornwall	£102,729,561	-	£102,729,561	£63,118,811	£15,461,371	£181,309,743
Dorset	£41,235,517	-	£41,235,517	£17,332,723	£7,918,574	£66,486,814
Durham	£42,708,582	-	£42,708,582	£36,963,684	£6,110,124	£85,782,390
Dyfed-Powys	£28,106,879	£3,944,999	£32,051,878	£0	£0	£32,051,878
Essex	£102,782,437	-	£102,782,437	£55,932,419	£13,125,335	£171,840,191
Gloucestershire	£34,389,996	-	£34,389,996	£19,532,133	£6,082,168	£60,004,297
Greater London						
Authority	£861,484,503	-	£861,484,503	£749,793,651	£119,675,912	£1,730,954,066
Greater Manchester	£226,630,501	-	£226,630,501	£181,381,413	£25,713,688	£433,725,602
Gwent	£41,906,360	£486,926	£42,393,286	£0	£0	£42,393,286
Hampshire	£120,012,329	-	£120,012,329	£63,139,494	£12,944,122	£196,095,945
Hertfordshire	£71,394,910	-	£71,394,910	£36,368,777	£10,228,363	£117,992,050
Humberside	£67,245,339	-	£67,245,339	£46,569,261	£10,040,945	£123,855,545
Kent	£106,283,412	-	£106,283,412	£66,598,714	£13,297,595	£186,179,721
Lancashire	£100,555,427	-	£100,555,427	£79,154,932	£12,826,739	£192,537,098
Leicestershire	£65,345,458	-	£65,345,458	£39,648,721	£8,930,921	£113,925,100
Lincolnshire	£38,403,239	-	£38,403,239	£20,324,743	£6,833,553	£65,561,535
Merseyside	£122,467,153	-	£122,467,153	£112,843,348	£15,640,992	£250,951,493
Norfolk	£50,218,665	-	£50,218,665	£28,774,389	£9,304,523	£88,297,577
North Wales	£40,592,183	£5,697,399	£46,289,582	£0	£0	£46,289,582
North Yorkshire	£41,682,349	-	£41,682,349	£27,040,639	£7,897,884	£76,620,872
Northamptonshire	£43,170,515	-	£43,170,515	£24,179,846	£6,644,453	£73,994,814
Northumbria	£110,126,814	-	£110,126,814	£107,371,610	£8,167,709	£225,666,133
Nottinghamshire	£77,931,782	-	£77,931,782	£48,122,503	£9,726,194	£135,780,479
South Wales	£97,591,930	-£10,129,324	£87,462,606	£0	£0	£87,462,606
South Yorkshire	£100,597,282	-	£100,597,282	£77,464,684	£10,860,180	£188,922,146
Staffordshire	£66,486,622	-	£66,486,622	£39,937,331	£11,964,555	£118,388,508
Suffolk	£40,723,584	-	£40,723,584	£22,867,107	£6,785,775	£70,376,466
Surrey	£62,164,887	-	£62,164,887	£29,218,231	£9,219,330	£100,602,448
Sussex	£97,828,459	-	£97,828,459	£53,891,754	£13,201,621	£164,921,834
Thames Valley	£141,221,422	-	£141,221,422	£73,890,389	£15,278,329	£230,390,140
Warwickshire	£31,035,531	-	£31,035,531	£17,425,074	£5,154,144	£53,614,749
West Mercia	£66,348,342	-	£66,348,342	£43,388,050	£11,975,126	£121,711,518
West Midlands	£250,823,694	-	£250,823,694	£180,276,115	£19,025,734	£450,125,543
West Yorkshire	£171,526,819	-	£171,526,819	£129,310,865	£16,692,905	£317,530,589
Wiltshire	£37,484,825	-	£37,484,825	£20,682,871	£5,234,833	£63,402,529
Total E&W	£4,111,978,225	£0	£4,111,978,225	£2,802,222,016	£507,388,388	£7,421,588,629

<sup>&</sup>lt;sup>2</sup> Under section 46(2) of the 1996 Act any determination may be varied by further determinations under that subsection.

