

REQUEST FOR DMPC DECISION – PCD 1582**Title MOPAC/MPS 2023/24 – Budget Monitoring Quarter Two**

Information may have to be disclosed in the event of a request under the Freedom of Information Act 2000 (FOIA). In the event of a FOIA request for information contained in this report, please consult the Head of Governance and Risk for advice.

Executive Summary:

The MOPAC/MPS budget was approved in March 2023, revisions to the MOPAC budget were subsequently approved in June reflecting the proposed use of carry forwards from the 2022/23 budget, changes in grant assumptions and a minor adjustment between the MOPAC and MPS budget. Net expenditure remains the same at £3,281.5m.

As at the end of Quarter Two MOPAC/MPS are forecasting an overspend of £39.7m of which £40.1m relates to MPS budgets offset by an underspend of £0.4m on the MOPAC budgets.

The Capital Expenditure Forecast for 2023/24 is £335.6m. This represents a forecast overspend of £49.0m against the revised budget of £286.6m. The budget has been revised to take account of a property transaction which is planned for future years. As in previous years, it is planned that the Quarter Two forecasts will become the revised capital budget for Quarter Three and year-end.

The forecast position on reserves is also set out in the report and shows that earmarked reserves are forecast to reduce from £448.7m at the end of 2022/23 to £211.1m by the end of 2023/24. The reduction in reserves is £17.4m more than anticipated when the budget was set due a number of reasons including, reprofiling of projects into future financial years requiring funds to be carried forward from both 2022/23 into 2023/24 and also 2023/24 into 2024/25, and changes in planned usage of reserves.

Recommendation:

The Deputy Mayor for Policing and Crime is asked to:

1. Approve the revised budget for Quarter Two as set out in the report, noting the increase in gross expenditure is funded through a combination of additional grant income and transfer from reserves.
2. Note the Quarter Two forecast position for the MOPAC/MPS 2023/24 revenue budget is a £39.7m overspend;
3. Approve the revised capital programme for Quarter Two as set out in the report.
4. Note the Quarter Two forecast position on the 2023/24 capital programme is a £49.0m overspend;

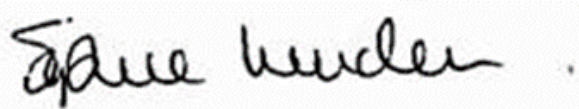
5. Approve budget virements with an individual value in excess of £0.5m including additional grant and income, a detailed breakdown is provided at Appendix One and Two;
6. Approve the transfer to MOPAC earmarked reserves totalling £8.7m. A detailed breakdown is provided at Appendix Three;
7. Approve the net transfer from MPS earmarked reserves totalling £16.6m, a detailed breakdown is provided at Appendix Four;
8. Note the MPS are forecasting to deliver £33.3m savings against an approved savings target of £61.4m.

Deputy Mayor for Policing and Crime

I confirm that I have considered whether 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 08/01/2024

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

Decision required – supporting report

1. MOPAC/MPS Revenue Budget 2023/24

- 1.1. In March 2023, the MOPAC/MPS 2023/24 revenue budget was set at £3,281.5m, comprising of a £4,533.1m expenditure budget and a £1,251.6m income budget (this included a £193.6m transfer from reserves). Of this net expenditure £72.7m related to MOPAC, and £3,208.8m to the MPS.
- 1.2. Since the budget was approved further revisions to the MOPAC budget have been approved reflecting the proposed use of carry forwards from the 2022/23 budget, changes in grant assumptions and a minor adjustment between the MOPAC and MPS budget. Net expenditure remains the same at £3,281.5m.

2. MOPAC/MPS Revenue Budget Forecast 2023/24

- 2.1. As at the end of Quarter Two MOPAC/MPS are forecasting an overspend of £39.7m of which £40.1m relates to MPS budgets offset by an underspend of £0.4m on the MOPAC budgets. A summary of the variances as at the end of September 2023 is set out below.

