

# LONDON ASSEMBLY

## Who's paying the Bill?



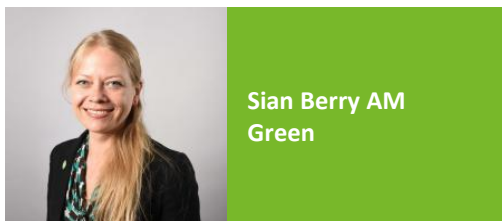
**Budget and Performance Committee**

October 2017

Holding the Mayor to  
account and  
investigating issues  
that matter to  
Londoners

**LONDON**ASSEMBLY

# Budget and Performance Committee Members



The Budget and Performance Committee holds the Mayor to account for his financial decisions and performance across the Greater London Authority. It is responsible for scrutinising the Mayor's budget proposals for the next year, and carrying out investigations across the Mayor's various policy areas, such as transport, police, fire, housing, and regeneration.

## Contact

Will King, Financial and Policy Analyst

Sonia Labboun, External Relations Officer

Email: [will.king@london.gov.uk](mailto:will.king@london.gov.uk)

Email: [sonia.labboun@london.gov.uk](mailto:sonia.labboun@london.gov.uk)

Telephone: 020 7983 5596

Telephone: 020 7983 5769

Follow us:

@LondonAssembly #PoliceFunding #AssemblyBudget

[facebook.com/london.assembly](https://facebook.com/london.assembly)

# Contents

Foreword .....	4
Summary .....	5
Recommendations.....	6
1. Introduction .....	8
2. Funding from the Government.....	11
3. Funding from the Mayor .....	22
4. The Met's response: savings.....	27
5. The Met's response: the front line .....	33
Our approach.....	40
References.....	41

# Gareth Bacon AM

## Chairman of the Budget and Performance Committee



This has been a tough year for keeping London safe. We have seen four terrorist incidents at Westminster, London Bridge, Finsbury Park, London Bridge and Parsons Green, as well as the awful fire at Grenfell Tower. Amidst this all the Met has been exemplary. We salute the bravery of our officers who have protected us, not just through these incidents, but every single day.

At the same time, the Met is changing. All public services are under financial pressure and the Met is no exception. The Met says that it faces £443 million of budget pressure by 2020-21. It is how the Met, MOPAC and the Mayor react to this pressure that will define the police service of the future.

Where are financial pressures coming from? What can the Mayor do? What can the Met and MOPAC do? How will the Met become a modern and efficient police service? This summer we put these questions to the Met and MOPAC, and then sought the evidence of other experts in the police sector to challenge what we were told.

**“It is how the Met, MOPAC and the Mayor react to [financial] pressure that will define the police service of the future.”**

Perhaps unsurprisingly, the Met and MOPAC told us much of the financial pressure stems from Government. 70 per cent of all police spending in London comes from the Home Office, meaning that any change in that funding has a disproportionate effect. But equally the Mayor does have options to move money around the GLA and give MOPAC more funding, and he has chosen not to.

The Met’s digital capacity still has a long way to go and is not delivering the savings that were promised. This is a long running issue at the Met and we are calling for much more action. As to police officers themselves, the Met and MOPAC need to be realistic. As things stand, the Met cannot afford 32,000 police officers and needs to recognise it.

This report presents our initial analysis of the Met’s financial challenge. We expect to return to many of these issues throughout the Mayor’s term. We look forward to scrutinising the Mayor’s, MOPAC’s and the Met’s plans to improve our police service and shape future service provision.

# Summary

The Metropolitan Police Service (the Met) budget is severely stretched. Every guest we spoke to as part of this investigation confirmed this in strong terms. The Met estimates that it will have to take £443 million out of its budget in savings in the next four years just to stay where it is now and deliver a balanced budget.

**The Met relies heavily on government grants ... but we must acknowledge that the Mayor does have financial choices he can make.**

The Met relies heavily on government grants, which make up 70 per cent of its funding. The Home Office is reviewing how it allocates money to police forces across the country, but Police Chiefs have not been allowed to see its calculations. The Government has given front-line officers a welcome pay rise of two per cent but has asked the Met to fund it in its entirety. Home Office Ministers appear to have ignored the advice of their own scrutiny panel and are underfunding the Met for the cost of policing an international capital city. Furthermore, their guidelines effectively prevent the Met from claiming any financial help for dealing with extraordinary events such as the London Bridge attack or the Grenfell fire.

In response, the Mayor has been very vocal in his calls for more funding from the Home Office. This is important but we must also acknowledge that the Mayor does have financial choices he can make, irrespective of government funding. The Mayor has powers over council tax and business rates and can move funds between functional bodies to reflect his priorities. He has repeatedly identified Londoners' safety as his top priority. The previous Mayor moved mayoral funding around to protect the Fire Brigade's budget when he deemed it a top priority. This Mayor has already diverted some funding towards the Met, but it is small change and he could do a lot more.

To take £443 million out of its budget by 2020-21, the Met has some highly optimistic savings plans. It is planning to release more savings than it ever has done on property, IT and back office costs. While a laudable aim, this is not straightforward and the Met has consistently failed to deliver on its savings plans for digital policing in the past. Even if everything goes to plan, the Met still faces a financial black-hole of £185 million over the next four years.

We don't know what the financial pressure will mean for the front-line. MOPAC accepts that it will struggle to deliver the Police and Crime Plan at the planned rate. The Commissioner has said that some services will be reduced or removed, but we still don't know what this means. Officer morale is low and last year the Met saw a record number of resignations. The Met and MOPAC maintain that the strategic target of 32,000 officers is still in place, but the Met cannot afford 32,000, now or in the future. We need more clarity on how the Met is adapting to less money.

# Recommendations

## Recommendation 1

The Mayor should lobby the Home Office for multi-year grant settlements to enable improved financial planning.

## Recommendation 2

The Mayor should, alongside other Police and Crime Commissioners, highlight the Home Office's lack of transparency surrounding the Funding Formula and specifically ask for the exemplifications for the Funding Formula.

## Recommendation 3

- MOPAC should consider procuring an independent review of the Met's NICC bid to strengthen its hand in negotiations with the Home Office.
- The Mayor should lobby the Home Office to reconvene the NICC Executive Scrutiny Panel and follow its expert recommendations.

## Recommendation 4

The Mayor should petition the Home Office to change Police Special Grant criteria so that the Met can be reimbursed for extraordinary events such as the London Bridge terror attack or the Grenfell fire.

## Recommendation 5

The Met should embrace national collaborative projects as well as London-wide projects to access the Police Transformation Fund.

## Recommendation 6

The Mayor should consider the flexibility of business rates and council tax income and explore whether some could be used to fund the Met.

### **Recommendation 7**

The Mayor should consider whether to raise council tax by the maximum he can without a referendum (1.99 per cent) to provide additional funding to the Met police.

### **Recommendation 8**

The Met needs an action plan to get digital savings back on track and the Mayor should consider using his Chief Digital Officer to oversee and provide challenge to the action plan.

### **Recommendation 9**

The Met and MOPAC should clearly set out how the public can expect to be treated when they report a crime to the police.

### **Recommendation 10**

The Met and MOPAC should be more transparent about their plans for police officer numbers.

### **Recommendation 11**

Police officer numbers should be set by evidence based on the level of service required across London; and the current boroughs and future merged Borough Command Units.

### **Recommendation 12**

The Mayor should reconsider his target to have 85 per cent of spend on front-line policing.

### **Recommendation 13**

The Met and MOPAC should consider whether they can use a “retained police officer” scheme to improve workforce flexibility.



# 1. Introduction

## Key findings

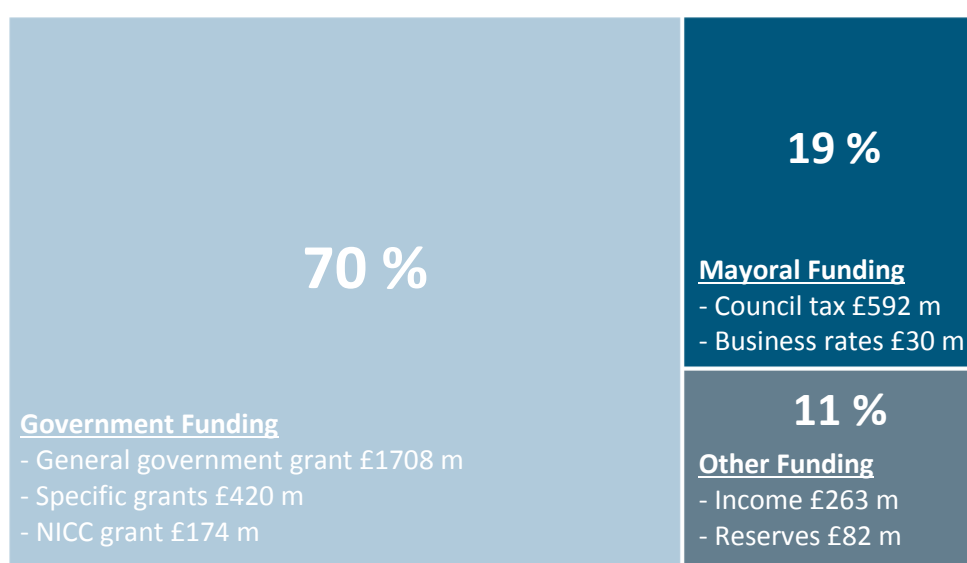
- Most of the Met's funding comes from central government.
- The Met has to find an extra £443 million of savings by 2020-21.
- The Met does not know where £185 million of these savings will come from.

## Background

- 1.1 Recent events, notably the terrorist attacks at Westminster, London Bridge, Finsbury Park and Parsons Green, have brought the question of how we fund the Met Police once more into public debate. The strain which investigating such attacks puts on the Met, coupled with rising demand for its services in general means that there are now real concerns across the board about a lack of resources. The Mayor, the Met Commissioner and the Police Federation have all called on the Government to provide extra funding in recent months.<sup>1</sup>

## Who funds the Met?

**Figure 1: Most of the Met's funding is from central government**



Source: [Metropolitan Police Business Plan 2017-18](#) and [GLA 2017-18 Budget](#)

- 1.2 The Met's budget for 2017-18 is £3.269 billion.<sup>2</sup> It is highly dependent on central government for its funding. 70 per cent of the Met's funding is provided by the Home Office: through the main central government grant, the National and International Capital City (NICC) grant and other specific grants, such as Police Special Grant.
- 1.3 Mayoral funding is approximately 20 per cent of the Met's budget, with the majority coming from council tax, and a small amount from business rates. The Mayor has full discretion over this element of funding.
- 1.4 The remainder of the Met's budget comes from use of reserves and income from certain organisations, such as Heathrow Airport and football clubs, as a contribution to its policing costs. These are not considered in this report due to their small size in comparison to government and Mayoral funding.

