

Metropolitan Police Budget Book 2005 - 2006



**METROPOLITAN
POLICE**

Working together for a safer London

MPA

Metropolitan Police Authority

Metropolitan Police Authority

Budget Book 2005/06

Revenue Budget 2005/06

and

Capital Programme 2005/06 to 2009/10

July 2005

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Foreword

This is the Metropolitan Police Authority's (MPA's) fifth Revenue and Capital Budget Book. The information in this book shows how the resources of the MPA will be deployed to support core business activities and to respond to the increasing demands on the Metropolitan Police Service (MPS) and MPA. The MPA/MPS's approach to meeting these demands is set out in the Policing Plan for 2005/06, which identifies the key priorities for the year.

The finances of the MPA are complex, partly due to its unique constitutional position within the Greater London Authority (GLA), and also due to its size and the diverse nature of its activities.

The financial resources available for deployment consist of both revenue and capital and each is covered in this document. Revenue budgets are shown at Business Group and Sub-business Group and for Capital against main programme projects. Throughout the year the MPS will monitor in detail the actual net expenditure to date position and annual forecast against these budgets and reports will be provided to the MPS's Management Board and MPA's Finance Committee.

The MPA/MPS budgets for 2005/06 reflect a number of major developments, which include the following:

- Increasing police officer numbers to provide 160 additional Safer Neighbourhood teams together with additional specialist officers from central squads
- The creation of the Central Operations Command primarily from Territorial Policing Pan London functions
- The separation of the Directorate of Information as a stand-alone Business Group from the Deputy Commissioner's Command
- Establishment of a centralised Traffic Criminal Justice Unit
- Development of Victim and Witness Focus Desks
- Further investment in improved Communications, Command and Control facilities
- Modernising operations in Territorial Policing with Integrated Borough Operations rooms

Further details are set out in appendices 1 and 2 of the Overview.

This budget book provides a flavour of the nature of the MPA/MPS and describes how the funds allocated will be deployed.

Ken Hunt, Treasurer, MPA

Keith Luck, Director of Resources, MPS

Overview

Introduction

The Mayor's budget for 2005-06, including the total revenue budget of the Metropolitan Police Authority (MPA), was approved at the meeting of the London Assembly on 14 February 2005.

The approved budget amounts to £2,728.9 million, including expenditure financed by specific grants, an increase of 6.3% over the comparable figure for 2004-05.

The Metropolitan Police Authority approved the allocation of the 2005-06 budget on 31 March 2005. The Authority also agreed the Capital Programme at the same meeting; this programme is included at part B of this document.

Revenue Budget Process

The Mayor's budget guidance for 2005-06, issued on 30 June 2004, required the Authority to exemplify proposals spanning the range:

- A budget requirement restricted to the amount that could be funded by a 2.5% increase in the MPA's share of the GLA council tax precept.
- A budget requirement restricted to the amount projected for 2005/06 in the published final 2004/05 GLA budget.

The guidance specifically required the development of a menu of options covering intermediate levels between the two ends of the range.

The strategy and options for increasing police numbers to 35,000 over the next three to five years via the Step Change programme were to be developed in addition to these proposals.

The budget process followed the overall framework set out by the Mayor in his guidance. The resulting timetable for the MPA is set out in the process below:

Table 1: Revenue Budget Timetable 2005-06

Date	Stage	Authority/Committee
2004		
June	Budget guidance issued by the Mayor	
July	Budget proposals to be developed for 4 options: budget in line with medium term financial plan, and precept increases of 2.5%, 5% and 9.9% and savings of at least £60 million to be identified.	MPA Finance Committee 22.07.04
October	Informal consultation with key stakeholders	
November	Detailed draft budget submitted to Mayor	MPA Full Authority 28.10.04
December	Budget reviewed in the light of the grant settlement and further guidance from the Mayor	MPA Full Authority 16.12.04
December	Formal consultation	Greater London Authority
2005		
January	Mayor submits initial proposals to Assembly	London Assembly 26.01.05
February	Mayor submits final proposals to Assembly	London Assembly 14.02.05
March	MPA approves allocation of budget	MPA Full Authority 31.03.05

Budget Submissions:

Table 2 sets out a summary of the budget at three stages:

1. The draft submission as reported to the Authority on 28 October 2004,

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2. The submission, reflecting the grant settlement, as agreed by the Authority on 16 December 2004,
3. The budget as approved at the meeting of the London Assembly on 18 February 2004.

Table 2: Development of Budget Analysis

	<i>Draft</i> 28.10.04	<i>Draft</i> 16.12.04	<i>Final GLA</i> <i>Approval</i>
	£m	£m	£m
2004-05 approved budget	2,567.6	2,567.6	2,567.6
Provision for inflation	72.0	69.0	69.0
Real term changes in unfunded pensions	14.1	8.6	8.6
Unavoidable expenditure commitments (Appendix 1)	97.0	97.6	97.6
Additional high priority growth (Appendix 2)			
Step Change programme	48.6	45.5	45.5
Other growth	18.2	17.7	17.7
Savings and Efficiencies (Appendix 3)	-65.8	-73.0	-73.0
2005-06 cash limit	2,751.7	2,733.1	2,733.1
Amending Report 2003-04 grant		-4.2	-4.2
Amended 2005-06 cash limit	2,751.7	2,728.9	2,728.9
To be funded by:			
Forecast grant	2,128.7	2,146.6	2,146.4
Precept forecast, in line with Mayor's intentions	612.0	560.3	560.5
Use of reserves	11.0	22.0	22.0
2005-06 forecast funding	2,751.7	2,728.9	2,728.9

- **Draft submission 28.10.04**

The budget, as drafted at this stage and excluding Step Change, fell within the range set by the Mayor for exemplifying budget options. The draft was also broadly in line with one of the intermediate options agreed by the Finance Committee to produce a precept increase below 10% - excluding Step Change, this budget represented a precept increase of 9.8%.

- **Detailed submission 16.12.04**

The submission was modified by the Authority on 16 December 2004 to reflect a number of developments that impacted on the budget draft:

- Corporate review of the budget and further proposals for expenditure reduction identified
- the announcement of the provisional grant settlement for 2005-06 at about £17.7 million higher than forecast;
- a letter from the Mayor on his proposed component budget.

- **Final GLA approval at Assembly 18.02.04**

The Mayor's final proposal to the London Assembly additionally reflected the final grant settlement for 2005-06, which resulted in a marginal reduction in the MPA allocation of £0.225m. The Mayor's proposed budget was approved with the Assembly unable to agree any amendments.

Budget requirement

The budget net of specific grant and use of balances is referred to as the 'budget requirement' and this is the basis for comparison with FSS (Formula Spending Share) plus police grant, which represents the Authority's share of the Government's national provision for police expenditure. This information is set out as follows:

Table 3: Budget requirement 2005-06

	2004-05 £m	2005-06 £m	% change
Cash limit (incl. expenditure funded from specific grants)	2,567.6	2,733.1	6.4%
Less Amending Report 2003-04 grant		4.2	
Less specific grants	200.6	218.6	8.9%
Less application of reserves	23.7	22.0	
Budget requirement	2,343.3	2,488.3	6.2%
FSS + police grant	2,147.3	2,253.9	5.0%

Funding

The Authority's net expenditure is funded from government grant, council tax precept and the use of reserves, as shown in Table 2.

- **Government Grant**

Police grant and revenue support grant (RSG) are distributed in accordance with a national formula designed to reflect differences between police authority areas in the need for police spending. Non-domestic rate (NDR) income is pooled nationally and distributed to all local authorities, including police authorities, on a per capita basis.

The special payment is unique to the MPA and is a top slice of police grant paid to reflect the MPS' national and capital city functions.

Specific grants are generally time limited and can only be applied for the specified purposes.

The grant settlement for 2005-06 was based on an overall increase in the national provision for policing resources of 6.7%. This includes central funding and capital grants as well as grant funding for police authorities. Total revenue grant funding for police authorities increased by 5.1% including an increase of 4.8% in total formula grant.

Distribution of the grant for 2005-06 was based on the grant formula; a floor of 3.75% was set so that no authority would receive an increase less than 3.75%. There were no ceilings on grant gains but all authorities receiving more than a 3.75% increase had their entitlement reduced proportionately to subsidise the floor. The resulting range of grant increases is from 3.75% to 6.9%.

The figures in Table 4 reflect the final grant settlement for the MPA. The MPA's formula grant allocation (comprising police grant, revenue support grant and non domestic rates) represents an increase of 5.8%, which is the third highest increase in the country, and contrasts with the budget assumption of a 5% ceiling. This is still a significant shortfall on our formula grant entitlement which, without the need to subsidise floor authorities, is £48 million higher than our actual allocation.

Table 4: Analysis of Government Grant

	2004-05	2005-06	% change
	settlement	settlement	
	£m	£m	
Central funding allocated by national formula			
Police Revenue Grant	916.1	960.2	
Revenue Support Grant (RSG)	598.8	630.7	
Non-domestic Rates (NDR)	100.1	119.9	
	1,615.0	1,710.8	5.9%
Special Payment	207.0	217.0	4.8%
Specific Revenue Grants			
Crime Fighting Fund	73.0	73.0	0.0%
Loan Charges Grant	3.5	3.4	-2.8%
Pay Lead Special Grant	27.0	34.0	25.9%
DNA Expansion Programme Grant	4.6	6.1	32.6%
Funding of free travel for police officers	2.5	3.1	24.0%
Airwave	0.0	6.1	100.0%
PNB / Reform	10.3	14.6	41.7%
Counter Terrorism	52.2	61.0	16.9%
PCSO	15.0	14.8	-1.3%
Street Crime	12.5	2.5	-80.0%
	200.6	218.6	8.9%
Total Grant Funding	2,022.6	2,146.4	6.1%

- **Council Tax Precept**

The precept required to fund the MPA budget for 2005-06 after allowing for government grant is £560.5 million. This results in a Band D council tax for police purposes of £196.28 as shown below. The increase in the council tax was considered in the light of available information about potential capping by the Government.

Table 5: Impact of agreed budget on Council Tax

	2004-05	2005-06	% change
Police Precept	£ 521.3m	£ 560.5m	7.5%
Band D for Police Services	£ 184.08	£196.28	6.6%
Council tax taxbase (Band D equivalent properties)	2,832,078	2,855,609	

- **Revenue Reserves**

The 2005-06 budget assumes no movements to or from the general reserve. There is a planned movement of £22 million from the earmarked pensions reserve - £10 million to fund commuted lump sum costs associated with the increased number of retirees and £12 million released due to planned changes in the way pensions are to be financed.

The reserves at 1 April 2005 are anticipated to be as follows:

Table 6: Statement of Reserves

	£m
Reserves	
General Reserve	28.2
Earmarked reserves	71.7
Balance as at 1 April 2005	99.9

Management of the budget

The 2005-06 budget reflects further development in devolution. In particular the full devolvement of the police pay budget and the forensic searches budget will be extended from the current pathfinder sites to include all Borough OCUs. In 2005-06 there is service-wide devolution of police pay.

