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MPA BUDGET SUBMISSION

TO THE GLA

NOVEMBER 2003

PART 3

**2004/05 BUDGET AND
MEDIUM TERM FINANCIAL PROJECTION**

3. 2004/05 Revenue Budget and Medium Term Financial Projection

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VERSION FIVE

1. The Revenue Budget for 2004/05 and the Medium Term Financial Forecasts to 2006/07 set out in the attached statements have been developed in accordance with the Guidance issued by the Mayor on 30 May 2003.
2. The Guidance included specific policy objectives for the MPA to address in its submission as follows:
 - Development of options and supporting implementation plans and costings for increasing police numbers to 35,000 over the next 3 to 5 year period.
 - Implementation of recruitment and retention practices that deliver substantial progress to a representative workforce and minimise black and minority ethnic and female leavers.
 - Development of options and implementation of plans to increase the safety and security of women.
3. The first of these objectives is the subject of the Step Change business case which is included as a discrete component (Part Five) of the Budget Submission. The second objective is addressed through the Budget and Equalities section (Part Two) and the third objective is addressed within the Business Plan (Part One) of the submission.
4. The Mayor's guidance asked the Authority to exemplify savings requirements across a range of options which are described in greater detail in paragraphs 29 to 30. These options provide parameters within which the 2004/05 budget proposals have been developed.
5. The guidance prescribes the format in which the revenue budget is to be presented and this is reflected in the detailed statements. The guidance also requires that the submission includes details of reserves and balances and related policies.
6. The submission should also demonstrate a clear link between the business planning and budget process. The MPA/MPS corporate strategy, "*Towards the Safest City*", was published at the end of March 2003 and is included within this budget submission (Part One) together with an update note. The linkages between the budget process and business planning are described in paragraphs 45 and 46 below.

Overall Position

7. The Mayor's Budget guidance requires the Authority to exemplify savings requirements across three options as follows:

Option 1	A precept increase limited to 2.5% (£454.8m)
Option 2	2003/04 precept plus the full year cost of 2003/04 police officer and PCSO growth
Option 3	A budget requirement (net budget less all specific grants) of £2,351.6m per the 2004/05 forward financial plan in the final GLA Budget.

The strategy and options for increasing police numbers to 35,000 over the next 3 to 5 years are in addition to these three options, and are set out separately in Part Five of the submission.

8. **For exemplification purposes, the detailed budget has been constructed in line with option 3 of the guidance.** Work is continuing to exemplify further savings and reductions which would be required to meet options 1 and 2 as referred to in paragraphs 37 below.
9. The draft budget for 2004/05 (based on option 3) detailed in this submission totals £2,559.2m – an increase of 6.1% over the original 2003/04 budget. Total funding comprises Government grant, council tax precept and use of reserves. The current forecast of Government grant totals £2,019.8m, an increase of 2.7% over the original projection for the current year.
10. This overall position is summarised in table 3.1 as follows:

Table 3.1 2004/05 Revenue Budget – Overall position

	2003/04 £m	2004/05 £m	Change (+) %
Total expenditure	2,411.7	2,559.2	6.1
Funding:			
Government Grant	1,967.0	2,019.8	2.7
Precept (Option 3)	443.7	526.6	18.7
Movement in reserves	1.0	12.8	1280.0
Total Funding	2,411.7	2,559.2	6.1

11. Total expenditure is shown after committed growth items and new initiatives, and net of committed decreases and savings proposals. These are set out in further detail in later paragraphs of this submission.

12. Details of the expenditure estimates are set out in schedules 3.4 to 3.8 and the grant forecast is described in paragraphs 22 to 28, and set out in schedule 3.3. The ongoing impact of 2004/05 budget changes is set out in schedule 3.2., together with details of other changes commencing during 2005/06 and/or 2006/07.
13. The precept calculation is set out in paragraph 29 for options 1 and 2 of the Mayor's guidance and paragraph 30 for option 3. The Medium Term Financial Projections to 2006/07 are set out in schedule 3.5 and described in paragraph 48.
14. The budget, net of specific Government grant and any movement in reserves, is referred to as the "budget requirement". The projected budget requirement for 2004/05 (for option 3) is:

Table 3.2 Projected Budget Requirement

	2003/04 £m	2004/05 £m
Total expenditure	2,411.7	2,559.2
Less use of reserves	(1.0)	(12.8)
Less specific grants	(202.9)	(195.0)
Budget requirement	2,207.8	2,351.4

A list of specific grants is set out in schedule 3.3.

15. The expenditure and income included within schedules 3.4 to 3.8 reflect total expenditure of £2,559.2m, an increase of £147.5m over the 2003/04 budget. A summary of this increase is shown below:

Table 3.3 Summary of change between 2003/04 Budget and 2004/05 Budget

	£m	£m
2003/04 Base Budget		2,411.7
Inflation	71.6	
Committed Increases	103.0	
Committed Decreases	(16.9)	
Efficiency and Other Savings	(45.5)	
New Initiatives	19.9	
Real Terms Change in Unfunded Pensions	15.4	
Sub Total		147.5
2004/05 Draft Budget		2,559.2

Expenditure

16. The Authority's Medium Term Financial projections have been reviewed and updated by means of a two stage process:
- A corporate update of service wide expenditure issues, e.g., inflation, pensions, police reform.
 - A business group review to update issues identified last year as well as new issues which have emerged since that time.
17. The corporate update of service wide issues comprises committed items only and includes significant unavoidable provision for inflation and the full year effects of additional police officers and PCSOs in 2003/04 as well as real growth in police pensions. A summary of the costs in 2004/05 of the major items is as follows:

	£m
Inflation/pay awards	71.6
Full year costs 2003/04 additional officers	26.2
Full year costs 2003/04 additional PCSOs	12.0
Pensions for increased level of retirements	15.4
Free travel for police officers increased costs	10.4
Police reform changes (including special priority payments)	8.5
	144.1

Inflation/Pay Awards

Pay awards for all police and civil staff have been included for the respective award dates in 2003/04, whilst non-pay inflation has been included at 2.5%.

Additional Officers and PCSOs

The full year's costs reflect the ongoing cost of the additional 1,000 police officers and additional PCSOs approved within the current year's budget and under recruitment within this year's HR deployment plan. All other proposed changes in staff numbers and costs are contained within the Step Change Programme submission.

Pensions/Increased Costs

The increased costs are based on the projections produced earlier this year by Hymans Robertson taking into account the projected numbers of normal retirements of police officers over the period. However, a saving of £5m has been included in respect of reduced numbers of ill health early retirements.

Free Travel for Police Officers

The renegotiation of the contract with the Association of Train Operating Companies (ATOC) has resulted in a significant increase in costs compared to the original agreement (plus a knock on effect of increased tax liability payments to the Inland Revenue). Costs in 2004/05 and 2005/06 will be subject to a survey but will be capped at agreed maximum levels but for 2006/07 and 2007/08 no cap has been included in the agreement. The figures included within the submission are based on the mid-point of the range of possible costs and, for 2004/05, the maximum level of costs would add a further £3.4m to these figures.

18. The scrutiny of business group issues was conducted by a multi-disciplinary team led by the Director of Strategic Planning and Performance comprising representatives of all business groups, finance services, strategic planning and other corporate units. The team was established to scrutinise all growth and savings proposals, and met formally for two full day sessions to review the budget proposals.

In reviewing growth proposals, the multi-disciplinary team established the following issues as being priorities for acceptance as part of the budget and planning for 2004/05. These priorities also support the corporate objectives reflected in *"Towards the Safest City"*.

- C3i/Airwave and related supporting activities.
- Criminal Justice modernisation and reform.
- Counter Terrorism requirements.
- Dealing with Organised Crime.
- Other legislative requirements.
- Essential maintenance of essential systems.
- Step Change and planning for future growth.

19. The initial returns of budgetary growth pressures from business groups totalled over £130m and thus a significant increase in the implied savings target to accommodate such growth. It was recognised that identifying such savings to match this demand would be unrealistic and it was clearly essential to reduce significantly the proposals for growth.

Taking into account the priorities identified above the value of growth items has been reduced although these still include significant sums for major priorities such as the C3i project, pressure on the MPS estate, particularly in Central London, and the full year effect of PFI schemes.

A detailed list and explanation of all proposed new initiatives is included in schedule 3.9 and committed growth items are shown in schedule 3.10.

20. Some proposals that were put forward as growth bids relate to “one-off” non-recurring or “spend to save” costs, which generate savings in future years. These items total £12.8m and it is proposed to fund these items from managed underspends in 2003/04 and existing earmarked reserves (see paragraph 43 below).
21. The budget pressures involved include the setting up of the Traffic Criminal Justice Unit and the refocusing of Criminal Justice case preparation work to improve support for victims and vulnerable witnesses. Once implemented, these proposals are expected to be contained within existing budgetary provisions. However, a temporary strengthening of civil staff is required during the transition and this will cost £6.4m in 2004/05 and a further £2.2m in 2005/06. Proposals to make savings in Forensic services are based on setting up in-house facilities to undertake work for the Counter Terrorism Fingerprinting Team and for forensic analysis of guns and ammunition. These will make ongoing savings of £1m per annum but require investment of £2m to establish. Substantial improvement is also required to improve resilience in power supplies and upgrade buildings to meet security requirements. A total of £2.3m has been identified as needed to cover the immediate requirements for this work. All the proposed “one-off” items are included in schedule 3.9 or 3.10 of the submission, as appropriate.

Grants

22. A summary of projected levels of grant funding over the medium term is set out in schedule 3.3. Making realistic projections has been particularly problematical due to the lack of information from the Home Office about funding levels in 2004/05 and 2005/06 following publication of SR2002. The intended date of the announcement of the proposed grant settlement for 2004/05 has been brought forward to mid November but still falls after the deadline for submission of the Draft Budget to the Mayor. The submission will therefore have to be reviewed in the light of the settlement before the Mayor goes out to consultation in December.
23. The only information in the public domain about funding levels was the statement in the National Policing Plan that “funding in 2004/05 and 2005/06 will grow in cash terms by at least 4% a year”. However, this figure relates to total police resources and experience in recent years has shown that headline increases on this basis can translate into significantly lower percentage increases in the amount of grant distributed to police authorities by way of the allocation formula. This results from disproportionate increases in top sliced provisions and earmarked grants. There is no clarity about the relative movement of these various components next year or the subsequent two years.

24. There was a major review of the grant distribution methodology in 2002 resulting in formula changes in 2003/04. There will be no methodology changes for 2004/05. However, there are likely to be changes in the data used in the formula. Some data, e.g., population, is regularly updated on an annual basis. This would be expected to have a marginal impact in a normal year. 2001 Census data was due to feed into the grant formula for the first time in 2004/05. Because this reflects changes that have taken place over ten years since the previous Census, the impact could be quite volatile. However, the Government has decided that it will not have time to make the appropriate statistical adjustments to the formula and therefore incorporation of Census data has been deferred to 2005/06.
25. The Home Office has been collecting information from all police authorities on their civil staff pension costs. This will be used to recalculate the Metropolitan Police civil staff pensions uplift in the allocation formula. The uplift is intended to reflect the fact that MPA civil staff pension arrangements differ from those of all other authorities. The calculation will be impacted for the first time by the transfer of the MPA civil staff pensions arrangements into the principal civil service scheme during 2002/03. However, there may also be significant movement in other authorities' pension costs following fund revaluations and the eventual formula impact is unpredictable.
26. In practice it is expected that changes in formula grant entitlement will be subject to limitation by way of a system of floors and ceilings as in 2003/04. The impact in 2003/04 was to limit the MPA's formula-based grant increase to 5.2%, although unfettered application of the formula would have generated an increase of 6.8%. The difference represents effectively a 'deferred' grant entitlement of approximately £27 million. Given the scale of this surplus above the 2003/04 ceiling it is unlikely that the formula effect of data changes in 2004/05 could bring the MPA's entitlement below the ceiling in that year. Therefore the crucial assumption that has to be made in order to assess the Authority's formula-based grant for 2004/05 is the level of the ceiling.
27. On the basis of recent history a headline increase of 4% in total police resources may result in an increase of no more than 2.5% in grant distributed by the formula. The Government is likely to set a floor broadly in line with some measure of inflation. It would be expected that there would be some gap between the floor and the ceiling. However, it is felt unlikely that the ceiling would exceed 3.5%. A ceiling at this level would represent a similar relationship to the headline increase in 2004/05 as the MPA's ceiling bore to the headline increase in 2003/04. This assumption has been used to estimate the formula grant entitlement for each year in the Medium Term Projections. A 0.5% variation from this assumption would change grant entitlement, and therefore the required precept or savings, by £7.8 million.
28. Earmarked grants have been assessed on the best information currently available. It is likely that the position will vary up to and including the grant settlement.