<sup>3</sup> Under section 46(2) of the 1996 Act any determination may be varied by further determinations under that subsection <sup>4</sup> This is an amount calculated under section 4.4 below.

<sup>&</sup>lt;sup>5</sup> This is an amount calculated under section 4.5 below.

<sup>&</sup>lt;sup>6</sup> The basis for allocation is set out in section 4.6 below.

#### 4. Considerations taken into account

4.1 Pursuant to section 46(3) of the 1996 Act, the considerations which the Home Secretary took into account in making her determination are set out in paragraphs 4.2 to 4.4 below.

#### **Police Allocation Formula**

4.2 The Police Main Grant element of the Police Core Settlement has been distributed on a pro-rata basis to the 2015/16 Police Main Grant allocations. This approach is consistent with the distribution of Police Main Grant in the previous two years. The 2013/14 amounts were allocated according to the needs-based Police Allocation Formula described in Appendix A.

#### Special Payment to the Greater London Authority on behalf of the Mayor's Office for Policing and Crime and the Common Council of the City of London, on behalf of the City of London Police

4.3 The Home Secretary has decided that both the Greater London Authority on behalf of the Mayor's Office for Policing and Crime and the Common Council of the City of London, on behalf of the City of London Police should receive additional funding in recognition of both police forces' distinct national and international capital city functions. These grants will total £173.6m for the Mayor's Office for Policing and Crime and £4.5m for the City of London Police. These will be funded through a reallocation from within the overall police settlement.

#### **Additional Rule 1**

4.4 The Home Secretary has decided that Police Main Grant allocations for local policing bodies in Wales shall be varied to ensure they shall receive in Police Main Grant and local authority general grants the same change (increase or decrease) as that applicable to local policing bodies in England. On this basis the Home Secretary has decided that the Police Main Grant allocation for the Police and Crime Commissioner for South Wales shall be reduced by £10,129,324 . The sum will be paid in full to the other local policing bodies in Wales, in proportion to their Police Main Grant allocation. The Police and Crime Commissioner for Dyfed-Powys will receive £3,944,999; the Police and Crime Commissioner for Gwent will receive £486,926; and the Police and Crime Commissioner for North Wales will receive £5,697,399.

#### **DCLG Formula Funding**

4.5 To ensure that all local policing bodies receive the same percentage reduction in Government formula funding, allocations of this funding have been distributed pro-rata to the 2015/16 allocations. This was the same approach as taken for the previous two financial years. The basis for 2013/14 allocations between local policing bodies was set out in 'Calculating the 2013-14 Formula Funding' made by Secretary of State for Communities and Local Government, which accompanied the Provisional Local Government Finance Report (England) 2013/14.

#### **Legacy Council Tax Grants**

4.6 This funding comprises Council Tax Freeze Grant from the 2011/12, 2013/14, 2014/15 and 2015/16 schemes, payable to local policing bodies (formerly police authorities) in England who chose to freeze or lower precept in those years and the Local Council Tax Support Grant which was paid to local policing bodies in England from 2013/14 following the localisation of council tax support schemes. These funding streams were previously paid to local policing bodies by DCLG. The basis for allocating these funds is the same as in previous years and is available on the DCLG website. The aggregate amount of these funding streams is shown in Column (c) of the table below.

