



**Report to:** Finance Committee  
**Agenda item:** 4  
**Date:** 22 November 2013  
**Subject:** BTP Medium Term Financial Plan  
**Sponsor:** Interim Director of Corporate Resources  
**For:** Information

**1. PURPOSE OF PAPER**

1.1 This report presents a refreshed Medium Term Financial Plan (MTFP) based on the MTFP set out in the Chief Executive's paper to Strategy & Planning Committee on 23 July 2013 including revised assumptions as at 15 November 2013.

**2. BACKGROUND**

2.1 The approved net budget for BTP for 2013/14 is £252.190m. This is made up of £200.492m for over ground operations and £52.698 for operations on London Underground.

2.2 At the Police Authority meeting on 13 December 2012 the BTPA approved a net budget requirement for the BTPA and BTP combined of £203.962m, which after the application of £1.6m of previously found savings results in a combined PSA for the BTPA and BTP of £202.362m, a below RPI increase of 1.8% over the current PSA. Table 1 below shows the calculation of the Net Budget and PSA for 2013/14 and over the medium term based on the current assumptions which are set later in this report.

**Table 1 – BTP/BTPA Budget Requirement and Proposed PSA**

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	£m	£m	£m	£m	£m	£m
BTP Net Budget Requirement	200.307	202.092	205.259	208.321	213.347	220.973
BTPA Net Budget Requirement	1.870	1.870	1.919	1.970	2.014	2.094
Total BTP/BTPA Budget Requirement	202.177	203.962	207.178	210.291	215.361	223.067
Release of previous found savings	3.338	1.600	0.000	0.000	0.000	0.000
BTP proposed PSA for BTP	198.839	202.362	207.178	210.291	215.361	223.067
BTPA proposed PSA for BTP	196.969	200.492	205.259	208.321	213.347	220.973
BTPA proposed PSA for BTP	1.870	1.870	1.919	1.970	2.014	2.094
BTPA total proposed PSA for BTP/BTPA	198.839	202.362	207.178	210.291	215.361	223.067
Increase in PSA over previous year	0%	1.8%	2.4%	1.5%	2.4%	3.6%

### **3. ASSUMPTIONS**

#### **3.1 Force Re-structure**

The fundamental driver for a new structure is the operational requirement to realise the 20-20-10 objectives, a significant amount of qualitative and quantitative analysis has been carried out in order to further inform proposals for the future target operating model. This has included crime, incident, disruption and response capability analysis as well as in depth internal organisational assessment, benchmarking and stakeholder analysis. Some of the most fundamental metrics are the current and expected distribution of crimes, incidents and minutes lost to disruption across the network. This was set out in the Force Strategic Change Programme paper presented to Police Authority on 13 June 2013.

#### **3.2 Re-structure Project Assumptions**

The assumptions for the Force Restructure Project are set out in Appendix A. The main assumptions that have been used to calculate the figures in table 2 are set out below:

3.2.1 Redundancy costs have been accounted for in 2013/14 in the anticipation that a provision would be created to cover any redundancies that fall within 2014/15. These figures reflect the current position and will be dependent on final redundancy costs. However, these costs are currently viewed as prudent following significant work to mitigate the need for redundancy by identifying redeployment opportunities for officers and staff.

3.2.2 It is anticipated that a period of dual running will be necessary and the Project team and recruitment costs have therefore been included for 2014/15 to cover the transition period.

3.2.3 The IT system change costs are expected to be capitalised and currently funds are in the Capital Programme at the current best estimates of work required.

3.2.4 As part of the balance sheet reserves there is £2.1m of smoothing reserve. £1.6m has been used to previously fund PSA issues in 2013/14. The remaining £0.5m is proposed to be used if necessary to support the Force restructure during the transition period. However during the remainder of the current financial year there are continued strong

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actions being taken to make further savings. This may result in not having the need to call on the smoothing reserve or allow it to be augmented potentially allowing transition to be accelerated.