## Funding pressure

- 1.5 Along with all public services, the Met has faced significant financial pressures in recent years. It has done well to take £600 million out of its budget – approximately 20 per cent of its costs, through a variety of savings programmes.
- 1.6 The pressure continues. The Met estimates that it faces additional cost pressure of £443 million up to 2020-21 just to achieve a balanced budget.<sup>3</sup> It will therefore have to make £443 million of savings in response. It has yet to identify £185 million of the required savings. Together this means that by 2020-21 the Met will have taken over £1 billion out of its budget since 2013. This is more than a quarter of its budget.
- 1.7 This pressure on funding is happening at a time when it is becoming harder to police London. London's population continues to grow by just over 100,000 every year, meaning more people to keep safe.<sup>4</sup> Crime is rising in London.<sup>5</sup> The Met is also increasingly having to deal with mental health crises - one in every ten calls the Met gets is related to mental health.<sup>6</sup> Dealing with these issues at the same time as removing £1 billion from its budget is "putting huge pressure on the police".<sup>7</sup>

## 2. Funding from the Government

### Key findings

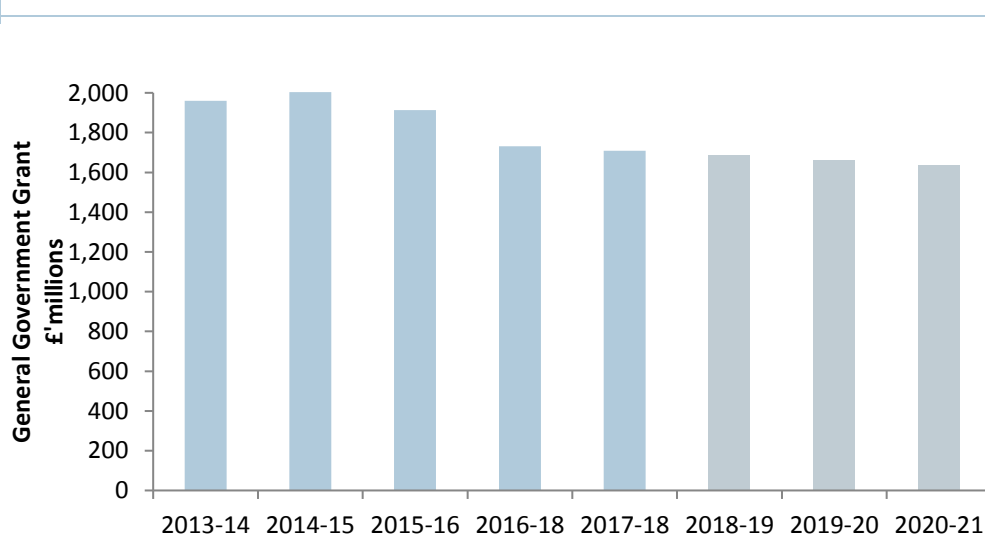
- The Home Office still has not released the criteria it will use to calculate police general grant.
- The Met is expected to pay for the 2017 officer pay rise itself, an additional pressure of £10.7 million.
- Home Office Ministers appear to have ignored the advice of their own scrutiny panel and are underfunding the Met for the cost of policing an international capital city.
- Home Office rules effectively prevent the Met from accessing Police Special Grant for extraordinary events such as the London Bridge attack or Grenfell fire.

- 2.1 The Home Office provides funding to local police forces in the UK. It calculates annual settlements, which are approved by the Home Secretary and normally notified to police forces in draft form in December. The Home Office also provides police forces with other special grants for more specific policing operations, such as the NICC grant or Special Grant.

## General government grant

- 2.2 The general government grant makes up approximately 50 per cent of the Met's total funding and is worth £1.7 billion in 2017-18. Even a relatively small percentage change to this grant therefore has a significant impact on the Met's total budget – every 1 per cent change is worth some £17 million.
- 2.3 The general government grant has fallen by £251 million in the last five years.<sup>8</sup> MOPAC expects it to fall further in the next three years and has reflected this in its 2017-18 budget. We will not know if MOPAC's expectation is correct until the Home Office releases its provisional Police Grant Report, in December 2017.

**Figure 2: Central government grant to MOPAC is falling**



Source: Home Office, [Police Grant Report](#) and [GLA 2017-18 Budget](#)

- 2.4 The Home Office is currently reviewing the formula for determining how general government grant is shared between police forces in England and Wales. This formula is called the Police Funding Formula. The Police Funding Formula review began in 2014. In summer 2015, the Home Office published its initial findings, but errors were found in the calculations made. As a result, the Home Office postponed the review and said that it would continue at a later date.

- 2.5 Changes to the Funding Formula will therefore not happen for the 2018-19 financial year. MOPAC and the Met told us that they were originally expecting the Government to consult on the Funding Formula in summer 2017. This has not happened. There is now insufficient time for any changes to pass the legislative process before next year's budget allocations, which are usually published in December.
- 2.6 The Home Office's current position is that the Funding Formula review has not been dropped. We received the following response from the Director General of the Home Office: "No decisions have been made by Ministers at this stage as to an implementation timetable, assuming they decide to proceed with the implementation in due course."<sup>9</sup> Yet Her Majesty's Inspectorate of Constabulary (HMIC) told us that it thought the Funding Formula review was unlikely to proceed, saying that "the political dangers in changing it appear to me to be greater than the political dangers in leaving it alone at the moment".<sup>10</sup>
- 2.7 Were the Funding Formula review to go ahead, we cannot know for certain how it would affect the Met's future budgets. The assumption has been that London will face a substantial reduction in funding. The Mayor's press release in January 2017 claimed that "Londoners' safety will be put at risk if police funding is cut further... last time the Funding Formula was considered by the Home Office, in Autumn 2015, the Met stood to lose between £184m and £700m from its yearly budget".<sup>11</sup> £184 million is the draft figure from the 2015 Funding Formula review. The Met's Director of Finance confirmed that £700 million was a draft figure calculated by the Met in worst case scenario planning: "the £700 million figure was a figure that we ran with within the MPS... we ran through the data that we knew they [the Home Office] were working against the formulas and that would have given a swing away from London at the first cut of about £700 million".<sup>12</sup> Neither figure is indicative of the outcome of the current review.
- 2.8 Uncertainty, with no official decision from the Home Office on general government grant, prevents the Met from making considered, long-term financial decisions. As the Deputy Commissioner put it: "if you could give me a stable picture for three or four years I would shake your hand. Nobody would run a £3.2 billion... public service in London on an annual basis."<sup>13</sup> The National Police Chiefs Council and HMIC echoed this point, saying that recruitment was extremely difficult to manage, particularly when police chiefs do not know their budgets for the next year.

## Recommendation 1

The Mayor should lobby the Home Office for multi-year grant settlements to enable improved financial planning.

- 2.9 The Mayor's Office is clear that it wants the Home Office to drop the Funding Formula review. This is because of the expected fall in funding were the formula to go ahead, as well as the uncertainty of the current situation.

**"I hope that you will join with us to try to ask the new Prime Minister to just drop the funding formula [review] because it can be so damaging to London"**

**Deputy Mayor for Policing and Crime**

- 2.10 Other external guests we spoke to disagreed with the Mayor's Office. The National Police Chiefs' Council called the Funding Formula "out of date".<sup>14</sup> The Police Foundation said "it is important we have some changes in the Funding Formula because it is not a particularly fair formula".<sup>15</sup>
- 2.11 Guests stressed that the discussion should not just be about allocations between different police forces. As the National Police Chief's Council put it: "we are arguing about the size of the slice of the cake rather than the size of the cake as a whole... it has become apparent that no force could afford to lose".<sup>16</sup>
- 2.12 Despite differing positions on the funding review, there was one point that all guests—the Met, MOPAC *and* external guests—agreed on: a lack of transparency from the Home Office. The Home Office is reviewing the individual criteria through which it awards general government grant to police forces. How much each force will receive is calculated using its population size, housing density, past crime rates and a multitude of other factors. These calculations are called exemplifications. We found out that the Home Office is not sharing these calculations, either publicly or in private. Even Police Chiefs who sit on the national Police Funding Formula Committee have not seen the exemplifications.<sup>17</sup>
- 2.13 This lack of transparency is worrying, precisely because the same situation led to the collapse of the 2015 Funding Formula review. In 2015, the Met, as well as other police forces, was anticipating huge swings in the funding it would receive but was not able to examine the data without the accompanying exemplifications. The previous Deputy Mayor for Policing and Crime wrote to the then Policing Minister, calling the consultation "deeply unfair and inadequate from the outset... the entire process has lacked any transparency or any detail on the rationale behind the indicators chosen".<sup>18</sup>
- 2.14 Without the exemplifications, the Met and MOPAC, as well as police forces across the entire country, are unable to get fully involved in the Funding

Formula review. The Mayor should use his influence to highlight the lack of transparency surrounding the Funding Formula and specifically ask for the exemplifications.

## Recommendation 2

The Mayor should, alongside other Police and Crime Commissioners, highlight the Home Office's lack of transparency surrounding the Funding Formula and specifically ask for the exemplifications for the Funding Formula.

## Police pay

- 2.15 The Government has announced a two per cent pay rise for police officers.<sup>19</sup> The government has the final say on police pay rises, after the Police Remuneration Review Board (PPRB)—an independent advisory body—makes its recommendations. The pay rise is effective from 1 September 2017 for all federated and superintending ranks – all officers, constable and above.<sup>20</sup> The London Weighting will also increase by two per cent. Half of the pay rise—one per cent—is a “one-off non-consolidated payment”<sup>21</sup>, meaning we do not expect the same pay rise next year.
- 2.16 The pay rise will cause issues for the Met because it is unfunded. The Government has said that “this award will be funded within existing budgets”.<sup>22</sup> The Met's existing budget plans for a one per cent pay rise only, as has been Home Office policy in the last five years. The Met estimates that the pay rise will cost an additional £10.7 million.<sup>23</sup> The Met will now have to find an additional £10.7 million of savings in the next year that it did not expect at the beginning of the financial year. It is hard to see how an extra £10.7 million of savings will be found without impacting on officer numbers.

