

PC

25 June, 2008

Paul Caton
0151 285 5504

To: **All Members of the Police Authority**

Dear Sir/Madam,

A meeting of the **Service Improvement Committee** will be held on **Thursday 3rd July 2008** in the Meeting Room, Police Authority Offices, 3rd Floor, West House, Mercury Court, Tithebarn Street, Liverpool commencing at **2.00pm**

An agenda for the meeting is enclosed.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Sheena', is positioned to the left of a vertical red line.

Sheena Ramsey
Chief Executive to the Authority

MERSEYSIDE POLICE AUTHORITY

SERVICE IMPROVEMENT COMMITTEE

*(Membership of the Committee will be confirmed at the Annual Meeting of the
Police Authority on 26th June 2008)*

MERSEYSIDE POLICE AUTHORITY
SERVICE IMPROVEMENT COMMITTEE

3rd JULY 2008

AGENDA

PART 1

Apologies

ITEM	PAGE
1. <u>DECLARATIONS OF INTEREST</u>	
2. <u>MINUTES</u>	
The Chief Executive to submit the minutes of the meeting of the Committee held on the 17 th April 2008	1.
<u>JOINT REPORT OF THE CHIEF CONSTABLE AND CHIEF EXECUTIVE</u>	
3. <u>SERVICE IMPROVEMENT PROGRAMME 2008/09</u>	5.
<u>REPORTS OF THE CHIEF CONSTABLE</u>	
4. CALL HANDLING BUDGET INVESTMENT	11.
5. PAYROLL AND PENSIONS CONTRACTS	17.
6. PAYROLL PERFORMANCE 2007/08	23.
7. SERVICE IMPROVEMENT PROGRAMME – PROGRESS REPORT	27.
8. <u>ANY OTHER ITEMS(S) WHICH THE CHAIRPERSON DEEMS TO BE OF AN URGENT NATURE</u>	

MERSEYSIDE POLICE AUTHORITY**SERVICE IMPROVEMENT COMMITTEE**

At a meeting of the Service Improvement Committee held on Thursday 17th April 2008 in the Meeting Room, Merseyside Police Authority offices, 3rd Floor, West House, Mercury Court, Tithebarn Street, Liverpool, the following Members were present: -

Elected Members

P Astbury
A Jones

Magistrate Members

Mr M J Amos JP (Chairman)
Mrs F Street JP

Independent Members

Mr D Bradbury
Mrs V Davies
Mr T Kelly

Apologies

Apologies were received on behalf of Councillors R Gould, Mrs D Kerrigan and Mrs K Wood.

25. Declarations of Interests

There were no Declarations of Interests received.

26. Minutes

The minutes of the meeting of the Service Improvement Committee held on 31st January 2008 were received as a correct record and signed by the Chairman.

The Chief Executive circulated the notes of the Informal Meeting of the Committee held on Thursday, 20th March 2008.

27. Service Improvement Programme

The Committee considered the report of the Chief Constable on national and local developments that should be considered when the Committee considers potential areas for improvement and value for money in 2008/09.

RESOLVED –

- (i) That the report be noted; and
- (ii) that the Chief Executive and Chief Constable, in consultation with the Chairman of the Committee be requested to develop a draft matrix to identify those services requiring further consideration in 2008/09, which should include value for money considerations and report to the first meeting of the Committee in 2008/09.

28. Activity Analysis and the Activity Based Costed Model

The Committee considered the report of the Chief Constable in respect of the use of Activity Analysis (AA) and associated Activity Based Costings (ABC) in Force.

RESOLVED-

- (i) That the report be noted;
- (ii) that the Committee notes the invitation made by the Performance Scrutiny and Review Committee for the Home Office to address members of the Authority on the subject; and
- (iii) that updates on developments of the activity analysis programme be submitted to future meetings.

29. NPIA Doctrine Programme – Progress Report

The Committee considered the report of the Chief Constable which updated the Force's progress against the National Policing Improvement Agency (NPIA) Doctrine Programme

RESOLVED – That the report be noted.

30. Impact Programme – Management of Police Information (MOPI)

The Committee considered the report of the Chief Constable on progress made to date by the Impact Programme implemented as a result of the Bichard Inquiry and Report.

RESOLVED - That the report be noted and a follow-up report on the management and financial resources required for the Programme be submitted to a future meeting.

31. Service Improvement Reviews – Progress Report

The Committee considered the report of the Chief Constable on an update of ongoing improvement reviews and other matters.

RESOLVED – That the report be noted.

32. Call Handling Budget Investment

The Committee considered the report of the Chief Constable on investments and performance of the call handling service since 2004/05.

Members discussed the visits to the Call Centre at Headquarters and the Crime Recording Bureau referred to in the notes of the informal meeting of the Committee held on 20th March 2008 and considered above.

RESOLVED –

- (i) That the report be noted and a further comprehensive report including all associated costs of the management of the calls and response functions be submitted to a future meeting; and
- (ii) that a visit to a Customer Service Desk be arranged by the Chief Executive.