3.2.5 The Estates savings have been profiled to account for the surrender of premises over time. There are already plans in place to release property in Newcastle and Caledonian Road, together with opportunities working with TOCs and other stakeholders to use their premises to find cost effective accommodation for required new locations. Further work has been undertaken to review the release of properties such as Ivason House to ensure officers and staff can be relocated into new hubs or other current properties to maximise occupancy. The release of such premises delivers further cost savings. Where possible, it is intended to bring forward the surrender of premises, releasing savings earlier. However, this is dependant on landlord flexibility, lease break clauses, along with redeployment to new response hubs.

3.2.6 The Finance Procurement & Corporate Services review savings and Operations are included in full. However the L Area savings need to be excluded from the numbers - £450k savings will be returned to TfL. The remaining work streams currently assume TfL funding remains the same. However recent correspondence from TfL will require this position to be clarified.

3.2.7 Reinvestment in these resources is profiled over 2014/15 and 2015/16. The new operating model is designed to release savings in middle and back office functions to front line resources that will enable BTP to achieve the 20-20-10 outcomes .

3.2.8 Contract savings are from rationalisation of current contracts eg. Airwave reflecting the savings identified through the BTP renegotiation of the contracts.

3.2.9 Command savings reflect an early reduction in Inspector posts in anticipation of the Force Restructure Project and the part year reduction of a Chief Inspector from Scotland.



3.2.10 There is an ongoing aggressive savings programme assumed within the restructure program to identify further savings which will be identified through a number of efficiency work streams to deliver savings for the Force restructure. These include the Estates review noted above, contract reviews which have already identified on-going premises rate reductions of £100k, travel cost reductions with better use of TOC passes, and further staff requirements in back office functions.

3.2.11 These will have the following impact on the key department budgets as set out in the table below.

**Table 2 – Restructure Project**

		2013/14	2014/15	2015/16	2016/17
Cost of Change	Redundancy	2,000			
	Outplacement support, Training & Recruitment	240	200		
	Project Team	575	200		
	Restructure Provision	(600)			
	Contract Savings	(750)			
	Smoothing Reserve				
	Command Savings	(510)			
	Estates Rebate	(360)			
	Claw back of underspends (balancing)	(595)			
<b>Total Project costs</b>		<b>0</b>	<b>400</b>	<b>0</b>	<b>0</b>
Savings	Command		-1246	(1,980)	(1,980)
	Justice		(125)	(679)	(740)
	CMU		(370)	(390)	(390)
	Intell		(1,646)	(1,727)	(1,727)
	Planning *		(1,359)	(1,366)	(1,366)
	F&CS *		(625)	(625)	(625)
	Premises		0	(600)	(600)
	Continuous Improvement- Work Streams		(210)	(1,100)	(1,100)
Contract Savings - Airwave & Forensics		(980)	(980)	(980)	
<b>Total savings</b>			<b>(6,561)</b>	<b>(9,447)</b>	<b>(9,508)</b>
Reinvestment	Cable			685	685
	Resilience - Birmingham, Manchester, Leeds		1,135	1,135	1,135
	Response - Doncaster, Bristol, Sheffield		640	640	640
	Stafford/Stoke, Wolverhampton, Coventry, Lincoln/Grantham		990	1,125	1,125
	Gatwick		760	1,035	1,035
	Basingstoke/Southampton		670	915	915
	Stevenage		670	1320	1320
	Swindon		220	430	430
	Route Disruption			450	450
	Northern Hub		365	720	720
	Bedford/Luton		260	342	342
	London Response Hubs			200	200
	<b>Total re-investment</b>			<b>5,710</b>	<b>8,997</b>
<b>(Surplus)/Deficit</b>		<b>0</b>	<b>(451)</b>	<b>(450)</b>	<b>(511)</b>

\* Savings includes L Area savings of Finance & Corporate Services of (£200k) & Planning (£250k)



**4. POLICE OFFICER AND POLICE STAFF NUMBERS**

4.1 The budgeted establishment for BTP in 2013/14 is shown below in table 3. The establishment for 2013/14 and future years is dependent on the final approved budget and will be part of the People Strategy work which is underway.

