

DMPC Decision – PCD 1420**Title: Annual Review of the Schedule of Fees and Charges 2023-24****Executive Summary:**

This report presents the proposed Metropolitan Police Service (MPS) Schedule of Fees and Charges for approval by the Deputy Mayor for Policing and Crime. The report details the results of a review of rates at the end of 2022/23 to reflect current price increases and sets out information on the recommended MPS fees and charges and Special Police Service rates for 2023/24.

This report also summarises the findings of reviews of income generating areas to demonstrate efficiencies and maximise income.

It is important to note that some fees and charges are determined by statute or legislation and backed up by recommended charging guidelines published by National Police Chiefs' Council (NPCC).

In accordance with Paragraph 9.5 of the Financial Regulations the Schedule of Fees and Charges requires approval of DMPC prior to publication.

Recommendation:

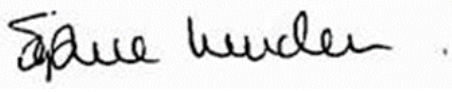
The Deputy Mayor for Policing and Crime is recommended to:

1. Approve the attached Schedule of Fees and Charges levied pursuant to Section 15 of the Police Reform and Social Responsibility Act 2011 (Supply of Goods and Services) by set percentages to reflect the average CPI inflation uplift. The exception being those which are set by either (a) statute/legislation; (b) at a rate recommended by NPCC or (c) a reduced rate to support safeguarding.
2. Approve the revised charges for Special Police Services under Section 25 of the Police Act 1996, which are based on full cost recovery, and recalculated to reflect the current cost of policing in line with NPCC guidance. This includes increases to pay due to annual pay awards and ERNIC.
3. Approve the implementation of any revised rates set or advised by other agencies or determined by statute or legislation on or before 31 March 2023.
4. Note the findings of the ongoing financial reviews of income generating areas with specific reference to BTP.

Deputy Mayor for Policing and Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

Signature 

Date 31/03/2023

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC

1. Introduction and background

- 1.1. The aim of this report is for the Deputy Mayor for Policing and Crime (DMPC) to agree the Schedule of Fees and Charges for 2023/24. The income from the fees and charges is recovered under the provisions of existing legislation, as outlined below, and can be classified under a number of specific categories, namely:
- MPS calculated fees and charges which generally will be increased by either a set percentage or in the case of Special Policing Services (SPS) increased by pay and other inflationary costs;
 - Fees and charges where the rates are either set or advised by other Agencies including: Legal Aid Agency and National Police Chiefs' Council (NPCC); and,
 - Fees and charges that are determined by statute or legislation.

The paper is therefore presented under the above three categories.

- 1.2. Section 15 of the Police Reform and Social Responsibility Act 2011 (the 2011 Act) provides the Mayor's Office for Policing and Crime (MOPAC) with the legislative powers to charge for the supply of goods and services to a third party and make a charge to recover the full cost of providing those goods and services. These charges are based upon 'what the market can bear' as they must be at least full cost recovery, reasonable and able to withstand external challenge.
- 1.3. Section 25 of the Police Act 1996, as amended by Schedule 16, paragraph 24 of the 2011 Act, (Provision of Special Services) with reference to MOPAC, allows Forces to charge for Special Police Services which they may provide in respect of the provision of police officers and staff at the request of a third party.
- 1.4. There are a number of fees and charges that are set within statute or legislation. This includes items such as the removal, storage and disposal of vehicles, firearms certificates, pedlar certificates and overseas visitors' registration.
- 1.5. The review has been limited to fees and charges that are levied upon the public and other bodies based on rates that are normally reviewed and updated on an annual basis. The Schedule of Fees and Charges was last reviewed in 2022/23. The recent review does not cover contractual arrangements negotiated by the MPS, on behalf of MOPAC, on an individual basis. For example, the special arrangements regarding the PartnershipPlus Scheme with local authorities, as allowed by Section 92 of the Police Act 1996 or the specific agreements with Transport for London, the airports or the Palace of Westminster. As part of the financial strategy to optimise sources of income, the MPS will continue to review the options concerning charging for MPS services wherever feasible.