## National and International Capital City grant

- 2.17 The Met is reimbursed by the Home Office for services it provides specific to London's status as the UK's capital city, such as guarding embassies and policing large-scale protests. This reimbursement is separate from the main Home Office grant allocated through the Funding Formula and is called the National and International Capital City (NICC) grant.
- 2.18 The NICC grant is calculated through a series of negotiations between the Met and the Home Office, with the final decision on the level of settlement made by the Home Office. The Met submits a single bid for grant to the Home Office Executive Scrutiny Panel. The panel is made up of senior Home Office civil



servants, HMIC, the Met's Director of Finance, MOPAC's Director of Strategy, and an independent Chair. The bid covers different areas of operation, as shown below. The Met states how much each area of operation costs, and then suggests what percentage of the cost it believes is specific to policing a capital city. The Met makes its case for why the percentage it presents is appropriate and the Home Office either accepts, rejects or amends the percentage.

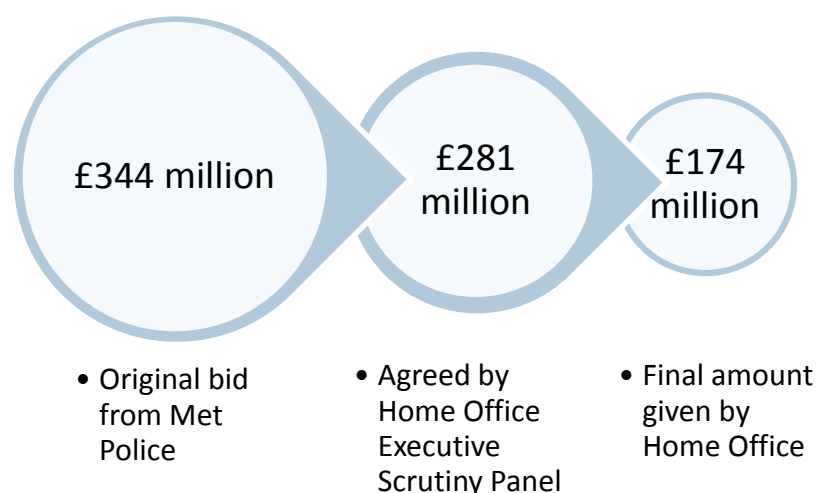
**Figure 3: The Met's 2016-17 NICC grant bid, broken down into cost areas**

NICC category	Example activities	Costs (£m)
Public order (inc operation support)	Mounted policing, marine policing, firearms policing, public order policing	76.3
London as a crime/activity hub	Royal Parks policing, serious and organised crime, Trident, Human exploitation	56.5
Specialist and Economic Crime	Child protection, Sapphire, Forensics, Homicide	100.4
Protection	Embassy protection, national asset barriers	12.2
Global City	Westminster policing, language services	35.7
<b>Total direct costs</b>		<b>281.1</b>
Support costs		62.6
<b>Total cost</b>		<b>343.7</b>

Source: Metropolitan Police Service, [Detailed NICC submission](#)

- 2.19 The Met and the Home Office disagree about the required level of NICC grant. In 2015, the Met calculated its costs specific to policing London as a capital city as £343.7 million. The Home Office Executive Scrutiny Panel met twice, on 21 October 2015 and 19 November 2015, to consider this bid. The panel agreed with £281.1 million of this bid. The only area of genuine disagreement was overheads: Home Office officials argued that NICC is a specialised grant and should not be used to subsidise areas of the Met not directly related to being a capital city; the Met argued that the specialised areas that NICC is for could not operate without overheads. The Met has made reference to a letter from the Home Office dated 17 December 2015 acknowledging that £281.1 million was agreed by the panel.<sup>24</sup>
- 2.20 However, the Met did not receive the full £281.1 million. Despite an agreed position between the Met and the Home Office Executive Scrutiny Panel, the Home Office awarded a final 2016-17 NICC grant of only £173.6 million.<sup>25</sup> NICC

grant remains at this level for 2017-18. HMIC confirmed that the Executive Scrutiny Panel “has not convened for about two years and last year’s bid was done without convening the panel.”<sup>26</sup>



- 2.21 The Home Office is therefore underfunding the Met by £107.5 million according to its own calculations, and by £170.1 million according to the Met’s calculations. This is based on 2016-17 expenditure and is now outdated. HMIC told us that “the gap between what has been bid and what has been awarded has widened”<sup>27</sup> i.e. that 2017-18 and 2018-19 NICC requirements will be even more than £344 million.
- 2.22 Underfunding the Met on NICC has consequences for other areas of the Met’s expenditure. The Met still has to fund the activities associated with policing a capital city. If the Home Office will not provide specific funding for these costs then either the Met has to reduce expenditure in other areas or the Mayor has to provide additional funding. In effect, the under-funding falls on council tax and therefore London taxpayers.
- 2.23 The London Assembly and the Mayor have tried numerous times to lobby the Home Office about this underfunding. The Mayor wrote to the Home Secretary on 19 July 2017.<sup>28</sup> The Assembly’s Police and Crime Committee also wrote to the Home Secretary on 17 July 2017.<sup>29</sup> The Mayor’s team have issued nine news releases about police funding so far in 2017.
- 2.24 An independent assessment of the Met’s NICC costs might strengthen the Met’s case with the Home Office. This view was supported by guests at our July meeting. The Police Foundation thought that an independent review of

the Met's NICC grant requirements would help take the dispute "out of the claim-and-counterclaim of parties with vested interests".<sup>30</sup> We agree with this and urge MOPAC to procure an independent review of the NICC bid.

- 2.25 This independent review will not be useful if the Home Office will not accept a revised, independently verified bid. There is already an independent body ready to review such a bid - the Home Office Executive Scrutiny Panel. The Government follows the advice of independent panels in other areas. For example, we have just seen how the Government followed the recommendations of the Police Remuneration Review Board in 2017. NICC should not be any different. The Mayor should call on the Home Office to reconvene the NICC Executive Scrutiny Panel and to follow its expert recommendations.

### Recommendation 3

- MOPAC should consider procuring an independent review of the Met's NICC bid to strengthen its hand in negotiations with the Home Office.
- The Mayor should lobby the Home Office to reconvene the NICC Executive Scrutiny Panel and follow its expert recommendations.

## Police Special Grant

- 2.26 All police forces in England and Wales can apply to the Home Office for special grant funding to meet additional costs from policing unexpected and exceptional events within their areas. Applications made in the past include policing high profile events such as the 2015 English Defence League protest in Sheffield or extended investigations such as the Rotherham child sexual exploitation ring.<sup>31</sup>
- 2.27 Because of the size of the Met's budget, it effectively cannot apply for Police Special Grant. The rules state that an extraordinary event must cost over 1 per cent of a police force's total budget before any grant can be given.<sup>32</sup> The Met is not allowed to make an application based on the cumulative costs of multiple incidents either. For the Met, any individual event must cost approximately £30 million to qualify. The largest grant given in 2015-16 was only £5.4 million, awarded to South Yorkshire Police to cover legal fees in the Hillsborough court case.<sup>33</sup> Even an event such as the proposed visit of President Trump to London would not meet the threshold.

### Trump visits London?

- The Prime Minister has extended an invitation to the President of the United States, Donald Trump, for a diplomatic visit.
- There are no confirmed dates for this visit as yet, although indications are that it will now take place in 2018.
- Public protests are widely expected at any Trump visit.
- Security planners have estimated that the policing cost for such a high-profile visit might exceed £10 million.<sup>34</sup>
- Under current Home Office Special Grant rules, the Met would not qualify for any additional money to cover this state visit and would need to find an additional £10 million of savings to achieve a balanced budget.

2.28 The Met's difficulty in accessing Police Special Grant was discussed at the NICC Executive Scrutiny Panel in 2015. The Home Office special grant guidance states that "police forces should include within their policing and budget plans reasonable contingencies for unexpected events".<sup>35</sup> At the panel MOPAC argued that "it was [not] a sustainable position to fund additional events from reserves as this placed additional pressure on reserves already earmarked for force transformation, and may mask a wider issue of underfunding of the force".<sup>36</sup> At the time, the Chair of the Executive Panel said that he would present the issue to Ministers. There has been no change in the Home Office position in the last two years.

2.29 The Met has therefore not been able to secure any Police Special Grant for any of the extraordinary events in London over the last two years. This includes all four of the recent terror attacks at Westminster, London Bridge, Finsbury Park and Parsons Green, as well as the Met's costs responding to the Grenfell fire. The Met deployed 600 counter terror officers on the streets of London for seven days straight after the London Bridge attack and has 260 officers working at Grenfell.<sup>37</sup> The Met informed committee officials that the London Bridge attack alone will cost the Met over £10 million in extra resources, although this figure has not been publicly confirmed. The Home Office's current guidance expects the Met to hold contingencies for unexpected incidents such as London Bridge or Grenfell. We think that this is an unreasonable position and call on the Home Office to change the special grant guidance.

## Recommendation 4

The Mayor should petition the Home Office to change Police Special Grant criteria so that the Met can be reimbursed for extraordinary events such as the London Bridge terror attack or the Grenfell fire.

## Police Transformation Fund

- 2.30 The Police Transformation Fund is a national pot intended to transform policing by investing in digitalisation, a diverse and flexible workforce and new capabilities to respond to changing crimes and threats. Police authorities bid for money from the pot for specific transformation projects. Each bid has a lead police force and then partner forces. The fund is built from central Home Office funding – money received from the Treasury and held back from individual police forces.
- 2.31 In 2017-18, the fund stands at £175 million. According to the latest Home Office data, £119 million of this has been allocated nationally.<sup>38</sup> Of this, the Met is the lead force for £15.5 million – 13 per cent. For comparison the Met receives 23 per cent of the police general government grant.<sup>39</sup>
- 2.32 The Deputy Mayor for Policing and Crime told us that the Met is not receiving its “fair share” out of the Police Transformation Fund.<sup>40</sup> Both HMIC and the National Police Chiefs’ Council disagreed with the Deputy Mayor. HMIC suggested that “saying that there is a particular share that you deserve as a force is completely wrong”,<sup>41</sup> since the Transformation Fund is for national, transformative projects, rather than something earned by organisational size.