**Table 3 – 2013/14 Budgeted Establishment**

	<b>Police Officers</b>	<b>PCSOs</b>	<b>Police Staff</b>	<b>Total</b>
B Div - London North	437	118	103	<b>658</b>
B Div - London South	396	51	90	<b>537</b>
B Div - London Underground	678	112	232	<b>1,022</b>
C Div - North East	271	19	63	<b>353</b>
C Div - North West	257	36	58	<b>351</b>
C Div - Wales and Western	250	66	69	<b>385</b>
D Div - Scotland	218	0	48	<b>266</b>
A Div - FHQ Departments	358	0	819	<b>1,177</b>
<b>Total</b>	<b>2,865</b>	<b>402</b>	<b>1,482</b>	<b>4,749</b>

4.2 The current number of Police Officers in post is 2,841 (24 or 0.8% below establishment). Detailed workforce planning is in place to ensure there is effective management of staff numbers over a three year timeframe particularly with the impact of the Force restructure. This workforce planning looks at anticipated patterns of leavers, starters and the timing and size of Police Officer and PCSO intakes. The summary below details proposed increases for the Force restructure recruitment profile (further detail in Appendix A).

Summary of Frontline Resources	Staff No	Full Year Cost £k
1 April 2013	31	1400
1 April 2014	52	2312
1 July 2014	48	2299
1 October 2014	53	2586
1 April 2015	24	1135
<b>Total</b>	<b>208</b>	<b>9732</b>

N.B. The frontline resources have been funded through Op Enterprise, budget challenge panels and the Force Restructure Project

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## 5. ASSUMPTIONS

Set out below are the initial views on the other key assumptions and risks that underpin the high level update of Medium Term Financial Planning (MTFP) and are in bold to identify changes from the original assumptions:

### 5.1 Pay and Inflation

5.1.1 The MTFP assumes that the two year pay freeze will continue until 2013/14, at that point it is projected that pay costs will rise in line with the amounts set out in the Autumn 2011 Budget Statement i.e. 1% per annum in 2013/14 and 2014/15. The impact on pay budgets in 2013/14 is a part year effect since the pay award for Police Officers is with effect from 1 September and from 1 July for Police Staff.

**This has been updated to extend the pay increase of 1% for a further year to 2015/16 in line with the Government announcement on public sector pay. An assumption of a conservative pay increase of 2.0% for years 2016/17 and 2017/18 has also been made which reflects the current expected inflation level by Government. This assumption reflects a reduction in pay award inflation from 2.5% to 2% from the paper submitted in July 2013 to Strategy & Planning Committee.**

5.1.2 The Police Staff pay strategy for 2012/13 included an increase in London Weighting Allowance. The Appointments and Remuneration Sub-Committee at its meeting in July 2012 approved an increase in London Weighting Allowance for 2012/13 with no further increases.

**Following this there is no further provision for London Weighting Allowance increases in the plan. Although this may need to be reviewed in light of parity with other London bodies.**

5.1.3 When the MTFP assumptions were last presented to Strategy & Planning Committee a new budget provision for unsocial hours was identified from the Winsor Review of Police Officer and Staff Remuneration and Conditions. The full year impact of these additional costs is £700k per year. There is now a provision within the current MTFP for these costs.

**The Winsor Review has now been further evaluated particularly Winsor II with the assumption that four more elements will impact the MTFP. These are 1) shorter pay**



scales for new entrants and reduced pay points 6, 7 and 8 on the scale, 2) abolishing Competence Related Threshold Payments, 3) the introduction of a National On-Call Allowance, and 4) fitness requirements for police officers. The first two elements provide an opportunity for saving and items 3 and 4 additional costs. These are now included in the MTFP. The net savings being £900k in 2014/15, increasing to £1,330k in 2015/16.

**5.2 Non-pay Inflation**

5.2.1. The original MTFP assumptions on the impact of non-pay inflation which were set out to Strategy & Planning Committee by the Chief Executive are shown in table 4 below. The 2013/14 RPI assumption was updated to reflect the latest forecast for RPI as published by HM Treasury (Forecast for the UK Economy a comparison of independent forecast – October 2012).

