

Committee(s): Police	Date(s): 1 st June 2012
Subject: Fees and Charges 2012/13	Public
Report of: Commissioner of Police POL 33/12	For Decision
<p style="text-align: center;"><u>Summary</u></p> <p>This report seeks Member’s approval to the schedule of fees and charges for the financial year 2012/13, in accordance with Financial Regulations. In addition, explicit approval is sought for continued use of the same hourly charge rates for private services provided by the City of London Police (CoLP) as that calculated by the Metropolitan Police Service (MPS), and the adoption of the schedule of rates determined by the MPS for the provision of market non-competitive activities.</p> <p>Recommendations</p> <p>It is recommended that your Committee:</p> <ul style="list-style-type: none"> • Agrees Appendix 1 to this report and thereby gives explicit approval for continued use of the hourly charge rates for private services provided by the Metropolitan Police Service (MPS). These charges have not increased from 2011/12. • Agrees Appendix 2 to this report and thereby implements the schedule of rates for the provision of market non-competitive activities, and in particular agrees to follow the MPS scale of charges for 2012/13. • Agrees Appendix 3 in relation to miscellaneous Force fees and charges. 	

Main Report

Background

1. The Force has an obligation to review all fees and charges levied annually. This is done in accordance with the ACPO Guidance available and, in liaison with the MPS to ensure uniformity of charges across London.

2. On 5 September 2006, your Committee approved the selected use of the MPS rates for 2006/07 and similar approvals were obtained for subsequent years. The rationale for adopting this policy is set out below, and still applies. The report therefore seeks approval for this arrangement to continue during 2012/13.

Current Position

3. Powers to recover costs for policing services from third parties are provided under sections 24 and 26 of the Police Act 1996; section 18 of the Police Act 1996 enables goods and services to be provided, and an appropriate charge to be made.
4. These goods and services fall into two categories:
 - Market competitive goods and services – where charges are set in accordance with “what the market will bear”.
 - Market non-competitive activity – which is essentially a by-product of core policing activity.
5. Appendix 1 refers to charges for the use of Custody by the UK Border Agency. Negotiations are continuing at a national level to agree one charge for all Forces. The City of London continues to adopt the MPS rates until the national rates are agreed.

Options

6. The Force currently adopts the MPS schedule of hourly rates for private service and market competitive goods and services. This approach was adopted because the City of London works in partnership and collaboration with the MPS on a number of operations including core policing services covered by mutual aid agreements and private services, for example policing football matches. In addition both Forces have similar cost drivers for many services.
7. The MPS has a responsibility to review its charges in line with ACPO protocol and has done so for the 2012/13 year. The charges at Appendix 1 have been held at 2011/12 levels as Police Officer salaries have not increased this year. The attached charges at Appendix 2 have been revised for a percentage increase in line with inflation.

8. The alternative is for the City of London Police to set its own fees and charges. However, the two Forces have similar cost bases for salaries and London rates for accommodation, and the MPS rates are calculated to recover full costs. If the City of London Police were to raise its charges above those levied by the MPS it is likely that less total revenue would be generated, as potential clients would probably choose to contract the MPS. The CoLP would not choose to charge less than the MPS for obvious reasons. Finally the ACPO Guidance states: “It should be remembered that there is a balance to be struck between precision and materiality, whilst striving to maintain a consistent approach to the charging methodology”.

Proposals

9. This report proposes that the City of London Police continues to adopt the MPS Fees and Charges for the 2012/13 financial year. This approach is consistent with the spirit of the ACPO Guidance on Charging for Police Services, and seeks your Committee’s formal approval to continue this practice into the Financial Year 2012/13.
10. The proposed rates are set out in Appendix 1 for private services of police. Appendix 2 contains the rates for market non-competitive activities. It is further recommended that other fees and charges as determined by the Force be approved as set out in Appendix 3.

Conclusion

11. The Force seeks to achieve consistency with the MPS on its Fees and Charges, so as not to create unnecessary competition within the London area. The approach to adopt the MPS fees and charges supports this.

Background Papers:

Fees and Charges 2011-12

Appendices

Appendix 1: Charges for City of London Police: Private Service and Detention of UKBA Prisoners.

Appendix 2: General Fees and Charges 2012/13.

Appendix 3: Other Fees and Charges

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