

Committee(s):	Date(s):	Item no.
Police	27 April 2012	11
Subject: Potential Shared Services between the City of London Corporation and the City of London Police	Public	
Report of: Town Clerk and the Commissioner of the City of London Police	For Information	
<p><u>Summary</u></p> <p>Faced with the current poor economic conditions and the need for reduced expenditure, both the City Corporation and the City of London Police have embarked on programmes of efficiency savings and budget reductions. As part of these efforts, we have been working together to see whether there are areas of the business that would be suitable for a shared service. Work to date has been concentrated in five areas and we believe that a joint approach to Occupational Health and phone call candling is feasible. Further work is being undertaken in relation to the remaining three areas and this is explained in the main body of this report.</p> <p>Recommendations: We recommend that:</p> <ul style="list-style-type: none"> a) a shared service for Occupational Health is approved; b) a pilot scheme for call-handling is endorsed; and c) progress of work in the areas of Public Relations, Human Resources and Information Systems is noted. 		

Main Report

Background

1. The current economic position has led to a need to find efficiencies and budgetary savings. The City of London Corporation has embarked on a series of strategic reviews focusing on budgetary savings and improving the effectiveness of the way people work. The City of London Police have initiated the City First programme which seeks to deliver a policing model based on a commitment to service delivery that provides value for money and is affordable given known financial constraints. As part of these savings programmes, both organisations have undertaken work to examine several areas for the potential of initiating a shared service.
2. The City of London Corporation and the City of London Police have a long history of collaborative working on areas of mutual interest; indeed both organisations are working very closely together on the new procurement project 'PP2P'. They have a rich history of shared services and with this in mind, work began on looking at five areas to see if a shared service would be beneficial to us both. For the purposes of this report a shared service is defined as a service that is of mutual interest, is mutually beneficial, 'adds value' to both organisations and is

administered by either both organisations or by one of the organisations on behalf of the other. The areas investigated are listed below:

- (i) Occupational Health
- (ii) Human Resources
- (iii) Call Handling
- (iv) Public Relations
- (v) Information Systems

Overarching Projects

3. The Shared Services Project is underpinned by the outcomes of the Accommodation Review. There is agreement that following the review of police accommodation, the City of London Police will vacate current office space and utilise the office accommodation within Guildhall Yard East (GYE). This will dovetail with the City Corporation seeking to vacate GYE. This shared accommodation may impact some of the potential shared services such as the use of a shared call handling system.
4. The City Corporation's procurement project 'PP2P' has impacted on the work of shared services. Two areas, namely facilities management and finance, where a potential shared service might be viable, will be picked-up by the work of PP2P over the coming months and we will keep Members informed of that work as it progressed.

Areas for a Potential Shared Service

Occupational Health

5. There is a large degree of overlap between the Occupational Health services of the City Corporation and the City of London Police. Occupational Health plays a vital role in helping both of us to care for and understand the needs of our employees, enabling a reduction in sickness absence levels and optimizing staff performance and productivity. Following extensive research by both organisations and work with Accenture, where a soft market test was conducted, it is felt that both organisations should move ahead with a shared service in the form of an in-house Occupational Health service probably located at Walbrook Wharf. This would be subject to a further review in a year's time to ensure value for money. Further details are available in Appendix 1.

Human Resources (HR)

6. Related to the area of Occupational Health is Human Resources (HR). The City Corporation has recently undergone a restructuring exercise, bringing together all HR functions in to one consolidated unit. The unit not only administers HR for the

City Corporation but also for one external organisation, London Councils. Discussions have been underway to see if there is the ability for the City Corporation to provide either purely transactional services, or a comprehensive HR service, for the City of London Police. The Director of HR is currently undertaking detailed work to assess the feasibility of a shared service and whether there is a financial benefit for the City of London Police. It is anticipated this work will be completed by mid-Summer 2012.

Call Handling

7. Both organisations handle a large volume of calls. The City Corporation manages its calls through contact Centre, which is located in Guildhall Yard East. The Metropolitan Police receives calls to 999 and 101 (national non-emergency number) on behalf of City of London Police and transfer them to its Control Room, located in Wood Street Police Headquarters. Other non-emergency calls directly to the Force's general enquiry number are also handled by the Control Room. Although there are differences in the nature, volume and speed of response to calls, there is capacity for a potential shared service in this area. Call handlers from the City Corporation have taken part in a 10-week familiarisation programme in the City of London Police's Command Centre to understand the Police processes. There is a long-term aim to have a joint call handling operation. The next step will be to undertake minor infrastructure work to provide a pilot scheme whereby calls can be transferred automatically between us to determine the effectiveness of this shared service. As stated, the accommodation review will impact the potential of a shared service.

Public Relations

8. Both the City of London Police and the City Corporation undertake a variety of work in the area of Public Relations. This function is vital for both us; this has been illustrated recently by the St Paul's protest and the need for rapid response to both regular media and social media. There are areas of duplication between us, such as internal communications and internal publications, and initial work on the potential for a shared service indicates that there is scope for small-scale efficiencies. It is felt that there would be benefit from an external consultant reviewing the initial findings with a view to presenting further options for sharing. It may be that there is limited financial savings but a service that could provide an improved quality of service. Once this work is completed, Members will be updated further with a view to progressing any potential shared service.

Information Systems

9. Information Systems (IS) is an area of large expenditure for both of us. Work was undertaken to examine areas of synergy and both parts of the organisation are currently reviewing their own services to see if working with an external partner would be beneficial. The City of London Police is looking at the possibility of joining a cluster of Eastern Counties Police Forces for both police related and non-police related systems. The City Corporation is working with an external

specialist to develop options for an out-sourced solution, in the next Phase of the IS review. The Chamberlain is pursuing options for better internal sharing of at least some Police IS Services.

Conclusions

10. Current economic conditions are driving the need for efficiency savings and shared services provide the opportunity for both quantitative and qualitative benefits. Occupational Health and Call Handling provide an opportunity for a implementing a shared service. Further work is required in the remaining three areas identified to see if a shared service is viable and warranted. Members will be updated further in the coming months.

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Appendix 1

ESTIMATE OF SAVINGS FROM A SHARED OCCUPATIONAL HEALTH SERVICE			
Area of efficiency	Phase 1	Phase 2	Total savings
	Oct 2012-Sept 2013 £	Oct 2013-Sept 2014 £	£
Reduction in COL Occupational Health Physician (OHP) time from 8 to 6 sessions per month (estimate based on average BMA rates rather than COLP OHP rates which are high)	£11,475	18,525	30,000
Reduction in OHP contracted weeks from 47 to 45 (based on COLP OHP rates)	4,500		4,500
Reduction (estimate 10%) in cost of Cognitive Therapy services through renegotiation of contract	3,600		3,600
Shared clinical waste contract	1,500		1,500
Reduction in physiotherapy of 4 hours per week	16,000		16,000
Reduction in administration 0.5 FTE		16,900	16,900
Saving in COLP software maintenance costs through shared use of COL database	5,000		5,000
		Total anticipated savings	77,500
Indirect reduction in cost of counselling services for COL currently recharged to Departments	13,800		13,800

There is potential for additional efficiencies in IT, equipment and administration that are not quantifiable at present.