**Table 4 – Non-pay inflation assumptions in the original BTP MTFP**

	2013/14 %	2014/15 %	2015/16 %
RPI Range	1.3 - 4.0	1.9 - 4.0	2.7 - 4.5
RPI based assumption in 2012/13 MTFP	2.9	3.0	3.5
Proposed RPI based assumption for 2013/14 MTFP	2.5	3.0	3.5
Calculated Inflater	1.8	1.4	1.3

Source: Paragraph 6 – MTFP for Financial Years 2012/13 to 2015/16 – Strategy Group 19 April 2012

5.2.2 Force Executive Board has agreed a more challenging way for inflationary pressure to be managed locally. In future budget holders will be required to absorb budget increases resulting from inflationary pressure by identifying local efficiency savings.

On this basis provision will only be made for contractually committed price increases in large corporate contracts. This reduces the amount required to be held centrally for non-pay inflation to £800k, allowing £450k to be released to be deployed to the frontline.

**This assumption for a centrally held amount of £800k has been extended from 2014/15 to 2017/18.**

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### 5.2.3 **New Financial Pressures and savings in the Refreshed MTFP**

There are a number of emerging budget pressures in addition to the impact of the Winsor pay reforms as mentioned above which have been addressed as part of next year's budget and the MTFP. The full list of budget increases and savings including the newly emerging budget pressures are:

### 5.2.4 **Airwave Usage Costs**

As is the case for a large number of police forces BTP is subject to escalating costs of using the Airwave radio system. The use of the Airwave network is proactively managed within BTP to ensure that costs are minimised, however each year, as for every other force, the usage costs charged by the Airwave supplier continues to increase. The MTFP includes a further £200k in 2013/14 to meet this budget pressure. A further increase is projected for 2014/15 at which point the budget will be held for future years.

The Government led ESMCP project is currently exploring the replacement for Airwave. The exact nature of this future solution, the roll out and transitional costs are as yet uncertain. The current MTFP has made no provision for these costs until proposals are more clear.

**This assumption has been adjusted downwards to reflect a renegotiated contract. In June 2013 the Home Office negotiated changes in the traffic billing which resulted in an anticipated saving of £379k against the budgeted £892k.**

**Over and above this BTP has negotiated the opportunity to extend the contract period on 24 Special Coverage schemes for 2 years (to October 2018). An extension to the contract for 24 special coverage sites to October 2018 provides for a further 2 years cost of £676k. The reduction in cost for extending the term achieves an annual saving in financial years 2013/14 to 2015/16.**

**Core service delivery charges remain unaffected at £410k.**

**The revised revenue budget for 2013/14 is £1.4m with savings of £700k pa.**

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### 5.2.5 CCTV Maintenance

As Members will be aware there has been significant investment funded by Network Rail into BTP's CCTV capacity and capability. This investment, which totals over £14m to date with more being proposed, has enabled the building of a technical CCTV Hub which improves BTP's ability to manage and process CCTV and respond to live events and incidents from 14 TOCs. To ensure the systems remain operational at all times, maintenance cover is required to ensure all hardware and software is supported. Proactive and reactive maintenance is required, together with additional support for major events e.g. New Year's Eve. Previously interim maintenance support was provided and this proved invaluable to BTP for the Jubilee, Notting Hill Carnival, Olympics and Paralympics. The estimated cost of this maintenance is £500k per annum which when considered against the significant capital investment which has been funded externally represents good value.

**With the arrival of the additional Phase 3 externally funded CCTV equipment there is a requirement in 2014/15 for additional £386k and a further £45k in 2015/16 for maintenance.**

### 5.2.6 Custody Healthcare

The current arrangements in BTP for the healthcare of detainees in it's London custody suites were provided under a framework agreement with the Metropolitan Police Service (MPS). The original agreement with the MPS was made in 2009 at a cost of £140k pa, which was well below the market value for such a contract and a significantly preferential financial arrangement for BTP. This cost was never increased during the lifetime of the contract. The MPS contacted BTP in late 2012 indicating that they wished to increase the contract cost to £1.25m pa.

There is a requirement for BTP to have a healthcare provision contract in order to cover the period between the end of the MPS arrangement and NHS commissioning of healthcare until at least April 2015. It is intended that a new contract will be a positive step towards the final NHS healthcare commissioning specification, which also secures the London NHS Commissioners approval.