MOPAC Budget

- 2.2. As at Quarter Two MOPAC and the VRU are forecasting a year end underspend of £0.4m. This includes the proposed carry forward of funds totalling £9.0m to align spend to delivery and use of reserves totalling £0.3m the majority of which relates to the costs of the London Policing Board in 2023/24 whilst a longer term funding solution is identified. This is offset in part by a reduction in the budgeted use of reserves.

MPS Budget

- 2.3. As at Quarter Two the MPS are forecasting a £40.1m overspend. This is a worsening of the position reported at Quarter One. The gross expenditure forecast for Quarter Two is for an overspend of £81.8m against the MPS revised budget. Of this £42.2m relates to combined Overtime for Officers and Staff offset by an underspend of £12.8m on Police Officer and Staff Pay. In addition, running costs are forecast to overspend by £55.3m, these include training for CONNECT.
- 2.4. The £26.8m overspend on Officer Overtime is a continuing trend from Quarter One, with the pressure falling largely within Frontline Policing and Met Operations and is linked in part to the continuing difficulties in Officer recruitment. This variance includes £12.9m worth of costs for which additional funding will be received, with £4.6m coming from the Home Office and £8.3m from other income and grant receipts.
- 2.5. Overtime resulting from the current situation in the Middle East is not yet reflected in the forecast. This is an additional risk for the rest of the financial year. Increased demand for services, particularly across MetCC, Met Detention and Public Order is the main reason for the projected overspend of £15.3m on Police Staff Overtime.
- 2.6. The significant pressure against Running Costs (£55.3m) relates to a £28.3m overspend against Supplies and Services, arising from increased cost of CONNECT (£7.1m), structural pressures and increased operational demand across the People & Resources (£10.0m) and Operations & Performance (£9.4m) business groups. In addition, transport costs are forecast to be £14.6m over budget due to higher maintenance, leasing and fuel costs (£4.6m) and frontline policing (£4.1m). Other Income is forecasting

£19m more than the budget largely due to higher than anticipated interest income from cash investments.

- 2.7. The reserve drawdown has increased to £192.9m.
- 2.8. The MPS approved savings and efficiencies target for 2023/24 is £61.4m. Of this, £32.3m has been fully delivered as at the end of Quarter Two, with c£28.1m considered no longer deliverable. The MPS is considering alternative options to deliver £12.2m of the non-deliverable savings, with the £15.9m balance remaining a pressure for this financial year.

3. Capital Budget 2023/24

- 3.1. The Capital Expenditure Forecast for 2023/24 is £335.6m. This represents a forecast overspend of £49.0m against the revised budget of £286.6m. The budget has been revised to take account of a property transaction which is planned for future years. The main variances are as follows:
- Transformation Directorate – A forecast overspend of £43.2m against the revised budget of £62.6m. The increased forecast is driven primarily by CONNECT project delays combined with the additional CONNECT activity resulting in additional forecast expenditure of £26.8m. Also forecast is a £12.2m overspend on Command and Control due to project resource requirements, and £2.4m overspend against the Met CC Improvement Programme.
 - Data, Digital and Technology (DDaT) – A forecast overspend of £12.4m against the revised budget of £55.7m, driven by £26m budget adjustments to account for over programming and a £4.8m overspend on investment in laptops for frontline officers. This is offset by £11.4m underspend on core IT infrastructure which includes networks, hosting, infrastructure maintenance and applications and service upgrades and £7m slippage into future years of Home Office programmes such as Emergency Services Network (ESN) and National ANPR Standards (NAS).
 - Property Services – A forecast overspend of £2.2m against the revised budget of £61.8m. The overspend is driven by £4.5m of Net Zero Carbon funded works across the Estate, £0.6m of accelerated works on operational refurbishments including Skills House, Chadwell Heath and Front Counter Redecorations, £0.3m of accelerated works on BCU refurbishments, offset by £3.2m reduction in the Central Estate Programme.
 - Operations and performance – A forecast underspend of £3.4m against the revised budget of £8.8m. The increased underspend is driven by Digital Physical Forensics programmes being re-profiled into 2024/25 due to delays in the Estates strategy.
 - CTPHQ – A full year underspend of £2.9m against the revised budget of £56.4m. This is due to programme delays and a reduction in forecast expenditure within the Data projects (IDSET and Strategic Case Management Solution).
 - Fleet – A full year underspend of £2.5m on externally funded areas.
- 3.2. Full details can be found in the Q2 Performance Report: [MOPAC Q2 Report 2023-24 | London City Hall](#)

