



**Metropolitan Police Authority**

**Resources and Productivity Sub Committee - 13 June 2011**

**MPS Change Programme Update**

**Report by the Director of Resources on behalf of the Commissioner**

**Summary**

This report updates members on the progress of the MPS change programme portfolio (formerly known as the SIP portfolio).

**A. RECOMMENDATIONS - That**

- 1. Members note the progress on the MPS change programme portfolio and make any comments.**

**B. SUPPORTING INFORMATION**

1. This report provides an overview of how the change programme portfolio is performing since the last update to RAP presented in January 2011.

**Delivering within Reducing Resources**

2. The Commissioner has outlined our vision of a Balanced Policing Model with Safety, Confidence and Value for Money at its core. Key elements of the balanced policing model includes an organisation that delivers a safe and secure Olympic Games; achieves a balance between local, pan-London, national and international priorities; achieves an appropriate balance between prevention, response and investigation policing and balances the needs of the public within the available budget.
3. In developing our plans within the constraints of reducing resources maintaining a balanced policing model is essential. The Service is committed to delivering excellent policing from tackling ASB and other crime in neighbourhoods through to dealing with terrorists and the most serious criminals often 'behind the scenes'. We relies on the work of warranted officers, PCSOs and police staff and ensure that our resources are appropriately allocated across the range of policing challenges facing London.
4. Against this background the Service is expecting to have to reduce its spending (compared to 2010/11 budget) by some £600m by 2014/15. If we are going to mitigate the impact of these reductions on our

performance we need to consider radically different ways of delivering our services, what services we must continue to deliver and whether the current balance in our policing and business model remains fit for purpose.

5. In developing our 2012-15 Policing Plan we are, therefore, focusing on:
- **Reducing our inanimate costs** (vehicles, buildings etc) as quickly as possible (we are on track to remove 20% of our costs in those areas over the coming three years, including 25% of our estate costs).
  - Undertaking **process improvement activity** to drive better services and increase value for money. We will apply best practice from across the MPS and beyond, using our corporate processes for governing change to ensure learning is shared and acted upon.
  - We are applying this approach across everything we do, with a continuing emphasis on ensuring our **business model is as lean as is practically** possible (over 80% of our currently planned change programme savings per annum from 2013/14 are from support services).
  - **Sharing services across business groups**
    - a) further developing the work in support functions, for example finance, HR, IT and Logistics into a Professional Provider Model for business support functions.
    - b) building on the work underway to share programme management capability across business groups.
    - c) developing options for sharing some operational and non-operational functions across business groups
  - Exploring a range of **outsourcing and joint ventures** that could be pursued once internal process improvement activity has taken place.
  - Only then reducing operational officers and PCSOs and mitigating the loss in capacity, for instance through process re-engineering and working with others, however the MPS has aimed to deliver operational savings through savings in overtime (£12m planned by 2013/14) and allowances (£16m by £2013/14);
  - The MPS has developed **benchmarking models for operational and non-operational management on-costs**. This is being used in our largest operational programme of work to ratify business cases and ensure proposed management levels are appropriate. The models are enabling tools for use by the corporate change programmes to identify and maximise the release of savings and will provide a consistent methodology to inform management levels in the MPS.
  - Management Board has mandated that Business Groups within their business as usual activity as well as all corporate change

programmes should be tested against the benchmarking models to achieve the right balance of low management costs and minimised risk. These benchmarking models should be used to challenge existing management ratios on a regular basis.

- **Treating our officers and staff fairly and with dignity** as the Service undergoes this significant change.

### **The current change management portfolio**

6. The MPS change management portfolio continues to develop to ensure that it is reflective of all the key service improvement issues. Headline criteria for programmes and projects included within the portfolio are as follows:

- a) ideally broad in nature (i.e. cross-business group);
- b) offering significant efficiency savings or other benefit;
- c) representing significant improvement;
- d) offering significant reduction of organisational risk.

A full list of existing MPS change programmes can be found at Appendix A.

7. For the benefit of this report, key change programmes have been defined as those that have either significant savings built into the budget or are likely to deliver significant savings. Therefore, for this quarter, this report will focus on the following key change programmes:

- **DoR:** Developing Resource Management
- **TP:** TP Development Programme
- **HR:** Training Modernisation
- **Dol:** Lean

### **Change programme updates**

8. **Developing Resource Management** (improving MPS professional, non-operational services) has six workstreams in delivery. Progress in recent months can be recorded as follows::

- Corporate Real Estate over 2010/11 (making best use of the MPA/MPS estate) achieved 92% of planned building exits, and the team are further ramping up delivery for 2011/12. Key dependencies include the review of public access being delivered through TP Development.
- The Delivery of Property Services workstream (improving property services and reviewing major corporate contracts and services) is producing significant improvements and savings - for example, on 1 April energy procurement transitioned to the Buying Solutions Framework.
- The PSD-led workstreams delivered over £10m in revenue savings over 2010/11.
- Improvements to SAP, the key MPS resource management system, are in delivery, following expert review of financial management

through SAP.