33. Protective Services Assessment Programme

The Committee considered the report of the Chief Constable on the background of Protect Services and provided an indication of progress against achieving minimum standards established by ACPO.

RESOLVED – That the report be noted and progress reported to a future meeting.

34. Local Government (Access to Information) Act 1985

RESOLVED That in accordance with the provisions of the Local Government Act 1972 and having satisfied the requirements of paragraph 10 the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 7 of Part 1 of Schedule 12A to the Act.

35. Protective Services – Counter Terrorism

Members considered the report of the Chief Constable which:-

- (a) Informed on the background of the protective services assessment in relation to counter terrorism; and
- b) provided an indication of progress against achieving minimum standards established by ACPO.

RESOLVED –

- (i) That the report be noted; and
- (ii) that arrangements be made before the end of the municipal year for members to consider a detailed presentation on counter terrorism

Minutes 25 to 35 received as a correct record the 3rd day of July 2008

Chairman of the Committee

(The meeting closed at 12.40 pm)



To: The Chairperson and Members
of the Service Improvement Committee

Meeting: 3rd July 2008

Joint Report of the Chief Constable and Chief Executive

Service Improvement Programme 2008/09

1. Purpose

The purpose of this report is to provide Members with an opportunity to consider potential areas for improvement as part of the Service Improvement Programme for 2008/09 and beyond.

2. Recommendation

It is recommended that the Force and Authority consider the contents and style of the prioritisation matrix (Appendix 1) prior to determining future requirements.

3. Background

3.1 At its meeting held on 17th April 2008, the Service Improvement Committee considered the report of the Chief Constable on national and local developments as part of the Service Improvement agenda. The Committee requested that the Chief Executive and Chief Constable, in consultation with the Chairman of the Committee, develop a draft matrix to identify services requiring further consideration in 2008/09, this should include value for money considerations. This report provides the Committee with an opportunity to comment on the development of the matrix prior to discussions on the priority areas for review based on risks and opportunities for improvement.

3.2 The overall aim of the Committee's responsibility is to contribute to promoting service improvement in the Force and ensuring that value for money is obtained. This can be done through a corporate approach to value for money, a standardised review process to create a baseline of cost and performance for comparison and an emphasis on achievements and outcomes in the delivery of services.

3.3 The following information provides a starting point for the population of the matrix and the outline programme of reviews for 2008/09 should be developed in line with the following requirements:

- Policing Plan 2008 – 2011
- Blueprint for Total Policing 2008 - 2009
- NPIA agenda
- Implementation of the ACPO Protective Services Minimum Standards
- Review of Policing by Sir Ronnie Flanagan
- Corporate / business risk
- CDRP Reform
- National and other drivers

4. Prioritisation Matrix

4.1 The purpose of the attached matrix is to provide a logical framework for assessing the relative importance of proposed reviews. This will enable members to make informed decisions regarding their authorisation and priority.

4.2 The criteria used for selecting the review areas will be that:

- û They have not been subject to a recent or detailed review.
- û There is potential for improved value for money.
- û There is potential for reductions in bureaucracy.
- û There is an opportunity to make improvements in performance.
- û There is an opportunity to increase professionalism.
- û There is potential to increase public satisfaction.
- û There is an opportunity to improve working relationships with other agencies.
- û There is potential for improved workforce opportunities.

4.3 The proposed review areas will be assessed against the five key headings listed below. Each will be allocated a weighting based on their perceived level of importance. These weighting values are shown in brackets.

1. Strategic Priority (10)
2. Performance (8)
3. Finance (8)
4. Risk Management (5)
5. National Agenda (5)

4.4 Each proposed review will be attributed a 'raw' score on a scale of 1 – 4, based on the following criteria:

4. Very High Concern
3. High Concern
2. Concern
1. Of Less Concern

The raw score is then multiplied by the weighting to give a weighted score.

- 4.5** Although this approach is not an exact science, it provides a structured platform for constructing a meaningful review programme for 2008/9 and beyond. Further consultation with key stakeholders regarding the validity and accuracy of the matrix approach is proposed after the presentation to the Committee on 3rd July 2008.
- 4.6** Two areas on the matrix, Protective Services and NPIA, are already subject to developments/improvement work. They have been included as an example of how the matrix will work and to ensure that the Authority and Force have an overview of the whole programme to inform any future decision making regarding improvement activity.

5. Financial and Staffing Implications

Financial and staffing implications for any future service improvement work will be identified as the programme of work is developed and reported to the Authority.

6. Equality and Diversity Impact Assessment

Information on Equality and Diversity will be identified as part of future development work as it is reported to the Authority.

7. Environmental Impact Assessment

There are no environmental issues to be considered within this report.

8. Risk Assessment

Details of risk associated with any future work will be identified and reported to the Authority.