**“Saying that there is a particular share [of the Transformation Fund] that you deserve as a force is completely wrong”**

**Her Majesty’s Inspectorate of Constabulary**

**Figure 4: National size of the Police Transformation Fund**

2016-17	2017-18	2018-19	2019-20
£76 million	£175 million	£300 million	£700 million

Source: Association of Police and Crime Commissioners, [Police Reform and Transformation Board](#), 1 March 2017

- 2.33 The Police Transformation Fund is set to grow substantially, reaching £700 million in 2019-20. The growing size of the fund shows how important it is

that the Met gets involved with national, collaborative transformation projects.

- 2.34 The Met has struggled to collaborate with others in the past, but signs are promising. HMIC's 2016 Efficiency report found the Met only spent 0.9 per cent of its budget on collaborative work, compared to the national average of 11.9 per cent.<sup>42</sup> We acknowledge the Met's difficulty in collaborating with other forces is due to its size, being over three times as big as the nearest comparable force. The National Police Chiefs' Council told us that "the MPS is getting much more involved... very much engaged and saying 'We are up for collaborating and sharing much more than was the case in the past'".<sup>43</sup> We welcome this and encourage the Met to continue.

### **Recommendation 5**

The Met should embrace national collaborative projects as well as London-wide projects to access the Police Transformation Fund.

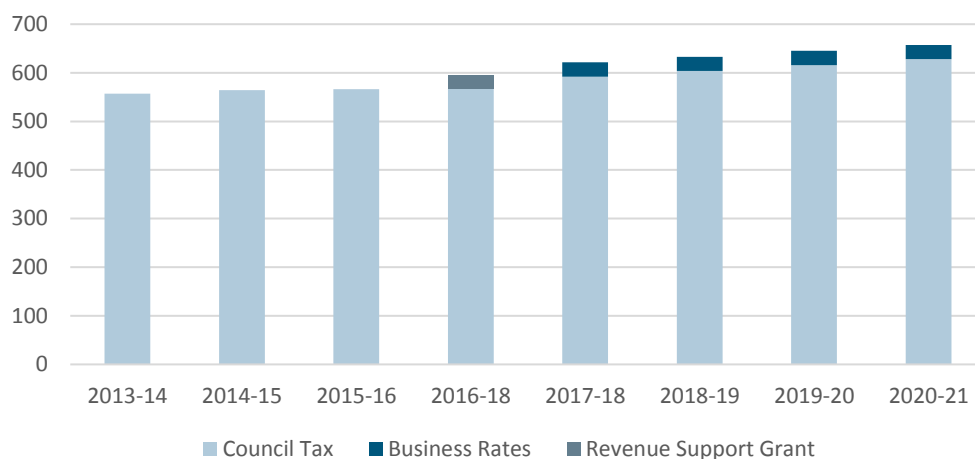
# 3. Funding from the Mayor

## Key findings

- The Mayor has financial choices he can make to further fund the Met, irrespective of government funding.
- The Mayor and previous Mayors have moved money around the GLA to reflect key priorities and can do so again.

- 3.1 Mayoral funding to MOPAC is made up of council tax and business rates. This funding has grown in previous years and MOPAC is budgeting for it to continue to grow.<sup>44</sup> Council tax makes up 95 per cent of all mayoral funding to MOPAC in 2017-18, with the remaining five per cent from business rates.

**Figure 5: Mayoral funding to MOPAC is growing**



Source: Greater London Assembly, [Final Consolidated Budgets 2013-14 to 2017-18](#)

## Moving money around the GLA

- 3.2 The Mayor has the ability to move money, such as council tax or business rates income, around the GLA Group according to need and has done so in the past. When raising council tax for 2017-18, the Mayor provided MOPAC with “an additional £6.2 million from other council tax income” – that is, council tax income outside the police precept element.<sup>45</sup> This was provided specifically to address a £17.4 million fall in Home Office funding. The Mayor also gave MOPAC an additional £2.5 million of business rates income. The police precept element of council tax has to be spent on the police, but the rest of council tax and business rates is not tied to any one part of the Mayor’s responsibilities and can be allocated anywhere in the GLA Group. The previous Mayor also demonstrated his ability to move money around the GLA group and protect certain budgets by allocating the London Fire and Emergency Planning Authority (LFEPA) additional funding in 2014-15 and 2015-16 out of Revenue Support Grant.<sup>46</sup>
- 3.3 If the Mayor was to provide MOPAC with an increased portion of council tax or business rates income then this would come at the expense of other parts of the GLA Group. Other areas of the GLA have their own budgetary pressures.<sup>47</sup> The London Legacy Development Corporation has used all of its



reserves and will face a £4.6 million budget gap in 2018-19. LFEPA has a £9.1 million budget gap to 2020-21. By 2021-22 Transport for London (TfL) will make cumulative savings of over £3 billion.<sup>48</sup> It is for the Mayor to decide his priorities – and the money associated with these priorities.

### Recommendation 6

The Mayor should consider the flexibility of business rates and council tax income and explore whether some could be used to fund the Met.

## Council tax

- 3.4 The Mayor allocates part of council tax raised by the GLA to the Mayor's Office for Policing and Crime (MOPAC) and therefore to the Met. The part allocated to MOPAC is called the police precept. In 2017-18, the GLA charged the average household £280.02 in council tax.<sup>49</sup> Of this, the Mayor allocated £206.13–74 per cent–to MOPAC. Overall, this will raise £592 million for policing the capital.
- 3.5 The Mayor increased council tax by 1.46 per cent in 2017-18 specifically to fund the Met. He plans to do the same again in 2018-19, as shown in his Budget Guidance.<sup>50</sup> This raised an additional £11.3 million for the Met in 2017-18. To achieve this, he increased the police precept element of council tax by 1.99 per cent – the level of increase required by the Home Office in order to keep its level of grant steady in cash terms.<sup>51</sup> In London, this works out at an overall council tax increase of 1.46 per cent, once the other elements are taken into account.
- 3.6 The Mayor could, in fact, have increased the overall council tax bill by 1.99 per cent, which would have raised an additional £4.1 million. He could go even further. The Mayor has the power to raise council tax above 1.99 per cent, subject to a public referendum. However, this option has only been used once since these rules were introduced in 2013. In 2015 the Bedfordshire Police and Crime Commissioner asked for an increase of 15.85 per cent, but the public voted against it.<sup>52</sup> In his manifesto, the Mayor stated “my promise is to keep council tax as low as possible without risking Londoners' safety.” It is therefore unlikely that the Mayor would choose to conduct a costly referendum that he could well lose.

## Recommendation 7

The Mayor should consider whether to raise council tax by the maximum he can without a referendum (1.99 per cent) to provide additional funding to the Met.

## Business rates

- 3.7 By 2020, the GLA may receive a lot more income from business rates, as central government allows local government—including the GLA—to keep all of the business rates it collects in exchange for less funding through central government grants. This is called 100 per cent business rates retention. The Government is currently consulting on this retention scheme.<sup>53</sup> In London, this retention scheme is already being piloted, although the full scheme is not yet in place. The GLA's share of business rates income increased from 20 per cent in 2016-17 to 37 per cent in 2017-18.<sup>54</sup>
- 3.8 The GLA is now retaining an increased proportion of business rates income. In 2016-17, the GLA retained £1.038 billion in business rates income. It now retains £2.179 billion, an increase of £1.141 billion. £29.6 million of this was given to MOPAC in 2017-18. The rest has replaced grants that TfL and LFEPA previously received.
- 3.9 The £29.6 million new business rates income allocated to MOPAC for 2017-18 both replaces former grant and provides new funding. In 2016-17, the previous Mayor allocated £27.1 million of Council Tax Freeze Grant to MOPAC. The Mayor this year has allowed MOPAC to keep this £27.1 million, now funded through business rates rather than Council Tax Freeze Grant. The Mayor has also given MOPAC an additional £2.5 million that was previously spent on Mayoral programmes.

**Figure 6: How extra business rates income has been spent in 2017-18**

Purpose	£ million
Replaces TfL Capital Grant	960
Replaces LFEPA Revenue Support Grant	128.5
Replaces MOPAC share of Council Tax Freeze Grant	29.6
Replaces Mayoral Revenue Support Grant	10
Additional Mayoral Programmes Funding	10.4
Replaces Assembly Revenue Support Grant	2.5
<b>TOTAL</b>	<b>1,141</b>

Source: Greater London Assembly, [Final Consolidated Budget 2017-18, para 1.28](#)

