Home Office

Police Grant (England and Wales)

Provisional Police Grant Report (England and Wales) 2015/16

December 2014

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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. It is laid before the House of Commons under section 46(6) of the 1996 Act. It applies to England and Wales.

1.2 This Report sets out the Home Secretary's determination for 2015/16, 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[1] 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 core government funding. Therefore, the allocations of Police Main Grant and DCLG Formula Funding that were provided to local policing bodies in 2014/15 have been reduced in line with the total overall reduction of these grant streams in 2015/16. Funding allocations for both financial years are based on the Police Allocation Formula distribution from 2013/14. This Report sets out for information 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 and 2014/15, 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 and 2014/15 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 2015/16 also be paid to local policing bodies by the Home

[1] 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.

Secretary under section 46 of the Police Act 1996. It is therefore included in 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, police grant for the safeguarding of national security made under section 48(1) of the 1996 Act, or police grant made for any other specific purpose, such as the Council Tax Freeze Grant 2015/16 (allocations of which will not be available until next year). Neither does it cover grants paid to local policing bodies in Wales by the Welsh Government.

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 £7,630,719,732 (comprising £ 4,309,220,554 in Home Office Police Core Settlement, £503,199,157 in Legacy Council Tax Grants and £ 2,818,300,021 in DCLG Formula Funding).

3. Allocation of aggregate amount of grants

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 2015/16[2] is the amount shown against its name in column (f) of the table below.

	(a)[3] Allocation of Police Core Settlement	(b)[4] Allocation under Additional Rule 1	(c) Total (a) + (b)	(d)[5] Allocation of DCLG Formula Funding	(e)[6] Allocation of Legacy Council Tax Grants	(f) Overall Total (c)+(d)+(e)
Avon & Somerset	£105,624,432	-	£105,624,432	£56,815,247	£14,708,861	£177,148,540
Bedfordshire	£40,566,488	-	£40,566,488	£23,461,037	£4,637,335	£68,664,860
Cambridgeshire	£48,783,527	-	£48,783,527	£24,541,012	£5,994,961	£79,319,500
Cheshire	£61,833,729	-	£61,833,729	£45,024,407	£8,256,300	£115,114,436
City of London	£18,508,669	-	£18,508,669	£33,818,633	£79,505	£52,406,807
Cleveland	£46,417,117	-	£46,417,117	£38,752,875	£7,668,210	£92,838,202
Cumbria	£28,885,560	-	£28,885,560	£30,998,867	£4,849,759	£64,734,186
Derbyshire	£62,478,059	-	£62,478,059	£37,927,709	£8,699,994	£109,105,762
Devon & Cornwall	£103,318,981	-	£103,318,981	£63,480,961	£15,461,371	£182,261,313
Dorset	£41,472,110	-	£41,472,110	£17,432,171	£7,339,923	£66,244,204
Durham	£42,953,626	-	£42,953,626	£37,175,767	£6,110,124	£86,239,517
Dyfed-Powys	£28,268,145	£3,166,929	£31,435,074	£0	£0	£31,435,074
Essex	£103,372,161	-	£103,372,161	£56,253,336	£13,125,335	£172,750,832
Gloucestershire	£34,587,312	-	£34,587,312	£19,644,200	£5,595,232	£59,826,744
Greater London	£1,040,076,823	-	£1,040,076,823	£754,095,660	£119,675,912	£1,913,848,395
Greater Manchester	£227,930,814	-	£227,930,814	£182,422,106	£24,455,643	£434,808,563
Gwent	£42,146,802	£1,073,661	£43,220,463	£0	£0	£43,220,463
Hampshire	£120,700,911	-	£120,700,911	£63,501,762	£12,944,122	£197,146,795
Hertfordshire	£71,804,545	-	£71,804,545	£36,577,446	£9,549,237	£117,931,228
Humberside	£67,631,165	-	£67,631,165	£46,836,457	£10,040,945	£124,508,567
Kent	£106,893,223	-	£106,893,223	£66,980,830	£13,297,595	£187,171,648
Lancashire	£101,132,373	-	£101,132,373	£79,609,091	£12,826,739	£193,568,203
Leicestershire	£65,720,384	-	£65,720,384	£39,876,209	£8,930,921	£114,527,514
Lincolnshire	£38,623,581	-	£38,623,581	£20,441,358	£6,833,553	£65,898,492
Merseyside	£123,169,820	-	£123,169,820	£113,490,797	£15,640,992	£252,301,609
Norfolk	£50,506,799	-	£50,506,799	£28,939,485	£9,304,523	£88,750,807
North Wales	£40,825,084	£4,573,705	£45,398,789	£0	£0	£45,398,789
North Yorkshire	£41,921,505	-	£41,921,505	£27,195,787	£7,897,884	£77,015,176
Northamptonshire	£43,418,210	-	£43,418,210	£24,318,580	£6,644,453	£74,381,243
Northumbria	£110,758,677	-	£110,758,677	£107,987,664	£8,167,709	£226,914,050
Nottinghamshire	£78,378,923	-	£78,378,923	£48,398,610	£9,726,194	£136,503,727
South Wales	£98,151,873	-£8,814,295	£89,337,578	£0	£0	£89,337,578
South Yorkshire	£101,174,468	-	£101,174,468	£77,909,145	£10,860,180	£189,943,793
Staffordshire	£66,868,095	-	£66,868,095	£40,166,475	£11,307,848	£118,342,418
Suffolk	£40,957,239	-	£40,957,239	£22,998,309	£6,785,775	£70,741,323
Surrey	£62,521,564	-	£62,521,564	£29,385,873	£9,219,330	£101,126,767
Sussex	£98,389,759	-	£98,389,759	£54,200,963	£13,201,621	£165,792,343
Thames Valley	£142,031,693	-	£142,031,693	£74,314,342	£15,278,329	£231,624,364
Warwickshire	£31,213,600	-	£31,213,600	£17,525,052	£5,154,144	£53,892,796
West Mercia	£66,729,022	-	£66,729,022	£43,636,993	£11,975,126	£122,341,141
West Midlands	£252,262,818	-	£252,262,818	£181,310,466	£19,025,734	£452,599,018
West Yorkshire	£172,510,970	-	£172,510,970	£130,052,798	£16,692,905	£319,256,673
Wiltshire	£37,699,898	-	£37,699,898	£20,801,541	£5,234,833	£63,736,272
Total E&W	**£4,309,220,554**	**£0**	**£4,309,220,554**	**£2,818,300,021**	**£503,199,157**	**£7,630,719,732**