streams is shown in	$\frac{1}{(a)^7}$	(b)	(c)
	Allocation from	Allocation from	Total Legacy
	legacy council tax	Local Council Tax	<b>Council Tax</b>
	freeze grants	Support Grant	Grants (a) + (b)
	0		
Avon & Somerset	£3,330,966	£11,377,895	£14,708,861
Bedfordshire	£750,940	£3,886,395	£4,637,335
Cambridgeshire	£1,702,271	£4,822,456	£6,524,727
Cheshire	£1,946,950	£6,309,350	£8,256,300
City of London	-	£79,505	£79,505
Cleveland	£799,988	£6,868,222	£7,668,210
Cumbria	£857,812	£3,991,947	£4,849,759
Derbyshire	£1,354,010	£7,345,984	£8,699,994
Devon & Cornwall	£2,392,253	£13,069,118	£15,461,371
Dorset	£1,909,168	£6,009,406	£7,918,574
Durham	£727,984	£5,382,140	£6,110,124
Essex	£2,132,981	£10,992,354	£13,125,335
Gloucestershire	£1,603,689	£4,478,479	£6,082,168
Greater London	-	£119,675,912	£119,675,912
Greater Manchester	£4,158,007	£21,555,681	£25,713,688
Hampshire	£2,519,945	£10,424,177	£12,944,122
Hertfordshire	£3,685,064	£6,543,299	£10,228,363
Humberside	£1,699,837	£8,341,108	£10,040,945
Kent	£2,203,492	£11,094,103	£13,297,595
Lancashire	£1,714,097	£11,112,642	£12,826,739
Leicestershire	£1,910,530	£7,020,391	£8,930,921
Lincolnshire	£1,058,666	£5,774,887	£6,833,553
Merseyside	£1,537,588	£14,103,404	£15,640,992
Norfolk	£1,427,896	£7,876,627	£9,304,523
North Yorkshire	£2,151,776	£5,746,108	£7,897,884
Northamptonshire	£1,591,048	£5,053,405	£6,644,453
Northumbria	£1,301,034	£6,866,675	£8,167,709
Nottinghamshire	£1,332,100	£8,394,094	£9,726,194
South Yorkshire	£1,268,941	£9,591,239	£10,860,180
Staffordshire	£3,541,087	£8,423,468	£11,964,555
Suffolk	£1,894,846	£4,890,929	£6,785,775
Surrey	£2,460,826	£6,758,504	£9,219,330
Sussex	£3,061,988	£10,139,633	£13,201,621
Thames Valley	£3,372,417	£11,905,912	£15,278,329
Warwickshire	£1,244,413	£3,909,731	£5,154,144
West Mercia	£2,775,206	£9,199,920	£11,975,126
West Midlands	£1,991,344	£17,034,390	£19,025,734
West Yorkshire	£2,225,828	£14,467,077	£16,692,905
Wiltshire	£1,392,837	£3,841,996	£5,234,833
Total E&W	£73,029,825	£434,358,563	£507,388,388

<sup>&</sup>lt;sup>7</sup>The Common Council of the City of London (on behalf of the City of London Police) and the Greater London Authority (on behalf of the Mayor's Office for Policing and Crime) also receive unringfenced Council Tax Freeze Grant funding relating to the 2011/12 freeze scheme. The GLA (on behalf of MOPAC) also receives Council Tax Freeze Grant funding in relation to the 2013/14, 2014/15 & 2015/16 freeze schemes. This funding will form part of their Start Up Funding Assessment (SUFA) in 2016/17 paid by DCLG.

### 5. Conclusion

- 5.1 This Report is made by the Home Secretary under section 46 of the Police Act 1996.
- 5.2 The financial year for which the Report operates is that beginning on 1 April 2016.

