

Appendix E - Efficiency and Productivity Plan 2008/09 to 2010/11

1. Introduction

- 1.1 The Efficiency Plan has now become a regular part of the reporting of efficiency and productivity in the Authority. The target for improvements in these areas was agreed as part of the 2008/09 budget and amounts to a total of 9.3% of the 2007/08 Gross Revenue Expenditure over a three-year period. The year 2010/11 represents the third and final year of this plan and this report shows the projected out-turn position for 2009/10 and the plan for 2010/11.
- 1.2 The target for the three-year period covered by this plan is £35.858m, and this has been split equally in each year of the plan and equates to an annual efficiency target of £11.952m. In addition for the year 2009/10 a total of £2.947m of excess savings above target from previous years was brought forward.
- 1.3 As part of the efficiency plan the Treasurer and Chief Constable have again identified the performance indicators that will be influenced by the planned efficiency gains, which helps Members to better understand the links between performance and the budget when formulating the policing plan. Unlike previous years the savings proposed for 2010/11 have been utilised to maintain current committed services levels, whilst recognising the likely need to protect the revenue account as much as possible in 2011/12 and beyond.

2. Performance on the 2009/10 Plan

- 2.1 The projected out-turn for 2009/10, as summarised in **Table 1** below, shows that total efficiencies of £12.057m should be achieved against a target of £11.952m. This surplus of £0.104m will be added to the balance carried forward to 2010/11 making a total carry forward of surplus efficiency savings of £3.051m.

Table 1 - Summary of Performance

	£m
2009/10 Performance	
Target Savings 2009/10	11.953
Projected Savings Achieved	12.057
Surplus savings 2009/10	0.104
Surplus savings brought forward	2.947
Surplus savings carried forward to 2010/11	3.051
2008/09 and 2009/10 Totals	
Total savings achieved in 2 years	24.387
Total savings achieved (Incl. brought forward)	26.957
Target for first two years of plan	23.906
Three Year Plan Totals	%
% of 3 year plan achieved	68.0%
% of 3 year plan including savings b/f	75.2%

- 2.2 As can be seen from the Table above after two years of the current three-year plan, the Force has achieved efficiencies of £24.387m. With the surplus savings brought forward from previous years these savings amount to over 75% of the three-year plan.
- 2.3 The projected out-turn by scheme for 2009/10 and against the plan, which at £11.974 was £0.021m over the target, is summarised in **Table 2** below.

Table 2 - Summary of Efficiency Gains 2009/10

Ref No.	Brief Description	Plan	Revised Estimate
		2009/10	2009/10
		£m	£m
1	Blackberry Roll Out	4.433	5.457
2	Structures & Ratios	0.900	0.955
3	CRB - Officer Self Recording of Crime	1.000	0.838
4	SOLO Team	0.660	0.660
5	Other structures & ratios efficiencies	0.000	0.428
6	Savings on Forensic Budget	0.400	0.400
7	Reduction in Ill-health retirements	0.400	0.400
8	Reduction in overtime	0.300	0.300
9	Savings from the use of Nurse Practitioners	0.150	0.150
10	Reduction in Sickness	1.081	0.000
11	Value for Money Reviews	0.400	0.000
12	Budget savings applied to Discretionary Budgets	0.700	0.700
13	Other Initiatives	1.550	1.769
Total Savings in Year		11.974	12.057
<i>Balance Brought Forward</i>		<i>2.947</i>	<i>2.947</i>
Total Savings Available		14.921	15.004

2.4 The significant variations from Plan in 2009/10 are as follows:-

- Blackberry Rollout – The actual savings in officer time from the use of Blackberry devices has been greater than initial estimates. Officers use Blackberry to access email and input stop search data saving time spent in stations and travelling.
- Structures and Ratios – The actual financial savings arising from structures and ratios have been greater than originally forecast and the additional efficiency savings from the project have now been calculated and added to the out-turn.
- Sickness – The targets for calculating sickness savings were not achieved in the year and as a result no saving could be achieved in this area.
- VFM Reviews – As reported in **Section 2.4.10**, the savings assumed to arise from the QUEST programme have been delayed and could not be counted against this target.

- 2.5 The savings achieved in 2009/10 have been re-invested in services throughout the year. In some cases this has been through the development of services as planned in the 2009/10 budget whilst in others it allows re-investment of officer time into other duties. This re-investment is shown in **Table 3** below.