4. Reserves

- 4.1. Earmarked reserves of £448.7m were available from 1 April 2023 and the budget approved in March 2023 included the proposed use of reserves totalling £193.6m. The budget was subsequently updated to reflect the proposed use of carry forwards from the 2022/23 budget, increasing the proposed used reserves by £9.5m to £203.1m.

- 4.2. As at Quarter Two the planned use of reserves is forecast to increase by £7.9m to £211.1m as a result of the reprofiling of projects and changes in planned usage of reserves, of which £16.6m relates to the MPS offset by a planned decrease in the use of reserves in MOPAC of £8.7m.
- 4.3. The general reserve remains at £46.1m, the level of general reserves will be continually reviewed to ensure they remain realistic and are sufficient to cover potential risks within the overall financial strategy should they crystallise.

5. Financial Comments

- 5.1. The report sets out the forecast position for 2023/24 as at Quarter One. Risks will continue to be monitored closely throughout the year in particular recruitment, planned use of reserves and the capital programme which continues to see significant slippage.

6. Legal Comments

- 6.1. There are no direct legal implications arising from this proposal.
- 6.2. MOPAC/MPS as statutory bodies must only budget for activities that fall within its statutory powers. Under the Scheme of Delegation and Consent the DMPC must approve any budget movement for £500,000 or above. Under Financial Regulations all decisions in relation to the transfer in and out of reserves will be made by the DMPC.

7. GDPR and Data Privacy

- 7.1. GDPR matters have been discussed with the Data Protection Officer, who has confirmed that no Data Protection Impact Assessment (DPIA) is required for this area of spend. However, the personal details of any individuals or organisations with whom contract is made for the purposes of the engagement will be managed in accordance with MOPAC's wider Privacy Notice.

8. Equality Comments

- 8.1. MOPAC is required to comply with the public sector equality duty set out in section 149(1) of the Equality Act 2010. This requires MOPAC to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations by reference to people with protected characteristics. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 8.2. There are no equality and diversity implications arising from this report.

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:

	<i>Tick to confirm statement (2)</i>
Financial Advice: The Strategic Finance and Resource Management Team has been consulted on this proposal.	<input checked="" type="checkbox"/>
Legal Advice: Legal advice is not required.	<input checked="" type="checkbox"/>
Equalities Advice: Equality and diversity issues are covered in the body of the report.	<input checked="" type="checkbox"/>
GDPR and Data Privacy GDPR compliance issues are covered in the body of the report. A DPIA is not required.	<input checked="" type="checkbox"/>
Head of Unit: The Deputy CFO and Head of Financial Management MOPAC has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	<input checked="" type="checkbox"/>

OFFICER APPROVAL**Chief Executive**

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 18/12/2023

Appendix One – MOPAC Detailed analysis of recommended budget moves to be submitted to DMPC for approval

