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Catherine Crawford

Chief Executive Metropolitan Police Authority 10 Dean Farrar Street London SW1H ONY

Date: 11 May 2010

Dear Catherine

2011-12 Budget Guidance

The purpose of this letter is to issue the 2011/12 Budget Guidance to you as Chief Executive of the MPA.

We have achieved much over the last two years in both improvements to service delivery and value for money, and I know we will strive to do more in both these areas. However, this year's Budget Guidance sees important changes in tone and timing to previous years.

I require that you start the budget process earlier this year. Given the significant levels of uncertainty surrounding public finances, I intend to settle a 'base budget' for the MPA before the Government announces the grant settlement. I also require that you set out by the end of September the impact of additional savings over and above this 'base budget' that may be needed in light of any eventual grant settlement, so that final decisions can be made in the New Year. This new approach is designed to ensure that we are as best positioned as we can be to make any difficult decisions on the 2011/12 budget that may be required.

I know that by continuing to work closely together at both a political and officer level we will be able to meet these forthcoming challenges.

Yours ever,

Boris JohnsonMayor of London

Cc: MPA Chair

MPA Treasurer
MPS Commissioner

MPS Director of Resources

Assistant Director - Finance, GLA

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