- New invoice management tools (within SAP, replacing standalone systems) are now being mainstreamed - invoices being managed on system will be aggressively ramped up over May and June.
  - Capital management tools, also in SAP, are supporting the end of year process, with more reliable and efficiently produced reporting/oversight of the MPS capital programme.
  - Asset tracking tools are in development to manage uniforms and criminal exhibits; a supplier of handheld devices (to scan asset tags) was appointed in March 2011 and a full asset tracking solution for uniforms will go-live in July 2011.
  - Proposals were agreed by Management Board, May 2011, for Finance and Resources Modernisation 2 - which will integrate finance and resources services to ensure efficient professional delivery.
  - Improvements are also being delivered in Procurement, with enhancements to systems in delivery, and support to business groups managing contracts ongoing (through a toolkit and bespoke training).
  - In March Management Board agreed a 'No Purchase Order, No Pay' policy to lock in compliance improvements across the organisation - this will be implemented in September 2011 following extensive work with business groups and suppliers.
  - The Source-to-Payment workstream (delivering an upgraded e-tendering system, the first stage of the e-Procurement transformation strategy) is moving forward, with the external supplier IBM agreed in March: work is progressing with suppliers for full delivery in November 2011.
  - DRM Steering Group also agreed a new project in April 2011, the development of a tool to enable benchmarking of management costs for professional, non-operational services - this is now being planned with relevant stakeholders.
9. The **TP Development Programme** has made substantial progress during the first quarter of 2011;
- TPHQ phase 1 changes are now underway, beginning the process to select officers and staff in the lower ranks and bands for the new CCS OCU.
  - 102 Schools PCSO posts are in the process of redeployment.
  - Several complex business cases have been approved at TP Chief Officer Group (COG). Final approval for three business cases IBO/CCC, Duties and Intelligence projects were approved at Governance Board in May, giving them the green light to move into full implementation. HR plans for early projects are in place and driving progress.
  - The CCC/IBO relationship is being re-shaped. New CCC 'borough pods' will remove duplication of functions – such as CAD work by IBOs - and improve the service. CCC borough pods will supervise all dispatch activity to close of incident. These new-style pods are

now working in two boroughs piloting an innovative new approach to response policing.

- Response pilots have also begun. They are currently running in Lambeth and Brent. In the pilots, the already high performance in responding to emergencies has been sustained by the smaller teams. Local Policing Teams (LPTs), are making and keeping many more non-urgent appointments.
- A Crime Recording and Investigation Bureau (CRIB) has also been designed. It will transform borough-based Telephone Investigation Bureaus (TIBs) and Crime Management Units (CMUs) into a central command. The centralisation of TIBs will start in the autumn. CMUs will move into CRIB in the first half of 2012.
- The TP Development Programme Board has agreed a rigorous approach to conducting EIAs at both project and Programme level. Initial equalities impact assessments are conducted in parallel with the development and submission of the business case for each project. As business cases are approved and projects move into implementation phases, full equality impact assessment are developed. These are living documents which will develop as the project progresses and the assessments will identify potential impacts on both communities (service delivery issues) and staff.
- The Diversity and Citizen Focus Directorate (DCFD) is providing extensive support to the Programme and the Director of DCFD is a member of programme board. An initial programme level assessment has been prepared which considers the cumulative impact of the individual projects. Mitigating actions are being included within implementation plans at project and programme level as appropriate.
- Current dependencies between TP Development and CRE relate to the timing and outcomes of the public access review, Safer Neighbourhood review and Custody service. Individually and collectively the outcomes significantly shape the future estate and have a potential impact on real estate costs. The CRE programme for FY 2011/12 is currently planned around the timed outputs from these workstreams. The dependencies are monitored bi-laterally - PSD participate in the TP Development workstreams and TP participate in the CRE change leaders meetings.
- TP Development Programme has ensured that other business groups and change programmes are represented on its programme board, on individual project boards and challenge panels to ensure that dependencies are identified and managed. Some projects are jointly run, and managed through governance processes in both business groups.