2. Issues for consideration

Review of Charges for 2022/23 - Methodology

- 2.1. Revisions to the different categories of fees and charges are mostly based on increases by either set percentages to reflect average pay costs movements over the period or, where appropriate, the 12-month average CPI rate (as at November 2022). The review for 2023/24 therefore takes account of the base rates from 2022/23 and the approved salary cost uplift for 2022/23, the estimated increases for 2023/24 (part year effect), and an inflation factor.
- 2.2. The revised charges will therefore be based on the rates for 2022/23 increased by set percentages to reflect the average pay costs uplift in 2022/23, plus the estimated inflation increase for 2023/24. In particular, the MPS approach is for the uplift to the base cost to reflect the increase in pay awards or inflation, whichever is the more appropriate.
- 2.3. The methodology set out in paragraph 2.1 above for reviewing fees and charges is entirely consistent with previous years. It should be noted that the NPCC recommendation for CPI increases has been approved and subsequently the current 12-month average CPI (as of November 2022) rate of 10.7% has been applied where appropriate. It is proposed to continue using this basis of CPI average rate for all future years' inflation.

MPS Calculated Fees and Charges

Forensic Services

- 2.4. A review has been undertaken of MPS set forensic services charges. These charges have not been reviewed for a significant number of years and the review has been undertaken to ensure the MPS is making full cost recovery from third party users. The review has highlighted that the MPS has been under-recovering the cost for the production of case files. It is proposed that the cost of each case file produced for defence solicitors is increased from £50 to £250 to reflect full cost recovery.

Intellectual Property

- 2.5. A market testing exercise has been undertaken to review MPS IP charges as charges have not been reviewed for several years and some categories are no longer relevant. The objective of the review was to assess existing pricing as there has been a high number of abandonment once MPS charges have been estimated, and also to ensure that MPS is making full cost recovery. Charges have all been reviewed and a revised schedule of IP charges has been produced.

Charges for Special Police Services

- 2.6. Section 25 provides the legal power to charge for SPS. MPS charges are reflective of NPCC National Policing Guidelines in that they are based upon full cost recovery, where appropriate, but recognise that it is not permissible to make a profit within the confines of the legislation.
- 2.7. The MPS provides policing services on private premises, such as sporting stadia and shopping centres and also in the provision of assistance for activities including film making, community and charitable events and traffic surveys. All of these policing services fall within the remit of SPS.

- 2.8. NPCC guidance clearly specifies when different rates of charges for SPS should be applied:
- For commercial events such as football matches and other sporting events, SPS charges are made at full economic cost recovery including pay costs, overtime premiums and overheads, in line with NPCC guidance. These events are undertaken on an ad hoc basis using existing police resources;
 - For SPS arrangements where organisations such as shopping centres, schools, universities, etc., enter into Agreements to pay for dedicated additionality, income recovery is made at full cost recovery for actual costs incurred;
 - For charitable, community events or non-commercial events such as local authority community events, religious parades and wholly charitable events the MPS may consider an abatement of charges when policing requirements are small and are often covered by existing local policing. The trust and confidence of local communities are fundamental to the success of modern policing in terms of neighbourhood policing and building relationships with local communities. However, for those events where substantial policing is required the MPS may charge a reduced rate covering the direct staffing costs only for policing the event; and,
 - For Statutory events, such as Remembrance Day parades, Jubilee or constitutional events, police attendance is often part of the normal police annual duties and not chargeable.
- 2.9. During 2022/23 the MPS has worked closely with NPCC to review and revise the methodology for calculating SPS charges to ensure that the NPCC methodology is being applied consistently across all forces. A national charge has been agreed for Constable to Superintendent ranks for all forces (with variations to account for regional allowances where appropriate). Charges for other ranks have been calculated using the NPCC model. This national review has highlighted that in order to make full economic cost recovery there needs to be an average 4.1% increase in SPS officer rates for the MPS in 2022/23. This 4.1% increase will only impact SPS services provided for those commercial events such as football matches where we make full economic cost recovery. SPS charges for non-sporting events are set internally and will be increasing by 1.6%.
- 2.10. The SPS charges include daily rates and hourly rates for police ranks up to and including Assistant Commissioner Rank. A general administrative overhead charge of 31% is also applied in accordance with NPCC agreed guidance which states that all charging should be based upon full cost recovery. See Appendix 2 – Tables 2A–2F.
- 2.11. In compliance with relevant legislation and applicable case law, the MPS will only charge the London Football Clubs SPS for the policing provided on land owned, leased or controlled by the Club. This involves the deployment inside the ground and Club properties outside, such as concourses; but in keeping with the Ipswich ruling, excludes any areas under the temporary control of the Club as a result of the application for a traffic management order.