9. Conclusion

- 9.1** Work between the Force and MPA is continuing to take place to determine the requirements/format for future review work. The matrix should assist the Force and Authority to assess areas of priority providing an opportunity to consider potential areas for improvement as part of the Service Improvement Programme for 2008/09.
- 9.2** Service Improvement arrangements will continue to evolve in light of proposed changes and the Force will work closely with MPA to determine future requirements to ensure continuous improvement is secured.
- 9.3** The committee will wish to take a broad, long-term view of national and regional developments and a shorter, more critical look at current local services, some of which may be referred to the Performance Scrutiny and Review Committee.

Bernard Hogan- Howe
Chief Constable

Sheena Ramsey
Chief Executive

Contact: Mrs K Seaman, Service Improvement Programme Co-ordinator

Telephone: 0151 777 8075

**Background Papers: Service Improvement Review Progress Reports
Service Implementation Progress Reports**

Service Improvement Matrix 2008/09

	Strategic Priority		Performance		Finance		Risk / Management		National Agenda		Total Score	
Weighting =	10		8		8		5		5			
Areas for consideration	Raw Score	Weighted	Raw Score	Weighted	Raw Score	Weighted	Raw Score	Weighted	Raw Score	Weighted	Raw Score	Weighted
Protective Services	4	40	4	32	3	24	4	20	4	20	19	136
NPIA Doctrine	3	30	3	24	3	24	3	15	3	15	15	108
Raw Score Key:												
Very High Concern	4											
High concern	3											
Concern	2											
Of Less Concern	1											



To: The Chairperson and Members of the Service Improvement Committee

Meeting: 3rd July 2008

Report of the Chief Constable

Call Handling Budget Investment

1. Purpose

The purpose of this report is to inform members of the investment in call handling since year 2004/05, as requested at SISC on 17th April 2008.

2. Recommendation (s)

Members are invited to note this report.

3. Background

- 3.1** In May 2005 Merseyside Police recruited BT (British Telecom) to work closely with the Force to review and analyse the Force's approach to call handling and to make recommendations to improve the performance of the customer contact handling.
- 3.2** The review was the result of the Chief Constable's 'vision' for Merseyside Police to achieve a quantum leap in terms of Call Handling. Research showed that 45% of the public contact the Police in any one-year, and that telephone contact is still the preferred medium of choice. Call Handling is also a shop window for the Force and presents a real opportunity for changes to be made to the way people experience policing.
- 3.3** The key objectives of the 'vision' were:
- To create a consistent process of customer contact, with callers' needs being at the heart of everything the Force does, supported by trained, accredited staff, a centralised service and appropriate IT systems.
 - To create a contact function that is intelligence led, and which fulfils a critical role in terms of public reassurance and reducing crime, by dealing with victims of crime in a sensitive and caring way, leading to more offences brought to justice.
 - To provide measured improvements in customer satisfaction by

providing a consistently high standard of customer care.

- 3.4
 - To provide a measured increase in the number of calls resolved without the need for the deployment of police officers, through effective problem solving.
 - To create a modernised, effective and satisfied customer contact workforce with excellent working conditions and an embedded citizen focus culture.

3.5 The BT review resulted in 110 recommendations, which were presented to Chief Officers in March 2006 along with 5 options for contact centre implementation. Currently 21 recommendations are subject of ongoing work in the department. The option of implementing a supported change programme in conjunction with an experienced contact management service provider was supported in principle, and would provide a 21st Century contact management centre.

3.6 In August 2006 the Service Improvement Committee considered the potential future for Call Handling (termed 'the vision'). This illustrated improvements that were required to modernise and create a more adept service moving towards the contact management concept.

3.7 Achievement of 'the vision' required a new single site contact management facility that totally changed the way contact with the force was handled. Due to the current Estate Strategy work no further progress has been made with the creation of such a facility. The potential exists for this to be considered as part of a new Force Command facility and departmental command have met with the consultants working on this project to put forward proposals.

Within the medium term recommendations from the BT review were various separate business themes that have been identified and work is ongoing as detailed at paragraph 4.2.

4. **Call Handling investment**

4.1 To deliver outcomes to the recommendations a small team was created first of all in the Force Modernisation Team and now within the Citizen Focus portfolio.

4.2 Apart from the vision to create a one site contact centre individual workstreams were created to focus on the following:

Development of an **E-Policing strategy** which brings our methods of contact together with 21st century technology;

- This work focuses on alternative web based services, which customers can access from their computers. On the 2nd June 2008 a new on line reporting facility went live on the force web site. The contacts made via this facility will be dealt with in the contact centres. Further customer information and service access is also now available on line and should reduce call demand as customers can access the website and

downloading forms/ fill in web based contact forms rather than possibly telephoning at peak demand times.

- SMS text messaging is now used as a mean of communication in several Force departments. The Crime Recording Bureau use it to inform victims of their crime reference number, the Witness Care Unit send out court appearance reminders and the Customer Service Desks remind people about appointments. Knowsley CID also use SMS text messaging to contact victims of robbery, leaving crime reference details and officer in charge information.
- MMS, a multi media messaging receipt service is also now in place. This can be utilised by officers to request evidence from peoples' mobile telephones after they had captured an incident on their 'phone camera'. The messages when received will be dealt with in the contact centre and forwarded accordingly.