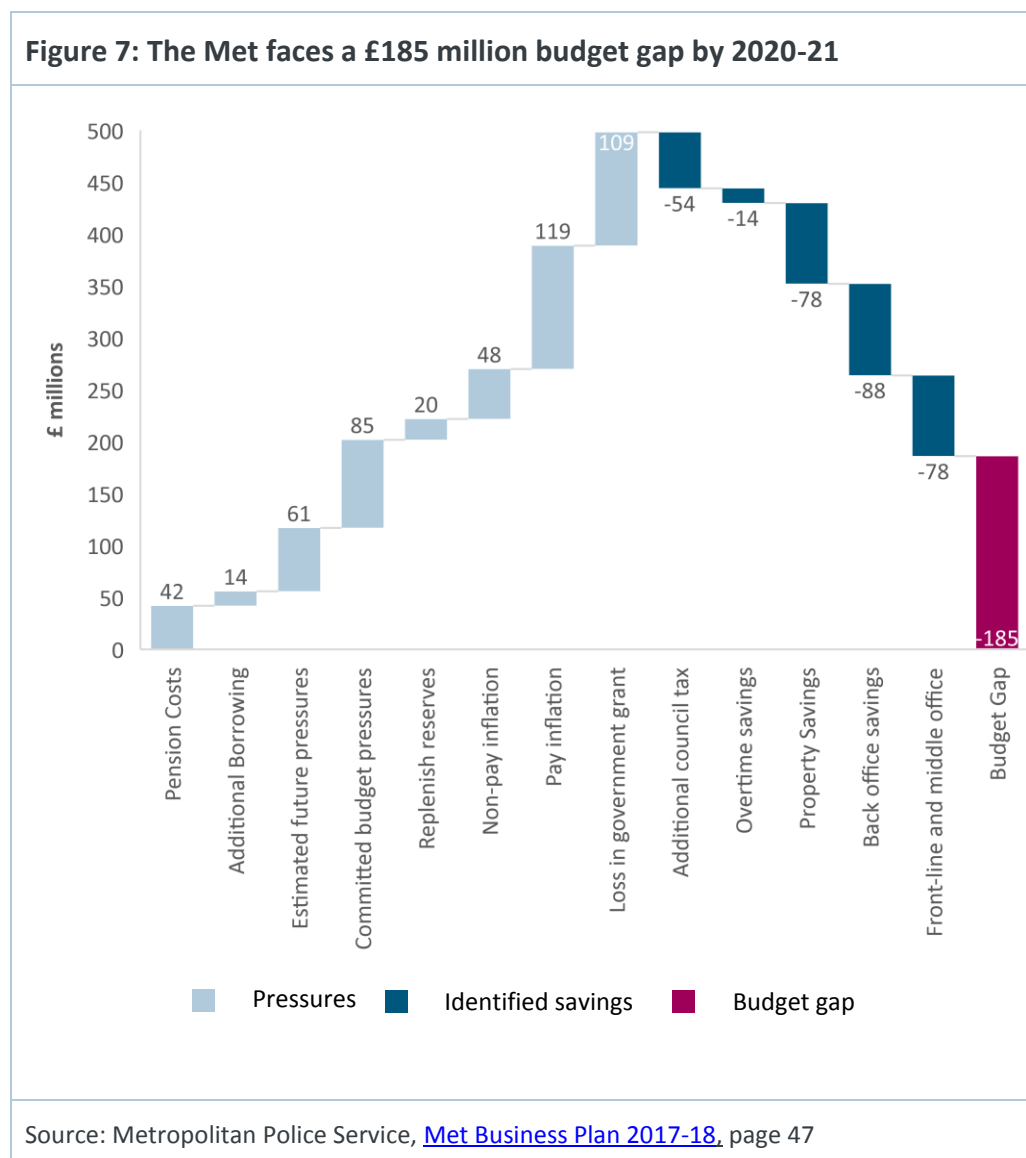
# 4. The Met's response: savings

## Key findings

- The Met's saving plans are optimistic and operate on very tight assumptions.
- The Met has failed to deliver required digital savings.
- The Met has successfully sold large parts of its estate.

## Background

- 4.1 The Met is continuing to make savings at a rapid pace—over £600 million of savings in the past four years—but has not found enough savings to address its funding gap. The Met estimates that it will need to find another £443 million of savings in the next four years just to deliver a balanced budget.<sup>55</sup> At the time of publication, the Met did not yet know where these savings were going to come from. Having already factored in increased council tax and savings from a range of sources including estates, the back office and the front line, the Met still faces a budget gap of £185 million by 2020-21.



- 4.2 As we have said several times in recent years, the Met's saving plans are optimistic and operate on very tight assumptions. HMIC warned us as such in our committee meeting and said that if any of the savings programmes are missed it would "clearly" lead to reductions in other areas.<sup>56</sup> We have previously looked at savings in relation to IT and outsourcing.<sup>57</sup> In this chapter,

we review two of the Met's most important savings programmes – property and digital policing.

**“[The savings plans] require rather a lot of things to go well ... there is not a lot of room for meeting targets if some of the predicted savings don't come to fruition”**

**Her Majesty's Inspector to the Metropolitan Police**

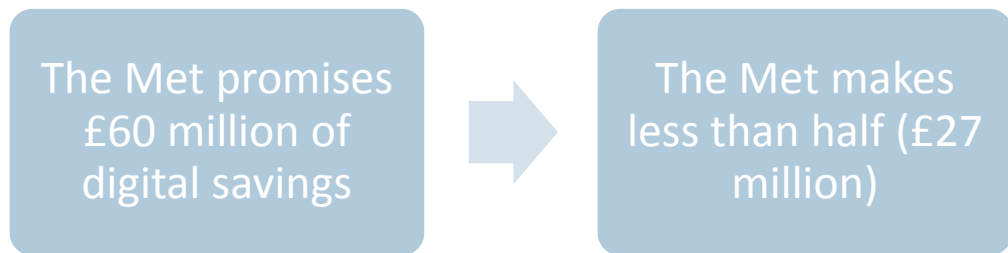
## Digital policing

- 4.3 There is a disconnect between the Met's optimism around digital policing and the opinion of others, such as HMIC. The Deputy Commissioner told us that “colleagues from HMIC who have just been with us have said that there is some quite exciting stuff going on.”<sup>58</sup> HMIC provided a more nuanced view when it appeared before us. Her Majesty's Inspector for the Met, Matt Parr CB, said: “we have some good ideas and quite a lot of innovation... but, crikey, there is a long way to go and it is going to be uphill for a number of years.”<sup>59</sup>
- 4.4 The Met is failing to make the savings it needs from its Digital Policing Strategy and has consistently overpromised. The previous digital strategy for 2014-17 promised £60 million of savings but delivered less than half.<sup>60</sup> For the 2017-18 budget process, the Met originally tabled £38 million of cumulative digital savings to 2020-21.<sup>61</sup> The Met later removed all of these digital savings, saying that the previous plans “did not stack up financially”.<sup>62</sup>

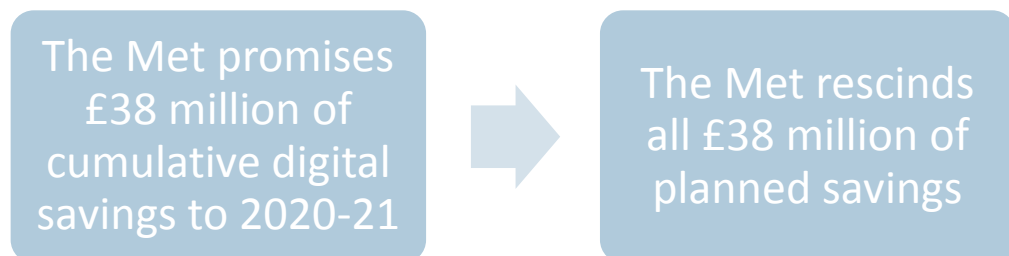
**“It became clear that the previous plans did not stack up financially. I was therefore not comfortable to include savings that I neither saw a plan to deliver nor had any confidence we would deliver”**

**Director of Finance, Metropolitan Police**

## 2014-17



## 2017-21



- 4.5 The Met will face serious and damaging consequences if it does not achieve significant savings from its Digital Policing Strategy. The Met and MOPAC have told us several times in recent years that digital policing is “a really powerful piece of transformation”<sup>63</sup> and is crucial to the Met’s plans for a balanced budget. As things currently stand, the Met has dropped a major savings programme, and this will have ramifications for the Met for years to come. With a budget gap already at £185 million, the Met simply cannot afford to remove digital savings. The Met has told us that it is making progress with digital policing but we remain unconvinced. We would like to see an action plan on how the Met can deliver digital savings. The Mayor has recently appointed London’s first ever Chief Digital Officer.<sup>64</sup> The Mayor should consider using his Chief Digital Officer to get the Met’s digital policing action plan back on track.
- 4.6 The Met has not been open about its digital plans either. We have found it hard to scrutinise specific IT projects. Currently, the Met’s capital plan is split into 13 different categories – the Met calls these portfolios. We have had sight of the 13 portfolios during the budget setting process, 11 of which are for digital policing. The portfolios—for example, “Optimising Response” or “Smarter Working”—do not give much detail about their individual projects. For example, we know that body worn cameras are a capital project for 2017-

18. We do not know which portfolio this comes under and cannot readily scrutinise progress on this spend. In-year updates, in the form of quarterly monitoring reports, do not give any reasons for underspends or overspends on capital projects.

- 4.7 There needs to be the opportunity to scrutinise digital projects from their inception. In the past, the Met has experienced some very costly IT contract failures, which only came to light once the contract had already failed. One such example is the Command and Control contract with Northrup Grumman. The Met entered into a £90 million contract with Northrup Grumman in 2014 to replace the 30-year-old Command and Control system. In January 2016, a three-year delay to the system's rollout was announced, and, in March 2016, the contract was terminated.<sup>65</sup> Three years before this contract failure we warned that MOPAC needed "the skills and resources... to make the Directorate of Information fit for purpose".<sup>66</sup> We remain unconvinced. With a £185 million savings gap already the Met cannot afford to waste any more money on contract failures.

### Recommendation 8

The Met needs an action plan to get digital savings back on track and the Mayor should consider using his Chief Digital Officer to oversee and provide challenge to the action plan.

## Property savings

- 4.8 Since 2013, the Met has pursued a property strategy to reduce estate running costs and free up police property to sell. The proceeds from selling police property are then re-invested in projects such as digital policing or police facilities.
- 4.9 To date, the Met has been financially successful with its estate strategy. It has reduced its running costs by £40 million in the last five years – a twenty per cent reduction.<sup>67</sup> On the capital side, the Met's Head of Asset Leverage told us that the Met had sold £975 million of property in the four years 2012-16, far above what was planned.<sup>68</sup> The highest profile sale was New Scotland Yard, the Met's old headquarters, which generated £370 million in 2014. We applaud the Met's success with its estates strategy so far.
- 4.10 However, we are concerned that the savings made so far have been relatively straightforward and are unconvinced that the next round of disposals will replicate this success. We will continue to monitor this area.
- 4.11 The Met's recently-refreshed estates strategy is very optimistic. The Met aims to reduce property running costs down to £100 million by 2022.<sup>69</sup> This is a £62



million reduction from the current level of £162 million. This is more than all revenue property savings made to date.

- 4.12 To achieve this £62 million reduction in running costs, the Met and MOPAC will have to make hard decisions. MOPAC is now consulting on its Public Access and Engagement Strategy.<sup>70</sup> Through this strategy, MOPAC plans to close just over half of all police front counters in London, retaining one 24-hour front counter per borough. It estimates that this will save £10 million per year in running costs and generate £170 million in asset sales. The Assembly's Police and Crime Committee has heard that "broadly, stakeholders understand that closing underused front counters may be a way to make financial savings and move towards a more modern police service".<sup>71</sup> At the same time the Deputy Mayor for Policing and Crime has recognised that people engaging with the consultation are worried about the change.<sup>72</sup> We will continue to watch this development to ensure that proper consultation and care is taken in the final decision.