Savings Options

29. The Mayor's guidance sets out three options for which savings implications are to be exemplified (as referred to in paragraph 7 above). These were initially assessed in July 2003 following the first corporate stage of the expenditure review. At that point the 2004/05 budget requirement was provisionally estimated at £2,394.2m before consideration of business group pressures and identification of savings. This resulted in various savings requirements on each of the options as set out below:

Table 3.4. (i) GLA Precept 2004/05 – Option 1

	£000s
2003/04 Police component of precept	443.7
Add 2.5% inflation (on precept only)	11.1
Precept limit	454.8
Increase over 2003/04	2.5%
(Provisional) budget requirement	2,394.2
Less projected general grant funding	(1,824.9)
Less precept above	(454.8)
Implied savings target	114.5

Table 3.4. (ii) GLA Precept 2004/05 – Option 2

	£000s
2003/04 Police component of precept	443.7
Add Full year cost 2003/04 police officer growth	26.2
Add Full year cost 2003/04 PCSO growth	12.0
Precept limit	481.9
Increase over 2003/04	8.6%
(Provisional) budget requirement	2,394.2
Less projected general grant funding	(1,824.9)
Less precept above	(481.9)
Implied savings target	87.4

30. The impact of option 3 of the Mayor's guidance (which is based on a stipulated budget requirement rather than a precept increase) is shown below:

Table 3.4 (iii) Budget Requirement and Precept 2004/05 – Option 3

	£m
2004/05 Budget requirement (per Mayor's Guidance)	2,351.6
Less projected general grant funding	(1,824.9)
Precept limit	526.7
Increase over 2003/04	18.7%
Budget requirement	2,351.6
Less (provisional) budget requirement	(2,394.2)
Implied savings target	42.6

31. It should be noted that the expenditure figures in Tables 3.4 (i) to (iii) above **do not include** any costs associated with the Step Change Programme.

Savings Proposals

32. These savings requirements have to be seen in the context of the budgets over the last three years which have delivered cumulative ongoing savings in excess of £100m.
33. Achievement of this level of savings, makes the challenge of identifying savings for 2004/05 even more difficult. The need to exclude police pay and pensions and committed contractual payments from any savings calculation, leaves only about 30% of the total budget against which savings can be made. Within this "reducible budget", 50% is the civil staff pay budget and further savings against this budget runs the risk of resulting in more police officers being diverted to carry out civil staff roles rather than operational police duties.
34. In the light of the assessed requirements for each option the MPA Finance Committee agreed a target of £50m savings to be identified. All business groups were required to review their 2003/04 base budget in order to identify savings. A corporate review of the 2002/03 outturn was also made to identify opportunities for reducing expenditure and increasing income. All savings proposals were subsequently reviewed by the multi-disciplinary scrutiny team.

35. The detailed savings proposals (in relation to option 3) approved by the MPA Finance Committee are set out in schedule 3.12 and are summarised by business group as follows:

Table 3.5 Savings Proposals 2004-05

Business Group	£000s
Deputy Commissioner's Command	9,448
Human Resources	5,000
Resources	5,100
Specialist Crime	1,060
Special Operations	1,635
Territorial Policing	5,370
MPA	1,100
Service wide/Corporate	16,835
Total	45,548

A further saving of £6m relating to reduced provision for the police pay award is included under reduced inflation (£2.6m) and committed decreases (£3.4m).

36. The above savings proposals are sufficient to balance the budget in relation to option 3 of the Mayor's guidance. Additional savings of £44.8m would be required in respect of Option 2 and £71.9m in respect of option 1 – over and above the £50m savings identified for option 3.
37. Work is continuing to identify budget reductions which would be required to contribute towards options 1 and 2 and the submission will be updated after the results have been considered by the Authority.

Reserves

38. The Authority's usable revenue reserves fall into two categories: the general reserve and earmarked reserves. Capital reserves are considered in the capital programme component of the Budget Submission.
39. The Authority maintains a general reserve to meet unforeseen or emergency expenditure which cannot be contained within the approved budget and has agreed that this reserve be established at a minimum of 1% of net budgeted expenditure, provided that there are adequate accounting provisions and earmarked reserves, reasonable insurance arrangements, a well funded budget and effective budgetary control. These conditions are increasingly being met.
- Provisions for current liabilities are now at levels acceptable to the external auditor. Earmarked reserves have been enhanced as described in paragraph 43 below.
 - Revised insurance arrangements have been put in place during 2003 which provide good cover against catastrophic loss.

- Whilst the budget generally relies on the achievement of a level of savings funding has been substantially enhanced.
 - Budgetary control is improving and experience has shown that the organisation is capable of recovering from adverse variances.
40. As at 31 March 2003 the general reserve stood at £24.047m which equates to the 1% policy minimum. This can now be considered to be an acceptable level but clearly must not be reduced.
41. The Authority's balance sheet at 31 March 2003 includes earmarked revenue reserves totalling £42.671 million. These represent sums set aside to meet a variety of specific purposes. Most relate to relatively short-term requirements and are likely to be drawn down over the next two years. Some relate to longer-term future liabilities, for example lump sum police pension payments arising from a projected increase in the number of retirements over the period of the Medium Term Financial Projections
42. Expenditure against earmarked revenue reserves during 2003/04 is estimated to be £4m. A review has been carried out of all the reserve balances and, where possible, appropriate flexibility has been utilised to support the 2004/05 budget.
43. The reserves include a contingency of £6 million to meet unavoidable budget pressures. On the assumption that this will not be required during 2003/04, it is proposed that this sum can be used to finance "one-off" growth items in 2004/05. Furthermore this reserve can be enhanced for this purpose by managed underspendings during 2003/04. Specific underspendings being forecast in 2003/04 which will be ring-fenced to increase this contingency/reserve (to cover the projected cost of "one-off" growth items) include the following:

	£m
Increase interest on revenue balances	2.2
Police pay award 2003 at 3% rather than 3.5%	3.4
Third Party Liabilities	5.0
Congestion Charge	0.6
Police Advertising	1.6
Projected managed underspends	12.8

Most of these savings will also occur in 2004/05 and have been reflected in the detailed schedules of savings proposals or within reduced inflation increases.

Business and Budget Planning

44. The MPA/MPS Business and Budget Planning cycles have historically operated separately to different cycles and timetables for reasons largely determined by outside bodies such as the Home Office and GLA.

45. It has been recognised that the two planning activities must be brought closer together and with closer co-operation between officers concerned and the activities involved. This has already commenced with the Corporate Planning officers playing a full part within the multi-disciplinary team assembled to review all growth and savings proposals and those proposals being scrutinised against the corporate objectives reflected in *"Towards the Safest City"*. The content of the Mayor's Budget guidance and other financial issues such as financial management and control, and budget devolution have been fed into the MPS Corporate Strategic Assessment carried out in August/September 2003 which was considered at the Commissioner's Autumn Conference and which provides a major input into developing the proposed MPS priorities for 2004/05. In addition, further work in identifying financial risks has been carried out and fed into the Corporate Risk Management Group's risk assessment for the organisation. Schedule 3.13 identifies the links between new initiatives and committed growth items in schedules 3.9 and 3.10, and the business planning framework document *"Towards the Safest City"*.

Consultation

46. In accordance with the Mayor's Budget guidance the MPA is involved in wider consultation on the budget proposals in order to prepare the way for the Mayor's formal consultation in December/January. Presentations on the draft budget will be made to the Pan-London Stakeholders Consultation and the London Business Board. The Society of London Treasurers is being provided with a programme of briefings and the MPA will also meet with the ALG.

Medium Term Financial Projections

47. Financial projections for the period 2004 to 2007 are set out in schedule 3.5. The projections for the two years 2005/06 and 2006/07 include committed increases and some growth items deferred to later years only. In particular there is no provision at this stage for further increases in police officer numbers beyond that assumed in the current 2003/04 budget. Further projected increased in officer numbers (and associated infrastructure costs) are included within the Step Change Programme – Part Five of the submission.

Supporting Information

48. Detailed schedules supporting the information above are included on the following pages. A list of the schedules is provided within the Contents List at the start of this submission.

Summary of Technical Assumptions

Part 1: Corporately reviewed factors

- The impact of the Police Reform agenda on police pay and allowances
- The on-going impact of the Hay review on civil staff pay costs.
- The medium term implications of growth in police pensions.
- The progressive reduction in the cost of rent/housing allowance and compensatory grant.
- The progressive reduction in officers in receipt of the £1,000 allowance to compensate for housing allowance anomalies.
- The progressive effects of the increasing overall cost of the London Pay Lead for police officers.
- The full year effect in 2004/05 of the additional 1,000 officers in 2003/04.
- The full year effect in 2004/05 of the additional PCSOs in 2003/04.
- The adjustment of forecast pay awards and latest estimates of movements in RPI.
- The impact of the recently re-negotiated contract to provide free rail travel to police officers.

Part 2: Technical assumptions pertaining to finance projections

- The starting point is the approved 2003/04 base budget.
- Pay awards throughout the period of 3.5% pa for police and civil staff
- Price inflation of 2.5% throughout the period
- The revenue implications of the approved capital programme are reflected in the figures
- There will be no further PFI schemes coming into commission over the period and that levels of capital funding are broadly comparable with the current year.

Part 3: Factors excluded from the finance projections

The projections specifically *exclude* the following:

- Costs associated with the Step Change Programme.
- Any additional Police Community Support Officers funded by local authorities.
- Partnership income arrangements and associated expenditure.
- Costs (and specific grant) associated with the Safer Streets Initiative.
- Costs associated with the Airwave project for 2004/05 (grant received in advance) and for 2005/06 (part year only).

Budget Changes in 2004/05 and the Medium Term

(figures are shown as incremental)

Status	2004/05 £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000
Inflation/pay awards on 2003/04 base budget	71,600	83,800	86,500	89,300
Sub-Total	71,600	83,800	86,500	89,300
Committed increases (see schedule 3.10)				
Full year costs of 2003/04 additional officers	26,200	900	900	1,000
Additional Revenue costs of C3i	12,462	(659)	(574)	(2,309)
Full year costs of 2003/04 additional PCSOs	12,000	400	400	400
Police officer free travel costs	10,435	1,200	100	100
Civil staff - Hay award increments	8,500	7,200	5,500	3,900
Reinstatement of C3i Police Officer posts civilianised	7,800	0	3,800	7,500
Extensions to estate portfolio	6,305	20	0	0
Special Priority Payments under Police Reform	5,400	5,600	1,200	1,200
PFI Unitary Charges	4,949	572	521	536
Increase in number of officers receiving London pay lead	4,700	2,100	2,100	2,300
Effect of other Police Reform changes	4,000	3,600	2,000	300
Revenue cost of IT Capital Programme	3,556	2,744	2,940	2,730
IT support for Modernising Operations	2,500	1,500	300	300
Re-tendering outsourced contracts (Directorate of Information)	2,400	2,400	0	0
Provision of pre-charge advice services from the CPS	1,702	(702)	0	0
Support to both covert & overt operations	1,494	1,790	982	982
Burglary Sole Response	1,411	1,540	1,266	0
Modernising Operations.	1,250	4,400	(1,100)	0
Re-tendering outsourced contracts (Property Services)	1,000	150	150	150
Additional Airwave running costs	1,000	0	0	0
Process of re-letting outsourced contracts	2,000	(1,000)	0	(1,000)
DNA analysis growth	923	569	1,254	0
Debt finance for capital programme	700	600	600	600
Additional Security	225	0	0	0
MPA administration of ill health retirements	100	0	0	0
Dual running of Airwave & Metradio	(20,020)	3,610	8,750	(10,650)
Sub-Total	102,992	38,534	31,089	8,039
Committed decreases (see schedule 3.11)				
Safer Streets	(8,008)	0	0	0
Progressive reduction in housing related allowances	(5,500)	(5,600)	(5,400)	(5,100)
Reduced provision for police pay award	(3,400)	0	0	0
Sub-Total	(16,908)	(5,600)	(5,400)	(5,100)
Efficiency and other savings (Listed in Schedule 3.12)				
Sub-Total	(45,548)	4,200	0	0