4.3 Currently 162 members of staff are registered on the **Accreditation under the Institute of Customer Services scheme**, which focuses on delivery of improved customer service after reflecting on service provided. This scheme is under evaluation and findings will be reported to the Authority in due course.

4.4 Implementation of a **Workforce Management System** for shift-rostering and predictive analysis of demand;

- The shift-track system has been live in the switchboard since April 2008 and its use has already identified an inefficient shift roster and reduced overtime spend that would have been incurred if only the CARMS resourcing system had been used. The system is due to be introduced to the rest of the calls department enabling identification of further efficiencies when the systems demand prediction facility is fully operational. The department is working on the implementation of new shift rosters within the switchboard.

4.5 Technical equipment investment within the Calls department is ongoing and details are provided at paragraph 5.6.

5. Financial and Staffing Implications

5.1 The cost of the BT review was £120,000 and this was met from within the Force Modernisation Team budget.

5.2 The cost of staffing for the team (5 staff) whose responsibilities include delivering outcomes to the BT review were:

2007/08 £189,319

2008/09 £192,319

5.3 The costs relevant to the development of the E-Policing strategy have principally been the team's staffing costs. Further work in this field will ensure the Force continue to utilise modern contact channels and professionalize Force business.

5.4 The Institute of Customer Services total spend to date is £51,667, which includes four years corporate membership, staff membership, training costs and external

assessments prior to presentation of the certificates.

- 5.5** The Workforce Management system went operational in March 2008 in the switchboard. The full rollout across the Department is planned for later in the year and full implementation costs are £120,000. Once the system is fully operational it is anticipated that benchmark comparisons for overtime spend and a much improved staffing analysis will result in value for money savings.

- 5.6** Technical equipment investment:
- | | |
|---|---------|
| Amplifier and headset replacement in 2007 | £21,300 |
| Annual cost of ISEC (999 callers identification technology) | £13,000 |
| Creation of Deaf Texting facility in 2007 | £13,000 |
| Computer replacements in 2007 and 2008 | £90,000 |

6. Equality and Diversity Impact Assessment

Departmental recruiting complies with force equality and diversity policies.

7. Environmental Impact Assessment

There are no environmental issues associated with this report.

8. Risk Assessment

Insufficient staffing to deal with telephone demand would result in reduced public satisfaction and confidence and negatively impact upon delivery of the Total Policing philosophy.

9. Conclusion

- 9.1** The centralisation of call handling has allowed a more professional service to be delivered. The quality of the call handling is constantly assessed and the performance year 2007/8 has produced excellent call handling performance, with the monthly average of 165,339 calls being dealt with.
- 9.2** Over the last three performance years, since the investment in call handling, combined performance has risen from 68% in 2004/05 to 94% in 2007/08 with regard to calls answered within target time. In numerical terms the call centers have answered 106,890 more calls within target and switchboard 225,134 more calls within target.
- 9.3** All development work is now under Calls and CRB command with a reporting structure within the Citizen Focus portfolio.
- 9.4** In 2005/06 when it was entitled 'making contact with the police' the average customer satisfaction rate was 62.75%. The end of year satisfaction figure for 'ease of contact' in 2007/08 was 93%.

**Bernard Hogan- Howe
Chief Constable**

***Contact: Chief Superintendent Dave Lewis, Calls and CRB department
Telephone: 0151 7775910
Background Papers: Nil***



To: The Chairperson and Members
of the Service Improvement Committee

Meeting: 3rd July 2008

Report of the Chief Constable

Payroll & Pensions Contracts

1. Purpose

The purpose of this report is to provide Members with information in relation to the payroll and pensions contracts. This report is provided in response to a request raised by Members of the Resources and Strategy Committee on 28th February 2008.

2. Recommendation (s)

It is recommended that Members note the report.

3. Background

- 3.1 Prior to May 2000 the provision of payroll and police pension services was the responsibility of the Chief Constable. A review of this arrangement led to the appointment of an external supplier with effect from December 1999 for police pensions, and May 2000 for payroll services.

The main objectives in outsourcing the services at the time were: -

- To provide the transfer of non-core activities and associated risks to an external provider to enable the Force to concentrate on operational policing;
- To transfer the implementation of the majority of current and future changes in the services and external risks, to an external provider;
- To appoint a highly professional provider whose procedures, process and quality assurance represents industry best practice;
- To gain access to a wider range of skills and resources and to improve access to high quality and robust technology and procedures.

- 3.2 The appointment of a provider for both payroll and police pensions was through a full tender process in 1999 and both contracts were for a period of 5 years.