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Appendix 1 Unavoidable Expenditure Commitments

	£m
Increase in employer's pension contributions for police staff	21.3
Full year costs of 'Step Change' phase 1	15.6
Additional counter-terrorism expenditure 2004-05	14.0
Free rail travel	9.3
Police staff – Hay award increments	6.6
Dual running of Airwave and Metradio	6.4
Additional revenue costs of C3i	5.5
Transfer of functions to the centralised Traffic Unit	4.5
Special priority payments under Police Reform	4.5
One off savings in 2004-05 re-instated (custody suites)	4.5
Cessation of Airwave grant provision	4.1
Revenue costs of IT capital programme	3.7
Effect of other Police Reform changes	3.6
Debt finance for capital programme	3.2
Increase in number of officers receiving London pay lead	2.6
Re-tendering outsourced contracts (Directorate of Information)	2.4
Burglary Sole Response	1.5
IT support for modernising operations	1.5
DCC (DoI) transitional outsourced contracts	1.1
Mobile data terminals (revenue element)	0.8
Development of victim and witness focus desks	0.7
PFI unitary charges	0.6
DNA analysis growth	0.6
Modernising operations	0.5
Career development, Occupational Health and Health & Safety	0.5
Information Management Business Change Programme (Fol)	0.3
One of savings in 2004-05 re-instated (uniform services)	0.2
Full year costs of additional accommodation Dean Farrar Street	0.1
Sub total: committed increases	120.2
Street crime	-10.0
Progressive reduction in housing related allowances	-5.6
Estate resilience	-2.3
Provision of pre-charge advice services from the CPS	-1.7
Counter Terrorism Fingerprinting Team	-1.4
Process re-letting outsourced contracts	-1.0
Equipment for firearms forensic capability	-0.6
Sub total: committed decreases	-22.6
Total	97.6

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Appendix 2 Additional High Priority Growth

	£m
'Step Change' phase 2	45.5
G8 meeting/EU presidency/general election	3.0
National intelligence model	2.1
Armed hospital guards	2.0
Full year costs of Safer Schools Project – cessation of HO funding	1.3
Implementation and systems support for borough operations	1.2
Custody Command Team and restorative justice	1.2
New functions - Strategic Development Programme	1.1
South London training site	1.0
Vehicle recovery and storage services expansion	0.8
Additional resourcing to support C3i systems	0.7
Support to covert and overt operations	0.7
Freedom of Information Act	0.6
Fees to identify options for new cells/custody centres	0.5
Criminal justice support to Crown Prosecution Service	0.5
Growth in MPA Secretariat	0.3
Foundation Training (Hendon/Satellite sites)	0.3
Fibre optic line rental for C3i	0.2
Provision of 'Tasers'	0.2
Custody officers (DDOs) – cessation of HO funding	-
National case & custody support system – cessation of HO funding	-
Aircraft fleet replacement	-
Total	63.2

Appendix 3 Savings and Efficiencies

	£m
Territorial Policing	
Decriminalisation of red routes	16.0
Officer enquiry posts	2.5
Reduction in Inspector posts	1.7
Contribution to TfL overheads from decriminalisation	1.5
Additional Immigration income	1.0
Reduction in police overtime	1.0
Leadership programme	0.1
<i>Sub total: Territorial Policing</i>	23.8
Directorate of Information	
Capitalisation of revenue expenditure	5.2
Reductions in various ICT related costs	3.4
Reductions in various minor non-pay related expenditure	2.2
Rationalisation of employee and consultancy costs	2.1
Reductions in development charges	0.5
<i>Sub total: Directorate of Information</i>	13.4
Deputy Commissioner's Command	
Additional income from special enquiries	0.8
Dept of Public Affairs savings	0.4
Dept of Professional Standards savings	0.6
DCC7 savings	0.5
Diversity Directorate savings	0.4
DCC Central savings	0.2
DCC1 restructuring	0.1
DCC Business Support savings	0.1
Other DCC savings	0.1
<i>Sub total: Deputy Commissioner's Command</i>	3.2
Property Services	
Capitalisation of existing revenue expenditure	5.0
Vacancy management, reduced FM expenditure	4.3
Catering	
Trading hours, closure of units and vacancy management	0.3
2% above inflation increase in retail prices	0.2
Peel Centre – reduce hours and withdraw free meals	0.2
Subsidy charge to FSS at Lambeth	0.1
Commercial Services	
Reduce running costs	0.2
Increased income from travel commissions	0.1
Resources Personnel Development Unit	
External training and overtime budget and vacancy management	0.1
Vehicle Recovery and Examination Services	
Additional income from an extended contract with TfL	0.3
Performance and Communication Unit	
Vacancy management	0.1
Transport	
Reduce size of owned fleet and disposal of temp loaned vehicles	1.0
Bring forward outsourcing programme	0.2
Review driver services and additional maintenance income	0.2
Finance and Procurement Services	
Financial Services savings	1.2
Procurement Services savings	0.1
<i>Sub total: Resources Directorate</i>	13.6

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	£m
Efficiency savings review of SCD configuration and services	9.0
Operation Enterprise (Telephone Investigation Unit)	1.0
<i>Sub total: Specialist Crime</i>	10.0
Lower average police pay rates	5.0
Balance of overhead charged to TfL following decriminalisation	1.5
Increase police overtime savings to meet PNB target of £1.9m	0.7
<i>Sub total: Corporate</i>	7.2
Employee expenditure and HR recruitment	1.0
<i>Sub total: Human Resources</i>	1.0
Increase in DPG House of Lords income	0.8
<i>Sub total: Specialist Operations</i>	0.8
2005-06 savings and efficiencies	73.0

Summary

Revenue Budget 2005/06

2005/06 Revenue Budget Summary by Business Group

2004/05 Budget Book				2005/06 Budget		
Expenditure £000	Income £000	Net £000	Business Groups:	Expenditure £000	Income £000	Net £000
1,222,458	-72,738	1,149,720	Territorial Policing	1,081,481	-15,418	1,066,063
273,234	-11,930	261,304	Specialist Crime Directorate	303,423	-19,363	284,060
224,981	-62,647	162,334	Specialist Operations	222,787	-55,626	167,161
99,630	-2,499	97,131	Deputy Commissioner's Command	102,047	-3,865	98,182
204,204	-1,114	203,090	Directorate of Information	237,981	-1,164	236,817
			Central Operations Command	251,243	-86,283	164,960
294,798	-50,272	244,526	Resources Directorate	304,212	-52,649	251,563
122,034	-28,554	93,480	Human Resources Directorate	116,479	-25,699	90,780
2,441,339	-229,754	2,211,585	Total Business Groups	2,619,653	-260,067	2,359,586
			Corporate Budgets:			
377,841	-97,781	280,060	Pensions	412,634	-123,234	289,400
70,748	-3,861	66,887	Yet to be allocated	78,100	-3,861	74,239
448,589	-101,642	346,947	Total Corporate Budgets	490,734	-127,095	363,639
2,889,928	-331,396	2,558,532	Total MPS	3,110,387	-387,162	2,723,225
9,091	0	9,091	Metropolitan Police Authority	9,943	-30	9,913
2,899,020	-331,397	2,567,623	Net Expenditure	3,120,330	-387,192	2,733,138
		-200,561	Specific Grants			-218,593
		2,367,062	Net Revenue Expenditure			2,514,545
		-23,762	Movement in reserves			-22,000
		2,343,300	Budget Requirement			2,492,545
			Funding:			
		-1,123,084	Police Grant			-1,181,483
		-1,220,216	Payments under s.102 GLA Act 1999			-1,311,062
		-2,343,300	Total Funding			-2,492,545

2005/06 Revenue Budget Subjective Summary

	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	1,277,198	1,338,360
Police Staff (formerly Civil) Staff Pay	428,209	501,111
Traffic Wardens Pay	14,757	12,731
Police Community Support Officers (PCSOs) Pay	42,467	59,170
Total Pay	1,762,631	1,911,372
Police Officer Overtime	105,804	107,061
Police Staff (formerly Civil) Staff Overtime	22,530	25,203
Traffic Wardens Overtime	1,346	1,235
Police Community Support Officers (PCSOs) Overtime	780	689
Total Overtime	130,461	134,188
Other	6,316	8,125
Total Employment Costs	1,899,407	2,053,685
Police Officer Pensions	381,266	412,634
Running Expenses:		
Employee Related Expenses	17,150	24,790
Premises Costs	193,559	190,649
Transport Costs	47,954	49,042
Supplies and Services	344,148	372,219
Capital Financing Costs	16,536	17,311
Total Running Expenses	619,347	654,011
Yet to be allocated	-1,000	0
TOTAL EXPENDITURE	2,899,020	3,120,330
Interest Receipts	-11,100	-12,060
Other Income	-320,296	-375,132
TOTAL INCOME	-331,397	-387,192
NET EXPENDITURE/(INCOME)	2,567,623	2,733,138

Metropolitan Police Authority

Metropolitan Police Authority (MPA)

Secretariat

The Secretariat supports the members of the Authority to ensure the Authority is able to:

- secure the maintenance of an efficient and effective police force in London;
- be accountable for the management of its budget. The Treasurer is the statutory Chief Financial Officer of the MPA under Section 127(2) of the Greater London Authority Act 1999 and is responsible for ensuring that the financial affairs of the MPS and MPA are properly administered having regard to probity, legality and appropriate standards. The MPA delegates day-to-day financial management responsibility to the Commissioner;
- participate as a member of the Crime and Disorder Partnerships set up between each London borough and the Commissioner;
- as Best Value authority, secure continuous improvement in the way policing is provided in London;
- have a role in the appointment, discipline and removal of senior Metropolitan Police officers;
- publish an annual policing plan after consulting the people who live and work in London about policing priorities in their areas and taking account of their views;
- in everything it does, seek to promote equality of opportunity in a diverse community;
- set policing targets and regularly monitor MPS performance against them.

Internal Audit

Internal Audit assists both the Metropolitan Police Authority and the Commissioner in the discharge of their responsibilities for the policing of London. Internal Audit supports the MPA by providing the Treasurer and the Audit Panel with reports and analyses of the degree of adequacy and effectiveness of internal control within the MPS and MPA, and contributes to the Commissioner's objective of ensuring that systems are secure and safe against corruption through:

- advice on the prevention and detection of fraud affecting the MPS and, investigation of waste or abuse within the systems that support the policing of London;
- evaluation of the adequacy and effectiveness of the corporate control framework;
- risk based reviews of all internal systems;
- advice on the adequacy and effectiveness of planned controls in new and developing systems;
- promulgation of best practice across the MPS.

Managed Provision

Budgets managed by the MPA which do not directly fund activities of the MPA:

- Community & Police Consultative Groups and Independent Custody Visitor Panels;
- External Audit fees.

MPA

Metropolitan Police Authority		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	0	0
Police (formerly Civil) Staff Pay	4,287	4,774
Traffic Wardens Pay	0	0
PCSO's Pay	0	0
Total Pay	4,287	4,774
Police Officer Overtime	0	0
Police (formerly Civil) Staff Overtime	13	13
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	13	13
Other	93	103
Total Employment Costs	4,392	4,890
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	0	0
Transport Costs	20	20
Supplies & Services	465	630
Total Devolved Running Expenses	485	650
Total Direct Operating Costs	4,877	5,540
Servicewide Expenses:		
Employee Related Expenditure	260	168
Corporate Premises Costs	960	1,085
Corporate Transport Costs	4	4
Corporate Supplies & Services	2,990	3,146
Capital Financing Costs	0	0
Total Servicewide Expenses	4,214	4,403
Total Expenditure	9,091	9,943
Business Group Income	0	-30
Servicewide Income	0	0
Pensions Income	0	0
Interest Receipts	0	0
Total Income	0	0
NET EXPENDITURE/(INCOME)	9,091	9,913

Territorial Policing

Business Group:	Territorial Policing
Responsible Officer:	Assistant Commissioner Territorial Policing

Service Description:

TP Business Group

In 2004/5 Territorial Policing Business Group (TP) consisted of three groups; Boroughs, pan London units and Territorial Policing Headquarters (TPHQ). During 2005 TP pan London units with the exception of the crime command and Royal Parks, which will remain with TP, will be brigaded with units from other business groups to form a new MPS business group, Central Operations.

Borough role/function

There are 32 borough units within TP. Borough based policing is the primary MPS policing unit, meeting the needs of 24/7 policing and providing a response service based on partnership working. Boroughs focus their delivery by taking specific action in support of the corporate policing priorities and local priorities identified with their local partners in their Crime and Disorder Reduction Plans. TP will continue to roll out its safer neighborhood approach to delivering policing locally during 2005/06 with a further increase of 3 teams in each borough.

TPHQ role/function

TPHQ provides leadership through effective tasking of TP resources, carrying out reviews and providing support to help boroughs to deliver against corporate targets. TPHQ resources are structured within three commands:

i) Strategic Development, which includes:

- Strategic Research
- Performance and Development
- Planning
- Policing model
- Community Safety and Partnership
- Criminal Justice
- Patrol and Metcall

ii) Business Development which focuses on resource planning to support strategic development and the delivery of policing services across the MPS

iii) Territorial Policing Support Command, which includes the TP Support Command Unit and focuses on pan London resource management to support the delivery of policing services across the MPS.