Status	2004/05 £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000
New initiatives (see schedule 3.9)				
Estate resilience	4,290	(2,290)	0	0
Development of victim and witness focus desks	3,300	(1,100)	(2,200)	0
Transfer of functions to the centralised traffic unit	3,100	(3,100)	0	0
Information Management Business Change Programme (Freedom of Information Act compliance)	1,899	397	(982)	1,203
Counter Terrorism - Fingerprinting Team (CTFT)	1,400	(1,400)	0	0
War Crimes Unit	1,139	0	0	0
Backlog maintenance	1,000	0	0	0
Leadership programme - sergeants, inspectors and civil staff	750	0	0	0
Equipment for firearms forensic capability	600	(600)	0	0
Mobile Data Terminals (revenue element)	500	800	800	0
Cell Accommodation Project	500	0	0	0
People development (inc Occ Health and H&S)	475	0	0	(475)
Estates improved security	300	0	0	0
Monitoring of corporate performance priorities	256	0	0	0
Support to both covert & overt operations	250	(250)	0	0
Provision of 'Tasers'	200	(200)	0	0
Fees to identify PPP solutions to need for new cells/custody centres	0	1,750	0	0
South London training site	0	1,280	0	0
Community Volunteers Programme	0	1,030	791	0
Criminal Justice Support to CPS at point of charge	0	1,000	0	0
Vehicle Recovery & Storage Services expansion	0	800	870	800
Development of BOCU Help Desk function	0	250	4,100	3,382
Heathrow additional vehicles & support services	0	0	0	1,119
Increased security for rail and air terminals	0	0	0	380
Sub-Total	19,959	-1,633	3,379	6,409
Real Term Changes in unfunded pensions				
Growth in police pensions	15,400	24,100	22,800	12,900
Total	147,495	143,401	138,368	111,548

PROJECTED GRANT FUNDING 2003/04 - 2007/08

	Notes	2003/04 £'000	2004/05 £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000
Central funding allocated by national formula (ie main police grant, RSG and NNDR)	1	1,562,053	1,616,725	1,673,310	1,731,876	1,792,492
<i>Annual increase</i>			3.5%	3.5%	3.5%	3.5%
MPS special payment	2	202,000	208,060	214,302	220,731	227,353
<i>Annual increase</i>			3%	3%	3%	3%
Sub-total general grants		1,764,053	1,824,785	1,887,612	1,952,607	2,019,845
Specific grants:						
Crime Fighting Fund	3	70,460	74,287	76,887	79,578	82,364
Pay lead grant	4	22,755	26,981	28,281	29,756	31,332
DNA expansion programme grant	5	5,644	4,600	4,600	0	0
Loan charges grant	6	3,700	3,500	3,400	3,300	3,100
Grant for free rail travel for police officers	7	2,500	2,500	2,500	2,500	2,500
Airwave grant	8	20,020	6,700	6,700	0	0
Funding for Special Priority Payments	9	7,800	13,183	18,793	19,951	21,149
Funding for counter-terrorism	10	47,000	47,000	47,000	47,000	47,000
Funding for PCSOs recruited in 2002/03	11	15,000	12,750	10,500	10,500	10,500
Funding for PCSOs recruited in 2003/04	12	1,900	3,500	3,500	3,500	3,500
Street Crime Initiative	13	8,008	0	0	0	0
Sub-total specific grants		196,779	195,001	202,161	196,085	201,445
TOTAL FUNDING		1,968,840	2,019,786	2,089,773	2,148,692	2,221,290
<i>Annual increase</i>			2.6%	3.5%	2.8%	3.4%

Notes

1. Assumes annual increase in formula-allocated funding at ceiling of 3.5%.
2. MPS special payment is assumed to increase by inflation.
3. Crime Fighting Fund provides full continuation funding for officers recruited 2000 to 2003 and 75% funding for officers recruited in 2003/04.
4. Assumes Home Office will fund London pay lead at 75% of annual cost excluding employer's national insurance.
5. Grant payments available up to 2005/06, subject to qualifying expenditure. Funding beyond that year subject to outcome of SR2004.
6. This grant is paid as a contribution to costs associated with pre-1990 debt and will disappear over time.
7. Home Office grant towards cost of free rail travel not expected to increase.
8. Grant for Airwave service costs confirmed until 2005/06. Funding beyond that year subject to outcome of SR2004
9. Grant to meet minimum cost of Special Priority Payments to police officers introduced under Police Reform.
10. Assumes counter-terrorism grant continues at 2003/04 level.
11. Grant for security PCSOs recruited in 2002/03 assumed to remain at 100%. Community PCSO funding reduces to 75% in 2004/05 and 50% in 2005/06 and thereafter.
12. Matched funding for 250 PCSOs to be recruited in 2003/04 was announced after the budget was set. Figures for 2004/05 assume full year costs for those staff but no further increases.
13. Street Crime grant (and associated expenditure) has been excluded from the 2004/05 budget.

Budget Objective Summary (1)

2003/04 original budget				2004/05 proposed budget		
Expenditure	Income	Net		Expenditure	Income	Net
£000	£000	£000		£000	£000	£000
			Business Groups:			
1,003,202	-51,268	951,934	Territorial Policing	1,145,928	-59,439	1,086,490
422,953	-39,266	383,688	Specialist Operations	222,259	-64,733	157,526
0	0	0	Specialist Crime Directorate	269,845	-11,671	258,173
25,663	-311	25,352	Policy, Review and Standards	0	0	0
261,616	-2,542	259,074	Deputy Commissioner's Command	288,239	-3,380	284,859
107,372	-28,660	78,712	Human Resources Directorate	131,521	-28,554	102,967
252,931	-42,093	210,839	Resources Directorate	281,835	-37,857	243,978
2,073,738	-164,139	1,909,599	Total Business Groups	2,339,628	-205,634	2,133,995
			Corporate Budgets:			
392,143	-87,500	304,643	Pensions	373,761	-94,644	279,117
190,571	-7,752	182,819	Not yet allocated	139,566	-6,700	132,866
582,714	-95,252	487,462	Total Corporate Budgets	513,327	-101,344	411,983
2,656,452	-259,391	2,397,061	Total MPS	2,852,956	-306,978	2,545,978
9,040	0	9,040	MPA	8,918	0	8,918
2,665,492	-259,391	2,406,101	Net Service Expenditure	2,861,874	-306,978	2,554,896
14,486	0	14,486	Capital financing costs	15,186	0	15,186
0	-8,900	-8,900	Interest receipts	0	-10,900	-10,900
2,679,978	-268,291	2,411,687	Net Expenditure	2,877,060	-317,878	2,559,182
		-202,887	Specific Grants			-195,001
		2,208,800	Net Revenue Expenditure			2,364,181
		-1,000	Movement in reserves			-12,842
		2,207,800	Budget Requirement			2,351,339
			Funding:			
		-1,764,053	Central funding			-1,824,785
		-443,747	Precept			-526,700
		-2,207,800	Total Funding			-2,351,485
		0	Funding surplus			-146

Budget Objective Summary (2)

Service analysis	Budget Approved by GLA £m	2003/04 Base Budget £m	September forecast outturn 2003-04 £m	Budget 2004-05 £m	Plan 2005-06 £m	Plan 2006-07 £m
Business Groups:						
Territorial Policing	951.9	1,050.7		1,086.5	1,094.9	1,098.6
Specialist Operations	383.7	150.8		157.5	157.3	157.3
Specialist Crime Directorate	0.0	243.7		258.2	258.3	260.8
Policy, Review and Standards	25.4	0.0				
Deputy Commissioner's Command	259.1	273.4		284.9	300.1	315.3
Human Resources Directorate	78.7	106.5		103.0	104.4	104.4
Resources Directorate	210.8	207.5		244.0	246.0	247.6
Total Business Groups	1,909.6	2,032.6	0.0	2,134.0	2,161.1	2,184.1
Corporate Budgets:						
Pensions	304.6	268.7		279.1	303.2	326.0
Not yet allocated	182.8	95.4		132.9	224.7	316.6
Total Corporate Budgets	487.5	364.2	0.0	412.0	527.9	642.6
Total MPS	2,397.1	2,396.7	0.0	2,546.0	2,689.0	2,826.7
MPA/Internal Audit	9.0	9.4		8.9	8.9	8.9
Net service expenditure	2,406.1	2,406.1	0.0	2,554.9	2,697.9	2,835.6
Capital financing costs	14.5	14.5		15.2	15.8	16.4
Interest receipts	-8.9	-8.9		-10.9	-10.9	-10.9
Net expenditure	2,411.7	2,411.7	0.0	2,559.2	2,702.8	2,841.1
Specific grants	-202.9	-202.9		-195.0	-202.2	-196.1
Net revenue expenditure	2,208.8	2,208.8	0.0	2,364.2	2,500.6	2,645.0
Transfer to/from reserves	-1.0	-1.0		-12.8	0.0	0.0
Budget requirement	2,207.8	2,207.8	0.0	2,351.3	2,500.6	2,645.0
Funding:						
Central funding	-1,764,053	-1,764,053		-1,824,785		
Precept	-443,747	-443,747		-526,700		
Total Funding	-2,207.8	-2,207.8	0.0	-2,351.5		
Funding surplus	0.0	0.0	0.0	-0.1		

Budget Subjective Summary - Employee Costs

Schedule 3.7

	Budget Approved by GLA £m	Movements and Virements Prior to Base Budget £m	2003-04 Base Budget £m	Budget Movements and Virements £m	Inflation £m	Growth £m	Budget 2004-05 £m	Main reasons for change
Police pay	1,196.9	-2.0	1,194.9	0.9	36.1	25.1	1,257.1	Police reform (9.4m), reduction in housing allowance (-£5.5m), London pay lead (4.7m), FYE of additional officers in 2003/04 (£19.4m), reduced provision for pay award (-£3.4m), modernising operations (£0.6m), FYE of additional PCSOs (-£0.1m)
Civil staff pay	326.0	53.8	379.8	0.6	14.1	26.8	421.3	FYE of additional officers in 2003/04 (£2.7m), modernising operations (£0.2m), PFI civil staff savings (-£1m), war crimes unit (£0.2m), additional security (£0.2m), burglary sole response (£0.8m), PSD resilience (£1m), retendering for outsourced contracts (£0.2m), C3i (£8m), support to operations (£0.6m), Freedom of Information Act (£0.5m), misc changes (£0.5m), development of witness focus desks (£3.3m), setting up centralised Traffic CJU (£2.8m), Hay increase (£8.2m), Airwave (-£1.2m), FYE of additional PCSOs (-£0.2m)
Traffic wardens' pay	20.4	-0.9	19.5	-1.3	0.7	-0.8	18.1	Saving to reflect underspend (-£1m), Hay increase (£0.3m), discontinue aid fund (-£0.1m)
Police community support officer pay	14.5	2.3	16.8	5.1	0.5	11.5	34.0	Additional PCSOs (£11.5m)
Sub-total: pay	1,557.8	53.2	1,611.0	5.4	51.4	62.7	1,730.5	
Police overtime	104.3	-8.6	95.7	0.7	2.9	3.2	102.4	FYE of additional officers in 2003/04 (£3.1m)
Civil staff overtime	20.6	0.6	21.2	0.0	0.7	-0.5	21.4	Discontinue aid fund (-£0.5m)
Traffic wardens' overtime	2.3	0.1	2.4	-0.3	0.1	-0.5	1.7	Discontinue aid fund (-£0.5m)
Police community support officer overtime	0.6	-0.5	0.1	0.4	0.0	0.2	0.8	
Sub-total: overtime	127.8	-8.4	119.4	0.7	3.7	2.5	126.3	
Other	6.2	0.7	7.0	0.0	0.0	0.3	7.4	Freedom of Information Act (£0.3m)
Pensions	403.3	-40.0	363.4	0.0	9.1	10.4	382.8	Growth in police pensions (£15.4m), reductions arising from lower number of ill-health retirements (-£5m)
Total employment costs	2,095.2	5.6	2,100.8	6.2	64.2	75.9	2,247.0	