# 5. The Met's response: the front line

## Key findings

- MOPAC will struggle to deliver the Police and Crime Plan as intended.
- Morale is low as a result of pressure on officers.
- The Met and MOPAC maintain that the strategic target of 32,000 officers is still in place, but the Met cannot afford 32,000.
- The target of 32,000 officers is not grounded in reality and should become an operational decision only.
- Funding solely counter-terror operations and not front-line policing is not sustainable.

## The Police and Crime Plan

- 5.1 The Met’s funding pressures mean it will struggle to deliver the Police and Crime Plan. The Deputy Mayor for Policing and Crime told us that “we will not have the level of resources we need to really keep London safe and secure, to tackle rising violence and to tackle all the hidden harms that we know are increasingly coming to people’s attention.”<sup>73</sup> Crime is rising in London across the board. The latest MOPAC monthly report shows increases in all categories except domestic abuse, burglary of commercial property, criminal damage and disability hate crime.<sup>74</sup> There is no explicit link between the rise in crime and decreased budgets but rising crime means more demand at a time that resources are already stretched.
- 5.2 The challenging funding climate will affect the speed at which the Met addresses its key priorities. MOPAC told us that the priorities seen in the Police and Crime Plan—keeping children and young people safe, tackling violence against women and girls and standing together against hatred, intolerance and extremism—would not change under financial pressure. The Deputy Mayor for Policing and Crime did acknowledge that funding pressure “means we will make much slower progress”.<sup>75</sup> This slower rate of progress with the plan is at *current* funding levels, and achieving the plan’s priorities would be even more difficult with any further reduction in funding.
- 5.3 The service the Met provides will change in the future. The Commissioner has said that “we may have to stop doing some things”,<sup>76</sup> and the Deputy Commissioner told us about “different levels of service depending on the seriousness, severity, threat and risk of harm”.<sup>77</sup>
- 5.4 There is a lack of clarity about what such comments mean for the public. Our only idea of what the practical implication of reduced funding means comes from media interviews. The Deputy Commissioner has recently said that burglary victims would “probably always get a service” but that “vehicle crime, these sorts of things”<sup>78</sup> were among the types of offence where police might not attend unless the person affected was vulnerable.
- “It’s absolutely feasible as we go forward that, if my neighbour is a vulnerable elderly person who has experienced a particular type of crime, that she gets a face-to-face service that I don’t get. We triage things ... you have to have a way of controlling [demand]”**
- Deputy Commissioner for the Metropolitan Police**
- 5.5 Changes in something as fundamental as the way the Met responds to incidents need to be fully discussed with the public and then clearly communicated. The National Police Chiefs’ Council agreed that decisions, such as changing what services you deliver and to whom, need to be taken locally and discussed with the public and local elected politicians.<sup>79</sup> MOPAC is running

full consultations on big changes to the way local policing is delivered, such as the consultation on the Police and Crime Plan, or the Public Access and Engagement Strategy.<sup>80</sup> The outcomes of these consultations need to be clearly communicated.

### **Recommendation 9**

The Met and MOPAC should clearly set out how the public can expect to be treated when they report a crime to the police.

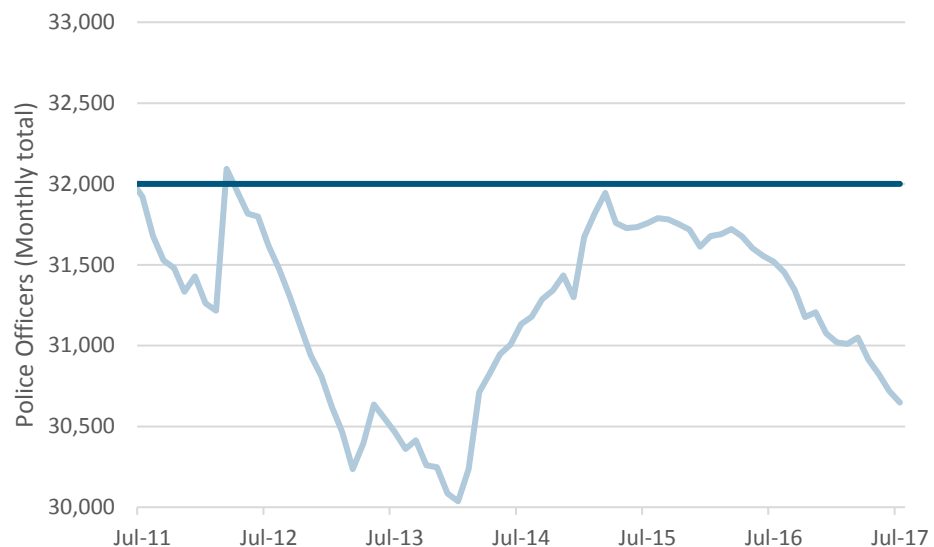
## **Officer morale**

- 5.6 We have heard about low officer morale at the Met. In August 2017, the Police Federation found that 94 per cent of respondents to a survey of Met officers said that police morale was low and 64 per cent said their own personal morale was low.<sup>81</sup> The Met has had lower morale results than the England and Wales average for the last three years.<sup>82</sup>
- 5.7 There have been an unprecedented number of resignations at the Met. Last year 654 London police officers resigned.<sup>83</sup> This is the largest number of resignations in a single year since records began 10 years ago. The Police Federation linked these resignations to low morale and “the endemic issue of the stress for the officers”.<sup>84</sup>
- 5.8 Pressure on front-line policing can be demonstrated through cancelled rest days. Police officers are entitled to two rest days a week – the equivalent of a weekend in more traditional jobs. The Met can cancel rest days if ongoing operations mean “a pressing need or requirement that cannot be reasonably avoided”.<sup>85</sup> The Met then legally owes the officer the rest day that was cancelled. During large-scale events, such as the London Bridge attack or Notting Hill Carnival, the Met routinely cancels all rest days. This is what is meant when the Commissioner says that the Met will “step up a gear” and put more officers on the streets.<sup>86</sup> The Met has been building up cancelled rest days for a long time now. A Freedom of Information request in 2016 showed that the Met owed 176,969 rest days – 485 years of rest days. The Met owes 11 times as many rest days as any other police force.
- 5.9 Another aspect of low morale may be low pay. In chapter 2 we discussed the financial implications of the Government’s decision to award a two per cent pay increase this year. Two per cent is still below inflation.<sup>87</sup> Prior to this decision police officers had not seen a pay rise above one per cent since 2010.

## 32,000 officers

- 5.10 The Mayor is failing on his “strategic target” of having 32,000 police officers. The previous Mayor held a strategic target of 32,000 police officers and the current Mayor continues to hold this target. The Met has not reached this target for over five years now.<sup>88</sup>

**Figure 8: The last time police officer numbers were above 32,000 was March 2012**



Source: London Datastore, [Recorded Crime: Force-Level Summaries & Associated Data](#), August 2017

- 5.11 We discovered in our 5 January 2017 meeting, that the Met will not be able to reach the Mayor’s “strategic target” of 32,000 police officers in 2017-18 because he removed £38 million from its officer budget. MOPAC called this “recognising current police numbers” – the budget was enough to pay for the 31,000 officers expected in post over the year.<sup>89</sup> MOPAC insisted that this was not a cut and the Met’s Director of Finance said that the £38 million would go back in to the 2018-19 budget, subject to a good funding settlement from Government.<sup>90</sup>
- 5.12 It is not clear whether this funding will indeed appear in MOPAC’s 2018-19 budget. Six months later in our June Committee meeting, the Deputy Commissioner told us that the Met is now modelling for 30,000 police officers next year and that numbers may go down further.<sup>91</sup> The Met insists that the fall in police numbers is not due to budgetary pressure, but recruitment difficulties.<sup>92</sup>
- 5.13 The idea that London needs 32,000 police officers has never been properly explained and it has become something of a millstone around the necks of

successive Mayors and Commissioners. The Met and MOPAC themselves have not been able to clarify the calculation for us. And none of the guests at our July 2017 meeting, including the HMIC, the National Police Chiefs' Council, the Police Foundation and Police Federation, could explain why the target is 32,000 officers.

- 5.14 Guests told us that police officer numbers should be responsive to need, and that this is not the same as having a target such as 32,000. HMIC said that “there should be more emphasis on the skill mix, the nature of the people you are recruiting, the length of service, etc. to meet demand. That is just not the same as saying, ‘We have a target of 32,000. If we are on it, we are doing well. If we are not, we are doing badly’. It is much more sophisticated than that”.<sup>93</sup> As the Police Foundation<sup>94</sup> put it:

**“You cannot just talk about a particular size. It needs to flow out of demand ... Ultimately, it is politics. People want to be able to put in a manifesto, “we are going to keep the number of officers”, but in terms of managing a public service it makes it really unhelpful. You have to just think about, “what do we need? What do we need to do the job?”**

**Director, Police Foundation**

- 5.15 We have branded the 32,000 target as problematic in the past.<sup>95</sup> We maintain this view. As seen in our exchanges with the Deputy Mayor for Policing and Crime during the 2017-18 budget setting process, the target has become too politicised and one that political figures debate frequently but has little relevance to operational needs. Police officer numbers should become an operational decision.

## **Recommendation 10**

The Met and MOPAC should be more transparent about their plans for police officer numbers.

## **Recommendation 11**

Police officer numbers should be set by evidence based on the level of service required across London; and the current boroughs and future merged Borough Command Units.

## Other targets

- 5.16 We also disagree with the Mayor's target to spend 85 per cent of the Met's budget on front line policing, introduced in his Police and Crime Plan.<sup>96</sup> The Met and MOPAC have focussed heavily on front-line policing in current years. From March 2010 to March 2016, the Met reduced officer numbers by just four per cent and staff numbers by 30 per cent.<sup>97</sup> A target of 85 per cent may be too far. Guests told us that the target was "very ambitious"<sup>98</sup> and "doesn't make any sense",<sup>99</sup> because the Met ends up getting police officers to do jobs that don't require a warrant card. As the National Police Chiefs' Council put it: "if you cut back those resources... and you are not very careful, you shunt a lot of work onto the operational people. You have to be careful about that. You might have a reduced headcount and you might have hit your 15 per cent... but actually it is probably not a good thing".<sup>100</sup>

### Recommendation 12

The Mayor should reconsider his target to have 85 per cent of spend on front-line policing.