Key Activities:

TP Operational Priorities 2005/06

- To maintain an effective response to suspected and actual terrorist incidents
- To reduce the level of gun enabled crime
- To improve neighborhood safety (incl. Road safety)
- To improve our contribution to the effectiveness of the criminal justice system
- Citizen Focus and Demand Management
- To reduce the level of serious violence and increase the number of violent offenders brought to justice (inc. hate crime, rape and domestic violence)

TP Programme of Work 2005/06

TP continues to be committed to the development of its business to deliver more effective and efficient services to the people of London. Much of the work required is set out within the following key enabling projects:

- Project Diamond – C3i and modernising operations
- Safer Neighbourhoods – reassurance based policing
- Civilianisation
- Project Emerald – revitalising the contribution to the Criminal Justice System
- Greater devolution of budgets to enable greater accountability at operational level

Territorial Policing Business Group

Territorial Policing Business Group		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	853,212	775,911
Police (formerly Civil) Staff Pay	132,267	123,220
Traffic Wardens Pay	10,815	0
PCSO's Pay	41,141	44,684
Total Pay	1,037,435	943,815
Police Officer Overtime	58,304	38,106
Police (formerly Civil) Staff Overtime	6,871	3,881
Traffic Wardens Overtime	702	0
PCSO's Overtime	770	480
Total Overtime	66,647	42,467
Other	1,527	895
Total Employment Costs	1,105,609	987,177
Police Officer Pensions	3,425	0
Devolved Running Expenses:		
Premises Costs	12,662	11,781
Transport Costs	11,846	8,887
Supplies & Services	76,595	68,601
Total Devolved Running Expenses	101,103	89,269
Total Direct Operating Costs	1,210,137	1,076,446
Servicewide Expenses:		
Employee Related Expenditure	8	8
Corporate Premises Costs	1,658	72
Corporate Transport Costs	2,264	100
Corporate Supplies & Services	8,392	4,855
Capital Financing Costs	0	0
Total Servicewide Expenses	12,321	5,035
Total Expenditure	1,222,458	1,081,481
Business Group Income	-11,799	-12,412
Servicewide Income	-60,939	-3,006
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-72,738	-15,418
NET EXPENDITURE/(INCOME)	1,149,720	1,066,063

Territorial Policing Business Group - Boroughs

Territorial Policing - Boroughs		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	715,340	752,383
Police (formerly Civil) Staff Pay	97,549	115,284
Traffic Wardens Pay	0	0
PCSO's Pay	29,975	38,552
Total Pay	842,864	906,219
Police Officer Overtime	30,408	32,987
Police (formerly Civil) Staff Overtime	3,659	3,649
Traffic Wardens Overtime	0	0
PCSO's Overtime	331	438
Total Overtime	34,398	37,074
Other	424	528
Total Employment Costs	877,685	943,821
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	8,995	9,166
Transport Costs	7,164	7,416
Supplies & Services	62,024	64,614
Total Devolved Running Expenses	78,183	81,196
Total Direct Operating Costs	955,868	1,025,017
Servicewide Expenses:		
Employee Related Expenditure	0	0
Corporate Premises Costs	0	0
Corporate Transport Costs	0	0
Corporate Supplies & Services	0	0
Capital Financing Costs	0	0
Total Servicewide Expenses	0	0
Total Expenditure	0	1,025,017
Business Group Income	-555	-4,612
Servicewide Income	0	0
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-555	-4,612
NET EXPENDITURE/(INCOME)	955,313	1,020,405

Territorial Policing Business Group - Pan London

Territorial Policing - Pan London		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	137,872	23,528
Police (formerly Civil) Staff Pay	34,718	7,936
Traffic Wardens Pay	10,815	0
PCSO's Pay	11,166	6,132
Total Pay	194,571	37,596
Police Officer Overtime	27,896	5,119
Police (formerly Civil) Staff Overtime	3,211	232
Traffic Wardens Overtime	702	0
PCSO's Overtime	439	42
Total Overtime	32,249	5,393
Other	1,103	367
Total Employment Costs	227,923	43,356
Police Officer Pensions	3,425	0
Devolved Running Expenses:		
Premises Costs	3,667	2,615
Transport Costs	4,682	1,472
Supplies & Services	14,571	3,986
Total Devolved Running Expenses	22,920	8,073
Total Direct Operating Costs	254,269	51,429
Servicewide Expenses:		
Employee Related Expenditure	8	8
Corporate Premises Costs	1,658	72
Corporate Transport Costs	2,264	100
Corporate Supplies & Services	8,392	4,855
Capital Financing Costs	0	0
Total Servicewide Expenses	12,321	5,035
Total Expenditure	266,590	56,464
Business Group Income	-11,244	-7,800
Servicewide Income	-60,939	-3,006
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-72,183	-10,806
NET EXPENDITURE/(INCOME)	194,407	45,658

Specialist Crime Directorate

Business Group:	Specialist Crime Directorate
Responsible Officer:	Assistant Commissioner Specialist Crime

Service Description:

The Specialist Crime Directorate is responsible for a number of corporate functions in the areas of intelligence, forensics, child protection, homicide, class A drugs, asset seizure and organised crime. The Directorate's mission is to support Management Board in the policing of London by developing a framework that will:

- Combat organised crime especially in vulnerable communities
- Improve investigation, detection and prevention of homicide offences
- Develop partnerships to fight fraudulent crime against the business community
- Use the latest confiscation legislation to deter criminals from pursuing their activities
- Enhance forensic detection and support
- Make effective use of intelligence in preventing and reducing crime
- Protect children from harm
- Reduce the supply and demand of Class A Drugs
- Improve our links with boroughs and other units in their efforts to make London safer
- Contribute to the overall quality of life for Londoners

Key Activities:

Investigation and prevention of specialist crimes

1. The investigation, detection and prevention of homicide offences
2. Investigation of organised crime and dismantling criminal networks
3. To disrupt and reduce the level of criminal use of firearms
4. To counter the ability of class A drugs suppliers to trade their harmful commodity
5. Dealing with kidnaps, contract killings, hostage situations, blackmail and extortion and the investigation of serious armed robbery
6. Improving the protection and safety of children from physical and sexual abuse especially predatory paedophiles
7. Investigation of financial crime, money laundering, art and antiques offences, extradition requests, witness and jury protection and serious organised motor vehicle crime

Intelligence

1. Development of the MPS provision of surveillance facilities, covert operations and supervision of directed surveillance
2. Disruption of trafficking offences, namely Class A drugs, firearms and humans
3. Implementation and integration of the National Intelligence Model
4. To identify cross border and linked series sexual offences

Forensic Services Directorate

1. Provision of a comprehensive crime scene examination and managing service delivery of a range of forensic services in high profile crime, including terrorism
2. Identification of persons through fingerprint examination and the presentation of expert evidence of such identification in court
3. Provision of specialist photographic services including surveillance at crime scenes, and visual representation of evidential material

Policy Co-ordination, Change Management and Business Support

1. To co-ordinate formulation of specialist crime policy
2. Environmental scanning for issues relating to specialist crime
3. The delivery of investigative based training courses through the Crime Academy
4. Reviewing all aspects of performance, identifying key operational areas for improvement, minimising risk and developing an effective inspection regime
5. The effective and efficient use of finance and resources, provision of a strategic direction to Human Resource issues and establish robust mechanisms for monitoring and reviewing our performance against set targets
6. To develop and enhance the Directorate's reputation and celebrate its successes
7. To manage our change programme portfolio

Specialist Crime Directorate

Specialist Crime Directorate Business Group		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	134,096	147,505
Police (formerly Civil) Staff Pay	63,998	80,301
Traffic Wardens Pay	0	0
PCSO's Pay	0	0
Total Pay	198,094	227,806
Police Officer Overtime	17,526	19,664
Police (formerly Civil) Staff Overtime	3,716	4,212
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	21,242	23,876
Other	665	1,653
Total Employment Costs	220,001	253,335
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	626	678
Transport Costs	6,373	6,975
Supplies & Services	29,922	27,359
Total Devolved Running Expenses	36,920	35,012
Total Direct Operating Costs	256,921	288,347
Servicewide Expenses:		
Employee Related Expenditure	1	525
Corporate Premises Costs	1,400	252
Corporate Transport Costs	3	11
Corporate Supplies & Services	14,910	14,288
Capital Financing Costs	0	0
Total Servicewide Expenses	16,314	15,076
Total Expenditure	273,234	303,423
Business Group Income	-1,885	-10,775
Servicewide Income	-10,045	-8,588
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-11,930	-19,363
NET EXPENDITURE/(INCOME)	261,304	284,060

Specialist Operations

Business Group:	Specialist Operations
Responsible Officer:	Assistant Commissioner Specialist Operations

Service Description:

To secure the Capital against terrorism and provide national and pan London functions in support of borough commanders to make London a safer place

Key Activities:

- Disruption, prevention, detection and investigation of terrorist attacks including the prosecution of offenders.
- Provision of a Pan London security co-ordination capability
- Assisting HMG to formulate a co-ordinated national response to terrorist threats, or incidents assessed as being of national significance.
- Responding to suspected and actual terrorist incidents, including consequence management.
- A remit to acquire, evaluate and disseminate intelligence relating to terrorism and related security threats including material with national or international dimensions.
- Security of the Royal Family and other protected persons in partnership with other agencies.
- Provision of protection arrangements for the Palace of Westminster, foreign missions, government offices, residences of government ministers, peers and VIPs.
- Provision of specialist firearms officers to respond to armed crime and support unarmed officers
- Provision of a centre of expertise in all aspects of armed deployments and operations
- Provision of 24 hour emergency response at Heathrow Airport dealing with all aspects of policing.
- In concert with other partners the development of an effective aviation security regime at Heathrow consistent with the terrorist threat.
- Maintain the national collection of microfiche records and provide information from them as a common police service
- Provide a nationwide service for the disclosure of information from national police records to members of the public under the Data Protection Act (1998)

Specialist Operations Business Group

Specialist Operations Business Group		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	145,144	138,906
Police (formerly Civil) Staff Pay	33,968	29,330
Traffic Wardens Pay	1,781	1,128
PCSO's Pay	836	1,021
Total Pay	181,729	170,385
Police Officer Overtime	19,990	20,648
Police (formerly Civil) Staff Overtime	3,198	4,146
Traffic Wardens Overtime	429	429
PCSO's Overtime	10	10
Total Overtime	23,627	25,233
Other	750	720
Total Employment Costs	206,106	196,338
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	349	1,666
Transport Costs	5,418	5,746
Supplies & Services	9,248	10,080
Total Devolved Running Expenses	15,015	17,492
Total Direct Operating Costs	221,120	213,830
Servicewide Expenses:		
Employee Related Expenditure	749	2,115
Corporate Premises Costs	600	928
Corporate Transport Costs	217	176
Corporate Supplies & Services	2,295	5,738
Capital Financing Costs	0	0
Total Servicewide Expenses	3,861	8,957
Total Expenditure	224,981	222,787
Business Group Income	-49,254	-54,854
Servicewide Income	-13,393	-772
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-62,647	-55,626
NET EXPENDITURE/(INCOME)	162,334	167,161

Deputy Commissioner's Command

Business Group:	Deputy Commissioner's Command
Responsible Officer:	Deputy Commissioner

Service Description:

For the purposes of the Budget Book, the Deputy Commissioner's Command is sub-divided into four principal groups: the Directorate of Professional Standards; the Diversity Directorate; the Directorate of Public Affairs, and the remaining part of DCC that includes Strategic Development, Legal Services and business support for the Command. Details of the Service provided by these units and their key activities are contained in the following pages.