The latest TP Development Programme update report for SOP has been attached as a background paper.

10. The **Training Modernisation Programme** intends to improve the way we organise and deliver training by implementing a business model

that optimises the provision of high quality training at the lowest cost within a shared service approach. The intention of the programme is to rationalise current training delivery by reducing the overall number of training units to a Regional Learning Centres (RLCs) model supported by specialist training facilities. We will use trainers and our estate more effectively to support operational policing by delivering a variety of training programmes throughout the day, evenings and at weekends. A new planning and governance model will provide the MPS with a co-ordinated and flexible approach to training delivery that is efficient and cost effective.

11. The **Dol Lean Programme** is intended to radically change the way the Dol does things by focusing on improvement of processes that add value to our customers and removing activity that doesn't, as well as creating a culture of continuous improvement. The Programme aims to deliver almost £14 million towards Dol's savings targets by working together to transform the Dol into a more customer focused, efficient and effective organisation.

#### **Change programme status**

12. Change programme success factors involve the ability to improve the service and help close the budget gap, whilst contributing towards the delivery of a balanced policing model. In implementing any new business processes or functions, change programmes will need to:

- Maintain operational capability
- Deliver efficient and effective support services at the lowest possible cost
- Make the most productive use of operational assets.

A MPS change programme high-level timeline can be found at Appendix B.

13. The tables below focus on programme status and describe any risks and slippages experienced. The indicators are RAGd as follows:
  - **Red** - the programme is off target with significant issues placing it at risk
  - **Amber** - the programme has some slippage but mitigating actions are in place
  - **Green** - the programme is on target with little or no significant issues

## DRM Programme

Criteria	RAG	Rationale
Overall programme status	<b>GREEN</b>	Overall project milestones continue to be met, building on successful delivery of all projects within DRM so far
Identified risks & mitigating actions	<b>GREEN</b>	Programme risks are being proactively managed, with key risks including resourcing of project activity (with requirements for support across DoR, DoI and HR) and management of interdependencies across change programmes (eg impact of Public Access review on Corporate Real Estate)

## TP Development Programme

Criteria	RAG	Rationale
Overall programme status	<b>GREEN</b>	<p>The impact of the programme begins to be felt more widely across the organisation. Early Departure Schemes for three projects will be launched in early June, and other projects will follow soon after.</p> <p>A number of new pilots and “early adopter” implementations are in progress, A Sutton/Merton shared custody service will go live in early June. The Hannah pilot evaluation will report to Programme Board in June.</p> <p>The programme is supporting boroughs to manage the forthcoming changes. The Business Change Strategy was presented to Programme Board in April and debated at AC’s Borough Commanders meeting on 09 May. A CRIB impact analysis, and practical monitoring tools and approaches were well received. Every borough will need dedicated resource to coordinate change.</p> <p>Borough packs were issued on 04 May for boroughs to validate baseline data. This exercise will significantly improve HR data and be invaluable for other SIPs.</p>
Identified risks & mitigating actions	<b>AMBER</b>	<b>Dependencies with other SIPs</b> - The programme is mitigating by engaging at all levels, including representation by other business groups on project boards, document review

		<p>panels and joint governance structures.</p> <p><b>Budget pressures resulting from dependency on corporate workforce planning</b> to make savings by allowing redeployment to take place - TP has established a workforce planning meeting chaired by the DAC.</p> <p><b>Timescales for HR procedures</b> - Urgent focus on HR plans and reinforcing programme HR resource to ensure that consultation and selection processes are actioned and followed through for every project, as these have long lead times.</p>
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### Training modernisation programme

Criteria	RAG	Rationale
Overall programme status	<b>GREEN</b>	Phase 1 of this programme is now complete and a new Learning Operations (introducing Regional Learning Centres) and a new Business Support and Strategy Unit are in place. The strategic aim for 2011/12 was to reduce the 84 independent and often small training units to a five Regional Learning Centre (RLC) model. The model involves a strong focus on two core elements; firstly wherever possible we have utilised a shared services approach so that administrative and logistical functions are delivered more efficiently and secondly generating efficiencies through the flexible use of 'professional' (full time) trainers operating across a range of disciplines.
Identified risks & mitigating actions	<b>GREEN</b>	<p>The development of the new business model commenced in May 2010 and will be fully implemented by March 2014. The phased approach is outlined as follows;</p> <p><b>Phase 2 - 4th April up to the Olympic period 2012</b></p> <p>Key activities within this phase will be;</p> <p>To fully embed the new model</p> <p>Centralise the External Training Budget (and Corporate Training Budget) with effect from 1<sup>st</sup></p>