Mike Penning Minister of State for the Home Department

**DECEMBER 2015** 

#### Formula applied by the Home Secretary in 2013/14

- 1. The formula used for distributing Home Office Police Main Grant is the same as the Police Relative Needs Formula used to calculate allocations of DCLG Formula Funding in England and by the Welsh Government in Wales.
- 2. The first stage of the formula is to divide funds between the different activities that the police undertake. These activities, or workloads, can be broken down into five key areas:
- Crime (of which there are seven sub-categories)
- Incidents (e.g. public disorder)
- Traffic (e.g. assistance at road traffic accidents)
- Fear of Crime (e.g. public reassurance)
- Special Events (e.g. football matches)
- 3. A portion of total funding is also distributed according to population sparsity, to address the specific needs of rural forces.
- 4. The second stage is to divide funding for each of these workloads between the 43 local policing bodies of England and Wales. In order to do this, 'workload indicators' are calculated to estimate how much work each police force is expected to have in each of the key areas compared to other forces. These estimates are calculated using socio-economic and demographic indicators that are correlated with each workload. Indicators of workload are used rather than data on actual recorded crime levels to account for known variations in recording practices and to avoid creating perverse incentives.
- 5. The formula consists of a basic amount per resident and a basic amount for special events, and top-ups for the five key areas, sparsity and area costs (which takes account for regional differences in costs). These are detailed below:

Basic amount	
Police Basic Amount	14.1412
Special Events Basic Amount	0.7356
Top-ups	
Police Crime Top-up 1	<ul> <li>2.1917 multiplied by DAYTIME NET INFLOW PER RESIDENT POPULATION; plus</li> <li>0.2444 multiplied by LOG OF WEIGHTED BARS PER 100 HECTARES; plus</li> <li>13.4246 multiplied by INCOME SUPPORT/INCOME BASED JSA/GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS; plus</li> <li>28.2485 multiplied by SINGLE PARENT HOUSEHOLDS</li> </ul>

Police Crime Top-up 2	0.0262 multiplied by <b>POPULATION DENSITY</b> ; plus 84.1901 multiplied by <b>LONG-TERM UNEMPLOYMENT-</b> <b>RELATED BENEFIT CLAIMANTS</b>
Police Crime Top-up 3	0.0653 multiplied by LOG OF WEIGHTED BARS PER 100 HECTARES; plus 0.0071 multiplied by POPULATION DENSITY; plus 3.2761 multiplied by RESIDENTS IN ROUTINE/SEMI ROUTINE OCCUPATIONS OR NEVER WORKED/LONG- TERM UNEMPLOYED; plus 8.0731 multiplied by SINGLE PARENT HOUSEHOLDS; plus 0.6104 multiplied by DAYTIME NET INFLOW PER RESIDENT POPULATION
Police Crime Top-up 4	<ul> <li>0.1430 multiplied by LOG OF WEIGHTED BARS PER 100 HECTARES; plus</li> <li>6.2961 multiplied by SINGLE PARENT HOUSEHOLDS; plus</li> <li>19.4672 multiplied by STUDENT HOUSING; plus</li> <li>0.8907 multiplied by HARD PRESSED</li> </ul>
Police Crime Top-up 5	0.2690 multiplied by LOG OF WEIGHTED BARS PER 100 HECTARES; plus 29.8811 multiplied by STUDENT HOUSING; plus 117.5751 multiplied by YOUNG MALE UNEMPLOYMENT- RELATED BENEFIT CLAIMANTS
Police Crime Top-up 6	4.7041 multiplied by DAYTIME NET INFLOW PER RESIDENT POPULATION; minus 0.4326 multiplied by LOG OF POPULATION SPARSITY; plus 1.1052 multiplied by LOG OF OVERCROWDED HOUSEHOLDS
Police Crime Top-up 7	3.5191 multiplied by DAYTIME NET INFLOW PER RESIDENT POPULATION; plus 22.1112 multiplied by STUDENT HOUSING; minus 2.6187 multiplied by WEALTHY ACHIEVERS
Police Incidents Top-up	35.2832 multiplied by INCOME SUPPORT/INCOME BASED JSA/GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS; plus 9.4106 multiplied by RESIDENTS IN TERRACED ACCOMMODATION
Police Fear of Crime Top-up	0.2982 multiplied by LOG OF WEIGHTED BARS PER 100 HECTARES; plus 2.9150 multiplied by HARD PRESSED
Police Traffic Top-up	1.1149 multiplied by <b>POPULATION SPARSITY</b>
Police Sparsity Top-up	0.8098 multiplied by <b>POPULATION SPARSITY</b>

6. The full Police Allocation Formula used to calculate the amount of Police Main Grant for a local policing body is given below:

Police A	Allocation Formula to be applied by the Home Secretary
(a)	<b>PROJECTED POPULATION IN 2013</b> <i>multiplied by</i> the result of:
	POLICE BASIC AMOUNT; plus
	POLICE CRIME TOP-UP 1; plus
	POLICE CRIME TOP-UP 2; plus
	POLICE CRIME TOP-UP 3; plus
	<b>POLICE CRIME TOP-UP 4;</b> <i>plus</i>
	<b>POLICE CRIME TOP-UP 5</b> ; <i>plus</i>
	POLICE CRIME TOP-UP 6; plus
	<b>POLICE CRIME TOP-UP 7;</b> <i>plus</i>
	<b>POLICE INCIDENTS TOP-UP;</b> <i>plus</i>
	<b>POLICE FEAR OF CRIME TOP-UP;</b> <i>plus</i>
	<b>POLICE TRAFFIC TOP-UP;</b> <i>plus</i>
	POLICE SPARSITY TOP-UP.
(b)	PROJECTED DAYTIME POPULATION IN 2013 multiplied by SPECIAL EVENTS BASIC AMOUNT;
(c)	The results of (a) and (b) are added together and the result is <i>multiplied by</i> <b>AREA</b>
	COST ADJUSTMENT FOR POLICE;
(d)	The result of (c) is then <i>multiplied by</i> <b>POLICE GRANT RATE</b> ;
(e)	The result of (d) is then <i>multiplied by</i> the scaling factor given in Appendix C.
(f)	The result of (e) is <i>multiplied by</i> the result of £4,540,433,501 <i>divided by</i> the sum for all local policing bodies of the result of (e).

7. A fuller explanation of the Police Allocation Formula can be found in 'A Plain English Guide to the Police Allocation Formula' on the Home Office website.

#### Appendix B

#### Definition of indicators used to calculate Police Main Grant

Unless otherwise stated, data used to construct indicators for the calculation of Police Main Grant are those available to the Secretary of State for Communities and Local Government ('the Secretary of State') on 1 October 2012 concerning the constituent authorities of the local policing body providing policing services relevant to the calculation of Police Main Grant.

Constituent authorities for this purpose, and in the definition of population density below, are the relevant billing authorities (in whole or in part) whose area is contained within the area of the local policing body providing policing services. Each of the following is a billing authority a) in England, a district council, a London Borough Council, the Common Council of the City of London, the Council of the Isles of Scilly and a county council which has the functions of a district council; and b) in Wales, a county council and a county borough council.

Data used to construct indicators for this purpose for constituent authorities which are reorganised authorities comprise such data available, unless otherwise stated, on 1 October 2012 concerning the predecessor authorities, or parts of the predecessor authorities, as the Secretary of State considers appropriate. A reorganised authority is an authority subject to a structural, or a structural and boundary change which came into effect on 1 April 1995, 1 April 1996, 1 April 1997, 1 April 1998, 1 April 1999, or 1 April 2000 and which is made by an order under section 17 of the Local Government Act 1992 or under the Local Government Act 1972, as amended by section 1 of the Local Government (Wales) Act 1994, or those where boundaries have been altered under section 323 of the Greater London Authority Act 1999.

In this section a reference to "the local policing body" is to be read, in the case of the Metropolitan Police District, as a reference to the Greater London Authority.

PROJECTED POPULATION IN 2013	The projected total resident population in 2013, as estimated by the Office for National Statistics and published on 28 September 2012 for England and by the Welsh Government and published on 27 May 2010 for Wales.
DAYTIME NET- INFLOW PER RESIDENT POPULATION	<b>THE DAYTIME NET-INFLOW</b> (as defined below) <i>divided by</i> the total resident population of the local policing body, calculated using information from the 2001 Census.
DAYTIME NET- INFLOW	The number of persons working but not resident in the local policing body's area <i>minus</i> the number of persons resident in but working outside the body's area, as estimated by the Secretary of State using information from the 2001 Census