Deputy Commissioner's Command Business Group

Deputy Commissioner's Command Business Group		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	34,358	34,478
Police (formerly Civil) Staff Pay	25,273	29,545
Traffic Wardens Pay	0	0
PCSO's Pay	0	0
Total Pay	59,631	64,023
Police Officer Overtime	3,595	2,646
Police (formerly Civil) Staff Overtime	511	396
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	4,106	3,042
Other	737	880
Total Employment Costs	64,474	67,945
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	2	27
Transport Costs	1,713	1,368
Supplies & Services	7,231	6,838
Total Devolved Running Expenses	8,946	8,233
Total Direct Operating Costs	73,420	76,178
Servicewide Expenses:		
Employee Related Expenditure	2,191	1,650
Corporate Premises Costs	0	0
Corporate Transport Costs	0	0
Corporate Supplies & Services	24,019	24,219
Capital Financing Costs	0	0
Total Servicewide Expenses	26,210	25,869
Total Expenditure	99,630	102,047
Business Group Income	-1,616	-2,886
Servicewide Income	-884	-979
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-2,499	-3,865
NET EXPENDITURE/(INCOME)	97,131	98,182

Business Group:	Deputy Commissioner's Command
Sub-Business Group:	Directorate of Public Affairs and Internal Communication
Responsible Officer:	Director of Public Affairs

Service Description:

To provide professional and high quality communication services to support the Metropolitan Police Service vision '*To make London the safest major city in the world*'.

Key Activities:

- Promote the work of the MPS, its successes and achievements.
- Identify and manage major issues that could impact on the MPS and its image.
- Maintain, develop and safeguard the integrity of a corporate style and identity.
- Develop and implement advertising campaigns to support the policing priorities.
- Provide a 24-hour news service to handle media enquiries and interview requests.
- Provide communication expertise and guidance to officers and civil staff – where necessary attending the scene of critical incidents and GOLD groups.
- Assist the media at the scene of critical incidents to obtain information, images and interviews with police officers.
- Manage and oversee filming opportunities, documentary requests and feature articles to highlight the work of the MPS.
- Manage the internal communication strategy and develop effective communication policies across the organisation.
- Support the development and implementation of Communication Action Plans across the Service.
- Manage the varied methods of communicating with MPS staff including The Job, Police Notices and Mission, Vision and Values seminars.
- Manage the corporate content of the MPS Intranet and Internet sites.
- Support the development of a professional and effective workforce by providing media training to those police officers and civil staff who have to give media interviews.
- Monitor media coverage, provide a press cutting service and respond to any unfair reporting.
- Liaise with the MPA, GLA, Independent Advisory Group, government and other agencies on communication issues.

Deputy Commissioner's Command Business Group - Directorate of Public Affairs and Internal Communication

DCC - Directorate of Public Affairs and internal Communications		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	0	0
Police (formerly Civil) Staff Pay	2,755	2,926
Traffic Wardens Pay	0	0
PCSO's Pay	0	0
Total Pay	2,755	2,926
Police Officer Overtime	0	0
Police (formerly Civil) Staff Overtime	96	99
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	96	99
Other	41	51
Total Employment Costs	2,892	3,076
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	0	0
Transport Costs	57	45
Supplies & Services	439	376
Total Devolved Running Expenses	496	421
Total Direct Operating Costs	3,388	3,497
Servicewide Expenses:		
Employee Related Expenditure	0	0
Corporate Premises Costs	0	0
Corporate Transport Costs	0	0
Corporate Supplies & Services	3,238	3,211
Capital Financing Costs	0	0
Total Servicewide Expenses	3,238	3,211
Total Expenditure	6,626	6,708
Business Group Income	-112	-114
Servicewide Income	-3	0
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-115	-114
NET EXPENDITURE/(INCOME)	6,511	6,594

Business Group:	Deputy Commissioner's Command
Sub-Business Group:	Diversity Directorate
Responsible Officer:	Commander, Diversity Directorate

Service Description:

The Directorate takes the corporate lead on the development and progression of the Metropolitan Police Diversity Strategy and the continual striving to improve public confidence in the response of the MPS to the prevention and investigation of all types of hate crime.

The Development and Organisation Implementation Team (DOIT), which is the internally focused part of the Diversity Directorate has the corporate lead for improving the way in which we treat each other, how we manage each other and how we work with difference.

Key Activities:

The main aims and functions of the Diversity Directorate are to:

- Continually strive to improve the public's confidence in the response of the MPS to the prevention and investigation of all types of hate crime
- Conduct the investigation (or re-investigation) of major hate crimes
- Set and develop operational standards for hate crime investigation, community safety units, victim care, family liaison, and the use of intelligence to combat hate crime, and to ensure that appropriate training is delivered in these areas
- Support boroughs and the MPS in the prevention and investigation of hate crime and the provision of support for the families of victims
- Provide the corporate lead in using and developing independent advice
- Embrace the provisions of the Disability Discrimination Act 1995 and the Race Relations Amendment Act and ensure compliance with the relevant legislation throughout the MPS
- Provide a corporate lead in understanding disproportionality in service delivery.

This work is complemented with the work of the Development and Organisation Implementation Team (DOIT) which is responsible for four main strands of work relating to Diversity, Leadership, Fairness and Learning.

- The Development Organisation Improvement Team are the Service co-ordinators for mentoring.
- The Diversity strand manages the Active Career Development Programme (ACDP) and the 0-5 years support and development scheme for visible ethnic minority police staff.
- The Leadership strand manages the High Potential Development Scheme (HPDS) and the Commissioner's Leadership Programme.
- DOIT also provides support to under-represented groups within the MPS through such initiatives as the 'Gender Agenda' and supports the activities various faith and disability groups.

The work of DOIT is not only internally focused and members of the team are also involved in recruiting events that are focused on groups that are currently under-represented within the MPS.

Deputy Commissioner's Command Business Group - Diversity Directorate

	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	8,397	4,304
Police (formerly Civil) Staff Pay	1,930	2,640
Traffic Wardens Pay	0	0
PCSO's Pay	0	0
Total Pay	10,327	6,944
Police Officer Overtime	1,205	50
Police (formerly Civil) Staff Overtime	62	26
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	1,267	76
Other	145	150
Total Employment Costs	11,739	7,170
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	1	0
Transport Costs	407	103
Supplies and Services	2,848	795
Total Devolved Running Expenses	3,256	898
Total Direct Operating Costs	14,995	8,068
Servicewide Expenses:		
Employee Related Costs	2,191	1,650
Premises Costs	0	0
Transport Costs	0	0
Supplies and Services	0	0
Capital Financing Costs	0	0
MPA Contingency	0	0
Total Servicewide Expenses	2,191	1,650
TOTAL EXPENDITURE	17,186	9,718
Devolved Income	-91	0
Interest Receipts	0	0
Other Servicewide Income	0	0
TOTAL INCOME	-91	0
NET EXPENDITURE/(INCOME)	17,095	9,718

Business Group:	Deputy Commissioner's Command
Sub-Business Group:	Directorate of Professional Standards
Responsible Officer:	DAC Professional Standards

Service Description:

The Directorate of Professional Standards has brought together the former Complaints Investigation Bureau (CIB 1, 2 and 3), Area Complaints Units and, more recently, Accident Claims Branch and the Employment Tribunals and Grievance Advice Unit to provide an integrated approach to the prevention and investigation of:

- Unprofessional & unethical behaviour;
- Complaints & discipline;
- Civil actions, claims against the Commissioner and Employment Tribunal issues; and
- Corruption & dishonesty.

Key Activities:

The Directorate provides:

- A single, cohesive command with consistency in decision making;
- Accountability and transparency;
- An integrated and intelligence led approach targeting individuals of concern; and
- An integrated tasking and co-ordination system to ensure a focus on our priorities is maintained and all the units that make up the Directorate are working towards the same goals.

Key activities undertaken by the Directorate include:

- Developing and implementing risk reduction measures across the MPS
- Developing and implementing the Professional Standards and Risk Management Strategy
- Driving through necessary changes in conjunction with the Quality, Performance and Risk Management Group (QPRMG)
- Monitoring and adjusting the Strategy when required
- Developing, approving and monitoring professional standards policies across the MPS.

This is intended to lead to greater confidence on the part of MPS staff and the public in the ability of the Directorate:

- To investigate these matters in a fair, impartial, proportionate and timely way
- To protect MPS staff from malicious and unfounded allegations and claims, and
- To demonstrate that the MPS is truly intolerant of unprofessional behaviour, malpractice and corruption and dishonesty.

Deputy Commissioner's Command Business Group - Directorate of Professional Standards

	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	19,072	21,206
Police (formerly Civil) Staff Pay	6,191	7,464
Traffic Wardens Pay	0	0
PCSO's Pay	0	0
Total Pay	25,263	28,670
Police Officer Overtime	2,166	2,114
Police (formerly Civil) Staff Overtime	180	150
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	2,346	2,264
Other	87	191
Total Employment Costs	27,696	31,125
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	0	25
Transport Costs	871	743
Supplies and Services	2,201	2,627
Total Devolved Running Expenses	3,072	3,395
Total Direct Operating Costs	30,768	34,520
Servicewide Expenses:		
Employee Related Costs	0	0
Premises Costs	0	0
Transport Costs	0	0
Supplies and Services	13,328	13,642
Capital Financing Costs	0	0
MPA Contingency	0	0
Total Servicewide Expenses	13,328	13,642
TOTAL EXPENDITURE	44,096	48,162
Devolved Income	-620	-620
Interest Receipts	0	0
Other Servicewide Income	0	-575
TOTAL INCOME	-620	-1,195
NET EXPENDITURE/(INCOME)	43,476	46,967

Business Group:	Deputy Commissioner's Command
Sub-Business Group:	Deputy Commissioner's Command (excluding DPA, Diversity, DPS and DoI)
Responsible Officer:	Deputy Commissioner

Service Description:

The business group focuses the key strategic functions of corporate governance (through the MPS Inspectorate, Corporate Risk Management Group and the Directorate of Legal Services) and also has responsibility for Corporate Planning, monitoring Corporate Performance, business improvement and a number of major programmes that will significantly change the way in which the MPS does its business.

Within the Deputy's Command, the support provided by the Commissioner's Private Office enables the top command team to respond quickly to issues of the day, largely working with the MPA, the Greater London Assembly (GLA) and the Mayor's Office.

Key Activities:

- Providing the main interface of the MPS with key external customers, decision makers and opinion formers through the Commissioner's Private Office
- Ensuring continuous improvement of the organisation's performance by the
- Promotion of the Excellence Model and support of Best Value Reviews
- Monitoring of performance and the production of appropriate reports for internal and external stakeholders
- Development and maintenance of the corporate performance management framework
- Undertaking of inspections of the MPS on behalf of Management Board
- Provision of support to other parts of the organisation through performance reviews, inspections and provision of consultancy services.
- Co-ordinating the management of organisational growth and the further devolution of budgetary responsibility through the Step Change Programme and Budget Devolution Teams
- Maintaining the corporate lead in the development of the new corporate plan and, in conjunction with the MPA, the Annual Policing Plan through the work of the Corporate Planning Unit
- Continuing to develop more effective methods of monitoring corporate performance and deployment of resources through such initiatives as the development of the Operational Policing Measure
- Co-ordinating and ensuring delivery of major change programmes, such as reforming the delivery of policing services
- Ensuring compliance with National Crime Reporting Standards (NCRS) through the Force Crime Registrar for the MPS

**Deputy Commissioner's Command Business Group - DCC Excluding DPA, Diversity,
DPS and Dol**

	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	6,890	8,968
Police (formerly Civil) Staff Pay	14,397	16,514
Traffic Wardens Pay	0	0
PCSO's Pay	0	0
Total Pay	21,287	25,482
Police Officer Overtime	224	482
Police (formerly Civil) Staff Overtime	174	121
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	398	603
Other	464	489
Total Employment Costs	22,149	26,574
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	0	2
Transport Costs	378	477
Supplies and Services	1,744	3,041
Total Devolved Running Expenses	2,122	3,520
Total Direct Operating Costs	24,271	30,094
Servicewide Expenses:		
Employee Related Costs	0	0
Premises Costs	0	0
Transport Costs	0	0
Supplies and Services	7,453	7,366
Capital Financing Costs	0	0
MPA Contingency	0	0
Total Servicewide Expenses	7,453	7,366
TOTAL EXPENDITURE	31,724	37,460
Devolved Income	-1,413	-2,197
Interest Receipts	0	0
Other Servicewide Income	-261	-359
TOTAL INCOME	-1,674	-2,556
NET EXPENDITURE/(INCOME)	30,050	34,904

Directorate of Information

Business Group:	Directorate of Information
Responsible Officer:	Director of Information

Service Description:

The Directorate of Information (DOI) provides the Metropolitan Police Service (MPS) with a flexible and reliable technology and communications infrastructure as well as effective information systems. It explores new opportunities provided by developments in information and communications technology and its role in applying technology to policing.