- 3.3 The payroll contract ran for the full 5-year term and was subject to a retender exercise because the existing contractor did not wish to retender for the business. For the pensions contract, a benchmarking exercise was conducted partway through the contract resulting in a two-year extension. The contract was extended again for a further nine months to allow the contractor to conduct an 'options' exercise for the new Police Pension Scheme in 2006.
- 3.4 As part of the contract for payroll and pension services the suppliers operate against a pre-determined set of performance targets. Outputs from the service are monitored against these targets and issues are raised via pre arranged service review meetings.
- 3.5 The contract for payroll services allows for the imposition of fines if the performance targets are not achieved. The Framework contract for police pensions does not allow for the imposition of penalties but allows for the termination of the contract for continued non-performance. Performance targets are monitored and are reported upon within the Personnel Plan.
- 3.6 The services are subject to examination by the Internal Audit Section of the Police Authority. Audits of this nature result in recommendations, which are agreed by both parties and implemented.

4. Re-tender exercise

In order to obtain the most appropriate service provider several actions, as detailed below, were taken for each contract.

4.1 Payroll Contract 2004/2005

A review of the options available for payroll production was conducted and included:

- A fully outsourced service
- Full in-house provision
- Partial outsourcing
- Consortium arrangement

- 4.2 Regional collaboration was also a consideration, albeit at a later stage of the decision making process. It was recognised that regional collaboration and the Treasury Framework (national framework agreement led by Thames Valley Police which identified an approved payroll provider), would not provide competitiveness in the market place in line with best value. It would also incur additional costs for the functions required.
- 4.3 Chief Officers decided that a new payroll provider would be identified by a full tender process as this was the most cost effective means of securing a Payroll service that suited the requirements of the Force.
- 4.4 13 companies expressed an interest, 10 of which were invited to tender, 4 declined and 1 did not respond leaving 5 tenders to be considered.

- 4.5 The evaluation took place over a period of 4 days. The contents of the bids were evaluated on quality, flexibility of the offered service, identification of risk within the proposals for the provision of service, and confidence that the service could be delivered on time and within cost.
- 4.6 A fully scored evaluation of tenders was pursued against the following criteria - service delivery, quality of service, flexibility and price. Experience in the field of payroll services for the police environment was also considered after which the panel selected three reference sites to visit.
- 4.7 Site visits allowed the service offered to be witnessed in a 'live' environment and provided the opportunity to clarify any issues raised during the evaluation process. The sites visited were as follows:
- | | | |
|-----------------------|---|--------------------------------|
| West Yorkshire Police | - | Midland HR & Payroll Solutions |
| Hertford Police | - | ITNet |
| British Library | - | Northgate |
- 4.8 A fully scored evaluation of tenders against the criteria, as mentioned in paragraph 4.6, was completed. The successful tenderer scored the highest mark against the criteria and also demonstrated experience in the field of payroll services in a police environment, as it was already supplying such services to a number of other forces.
- 4.9 The contract was awarded to Midland HR & Payroll Solutions and details were reported to the Resources and Strategy Committee on 3rd March 2005.

Pensions Contract 2006/2007

- 4.10 As with payroll a review of the available options was conducted. The options for consideration included:
- A fully outsourced service via a full tender exercise, or via the Procurement Excellence in the Police Service (PEPS) framework arrangement (led by Hampshire Police which determined three approved pension providers which met the framework criteria)
 - Full in-house provision
 - Partial outsourcing
- 4.11 Chief Officers approved the process of appointing a pensions provider by conducting a 'mini' tender exercise via the PEPS Framework for Police Pensions Administration. This arrangement allowed for the appointment of one contractor from the approved list of three contractors.
- 4.12 This option was pursued in an attempt to maintain the existing standard and level of service provided. The 'mini' tender exercise was conducted between all three providers in order to achieve a service that best suited Force requirements. There would not be a requirement to appoint pension or IT specialists in order to support this option. The risks and responsibilities would remain the responsibility of the

appointed provider.

- 4.13 In view of the proposed merger at the time with Cheshire Constabulary discussions took place with Cheshire in respect of a joint tender exercise for police pensions. It was agreed that Merseyside would lead on such a process.
- 4.14 Although the Force merger did not take place Merseyside and Cheshire agreed to continue to collaborate in the tender exercise.
- 4.15 Contact was made with the PEPS framework and information packs were supplied from all three contractors. The information contained within the packs was reviewed and in conjunction with Cheshire an 'invitation to tender' was sent to all three providers. The 'invitation to tender' listed additional requirements to those provided under the Framework arrangement in order to maintain the existing standard of service.
- 4.16 One provider failed to meet the tender criteria and was therefore disqualified from the process. The remaining two responses were evaluated by both Forces over a period of two days.
- 4.17 Reference site visits were conducted at Thames Valley Police and Surrey Police, and supplier presentations were held to provide further clarification on issues that required resolution.
- 4.18 Final costings were reviewed and a decision was achieved based on the evaluation criteria and the information gathered from the tendering process.
- 4.19 The contract was awarded to HBS (now Mouchel w.e.f. 7th August 2007) as this provider met all of the required criteria including service delivery, quality of service, flexibility and price. A tender monitoring report was prepared and submitted to the Resources and Strategy Committee on 1st November 2007.

