
Report by the Chief Constable

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TRANSFORMING THE SERVICE UPDATE

1. Introduction

- 1.1 At the conclusion of its first year, the Transforming the Service (TTS) programme has identified and developed proposals to address the anticipated funding cuts from 1 April 2011.
- 1.2 This report provides the Board with a summary of what has been delivered in the first year and an update on specific progress since the January meeting.

2. Background

- 2.1 The TTS programme comprises ten work streams that seek to: streamline organisational systems and processes; reduce bureaucracy; remove duplication of effort and weight investment of Force resources to the most value adding activities in the organisation.
- 2.2 Some work streams identify where cost could be taken out of the organisation with little or no impact on service delivery. Other streams concentrate on how we could continue to deliver an effective service at a lower cost. The final theme describes how we will reduce revenue expenditure by removing cost from the organisation – translating identified efficiency ideas into cashable savings.

3. 2010/11 Progress

- 3.1 Significant progress towards transforming the service has been made over the past 12 months, delivering a series of financial and organisational benefits.
- 3.2 Financial deliverables:
 - Over £5 million cashable savings identified for the coming financial year, 2011/12 (year one)
 - This includes recurring savings of £2.9 million annually from the first round of voluntary redundancy (VR) ever undertaken by the Force, which is an improvement of £0.3 million on the £2.6 million savings figure approved by the Board at the January meeting
 - Cash savings this year (year zero) amount to £0.9 million, which has been used to offset the £2.3 million costs of the VR scheme
 - Cashable non-people related savings have been identified of almost £1 million e.g. contracts, procurement, catering, travel.

3.3 Organisational benefits:

- A single corporate services function has been created to support frontline delivery better with a more streamlined management structure
- We have significantly more knowledge about the way we receive, handle and deal with calls than we had ever had before and we're using this to streamline the way we work
- Central support functions have been significantly slimmed down by up to almost a third in order to protect frontline service delivery
- A Major Investigation Team is being established. This will provide greater resilience in the investigation of major crime and allow us to manage demand in a more structured and controlled way
- Improved processes in procurement and expenses are giving us better management information and tighter financial controls
- We have a clearer understanding of where we can remove cost across the organisation while maintaining our community commitment
- We have increased peer review and critical friend activity and are encouraging a culture of increased 'permission' to challenge non-essential spend
- We have undertaken an unprecedented internal communications programme including weekly updates, cascade briefings, live web chats.

4. Work streams progress since January 2011

- 4.1 **Restructuring** – a single corporate services function encompassing corporate development, professional standards, safer communities and corporate communications has been launched with reduced management costs compared with the previous structure. A new structure for the delivery of an HR service has been agreed and will be in place by 31 March 2011. This will equate to a 27% reduction in HR costs, all delivered through voluntary redundancy.
- 4.2 **Investigating Major Crime** – the proposal for a centrally managed major investigation team created from existing resources has been agreed and is in the implementation phase. The process of appointing people to the team has commenced.
- 4.3 **Managing overtime** - recommendations to reduce overtime spend have been approved including improved management of casual overtime, public holiday working and court shifts. The most recent financial results indicate a general improved management of overtime.
- 4.4 **Responding to demand** – we are redesigning our system of responding to calls extending from the FCC all the way to conclusion. The redesign centres on reducing the number of stages in the process of call handling, in particular by dealing with a call more fully earlier in the process thereby reducing the workload for frontline police officers. Recommendations are not yet approved, but there are early indications of significant support from practitioners who have been engaged in the redesign through extensive face-to-face briefing.

The project team have been consulting with other forces on how they are approaching and dealing with similar challenges and issues.

4.5 **Prioritising Prevention** - the project remains on target to meet its agreed objectives and delivery timescales. Prevention expenditure procedures are now in place and are being monitored. The TTS Responding to Demand Project has taken on the responsibility for further identifying and implementing any Prevention process improvement opportunities.

4.6 **Redesigning Support Processes**

- Two reviews - delivery processes (mail and productions) and custody - are reaching conclusion following consultation with people working in these areas. Formal consultation with staff associations will be undertaken shortly.
- Procurement - The procurement and payment review is now at the implementation stage. The new process will initially be piloted from the end of the financial year and the outcomes of the pilot will be fully assessed before rolling out the process to other divisions.
- The expenses review is at implementation stage and draft guidance and policy is being developed.
- Proposals and implementation plans for the streamlining of financial management procedures are currently being developed.

4.7 **People Policy** - Progress continues to be made within each of the identified policy areas:

- Police Staff Council – The Staff Side rejected the final offer from the Official Side regarding police staff Terms & Conditions. The main emphasis of the proposal was to revise the existing terms and conditions for shift allowance payments to police staff. The proposal to extend the core working hours would mean a reduction in shift payments to police staff and the proposal was to implement this on a phased basis. Due to the rejection of the proposal from the Staff Side a decision from the Official Side requires to be taken about whether to impose.
- Written confirmation in respect of the cessation of the Special Priority Payment (SPP) scheme has been received from the Justice Secretary. The final SPP payments will be made in May/June 2011 to cover the period 1 January 2011 to 31 March 2011 with no payments being eligible for financial year 2011/12. This scheme will be replaced by an on-call allowance and the re-introduction of a plain-clothes allowance. The financial impact of these new allowances is currently being ascertained but it is projected that there will be savings in excess of £1 million from this announcement. Also included in the correspondence was the agreement from SCPOSA and ASPS to temporarily suspend bonus payments eligible to senior officer ranks.
- The force tenure policy is to be reintroduced.
- Time off for Sporting Activities - a revised general order has been issued for consideration by the Force Executive, and will fall for consultation and approval thereafter.

- A new Earnings Transition Policy has been approved and launched.
- A fixed term / temporary contracts protocol has been drafted and is progressing for consultation.
- A redeployment policy for police staff - has been sent to the Staff Side for final consultation.

5. Risks and benefits

- 5.1 There is one high risk recorded on the programme risk register, it relates to speculation and uncertainty in respect of reorganisation and possible job losses. It is inevitable and understandable that such uncertain times will generate concerns from individuals. We remain committed to focus first on how to remove cost without resorting to any compulsory redundancy.
- 5.2 To enable effective monitoring of the approved 2011/12 budget a Revenue Budget Risk/Opportunity register is being developed with Lead Officers and Finance Officers given responsibility to ensure that all the approved savings are being constantly monitored. The savings have been allocated a risk level of high, medium or low with the lead officers required to progress report regularly to the Head of Finance. The register is also to be used to record potential cost savings and additional pressures in future budget years with an appropriate risk level being allocated. This approach will assist in the future budget-setting process.

6. Conclusion

- 6.1 The programme is making good progress with minor issues/risks being addressed within programme as it unfolds.
- 6.2 Significant progress has been made in a number of the TTS work streams, which will enable the force to balance the budget for 2011/12.

7. Recommendation

- 7.1 That the Board notes the report.



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Chief Constable

16 March 2011