[2] Under section 46(2) of the 1996 Act any determination may be varied by further determinations under that subsection.
[3] Under section 46(2) of the 1996 Act any determination may be varied by further determinations under that subsection
[4] This is an amount calculated under section 4.4 below.
[5] This is an amount calculated under section 4.5 below.
[6] 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 2014/15 Police Main Grant allocations. The 2014/15 Police Main Grant allocations were distributed in a pro-rata basis to the 2013/14 Police Main Grant allocations. 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

4.3 The Home Secretary has decided that the Greater London Authority on behalf of the Mayor's Office for Policing and Crime should receive additional funding in recognition of the Metropolitan Police's distinct national and international capital city functions. She has decided, therefore, that a portion of the Police Core Settlement will be assigned to the Greater London Authority on behalf of the Mayor's Office for Policing and Crime over and above that available through Police Main Grant. The Home Secretary has set the amount of this special payment (the National and International Capital City Grant) at £173,649,473.

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 £8,814,295. 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 £3,166,929; the Police and Crime Commissioner for Gwent will receive £1,073,661; and the Police and Crime Commissioner for North Wales will receive £4,573,705.

DCLG Formula Funding

4.5 To ensure that all local policing bodies receive the same percentage reductions in core Government funding, allocations of this funding have been distributed pro-rata to the 2014/15 allocations. This was the same approach as taken for calculating 2014/15 allocations, which were distributed pro-rata to the 2013/14 allocations. 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 and 2014/15 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 the Department for Communities and Local Government. The basis for allocating these funds is the same as in previous years and is available on the Department for Communities and Local Government website. The aggregate amount of these funding streams is shown in Column (e) of the table below.