5. Financial and Staffing Implications

- 5.1 There are no staffing implications associated with this report.
- 5.2 The current average annual cost for the payroll and pension contracts are as follows:

Payroll contract - Midland HR -	£396,436
Pensions contract - Mouchel -	£184,704

- 5.3 The costs for both contracts fluctuate due to services or service changes requested by the Force, or as a result of legislative changes which may require system reconfigurations or changes in processes by the two contractors.

6. Risk Assessment

- There is a risk of the contracts not providing value for money. Both contracts are

monitored to ensure that standards as determined in the Statement of Service Requirements are met. The risks are controlled by monitoring contractor performance, regular service review meetings and monitoring financial activity.

7. Equality & Diversity Impact Assessment

The information contained within this report does not impact on equality and diversity.

8. Environmental Impact Assessment

There are no environmental issues associated with this report.

9. Conclusion

9.1 That the Force continues to monitor the outsourced providers to ensure the standards of service are maintained in accordance with contractual arrangements and that the Force continues to receive value for money.

9.2 The risks and responsibilities of payroll and pensions processing and the administration of the services have been transferred to third party specialists enabling the Force to concentrate on the main activity of operational policing.

**Bernard Hogan- Howe
Chief Constable**

**Contact: Jackie McCreaney, Head of Personnel Policy
Telephone: 0151 777 8199
Background Papers: None**



To: The Chairperson and Members
of the Service Improvement Committee

Meeting: 3rd July 2008

Report of the Chief Constable

Payroll Performance 2007/08

1. Purpose

The purpose of this report is to inform Members about the contractual performance of the outsourced payroll provider for the financial year 2007/08.

2. Recommendation (s)

It is recommended that Members note the report.

3. Background

3.1 Prior to May 2000, the provision of payroll services was the responsibility of the Chief Constable. A subsequent review of the arrangement led to the appointment of an external supplier for the full range of payroll services with effect from May 2000.

3.2 The main objectives in outsourcing the payroll service were:

- To provide the transfer of non-core activities and associated risks to an external provider, enabling the Force to concentrate on operational policing;
- To transfer the implementation of the majority of current and future changes in the services and external risks, to an external provider;
- To appoint a highly professional provider whose procedures, processes and quality assurance represents industry best practice;
- To gain access to a wider range of skills and resources and to improve access to high quality and robust technology and procedures.

3.3 The current payroll provider, Midland HR & Payroll Solutions has been providing the service since April 2005. The initial nine-month period of operation was deemed as a 'bedding in' period whereby the payroll provider acquired knowledge of Police Regulations, Conditions of Service and the Force operating procedures.

4. Contractual Performance

4.1 The contractual performance for the subsequent year 2007/08 is detailed below.

This information is supplementary to that which is contained within the performance measures of the Personnel Plan.

4.2 Overall the performance can be reported as satisfactory during this period. This is summarised as follows;

- Payees were paid on the correct payday at all times. Payrolls were processed to ensure that both police officers and police staff were paid on the correct pay day as determined by the Force,
- Payments were processed at all times to reach the Bank Automated Clearing System (BACS) in sufficient time to be processed for payday.
- Statutory deductions paid over in sufficient time to be processed for the date imposed by the statutory body.
- All deductions and Additional Voluntary Contributions paid over in sufficient time to be processed for the appropriate payday.
- Police Pay Award implemented, arrears calculated and paid correctly
- Police Staff Pay Award implemented, arrears calculated and paid correctly.
- Increase for Dog Handling Allowance implemented, arrears calculated and paid correctly.
- Compensatory grant routine applied and implemented correctly at the correct time for police officers who are paid on the four weekly payroll.
- Increase to Competency Related Threshold Payment implemented, arrears calculated and paid correctly to serving officers. Arrears and increase not applied to 30+ scheme officers on time, problem identified and the officers affected paid at the earliest opportunity.
- All P60 documents issued in a timely manner to reach employees by the statutory deadline of 31st May 2007.
- All P11D, (statement of benefits incurred in a tax year), documents issued in a timely manner to reach employees by the statutory deadline of 6th July 2007.
- The P35 year-end summary document was submitted to reach the Inland Revenue by the statutory deadline of 19th May 2007.

4.3 One of the performance indicators contained within the Force's contract with Midland HR states that all employees must be paid at the correct rate at all times. There were several incidents where this term of the contract was not fulfilled, and details are as follows:

- The Force imposed a fine of £1,923.00 against the payroll provider in respect of lost interest during this period (2007/08). The fine was the result of police pension contributions being incorrectly applied (by the payroll

provider), during the transfer of the police officer payroll from a 4-weekly to monthly payroll cycle. This resulted in an under deduction of pension contributions for officers.