	Directorate	Staff Pay	Staff Overtime	Employee Related Expenditure	Transport Costs	Premises Costs	Supplies & Services	Specific Grants	Other Income	Transfers to/(from)Reserves	Grand Total
Approved budget 2023/24	£m	19.8	0.0	0.3	0.0	1.1	122.3	-38.0	-5.8	-26.9	72.8
Revised application of reserve											
Fudning through budget resilience for London Policing Board	Strategy	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0.0	-0.3	0.0
Reducing Offending (Prison Release)	C&P	0.0	0.0	0.0	0.0	0.0	-0.6	0.0	0.0	0.6	0.0
Substance Abuse and Persistant Offenders	C&P	0.0	0.0	0.0	0.0	0.0	-0.6	0.0	0.0	0.6	0.0
Triage Plus - Violence & Exploitation	C&P	0.0	0.0	0.0	0.0	0.0	-0.9	0.0	0.0	0.9	0.0
Victim Care Hub business case	C&P	0.0	0.0	0.0	0.0	0.0	-1.7	0.0	0.0	1.7	0.0
Unallocated MoJ grant	C&P	0.0	0.0	0.0	0.0	0.0	-0.5	0.0	0.0	0.5	0.0
Parenting Developments	VRU	0.0	0.0	0.0	0.0	0.0	-0.5	0.0	0.0	0.5	0.0
Social Switch 2	VRU	0.0	0.0	0.0	0.0	0.0	-1.2	0.0	0.0	1.2	0.0
Inclusive Schools Programme (NEW)	VRU	0.0	0.0	0.0	0.0	0.0	-0.5	0.0	0.0	0.5	0.0
Revised application of reserve total		0.0	0.0	0.0	0.0	0.0	-6.1	0.0	0.0	6.1	0.0
Application of Grants and Income											
GLA Income	VRU	0.0	0.0	0.0	0.0	0.0	0.8	0.0	-0.8	0.0	0.0
Home office grant	C&P	0.0	0.0	0.0	0.0	0.0	2.5	-2.5	0.0	0.0	0.0
MOJ Grant	C&P	0.0	0.0	0.0	0.0	0.0	1.9	-1.9	0.0	0.0	0.0
Application of Grants and Income total		0.0	0.0	0.0	0.0	0.0	5.1	-4.4	-0.8	0.0	0.0
Total Various budget moves under de minimum of £500,000											
(aggregated, do not need approval from DMPC)	MOPAC	-0.0	0.0	0.0	0.0	0.0	-1.9	0.0	-0.7	2.5	0.0
Total Virements		-0.0	0.0	0.0	0.0	0.0	-2.9	-4.4	-1.4	8.7	0.0
Q2 Approved budget 2023/24 (to be approved)		19.8	0.0	0.3	0.0	1.1	119.5	-42.4	-7.2	-18.2	72.8

Appendix Two – MPS Detailed analysis of recommended budget moves to be submitted to DMPC for approval

	Business Group	Police Officer Pay	Police Staff and PCSO Pay	Police Officer Overtime	Police Staff and PCSO Overtime	Running expenses	Capital Financing costs	Discret'y Pensions	Income	Grants	Transfers To/from Reserves	Grand Total
Approved budget 2023-24	£m	2,382.0	735.1	137.5	24.4	940.8	126.7	45.3	-324.0	-682.6	-176.3	3,208.9
Revised application of reserves												-
New Supporting Change reserve - NMFL	CH					13.2					-13.2	-
Fleet Supplier Replacement Project	S&T					8.3					-8.3	-
Insurance reserve, spare balance	CH					3.9					-3.9	-
Orochi London	FP	2.7									-2.7	-
Command and Control	S&T					2.1					-2.1	-
Specialist Crime courses	FP					0.9					-0.9	-
Microsoft Licenses	DP					0.7					-0.7	-
Equipment - defibrillators	FP					0.7					-0.7	-
Fotoware project costs 2023/24	O&P					0.5					-0.5	-
Equipment (BWV and Op Olympos)	FP					0.4					-0.4	-
PSD covert property costs	P&R					0.3					-0.3	-
Indecent Images of Children (IIOC) project	FP					0.2					-0.2	-
OSServices - redundancies	O&P					0.2					-0.2	-
Application of POCA Reserves - Q1 costs	MPS	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	-
Technology re-refresh - PRUM projects	O&P						0.2				-0.2	-
Lead On / inspiring leadership	P&R					0.2					-0.2	-
Kennington Assessment Centre	P&R					0.2					-0.2	-
Photo at the roadside	DDaT					0.1					-0.1	-
Social media IT project	O&P					0.1					-0.1	-
FLP uplift ancillary costs	FP					0.1					-0.1	-
Staff Surveys	P&R					0.1					-0.1	-
Specialist Crime equipment and courses	FP					0.1					-0.1	-
Volunteer platform costs	FP					0.1					-0.1	-
Funding to implement medical SFR (£44k)	FP					0.0					-0.0	-
Exit surveys 2023/24 (£33k)	P&R		0.0								-0.0	-
Falcon reserve funding (£30k)	FP					0.0					-0.0	-
Talent Performance Project	P&R					0.0					-0.0	-
Reversal of RCCO planned for 2023/24	CH						-35.0				35.0	-
Learning Operating Model - delays	P&R					-3.2					3.2	-
CT Reserve to fund future CAPEX	SO						-2.6				2.6	-
MH reserve redirected to 'Supporting change'	FP		-2.3								2.3	-
Uplift reserve (Ops & Performance)	O&P						-2.1				2.1	-
Pegasus reserve usage re-profiled	DDaT					-2.0					2.0	-
Unrealised 2022/23 underspend	CH					-1.9					1.9	-
ESN Cost - National CT - delays	SO						-1.1				1.1	-
Major Change Fund, costs in Q4 22/23	S&T					-1.0					1.0	-
MCF contribution to the 'Fleet Supplier changeover' reserve	S&T					-0.7					0.7	-
Constable Assessment Redesign Project	P&R					-0.7					0.7	-
Property Dilapidations	P&R					-0.2					0.2	-
Elvis (VRES) - reduction in usage	O&P					-0.2					0.2	-
Language Programme	O&P					-0.1					0.1	-
Culture and Inclusion taskforce - on hold	P&R					-0.1					0.1	-
DMC Leadership Team Development	P&R					-0.1					0.1	-
Application of reserves total		2.7	-2.2	0.1	0.0	22.2	-40.7	0.0	0.0	0.0	17.8	-