- 5.17 The Met requires a more flexible workforce. The Deputy Commissioner has recently written to retired officers asking them to consider returning to the force.<sup>101</sup> The Deputy Commissioner specifically linked this request to the stretch from the recent incidents at Westminster, London Bridge and Grenfell Tower. Guests highlighted the loss of experience when officers retire or resign, as well as the training costs already invested in recruits who then leave. The Police Federation raised the idea of a scheme similar to retained firefighters.<sup>102</sup> Having a cadre of retained police officers would help alleviate pressure at times of great need and bring flexibility to the work force. It should not, however, become a substitute for proper recruitment of new officers.

### Retained Police Officers?

- Retained firefighters are firefighters who are retired or have full-time employment outside of the fire service, but who respond to emergency calls when required.
- Retained firefighters are not volunteer firefighters and are paid an annual retainer fee and are paid per emergency call.
- There is currently no such scheme for police officers in the UK.
- The idea has been raised before and was even debated in the House of Commons in 2001, but no legislation was brought forward to make it a reality.
- The scheme already operates in the USA and Spain.

### Recommendation 13

The Met and MOPAC should consider whether they can use a “retained police officer” scheme to improve workforce flexibility.

- 5.18 One thing all guests agreed on was that front-line policing is key to preventing further terrorist attacks. The Prevent Strategy—the Government’s anti-radicalisation strategy—recognises this. Front-line police officers play a “central and vital role”<sup>103</sup> in identifying potential terrorist activity early and *Prevent* calls for all front-line officers to have anti-radicalisation training. We are concerned that the Government’s response to terrorism in the capital focusses on specific counter-terror policing rather than the whole system. When pressed on police numbers following the London Bridge attack, the Prime Minister said “we have protected counter-terrorism policing budgets, we have funded an uplift in the number of armed police officers.”<sup>104</sup> Our guests told us that this is not the answer: “the response to terrorism has to be a system response and we cannot just fund the top end expert capabilities. We have to fund across the board.”<sup>105</sup>



# Our approach

The Budget and Performance Committee agreed the following terms of reference for this investigation:

- To map out the current and future funding sources for the Met.
- To assess the Met's methodology for how much NICC funding is required to police London as the UK's capital.
- To examine the implications of future changes to funding on the delivery of the Mayor's Police and Crime Plan.

At its public evidence sessions, the committee took oral evidence from the following guests:

- Sophie Linden, Deputy Mayor for Policing and Crime, MOPAC
- Deputy Commissioner Craig Mackey, Metropolitan Police Service
- Lynda McMullan, Director of Finance and Commercial, Metropolitan Police Service
- Siobhan Peters, Chief Financial Officer, MOPAC
- Dr Rick Muir, Director, Police Foundation
- Ken Marsh MBE, Chair of the Executive Committee, Police Federation
- Matt Parr CB, Her Majesty's Inspector to the Metropolitan Police Service
- Sara Thornton CBE QPM, Chair of the National Police Chief's Council

# References

- <sup>1</sup> BBC News ["Give us more resources" Met Police commissioner says](#), 5 June 2017
- <sup>2</sup> [GLA consolidated budget and component budgets 2017-18](#)
- <sup>3</sup> [Met Police Business Plan 2017-18](#), Section 5.3, page 47
- <sup>4</sup> London Datastore, [London Population Projection](#), 2016
- <sup>5</sup> [MOPAC Monthly Report](#), Agenda for 21 June 2017 Police and Crime Committee, Agenda Item 9
- <sup>6</sup> MOPAC estimate between 6,000 and 7,000 calls related to mental health each month - [https://www.london.gov.uk/sites/default/files/justice\\_matters\\_21\\_july\\_2017\\_-\\_mental\\_health\\_-\\_presentation.pdf](https://www.london.gov.uk/sites/default/files/justice_matters_21_july_2017_-_mental_health_-_presentation.pdf). According to [London Datastore](#) the Met has received an average of 69,700 calls each month over the last two years.
- <sup>7</sup> Police Foundation Director, Dr Rick Muir, speaking to Budget and Performance Committee 19 July 2017
- <sup>8</sup> Home Office, [Police Grant Report](#) and [GLA consolidated budget and component budgets 2017-18](#).
- <sup>9</sup> Director General of the Home Office, Paul Lincoln, writing in letter dated 18 July 2017 in response to the Budget and Performance Committee's letter to the Home Office dated 21 April 2017.
- <sup>10</sup> Her Majesty's Inspector to the Metropolitan Police, Matt Parr CB, speaking to Budget and Performance Committee 19 July 2017
- <sup>11</sup> Mayoral press release, [Londoners' safety will be put at risk if police funding is cut further](#), 16 January 2017
- <sup>12</sup> Director of Finance of the Metropolitan Police Service, Lynda McMullan, speaking to Budget and Performance Committee 13 June 2017
- <sup>13</sup> Deputy Commissioner of the Metropolitan Police Service, Craig Mackey, speaking to Budget and Performance Committee, 13 June 2017
- <sup>14</sup> Chair of the National Police Chiefs' Council, Sarah Thornton CBE QPM, speaking to Budget and Performance Committee 19 July 2017

- <sup>15</sup> Police Foundation Director, Dr Rick Muir, speaking to Budget and Performance Committee 19 July 2017
- <sup>16</sup> Chair of the National Police Chiefs' Council, Sara Thornton CBE QPM, speaking to Budget and Performance Committee 19 July 2017
- <sup>17</sup> Chair of the National Police Chiefs' Council, Sara Thornton CBE QPM, speaking to Budget and Performance Committee 19 July 2017
- <sup>18</sup> North West Evening Mail, [Joint letter to Mike Penning MP](#), 3 November 2015
- <sup>19</sup> Chief Secretary to the Treasury, Liz Truss, [Public services: Written statement - HCWS127](#), 12 September 2017
- <sup>20</sup> Police Remuneration Review Body, [Police Remuneration Review Body: Third Report England and Wales 2017](#), 12 September 2017
- <sup>21</sup> Chief Secretary to the Treasury, Liz Truss, [Public services: Written statement - HCWS127](#), 12 September 2017
- <sup>22</sup> Chief Secretary to the Treasury, Liz Truss, [Public services: Written statement - HCWS127](#), 12 September 2017
- <sup>23</sup> Mayoral press release, [Mayor calls on Chancellor to put safety first in the autumn Budget](#), 20 September 2017
- <sup>24</sup> [Response from Deputy Commissioner of the Metropolitan Police Service, Craig Mackey, 19 July 2017](#)
- <sup>25</sup> Home Office, [Police Grant Report \(England and Wales\) 2017-18](#), 1 February 2017
- <sup>26</sup> Her Majesty's Inspector to the Metropolitan Police, Matt Parr CB, speaking to Budget and Performance Committee 19 July 2017
- <sup>27</sup> Her Majesty's Inspector to the Metropolitan Police, Matt Parr CB, speaking to Budget and Performance Committee 19 July 2017
- <sup>28</sup> Mayoral press release, [Mayor's starkest warning yet on police funding](#), 19 July 2017
- <sup>29</sup> Chair of Police and Crime Committee, Steve O'Connell AM, [Police Funding for London](#), 17 July 2017, agenda item 4 - appendix 3,
- <sup>30</sup> Police Foundation Director, Dr Rick Muir, speaking to Budget and Performance Committee 19 July 2017
- <sup>31</sup> Home Office, [Police funding: special grant applications](#), 16 June 2016
- <sup>32</sup> Home Office, [Special grant guidance](#), 7 October 2015
- <sup>33</sup> Home Office, [Police funding: special grant applications](#), 16 June 2016

- <sup>34</sup> The Independent, [Donald Trump's state visit 'to cost UK more than £10m in policing alone'](#), 1 February 2017
- <sup>35</sup> Home Office, [Special grant guidance](#), 7 October 2015
- <sup>36</sup> Home Office, [Minutes of the NICC Executive Scrutiny Panel](#), 18 November 2015
- <sup>37</sup> Commissioner of the Metropolitan Police Service, Cressida Dick CBE QPM, speaking to Police and Crime Committee 21 June 2017
- <sup>38</sup> Home Office, [Police transformation fund: successful bids round 3](#), 4 September 2017
- <sup>39</sup> GLA calculation from table 3 of the [2017-18 Police Grant Report](#). NICC grant excluded from calculation.
- <sup>40</sup> Deputy Mayor for Policing and Crime, Sophie Linden, speaking to Budget and Performance Committee 13 June 2017
- <sup>41</sup> Her Majesty's Inspector to the Metropolitan Police, Matt Parr CB, speaking to Budget and Performance Committee 19 July 2017
- <sup>42</sup> Her Majesty's Inspectorate of Constabulary, [HMIC PEEL Police Efficiency 2016](#), November 2016
- <sup>43</sup> Chair of the National Police Chiefs' Council, Sara Thornton CBE QPM, speaking to Budget and Performance Committee 19 July 2017
- <sup>44</sup> Greater London Assembly, [Final Consolidated Budgets 2013-14 to 2017-18](#)
- <sup>45</sup> Mayoral press release, [Government cuts lead Mayor to propose 8p a week council tax rise](#), 16 Dec 2016
- <sup>46</sup> Greater London Assembly, [Final Consolidated Budget](#), 2014-15 and 2015-16, section "Meeting Mayor's Funding Commitment to LFEPA in 2015-16"
- <sup>47</sup> All figures in this paragraph from the Mayor's [Final Consolidated Budget 2017-18](#)
- <sup>48</sup> TfL Commissioner, Mike Brown, in letter to Chairman of the Budget and Performance Committee, Gareth Bacon, 4 May 2017
- <sup>49</sup> All three figures in this paragraph from [GLA consolidated budget and component budgets 2017-18](#), Section 11
- <sup>50</sup> Greater London Assembly, [Mayor's Budget Guidance for 2018-19](#), 14 June 2017