Notes:

Housing/Rent Allowances are now included within Police Pay

Employer's superannuation contributions, which were classified under Civil Staff Pensions last year, are now classified under Civil Staff Pay

Budget Subjective Summary - Running Expenses and Income

Schedule 3.8

	Budget Approved by GLA	Movements and Virements Prior to Base Budget	2003-04 Base Budget	Budget Movements and Virements	Inflation	Growth	Budget 2004-05	Main reasons for change
	£m	£m	£m	£m	£m	£m	£m	
Running Expenses:								
Employee related	18.0	1.2	19.3	2.3	0.5	0.3	22.3	HR recruitment savings (-£1.1m), HR (-£0.2m), DCC savings (-£0.2m), PAYE settlement (funded from non-pay inflation) (£1.6m), FYE of additional PCSOs (£0.1m)
Premises costs	161.7	3.9	165.6	2.0	4.1	24.8	196.6	C3i (£7.7m), PFI (£4.9m), maintenance backlog (£1m), PSD resilience (£1m), outsource contracts retendering (£1m), FYE of additional officers in 2003/04 (£1.5m), extensions to estate portfolio (£5.8m), cleaning and guarding (£0.9m), CT fingerprinting team
Transport costs	53.0	-5.9	47.0	3.5	1.2	-1.4	50.2	FYE of additional officers in 2003/04 (£0.3m), war crimes unit (£0.9m), reductions on local vehicle hire (-£1.2m), congestion charge (-£0.6m), HR DTD savings (-£0.3m)
Supplies and services	329.4	2.5	331.9	12.1	8.3	-6.6	345.7	outsourced contract re-letting (£4.2m), Airwave and C3i (£5.8m), modernising operations (£2.5m), revenue costs of capital programme (£3.6m), support to operations (£0.9m), FOIA (£1m), reduced workstation support charges (-£4.2m), reduced consultants costs
Capital financing costs	14.5	0.0	14.5	0.0	0.0	0.7	15.2	Debt finance for capital programme (£0.7m)
MPA contingency	0.3	-0.2	0.0	0.0	0.0	0.0	0.0	
Total running expenses	576.8	1.5	578.3	19.8	14.1	17.8	630.0	
Not yet allocated	8.0	0.0	8.0	0.0	0.0	-8.0	0.0	Safer Streets (-£8m)
Total revenue expenditure	2,680.0	7.1	2,687.1	26.0	78.3	85.6	2,877.1	
Interest receipts	-8.9	0.0	-8.9	0.0	0.0	-2.0	-10.9	Interest on revenue balances (-£2m)
Other income	-259.4	-7.1	-266.5	-26.0	-6.7	-7.7	-307.0	Increase budget for secondees (-£2.5m), increase in income generation target (-£1m), operational receipts and income (-£3.8m), charge other forces for firearms training facility (-£0.1m), increased value of car sales (-£0.2m), income from courts for forfeit
Total income	-268.3	-7.1	-275.4	-26.0	-6.7	-9.7	-317.9	
Net revenue expenditure before specific grants	2,411.7	0.0	2,411.7	0.0	71.6	75.9	2,559.2	

New Initiatives

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08								
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000						
1	Estate resilience			46,094		9	4,290			(2,290)												
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City": and "Building towards the safest City".</u>														
<p>This covers the increased need to ensure the continuance of power supplies for 13 critical locations. This necessitates a total review of all engineering infrastructure, building management systems and back up generators within these buildings and involves one-off costs as follows:</p> <table> <tr> <td>Management of power sources and Building Management Systems</td> <td>£1,040k</td> </tr> <tr> <td>Resilience work</td> <td>£1,250k</td> </tr> <tr> <td>TOTAL</td> <td>£2,290k</td> </tr> </table> <p>Furthermore increasing concerns over the ability to manage a major incident within London and the passing of Civil Contingencies Bill have resulted in much work to seek fallback sites in the Metropolitan Police District. Once found these will require development, which will incur ongoing maintenance, rent and rate charges.</p> <p>Also included in this bid is the need to employ nine additional senior staff and consultants to adequately prepare for and manage a critical event.</p>								Management of power sources and Building Management Systems	£1,040k	Resilience work	£1,250k	TOTAL	£2,290k	<p>Goal 1 – Developing Safer Communities. Aids in the re-alignment of the organisation to support fully Borough Operational Command Units as the primary unit of policing.</p> <p>Key Strategic Initiative Effective use of science & technology Call handling – C3i In line with MPA strategy “Building Towards the Safest City”</p>								
Management of power sources and Building Management Systems	£1,040k																					
Resilience work	£1,250k																					
TOTAL	£2,290k																					
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>														
Lack of funding would have a knock on effect on the quality of service provided to frontline policing and lack of proper maintenance and resilience for the contingency sites.								Implementation of plans to provide safe and secure working environments.														

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
2	Development of victim and witness focus desks						3,300			(1,100)			(2,200)			
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
<p>The development of Victim and Witness Focus Desks is key to the Ministerial objective to improving the criminal justice system through improved victim and witness care. The costs above reflect the temporary cover required for the development of 20 units before March 2004 and the other 12 units in the following year. The Desk at Southwark is the first of its kind and will provide a benchmark for the rollout.</p> <p>Improvements to the service provided to victims and witnesses featured strongly in the MPA's 'Crime Management' and 'Bringing Offenders to Justice' Best Value Reviews and the development of victim and witness focus desks was agreed by the MPA as part of implementing the Crime Management Review.</p>								<ul style="list-style-type: none"> ➤ Change our working practices to improve the service give to victims and witnesses ➤ Enhance our ability to work with other agencies within the criminal justice system ➤ Improve the accuracy and timeliness of papers, documents and evidence ➤ Actively support reform of the criminal justice system 								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<p>Failure to secure the funds will result in boroughs being unable to resource an undeniably important facet of the new criminal justice arena.</p>								<p>An enhanced service, tailored to individual needs will be offered to victims and witnesses of crime, leading to increased confidence and greater access to the criminal justice system</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
3	Transfer of functions to the centralised traffic unit						3,100			(3,100)						
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
<p>The decision has now been taken to centralise the traffic function. Initially the police staff strength will increase, as new staff begin work at the centralised unit and current process staff remain on Boroughs to clear up existing cases as these will not be transferred to the unit. This procedure will result in the MPS requiring extra police staff for a short period of time. It is estimated that this one-off effect could be in the region of an additional 200 staff for a maximum of 6 months</p>								<ul style="list-style-type: none"> ➤ Change our working practices to improve the service give to victims and witnesses ➤ Enhance our ability to work with other agencies within the criminal justice system ➤ Improve the accuracy and timeliness of papers, documents and evidence ➤ Actively support reform of the criminal justice system ➤ Contribute to the advancement of a safe environment for all road users 								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
Territorial Policing is likely to overspend the police staff budget or people will end up in a compulsory transfer situation								Economies of scale								

BG	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
4	Information Management Business Change Programme (Freedom of Information Act Compliance)			500		23	1,899		7	397			(982)			1,203

Detail:

The Information Management Business Change Programme (IMBCP) is a programme of work to ensure improvements in the management of information sufficient to achieve cost effective compliance with the FOIA and deliver associated business and service benefits.

The IMBCP is in development (a Project Definition Document and Business Case are in late draft and available for scrutiny) and figures submitted are estimates.

The content of the IMBCP has been endorsed informally by Director of Information. Major elements of the Programme have been agreed / endorsed by the MPA.

The IMBCP will deliver the MPS's activities to:-

- Comply with statutory obligations in respect of the Freedom of Information Act and the extension of the Data Protection Act to cover unstructured manual records.
- Satisfy undertakings to the MPA in respect of records management improvement and adoption of Electronic Document and Records Management technologies arising from a best value review and an audit report.
- Achieve business efficiencies.
- Minimise cost and risk to the organisation.

Support for Policing Plan priorities:

Improved MPS Information Management, as proposed by the Programme will support Policing Plan priorities in the following respects:

Goal 3 – Revitalising the Criminal Justice System –

- Through improved record keeping, development of electronic case papers, workflow
- More timely interworking if records can be handled electronically
- Better decision making arising from better quality information and improved systems of accountability

Goal 5 - Reforming the Delivery of Policing Services –

- Through delivery of electronic services to citizens and business partners
- Reducing bureaucracy through enabling electronic transactions to replace paper processes
- Facilitating devolution of decision making by improved access to record keeping where accountable decisions may be recorded.

Support is also claimed for:-

Key Strategic Initiative 2 - Effective use of Science and Technology

Key Strategic Initiative 3 – Resource Management

Key Strategic Initiative 5 – Communication

Consequences of Not Obtaining Funds:

Inability to respond to requests within the statutory timescale could result in adverse comment in reports to Parliament; requirement at short notice to implement Practice Recommendations from the Information Commissioner; increased risk of enforcement action against the Commissioner; inefficient use of resources e.g. accommodation and staff if systems are not updated or appropriately resourced.

Support for Mayoral Priorities:

Moving to an electronic primary record will reduce the accommodation overheads for storage of paper material and the transport costs and environmental damage arising from the physical movement of paper files. The size of this benefit will increase in proportion to any growth in the size of the MPS.

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
5	Counter Terrorism – Fingerprinting Team (CTFT)						1,400			(1,400)						
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of “Towards the Safest City”:</u>								
<p>Counter Terrorism - Fingerprinting Team (CTFT) Movement of above team to an outer London location allowing for CT Forensic Facility. At present this Forensic work is undertaken in central London in FSS Labs by Directorate of Forensic Services staff and costs MPS £500k per year. Opportunity to lease new premises will provide better and discreet facilities and free up accommodation at NSY. These are one-off costs and represent an invest to save opportunity to deliver savings of £500k p.a.</p>								<p>Goal 2 – Securing the Capital Against Terrorism Objective 10 – To maintain an effective response to standard and actual terrorist incidents</p>								
<u>Consequences of Not Obtaining Funds :</u>								<u>Support for Mayoral Priorities:</u>								
Loss of financial savings.																