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The contract cost for a new healthcare contract for BTP has now been agreed at £450k per annum with Tascor Medical Services Limited.

**The new Custody Healthcare service contract will cost £450k per annum, an increase of £310k.**

#### **5.2.7 Additional Police Pension Employers Contribution**

The MTFP includes an amount of £5m pa indexed to inflation to address the deficit in respect of the BTP Force Superannuation Fund (for Police Officers) which members will recall stood at £36m at the time of the last valuation. The preliminary results as at 5 July 2013 show a deficit of £40m. However, future assumption changes have been recommended by the BTPA Finance Director which will reduce the deficit to £20m. If these assumptions are agreed by the Trustee and the Scheme Actuary there will be no requirement for additional payments above the existing recovery plan.

A review of the Hutton recommendations is on going and future benefits models have been discussed by BTPA. The costs relating to pensions in future will not be greater than the existing projections as planned. The changes to statutory pensions and the end of contracting out in 2016 can be incorporated within existing employment costs using the reduction from the Hutton recommendations.

The Police Staff Scheme valuation will be completed as at 31 December 2013. It is not expected that this will result in a material change (as at December 2012 the interim valuation showed a funding level of 99%).

#### **5.2.8 Potential Costs of Pensions Auto Enrolment**

Members will be aware that like all employers BTP needs to provide an Automatic Pensions Enrolment facility for all staff. Whilst this facility is now in place there is no assumption in the current MTFP for any additional costs of this provision. The preliminary assessment of the liability for additional employer's contributions in respect of 376 employees who were not current active members of the BTPFSF or BTP Police Section of the Railways Pension Scheme range between £0.5m and £2m pa from 1 May 2013. A range of options on how this funding gap can be addressed have been developed and

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were subject to initial consideration by the BTPA Pension Sub-Committee on 13 November 2012.

A further evaluation of the financial impact of Pensions Auto Enrolment based on a better understanding of take up has been undertaken. The outcome is that there are 308 employees who need to be enrolled and if they do not opt out the cost would be £1m per annum. However at present an estimate of those who will opt out is around 70 people then the cost falls to £820k per annum. Any employee who joins the pension scheme 'generate' an ER NI saving of 3.4% (at least for 2013/14) on all of their NI pay. Auto-enrolments are being processed as Salary Sacrifice which means that the contributions themselves (as sacrificed salary) are NI free. The national insurance benefit is roundly £80k per annum.

**An assumption has been made that an additional cost for Auto enrolment would be £700k per annum.**

#### 5.2.9 Withdrawal of Metal Theft Tasking Funding

The MTFP makes no provision to fund the additional activity which was funded by the £5m of Metal Theft Tasking funding in 2011/12 and 2012/13. Further discussions have taken place and funding has been secured to continue this activity in 2013/14. A further review will be required if BTP require funding in 2014/15, however the force re-structure has identified specific resources to support cable theft work.

**Currently no further costs above re-structure resources have been included within the Plan years.**

#### 5.2.10 Suicide Prevention

Force Executive Board and Network Rail agreed to establish a team of specialist resources dedicated to and with responsibility for the management of:

- Suicide Prevention
- Mental Health intervention
- Vulnerable persons encounters

The approval included development of a strategic team to provide a detailed overview of the policing perspective and response and to provide a 'single point of access' for

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Network Rail to align the aims and objectives for all organisations, to ensure effective implementation of any measures / improvements and to maximise potential benefits.

This proposal will fund the project manager, senior analyst, inspector and police constable on top of the funding for the strategic lead and researcher agreed to be funded by Network Rail.

**This assumption will cost £207k per annum.**

#### 5.2.11 E-case and E-custody

To allow the proper development of e-case and e-custody and manage the issues with the current supplier, funds are required to cover potential legal costs.

**The assumption is this will cost £200k.**

#### 5.2.12 Information Technology and Digital Information

As part of the overall Information Technology Strategy a review is being carried out on the opportunities to benefit from digital technology. This funding will be used to review these opportunities, trial potential equipment, develop the strategy and help lead the implementation.

