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BRITISH TRANSPORT POLICE**

REPORT TO: British Transport Police Authority
DATE: 11 March 2010
SUBJECT: L Area Budget proposals
SPONSOR: Chief Constable
AUTHOR: Director of Finance and Corporate Services

1. PURPOSE OF PAPER

- 1.1 To advise Members of the current position regarding the 2010/11 revenue budget for the London Underground (LU) Area.

2. BACKGROUND

- 2.1 In previous years, Members have been asked to approve the budget totals agreed by London Underground Limited (LU Ltd) in respect of the direct policing undertaken within the LU Area at the same time as the budget proposals have been approved for the Overground policing funded by way of Police Service Agreements (PSAs) with the Train Operating Companies (TOCs). The total figure proposed by LU Ltd has in the past always been accepted and approved by the British Transport Police Authority (BTPA).
- 2.2 For 2010/11, the procedure has differed in that the budget for BTP was approved earlier than usual on 9 December 2009 in advance of the LU Ltd budget timetable and also the London Transport Commissioner had indicated to the Chief Constable that he wished to achieve a reduction of £3.4m in the overall total of funding provided to BTP for services funded by LU Ltd and Transport for London (TfL). Discussions have been ongoing with TfL over recent weeks in order to identify how those savings might be achieved and are now reaching a conclusion.
- 2.3 Recognising that the largest element of funding within the TfL family is in respect of the LU Area, it was clear that the bulk of the saving needed to be made in that Area. However, TfL did advise that some saving would need to be identified in the other TfL funded activities. Proposals totaling the £3.4m have now been drawn up for consideration but at the time of

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drafting this report final decisions on whether to enforce all the proposals have not been made.

3. SAVINGS PROPOSALS

- 3.1 The savings proposals drawn up are as follows. For the LU Area, three stages of savings are proposed. Firstly, savings in administrative budgets are proposed involving reductions in the provisions for equipment and uniforms, external training, police staff and consultancy fees and recruitment costs. These total £1.372m.
- 3.2 The next phase involves the reduction of 11.5 police officers in supervisory ranks or in support units and 10 PCSOs that have been previously funded by the *Frontlinefirst* Programme's efficiency savings redirected into front line services. The majority of these posts are currently vacant as recruitment has been held back to prepare for the savings required. The savings achieved by these reductions total £1.072m.
- 3.3 The final phase would involve a further reduction of 12 police officers saving £0.576m. There would inevitably be some impact on operational delivery arising from these savings but the Area would as far as possible realign resources from support roles to protect front line policing services. If all the savings in the LU Area are taken up, the total reduction in that budget would be £3.020m.
- 3.4 A further £0.23m saving is proposed in the London North Enhanced Police Service Agreement (EPSA) for policing the London Overground rail service. This would involve a reduction of four police officers, including one Chief Inspector, one Sergeant and two Constables.
- 3.5 The balance of savings required, £0.15m, can be found within the current TfL budget and funding arrangements for the EPSAs in respect of the 50 officers in NPTs funded by TfL from early 2009/10 (Mayor's 50), the London South Neighbourhood Policing Teams (NPTs) and



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the London Overground EPSA above. This can be done without impacting on service delivery.

4. LU AREA REVENUE BUDGET 2010/11

4.1 The budget for the LU Area in 2009/10 was £51.6m. Updating this for pay awards and other inflation, the base position in the LU Ltd projection for 2010/11 is £53.4m. This is the base from which the savings will be applied.

4.2 If all of the savings outlined above are taken, the budget will reduce by £3.020m to £50.380m. Separately, LU Ltd have recognised that the LU Area is now undertaking some work in respect of CCTV downloads that was previously undertaken by Metronet. To allow for this, a budget increase of £0.3m for the LU Area is likely to be approved. This would result in an overall budget of £50.680m in 2010/11.

4.3 Final decisions on the budget allocations need to be taken by both TfL and LU Ltd before the actual 2010/11 budget for the LU Area can be confirmed. It is anticipated that these decisions will have been confirmed before 31 March 2010 in time for the start of the new financial year.

5. CONCLUSION AND RECOMMENDATIONS

5.1 In current circumstances it is not possible to advise Members of a specific revenue budget total for the LU Area in 2010/11 for them to approve. It is therefore recommended that Members:

- i) Note the position regarding the savings proposals.
- ii) Delegate authority to the Chief Constable to agree the 2010/11 revenue budget for the LU Area having consulted the Transport Commissioner for London and LU Ltd.