	(a)[7]	(b)[8]	(c) [9]	(d)	(e)
	Allocation from 2011/12 council tax freeze grant	**Allocation from 2013/14 council tax freeze grant**	**Allocation from 2014/15 council tax freeze grant**	**Allocation from Local Council Tax Support Grant**	**Total Legacy Council Tax Grants (a) + (b) + (c) + (d)**
Avon & Somerset	£2,369,392	£961,574	£0	£11,377,895	£14,708,861
Bedfordshire	£750,940	£0	£0	£3,886,395	£4,637,335
Cambridgeshire	£1,172,505	£0	£0	£4,822,456	£5,994,961
Cheshire	£1,361,423	£0	£585,527	£6,309,350	£8,256,300
City of London	-	£0	£0	£79,505	£79,505
Cleveland	£799,988	£0	£0	£6,868,222	£7,668,210
Cumbria	£857,812	£0	£0	£3,991,947	£4,849,759
Derbyshire	£1,354,010	£0	£0	£7,345,984	£8,699,994
Devon & Cornwall	£2,392,253	£0	£0	£13,069,118	£15,461,371
Dorset	£1,330,517	£0	£0	£6,009,406	£7,339,923
Durham	£727,984	£0	£0	£5,382,140	£6,110,124
Essex	£2,132,981	£0	£0	£10,992,354	£13,125,335
Gloucestershire	£1,116,753	£0	£0	£4,478,479	£5,595,232
Greater London	-	-	-	£119,675,912	£119,675,912
Greater Manchester	£2,899,962	£0	£0	£21,555,681	£24,455,643
Hampshire	£2,519,945	£0	£0	£10,424,177	£12,944,122
Hertfordshire	£1,660,297	£668,339	£677,302	£6,543,299	£9,549,237
Humberside	£1,199,447	£500,390	£0	£8,341,108	£10,040,945
Kent	£2,203,492	£0	£0	£11,094,103	£13,297,595
Lancashire	£1,714,097	£0	£0	£11,112,642	£12,826,739
Leicestershire	£1,349,468	£561,062	£0	£7,020,391	£8,930,921
Lincolnshire	£1,058,666	£0	£0	£5,774,887	£6,833,553
Merseyside	£1,537,588	£0	£0	£14,103,404	£15,640,992
Norfolk	£1,427,896	£0	£0	£7,876,627	£9,304,523
North Yorkshire	£1,532,214	£619,562	£0	£5,746,108	£7,897,884
Northamptonshire	£1,131,524	£459,524	£0	£5,053,405	£6,644,453
Northumbria	£911,922	£0	£389,112	£6,866,675	£8,167,709
Nottinghamshire	£1,332,100	£0	£0	£8,394,094	£9,726,194
South Yorkshire	£1,268,941	£0	£0	£9,591,239	£10,860,180
Staffordshire	£1,594,850	£642,566	£646,964	£8,423,468	£11,307,848
Suffolk	£1,030,298	£430,720	£433,828	£4,890,929	£6,785,775
Surrey	£2,460,826	£0	£0	£6,758,504	£9,219,330
Sussex	£2,175,515	£886,473	£0	£10,139,633	£13,201,621
Thames Valley	£3,372,417	£0	£0	£11,905,912	£15,278,329
Warwickshire	£876,605	£367,808	£0	£3,909,731	£5,154,144
West Mercia	£1,975,685	£799,521	£0	£9,199,920	£11,975,126
West Midlands	£1,991,344	£0	£0	£17,034,390	£19,025,734
West Yorkshire	£2,225,828	£0	£0	£14,467,077	£16,692,905
Wiltshire	£990,554	£402,283	£0	£3,841,996	£5,234,833
Total	**£58,808,039**	**£7,299,822**	**£2,732,733**	**£434,358,563**	**£503,199,157**

[7] The Common Council of the City of London 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 schemes. This funding will form part of their Start Up Funding Assessment (SUFA) in 2015/16 paid by the Department for Communities and Local Government (DCLG).

[8,9] The Greater London Authority (on behalf of the Mayor's Office for Policing and Crime) will also receive unringfenced Council Tax Freeze Grant relating to the 2013/14 and the 2014/15 freeze scheme. This will form part of SUFA in 2015/16, paid by DCLG.

