

**Annex A - Summary of progress made on MPA efficiency and effectiveness programme savings (Draft)**

<b>Review Area</b>	<b>Predicted Accenture Benefit</b>	<b>2002/3 benefit delivered</b>	<b>2003/4 predicted benefit</b>	<b>2004/5 + potential benefit</b>	<b>Total possible benefits</b>	<b>Reasons for variance, key milestones and any further action required</b>
1. Income generation						
1.1 (a) Possible football club recharges	<b>£5m</b>	Nil	Nil	To be agreed	To be agreed	This issue needs to be escalated to Steering group for a policy decision on this issue to be taken and for further action to be identified. Ian Thomas will be providing update paper.
1.1 (b) Other event recharges	<b>£0.7m</b>	Nil	Nil	£0.7m	To be agreed	The MPA needs to produce a policy document on this issue and the boundaries for charging for services agreed. This will need to be submitted to November/December? Project Board and to the next available Steering group for decision.
1.2. Secondments	<b>£1.7m</b>	£1.35m	£1.35m	£1.35m	£1.35m	<p>This recommendation has been implemented. The £1.35m relates to an increase in income which was built into the 2002/3 budget, it is suggested that a review of invoicing processes is built into the internal audit work programme to ensure all secondments are being invoiced.</p> <p>The variation on the Accenture figure relates to on cost recharges for secondments to NCIS, this has been examined and it is not considered viable to pursue this option. A report on this issue is due to be submitted to the MPA Finance Committee on 27<sup>th</sup> October.</p>

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1. 3. Mutual Aid	<b>£0.6m</b>	£0.6m	£0.6m	£0.6m	£0.6m	This recommendation has been implemented. The £0.6m relates to an increase in income which was built into the 2002/3 budget, it is suggested that a review of invoicing processes is built into the internal audit work programme to ensure all charges are being made.
1. 4. Detainee Processing	<b>£1.2m</b>	£1m	£1m	£1m	£1m	This recommendation has been implemented and included as a budget saving in the 2002/3 budget. The difference of £200k is due to the negotiated settlement resulting in a bulk charge rather than a charge per detainee.
1.5. Training income	<b>£2m</b>	Nil	Nil	£2m	£2m	This recommendation has not been implemented due to capacity constraints at Hendon, it will be re-visited when and if police officer recruitment levels reduce.
1.6. Sponsorship	<b>£2m</b>	Nil	Nil	£2m	£2m	<p>This recommendation is being implemented, a report on the setting up of a sponsorship team is due to be submitted on the 24<sup>th</sup> October. This report does not identify any cash income other than that needed to cover costs (£438k). It also highlights that much of the sponsorship generated may well be benefits in kind rather than a straight cash donation.</p> <p>The Accenture report relates to additional cash income and the possibilities for this will need to be re-visited in 2003/4 once the sponsorship team is up and running.</p>

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1.7. Partnership Income	<b>£2.5m</b>	£2.5m	£2.5m	£2.5m	£2.5m	<p>This recommendation has been implemented. The £2.5m relates to an increase in income generated at BOCU level which is then used to provide additional policing service within the Borough. This process should achieve full cost recovery and therefore have a nil effect on the MPS revenue budget.</p> <p>The MPS have introduced monitoring of this income and expenditure area at BOCU level and will be reporting it accordingly.</p>
1.8. Intellectual Property	Included in 6	Included in 6	Included in 6	Included in 6	Included in 6	Any potential benefit from this should be included in the sponsorship area.
1.9. Charitable Trust	<b>£1m</b>	Nil	Nil	£1m	£1m	<p>This recommendation has not been implemented. Any income and expenditure should balance and have no direct affect on the revenue budget. The MPS are currently investigating the process for implementing this and will report back to the Project Board in the new year.</p> <p>The £1m would be used for additional policing services rather than core policing.</p>

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2. FME's	<b>£1.7m</b>	Nil	Nil	£1.7m	£1.7m	<p>Negotiations with the FM's have not yet started, for this reason no saving has been built into 2003/4. The 2002/3 budget will be under pressure due to police number increases and a nationally negotiated 6.1% increase in fees. This will need to be factored into any saving considerations in 2003/4.</p> <p>The possibility of providing this service inhouse will also be investigated.</p>
3.1 Overtime (non-statutory)	<b>£14.8m</b>	£10.4m	£12.6m	£12.6m	£12.6m	<p>These recommendations implemented and the overspend on the budget reduced.</p> <p>The variance relates to £2.2m provision relating to receipts for subsistence, this is being picked up as part of the PNB work which is being monitored separately (see below).</p>
3.2 Overtime (statutory changes)	<b>£13.2m</b>	Nil	Nil	£13.2m	£13.2m	<p>These recommendations are being investigated as follows:</p> <ul style="list-style-type: none"> <li>• Change in notice periods (up to £11m) and receipting/self certification (£2.2m) being pursued by Police Reform Team</li> <li>• Overtime replaced by allowances in SO (£0-£3.3m) still being considered by the E&amp;E Team</li> </ul> <p>Report back will be made to the Project Board on both issues.</p>

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4. Forensics	<b>£5m</b>	£3m	£4m	£5m	£5m	<p>These recommendations are partially implemented and £3m was built into the 2002/3 budget. It is likely that some further savings will be built into the 2003/4 budget from demand management action, although the exact value will need to be confirmed.</p> <p>The tender for these services is due back in February 2003 (Accenture estimated benefit £0-£5m) and any resultant savings will be reported back.</p> <p>£140k savings regarding cannabis submissions is currently being progressed.</p>
5. Transport	<b>£1.4m</b>	£1.4m	£1.4m	£1.4m	£1.4m	<p>These recommendations have been implemented. The £1.4m was an actual overspend on the budget covered by the underspend on civil staff (created by the recruitment freeze). This overspend has now ceased and the budget provision returned to the civil staff line.</p>

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6. Linguistics	<b>£1.88</b>	Nil	£360k	£1.88m	£1.88m	<p>These recommendations are being progressed. Proposals for Telephone Interpretation (£360k) are with the Home Office for consideration, if approval is given they will be implemented asap.</p> <p>The other £1.52m in the Accenture figures relates to charging for IND work, the MPS have introduced a system to record levels of service. Formal negotiations will be entered into once the data is available and savings built into 2004/5 budget.</p>
7. Supplies and services						
7.1 Reductions in uniform stock	<b>£900k</b>	£690k	£28k	£28k	£718k	Recommendations implemented. The £690k figure was adjusted from the original Accenture figure by June 2002 project board. The saving was a one off balance sheet adjustment made on XXXX, with a resultant £28k per annum interest benefit.
7.2 Reductions in OCU stationary provision	<b>£300k</b>	£300k	Nil	Nil	£300k	Recommendations implemented. This was a one off saving – and was counterbalanced by an increase in this budget to accommodate additional police officers.
7.3 Efficiencies in uniform budgets	<b>£280k</b>					Actual response still to be agreed
<b>Totals:</b>	<b>£56.16m</b>	£21.24m	£23.84m	£46.96m	<b>£47.25m</b>	