



STRATEGIC POLICING AND CRIME BOARD 11th June 2013

Director of Resources Portfolio Update

Introduction

1. This report provides an overview of the Director of Resources Portfolio, which has been in place in its current form since May 2013. Separate reports providing more detail on Finance and HR issues have been programmed into the Board's work plan.

Scope of the Portfolio

2. The Director of Resources portfolio consists of the following areas:
 - **Finance & Procurement:** This Department provides professional financial services, including financial and management accounting, treasury management, procurement, insurance, risk management, payroll, pensions, creditor and debtor payments.
 - **Human Resources:** This Department provides professional human resources management services, including workforce strategy, reward & productivity, organisational development, equalities, occupational health and HR Managers to support local Senior Leadership Teams.
 - **Property Services:** This Department provides professional estates management services, including capital programme management, refurbishment and adaptations, planned & reactive maintenance, energy management, cleaning and commercial estates management.
 - **Fleet Services:** This Department provides fleet management services, including fleet purchasing and replacement, vehicle workshops, vehicle fuel, transport operations such as pool drivers and logistics, vehicle hire and crime scene support.
 - **Learning & Development:** This Department provides a range of learning and development services, including operational and core skills, leadership, uniform and custody training, ICT training, investigative training, public order training, personal safety training & first aid training and driver training.
 - **Shared Services:** This Department provides transactional processing for HR, finance and other business functions such as reactive maintenance requests

and annual leave. This is a new Department that was launched in April 2013 as part of the Shared Services Change programme.

- **Corporate Services:** This Department provides a range of services including Supplies Unit, Design & Print, Facilities, Alarms Management and the Cannabis Disposal Team.

3. The Director of Resources is also the:

- Senior Responsible Owner (SRO) for the Shared Services and New Ways of Working change programmes;
- statutory Chief Finance Officer for the Chief Constable as required under paragraph 4 of Schedule 2 of the Police Reform and Social Responsibility Act 2011;
- ACPO lead for Vehicle Standardisation.

4. The table below shows the staff numbers and budgets for the portfolio.

Department	Pay Budget 2013/14 (£'000)	Non Pay Budget 2013/14 (£'000)	Total Budget 2013/14 (£'000)	Establishment 1 st June 2013 (fte)
Finance	2,312.0	8.4	2,320.4	66.9
Human Resources	2,147.1	420.0	2,567.1	65.9
Property Services	3,435.2	18,302.3	21,737.5	164.5
Fleet Services	2,472.7	5,129.7	7,602.4	93.0
Learning & Development	5,822.7	499.2	6,321.9	143.4
Shared Services	9,018.2	102.8	9,121.0	276.1
Corporate Services	1,704.1	3,287.5	4,991.6	60.7
Total	26,912.0	27,749.9	54,661.9	870.5

5. The table shows that the total budget for the portfolio is £54.7m, with a total staffing of 870.5 fte.

6. All the Departments are currently lead by a Head of Department. However, senior management posts across the force are currently being reviewed through the Senior Management Review process. This review, when complete and approved, is likely to deliver further savings and changes to department structures. As a result of the review process and until permanent recruitment can take place, the Finance and Shared Services Departments currently have temporary heads and Fleet Services and Property Services are currently being managed by one individual. The Head of Learning and Development has recently been changed to be a police staff role and an experienced learning and development professional has recently been appointed.

PBB savings

7. All the Departments in the portfolio have been through the PBB process, and as a result significant savings have been made. The table below shows the PBB savings made by each Department.