LOG OF WEIGHTED	The natural logarithm <sup>8</sup> of:		
BARS PER 100 HECTARES	The number of units that are bars ( <i>defined as Standard Industrial Classification 2007 (SIC) 56.30- beverage serving activities</i> ), measured at the Community Safety Partnerships (CSP) level, as estimated by the Secretary of State, based on information provided by the Office for National Statistics from the March Inter-departmental Business Register; <i>divided by</i> the number of hectares in the CSP, using information from the 2001 Census which is <i>divided by</i> 100;		
	the result is then <i>multiplied by</i> the number of units that are bars within CSP level;		
	the above is then <i>divided</i> by the number of bars within the force level area and then <i>summed</i> to the force level area.		
INCOME SUPPORT/ INCOME BASED JOBSEEKER'S	The average number of Income Support/ Income based Jobseekers Allowance/ Guarantee Element of Pension Credit claimants, over a period between:		
ALLOWANCE / GUARANTEE ELEMENT OF PENSION CREDIT	<ul> <li>a) May 2009 and February 2012, using twelve quarterly scans for this period for Income Support/ Guarantee Element of Pension Credit claimants, <i>and</i></li> </ul>		
	<ul> <li>b) August 2009 and August 2011, using scans made at the end of August of each year for Income based Jobseekers Allowance claimants,</li> </ul>		
	as estimated by the Secretary of State for Work and Pensions, <i>divided by</i> the resident population at 30 June 2011, as estimated by the Office for National Statistics.		
SINGLE PARENT HOUSEHOLDS	The proportion of households which are lone parent households with dependant children, calculated using information from the 2001 Census.		
POPULATION DENSITY	The resident population at 30 June 2011, as estimated by the Office for National Statistics, <i>divided by</i> the area of the local policing body in hectares, using information from the 2001 Census.		
LONG-TERM UNEMPLOYMENT- RELATED BENEFIT CLAIMANTS	The number of claimants of unemployment-related benefits, currently Jobseeker's Allowance and National Insurance credits, with a duration of unemployment of more than one year, averaged over the period between May 2009 and April 2012, calculated using monthly information provided by the Office for National Statistics through NOMIS, <i>divided by</i> the sum of the number of resident males aged 18-64 years and the number of resident females aged 18-59 years at 30 June 2011, as estimated by the Office for National Statistics.		

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<sup>&</sup>lt;sup>8</sup> The natural logarithm is also known as the Napierian log or log to the base e

RESIDENTS IN ROUTINE/SEMI- ROUTINE OCCUPATIONS OR NEVER WORKED/ LONG-TERM UNEMPLOYED	The proportion of residents in routine or semi-routine occupations or who have never worked or are long-term unemployed (National Statistics – Socio Economic Classifications (NS-SEC) 6, 7 and 8), calculated using information from the 2001 Census.		
STUDENT HOUSING	The proportion of households that contain all students, calculated using information from the 2001 Census.		
HARD PRESSED POPULATION	The proportion of household residents living in areas classified as ACORN category 'Hard Pressed', as defined in ACORN data produced by CACI Limited, based upon information from the 2001 Census and updated lifestyle data, and released in 2012.		
YOUNG MALE UNEMPLOYMENT- RELATED BENEFIT CLAIMANTS	The number of claimants of unemployment-related benefits, currently Jobseeker's Allowance and National Insurance credits, who were male and aged under 25 years, averaged over the period between May 2009 and April 2012, calculated using monthly information provided by the Office for National Statistics through NOMIS, <i>divided by</i> the sum of the number of resident males aged 18-64 years and the number of resident females aged 18-59 years at 30 June 2011, as estimated by the Office for National Statistics.		
LOG OF POPULATION SPARSITY	The natural logarithm of <b>POPULATION SPARSITY</b> (as defined below).		
POPULATION SPARSITY	The population sparsity of each local policing body measured at Output Area level.		
	<ul> <li>The sum of:</li> <li>(i) 2 <i>multiplied by</i> the resident population of those Output Areas within the area of the local policing body at the 2001 Census with 0.5 or less residents per hectare, <i>divided by</i> the total resident population of the body, calculated using information from the 2001 Census; <i>and</i></li> </ul>		
	(ii) The resident population of those Output Areas within the area of the local policing body at the 2001 Census with more than 0.5 but less than or equal to 4 residents per hectare, <i>divided by</i> the total resident population of the body, calculated using information from the 2001 Census.		
Dutput Areas were introdu	uced by the Office for National Statistics as the smallest units of output for		