Table 3 – Reinvestment of 2009/10 Efficiency Gains

Re-investment	Plan 2009/10 £m	Outturn 2009/10 £m
One off investments including Taser rollout, PND implementation and TSU set up costs	1.000	0.700
Additional officers, including 40 for Knowsley area	2.250	2.124
Reinvestment of officer time on initiatives identified in the Policing Plan	8.724	9.233
Total Re-investment	11.974	12.057

- 2.6 Overall, £12.057m of efficiency gains have been re-invested in services in 2009/10 in support of the Policing Plan objectives in accordance with the strategy set out in the 2009/10 budget book.

3. Efficiency Plan 2010/11

- 3.1 The plan for efficiency gains in 2010/11 has again been set against the annualised three-year target. Thus the plan aims to achieve gains of £11.952m without utilising the surplus savings of £3.051m that are now planned to be carried forward into the year. The initial efficiency savings planned for 2010/11 are shown in **Table 4** below.

Table 4 – Planned Efficiency Gains 2010/11

Ref No.	Brief Description	Plan 2010/11 £m
1	Value for Money Reviews (inc QUEST)	1.150
2	CSI Deployment & Process	1.000
3	Forensic Process Efficiencies	0.600
4	CRB - Officer Self Recording of Crime	0.585
5	IT / Technology Efficiencies	0.580
6	Restricted & Recuperative reduction	0.528
7	Unity (RIT) savings	0.500
8	Uniform Deliveries - officer time savings	0.500
9	Savings from the use of Nurse Practitioners	0.450
10	Estates Service Review Improvement	0.250
11	Structures and Ratios	0.198
12	Course & Conference officer time savings	0.170
13	STORM	0.150
14	HR systems review	0.130
15	Centralised Subscriber Billing Invoicing	0.100
16	Other initiatives - identified	0.080
17	Custody assistants- portable record updating	0.080
18	In house vehicle repairs	0.070
19	Savings identified in Budget	2.000
20	Target Areas (incl. e-tendering, custody savings)	2.831
Total Savings in Year		11.952
<i>Balance Brought Forward</i>		<i>3.051</i>
Total Savings Available		15.003

- 3.2 Further details of these planned savings and the performance measures that are most closely related to the initiatives are attached at **Table 6** at the end of this report.
- 3.3 Savings achieved in the 2010/11 plan will be utilised to address budgetary pressures and increase officer time to support the performance in the Policing Plan. The planned re-investment of the savings achieved in 2010/11 is shown in **Table 5** below.

Table 5 – Planned Re-investment of 2010/11 Efficiency Gains

Re-investment	Plan 2010/11 £m
Re-investment in police officer time	3.631
Other initiatives identified in the Policing Plan	6.321
Savings utilised to address budget pressures	2.000
Total Re-investment	11.952

4. Proposed Performance Impacts from Efficiency Plan Proposals

4.1 The focus of the Efficiency Plan proposals for 2010/11 lies in four main areas;-

- Offender Management
- Greater visibility and officer time
- Unity
- Cost savings around support functions

4.2 Detailed proposals are included in **Table 6** and set out below is the impact that these efficiency improvements will have on performance measures within the Force.

Offender Management

4.3 There have been a number of reviews of Offender Management through QUEST, the pilot of FNPs and portable data recording for custody assistants.

4.4 The objectives of the QUEST review were to improve the management of offenders and detainees to ensure that more efficient and effective processes are used. This will enable offenders to be processed in a more timely manner, freeing up officer time and also reducing opportunities for re-offending during prolonged bail periods. Improvements in “getting it right first time” also increases the success of sanction detections and improve satisfaction for victims and witnesses. The pilot in Liverpool North which is due to be rolled out Forcewide has already shown increased performance levels in relation to the average length of bailed and re-bailed cases.

4.5 In order to improve the timeliness of medical services within the custody suites, the pilot of FNPs will be rolled out across the Force. Whilst this will realise significant cost savings to address known budget pressures, there will also be benefits in releasing officer time in providing escort services to FMEs and a reduction in waiting times

within custody suites. This coupled with the introduction of Portable Data Recording in custody suites will further improve waiting times.

- 4.6 Within the local policing plan these improvements will be reflected within targets set for reductions in volume crimes and increased sanction detection levels and will contribute towards the overall target for confidence.