- <sup>51</sup> House of Commons, [Police Grant Report England & Wales 2016/17:Written statement - HCWS510](#), 4 Feb 2016
- <sup>52</sup> BBC News, [Bedfordshire Police council tax rise rejected at referendum](#), 11 May 2015
- <sup>53</sup> Department for Communities and Local Government, [100% business rates retention: further consultation on the design of the reformed system](#), February 2017
- <sup>54</sup> Greater London Assembly, [Consolidated budget and component budgets 2017-18](#), para 1.16
- <sup>55</sup> Metropolitan Police Service, [Met Business Plan 2017-18, page 47](#)
- <sup>56</sup> Her Majesty's Inspector to the Metropolitan Police, Matt Parr CB, speaking to Budget and Performance Committee 19 July 2017
- <sup>57</sup> [Smart Policing](#), report of the Budget and Performance Committee, August 2013 and [To Protect and Save](#), report of the Budget and Performance Committee, September 2015
- <sup>58</sup> Deputy Commissioner of the Metropolitan Police Service, Craig Mackey, speaking to Budget and Performance Committee, 13 June 2017
- <sup>59</sup> Her Majesty's Inspector to the Metropolitan Police, Matt Parr CB, speaking to Budget and Performance Committee 19 July 2017
- <sup>60</sup> Metropolitan Police Service, [Total Technology: Digital Policing Strategy 2014-17](#), page 5 and Director of Information of the Metropolitan Police Service, Angus McCallum, speaking to Budget and Performance Committee 18 Oct 2016
- <sup>61</sup> Mayor's Office for Policing and Crime, [MOPAC 2017-18 Budget Submission](#), Annex 1
- <sup>62</sup> Director of Finance of the Metropolitan Police Service, Lynda McMullan, speaking to Budget and Performance Committee 13 June 2017
- <sup>63</sup> Chief Executive of MOPAC, Rebecca Lawrence, speaking to Budget and Performance Committee 18 Oct 2016
- <sup>64</sup> Mayoral press release, [Mayor appoints London's first Chief Digital Officer](#), 25 August 2017
- <sup>65</sup> Mayor's Office for Policing and Crime, [Termination of supplier contracts](#), Deputy Mayor for Policing and Crime Decision 201648, 11 March 2016
- <sup>66</sup> [Smart Policing](#), report of the Budget and Performance Committee, recommendation 1, August 2013

- <sup>67</sup> Metropolitan Police Service, [Met Business Plan 2017-18](#) page 50, reduction from £202 million per year to £162 million per year
- <sup>68</sup> Head of Asset Leverage of the Metropolitan Police Service, Matthew Punshon, speaking to Budget and Performance Committee 18 October 2016
- <sup>69</sup> Metropolitan Police Service, [Met Business Plan 2017-18](#), page 50
- <sup>70</sup> Mayor's Office for Policing and Crime, [Share your views on accessing Met Police services](#), 14 July 2017
- <sup>71</sup> Chairman of the Police and Crime Committee, Steve O'Connell, writing to the Mayor's Office for Policing and Crime, 28 September 2017
- <sup>72</sup> Deputy Mayor for Policing and Crime, Sophie Linden, speaking to Police and Crime Committee 20 September 2017
- <sup>73</sup> Deputy Mayor for Policing and Crime, Sophie Linden, speaking to Budget and Performance Committee 13 June 2017
- <sup>74</sup> Mayor's Office for Policing and Crime, [MOPAC Monthly Report](#), agenda for 20 September 2017 Police and Crime Committee, Agenda Item 4
- <sup>75</sup> Deputy Mayor for Policing and Crime, Sophie Linden, speaking to Budget and Performance Committee 13 June 2017
- <sup>76</sup> Commissioner of the Metropolitan Police Service, Cressida Dick, quoted in the [Evening Standard](#), 18 April 2017
- <sup>77</sup> Deputy Commissioner of the Metropolitan Police Service, Craig Mackey, speaking to Budget and Performance Committee, 13 June 2017
- <sup>78</sup> Evening Standard, [Don't expect police to come out after a crime if you're healthy, middle-aged and speak good English](#), 25 August 2017
- <sup>79</sup> Chair of the National Police Chiefs' Council, Sara Thornton CBE QPM, speaking to Budget and Performance Committee 19 July 2017
- <sup>80</sup> Mayor's Office for Policing and Crime, [Share your views on accessing Met Police services](#), 14 July 2017
- <sup>81</sup> Police Federation, [Pay and Morale Survey 2017 Metropolitan Police Service](#), August 2017
- <sup>82</sup> Police Federation, [Pay and Morale Survey 2017 Metropolitan Police Service](#), August 2017
- <sup>83</sup> Home Office, [Police Workforce 2016-17 open data tables](#), 20 July 2017
- <sup>84</sup> Chair of Police Federation, Ken Marsh MBE, speaking to Budget and Performance Committee 19 July 2017

- <sup>85</sup> Police Negotiating Board, Circular 8/9
- <sup>86</sup> Reuters, [London will not be cowed by militants, police chief says](#), 10 June 2017
- <sup>87</sup> Office for National Statistics, [UK consumer price inflation: August 2017](#), 12 September 2017
- <sup>88</sup> London Datastore, [Recorded Crime: Force-Level Summaries & Associated Data](#), August 2017
- <sup>89</sup> Mayor's Office for Policing and Crime, [MOPAC 2017-18 Budget Submission](#), Annex 1
- <sup>90</sup> Director of Finance of the Metropolitan Police Service, Lynda McMullan, speaking to Budget and Performance Committee 5 January 2017
- <sup>91</sup> Deputy Commissioner of the Metropolitan Police Service, Craig Mackey, speaking to Budget and Performance Committee, 13 June 2017
- <sup>92</sup> Director of Finance of the Metropolitan Police Service, Lynda McMullan, speaking to Budget and Performance Committee 13 June 2017
- <sup>93</sup> Her Majesty's Inspector to the Metropolitan Police, Matt Parr CB, speaking to Budget and Performance Committee 19 July 2017
- <sup>94</sup> Police Foundation Director, Dr Rick Muir, speaking to Budget and Performance Committee 19 July 2017
- <sup>95</sup> [Response to the Mayor's draft consultation budget 2014-15](#), report of the Budget and Performance Committee, para 2.6, January 2014
- <sup>96</sup> Mayor's Office for Policing and Crime, [Police and Crime Plan 2017-21](#), 20 March 2017
- <sup>97</sup> Her Majesty's Inspectorate of Constabulary, [HMIC PEEL Police Efficiency 2016](#), November 2016
- <sup>98</sup> Chair of the National Police Chiefs' Council, Sara Thornton CBE QPM, speaking to Budget and Performance Committee 19 July 2017
- <sup>99</sup> Police Foundation Director, Dr Rick Muir, speaking to Budget and Performance Committee 19 July 2017
- <sup>100</sup> Chair of the National Police Chiefs' Council, Sara Thornton CBE QPM, speaking to Budget and Performance Committee 19 July 2017
- <sup>101</sup> BBC News, ["Stretched" Met Police force asks retired officers to return](#), 19 July 2017
- <sup>102</sup> Chair of Police Federation, Ken Marsh MBE, speaking to Budget and Performance Committee 19 July 2017

<sup>103</sup> Home Office, [Prevent Strategy](#), 2011

<sup>104</sup> The Guardian, [Under-fire Theresa May hits back over police cuts](#), 5 June 2017

<sup>105</sup> Chair of the National Police Chiefs' Council, Sara Thornton CBE QPM, speaking to Budget and Performance Committee 19 July 2017



# Other formats and languages

If you, or someone you know, needs a copy of this report in large print or braille, or a copy of the summary and main findings in another language, then please call us on: 020 7983 4100 or email: [assembly.translations@london.gov.uk](mailto:assembly.translations@london.gov.uk).

## Chinese

如您需要这份文件的简介的翻译本，  
请电话联系或按上面所提供的邮寄地址或  
Email 与我们联系。

## Vietnamese

Nếu ông (bà) muốn nội dung văn bản này được dịch sang tiếng Việt, xin vui lòng liên hệ với chúng tôi bằng điện thoại, thư hoặc thư điện tử theo địa chỉ ở trên.

## Greek

*Εάν επιθυμείτε περίληψη αυτού του κειμένου στην γλώσσα σας, παρακαλώ καλέστε τον αριθμό ή επικοινωνήστε μαζί μας στην ανωτέρω ταχυδρομική ή την ηλεκτρονική διεύθυνση.*

## Turkish

Bu belgenin kendi dilinize çevrilmiş bir özetini okumak isterseniz, lütfen yukarıdaki telefon numarasını arayın, veya posta ya da e-posta adresi aracılığıyla bizimle temasa geçin.

## Punjabi

ਜੇ ਤੁਸੀਂ ਇਸ ਦਸਤਾਵੇਜ਼ ਦਾ ਸੰਖੇਪ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿਚ ਲੈਣਾ ਚਾਹੋ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਇਸ ਨੰਬਰ 'ਤੇ ਫ਼ੋਨ ਕਰੋ ਜਾਂ ਉਪਰ ਦਿੱਤੇ ਡਾਕ ਜਾਂ ਈਮੇਲ ਪਤੇ 'ਤੇ ਸਾਨੂੰ ਸੰਪਰਕ ਕਰੋ।

## Hindi

यदि आपको इस दस्तावेज़ का सारांश अपनी भाषा में चाहिए तो उपर दिये हुए नंबर पर फोन करें या उपर दिये गये डाक पते या ई मेल पते पर हम से संपर्क करें।

## Bengali

আপনি যদি এই দলিলের একটা সারাংশ নিজের ভাষায় পেতে চান, তাহলে দয়া করে ফো করবেন অথবা উল্লিখিত ডাক ঠিকানায় বা ই-মেইল ঠিকানায় আমাদের সাথে যোগাযোগ করবেন।

## Urdu

اگر آپ کو اس دستاویز کا خلاصہ اپنی زبان میں درکار ہو تو، براہ کرم نمبر پر فون کریں یا مذکورہ بالا ڈاک کے پتے یا ای میل پتے پر ہم سے رابطہ کریں۔

## Arabic

الحصول على ملخص لهذا المستند بلغة،  
فرجاء الاتصال برقم الهاتف أو الاتصال على  
العنوان البريدي أو الإلكتروني  
الالكتروني أعلاه.

## Gujarati

જો તમારે આ દસ્તાવેજનો સાર તમારી ભાષામાં જોઈતો હોય તો ઉપર આપેલ નંબર પર ફોન કરો અથવા ઉપર આપેલ ટપાલ અથવા ઈ-મેઇલ સરનામા પર અમારો સંપર્ક કરો.



**Greater London Authority**

City Hall  
The Queen's Walk  
More London  
London SE1 2AA

Enquiries 020 7983 4100  
Minicom 020 7983 4458

**[www.london.gov.uk](http://www.london.gov.uk)**