- 3 Chief Officers did not receive a compensatory grant payment on the due date of 20th April 2007. This was due to an error by the payroll provider who missed the officers off the payment process (Chief Officers are on a separate payroll to all other officers). Consequently, and in line with the contract provisions a fine of £11.70 was imposed on the payroll provider for not paying the officers at the correct rate.
- 250 police officers did not receive expense payments in the salary that was paid 28th October 2007. This was due to Midland not processing the expense claims, which had been forwarded by the Force. The expense payments were subsequently processed on a separate expense run and a fine amounting to £975.00 was imposed for not paying the payees on the correct payday.

4.4 Throughout the period 288 overpayments were raised, 151 of which were to police staff and 137 to police officers. In the main these overpayments were due to the Force giving late notification of leaving dates and late notification of temporary and permanent changes. A memorandum will be circulated to all Areas and Departments reinforcing the procedures currently in place thus reducing the likelihood of a future occurrence. In instances when the payroll provider was at fault the main reasons for the occurrence of these overpayments were as follows:

- Duplicate input of overtime and weekend work;
- Honorarium paid incorrectly;
- Input received but not acted upon;
- Payments processed to the incorrect details; and
- Competency Related Threshold Payments not stopped on promotion.

5. **Financial and Staffing Implications**

There are no financial or staffing implications (for the Force) associated with this report.

6. **Risk Assessment**

- | It should be noted that there is a risk of the service delivery falling below a minimum standard as determined in the Statement of Service Requirements thus resulting in unacceptable contractor performance. This risk is controlled by monitoring activity, regular meetings with the contractor and the formalisation of the documentation required for reporting contractor performance.

7. **Equality & Diversity Impact Assessment**

The information contained within this report does not impact on equality and diversity.

8. **Environmental Impact Assessment**

There are no environmental issues associated with this report.

9. Conclusion

In summary, the payroll was supplied to a satisfactory standard during the 2007/08 financial year. Apart from the issue of non-deduction of pension contributions during the transfer of police payroll cycles, there were no major performance issues that affected a whole payroll. In the main, incidents of poor performance did not affect a whole payroll but tended to be isolated to errors affecting individual salary payments. Other incidents of poor performance are as a result of inadequate handling of data such as duplicate entry of information. Again, these incidents tended to impact on individual salary payments. These errors are immediately resolved.

**Bernard Hogan- Howe
Chief Constable**

**Contact: Jackie McCreaney, Head of Personnel Policy
Telephone: 0151 777 8199
Background Papers: None**



To: The Chairperson and Members
of the Service Improvement Committee

Meeting: 3rd July 2008

Report of the Chief Constable

Service Improvement – Progress Report

1. Purpose

The purpose of this report is to update Members on the ongoing Service Improvement matters.

2. Recommendation

Members are invited to note this report.

3. BVR / SI Programme – Implementation Plans

3.1 Calls and Crime Recording

Implementation Plan endorsed by Best Value Scrutiny Committee on 27th January 2005, Implementation Manager – Shelley Dooley.

Following an action from the Service Improvement Committee held on 17th April 2008, Members requested a further comprehensive report including all associated costs of the management of the calls and response functions to be submitted to a future meeting. A report is included as a separate agenda item for the Service Improvement Committee on 3rd July 2008.

3.2 Niche Crime Self-Recording – St Helens Basic Command Unit (BCU)

In March 2006, the Corporate Audit Team conducted an evaluation of the crime self-recording pilot in St Helens BCU. The aim of that evaluation was to provide an independent, objective and comprehensive report for consideration by Chief Officers, comparing the qualitative and quantitative performance and financial efficiency of the two crime recording processes. Crimes at that time were recorded on the Incident Management System (IMS). Niche crime recording has now been introduced across the force and St Helens BCU have been recording crimes on Niche since November 2007.

The Corporate Audit Team is undertaking a further review of crime recording on Niche to compare self-crime recording by officers with crime recording by the Crime Recording Bureau (CRB). A further report will be provided to the committee following the completion of the full audit in late summer.

4. Ongoing Improvement/Review Activity

4.1 National Police Improvement Agency (NPIA)

The NPIA doctrine programme is aimed at increasing the Force's professionalism and ensuring the public receives a consistently high quality of service delivery. The following are the more recent doctrine products received by the Force since December 2007, which are the subject of Force implementation. The Force will continue to provide updates on the full range of doctrine to this committee.

(a) Road Death Investigation Manual: 06/12/07

This practice advice replaces the ACPO (2004) Road Death Investigation Manual. The document contains information on resources, key investigative principles and key components/strategies that are relevant to the professional and effective investigation of fatal collisions.

(b) Practice Advice on Evidence of Bad Character (second edition): 22/02/08

This second edition updates the advice regarding the admissibility of evidence relating to a defendant's character and that of victims or witnesses, incorporating recent case law and the Criminal Procedure Rules 2005.