Fees and Charges where the Rates are set or advised by other Agencies

- 2.12. Depending on the Agency, the individual fee and charge to be levied can relate to either a set rate or an agreed calculation methodology.

Charges for Disclosures for Family Proceedings in Civil Cases

- 2.13. Under Common Law Police Disclosure, forces have an obligation to disclose certain information. Initial disclosure is without charge and sufficient information will always be provided to conduct an adequate risk assessment (i.e., risk posed to children, vulnerable adults, national security and probity and administration of justice). The MPS will always release requested documents to a multi-agency case conference, a Responsible Authority (such as Local Authority, Health Authority, Fire and Rescue Authority, Primary Care Trust, NHS Trust, Probation Committees and Registered Social Landlord) or upon receipt of a court order at no charge.
- 2.14. Occasionally, the regulatory or governing body or a privately instructed solicitor will request further supporting information to aid their own internal investigations and NPCC have agreed that there should be a charge in respect of this additional information. This fee may be levied even when information cannot be supplied in order to cover costs incurred for research and enquiries.
- 2.15. The MPS is keen to minimise the financial impact on potentially vulnerable users of the disclosures process. To this end the MPS is proposing to not make any inflationary increase to charges for disclosures services for charges which are less than 2 hours. The MPS also recognises that in the current economic climate it does not wish to put any vulnerable person at risk. An Equalities Impact Assessment has been undertaken to ensure the risk is minimised and processes are in place to ensure that charges can be waived when unnecessary. The MPS charges for 2023/24 will be lower than NPCC charges for the first 2 hours work by 10.7% but will match NPCC guidance charges for all additional hours and services.

Forensic Collision Investigations

- 2.16. During 2022/23 the MPS worked with NPCC and the Forensic Collision Investigation Network to refresh the list of collision related items in order that it is reflective of current collision investigation techniques. The list of collision related items has now been updated to incorporate both new items (e.g., dashcam and drone footage) and updates to outdated terminology. The new items have been costed through a time and motion study which was undertaken by a sample of forces. In addition to the new items, the time and motion study has also informed the cost of supplying digital photographs and copies of CD/DVD were incorrect and these have therefore been increased to reflect the time taken to undertake the activity. The Schedule has now been updated and now reflects the modern technologies and investigation techniques used by the MPS.

Third party cell accommodation

- 2.17. The MPS is currently working with NPCC to establish national rates with regional variations to account for regional location allowances, for the charges applied to both His Majesty's Prison and Probation Service (HMPPS) and Home Office Immigration and Enforcement (HOIE) for the use of placing their detainees in police custody.

- 2.18. A separate exercise is currently underway in relation to Operation Safeguard. The MPS has been working with NPCC to set agreed rates for the charging of HMPPS detainees to support prison overflows. Rates for charging have been agreed with NPCC based on staff costs, overheads and our current cell occupancy rates. At the time of writing the report, discussions are still ongoing between the MPS, NPCC and HMPPS regarding numbers of cells required.
- 2.19. There have been no other changes since last year to any of the Fees and Charges that are set by other Agencies. However, the MPS is continuing to work closely with NPCC who are undertaking national reviews of charges and charging methodology to ensure that any changes in rates and methodology in calculating charges are reflective of MPS processes.
- 2.20. If a rate changes prior to 31/3/23, it is recommended that MOPAC agree that the revised charge can be implemented with effect from 1 April 2023.