Greater Visibility and Officer Time

- 4.7 There are a number of efficiency proposals for 2010/11 that will result in freeing up of officer and staff time. These are:-

- CSI Deployment and process
- Forensic Process efficiencies
- Continued roll-out of Officer self recording of crime
- IT Technology efficiencies
- Restricted and recuperative officers
- Uniform deliveries direct to stations
- STORM

- 4.8 Each of the efficiencies outlined above are designed to make working practices more efficient and effective, thus freeing up more officer and staff time. It is expected that the additional time available to police officers and public-facing police staff (e.g., PCSO's), will be spent on the frontline, in direct response to community wishes and the requirements under the Policing Pledge. The activities that officers will be engaged in will mean that they can provide a more customer focused and visible service, enhancing confidence levels across Merseyside and contributing to delivery of the Policing Pledge. Some of these efficiencies, e.g. IT Technology and STORM are also designed to improve the more efficient and effective deployment of resources improving responsiveness of the Force and increasing levels of victim satisfaction. The additional resources identified in this efficiency plan will be reflected in the targets for reductions in volume crime and increases in sanction detections and offenders brought to justice. This will also give greater officer time to work with victims and offenders and where appropriate to implement restorative justice.

Unity

- 4.9 A key element of the efficiency plan is in respect of Unity, the Rape investigation team, and the centralisation of rape investigations. This will result in more focussed investigations and there will be efficiencies gained for both the new team and the CID officers based in BCU teams. This will have a dual effect in that within the busy BCU the CID officers will no longer be dealing with serious sexual offences but can concentrate on other volume crime detections. The officers working within Unity will be able to focus their attention on those serious sexual offences leading to increased numbers of convictions. However, whilst

we will reflect the increased number of convictions within the Policing Plan, we recognise and take account of the fact that there will be an increase in confidence to report allegations of rape.

Cost savings around support functions

4.10 The following areas have been identified within the efficiency plan as producing cost savings within support functions:-

- Estate Service Review Improvement
- Structures and Ratios
- Course and conference savings
- HR systems review
- Centralised subscriber billing invoicing
- Other initiatives
- In-house vehicle repairs

4.11 Whilst these efficiencies will not directly impact upon specific Policing Plan performance measures they are part of an overall approach to review and consider expenditure across the organisation and part of the overall drive towards more efficient and effective working practices and to reduce bureaucracy. These reviews will form part of the work of the Strategic Options Team during 2010/11.

Table 6 – Analysis of Efficiency Plan Planned Savings for 2010/11

Ref No.	Description	£m
1	<p>Value for Money Reviews – A number of process improvement programmes including those under the Home Office QUEST methodology are planned for 2010/11. These are anticipated to deliver significant non-cashable efficiencies in addition to the cashable savings already incorporated in the budget. Areas to target include the criminal justice and crime investigation processes.</p>	1.150
2	<p>CSI Deployment & Process – A review of CSI shift patterns and deployment across the force is planned for 2010/11. This may encompass centralised management and will certainly focus on quality control of forensic submissions and improvements to tasking. This will result in more efficient use of CSI time and enable more time to be spent with victims of crime offering reassurance and delivery quality of service.</p>	1.000
3	<p>Forensic Process Efficiencies – A comprehensive review of all forensic processes is envisaged for 2010/11 including analysis of mobile phones, examination and classification of firearms and the potential for in-house processing. This is expected to result in greater control over forensic examination, potential benefits to quality / timeliness of analysis and savings in time transporting items to external suppliers.</p>	0.600
4	<p>Officer Self Recording of Crime – Due to the introduction of self-recording of crimes on NICHE by BCU officers, posts were transferred from CRB in 2009/10 to other operational duties. This is the residue of the full year savings not taken in 2009/10. The benefit of officers deployed to the front-line was recognised in the budget for 2008/09 and reflected in performance targets established at that time.</p>	0.585
5	<p>IT / Technology Efficiencies – Projects identified for 2010/11 include the automatic transfer of data to vehicle terminals by wireless technology reducing the need to take vehicles off the road and attend workshop locations. Mobile data solutions will be provided to CSI's facilitating data recording at scene and reducing double keying. Call system upgrades will enable automatic recording of 999-caller details reducing call-handler time spent on each call.</p>	0.580
6	<p>Restricted and Recuperative Officers – Officers on restricted and recuperative duties have been steadily reducing over previous financial years as a result of concerted efforts to help these officers return to operational duties. The Force will capture the benefits of this reduction (and consequent benefit to operational policing) in 2010/11.</p>	0.528