**This assumption will cost £200k per annum.**

#### 5.2.13 PSA

The current assumption on PSA is that it will remain at its current projected level to meet the budget requirements of BTP and BTPA. If any surplus is identified this could be used to either reduce the PSA or provide more funds to increase Police Officer presence on the front line.

### 6. BUDGET SAVINGS INCLUDED OVER THE MEDIUM TERM

- 6.1 BTP has an impressive track record of delivering savings. In 2010/11 budget savings equal to 2.5% of the budget were delivered, reducing costs by £5m. The 2011/12 budget included a further £8.2m of savings (4% of budget) which have been permanently removed from BTP's budget. These savings related to the 3.5% Savings Exercise

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(£6.8m), savings resulting from a review of Area Intelligence (£795k), and the removal of budget provision for the payment of Special Priority Payments (£605k).

- 6.2 A further £4.2m of savings (2% of budget) were delivered to balance the 2012/13 budget and savings for 2013/14 of £3.1m, which were developed by the Futures Team, are embedded in the budget in order to constrain pressure on the PSA. Further additional savings for 2014/15 within the refreshed MTFP stand at £1.3m. In total the savings identified to balance the budget stand at £20.5m, equivalent to a 10% cash reduction in the budget over a four year period.
- 6.3 Force Executive Board, as noted above, agreed a more challenging way to manage inflationary pressure locally. On this basis provision will only be made for contractually committed price increases in large corporate contracts which reduces the amount required to be held centrally for non-pay inflation to £800k allowing £450k to be released to be deployed to the frontline.
- 6.4 BTP has also aligned pay budgets to more accurately reflect anticipated staffing levels during the year. This has eliminated the need for budget holders to maintain a vacancy gap in their budget allowing the budget on the frontline to be increased. Pay budgets are now set on the basis of the Budgeted Workforce Target in each period. This approach combined with proactive workforce planning will ensure the maximum number of staff can be afforded from BTP's pay budget.
- 6.5 The Force restructure has also identified further savings to allow recruitment of up to 200 extra police officers.

## **7. LONDON UNDERGROUND AREA BUDGET**

- 7.1 The net budget for L Area for 2013/14 was set at £52.698m and the charge for centrally organised services provided to L Area was set at £9.568m. Discussions will need to be held with London Underground in order to set a budget for L Area for 2014/15 and to agree the impact of the Force restructure.



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**8. CAPITAL PROGRAMME**

8.1 Work is in hand within BTP to update the Capital Programme over the next three years. That work has been reviewed by Service Improvement Board to ensure there is time to further prioritise spend requirements and meet the financial delegation levels and satisfy the authority on spend requirements.

8.2 Early indications from the Department for Transport indicate that the Capital Delegation will be £11.6m and £11.2m in the next two financial years which is in line with expectations. The proposed 2014/15 Capital Programme is due to be presented to Finance Committee in January.

**9. CONCLUSIONS**

9.1 This paper presents the refreshed BTP MTFP. There are a number of additional pressures which have emerged since Strategy & Planning Committee considered the MTFP in July 2013. These pressures have been considered by Force Executive Board and additional savings initiatives found in order to keep the budget and MTFP within the BTPA proposed PSA.

9.2 If endorsed by Finance Committee the refreshed MTFP and 2014/15 revenue budget will be presented to Police Authority for approval on 13 December 2013.



**Appendix A – Restructure Recruitment Profile**

Location	Inspectors	Police Constables	Police Sergeants		
Maidstone	1	15	3	19	Funded through Op Enterprise
Aberdeen			2	2	Funded through Op Enterprise
Birmingham		5		5	Funded through budget challenge panels
Leeds		5		5	Funded through budget challenge panels
Cable (requirement once NWR funding finishes)		10	4	14	Funded through Finance Review savings
Trespass & Vandalism		10		10	
Manchester		10		10	
Leeds		9		9	
Birmingham		10		10	
Staffs/Stoke		6		6	
Wolverhampton		5		5	
York		2		2	
Coventry		5	1	6	
Lincoln / Grantham		6		6	
Gatwick		12	2	14	
Croydon		3	1	4	
Basingstoke		0	0	0	
Bournemouth		5	1	6	
Portsmouth		2		2	
Southampton		3	1	4	
Guildford		5	1	6	
Bedford / Luton		7	1	8	
Stevenage	1	20	3	24	
Swindon		8	1	9	
Doncaster		4	1	5	
Bristol		5		5	
Sheffield		0		0	
Manchester (Northern Hub)		10	2	12	
<b>Total</b>	<b>2</b>	<b>182</b>	<b>24</b>	<b>208</b>	
<b>Frontline Resources (Inspectors Police Constables &amp; Police Sergeants)</b>	<b>2</b>	<b>182</b>	<b>24</b>	<b>208</b>	