	Business Group	Police Officer Pay	Police Staff and PCSO Pay	Police Officer Overtime	Police Staff and PCSO Overtime	Running expenses	Capital Financing costs	Discret'y Pensions	Income	Grants	Transfers To/from Reserves	Grand Total
Application of Grants and Income												
Loss of ring-fenced PUP Grant (2023/24)	CH	-62.7								62.7		-
PS Income and Grant funding changes	SO	4.1	1.7	3.9	0.4	6.3	1.0	0.0	-7.0	-10.3		-
CT Income and Grant funding changes	SO	-3.9	-3.4	1.5	0.4	8.8	0.0	0.0	8.1	-11.4		-
Realignment of Police Officer Pay	MPS	11.8	0.0	-1.0	-0.0	-0.5	0.0		-2.3	-7.9		-
Home Office GRIP (tackling serious crime) grant for 2023/24	FP	1.3		6.0						-7.3		-
Application of General Rates revaluation /refund income	P&R					5.3			-5.3			-
Aviation Policing - Increase in income (PSA Agreements)	SO	2.1	0.3	-0.0	0.1	1.4	0.1		-4.0			-
Palace of Westminster Contract - Section 25 changes	SO	0.6	0.2	0.1	0.0	1.9			-2.9			-
ATOC - increased number of officers in the scheme	CH	0.0	0.0	0.0	0.0	2.0	0.0		-2.0			-
Increase in 'Disclosure and Barring' service income	PR		1.7		0.2				-1.9			-
CJU budget allocation increase - TTL income	O&P		1.1		-0.3	0.8			-1.6			-
Public Order increase in sport events income	O&P	0.2		1.0		0.0			-1.2			-
2023/24 Home Office Grip grant	FP	-0.1	0.3	-0.6		1.3				-0.9		-
Allocation of Insurance income to capital funding	P&R						0.9		-0.9			-
Single Online Home, additional income received	C&E	-0.0	0.3			0.4			-0.7			-
Special Grant confirmed for Op Olympos	FP	0.0	0.4	0.1	0.0	0.2				-0.7		-
Home Office funding for Crypto Currency Team	FP		0.3			0.4				-0.7		-
Closure of Overseas Visitors Registration Office	PR		-0.5						0.5			-
Reduction in National County Lines Coordination Centre grant	O&P					-0.6				0.6		-
Re-aligning efficiency saving reductions to budget	O&P					-1.1			1.1			-
Partnership budget realignment as a result of reduced funding	FP	-4.3	-0.0	-0.6		-0.5			5.4			-
County Lines - reduction in funding	FP	-3.7		-4.1		-0.9				8.7		-
Application of income/grants total		-54.6	2.2	6.3	0.7	25.3	2.1	0.0	-14.7	32.7	0.0	-
Housekeeping >£0.5m												
Surge funding re-profiled	FP	0.2	0.0	0.8	0.0	-1.0	0.0		0.0			-
Allocation of growth for Vetting	PR	0.0	2.0	0.0	0.0	-2.0	0.0		0.0			-
Aligning subjective budgets with expected spend	DDaT	0.0	2.9	0.0	0.0	-2.9	-0.0		0.0			-
Ward Boundaries changes (growth of 47 PCSOs)	FP	0.0	2.3	0.0	0.0	-2.3	0.0		0.0			-
Re-profiling to split £1m baseline funding for Adder expansion	FP	0.5	0.2	-0.8	0.0	0.1	0.0		0.0			-
PUP Budgets (running costs) - correcting the Y3 allocations	CH	0.0	0.0	0.0	0.0	-32.4	32.4		0.0			-
2023-24 Pay Inflation (Officers, Staff, PCSOs)	CH	-0.4	-2.5	2.8	0.0	0.0	0.0		0.0			-
100 day plan - Police Staff budget	P&R/CH		1.1			-1.1						-
PEQF NI Savings from FLP to L&D	P&R/FP	-1.0				1.0						-
L&D Delivery Services budget realignment	P&R		-0.8	-0.5	-0.1	1.4						-
Reallocation of project budget against Police Staff pay to fund planned project resources for this Financial year	S&T		5.8	0.1	0.5	-6.4						-
Allocation of Non-Pay Inflation 2023-24	Various					-3.7		3.7				-
PRUM grant / income realignment of budgets	O&P		-0.5		-0.0	0.6			1.1	-1.1		-
Budgets held centrally pending allocation to BGs in Q2	CH		6.5			0.9	1.1		-8.5			-
Police Uplift	Various		-2.2			2.2						-
Budget structural changes total		-0.6	14.9	2.4	0.4	-45.7	33.5	3.7	-7.4	-1.1	0.0	-
Various budget moves under de minimum of £500,000 (aggregated, do not need approval from DMPC)	MPS	0.5	-0.7	0.2	0.4	-1.5	0.3	0.0	0.5	0.1	-0.0	-
Total Virements		-52.1	14.2	9.1	1.5	0.3	-4.8	3.7	-21.5	31.7	17.8	-
Revised budget Q1 2023/24 (to be approved)		2,330.0	749.3	146.6	25.9	941.1	121.8	49.0	-345.5	-650.9	-158.5	3,208.8