Ref No.	Description	£m
7	<p>Uniform Deliveries Direct to Stations – A re-tender of uniform stores services is projected to remove the facility for officers to directly attend at the stores location and collect items of uniform. Instead they will be delivered direct to stations following a model successfully implemented by other Forces utilising (as an example) our current stores service provider. This extension of a successful scheme will result in officer time saved travelling to suppliers and stores locations.</p>	0.500
8	<p>Unity (RIT) – The creation of Unity (Rape Investigation Team) and the centralisation of the management of rape investigations will enable more focussed investigations, resulting in efficiencies for both the new team and the CID officers remaining in BCU's. The volume crime aspects of a busy BCU CID office will no longer interrupt investigations of serious sexual offences.</p>	0.500
9	<p>Savings from the use of Forensic Nurse Practitioners (FNP's) in Custody– Following the success of the programme to introduce FNP's to the central group of custody suites in 2008, a roll-out to all Force custody suites has now been agreed. This will result in a further reduction in fees paid to FME's. This will address a known budget pressure in central budgets reducing carryover implications for the authority. It should be noted that some changes to the retention allowances for FME's will be required as a result of this roll-out. The project will, however, significantly reduce waiting times for officers in custody suites who currently have to wait for FME attendance.</p>	0.450
10	<p>Estates Service Review Improvement – A review of the structure of the Estate Strategy and Estate Management departments will take place in 2010/11. This will also address business processes and see the introduction of new helpdesk software and potentially replace external contractor services with in-house skills. This will result in a more targeted use of planned rather than reactive maintenance, provide a more transparent procurement and work-allocation process and improve departmental management and communication.</p>	0.250
11	<p>Structures & Ratios – As a result of the Structures & Ratios project, process efficiencies were generated which will impact in 2010/11 as a result of centralisation of Finance and Personnel teams together with the part year effect in 2010/11 of restructuring from prior year. This is therefore recognition of efficiencies from savings already recognised elsewhere within the budget process.</p>	0.198

Ref No.	Description	£m
12	<p>Course & Conference Savings – The proposed reduction in course and conference spend already identified within the budget savings regime will result in additional non-cashable efficiencies which are reflected here. These concern reduced abstraction rates and travelling time for police officers and members of police staff.</p>	0.170
13	<p>STORM – The Force introduced a new Command & Control system in 2009/10. This enables more efficient call handling and deployment of resources. It is expected that the resulting efficiencies in terms of better use of police officer and police staff time (supervisors, call handlers and dispatchers) will be generated in 2010/11 although the full efficiencies to be derived from the new system will not be known until the system has been in use for several months.</p>	0.150
14	<p>HR Systems Review – A project is underway to review the structure of HR applications as part of a need to upgrade the existing HR system. It is expected that this will significantly reduce repeat entry of data and streamline processes. Benefits will accrue principally to local administration teams, the HR shared services function, HR business partners and the operational support accountants.</p>	0.130
15	<p>Centralised Subscriber Billing Invoicing – During 2010/11 there will be a move to service providers charging the Home Office centrally for subscriber billing. Although the exact nature of the new service has yet to be clarified, it is expected that the Home Office will bill forces a set monthly charge based on prior usage. While any cost savings are, as yet, unknown, staff time savings would inevitably result from the reduction in invoice analysis and processing.</p>	0.100
16	<p>Custody Assistants Portable Data Recording – A project is underway to introduce portable data entry devices in custody suites. These will allow real time recording of statutory and welfare related checks on detained persons and prevent the custody assistant from having to return to the main custody desk to record compliance. This should represent a benefit to custody staff time.</p>	0.080
17	<p>Other Initiatives– These includes small efficiencies resulting from the centralisation of the Football Unit, freeing up officer time in the close season, and rationalisation of rest days in lieu outstanding on CARMS for Chief Inspector and Inspector ranks.</p>	0.080
18	<p>In-house Vehicle Repairs – Vehicle Fleet are investing in additional staff</p>	0.070

Ref No.	Description	£m
	within the bodyshop to bring more vehicle repairs in-house. This allows greater control and prioritisation of repairs and remove the need to remove sensitive equipment from vehicles prior to moving them to an external repairer. This should result in a more timely repair and thus a further improvement in vehicle availability, supporting the requirements of the Policing Pledge.	
19	Items already in Budget – This captures the direct efficiency benefit of cashable saving items already identified in this Budget. These include a reduction in course & conference expenditure, overtime cost, capital cost of ill-health retirements, review of allowances and reduction in office consumables.	2.000
20	Target Areas – initiatives yet to be identified.	2.831
	Total Efficiency Target 2010/11	11.952

5. Summary of Efficiency and Productivity Plan 2008/09 to 2010/11

- Three year Efficiency Plan Target £35.858m
- Savings planned or achieved in period £36.339m
- % of Plan Achieved in Three year period 101.3%
- % achieved including b/f surplus of savings 108.5%
- Target savings as % of Gross Revenue Expenditure 9.3%
- Total savings as % of Gross Revenue Expenditure 9.4%
- Total savings as % of GRE including surplus b/f 10.1%