Output Areas were introduced by the Office for National Statistics as the smallest units of output for the 2001 census. In England and Wales they have a minimum size of 100 residents and 40 households. They are based on census day postcodes and fit within the boundaries of 2003 statistical wards (and parishes).

LOG OF	The natural logarithm of:		
OVERCROWDED HOUSEHOLDS	The proportion of overcrowded households with an occupancy rating of "-1 or less", calculated using information from the 2001 Census.		
WEALTHY ACHIEVERS POPULATION	The proportion of household residents living in areas classified as ACORN category 'Wealthy Achievers', as defined in ACORN data produced by CACI Limited, based upon information from the 2001 Census and updated lifestyle data, and released in 2012.		
TERRACED HOUSEHOLDS	The proportion of households which are terraced, including end terraced, calculated using information from the 2001 Census.		
PROJECTED DAYTIME POPULATION IN 2013	<b>PROJECTED POPULATION IN 2013</b> (as defined above) <i>plus</i> <b>DAYTIME NET-INFLOW</b> (as defined above).		
POLICE GRANT RATE	The proportion of police revenue expenditure in England and Wales for 2013-2014, as estimated by the Home Secretary, which is to be met directly by the aggregate of police grant calculated under Appendix A of the Police Grant Report (England and Wales) 2013/2014.		
AREA COST ADJUSTMENT FOR POLICE	A factor calculated to reflect differences in the cost of providing police services across the country. The factor is given in Appendix D. It is generally based on information derived from the following sources: the 2009, 2010 and 2011 Annual Survey of Hours and Earnings provided by the Office for National Statistics; Subjective Analysis Return 2005-06 and 2007-08; Base Estimate Returns 1992-93; rateable values per square metre for offices in administrative areas in England and Wales from the VOA statistical release Business Floorspace 2012; gross non-domestic rates and increases and reductions in rate yields, as supplied by authorities to the Secretary of State on the National Non-Domestic Rates Provisional Contributions Return 2012-2013; and the total resident population as at 30 June 2011, as estimated by the Office for National Statistics.		

## Appendix C

## Scaling factor

The scaling factor used in paragraph 6 (e) of Appendix A of this report is:

1.000009572949550

## Appendix D

### Area Cost Adjustment factors

Area Cost Adjustment Factor <sup>9</sup>		
Local Policing Body	Factor	
Avon and Somerset	1.032	
Bedfordshire	1.0507	
Cambridgeshire	1.0424	
Cheshire	1.0137	
Common Council of the City of London	1.5203	
Essex	1.035	
Gloucestershire	1.0223	
Greater London Authority	1.177	
Greater Manchester	1.0194	
Hampshire	1.0461	
Hertfordshire	1.0924	
Kent	1.0133	
Merseyside	1.006	
Northamptonshire	1.0131	
Nottinghamshire	1.0115	
Suffolk	1.0027	
Surrey	1.1336	
Sussex	1.0128	
Thames Valley	1.0971	
Warwickshire	1.0245	
West Midlands	1.0134	
West Yorkshire	1.0031	
Wiltshire	1.025	

<sup>&</sup>lt;sup>9</sup> All local policing bodies listed have Area Cost Adjustment Factors of greater than 1 which indicates labour (and materials) are more expensive that the national average. Those local policing bodies not included have Area Cost Adjustment Factors of 1 or lower.