£m	Business Group	Police Officer Pay	Police Staff and PCSO Pay	Police Officer Overtime	Police Staff and PCSO Overtime	Running expenses	Capital Financing costs	Discret'y Pensions	Income	Grants	Transfers To/from Reserves	Grand Total
Revised budget (Q1 2023-24)	£m	2,330.0	749.3	146.6	25.9	941.0	121.8	49.0	-345.5	-650.9	-158.5	3,208.8
<u>Revised application of reserves</u>												
Forensics CMS Project - go live date delayed to 24/25	O&P					-0.8					0.8	-
ICT Replacement for Heathrow Airport	SO								-0.5		0.5	-
ICT Replacement for London City Airport	SO								-0.1		0.1	-
Application of POCA reserve (Q2 actual costs - TBC)	MPS	0.0	0.1	0.2	0.0	0.0					-0.3	-
Connect Training reserve	CH					25.9					-25.9	-
Application of reserves for Connect (FBC3)	S&T					9.6					-9.6	-
Application of reserves total		0.0	0.1	0.2	0.0	34.7	0.0	0.0	-0.6	0.0	-34.5	-
<u>Application of Grants and Income</u>												
Police Pay Award - Internally funded	MPS	56.5	16.6	2.2						-75.3		-
Police Pay Award - CT	MPS	6.3	3.2	0.5	0.0					-10.0		-
Police Pay Award - PSG	MPS	2.5	0.3	0.6	0.1					-3.4		-
CTP Grant - Investment Committee	SO	0.1		0.0	1.2	4.0				-5.4		-
Home Office Grant - Operation Northleigh	MPS	0.1	1.7	0.3	0.1	4.0				-6.1		-
Application of income/grants total		65.5	21.8	3.5	1.4	8.1	0.0	0.0	0.0	-100.2	0.0	-
Various budget moves under de minimum of £500,000 (aggregated, not subject to DMPC approval)	MPS	0.1	1.6	-0.6	-1.2	0.5	0.1	0.0	0.2	-0.6	0.0	-
Total Virements and Reserve changes		65.6	23.4	3.1	0.2	43.3	0.1	0.0	-0.4	-100.8	-34.5	-
Revised budget Q2 2023/24 (to be approved)		2,395.6	772.7	149.7	26.2	984.3	121.9	49.0	-345.9	-751.7	-192.9	3,208.8