Department	PBB Savings (£'000)
Finance	187
Human Resources	2,276
Property Services	4,368
Fleet Services	1,368
Learning & Development	4,657
Shared Services	6,215
Corporate Services	2,801
Total	21,872

8. The total PBB savings from the portfolio were £21.9m, which equates to a reduction of around 28% across the portfolio. Most of these savings have been realised as part of the 2012/13 and 2013/14 budgets, with a small amount due to be realised for the 2014/15 budget.
9. There have been a number of significant cost control achievements within the PBB savings that have successfully challenged historic ways of working and delivered a more sustainable and affordable approach for the future. Examples include:
 - 54% reduction in vehicle hire through stronger demand management and more efficient use of pool vehicles.
 - 44% reduction in external training costs through more robust challenge of demand creating a stronger regime around linking the funding of academic qualifications to business needs.
 - 28% reduction in uniform and equipment costs through centralising budgets and implementing more effective control mechanisms.

Supporting the Police & Crime Plan

10. Despite the reductions made, the portfolio has continued to develop and work hard to improve outcomes by introducing a number of positive changes that deliver improved services for customers and the Force.
11. The portfolio supports the delivery of the Police and Crime Plan in a number of ways. Primarily this is through delivery of initiatives, mainly under the 'Delivering better value for money' and 'Demonstrating the Force's commitment to social responsibility' objectives. Examples include the estates strategy, developing shared services, carbon reduction initiatives, workforce planning, productivity and modernisation, workforce representation and procurement.
12. In addition, the portfolio departments contribute in many ways indirectly across most of the Police and Crime Plan objectives, and Department Heads are clear that whilst their functions may be considered as back office, many provide services that have direct contact with members of the public and impact on public confidence in policing. For example, Fleet Drivers moving police cars around the force area or attending crime scenes, cleaning services in front offices or uniform and equipment standards and quality.

13. Examples of recent achievements that support Force delivery and/or the Police and Crime Plan include:

- Delivered the HR elements to all major change programmes, successfully managing complex employee relations issues and implementing all staffing changes in line with programme plans. Furthermore, the trade unions have commented positively on the way these changes have been managed.
- Received positive feedback from the HMIC Valuing the Police inspection which reviewed the approach to medium term budget setting, workforce planning and value for money.
- Introduced a new estates strategy, governance model and portfolio plan to support estates rationalisation and cost reduction.
- Launched the innovative 'My Service' employee portal to enable greater self service for staff as part of the new approach to transactional delivery.
- Introduced electric diary cars that have a lower whole life cost than the diesel equivalents and also promote low carbon vehicles. A wider Carbon Management Strategy is also being developed.
- Introduced fuel cards to replace bunkered fuel and avoid significant expenditure in repairing fuel sites. This initiative has added benefits of creating more visible police presence on garage forecourts to tackle bilking offences.
- Signed up to Birmingham City Council's estates maintenance framework contract to drive additional value by reducing the number of suppliers, accessing more competitive prices and simplifying internal processes.
- Implemented a new payroll system at a time when pensions and tax changes have introduced additional burdens and work requirements.
- Introduced more sophisticated approaches to police officer promotion processes as part of the wider talent management approach.
- Reduced non attendance and cancellations on internal training courses.

14. The Director of Resources is now working to identify further improvements and efficiencies that can be delivered through working across the portfolio and leveraging synergies between departments. Examples of this could include transferring additional transactional activity to Shared Services, enhancing further the workforce planning and budget setting functions or professionalising facilities management.

Collaboration

15. Across the portfolio there are examples of working with partners to deliver services. The key areas of collaboration are shown below:

- Regional Public Order training (all four regional forces).
- Use of regional and national framework contracts (44% of contracts).
- Cannabis farm disposal (Staffordshire Police).
- Payroll service (Warwickshire Police).
- Accommodation sharing (Solihull and Walsall councils).

16. Whilst opportunities for further collaboration are always explored and considered on their merits, it should be remembered that the Force currently has a size and scale greater than many collaborative ventures across other forces. Therefore collaboration opportunities should be evaluated on the financial and non-financial business benefits they provide.

Financial Implications

17. There are no financial implications.

Legal Implications

18. There are no legal implications.

Recommendations

19. The Board is asked to note this report.

David Wilkin
Director of Resources