DOI also:

- operates front-line services – call handling and demand management services for 999 and non-emergency contact
- deploys real-time overt and covert technology solutions to support policing operations
- helps to ensure that accurate and quality up to date information is available to operational staff at the point of need
- provides technology-related evidential analysis services, and facilitates technology enabled business change

Key Activities:**FRONT-LINE SERVICES**

- **Communications Programme & C3i** – C3i, the Command, Control, Communications and Information Programme is the biggest business change programme ever undertaken in the MPS and will completely alter the way the MPS conducts its core policing functions. The Information Room (IR) is part of the central communications complex and is currently responsible for the receipt of emergency calls and the deployment of police resources. The C3i programme will create the Metcall OCU, which will be part of the Directorate of Information. The Metcall OCU, will be the largest operational command unit in the UK. Its three Command, Control and Communications Centres will handle all 999 calls and directly deploy police resources to where they are needed most, providing public reassurance through a world-class service for London.
- **Technology Group - Operational Technical Support Unit (OTSU)** – Provides real-time technology solutions to support counter terrorist activities, ceremonial and public order events, response to critical incidents including hostage, kidnap and homicide incidents, as well as security and protection systems for MPS staff and members of the public who are under threat. OTSU also provides a technology related evidential analysis service for Specialist Operations.

SERVICES SUPPORTING THE FRONT LINE

- **Service Delivery Group (SDG)** – Provide services to support 43,000 police officers and police staff. SDG ensures the Telephony, Radio and IT services used by the MPS are supplied as effectively and efficiently as possible working in partnership with five external service providers – Damovo (Telephony), Ntl (Radio), SchlumbergerSema (IT), EDS (CRIS) and Unisys (Command and Control). In addition SDG provide support for Secure Systems, which for security reasons cannot be managed by non-MPS staff. Records Management and NSY Library Services are also provided for all MPS police officers and staff.
- **Infrastructure Programme Group (IPG)** – Works to improve the effectiveness and efficiency of the current MPS IT/IS Infrastructure through a combination of national policy on Information Systems and best value solutions in the technology market. The Infrastructure Programme provides policing intelligence through projects like MCRAC2, CRIMINT2 and DIANE, which provide operational police officers with better intelligence, improved data accuracy and better management of information helping our police officers to provide a more effective service to the people of London. Projects like STOPS and MERLIN provide single source database facilities, which significantly reduce the time police officers, spend searching for the information, freeing up their time for front-line policing priorities.
- **Business Development, Liaison and Strategy (BDLS)** – Provides front line DOI contact to the whole of the MPS. This includes analysing, understanding and translating policing needs into viable technology solutions that contribute to front-line policing. The BDLS, through the information management help to ensure that accurate and up to date information is available to operational staff. This can be critical for officer safety and improves the quality of the management information we use to determine the deployment of policing resources. In addition BDLS ensures that MPS staff, information and equipment are protected through the enforcement of security policy and procedures.

BUSINESS SUPPORT SERVICES

- This area of the business is responsible for providing effective business support to the DOI; enabling it to serve its HQ and front-line customers. Their work covers Business Services: resource management, accommodation, HR, and training. The Quality Group and the Secretariat, which supports Information Board, provide business support to the DOI.

Deputy Commissioner's Command Business Group - Directorate of Information

Directorate of Information		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	9,940	12,393
Police (formerly Civil) Staff Pay	81,873	91,585
Traffic Wardens Pay	0	0
PCSO's Pay	0	0
Total Pay	91,813	103,978
Police Officer Overtime	1,134	1,117
Police (formerly Civil) Staff Overtime	3,960	6,354
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	5,094	7,471
Other	1,201	1,546
Total Employment Costs	98,108	112,995
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	324	123
Transport Costs	816	891
Supplies & Services	9,244	10,936
Total Devolved Running Expenses	10,384	11,950
Total Direct Operating Costs	108,492	124,945
Servicewide Expenses:		
Employee Related Expenditure	0	0
Corporate Premises Costs	365	333
Corporate Transport Costs	0	2
Corporate Supplies & Services	95,347	112,701
Capital Financing Costs	0	0
Total Servicewide Expenses	95,712	113,036
Total Expenditure	204,204	237,981
Business Group Income	-670	-690
Servicewide Income	-444	-474
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-1,114	-1,164
NET EXPENDITURE/(INCOME)	203,090	236,817

Central Operations Command

Business Group:	Central Operations
Responsible Officer:	Assistant Commissioner Central Operations

Service Description:

CO Business Group

Central Operations is a new business group which came into effect from 4th April 2005. It consists of Central Operations Headquarters (COHQ); the Pan-London units which have transferred across from Territorial Policing; the National Identification Service, SO19 and the Firearms Policy Unit which have transferred from Specialist Operations. The new business group will also encompass Central Communications (Metcall) later on in 2005/06. The Business Group also has corporate responsibilities in relation to the delivery of an intelligence driven Tasking and Co-ordinating process led by the Director of Tasking.

OCU role/function

There are currently 9 Operational Command Units (OCUs) within CO; each delivering a different specialised service. Their role is to support colleagues to achieve corporate policing priorities and local priorities identified with their local partners in their Crime and Disorder Reduction Plans.

COHQ role/function

The CO Command Structure provides leadership and support to help OCU's deliver against their objectives. Each member of the CO Command Team has portfolio responsibilities. These are;

- Public Order, Contingency Planning and London resilience,
- Traffic & Transport,
- Firearms and Disclosure,
- Business Support,
- Central Communications.

- The Business Group also has corporate responsibilities in relation to the delivery of an intelligence driven Tasking and Co-ordinating process led by the Director of Tasking.

Key Activities:

CO Operational Priorities 2005/06

- To deliver an intelligence driven Tasking and Co-ordinating process led by the Director of Tasking,
- To deliver an professional response to Public Order events through effective contingency planning,
- To increase corporate agility in support of MPS priorities and response to fast time events by introducing a 24-hour Operations Room,
- To facilitate the deployment of corporate resources in support of the MPS' focal point for service delivery, the Safer Neighbourhood Teams,
- To maintain an effective response to suspected and actual terrorist incidents

CO Programme of Work 2005/06

CO is committed to the development of its business to deliver more effective and efficient services to the people of London. As a new Business Group, this years work will focus on the following;

- Establishment of Central Operations as the fourth operational business group through a phased transition plan
- Development and delivery of an effective corporate tasking and co-ordinating process
- Service Review
- Building our capacity in relation to London Resilience

Central Operations Command Business Group

Central Operations Command Business Group		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	0	138,733
Police (formerly Civil) Staff Pay	0	43,628
Traffic Wardens Pay	0	9,240
PCSO's Pay	0	11,809
Total Pay	0	203,410
Police Officer Overtime	0	20,706
Police (formerly Civil) Staff Overtime	0	1,428
Traffic Wardens Overtime	0	540
PCSO's Overtime	0	180
Total Overtime	0	22,854
Other		877
Total Employment Costs	0	227,141
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	0	997
Transport Costs	0	3,996
Supplies & Services	0	14,052
Total Devolved Running Expenses	0	19,045
Total Direct Operating Costs	0	246,186
Servicewide Expenses:		
Employee Related Expenditure	0	2
Corporate Premises Costs	0	1,139
Corporate Transport Costs	0	1,828
Corporate Supplies & Services	0	2,088
Capital Financing Costs	0	0
Total Servicewide Expenses	0	5,057
Total Expenditure	0	251,243
Business Group Income	0	-1,004
Servicewide Income	0	-85,279
Pensions Income	0	0
Interest Receipts	0	0
Total Income	0	-86,283
NET EXPENDITURE/(INCOME)	0	164,960

Resources Directorate

Business Group:	Resources Directorate
Responsible Officer:	Director of Resources

Service Description:

The Resources Directorate provides customer focused support services to the whole of the Metropolitan Police Service. The key areas of core business are set out below.

Key Activities:

The key activities of the Resources Directorate are set out on the following pages. In summary they are:

- Logistical Services provides catering; commercial (including central property; linguistic and forensic medical; travel and uniform); transport; and vehicle recovery and examination services to the MPS. It also encompasses the Events and Income Development Unit and the Resources Personnel and Development Unit
- Finance Services provides financial management; corporate accounting and budgeting systems; and financial management information to the MPS. Procurement Services is responsible for all procurement and contracting in support of the needs of operational policing in the MPS and protecting the MPA's interests as the contracting Authority.
- Property Services manages the MPA estate and ensures the provision of property for the MPS and, in particular, estate repositioning and renewal to meet the "Building Towards the Safest City" strategy. Coping with accommodation growth demands and improving resilience on an affordable basis are key responsibilities.

Resources Directorate Business Group

Resources Directorate Business Group		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	238	0
Police (formerly Civil) Staff Pay	51,725	55,663
Traffic Wardens Pay	1,428	1,321
PCSO's Pay	0	0
Total Pay	53,390	56,984
Police Officer Overtime	1	0
Police (formerly Civil) Staff Overtime	3,426	3,857
Traffic Wardens Overtime	157	169
PCSO's Overtime	0	0
Total Overtime	3,585	4,026
Other	676	672
Total Employment Costs	57,651	61,682
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	142	48
Transport Costs	1,033	1,064
Supplies & Services	12,272	13,408
Total Devolved Running Expenses	13,447	14,520
Total Direct Operating Costs	71,098	76,202
Servicewide Expenses:		
Employee Related Expenditure	6,767	13,462
Corporate Premises Costs	169,089	165,530
Corporate Transport Costs	15,494	14,933
Corporate Supplies & Services	15,844	16,774
Capital Financing Costs	16,536	17,311
Total Servicewide Expenses	223,700	228,010
Total Expenditure	294,798	304,212
Business Group Income	-14,882	-13,397
Servicewide Income	-24,290	-27,192
Pensions Income	0	0
Interest Receipts	-11,100	-12,060
Total Income	-50,272	-52,649
NET EXPENDITURE/(INCOME)	244,526	251,563

Business Group:	Resources Directorate
Sub-Business Group:	Finance Services, Procurement Services
Responsible Officer	Sharon Burd

Service Description:

The Director of Resources Private Office supports the Director who is a member of Management Board; works closely with the MPA; is the principal financial adviser to the Commissioner; contributes to corporate strategy and oversees the Resources Directorate. Finance Services secures effective, well-controlled financial management in support of the policing priorities of the Commissioner, the Authority and the Mayor. Procurement Services is responsible for all procurement and contracting in support of the needs of operational policing in the MPS and protecting the MPA's interests as the contracting Authority. Performance and Communication Unit provides planning; performance management; communication; finance and resources; and business services for the Directorate.

Key Activities:

Director of Resources Private Office

- Provides support to the Director of Resources by liaising and co-ordinating work activities with the MPA; the Commissioner's Private Office; the Departments of the Resources Directorate and all parts of the MPS. Provides secretariat support to the Director.