5. Conclusion

5.1 This Report is made by the Home Secretary under section 46 of the Police Act 1996. It is laid before the House of Commons in accordance with that section.

5.2 The financial year for which the Report operates is that beginning on 1 April 2015.

Mike Penning
Minister of State for the Home Department

DECEMBER 2014

Appendix A

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	2.1917 *multiplied by* **DAYTIME NET INFLOW PER RESIDENT POPULATION**; *plus* 0.2444 *multiplied by* **LOG OF WEIGHTED BARS PER 100 HECTARES**; *plus* 13.4246 *multiplied by* **INCOME SUPPORT/INCOME BASED JSA/GUARANTEE ELEMENT OF PENSION CREDIT CLAIMANTS**; *plus* 28.2485 *multiplied by* **SINGLE PARENT HOUSEHOLDS**

Police Crime Top-up 2	0.0262 *multiplied by* **POPULATION DENSITY**; *plus* 84.1901 *multiplied by* **LONG-TERM UNEMPLOYMENT-RELATED BENEFIT CLAIMANTS**
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	0.1430 *multiplied by* **LOG OF WEIGHTED BARS PER 100 HECTARES**; *plus* 6.2961 *multiplied by* **SINGLE PARENT HOUSEHOLDS**; *plus* 19.4672 *multiplied by* **STUDENT HOUSING**; *plus* 0.8907 *multiplied by* **HARD PRESSED**
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* **POPULATION SPARSITY**
Police Sparsity Top-up	0.8098 *multiplied by* **POPULATION SPARSITY**

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

Police Allocation Formula to be applied by the Home Secretary

(a) **PROJECTED POPULATION IN 2013** *multiplied by* 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*
POLICE CRIME TOP-UP 4; *plus*
POLICE CRIME TOP-UP 5; *plus*
POLICE CRIME TOP-UP 6; *plus*
POLICE CRIME TOP-UP 7; *plus*
POLICE INCIDENTS TOP-UP; *plus*
POLICE FEAR OF CRIME TOP-UP; *plus*
POLICE TRAFFIC TOP-UP; *plus*
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 *multiplied by* **AREA COST ADJUSTMENT FOR POLICE**;

(d) The result of (c) is then *multiplied by* **POLICE GRANT RATE**;

(e) The result of (d) is then *multiplied by* the scaling factor given in Appendix C.

(f) The result of (e) is *multiplied by* the result of £4,540,433,501 *divided by* 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	**THE DAYTIME NET-INFLOW** (as defined below) *divided by* 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 *minus* 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 BARS PER 100 HECTARES

The natural logarithm[10] of:

The number of units that are bars (*defined as Standard Industrial Classification 2007 (SIC) 56.30- beverage serving activities*), 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; *divided by* the number of hectares in the CSP, using information from the 2001 Census which is *divided by* 100;

the result is then *multiplied by* the number of units that are bars within CSP level;

the above is then *divided* by the number of bars within the force level area and then *summed* to the force level area.

INCOME SUPPORT/ INCOME BASED JOBSEEKER'S ALLOWANCE / GUARANTEE ELEMENT OF PENSION CREDIT

The average number of Income Support/ Income based Jobseekers Allowance/ Guarantee Element of Pension Credit claimants, over a period between:

a) May 2009 and February 2012, using twelve quarterly scans for this period for Income Support/ Guarantee Element of Pension Credit claimants, *and*

b) August 2009 and August 2011, using scans made at the end of August of each year for Income based Jobseekers Allowance claimants,

as estimated by the Secretary of State for Work and Pensions, *divided by* 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, *divided by* 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, *divided by* 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.

[10] 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, *divided by* 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 **POPULATION SPARSITY** (as defined below).
POPULATION SPARSITY	The population sparsity of each local policing body measured at Output Area level. The sum of: (i) 2 *multiplied by* 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, *divided by* the total resident population of the body, calculated using information from the 2001 Census; *and* (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, *divided by* the total resident population of the body, calculated using information from the 2001 Census.

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 OVERCROWDED HOUSEHOLDS	The natural logarithm of: 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	**PROJECTED POPULATION IN 2013** (as defined above) *plus* **DAYTIME NET-INFLOW** (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[11]	
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

[11] 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.