**Appendix B**

**BRITISH TRANSPORT POLICE  
Medium Term Financial Plan - 2014/15 - 2017/18**

	para ref	2014/15	2015/16	2016/17	2017/18
		£000	£000	£000	£000
<b>Net Budget approved 2013/14 (excl. BTPA)</b>		<b>202,092</b>	<b>202,092</b>	<b>202,092</b>	<b>202,092</b>
<b>Pay and Inflation</b>					
Police Officer pay award @ 1%, 1%, 2%,2%, pa	5.1.1	1190	2476	5047	9,290
Restructure additional Police Officers	3.2	5265	8105	8105	8,105
Police Staff & PCSO pay award @ 1%, 1%,2%,2% pa	5.1.1	605	1,488	3,224	6,007
Restructure additional Police Staff and PCSOs	3.2	80	190	190	190
EPS Pay Progression		500	900	1,200	1,300
London Weighting	5.1.2	0	0	0	0
Non-pay Inflation	5.2.2	800	1,600	2,400	3,200
Police Pension Employers Contributions Indexation		200	300	400	500
<b>Total Pay and Inflation</b>		<b>8,640</b>	<b>15,059</b>	<b>20,566</b>	<b>28,592</b>
<b>Budget Increases/Decreases</b>					
Rent Reviews		198	219	219	219
CCTV Maintenance	5.2.5	386	430	430	430
Custody Healthcare	5.2.6	310	310	310	310
Pensions Auto Enrolment	5.2.8	700	700	700	700
Suicide Prevention & Mental Health Strategic Unit	5.2.11	207	207	207	207
Winsor Changes	5.1.3	(900)	(1,330)	(1,750)	(2,150)
Ecase & Ecustody	5.2.12	200	200	200	200
Information Technology and Digital Information	5.2.13	200	200	200	200
Force Re-structure Costs	3.2	765	702	702	702
Force Re-structure Savings	3.2	(6,561)	(9,447)	(9,508)	(9,508)
Savings returned to TfL	3.2	450	450	450	450
Contract Savings		(180)	(180)	(180)	(180)
<b>Total Budget Increases/Decreases</b>		<b>(4,225)</b>	<b>(7,539)</b>	<b>(8,020)</b>	<b>(8,420)</b>
<b>Budget increased for Pay and Inflation and Budget Increases/Decreases</b>		<b>206,507</b>	<b>209,612</b>	<b>214,638</b>	<b>222,264</b>
<b>Proposed PSA Funding Envelope</b>		<b>205,259</b>	<b>208,321</b>	<b>213,347</b>	<b>220,973</b>
<b>Funding gap (pre savings)</b>		<b>1,248</b>	<b>1,291</b>	<b>1,291</b>	<b>1,291</b>
<b>Cost Savings Already Embedded</b>					
Corporate Resources		(297)	(297)	(297)	(297)
Territorial Policing and Crime		(447)	(447)	(447)	(447)
Fleet Review		(45)	(45)	(45)	(45)
Central Operations		(152)	(152)	(152)	(152)
Estates Rationalisation		(350)	(350)	(350)	(350)
<b>Total Futures Savings Proposals</b>		<b>(1,291)</b>	<b>(1,291)</b>	<b>(1,291)</b>	<b>(1,291)</b>
<b>Funding gap (post savings)</b>		<b>(43)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Release of Savings</b>					
Previously Found Savings		0	0	0	0
<b>Funding Gap (post savings) and after release of savings</b>		<b>(43)</b>	<b>0</b>	<b>0</b>	<b>0</b>