Finance Services

- Ensures budgets are set in compliance with MPA/GLA timescales and ensures their sound management
- Provides timely/accurate budgetary information
- Provides financial advice to MPS/MPA
- Maximises funding available to the MPA/MPS; develops medium term financial forecasts
- Ensures accounts are closed in accordance with required timescales
- Supports the devolution of financial management and the development and implementation of activity based costing
- Pays invoices within payment terms; ensures the timely receipt of payments from debtors
- Ensures people receive the correct pay and pensions
- Manages cash flow, investments and borrowings and control the associated risks
- Provides the Head of Profession role for the Finance and Resource function; increases general financial awareness and management at all levels of the MPS
- Ensures corporate financial systems are developed and available to users

Procurement Services

- Undertakes effective tendering, negotiating and awarding of all goods/service contracts by applying a best practice methodology
- Manages risk through development and delivery of effective procurement strategies and ensure awareness of and compliance with legal/ethical requirements and best practice whilst ensuring an adequate audit trail is maintained
- Provides commercial and procurement advice /assistance to the client units responsible for managing main outsource contracts; develops in conjunction with the client units, appropriate procurement strategies for the re-tendering of the main outsource contracts.
- Reviews current contracts in consultation with the relevant parties to determine any essential new requirements to support operational delivery
- Incorporates "e" enablement of the procurement process where appropriate
- Actively promotes equality of opportunity to suppliers

Performance and Communication Unit:

- Within the Directorate drives performance improvement; provides communication services; a co-ordinated finance and resource function and a business development function.

Resources Directorate Business Group – Finance Services, Procurement Services

Resources Directorate - Finance Services, Procurement Services		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	45	0
Police (formerly Civil) Staff Pay	11,496	12,385
Traffic Wardens Pay	0	0
PCSO's Pay	0	0
Total Pay	11,541	12,385
Police Officer Overtime	1	0
Police (formerly Civil) Staff Overtime	63	74
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	64	74
Other	437	398
Total Employment Costs	12,042	12,857
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	10	1
Transport Costs	34	38
Supplies & Services	3,557	3,546
Total Devolved Running Expenses	3,601	3,585
Total Direct Operating Costs	15,643	16,442
Servicewide Expenses:		
Employee Related Expenditure	6,736	13,462
Corporate Premises Costs	1	0
Corporate Transport Costs	0	0
Corporate Supplies & Services	4,936	4,596
Capital Financing Costs	16,536	17,311
Total Servicewide Expenses	28,209	35,369
Total Expenditure	43,852	51,811
Business Group Income	-2,197	-92
Servicewide Income	-4,810	-4,603
Pensions Income		0
Interest Receipts	-11,100	-12,060
Total Income	-18,107	-16,755
NET EXPENDITURE/(INCOME)	25,745	35,056

Business Group:	Resources Directorate
Sub-Business Group:	Logistical Services
Responsible Officer:	Director of Logistical Services

Service Description:

Logistical Services comprises Catering Services; Commercial Services; Events and Income Development Unit; Resources Personnel and Development Unit; Transport Services; and the Vehicle Recovery and Examination Service.

Key Activities:

Catering Services

- 10 million meals are supplied annually to staff on a repayment basis at 100+ permanent units around London;
- Over 520,000 meals (without charge but at predetermined levels of cost) are provided annually at temporary locations in direct support of policing at over 850 public order events and operational emergencies.

Commercial Services

Central Property Services

- The collection, long term storage and disposal of crime related property and evidential interview tapes; the disposal of bulky property found in the streets; and the kennelling of seized dangerous dogs.

Linguistic and Forensic Medical Services

- Responsible for interpreter, translator, and forensic medical examiner services – 280 independent accredited linguists and 130 independent medical practitioners are listed with the MPS.

Travel Services

- Organises and makes all necessary UK air travel and foreign travel and accommodation arrangements for police officers and police staff on operational duties at minimum cost.

Uniform Services

- Specifies, develops, and purchases uniforms, protective clothing and associated equipment.

Events and Income Development Unit

- Develops income development initiatives with MPS business groups; exploits commercial intellectual property opportunities, and provides an events management service;
- Develops and implements policies and processes to secure increased sponsorship; and records all sponsorship data across MPS business groups;
- Oversees the management of the Historical Collection.

Resources Personnel and Development Unit:

- Provides professional personnel advice, support and management information to line managers within the Resources Directorate;
- Manages a devolved Resources Directorate recruitment unit;
- Runs induction courses for new staff and developmental courses for existing staff within the Directorate;
- Administers an Interactive Learning Suite.

Transport Services

- The provision of a safe and reliable fleet comprising 4,600 MPS owned cars, vans and motorcycles, medium and large goods vehicles, and 14 boats - this involves their acquisition, equipping for service, repair, maintenance and end of life disposal; and approximately 1,300 hire vehicles daily through a centrally managed contract.
- The provision of drivers and vehicles around the clock in response to both pre-planned and spontaneous events;
- The operation of a centralised distribution service of goods and products to around 200 locations, and the daily collection, sorting and delivery of approximately 4½ tonnes of internal mail and forensic evidence to and from 350 MPS locations;
- The contract management of the MPS agency fuel provision, and the management and maintenance of MPS bulk fuel sites.

Vehicle Recovery and Examination Service:

- Police authorised recovery, examination (forensic and mechanical), and storage of stolen vehicles, those involved in crime, illegally parked vehicles, and those involved in fatal collisions.

Resources Directorate Business Group – Logistical Services

Resources Directorate - Logistical Services		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	193	0
Police (formerly Civil) Staff Pay	28,146	30,761
Traffic Wardens Pay	1,428	1,321
PCSO's Pay	0	0
Total Pay	29,767	32,082
Police Officer Overtime	0	0
Police (formerly Civil) Staff Overtime	3,140	3,555
Traffic Wardens Overtime	157	169
PCSO's Overtime	0	0
Total Overtime	3,297	3,724
Other	188	194
Total Employment Costs	33,252	36,000
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	132	47
Transport Costs	933	961
Supplies & Services	8,005	8,385
Total Devolved Running Expenses	9,070	9,393
Total Direct Operating Costs	42,322	45,393
Servicewide Expenses:		
Employee Related Expenditure	2	0
Corporate Premises Costs	177	243
Corporate Transport Costs	15,494	14,933
Corporate Supplies & Services	7,244	6,048
Capital Financing Costs	0	0
Total Servicewide Expenses	22,917	21,224
Total Expenditure	65,239	66,617
Business Group Income	-12,685	-13,105
Servicewide Income	-3,544	-3,433
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-16,229	-16,538
NET EXPENDITURE/(INCOME)	49,010	50,079

Business Group:	Resources Directorate
Sub-Business Group:	Property Services
Responsible Officer:	Director of Property Services

Service Description:

The MPA owns and occupies over 600 operational buildings, 1,116 residential properties and 667 rooms in section houses. It provides facilities for over 40,000 police officers and police staff across London and is responsible for the stewardship of the police estate.

Property Services undertakes a wide range of activities on behalf of the police estate. They include the following:

- Provides strategic guidance to the MPA
- Asset manages the entire estate
- Provides property management and facilities management services
- Advises on energy and environmental issues
- Ensures on-site health and safety
- Provides maintenance
- Delivers new build procurement
- Provides support functions for operational policing (public order and incident response)
- Specialist design (e.g. custody suites, front offices)
- Leads on regeneration and planning matters

Key Activities:

- Managing the MPA Estate and provision of accommodation for the MPS, including asset management and investing in the Estate
- Acquisition and sale of sites and buildings
- Repositioning and renewing the estate to meet policing need (as published in "Building Towards the Safest City" strategy)
- Accommodating growth and Step Change plans along with enhancing resilience of buildings
- Facilities management: improvements and refurbishments, building and engineering maintenance, FRM liaison
- Health and safety standards
- Environmental and energy standards
- Guarding
- Utilisation and allocation
- Management of residential estate
- Operational support: providing public order and special events, forced entry teams, scenes of crime modelling, provision of covert accommodation
- Working with London planning authorities to support regeneration

Resources Directorate Business Group - Property Services

Resources Directorate - Property Services		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	0	0
Police (formerly Civil) Staff Pay	12,083	12,517
Traffic Wardens Pay	0	0
PCSO's Pay	0	0
Total Pay	12,083	12,517
Police Officer Overtime	0	0
Police (formerly Civil) Staff Overtime	224	228
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	224	228
Other	51	80
Total Employment Costs	12,358	12,825
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	0	0
Transport Costs	65	65
Supplies & Services	710	1,477
Total Devolved Running Expenses	775	1,542
Total Direct Operating Costs	13,133	14,367
Servicewide Expenses:		
Employee Related Expenditure	0	0
Corporate Premises Costs	168,911	165,287
Corporate Transport Costs	0	0
Corporate Supplies & Services	3,664	6,130
Capital Financing Costs	0	0
Total Servicewide Expenses	172,575	171,417
Total Expenditure	185,708	185,784
Business Group Income	0	-200
Servicewide Income	-15,936	-19,156
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-15,936	-19,356
NET EXPENDITURE/(INCOME)	169,772	166,428

Human Resources Directorate

Business Group:	Human Resources
Responsible Officer:	Director of Human Resources

Service Description:

The Human Resources (HR) Directorate is dedicated to supporting the overall Policing and Performance Plan for the MPS. The HR Directorate has adopted the approach of setting very challenging but achievable objectives and performance targets for the year 2004-05, together with a range of supporting key activities. The five HR Directorates, Strategy; Services; Recruitment; People Development; and Training & Development, will draw up detailed action plans where necessary to implement the key activities for which they are responsible.

Key Activities:

Five high level objectives have been set :-

- Achieve an increased representation of the diverse groups of London.
- Develop a professional and effective workforce
- Embed improved quality in the activity undertaken within the HR Directorate and Corporate HR function.
- Enhance organisational flexibility by supporting the MPS within the management of major change programmes
- Build a culture of safe and healthy working to maximise front line policing strength

Human Resources Directorate Business Group

Human Resources Directorate Business Group		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	68,713	57,690
Police (formerly Civil) Staff Pay	20,138	24,560
Traffic Wardens Pay	153	93
PCSO's Pay	0	0
Total Pay	89,004	82,343
Police Officer Overtime	3,531	2,205
Police (formerly Civil) Staff Overtime	360	379
Traffic Wardens Overtime	1	1
PCSO's Overtime	0	0
Total Overtime	3,892	2,585
Other	667	580
Total Employment Costs	93,563	85,508
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	1,232	1,214
Transport Costs	1,252	952
Supplies & Services	6,241	6,820
Total Devolved Running Expenses	8,725	8,986
Total Direct Operating Costs	102,287	94,494
Servicewide Expenses:		
Employee Related Expenditure	6,713	6,021
Corporate Premises Costs	0	1
Corporate Transport Costs	100	103
Corporate Supplies & Services	12,933	15,860
Capital Financing Costs	0	0
Total Servicewide Expenses	19,746	21,985
Total Expenditure	122,034	116,479
Business Group Income	0	0
Servicewide Income	-28,554	-25,699
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-28,554	-25,699
NET EXPENDITURE/(INCOME)	93,480	90,780

Business Group:	Human Resources
Sub-Business Group:	Directorate of Services, Strategy, Recruitment and People Development
Responsible Officer:	Director of Human Resources

Service Description:

The HR Directorate supports the mission, vision and values of the MPS by providing an efficient service-wide HR function, with a clear focus on directly supporting operational policing priorities and achieving a safer London. The aim of the directorate and the HR function is to attract, retain, motivate and develop enough competent staff, whilst ensuring they are well managed and are representative of the community.

Key Activities:

- To achieve an increased representation of the diverse groups of London within the extended police family of the MPS.
- To develop a professional and effective workforce with the appropriate numbers and skills to deliver the operational priorities of the MPS.
- To develop a healthy workforce and safe working practices to enable police officers and police staff to contribute effectively to operational duties.
- To embed improved quality across HR, thereby allowing the function to increase the level of quality offered in terms of policies, processes and services to support the growing workforce in delivering the operational priorities of the MPS.
- To develop a dynamic HR function that supports the delivery of the policing priorities of the MPS.