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
6	War Crimes Unit				14	7	1,139									
<p><u>Detail:</u></p> <p>War Crimes currently sits within SO13 (Anti-Terrorist Branch). It is a commitment the MPS have to undertake – yet not independently funded or staffed. Current workload has increasing impact on staff available to undertake other SO13 core roles. The increasing number of war crime investigations clearly warrants its own Unit, if SO13 are to continue within this investigative area.</p> <p>Costs comprise police staff pay based on local cost calculator plus an overseas travel budget.</p>								<p><u>Support for Policing Plan priorities/strategic goals and aims of “Towards the Safest City”:</u></p> <p><u>Goal 2: Securing the Capital against Terrorism</u> In particular - Enhance the collection of intelligence to inform our counter terrorist activities, and deliver an effective response to terrorist threats.</p> <p>By setting up a separate War Crimes Unit it will allow existing SO13 staff to concentrate on their other core roles. That is to provide a proactive and reactive response to terrorism and kindred offences, including the gathering and exploitation of intelligence, the disruption of terrorist activity and the prosecution of offenders.</p>								
<p><u>Consequences of Not Obtaining Funds:</u></p> <p>Clearly impacting upon core roles of this OCU – SO13 suffer the loss of one full investigation team to staff this function at the moment – decrease in high level of service is always a possibility – Reputation in relation to the MPS’s ability to investigate such crimes could be up for scrutiny.</p>								<p><u>Support for Mayoral Priorities:</u></p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
7	Backlog Maintenance			26,428			1,000									
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City": and "Building towards the safest City".</u>								
<p>Backlog Maintenance – minimum extra £1m required. Insufficient expenditure on maintenance is showing in increasingly unacceptable degeneration of the estate and working conditions that could breach statutory requirements. This is evidenced by the frequent failure of engineering services especially air conditioning and heating systems. In line with the MPA’s approved strategy “Building Towards the Safest City”.</p>								<p>Goal 4 – Developing professional and effective workforce. Provide our staff with the most appropriate working conditions, environmentally friendly facilities and equipment to help achieve our goals.</p>								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<p>Highly critical District Audit report and no extra money, means greater deterioration of buildings. We have statutory responsibility that we must provide safe and healthy environments within our buildings.</p>								<p>Implementation of plans to provide safe and secure working environments.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
8	Leadership programme for sergeants, inspectors and police staff						750									
<p><u>Detail:</u></p> <p>In support of the Commissioner’s leadership programme, Territorial Policing (TP), in conjunction with Diversity Unit, piloted a leadership programme for these ranks/bands, with a view to preparing a model for delivery across all of TP.</p> <p>The cost involved will be the service deliverers (contract currently with the Work Foundation), support costs (video etc) and accommodation.</p>								<p><u>Support for Policing Plan priorities/strategic goals and aims of “Towards the Safest City”:</u></p> <p>This programme specifically supports “developing a professional and effective workforce” in providing training, ensure our leaders listen and are visible and enhancing openness to new approach to work.</p>								
<p><u>Consequences of Not Obtaining Funds:</u></p> <p>Without the funds, the programme cannot be delivered. The opportunity to build on the Commissioner’s leadership programme and develop the leaders of this organisation at an early stage in their career would therefore be lost.</p>								<p><u>Support for Mayoral Priorities:</u></p> <p>Enhanced leadership skills will support the management of growth and the recruitment and retention of a representative workforce.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
9	Equipment for firearms forensic capability					3	600			(600)						
<p><u>Detail:</u></p> <p>Purchase and implementation of Integrated Ballistic Identification System (IBIS). This acts as the engine for the National Firearms Forensic Intelligence Database (NFFID) and will enable ballistic evidence to be compared quickly and accurately on a national basis. The system is international and there is the potential to match weapons recovered in the MPS with crime scenes worldwide. This one-off cost is an invest to save opportunity as currently all such analysis has to be requested from the Forensic Science Service (FSS) for which the MPS pays approximately £1 million in charges each year. Once implemented it is estimated that the unit will save £500k each year. The MPS will also have more control on workload priorities so as to help ensure that dangerous offenders are not released on bail pending a firearms classification result.</p>								<p><u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u></p> <p>Developing Safer Communities – Disrupt organised crime and criminal activity on a London-wide and inter-force basis, particularly murder, human trafficking, gun-crime, and crime related to drugs.</p> <p>Scientific Support Strategy key objectives – The maximisation of forensic intelligence. The need for timely results and effective and efficient resource management.</p>								
<p><u>Consequences of Not Obtaining Funds:</u></p> <p>Loss of Financial Savings and continued reliance on FSS to provide the service with less control on work priorities.</p>								<p><u>Support for Mayoral Priorities:</u></p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
10	Mobile Data Terminals (revenue element)						500			800			800			
<p><u>Detail:</u></p> <p>The key objective of the project is to provide patrolling MPS staff with access to corporate IT systems whilst mobile or on foot. This is a Directorate of Information (DoI) led project with Territorial Policing acting as the Senior User. Providing MPS staff with such access is seen as providing a step – change in performance, productivity and enabling increased patrolling activity. The Project Initiation Document regarding Recommendation 61 of the independent Stephen Lawrence Inquiry Report, highlights that a hand-held IT device will be developed to record stop encounters.</p> <p>The financial projections included in this document are for the following:</p> <ul style="list-style-type: none"> • Provision of accommodation, training and resources for the staff. • Consultancy for TP project evaluation and management. • Future running costs assuming a two year rollout starting in 2005/06 <p>The costs shown above are anticipated to be required for:</p> <ul style="list-style-type: none"> • Preparation of a detailed user requirement on behalf of TP / SO / T/L and SC. • Assist the Project Board in the development of a Business Plan for submission to the MPA for funding. • Co-ordinate the piloting, implementation, monitoring and evaluation of the project across the MPS to ensure efficiency and effectiveness. • Business support to the Senior User and Project Board. 								<p><u>Support for Policing Plan priorities/strategic goals and aims of “Towards the Safest City”:</u></p> <p>Goal 2: Securing the Capital against Terrorism</p> <ul style="list-style-type: none"> ➤ Enhance the collection of intelligence to inform our counter terrorist activities. <p>Goal 4: Developing a Professional and effective Workforce</p> <ul style="list-style-type: none"> ➤ Maximise the number of staff in the policing family and deploy them to increase the proportion of ‘Visible Operational Uniformed Personnel’. ➤ Provide our staff with the most appropriate working conditions, environmentally friendly facilities and equipment to help achieve our goals. <p>Goal 5: Reforming the Delivery of Policing Services</p> <ul style="list-style-type: none"> ➤ Deliver more services electronically to the public and our partners. ➤ Ensure that the maximum efficiency gains are being derived from the implementation of the Bureaucracy Taskforce's recommendations 								
<p><u>Consequences of Not Obtaining Funds:</u></p> <p>This would be seen as a significant lost opportunity for the Service, in terms of increasing the productivity of our patrolling staff. This project is dependent upon the identification of capital funding.</p>								<p><u>Support for Mayoral Priorities:</u></p> <p>See Goal 4 above. Increasing the mobility and enabling MPS patrolling staff through the enhanced use of IT, will increase operational policing and effectiveness to support the Mayors vision.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
11	Cell Accommodation Project	2	0	1,831			500									
<p><u>Detail:</u></p> <p>Currently, a new project looking at all aspects of cell accommodation across the MPS is being base-lined by Territorial Policing HQ. Short, medium and long-term recommendations are being developed for consideration by Management Board.</p> <p>MPS cell accommodation and the custody IT systems are in need of significant modernisation and amelioration works to improve safety and to cope with increasing demand. Re-commissioning work of mothballed cells is also required to support the growth across the organisation to ensure a step-change in the infrastructure across the Service.</p> <p>In addition, cell accommodation across the Service is in need of attention in terms of operational availability, ownership, policy and co-ordination. There are a number of opportunities available to improve the situation and also risks of a do nothing option, mainly caused by the growth across the Service.</p> <p>Examples of some of the emerging proposals are as follows:</p> <ul style="list-style-type: none"> ➤ A new centralised real time 24/7 IT cells co-ordination system. ➤ Renegotiation of the prisoner-escorting contract to deal with peak demand periods. ➤ Civilianised / centralised custody centres across the MPS. ➤ Demand management proposals such as detoxification centres etc. <p>To support the implementation of this project, a team of key individuals from Property Services /Directorate of Information and TPHQ along with other stakeholders will be recommended.</p>								<p><u>Support for Policing Plan priorities/strategic goals and aims of “Towards the Safest City”:</u></p> <p>Goal 3: Revitalising the Criminal Justice System</p> <ul style="list-style-type: none"> ➤ Actively support the reform of the criminal justice system. ➤ Enhance our ability to work with other agencies within the criminal justice system. ➤ Improve the accuracy and timeliness of papers, documents and evidence. <p>Goal 4: Developing a Professional and effective Workforce</p> <ul style="list-style-type: none"> ➤ Maximise the number of staff in the policing family and deploy them to increase the proportion of ‘Visible Operational Uniformed Personnel’. ➤ Provide our staff with the most appropriate working conditions, environmentally friendly facilities and equipment to help achieve our goals. <p>Goal 5: Reforming the Delivery of Policing Services</p> <ul style="list-style-type: none"> ➤ Deliver more services electronically to the public and our partners. ➤ Ensure that the maximum efficiency gains are being derived from the implementation of the Bureaucracy Taskforce's recommendation. 								
<p><u>Consequences of Not Obtaining Funds:</u></p> <p>This would be seen as a significant lost opportunity for the Service, in terms of providing a key element of MPS infrastructure to support the Step Change programme.</p>								<p><u>Support for Mayoral Priorities:</u></p> <p>See Goal 4 above.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
12	<p>People Development:</p> <p>i.) <u>Career Development</u> – to develop all staff and so improve professionalism and performance across the MPS</p> <p>ii.) <u>Occupational Health</u> – expansion of proactive approach to occupational health</p> <p>iii.) <u>Health and Safety</u> – to develop and maintain a comprehensive health and safety policy</p>		110	3,920		11	475							(11)	(475)	
<p><u>Detail:</u></p> <p>We need to invest more resources in developing all staff – police officers and police staff. We need to develop career development programmes for staff at all ranks and grades. We need to nurture and encourage talent. We need to develop the future leaders of the MPS. Increasing numbers make the work more urgent.</p> <p>In order to expand the existing spend to save programme and develop a more preventative approach to occupational health, as well as to cope with the increased demand on occupational health of record numbers of staff (police officers and police staff), and so reduce the number of days lost to preventable illness and injury, and in order to comply with Home Office guidelines, we need more doctors, specialists and nurses.</p> <p>We need to heighten health and safety awareness across the MPS, refresh comprehensive initial and refresher training programmes, ensure the estate complies with all health and safety legislation, and promote the more routine use of risk assessments. The benefits of this will be seen in fewer injuries at work and fewer health and safety incidents.</p>								<p><u>Support for Policing Plan priorities/strategic goals and aims of “Towards the Safest City”:</u></p> <ul style="list-style-type: none"> ➤ Recruit, train and retain an extended police family reflecting the diversity of London ➤ Create an environment in which the talents, skills and experiences of our diverse workforce are able to enhance and support operational demands. ➤ Provide our staff with the most appropriate working conditions, environmentally friendly facilities and equipment to help achieve our goals ➤ Actively manage the growth in staff numbers and ensure that officers receive proper support. 								
<p><u>Consequences of Not Obtaining Funds:</u></p> <p>It will be more difficult to achieve the Mayor’s goals on developing and retaining a professional and diverse workforce geared towards improving operational performance. We will not be able to provide the level of service that will prevent many injuries and illnesses arising in the first place.</p>								<p><u>Support for Mayoral Priorities:</u></p> <ul style="list-style-type: none"> ➤ Support mechanisms for increasing police numbers over the forthcoming period. ➤ Substantial progress towards a representative workforce. 								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
13	Estates Improved Security			8,451			300									
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City" and "Building Towards the Safest City":</u>								
<p>Growth in the estate to match the growing workforce and demand will require additional security guarding and internal messenger services. There will be high profile targets and following events of September 11th in New York, quality of guarding will be higher than presently provided elsewhere - in line with that to be in place from 2004 at other key sensitive sites.</p>								<p>Goal 2 – Securing the Capital against Terrorism. Increasing the security of the Capital against terrorism and creating safer communities for Londoners. More secure infrastructure improving the reassurance of emergency response.</p>								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<p>If not implemented, levels of security at these new buildings would be non-existent, leaving them vulnerable to intrusion and possible criminal or terrorist attack. Places officers and staff at greater risk if not implemented.</p>								<p>Improving the safety of those who live and work, particularly in a vicinity of potential targets, and the wider community.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
14	Monitoring of corporate performance priorities					6	256									
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
Six extra staff to provide:								Development and presentation of more timely and effective performance information, reports and analysis that will help to drive the delivery of corporate goals								
i.) technical design support for new corporate and local performance management reports and data presentations								Support for the strategic assessment process that will drive the development of future objectives and priorities								
ii.) support for rollout and management of MetMIS (or equivalent corporate Management Information platform)																
iii.) performance analytical support for the National Intelligence Model corporate strategic assessment process that will drive the development of the corporate and annual planning processes																
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
Slower and more piecemeal approach to development of performance monitoring reports and processes: in particular, development of data for support departments would be delayed. Unable to support delivery of business benefits of MetMIS system across the MPS: cannot support data and report development on MetMIS for use across the MPS, or provide help to assistance to new users of the system ability to provide monitoring and analysis in relation to corporate strategic issues (in particular, medium-long term issues) would be greatly restricted.								Specific responsibility for developing and implementing the performance strand of the Step Change Programme set up to deliver on the Mayor's desire to move to 35,000 officers								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
15	Support to both covert and overt operations (Airwave alarms)						250			(250)						
<u>Detail:</u> One-off costs of works necessary to change over the several hundred panic alarms issued to vulnerable people and a further significant number of alarms in police premises. The work will have to coincide with the rollout of Airwave from Oct 2004.								<u>Support for Policing Plan Priorities/Strategic goals and aims of "Towards the Safest City":</u> <i>These expenditures directly contribute to:</i> Developing Safer Communities Securing the Capital Against Terrorism Revitalising the Criminal Justice System and Developing a Professional and Effective Workforce.								
<u>Consequences of Not Obtaining Funds :</u> The Operational and Technical Support Unit will not be able to provide the volume or range of services required by the business with the result that the effectiveness of police operations may be compromised and officers may be less well protected when fulfilling duties.								<u>Support for Mayoral Priorities:</u> These expenditures directly contribute to delivering the objectives to make London a City for the people by making London a safer city and to make London a Fair City by using the Met's equal Opportunity recruitment policies to champion equalities in London.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
16	Provision of 'Tasers'						200			(200)						
<u>Detail:</u> The Taser is being trialled and tested at present. The trial will conclude in April 2004, when a decision about issue to all Boroughs , SO19 and officers from the TSG will be made. The cost of such a rollout is shown as a one-off item to be met from a managed underspend in 2003/04.								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u> Goal 4: Developing a Professional and Effective Workforce Provide our staff with the most appropriate working conditions, environmentally friendly facilities and equipment to help achieve our goals.								
<u>Consequences of Not Obtaining Funds:</u> MPS would be vulnerable to issues relating to Health and Safety.								<u>Support for Mayoral Priorities:</u>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
17	Fees to identify PPP solutions to need for new cells/custody centres			207						1,750						
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City": and "Building towards the safest City".</u>								
Further development of the estate will in part be through Public Private Partnership. Priority is to invest in improved custody suites possibly in partnership with Greater London Magistrates Court Authority. This bid is for development fees to investigate the practicalities of the PPP route and thereafter bring it to fruition.								Goal 1 – Developing Safer Communities Meets (medium/long term) Territorial Policing cell capacity problems (including results of officer growth) Improves cell conditions, eliminating the risk of prisoner self harm and meets legislative and diversity requirements.								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
Without the funds modern, safe and Disability Discrimination Act-compliant custody suites will not be built and expanded targets not met.								Making London safer by developing the estate to meet operational needs and placing more officers on the streets.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
18	South London Training Site								6	1,280						
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
<p>This is a requirement for a new MPS Training Centre in the South London area to alleviate the pressure currently placed on the facilities at the Peel Centre, Hendon. The new site will reduce waiting times for courses and also improve training accessibility for students, particularly those living in South London.</p>								<p>To develop a professional and effective workforce with the appropriate skills to deliver the priorities of the MPS.</p>								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<p>Students living in the south and those with care responsibilities, who currently cannot attend Hendon, will have training denied to them. This could impact on their ability to work and promotion.</p> <p>Also, following the increase in the number of recruits, Peel House is already in excess of student number, per classroom, which is not in compliance with Health and Safety Regs or Her Majesty's Inspector of Constabulary guidelines for training.</p>								<p>Increase officer numbers to 35,000</p>								