Fees and Charges that are determined by Statute or Legislation

- 2.21. Prior to August 2022 an overseas visitor's police registration scheme existed whereby some overseas visitors who applied for a visa outside the UK or who were seeking permission to stay for longer in the UK had to register with the police for a set fee. This scheme was ended by the Government on 4 August 2022 and therefore is no longer a service provided by the MPS.
- 2.22. In relation to Firearms Licensing fees, NPCC are currently leading on a collaborative review with the Home Office, Warwickshire Constabulary and Thames Valley Police to evaluate data sets. The MPS is available to support this work when required. This review will continue into 2023.
- 2.23. There have been no other changes since last year to any of the Fees and Charges that are set by statute or legislation.
- 2.24. If a rate changes prior to 31/3/23, it is recommended that MOPAC agree that the revised charge can be implemented with effect from 1 April 2023.

3. Financial Comments

- 3.1. The estimated income from fees and charges for 2022/23 was £13.8m. The forecast income generated from fees and charges for 2023/24 for the items that are not set by statute or legislation is estimated to be 10.7% higher than last year for Section 15 fees and charges (with the exception of disclosures income which will only change by 8.8%, and between 4.1% and 1.6% higher for SPS from commercial arrangements, an increase of £418,000.
- 3.2. There have been no changes to fees and charges where rates have been advised by other agencies and those determined by statute or legislation. Changes to fees set by

the MPS vary. It has been assumed that there will be no significant changes in demand. 2023/24 budgets will be updated accordingly to reflect the recommended changes.

- 3.3. VAT will be accounted for at the appropriate rate according to the tax point date and in line with the HM Revenue and Customs guidance on the VAT treatment of charges made by the police (VAT: Government and Public Bodies).

4. Legal Comments

- 4.1. MOPAC has the legal power to charge third parties for goods and services under section 15 of the Police Reform and Social Responsibility Act 2011 and to charge for the provision of special police services under section 25 of the Police Act 1996.
- 4.2. The legislation referred to above does not specify how the charges should be calculated but the case law and NPCC guidance referred to in this report allows the MOPAC to increase its charges to reflect its increased costs caused by inflation.
- 4.3. Section 25 provides the legal power to charge for SPS. MPS charges are reflective of NPCC National Policing Guidelines in that they are based upon full cost recovery but recognise that it is not permissible to make a profit within the confines of the legislation.
- 4.4. On this basis, the recommendations can be lawfully approved.

5. Commercial Issues.

- 5.1. During 2022/23 Commercial Services continued to undertake high level reviews of fees and charges areas to identify potential savings and maximise income through full cost recovery. Initially in 2020/21, potential income recovery was set as £1.21m, but during the interim years further work has been completed, and this target has been revised to £6.054m. This is an ongoing programme of work scheduled to be completed over the current and next financial year. A summary of outcomes of reviews to date is detailed in Table 2.
- 5.2. During 2022/23, £669,000 additional income has been generated as a result of reviews of processes by Commercial Services including the family disclosures process and the administration of seconded officers and this will continue for future years; an additional £0.406m has been realised in 2022/23 in relation to successfully negotiating an increase in charges for the Government Security Zone to reflect full cost recovery, and £50,000 from negotiating a temporary 2 year increase in custody usage by the Home Office.
- 5.3. There is an ongoing challenge in relation to securing remuneration from BTP for usage of MPS custody facilities for their prisoners. Since 2016 £4.9m has been lost as income arising from BTP's refusal to pay for use of our custody facilities. Commercial Services had been leading on negotiations with BTP to develop a collaboration Agreement

however this activity has stalled. Commercial Services have engaged with NPCC however their current view is that they do not support or endorse any cross-charging system between forces due to the complexities involved. Commercial Services are seeking legal advice about whether the MPS can prioritise MPS detainees over BTP detainees or whether BTP detainees can be diverted to cells in outer London to reduce congestion at central suites.