**Human Resources Directorate Business Group - Directorate of Services, Strategy,
Recruitment and People Development**

HR - Directorate of Services, Strategy, Recruitment & People Development		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	3,582	2,411
Police (formerly Civil) Staff Pay	12,564	16,467
Traffic Wardens Pay	34	0
PCSO's Pay		
Total Pay	16,180	18,878
Police Officer Overtime	298	75
Police (formerly Civil) Staff Overtime	201	196
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	499	271
Other	519	413
Total Employment Costs	17,198	19,562
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	1,232	1,214
Transport Costs	113	116
Supplies & Services	1,921	2,337
Total Devolved Running Expenses	3,266	3,667
Total Direct Operating Costs	20,464	23,229
Servicewide Expenses:		
Employee Related Expenditure	6,510	5,506
Corporate Premises Costs	0	1
Corporate Transport Costs	0	10
Corporate Supplies & Services	1,973	1,922
Capital Financing Costs	0	0
Total Servicewide Expenses	8,483	7,439
Total Expenditure	28,947	30,668
Business Group Income	0	0
Servicewide Income	0	0
Pensions Income	0	0
Interest Receipts	0	0
Total Income	0	0
NET EXPENDITURE/(INCOME)	28,947	30,668

Business Group:	Human Resources
Sub-Business Group:	Directorate of Training and Development
Responsible Officer:	Director of Training and Development

Service Description:

The Directorate of Training and Development is committed to providing effective and relevant training. The training will be provided across a wide range of disciplines across the geographic area of the MPS. It will also ensure the continued development of managing a European and overseas police training strategy, which will include visits, exchange students, trainers and training managers.

Key Activities:

- Improve the co-operation between the Directorate of Training and Development and other business groups to identify and deliver the training required by police officers and police staff.
- In partnership with the Resources Directorate, to review training accommodation needs and implement a three-year plan to improve the training estate. The main aims will be to enhance the capacity at the Directorate of Training and Development to respond flexibly to operational training needs and to improve accessibility to courses for all staff from all parts of the MPS.

Human Resources Directorate Business Group - Directorate of Training and Development

HR - Directorate of Training and Development		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	21,238	19,873
Police (formerly Civil) Staff Pay	5,790	5,779
Traffic Wardens Pay	92	67
PCSO's Pay	0	0
Total Pay	27,120	25,719
Police Officer Overtime	600	540
Police (formerly Civil) Staff Overtime	126	157
Traffic Wardens Overtime	1	1
PCSO's Overtime	0	0
Total Overtime	727	698
Other	141	153
Total Employment Costs	27,988	26,570
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	0	0
Transport Costs	387	425
Supplies & Services	2,250	2,386
Total Devolved Running Expenses	2,637	2,811
Total Direct Operating Costs	30,625	29,381
Servicewide Expenses:		
Employee Related Expenditure	193	493
Corporate Premises Costs	0	90
Corporate Transport Costs	100	0
Corporate Supplies & Services	45	63
Capital Financing Costs	0	0
Total Servicewide Expenses	338	646
Total Expenditure	30,963	30,027
Business Group Income	0	0
Servicewide Income	0	0
Pensions Income	0	0
Interest Receipts	0	0
Total Income	0	0
NET EXPENDITURE/(INCOME)	30,963	30,027

Business Group:	Human Resources
Sub-Business Group:	Holding Branch
Responsible Officer:	Director of Human Resources

Service Description:

Holding Branch covers a number of activities that are key to the service-wide delivery of MPS policies.

Key Activities:

- Recruit Training
- Secondment to National Crime Squad and National Criminal Intelligence Service
- External secondees e.g. Centrex, Home Office, overseas
- Association of Chief Police Officers (ACPO) Secretariat

Human Resources Directorate Business Group - Holding Branch

HR - Holding Branch		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	43,893	35,406
Police (formerly Civil) Staff Pay	1,784	2,313
Traffic Wardens Pay	27	27
PCSO's Pay	0	0
Total Pay	45,704	37,746
Police Officer Overtime	2,633	1,590
Police (formerly Civil) Staff Overtime	34	27
Traffic Wardens Overtime	0	0
PCSO's Overtime	0	0
Total Overtime	2,667	1,617
Other	7	14
Total Employment Costs	48,378	39,377
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	0	0
Transport Costs	751	411
Supplies & Services	2,070	2,097
Total Devolved Running Expenses	2,821	2,508
Total Direct Operating Costs	51,199	41,885
Servicewide Expenses:		
Employee Related Expenditure	10	22
Corporate Premises Costs	0	0
Corporate Transport Costs	0	3
Corporate Supplies & Services	10,915	13,874
Capital Financing Costs	0	0
Total Servicewide Expenses	10,925	13,899
Total Expenditure	62,124	55,784
Business Group Income	0	0
Servicewide Income	-28,554	-25,699
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-28,554	-25,699
NET EXPENDITURE/(INCOME)	33,570	30,085

Pensions

Police Officer Pensions	
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Responsible Officer:	Director of Human Resources
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Key Activities:

- Payment of lump sums on retirement
- Payment of pensions to retired officers or widows and dependants
- Payment to other authorities for transfer values
- Payment of death benefits to widows and dependants
- Receipt of pension contributions/deductions as per the pension schemes
- Receipt of transfer payments by other authorities

Police Officer Pensions

Police Officer Pensions		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Total Employment Costs	0	0
Police Officer Pensions	377,841	412,634
Total Devolved Running Expenses	0	0
Total Direct Operating Costs	377,841	412,634
Total Servicewide Expenses	0	0
Total Expenditure	377,841	412,634
Pensions Income	-97,781	-123,234
Total Income	-97,781	-123,234
NET EXPENDITURE/(INCOME)	280,060	289,400

Yet to be allocated

Yet to be allocated

Responsible Officer: Director of Resources / Director of Finance

Some budgets have not yet been allocated, as the basis of allocation is not yet established. The breakdown of these budgets is as follows:

	£'000
2005/06 allocation for inflation	45,744
<ul style="list-style-type: none"> • Pay inflation will be allocated following the pay award. Non-pay inflation is being held corporately pending allocation later in the financial year 	
2004/05 allocation for police (civil) staff progression	3,167
<ul style="list-style-type: none"> • The remainder of this budget, which is for incremental progression, will be allocated following analysis of payroll data showing distribution of payments. 	
Police Officer Special Priority Payments	15,045
<ul style="list-style-type: none"> • This budget will be allocated following analysis of payroll data showing distribution of payments 	
Other	10,283
Total amount yet to be allocated	74,239

Yet to be allocated

Yet To Be Allocated		
	Budget 2004/05	Budget 2005/06
	£'000	£'000
Employee Costs:		
Police Officer Pay	31,497	32,743
Police (formerly Civil) Staff Pay	14,681	18,508
Traffic Wardens Pay	580	948
PCSO's Pay	490	1,655
Total Pay	47,248	53,854
Police Officer Overtime	1,723	1,969
Police (formerly Civil) Staff Overtime	476	538
Traffic Wardens Overtime	57	97
PCSO's Overtime	0	20
Total Overtime	2,256	2,624
Other	0	200
Total Employment Costs	49,504	56,678
Police Officer Pensions	0	0
Devolved Running Expenses:		
Premises Costs	250	350
Transport Costs	983	1,465
Supplies & Services	2,430	2,056
Total Devolved Running Expenses	3,663	3,871
Total Direct Operating Costs	53,167	60,549
Servicewide Expenses:		
Employee Related Expenditure	490	840
Corporate Premises Costs	3,900	4,425
Corporate Transport Costs	420	520
Corporate Supplies & Services	12,771	11,766
Capital Financing Costs	0	0
Total Servicewide Expenses	17,581	17,551
Total Expenditure	70,748	78,100
Business Group Income	-1,700	-1,700
Servicewide Income	-2,161	-2,161
Pensions Income	0	0
Interest Receipts	0	0
Total Income	-3,861	-3,861
NET EXPENDITURE/(INCOME)	66,887	74,239

METROPOLITAN POLICE AUTHORITY

CAPITAL PROGRAMME

2005/06 to 2009/10

METROPOLITAN POLICE AUTHORITY

CAPITAL PROGRAMME 2005/06 to 2009/10

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Introduction

This section sets out the five-year capital programme for the Metropolitan Police Authority for 2005/06 to 2009/10.

The capital programme is prepared in accordance with:

- determination of the funding sources available to meet capital expenditure;
- allocation of the programme across business groups and relevant financial years;
- capacity of the business groups to manage and deliver named capital projects within timescale and cost; and
- assurance that sufficient reserves are maintained should critical capital expenditure issues arise.

All projects within the programme are shown according to the year in which capital expenditure is planned to occur. Schemes are listed in accordance with the relevant business group that manages and supports delivery for the user. Individual project expenditure is not shown as this could compromise future contract negotiation. However, overall budgeted expenditure totals for each business group for each financial year are noted, as well as related revenue implementation cost where appropriate. A table summarising the scale of the five-year capital programme, and how planned expenditure is intended to be funded, is shown prior to the detailed business group breakdown.

Precedence is given to those schemes that support the policing plan objectives. The programme is regularly reviewed and projects prioritised on the basis of:

- meeting the objective of the 'Towards the Safest City' strategy;
- a mandatory legal requirement to provide a service or asset;
- the continuation or completion of a project where significant expenditure has already occurred and unjustifiable wastage of resources would result;
- continuing or completing a capital project where there is a contractual commitment; and
- where significant revenue savings would result;

Resources are inevitably limited and it is essential that timely and prudent use be made of available funds. Strict monitoring of the programme is undertaken and regular monitoring reports are submitted to the MPA Finance Committee to confirm that projects are delivered to timetable. In circumstances where slippage or savings have occurred recommendations are made to ensure that judicious use of funds occurs. In respect of programme slippage, the opportunity for project escalation is investigated to maintain expenditure at the budgeted level. This will eliminate, wherever possible, project management difficulties due to capacity issues.

The land and buildings capital programme has been structured on meeting the demands and pressures placed upon a modern and rapidly expanding police service. Development of the estate to allow for current policing initiatives, e.g. safer neighbourhoods, and to meet support needs e.g. IT and transport is a key priority. Emphasis is given to statutory and contractual obligations placed on the MPA. All

these issues are covered in the Property Services strategy document "Building Towards a Safer City". We plan to invest £176.98m in our corporate estate over the five-year programme.

Significant investment in information technology continues to be made. The technology programme continues to comprise of the Infrastructure Renewal Programme and the Information Strategy Implementation. Separate work streams are in place for the latter, embracing a number of projects. These deliver integrated information systems and assist in the detection/prevention of crime. The information technology programme will total £162.77m over the five-year term of the programme. In addition to this considerable IT investment through the C3i and Airwave projects (MetCALL) continues as well as the step-change programme.

Vehicles (cars, vans and motor cycles) and boats remain essential assets in ensuring that policing within London is undertaken in an efficient and effective manner. A considerable element of the capital budget continues to be devoted to the replacement of these assets. Disposal is directed by mileage parameters that ensure that optimum use is made of our vehicles whilst keeping maintenance costs within reasonable levels. To support front line policing it is essential that there is continued renewal of our transport fleet. This will involve expenditure of £77.93m over the period 2005/06 to 2009/10.

The helicopter fleet will be replaced over the next two years and specific Home Office grants will assist its funding. £15.81m expenditure is planned for this purpose in 2005/06 and 2006/07.

Investment in the C3i programme continues. The programme comprises two strands – the C3i and Airwave projects. The C3i project involves the replacement of the Authority's command and control system using leading edge technology. By facilitating the deployment of police officers in the most efficient and effective manner possible, this will enable the Service to manage and satisfy public demand for police services whilst maintaining emergency response levels. Project Airwave deals with the upgrade of the present police radio network. These two projects are presently estimated to spend in excess of £68.16m over the next two years, with completion expected in 2006/07. The majority of this expenditure is to be funded from specific grants awarded by the Home Office. However, an element of the total cost falls to be met from MPA sources.