BG	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
19	Community Volunteers Programme								38	1,030		30	791			
<u>Detail:</u>								<u>Support for Policing Plan priorities:</u>								
<p>The Volunteers in Policing programme has moved from a proof of concept stage in the MPS to one where there are already 300 active volunteers working in 10 police stations which have been reopened.</p> <p>It is now necessary for a formalised delivery structure to be adopted to deliver a more integrated service across London, whereby the community become more involved in the policing of their community, and more actively support the Boroughs in the delivery of their every day working. The additional volunteer framework will release officers for front line duties, as well as opening up police stations in communities that were previously closed.</p> <p>The staff numbers identified above are for the provision of co-ordinators located on each BOCU to ensure the smooth running of the programme.</p> <p>As identified at Item 2 of this schedule, additional costs will be incurred over the 2006/07 year to introduce victim focus desks. These will link more closely with the local volunteer programmes already in place and will be partly covered by local volunteers.</p>								<p>Creating safer communities for Londoners by increasing the visible presence of uniformed staff on the streets by providing volunteers to take on some of the roles undertaken by police.</p> <p>Creating victim focus desks will help to provide a better service to vulnerable victim groups across London, as it will look to support Project Sapphire, for rape cases.</p> <p>The Volunteers programme is an integral part of the Police Reform Agenda.</p>								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<p>The opportunity for a more effective use of police officers' time will be reduced. An opportunity to involve the local volunteers in breaking down barriers at a community level will be missed.</p>								<p>Increasing the number of volunteers releases police officers for duties that require police powers, increasing operational effectiveness.</p>								

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		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
20	Criminal Justice support to CPS at point of charge									1,000						
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City": and "Building towards the safest City".</u>								
<p>This bid is to fund joint partnership initiatives with the Crown Prosecution Service to support this service at point of charge.</p> <p>Such initiatives increase revenue expenditure in respect of accommodation-related requirements.</p>								<p>Goal 3 Revitalising the Criminal Justice System Change working practices to improve services given to victims and witnesses</p> <p>Enhance our ability to work with other agencies within the Criminal Justice System.</p> <p>Part of Criminal Justice programme and unavoidable cost of meeting concordant costs with CPS signed by the Commissioner. Meets "equivalence" costs agreed by MPA June 2003 – policy.</p> <p>Changing to improve services will result in better support for victims and witnesses making them feel safe, secure and willing to make statements and testify, resulting in successful prosecutions and safer streets.</p> <p>Enhancing abilities to work in conjunction with other agencies within the criminal justices system, outside constabularies and establishments would increase communication, flow of critical information and open opportunities to share and receive specialist knowledge.</p> <p>Improving accuracy and timeliness of papers, documents and evidence would help in following statutory procedure. This will assist the CPS so charges will lead to successful convictions.</p> <p>Reform of the Criminal Justice system will bring all parties involved within prosecutions closer and help to ensure that all cases that are brought to trial are successful and fair.</p>								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
The consequences of not obtaining such beneficial funds would result in less cases leading to prosecution, making the streets of London less safe and hindering the fight against crime.								Increases the safety and security of London's many diverse communities.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
21	Vehicle Recovery & Storage Services expansion	2	86	5,161					25	800		27	870		25	800

Detail:
Growth posts are required for the second, third and fourth Vehicle Recovery and Storage Service (VRSS) sites. Anticipate 50% growth in demand in 2004-2005, a further 33% growth in 2005-2006 and further growth in 2006 - 2007. This results from a change in policy – VRSS to include all lost and stolen vehicles, increased number of vehicles for forensic examination and an increased number of those involved in serious accidents

Their role would be: -
a) Undertaking auto crime inspections,
b) Criminal intelligence gathering
c) Compilation of Crime Tasking dockets
d) Executing arrest warrants.

The £5.1m base budget is the net revenue budget for all activities performed and income received by VRSS.

Support for Policing Plan priorities/strategic goals and aims of “Towards the Safest City”:

Goal 1: Developing Safer Communities
Aims

- Focus on local crime and disorder priorities within a common policing model.
- Disrupt organised crime and criminal activity on a London-wide and inter-force basis, particularly murder, human trafficking, gun-crime and crime related to hard drugs.
- Improve our partnerships with other voluntary, public and private organisations to help fight crime and improve the quality of life.
- Introduce the extended 'policing family' to provide reassurance and reduce the incidence of anti-social behaviour by sustaining high visibility policing.
- Contribute to the achievement of a safe environment for all road users.

Goal 2: Securing the Capital against Terrorism
Aims

- Enhance the collection of intelligence to inform our counter terrorist activities.

Goal 5: Reforming the Delivery of Policing Services
Aims
Focus on meeting the needs of service users, delivering services locally where beneficial and ensuring clear lines of accountability for the results.

Consequences of Not Obtaining Funds:
The revenue increases in budget have been based on estimates for actual expenditure and income over the next four years. If additional funding is not forthcoming then it will take longer to acquire subsequent car pounds 2, 3 and 4 because without the staff to run pound 2 it will be difficult to realise the increased income necessary to refurbish pound 3, and so on.

Support for Mayoral Priorities:
Transport Strategy
Red route removals
Enhance Road Safety campaign
Removal of abandoned vehicles from streets.

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Civil Staff No.	£000	Police No.	Civil Staff No.	£000	Police No.	Civil Staff No.	£000	Police No.	Civil Staff No.	£000	Police No.	Civil Staff No.	£000
22	Development of BOCU Help Desk Function		1	21						250		166	4,100		138	3,382
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
<p>Implementation of Managing Demand Best Value Review Recommendation 3:-</p> <ul style="list-style-type: none"> ➤ BOCU to enhance ability to respond to non-urgent enquiries. ➤ Enhance C3i capacity to resolve public enquiries through 'frequently asked questions database' and other processes. ➤ Undertake a scoping study for the development of a centralised help desk function and prepare business case for MPA. The focus of the help desk function is the backroom processes of getting the right piece of information to the operator to solve the request first time. The scoping study is likely to be a substantial piece of work probably in 05/06. 								<p>Reforming the Delivery of Policing Services by becoming more responsive to people's needs regarding the services they receive from us and how those services are provided.</p>								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<ul style="list-style-type: none"> ➤ Police or police staff would have to be diverted from other duties, which would impact upon other areas of service performance. ➤ Delayed opportunity to develop a multi-agency help desk function. ➤ Increase demand placed upon Metcall centres to achieve earliest resolution. 								<p>Make London safe by working with the MPA to deliver a world class police service.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
23	Heathrow additional vehicles & support services													35	1,119	
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
The expansion of Terminal 5 at Heathrow Airport will bring a requirement for extra police staff and additional vehicles. These will be needed to police the enlarged area that Heathrow will cover.								Reforming the Delivery of Policing Services Securing the Capital against terrorism								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<u>Staff</u> The airport and individual airlines will be under threat from attack. It may be seen by a terrorist as a prime target as it will be a showcase.								Securing the Capital against terrorism								
<u>Vehicles</u> If the vehicles are not authorised, it will not be possible to deploy the additional staff effectively and patrolling the additional area will be difficult. Patrolling off-road sites will cause damage to existing vehicles and create an unnecessary hazard for staff. The safety of the Airport could be compromised.																

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
24	Increased security for rail and air terminals													15	380	
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
Increase in security staff to meet demands of Terminal 5 at Heathrow and opening of international rail terminals at St Pancras and Stratford.								Securing the capital by delivering an effective response against the terrorism threat & working with the national and international agencies to prevent & detect terrorist activity.								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<ul style="list-style-type: none"> ➤ Inefficient use of police staff on support functions ➤ No/insufficient Special Branch coverage at the specified additional international ports 								Selection to reflect MPS Equal Opportunities Policy								

Committed increases

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
1	Full year cost of 2003/04 additional officers						26,200			900			900			1,000
<u>Detail:</u> Provision for the full-year cost of the 1000 police officers recruited throughout 2003/04								<u>Basis of calculation:</u> Comprises: <ul style="list-style-type: none"> ➤ pay related costs of recruits ➤ supervision up to chief inspector level ➤ police staff support in OCUs ➤ uniform and equipment, IT, radios etc ➤ accommodation costs ➤ developmental training ➤ other support and overhead costs 								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
2	Additional revenue cost of C3i.	278	1,615	74,333			12,462		(118)	(659)	(210)	184	(574)	(90)	126	(2,309)

Detail:

The bids cover the costs of providing the C3i service as defined in the C3i Project Outline business case dated September 2001. After implementation of the C3i Programme, management and financial responsibility of items within this bid will fall to different areas of the MPS.

In summary, the areas covered are the communications officers and management OCU providing the C3i services, maintenance of three C3i centres and technology installed within them.

