

Efficiency and Productivity Plan

- 1 2010-11 is the third year of the Home Office Efficiency and Productivity Plan. This plan set a national indicative target of 9.3% for efficiency and productivity savings over the three year period 1 April 2008 to 31 March 2011. For Devon and Cornwall Police Authority this translated to a target of £25m in cumulative savings by 31 March 2011. The Chancellor's March Budget 2009 set an increased efficiency expectation and this adds a further 1% to the target bringing it to 10.3%. For Devon and Cornwall Police this means further savings of £2.7m giving a revised total of £27.7m for the three year period.
- 2 The detailed Efficiency and Productivity Plan April 2008 to March 2011 is shown on page 23 and summarised in the table below.

Efficiency and Productivity Plan	2008-09 £000	2009-10 £000	2010-11 £000	Total £000
Cash Savings	3,394	4,205	4,974	12,573
Non Cashable Savings				
Workforce Productivity Savings	3,291	5,007	2,691	10,989
Procurement savings	312	1,312	477	2,101
Other non cashable savings	381	360	0	741
Cashable saving brought forward	2,623	0	0	2,623
Total Savings	10,001	10,884	8,142	29,027

- 3 The current forecast is that the Authority will exceed the target by £1.3m and achieve total savings of £29.0m.

Value for Money Statement

- 4 The Police Authority is required to publish in its 2010-11 Local Policing Plan a Value for Money Statement setting out how the Force is doing more with its money. This plan overlaps the current Efficiency and Productivity Plan period and it requires the authority to set out its planned increase in value for money savings over a number of headings. These are set out in the table 1 on page 25.
- 5 In its 2009 White Paper "Protecting the Public – Helping the Police to Succeed" the Home Office indicated that it expected police forces to achieve £545m in cashable efficiency savings by 2013-14 and £500m of productivity savings. These savings were confirmed in the Chancellor's pre-budget report. The first tranche of these savings falls in the final year of the Efficiency and Productivity plan and they equate with the £2.7m additional savings described above. A pro-rata calculation of the Devon and Cornwall Police Authority share of the savings for the remaining three years (the next CSR period 2011-12 to 2013-14) gives a very early indicative target of £11m of cashable savings and £12.3m of productivity savings giving a total of 23.3m.
- 6 Forecast cash savings included in the Three Year Financial Strategy for the years 2011-12 and 2012-13 total approximately £10.9m which is consistent with our share of the national target. The Force is currently working on a number of significant initiatives to improve productivity and value for money and these are described in paragraph 7 below. The total value and timing of savings from these projects has not yet been fully calculated. This work will be completed over the next twelve months so that a fully profiled Value for Money Statement for the CSR period 2011-12 to 2013-14 can be included in the Three Year Financial Strategy for that period.

**Value for Money Statement
Table1**

		Current CSR	CSR 2011-12 to 2013-14			
		2010-11 £000	2011-12 £000	2012-13 £000	2013-14 £000	Total £000
(a)	Improvements in the deployment of officers and staff	300				
(b)	Reductions in overtime	600				
(c)	A programme of process improvement work	2,666				
(d)	Reductions in locally imposed bureaucracy	25				
(e)	The quick adoption of national frameworks for procurement *	477				
(f)	Converging IT nationally as part of the ISIS programme *	0				
(g)	Streamlining support services	2,650				
(h)	Economising to make savings in wider overhead expenses	1,424				
(i)	Target Total Savings	8,142				23,300
(j)	Cashable Savings (from above) included in Three Year Financial Strategy	4,974	6,772	4,120	TBA	

Savings for the CSR period 2011-12 to 2013-14 will be achieved by a combination of the cashable savings shown at line (j) below and through productivity and efficiency savings. Details of the projects and initiatives that will generate the value for money savings are described below.

* these savings are dependent on national developments and the White Paper acknowledges that they will not come on stream until 2011 onwards.

How the Proposed Value for Money Savings will be Achieved

- 7 (a) Improvements in the deployment of officers and staff :
The force is seeking to procure new resource management software that will enable us to allocate our resources effectively in dealing with things that matter to local people. Once this is embedded within the organisation it help to produce real efficiencies in the allocation of our staff. This is referred to as part of our 2012 Development Strategy.
- (b) Reductions in overtime spend:
This includes the provision of resources when they are most needed, thereby helping to reduce the demands of overtime. Although it is accepted that the need for overtime will always exist, effective management of resources will help reduce its financial impact.
- (c) A programme of process improvement work
The Force has already seen the benefits of Operation Quest in its ability to deliver efficiency savings. The Force continues to utilise the Quest methodology and is now looking at how we manage intelligence.
- (d) Reductions in locally imposed bureaucracy
The work involved in Operation Quest will also help us identify and where appropriate reduce any extraneously introduced local bureaucracy.

- (e) The quick adoption of national frameworks for procurement
Working with our Regional colleagues will help us deliver savings through procurement, similarly by also tying up with nationally agreed and adopted procurement frameworks as well we could generate further efficiencies. Some of the work that is ongoing in this area is already referred to in the part of the Local Policing Plan which explains about our work with our Regional colleagues.
- (f) Converging IT nationally as part of the ISIS programme
The Constabulary will also support the national drive towards the introduction of the ISIS national ICT convergence framework.
- (g) Streamlining support services
The Constabulary is actively involved together with its regional partners in ensuring that it is streamlining its support services to be as efficient and effective as possible. Some of the work that is ongoing in this area is already referred to in the part of the Local Policing Plan which explains about our work with our Regional colleagues.
- (h) Economising to make savings in wider overhead expenses
Finally within all of these areas of activity the constabulary will continue to examine and review its wider overhead expenses to ensure we are able to deliver effective value for money.

Monitoring Progress on Value for Money Initiatives

- 8 The Force has established a Value for Money Steering group that it will help it drive through the achievement of value for money savings.
- 9 HMIC will be monitoring progress on value for money issues through the use of profiles and the Police Report Card.
- 10 Monitoring reports will be provided to the Resources Committee.