(c) Guidance on the Police Strategic Management of Chemical, Biological, Radiological and Nuclear (CBRN) Events – RESTRICTED: 28/02/08

The purpose of this guidance is to set out the strategic roles, responsibilities and considerations that need to be taken into account in order to enable the police service to plan and respond effectively to any CBRN terrorism threat or event. It provides strategic guidance to forces so that they can properly prepare for CBRN events.

(d) Practice Advice on The Investigation of Drug Offences (Level 1) – RESTRICTED: 17/03/08

Its purpose is to raise awareness in the Police Service and its partners of the opportunities to reduce drugs-related criminality at BCU level or small force area level (Level 1). It is written primarily for those new to drugs investigations, although it may also be a useful reference source for other related policing operations.

(e) Practice Advice on Analysis: 01/04/08

The purpose of this document is to give advice on analysis to staff working within policing and other law enforcement roles and to organisations that work in partnership with the police service. This practice advice covers the skills required to provide high-quality analytical products.

(f) Guidance on Investigating Domestic Abuse: 08/04/08

This guidance replaces ACPO (2004) Guidance on Investigating Domestic Violence. Its purpose is to provide the Police Service with clear information about the policing of domestic abuse. It provides operational, tactical and strategic advice. The NPIA (update forthcoming) Responses to Domestic Abuse Modular Training Programme is linked to the guidance.

(g) Guidance on Casualty Bureau Standard Administrative Procedures (CBSAP): 10/04/08

This guidance sets out the nationally agreed roles for a casualty bureau (CB), the activation procedures, the operational procedures and the way in which a CB inter-operates with other key units within the police response to an emergency.

(h) Practice Advice on The National Compromise Database –RESTRICTED: 22/04/08

The National Compromise Database was introduced in 1999 and provides a central repository for the collation, evaluation and analysis of known and suspected compromises for the benefit of all UK law enforcement agencies

The document gives advice on submitting details to the NCD regarding known and suspected compromises to law enforcement activities. It also provides details about the role of the Serious Organised Crime Agency (SOCA), Confidential Records Unit (CRU) and the use of the NCD. This practice advice complements ACPO (2008) Guidance on the Lawful and Effective Use of Covert Techniques – The Legal Framework and Covert Operational Management.

(i) Guidance on The Lawful and Effective Use of Covert Techniques (LEUCT) – RESTRICTED: 22/4/08

The purpose of this document is to provide comprehensive and coherent guidance on covert policing which will assist in the management of associated investigations for law enforcement. It will also facilitate improved knowledge, understanding and standards in the management of covert investigations.

(j) The following doctrine have been fully implemented and, where required, subject of a quality assurance check by the Force's Corporate Audit Team. The team confirm that the doctrine have been implemented, or require further work to be undertaken before implementation is deemed complete.

- Bad Character Evidence (Practice Advice)
- Dealing With Legal Advisers (Practice Advice)
- Introduction to Intelligence Led Policing
- Investigating Child Abuse and Safeguarding Children (Guidance)
- Investigating Domestic Violence (Guidance)
- Management, Recording & Investigation of Missing Persons
- National Intelligence Model (Code of Practice & Guidance)
- Resources & People Assets of NIM (Practice Advice)
- Right of Silence (Practice Advice)

(k) **Protective Services**

As reported to the Service Improvement Committee in April 2008, the Force is actively engaged in delivering the minimum standards for the 10 strands of the Home Office/ACPO National Protective Services Project. Having carried out an initial baseline assessment, the Force is currently awaiting the delivery of a detailed definitions and criteria document and Implementation Support Plan (ISP) from NPIA, which will enable the project to move to the next stage.

The Chief Constable has included protective services as a priority within the revised Blueprint for Total Policing 2008/09.

5. **Financial and Staffing Implications**

The purpose of this report is to update Members on progress within the Service Improvement Programme. Financial and staffing implications for any of the work within this report will be identified in each separate area of work, as it is reported to the Authority.

6. **Equality and Diversity Impact Assessment**

Information on Equality and Diversity will be identified in each separate area of work, as it is reported to the Authority.

7. **Environmental Impact Assessment**

There are no environmental issues associated with this report.

8. **Risk Assessment**

Details of risk associated with any of the work within this report will be identified in each separate area of work, as it is reported to the Authority.

9. Conclusion

- 9.1** Work between the Force and MPA is continuing to take place to determine the requirements/format for future review work in light of provisions within the Police and Justice Bill and any developments/requirements for collaboration between forces.
- 9.2** Service Improvement arrangements will continue to evolve in light of proposed changes and the Force will work closely with MPA to determine future requirements to ensure continuous improvement is secured.
- 9.3** The committee wishes to take a broad, long-term view of national and regional Developments, and a shorter, more critical look at current local services. Some of these developments/current services may well be referred to the committee by the Performance Scrutiny and Review Committee.

**Bernard Hogan- Howe
Chief Constable**

**Contact: Mrs K Seaman, Service Improvement Programme Co-ordinator
Telephone: 0151 777 8075**

**Background Papers: Service Improvement Review Progress Reports
Service Implementation Progress Reports**