The components are:

1. Cost of Communications Officers in the C3i environment.
2. Metcall OCU – build-up of the OCU during implementation so that a structure is in place before transition from the existing services.
3. Systems service delivery costs – costs of maintaining C3i systems once they are implemented. Responsibility of Service Delivery Group (Directorate of Information).
4. Costs of running and maintaining the three C3i centres. This budget is the responsibility of Property Services.
5. Reduction of C3i service running costs as BOCU police officer posts are civilianised

Basis of Calculation:

Component 1

This reflects the additional requirement for civilian communications officers assuming the retention of 300 police posts during transition to Metcall, to be released in 2006/07 & 2007/08. No posts to be civilianised in 2004/05 (costs are the full year effect of posts civilianised in 2003/04) or 2005/06.

Component 2

The Metcall OCU will be established to manage Metcall and carry out responsibilities such as recruitment, training, management reporting etc. Preliminary costings are reflected above although work is ongoing to finalise the profile of expenditure.

Component 3

Service costs as reflected in the latest C3i business case.

Component 4

The C3i Buildings begin to come on stream from March 2004. These buildings are critical to the service and thus must receive the highest levels of maintenance and Facilities Management Services. The growth in premises costs includes £6050k for Facilities Management, £1266K for Business Rates and £360K for Energy costs.

Component 5

There were an estimated 578 Police Officers working in the C3i Service environment at the start of 2003/4. Planned recruitment expects to civilianise 278 of these posts during 2003/4, with the full year effect of this reduction occurring in 2004/05. Civilianisation of the remaining 300 police posts is planned for 2006/07 and 2007/08.

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
3	Full year cost of 2003/04 additional PCSOs						12,000			400			400			400
Detail:							Basis of calculation:									
Provision for the full year costs of 500 PCSOs recruited throughout 2003/04.							Comprises: <ul style="list-style-type: none"> ➤ Pay related costs ➤ Police staff support ➤ Uniform and equipment ➤ Accommodation costs ➤ Other support & overhead cost 									

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
4	Police officer free travel costs						10,435			1,200			100			100
Detail:							Basis of calculation:									
The cost of the continuation of free rail travel for police officers based on the amount payable by the MPS to Association of Train Operating Companies and the estimated tax liability. The amounts shown in 2004/05 and 2005/06 are the mid point of the upper and lower levels in the agreement and the associated tax liability. The actual amounts for 2004/05 and 2005/06 will be based on surveys carried out to ascertain usage levels. Beyond 2005/06 costs will be based on survey results with no overriding maximum level.							The calculation is based on the actual agreement and the current tax arrangements.									

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
5	Police staff – Hay award increments						8,500			7,200			5,500			3,900
<u>Detail:</u>								<u>Basis of calculation:</u>								
The consequential costs arising from the implementation of the Hay recommendations on police staff pay structure.								The costs include the incremental progression of staff who are below the top of their new pay scale and increased employer's superannuation contributions arising from implementation.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
6	Reinstatement of C3i police officer posts civilianised.						7,800				210		3,800	90		7,500
<u>Detail:</u>								<u>Basis of calculation:</u>								
In accordance with C3i protocol between the MPA and the Home Office, the cost of retaining and redeploying police posts released by civilianisation and centralization of functions under the C3i project.								<ul style="list-style-type: none"> a) Pay costs assuming similar rank structure to that used in 1000 additional officer costings b) Police staff support c) IT costs <p>Other costs e.g. accommodation, uniforms, radios etc are assumed to be within base budget as there is no actual increase in total police numbers.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
7	Extensions to the estate portfolio						6,305			20						
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City" and "Building towards the safest City":</u>								
Growth in the estate relating to the "Property Service Estates Strategy" will require additional expenditure of:-								Goal 1 - Developing safer communities Improve our partnerships with other voluntary, public and private organisations to help fight crime and improve quality of life.								
Annual rent - £3,695k																
Additional security guarding and internal messenger services - £480k																
Property Rates - £1310k																
Energy costs - £210k																
Service charges - £50k																
Maintenance & cleaning - £560k																
TOTAL £6,305k																
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
Will not be in a position to proceed with the "Property Services Estates Strategy"								Implementation of plans to provide safe and secure working environments.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
8	Special Priority Payments under Police Reform			7,500			5,400			5,600			1,200			1,200
Detail:								Basis of calculation:								
The estimated cost of Special Priority Payments (SPPs).								The Home Office has set minimum limits on the amount to be spent on SPPs. These are 1% of basic pay in 2003/04 rising to 1.5% in 2004/05 and 2% in 2005/06.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
9	PFI Unitary Charges			16,523			4,949			572			521			536
Detail:								Basis of Calculation:								
PFI – South East London Police Stations (Lewisham, Bromley, Sutton & Deptford) PFI- Firearm and Public Order Facility.								Unitary charge has increased because of the variations to South East London PFI to accommodate the Serious Crime Group. Also included in bid is the variable and variation costs relating to Specialist Operations, Specialist Crime & Territorial Policing.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
10	Increase in number of officers receiving London Pay Lead						4,700			2,100			2,100			2,300
Detail:								Basis of calculation:								
All officers who have joined the MPS since September 1994 receive an additional London allowance to bring their pay closer to the level of officers who joined before that date and who receive a housing allowance. Thus the number of officers receiving this additional allowance increases each year.								Recruitment plans, excluding that element covered in any growth bids.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
11	Effect of other Police Reform changes						4,000			3,600			2,000			300
Detail:								Basis of calculation:								
The estimated cost implication of other Police Reform changes such as: <ul style="list-style-type: none"> • shortening of pay scales; • competency threshold payments; • changes in certain allowances. 								The net increase in costs brought about by Police Reform changes, comprising: <ul style="list-style-type: none"> ➤ increases to value of pay scale points and shortening of pay scales; ➤ competency threshold payments to officers who meet the required standard and have served at least 1 year at the maximum of their pay scale; ➤ cessation of certain allowances and, in some cases, their replacement by reimbursement of actual costs incurred by officers. 								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
12	Revenue cost of IT Capital Programme			33,325			3,556			2,744			2,940			2,730
<u>Detail:</u>								<u>Basis of Calculation:</u>								
On-going support costs of projects taken into service. This expenditure is the revenue costs associated with capital infrastructure investments that change and improve on current systems or provide new functionality								It is known that services delivered from the IS development programme result in additional support costs. In recent years this equates to 14% of the capital spend incurred. Hence, given a capital programme as identified in the capital submission, the above costs are anticipated.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
13	IT support for Modernising Operations					5	2,500		3	1,500			300			300
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
<p>Modernising Operations is the TP led initiative aimed at improving the co-ordinating and tasking function at Boroughs. Its overarching deliverable is an Integrated Borough Operations facility that will complement the business process initiated via C3i. To achieve this the "cell" will have to have a mixture of customised technology accessing MPS corporate facilities via the Aware infrastructure. There will be one cell per Borough. TP consider this initiative to be an essential element of the C3i service.</p>								<ul style="list-style-type: none"> ➤ To increase visible police presence ➤ To improve accessibility ➤ To improve the quality of response ➤ To maximise MPS resources and their most effective use 								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<p>It will not be possible to implement these cells without additional funding. The Directorate of Information's current funding for the years in question is already committed to projects in support of other high priority initiatives contained in the Policing Plan. These will have to be curtailed, deferred or cancelled in order to deliver the facilities required by Modernising Ops.</p>								<p>To improve the service to the public and increase visibility.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
14	Re-tendering outsource contracts (Directorate of Information)			91,000			2,400			2,400						
<u>Detail:</u> Historically it has been found that when contracts run below RPI, increases are adjusted to take account of the full RPI effects during re-tendering.								<u>Basis of Calculation:</u> Estimated extent to which the terms of individual contracts have suppressed prices since they were originally let. The staged increase reflects the timing of re-tendering part way through 2004/05.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
15	Process of re-letting outsourced contracts		23	1,250			2,000			(1,000)						(1,000)
<u>Detail:</u> Reflects the cost of reviewing and re-letting outsourced contracts, which will be managed centrally by the Director of Procurement. Expenditure of £1m above the 2003/4 base budget was budgeted to be met from an earmarked reserve. The balance of the earmarked reserve, including a further £1m to be earmarked from an underspend to be delivered in 2003/04, will be applied in 2004/05.								<u>Basis of Calculation:</u> An assessment of the additional administrative, technical, legal and specialist expertise required to carry out the re-tendering programme.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
16	Provision of pre-charge advice services from the Crown Prosecution Service	2	7	500			1,702			(702)						
<u>Detail:</u>								<u>Basis of Calculation:</u>								
<p>The provision of pre-charge advice services from the CPS will substantially improve effectiveness in the criminal justice system, reducing discontinuances and enhancing the performance of the MPS.</p> <p>The work includes the development of case progression units which will sit with the CPS lawyer but which are the responsibility of the MPS.</p>								<p>The main elements are moves, case file transfers, telephony, building works, rental and project costs. One-off costs of £702k are included in 2004/05.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
17	Support to both covert & overt operations		180	15,941		15	1,494		10	1,790		7	982		7	982
<u>Detail:</u>								<u>Support for Policing Plan Priorities/Strategic goals and aims of "Towards the Safest City":</u>								
<p>The Operational and Technical Support Unit (OTSU) within the Directorate of Information (DoI) is tasked with providing technological support directly to frontline policing. The remit covers both immediate operational support and the release of the potential emerging technologies. The Emerging Technologies work stream will develop strategies and processes for the assessment and testing of developments in technology, to make the service aware of potential applications and introduce into service those that the Service approve. There has been a growth in demand for both the covert and overt services OTSU deliver. DoI in the past year provided OTSU with considerable short term funding, to the detriment of other DoI programmes to provide this support. This situation will become more acute in the latter part of 2004/05 when the results of the Emerging Technologies work stream will impact on our operational capabilities. We now seek the additional funding to secure the level of service to meet business demands.</p>								<p><i>These expenditures directly contribute to:</i></p> <ul style="list-style-type: none"> ➤ Developing Safer Communities ➤ Securing the Capital Against Terrorism ➤ Revitalising the Criminal Justice System and Developing a Professional and Effective Workforce. 								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<p>OTSU will not be able to provide the volume or range of services required by the business with the result that the effectiveness of police operations may be compromised.</p>								<p>These expenditures directly contribute to delivering the objectives to make London a City for the people by making London a safer city and to make London a Fair City by using the MPS's equal opportunity recruitment policies to champion equalities in London.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
18	Burglary Sole Response					60	1,411		56	1,540			1,266			
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
<p>Implementation of Burglary Sole Response, which is the use of forensic staff to examine, photograph and interpret crime scenes, deal with victims of crime and carry out fingerprint and other forensic examinations</p> <p>116 Crime Scene Examiners across Territorial Policing will enable the MPS to implement Burglary Sole Response. This forms part of the Scientific Support Strategy and is linked to the forensic strand of the MPS Policing Model.</p> <p>The aim will be to move the forensic services response to be response led rather than demand led and achieve a target response within 4 hours.</p>								<p>The implementation of the MPS Forensic Strategy, changes following the recent pay agreement and the introduction of 24 hour working for forensic services staff directly impact on the MPS Policing priorities. A recent Consultancy Group Evaluation on a pilot of crime scene examination being the sole response to burglary in London has commented very favourably on the benefits of this approach in terms of increased efficiency and effectiveness.</p>								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<p>If funds for staff are unavailable then this will preclude the implementation of the forensic element of the MPS Operational Policing Model and direct police resources from other operational duties.</p>								<p>The use of forensic services staff to carry out roles previously undertaken by police officers and the more effective availability directly allows police resources to be released for operational policing.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
19	Modernising Operations.	11	2	1,784			1,250		164	4,400			(1,100)			
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
<p>Modernising Operations (MO) provides an opportunity for a step change in policing. It maximises the Borough benefits from the C3i programme and introduces a standardised borough interface with the Met-call centres. An integrated borough operations (IBO) function supports the MPS policing model and facilitates effective local command. The IBO provides integrated intelligence provision, total resource management, station based supervision, support capacity and operational planning. MO is supportive of the C3i programme but also provides the crucial mechanism to effectively manage the increased policing numbers, particularly relating to PCSOs and probationary officers.</p>								<p>Developing safer communities by focus on common policing model & management of PCSOs. Anti terrorism through enhanced intelligence, HVP for re-assurance and improved briefing. Developing an effective workforce by deployment of "Visible Operational uniformed personnel", active management of increased staff and ensuring proper support. Reforming policing services by local service delivery, borough operational command, responding to local needs. Effective use of science and technology through MPS model (forensics) and interface with C3i and Airwave programmes. Improving the resource management within the MPS by having an overview of all borough resources and deployments.</p>								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
<p>Absence of funding would lose the opportunity of maximising the TP and MPS benefits of the C3i programme. It would risk a non-corporate interface with the Met call centres. It would lose the opportunity of improving borough performance through integrating borough operations & supervision.</p>								<p>The capacity within IBO for total resource management enables the most appropriate use of resources according to local demand, e.g. police officer, PCSO, crime scene examiner. This will free up officers for operational policing. The local command function within IBO will provide appropriate support and direction to manage the increase in policing numbers.</p>								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
20	Re-tendering outsourced contracts (Property Services)			29,561		21	1,000			150			150			150
Detail: The original five-year term of the Property Services contract comes to an end on 31.12.03. Members have approved the extension of term and scope of one of the existing contracts for a further two years, whilst the re-tender process takes place. Members have also agreed a small number of critical staff reverting to MPA employees. These interim arrangements will be subject to negotiation and inevitably will be more expensive than the original five-year fixed terms.								Basis of Calculation: Additional police staff, including 21 to be TUPE from contractor.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
21	Additional Airwave Running Costs						1,000									
Detail: The current business case is based on 28,000 officers. The number will exceed 30,000 by the time Airwave is implemented and this growth bid is necessary to match the increased number of users.								Basis of Calculation: Running cost element of Airwave business case applied pro rata.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
22	DNA analysis growth			10,116			923			569			1,254			
<u>Detail:</u>								<u>Basis of Calculation:</u>								
Currently the Home Office provides funding for certain types of DNA samples under the DNA Expansion Programme. Forces are required to fund costs up to a set threshold; the Home Office will then provide grant to fund further expenditure up to the same value as the threshold. Expenditure beyond the 'match funded' level must be funded by Forces.								The costs relate to testing of DNA samples by external suppliers and reflect the implementation of the Scientific Support Strategy and the Home Office DNA expansion programme. They are based on projections of the number of samples to be tested in each year.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
23	Debt Finance for capital programme						700			600			600			600
<u>Detail:</u>								<u>Basis of calculation:</u>								
The level of Supplementary Credit Approvals (SCAs) allocated to the MPA to fund capital expenditure in 2003/04 is expected to continue throughout the period. This will result in higher levels of borrowing, with a resulting increase in repayment of principal and interest charges each year.								Anticipated level of borrowing								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
24	Additional Security					9	225									
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
As part of ongoing reviews of security, the need to provide security posts to an area previously secured by non-MPS staff has been identified.								This request falls into line with the objective of securing the capital against terrorism.								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
Lack of ability to take a flexible approach to policing of security posts. Ultimately, the potential for this post to be covered by police officers, which represents the more costly option.								As above								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
25	MPA administration of ill health retirements					1	100									
<u>Detail:</u>								<u>Support for Policing Plan priorities/strategic goals and aims of "Towards the Safest City":</u>								
<p>As part of the Police Reform Act 2002 proposals, new provisions have been implemented from 1 July 2003, introducing the concept of an independent and objective Selected Medical Practitioner (SMP), separate from the role performed by the MPS Force Medical Adviser. The SMP's role is to determine whether a police officer is permanently disabled from performing operational duty and if they are, to provide a report of the officer's capabilities to perform a non-operational role. The Authority will decide on the basis of the SMP report and submissions from the Commissioner and the officer, whether he or she will be retired on grounds of ill health or retained in service.</p> <p>It is anticipated that up to 240 cases will be referred to the SMP each year. The MPA has initially retained two SMPs who will be paid a daily rate for up to 2-3 days work per week. It has also been necessary to rent suitable consulting rooms to ensure clear separation of the roles of the MPA and MPS. Once the workload has been established the MPA may wish to take steps to contract two SMPs on a part time basis.</p>								<p><i>Towards the safest city – Developing a professional and effective workforce.</i> This will ensure the best use will be made of all police officers, including those who may not be fully fit but who can nevertheless make a valuable contribution to the policing of London.</p>								
<u>Consequences of Not Obtaining Funds:</u>								<u>Support for Mayoral Priorities:</u>								
The Authority will not be able to fulfil its role under the Police Reform Act 2002.								Supports efficiency saving of £5m on lower level of ill health retirements.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
26	Dual running of Airwave and Metradio			34,682			(20,020)			3,610			8,750			(10,650)
<u>Detail:</u>							<u>Basis of calculation</u>									
<p>The replacement of the MetRadio system with Airwave, a service provided by MM02. Cost comprise:</p> <ul style="list-style-type: none"> ➤ Running the existing Met Radio system until 2006/07. ➤ Implementation of Airwave, due for completion in 2006/07. ➤ Airwave service costs, increasing as the new system is implemented. <p>The Home Office directly funds core charges and it is assumed that this will continue. There is an element of dual running of the MetRadio and Airwave systems until 2006/07.</p>							<p>Based on Airwave Business Case. The Home Office is providing specific grant as a contribution towards the implementation costs and service charges.</p> <p>The budget profile shown above reflects the understanding that a large part of the Home Office funding will be provided in 2003/04, in advance of the expected profile of expenditure. The balance of funding in that year will be used to create a provision to cover all the expected costs in 2004/05 and part of the cost in 2005/06.</p>									