- 5.4. Commercial Services are also working in collaboration with NPCC to agree charges for Operation Safeguard and to undertake further work to review National Firearms Licensing costs.

6. GDPR and Data Privacy

- 6.1. MOPAC will adhere to the Data Protection Act (DPA) 2018 and ensure that any organisations who are commissioned to do work with or on behalf of MOPAC are fully compliant with the policy and understand their GDPR responsibilities.
- 6.2. The proposal to uplift the fees and charges does not use personally identifiable data therefore there are no GDPR issues to be considered.

7. Equality Comments

- 7.1. This business case has undergone an initial Equality screening. A new EIA has been undertaken during 2022/23 in conjunction with the Inclusion Team for expert advice; DLS and CSUs have been involved to establish a process whereby no protected characteristic group or vulnerable person will be put at risk due to an inability to pay for a disclosure. Due regard has been taken to ensure compliance with the Equality Act's Public Sector Equality Duty. Real consideration has been taken to assess Equality impact caused by the proposed business changes. As a result, no positive or negative impact has been identified to any individual and/or group safeguarded by a protected characteristic including those who would fall under the 'vulnerable' category and for those who don't.
- 7.2. Under the current system of charging, it has been established that no protected characteristics or vulnerable group or individual has reported an inability to access required documents or information. It is not expected that any issues will be experienced as a result of either the continuation of the existing methodology for charging or the proposed inflationary uplift for 2023/24. The MPS is not aware of any cases in which victims, or their families have ever sought to access documentation.
- 7.3. In private law matters, as the parties requesting disclosure are primarily vulnerable it would be inappropriate to increase charges by the usual CPI levels which could result in these vulnerable groups being disadvantaged. The MPS is not proposing to increase charges for 2023/24 and our charges will be below NPCC guidance rates.
- 7.4. In line with the MPS Communication Strategy and with the agreement of the Deputy Mayor of Policing and Crime, the fees and charges are now available electronically via the MPS Website. Finance and Commercial Services have taken steps to ensure that the information on fees and charges, including the location on the MPS Website is

made available to members of staff who would be the normal first point of contact with the public. This group of staff, employed at front counters and first contact staff on the MPS Switchboard, are provided with guidance on subject matters where they will deal with queries from the public. This ensures that these fees and charges can be communicated to members of the public who may not have access to the internet. The schedule of fees and charges and the schedules location on the MPS Website at <https://www.met.police.uk/SysSiteAssets/media/downloads/force-content/met/advice/met-general-fees-charges.pdf> is included in this guidance. This allows those members of staff to advise the public on specific fees or direct them to the site as appropriate.

- 7.5. The outcome of this report does not negatively impact the delivery of the London Anchor Institutions' Charter.

8. Background/supporting papers

- 8.1. MPS report Annual Review of Schedule of Fees and Charges 2023/24

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If yes, for what reason:

Until what date:

Part 2 Confidentiality: Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form –NO

ORIGINATING OFFICER DECLARATION

Tick to confirm statement (✓)

Financial Advice:

The Strategic Finance and Resource Management Team has been consulted on this proposal.

✓

Legal Advice:

The MPS legal team has been consulted on the proposal.

✓

Equalities Advice:

Equality and diversity issues are covered in the body of the report.

✓

Commercial Issues

The proposal is in keeping with the GLA Group Responsible Procurement Policy.

✓

GDPR/Data Privacy

- GDPR compliance issues are covered in the body of the report.
- A DPIA is not required.

✓

Drafting Officer

Stephen Kalyango has drafted this report in accordance with MOPAC procedures.

✓

Director/Head of Service:

The Chief Finance Officer and the Director of Corporate Services has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.

✓

Chief Executive Officer

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

Signature



Date 20/03/2023