The MPA is committed to continuing the expansion of officer numbers and is moving towards a total uniformed service of around 35,000 officers by the end of 2007/08. This vision is being achieved through the implementation of the Step Change Programme and the capital expenditure element of the programme is concerned with providing the concomitant equipment for these additional officers. It has been agreed that the capital costs associated with this initiative will be funded by flexibilities provided by the new system of capital finance control introduced from April 2004 – the Prudential Code. Costs for the step change programme over the five-year capital programme are £48m: tranche 1, which commenced in 2004/05, has outstanding costs estimated at £15.7m with the majority of these costs (£14.5m) occurring in 2005/06; tranche 2 costs (the second phase of the programme) are £32.3m with £27.8m occurring in 2005/06.

Allocations for business groups will largely be determined by the number of ongoing projects to which the MPA is already committed, current policing priorities and objectives, and, as previously noted, schemes which deliver significant efficiency gains. As with all expenditure plans, external factors can inevitably arise which result in projects being delayed or additional costs arising. Given such unforeseen circumstances it is imperative to maintain a prudent financial position whereby such challenging circumstances can be suitably managed. A number of major projects are reliant on developing technology or areas of volatile costs e.g. C3i Programme and certain building costs. Therefore, the potential for rising costs is ever present and the capital programme is regularly reviewed to ensure that suitable re-phasing of schemes occurs should funding envelopes look likely to be breached.

Programme Summary and Funding

Medium Term Capital Plan 2005/06 to 2009/10

Expenditure	Capital Expenditure					Associated Revenue Expenditure	
	2005/06	2006/07	2007/08	2008/09	2009/10	2005/06	Future Years
	£000	£000	£000	£000	£000	£000	£000
Property	50,907	29,231	29,231	29,231	38,378	0	0
Information Technology	35,489	32,189	33,089	33,089	28,911	1,975	2,875
Transport	13,175	17,175	17,825	14,875	14,875	0	0
Other Plant & Equipment	11,004	5,461	300	300	300	0	0
Total - Business Groups	110,575	84,056	80,445	77,495	82,464	1,975	2,875
C3i Programme	62,917	5,238	0	0	0	8,973	5,798
Step-Change Programme	42,312	5,427	276	0	0	0	0
Grand Total - All Projects	215,804	94,721	80,721	77,495	82,464	10,948	8,673

Funding						Associated Revenue Funding	
	2005/06	2006/07	2007/08	2008/09	2009/10	2005/06	Future Years
	£000	£000	£000	£000	£000	£000	£000
Police Capital Grant	35,856	35,856	35,856	35,856	35,856	0	0
Air Support Grant	4,339	1,945	0	0	0	0	0
Supported Borrowing	19,635	19,635	19,635	19,635	19,635	0	0
Unsupported Borrowing	20,900	18,111	15,195	15,195	15,195	0	0
Recycling of Property Estate	15,743	0	0	0	11,236	0	0
Capital Receipts	9,600	7,300	7,000	7,000	7,000	0	0
Usable Capital Reserves	3,502	209	1,759	-1,191	-7,458	0	0
Other	1,000	1,000	1,000	1,000	1,000	0	0
Total - Business Groups Funding	110,575	84,056	80,445	77,495	82,464	0	0
C3i Programme - Specific Grants	30,000	11,230	0	0	0	0	0
Usable Capital Reserves	32,917	-5,992	0	0	0	0	0
Unsupported Borrowing (step-Change)	42,312	5,427	276	0	0	0	0
Total Funding	215,804	94,721	80,721	77,495	82,464	0	0

Summary of Property Services

MAIN PROGRAMME PROJECTS	Start Year	Planned Capital Expenditure in:					Associated Revenue Expenditure in:	
		2005/06 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000	2005/06 £000	Future Years £000
Total expenditure for schemes commencing in	2002/03	6,652	500	0	0	0	0	0
Total expenditure for schemes commencing in	2003/04	2,689	1,224	0	0	0	0	0
Total expenditure for schemes commencing in	2004/05	29,628	12,250	10,250	8,500	24,300	0	0
Total expenditure for schemes commencing in	2005/06	10,938	10,250	14,513	12,788	7,078	0	0
Total expenditure for schemes commencing in	2006/07	1,000	5,000	2,000	500	0	0	0
Total expenditure for schemes commencing in	2007/08	0	0	1,500	7,200	0	0	0
Total expenditure for schemes commencing in	2008/09	0	0	0	0	0	0	0
Total expenditure for schemes commencing in	2009/10	0	0	0	0	7,000	0	0
Funds still to be Allocated		0	7	968	243	0		
Property Services Projects		50,907	29,231	29,231	29,231	38,378	0	0

Summary of Directorate of Information

MAIN PROGRAMME PROJECTS	Start Year	Planned Capital Expenditure in:					Associated Revenue Expenditure in:	
		2005/06 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000	2005/06 £000	Future Years £000
Total expenditure for schemes commencing in	2000/01	850	654	1,200	1,050	1,050	400	1,200
Total expenditure for schemes commencing in	2001/02	1,460	1,120	0	1,105	0	0	0
Total expenditure for schemes commencing in	2002/03	250	250	250	250	250	0	0
Total expenditure for schemes commencing in	2003/04	16,670	4,660	2,382	2,182	2,182	1,475	1,550
Total expenditure for schemes commencing in	2004/05	9,695	8,195	10,195	10,195	10,195	0	0
Total expenditure for schemes commencing in	2005/06	8,130	3,000	0	0	0	100	125
Total expenditure for schemes commencing in	2006/07	0	14,310	11,646	11,876	7,992	0	0
Total expenditure for schemes commencing in	2007/08	0	0	7,416	5,736	4,441	0	0
Total expenditure for schemes commencing in	2008/09	0	0	0	695	861	0	0
Total expenditure for schemes commencing in	2009/10	0	0	0	0	1,903	0	0
Funds still to be Allocated		-1,566	0	0	0	37		
Total Directorate of Information		35,489	32,089	33,189	33,089	28,911	1,975	2,875

Summary of Transport Services

MAIN PROGRAMME PROJECTS	Start Year	Planned Capital Expenditure in:					Associated Revenue Expenditure in:	
		2005/06	2006/07	2007/08	2008/09	2009/10	2005/06	Future Years
		£000	£000	£000	£000	£000	£000	£000
Cars	annual	6,400	12,275	13,125	11,500	11,500	0	0
Vans and Commercial Vehicles	annual	2,475	}	}	}	}	0	0
Motorcycles	annual	600	}	}	}	}	0	0
Boats	annual	400	400	200	200	200	0	0
Equipping Fleet for Operational Service	annual	3,300	4,500	4,500	3,175	3,175	0	0
Total Transport Projects		13,175	17,175	17,825	14,875	14,875	0	0

Other Plant & Equipment Budgets

MAIN PROGRAMME PROJECTS	Start Year	Planned Capital Expenditure in:					Associated Revenue Expenditure in:	
		2005/06	2006/07	2007/08	2008/09	2009/10	2005/06	Future Years
		£000	£000	£000	£000	£000	£000	£000
Photographic Equipment	annual	222	222	222	222	222	0	0
Catering Expenditure	annual	120	60	60	60	60	0	0
Alcohol Level Testing Equipment	annual	8	8	8	8	8	0	0
Office Plant and Machinery	annual	10	10	10	10	10	0	0
Aircraft & Support Equipment	annual	10,644	5,161	0	0	0	0	0
Total Other Plant & Equipment		11,004	5,461	300	300	300	0	0

Metcall Project & Airwave

PROJECT STRANDS	Start Year	Planned Capital Expenditure in:					Associated Revenue Expenditure in:	
		2005/06	2006/07	2007/08	2008/09	2009/10	2005/06	Future Years
		£000	£000	£000	£000	£000	£000	£000
Property Services Department								
MetCall Lambeth - Building Works	2002/03	4	0	0	0	0	0	0
MetCall Bow - Building Works	2002/03	211	0	0	0	0	0	0
Directorate of Information								
MetCall C3i Technology and consultancy	1999/00	29,742	5,088	0	0	0	2,380	0
Sub Total Metcall Project		29,957	5,088	0	0	0	2,380	0
Directorate of Information								
Airwave	2002/03	32,960	150	0	0	0	6,593	5,798
Sub Total Airwave		32,960	150	0	0	0	6,593	5,798
Grand Total Metcall and Airwave		62,917	5,238	0	0	0	8,973	5,798

Step Change Summary

STEP-CHANGE PROGRAMME – TRANCHE 1

PROJECT STRANDS	Start Year	Planned Capital Expenditure in:					Associated Revenue Expenditure in:	
		2005/06	2006/07	2007/08	2008/09	2009/10	2005/06	Future Years
		£000	£000	£000	£000	£000	£000	£000
Transport	2004/05	219	0	0	0	0	0	0
Property	2004/05	8,301	0	0	0	0	0	0
Information & Communication Technology	2004/05	5,740	874	276	0	0	0	0
Commercial Services	2004/05	289	0	0	0	0	0	0
Total Step Change Tranche 1		14,550	874	276	0	0	0	0

STEP-CHANGE PROGRAMME – TRANCHE 2

PROJECT STRANDS	Start Year	Planned Capital Expenditure in:					Associated Revenue Expenditure in:	
		2005/06	2006/07	2007/08	2008/09	2009/10	2005/06	Future Years
		£000	£000	£000	£000	£000	£000	£000
Transport	2005/06	366	0	0	0	0	0	0
Property	2005/06	20,012	3,687	0	0	0	0	0
Information & Communication Technology	2005/06	7,384	866	0	0	0	0	0
Total Step Change Tranche 1		27,762	4,553	0	0	0	0	0

TECHNICAL ASSUMPTIONS

Capital Expenditure	Classification of expenditure is undertaken in accordance with Section 40 of the Local Government and Housing Act 1989. Capital expenditure comprises of (i) the acquisition, reclamation, enhancement or laying out of land, exclusive of roads, buildings, and other structures; (ii) the acquisition, construction, preparation, enhancement or replacement of roads, buildings, and other structures; and (iii) the acquisition, installation or replacement of movable or immovable plant, machinery and apparatus and vehicles and vessels.
Capital Grant	Grant is paid by the Home Office as a source of finance to support capital expenditure. It is not project specific.
Capital Grant Reserve	All available capital grant is credited to this account and used as appropriate to fund capital expenditure.
De Minimis Level	A lower limit of £5,000 operates for the classification of expenditure as capital on the acquisition, renewal or replacement of buildings, vehicles, plant, machinery or other equipment. This is known as the de minimis level. Below this level, it is prudent to regard expenditure on assets as revenue in nature.
Earmarked Capital Reserve	This reserve comprises receipts taken in prior to abolition of the set-aside rules for non-housing capital receipts (SI998/1937). Such receipts are commonly referred to as "in and out" receipts and are utilised for the funding of property schemes in accordance with The Local Authorities (Capital Finance) Regulations 1997.
Prudential Code	The prudential code allows local authorities to borrow money to fund capital expenditure provided that capital spending plans are affordable, prudent and sustainable. It sets out indicators and factors that must be taken into account when demonstrating that these objectives have been fulfilled. Any increase above existing levels of borrowing arising from the prudential code is not supported by Government grant.
Specific Capital Grant	Grant paid in support of a named capital project and usually in accordance with special legislative powers. Such grants will usually come from Government departments, local authorities, etc.
Specific Earmarked Reserve	A reserve that contains funds specifically identified or paid to the MPS for a named project or programme of works. At the present time a specific earmarked reserve is maintained in respect of the C3i programme of works.

Supported Capital Expenditure (Revenue)

Supported capital expenditure (revenue) is a transitional replacement for supplementary credit approvals and identifies the level of capital expenditure financed through borrowing which in turn attracts support through the local government revenue grant settlement.

Unsupported Capital Expenditure

Capital expenditure funded by borrowing identified as affordable by the indicators set out in the Prudential Code (see above). It is **not** supported by local government revenue grant.

Usable Capital Receipts Reserve

Receipts in excess of £6,000 arising from the disposal of capital assets are credited to this account that can then be used to finance capital expenditure. The use of capital receipts is regulated by the Local Government and Housing Act 1989.

Usable Capital Reserves

These reserves comprise (i) the Usable Capital Receipts Reserve; (ii) the Capital Grant Reserve; and (iii) the Earmarked Capital Reserve.