Committed Decreases

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
1	Street Crime Initiative			8,008			(8,008)									
Detail: Expenditure in 2003/04 was funded from specific Home Office grant which is assumed to cease after 2003/04.								Basis of calculation Figure was notified by the Home Office as part of the grant settlement for 2003/04.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
2	Progressive reduction in housing related allowances						(5,500)			(5,600)			(5,400)			(5,100)
Detail: Police Regulations allow police officers who joined before September 1994 to receive housing and rent allowance. As these officers retire or resign, these payments will reduce.								Basis of calculation The estimated reduction of housing allowances paid to police officers retiring/leaving the MPS.								

Item	Description	2003/04 (Base)			2004-05			2005-06			2006-07			2007-08		
		Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000	Police No.	Police Staff No.	£000
3	Reduced provision for police pay award						(3,400)									
Detail: The budget for 2003-04 made the assumption that the 01 September 2003 pay award for police officers, as agreed by the Home Office, would be 3.5%. The actual pay award was 3% and the surplus funding is being removed from the base budget.								Basis of calculation The calculation is based on the actual effect of the lower than pay award.								

Budget Savings Proposals for 2004/05

Efficiency and other savings <i>(figures are shown as incremental)</i>	2004/05	2005/06	2006/07	2007/08
	£'000	£'000	£'000	£'000
Deputy Commissioner's Command				
Replace consultants with permanent staff	(1,000)			
Temporary reduction in desktop IT support costs	(4,200)	4,200		
Property Services work on IT projects	(400)			
Workstation support costs reduction	(400)			
Compensation further saving in business group budget.	(1,000)			
External consultancy	(97)			
Strategic Development devolved budgets including large element of consultancy costs.	(1,300)			
Reduce various budgets - Diversity Directorate	(345)			
Reduce various budgets - Development & Organisation Improvement Team	(203)			
Reduce various budgets - Directorate of Professional Standards	(503)			
Total Deputy Commissioner's Command	(9,448)	4,200	0	0
Human Resources				
Corporate external trainers	(120)			
Reduce corporate redundancy budget	(140)			
Reduce running costs	(168)			
Reduce recruitment section staffing and advertising budget	(1,459)			
Review of Training notes	(39)			
Reduction in photocopying	(203)			
Reduction in transport costs	(296)			
Reduce various budgets - Strategic Management Unit	(75)			
Increased income - Secondees	(2,500)			
Total Human Resources	(5,000)	0	0	0
Resources				
Interest on Revenue balances	(2,000)			
Transport & devolved budgets	(1,280)			
Congestion charge budget	(600)			
Increased value of car sales	(200)			
Extend use of Corporate Charge Card	(20)			
Increase Income Generation target	(1,000)			
Total Resources	(5,100)	0	0	0
Specialist Crime				
Establish in-house forensic facility	(500)			
Establish in-house firearms and ammunition forensic facility	(500)			
Income from Court directions in respect of forfeiture of assets	(60)			
Total Specialist Crime	(1,060)	0	0	0

Efficiency and other savings <i>(figures are shown as incremental)</i>	2004/05 £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000
Special Operations				
Charge other forces for use of firearms training facility	(135)			
Increase income from operational receipts	(1,500)			
Total SO	(1,635)	0	0	0
Territorial Policing				
Increased income from charges to Immigration Service	(1,000)			
Increased income from Operational Receipts	(500)			
Civil staff/ Traffic Warden element of Aid Fund	(1,000)			
Management cost reductions	(500)			
Additional income from Specialist support and Traffic	(320)			
Air support unit fuel costs	(50)			
Savings re staff transfer to PFI provider	(1,000)			
Traffic Wardens underspend	(1,000)			
Total TP	(5,370)	0	0	0
MPA				
Deletion of recruitment budget	(100)			
Deletion of Efficiency & Effectiveness Reviews budget	(1,000)			
Total MPA	(1,100)	0	0	0
Corporate				
Removal of compensation contingency	(5,000)	0	0	0
Reduced cost of police pensions and lump sums as a result of lower number of ill-health retirements	(5,000)	0	0	0
Use of non-pay inflation contingency to part fund cost of free rail travel	(6,835)			
Total Corporate	(16,835)	0	0	0
Total	(45,548)	4,200	0	0

Relation between new initiatives/growth items in the 2004/05 budget and goals in 'Towards the Safest City'

Goal 1 - Developing safer communities

Goal 4 - Developing a professional and effective workforce

Goal 2 - Securing the Capital against terrorism (CT)

Goal 5 - Reforming the delivery of policing services

Goal 3 - Revitalising the Criminal Justice System (CJ)

Growth items in the 2004/05 budget	Links to Goals in "Towards the Safest City"					Cost base changes
	Goal 1 - Safety	Goal 2 - CT	Goal 3 - CJ	Goal 4 - W'force	Goal 5 - Reform	
Inflation						✓
Additional revenue costs of C3i					✓	
Free rail travel for police officers				✓		
Hay review increments				✓		
Reinstatement of police officer posts released under C3i	✓	✓				
Extensions to estate portfolio				✓		✓
Police Reform	✓		✓		✓	
PFI Unitary Charges						✓
London pay lead				✓		✓
Revenue cost of IT Capital Programme				✓	✓	
Modernising Operations	✓	✓		✓	✓	
Increased outsource costs as a result of re-tendering						✓
Provision of pre charge advice services from the CPS			✓			
Support for overt and covert operations	✓	✓				
Burglary sole response				✓	✓	
Airwave running costs	✓			✓		
Process of re-letting outsourced contracts						✓
DNA analysis growth	✓	✓				

Growth items in the 2004/05 budget	Links to Goals in "Towards the Safest City"					Cost base changes
	Goal 1 - Safety	Goal 2 - CT	Goal 3 - CJ	Goal 4 - W'force	Goal 5 - Reform	
Increased debt financing						✓
Additional security		✓				
MPA administration of ill-health retirements				✓		
Estate resilience	✓					
Development of victim and witness focus desks			✓		✓	
Transfer of functions to centralised traffic CJU			✓		✓	
Freedom of Information Act compliance			✓		✓	
Counter-terrorism – Fingerprinting Team		✓				
War Crimes Unit	✓					
Backlog maintenance						✓
Leadership Programme				✓		
Equipment for firearms forensic capability	✓					
Mobile data terminals		✓		✓	✓	
Cell accommodation project			✓	✓	✓	
People development				✓		
Estate improved security	✓	✓				
Monitoring of corporate performance priorities	✓	✓	✓	✓	✓	
Provision of Tasers	✓			✓		
South London training site				✓		
Community volunteers programme	✓				✓	
Vehicle removal and storage services expansion	✓					
Development of BOCU Help Desk function					✓	
Heathrow expansion	✓	✓				
Increased security for rail and air terminals	✓	✓				