Appendix Three – MOPAC changes in the planned use of reserves

Directorate	Reserve	Request Value	Request Description
		£m	
	Revised budget	-26.9	
HR&PO	MOPAC - Budget Resilience	0.1	Reserve no longer required
Strategy	MOPAC - Budget Resilience	-0.3	London Policing Board
C&P	MOPAC - Carry Forwards	0.6	Reducing Offending (Prison Release)
C&P	MOPAC - Carry Forwards	0.3	Safe&Together - LB Waltham Forest
VRU	MOPAC - Carry Forwards	0.5	Parenting Developments
VRU	MOPAC - Carry Forwards	-0.1	Your Choice CBT programme
VRU	MOPAC - Carry Forwards	0.3	Primary Inclusive Schools programme
VRU	MOPAC - Carry Forwards	0.0	Girls mentoring programme
VRU	MOPAC - Carry Forwards	1.2	Social Switch 2
VRU	MOPAC - Carry Forwards	0.5	Inclusive Schools Programme
VRU	MOPAC - Carry Forwards	0.1	Education development
VRU	MOPAC - Carry Forwards	0.1	Inclusive Schools Evaluation
VRU	MOPAC - Carry Forwards	0.0	Sports (Loughborough) Evaluation
VRU	MOPAC - Carry Forwards	0.0	Parenting/Carer Champion Networks - Evaluation
C&P	MOPAC - Budget Resilience	-0.1	Digital Opportunity Assessment Review
C&P	MOPAC - Carry Forwards	0.4	Gang Exit (Violence and Exploitation)
C&P	MOPAC - Carry Forwards	0.6	Substance Abuse and Persistent Offenders
C&P	MOPAC - Carry Forwards	0.9	Triage Plus - Violence & Exploitation
C&P	MOPAC - Carry Forwards	0.3	Pre-court perpetrators
C&P	MOPAC - Carry Forwards	0.0	MPS Officer Training - Stalking awareness
C&P	MOPAC - Carry Forwards	0.2	MPS Officer Training - Rape Myth Awareness
C&P	MOPAC - Carry Forwards	0.2	Reducing Offending (Prison Release)
C&P	MOPAC - Carry Forwards	1.7	Victim Care Hub business case
C&P	MOPAC - Carry Forwards	0.4	DRIVE - DA perpetrator service fund
C&P	MOPAC - Carry Forwards	0.5	Project reprofiling
VRU	MOPAC - Carry Forwards	0.1	Parent/Carer programme
VRU	MOPAC - Carry Forwards	0.0	Parenting Developments
VRU	MOPAC - Carry Forwards	0.0	MyEnds 2
VRU	MOPAC - Carry Forwards	0.0	Rise Up - Evaluation
VRU	MOPAC - Carry Forwards	0.0	Parenting/Carer Champion Networks (PCCN) - Evaluation
VRU	MOPAC - Carry Forwards	0.2	Additional & intensified support to key boroughs
VRU	MOPAC - Carry Forwards	0.0	CAPVA Evaluation
	Proposed budget at Quarter Two	-18.2	

Appendix 4 – MPS Changes in the planned use of reserves

2023/24 Approved Budget	-176.3
Changes:	
Application of reserves created at year-end 2022/23 (due to delays last financial year)	-2.1
Specialist Crime Courses - reserves funding to cover the 2023/24 costs	-0.9
Equipment - defibrillators - reserves funding to cover the 2023/24 costs	-0.7
Equipment (including Body Worn Video and Op Olympos) - reserves funding to cover 2023/24 costs	-0.4
Social media IT project, Ops & Performance	-0.1
Increases in application of reserves	-33.5
New Supporting Change reserve - New Met for London initiatives	-13.2
New Fleet reserve - Fleet Supplier Replacement Project	-8.3
Insurance reserve, spare balance declared in July'23 PIB paper	-3.9
Orochi London (county lines)	-2.7
Command and Control	-2.1
Microsoft License contract reserve to cover budget shortfall in 2023/24	-0.7
Fotoware project costs 2023/24	-0.5
PSD Covert Property costs	-0.3
Indecent Images of Children (IIOC) project costs	-0.2
Operational Support Services (MO11) redundancies	-0.2
Application of POCA Reserves - Q1 costs	-0.2
Home Office funding for PRUM projects - technology refresh	-0.2
Lead On / inspiring leadership - positive action career development work MPS/MOPAC	-0.2
Kennington Assessment Centre	-0.2
Specialist Crime equipment and essential courses	-0.1
Photo at the roadside	-0.1
FLP uplift ancillary costs	-0.1
Staff Surveys	-0.1
Volunteer platform costs	-0.1
Funding to implement medical SFR (£44k)	0.0
Exit surveys 2023/24 (£33k)	0.0
Falcon reserve funding to cover the 2023/24 spend (£30k)	0.0
Talent Performance Project (Q1 costs, £21k)	0.0
Reduction in planned reserves usage	53.5
Managing the Budget Reserve - previously planned RCCO no longer taking place, as per the Jul'23 PIB paper	35.0
Learning Operating Model - application of reserve re-profiled to future years	3.2
CT Reserve to fund future CAPEX	2.6
Previously planned utilisation of Mental Health reserve re-directed to 'Supporting change' reserve	2.3
Ops & Performance Y2 uplift reserve repurposed to the new 'Supporting Change' reserve	2.1
Reduction to the Pegasus reserve usage in 2023/24 (re-profiled to future years)	2.0
Budget surplus reserve - unrealised 2022/23 underspend, reserve not available	1.9
ESN Cost - National CT - spend re-profiled due to delays	1.1
Major Change Fund, costs incurred in Q4 2022/23 and reserve used earlier than anticipated	1.0
Major Change Fund contribution to fund the Fleet Reserve	0.7
Constable Assessment Redesign Project - repurposed and utilised as part of the Supporting Change reserve	0.7
Property Dilapidations - change in planned usage Estates Strategy work	0.2
Elvis (VRES IT System) - reduction in reserves usage to match the 2023/24 costs (licences)	0.2
Language Programme reserve- repurposed and utilised as part of the Supporting Change reserve	0.1
Culture and Inclusion taskforce - phase 2 currently on hold	0.1
DMC Leadership Team Development Reserve	0.1
Total recommended changes	17.8
Revised budget at Q1 (recommended)	-158.5

Business Group	Item	Reason	Change £m
Operations & Performance	Forensics CMS project	Deferred application of reserves	0.75
Specialist Operations	ICT Replacement for Heathrow Airport	Creating new reserve	0.50
Specialist Operations	ICT Replacement for London City Airport	Creating new reserve	0.08
Centrally Held	Connect Training	Classroom training costs	-25.90
Strategy & Transformation	Connect	Connect FBC3	-9.56
MPS	POCA reserve	Reimbursement of Q2 actual costs	-0.33
Total reserve changes in Q2			-34.47