		<p>April 2011.</p> <p>Independent review of Specialist Training To review training income generation capability.</p> <p><b>Phase 3 - Post Olympic period to March 2014</b></p> <p>Implement remaining recommendations to realise final tranche of savings.</p> <p>A major benefit of the Training SIP is the delivery of cashable savings. The net saving associated with the current Training SIP is £10.0m in 2011/12 rising to £21.9m in 2012/13.</p> <p>Phase 2 and 3 are to be signed off by Management Board</p>
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### Lean programme

Criteria	RAG	Rationale
Overall programme status	<b>GREEN</b>	The programme has been accelerated to maximise the potential for savings this financial year. On track with the schedule of events. £6m reduction in revenue budget expected this financial year.
Identified risks & mitigating actions	<b>GREEN</b>	Realisation of the full amount of savings in-year is challenging given the time needed to identify and implement change. Good tracking and reporting mechanisms in place to maintain close monitoring of savings.

### Additional MPS change programmes and activities

14. In addition to the four major programmes highlighted above, other change activities are underway across the MPS. In CO there are currently nine agreed areas of work, which amongst others include support service review, allowances, shift review, and asset management. New workstreams have been identified and work is ongoing to ascertain how they will be taken forward. It is anticipated that some development areas are intrinsically linked with the TP Development Programme, therefore TP and CO are currently scoping these, and plans are being prepared to link this work into the TP Development Programme with support from CO. The sharing of project management capability is a working example on how the MPS is sharing services internally.
15. In addition, the SCD Realignment Programme plan is being developed. The plan illustrates the proposed projects which will make up the programme, subject to Management Board approval. The RAG status has been assessed as Amber as, although no major programme

milestones have been missed, a number of project briefs are still to be developed. Amongst others, the strand areas are: Specialist Crime Investigation, Organised Crime, and Intelligence and Covert Policing.. SCD have hosted a number of internal and external challenge panels. The external panels involved organisations such as HMRC, UKBA, CPS, SOCA and the chairs of the diversity strand and Trident IAGs. A presentation to Management Board, outlining the realignment programme proposals, took place on 1st June and SCD Command Team are planning a meeting for September to consider business case proposals. Liaison continues with other Business Groups to ensure programme proposals are co-ordinated.

### **Dependencies management**

16. The management of dependencies across MPS change programmes is actively underway. Centrally, Strategy and Improvement Department (S&ID) are reviewing dependencies through the corporate risk management process. This risk management process is categorised under three separate headings: Strategic, Business Group or Major Change Programmes. In all cases, S&ID act as the gatekeeper for the newly identified risk. MPS change programme dependencies are also centrally captured through regular discussions with both programme leads and individual project managers. There are a number of emerging phases being explored through the use of a dependencies matrix, which logs the dependencies and their level of importance. Common themes are emerging in enabling areas such as HR, Property, Diversity and ICT, as well as programmes and projects in early stages of development such as F&R2.
17. Locally, each programme/project has their own governance structures in place. Both programme and project boards are used to manage risks and dependencies, with opportunity for escalation to the MPS Governance Board. Programme and project boards have representatives, as required, from other affected business groups, in addition to the enabling areas. The TP Development Programme and the SCD Realignment Programme have both held a series of successful challenge panels, which ensure proposals put forward in business cases have been appropriately scrutinised by external expertise and any unforeseen risks and dependencies are adequately mitigated and managed.
18. Enabling areas such as HR and Property also run their own internal meetings, where programme updates and learning are shared. These meetings give the subject matter experts the opportunity to monitor the impact of MPS change programmes within their business area.

### **Savings target**

19. The below table provides details of the change programme savings initiatives that are included in the 2011- 14 Business plan.

				Police Officers (including IPLDP)			Police Staff			PCSOs		
	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14
	£m	£m	£m	No	No	No	No	No	No	No	No	No
Recruitment model modernisation	-8.2	-10.6	-10.6	-308	-265	-265						
Rationalisation of property estate	-8.5	-17.8	-23.8									
Property Services modernisation and contract	-9.5	-9.5	-11.5									
Catering	-5.2	-7.3	-11.1				-100	-140	-140			
Training	-9.4	-21.3	-21.3	-91	-211	-211	-100	-219	-219			
Transport	-5.0	-5.0	-5.0									
ICT efficiencies and contract	-13.1	-23.9	-29.1				-93	-163	-203			
F & R modernisation and contract	-0.9	-1.3	-1.4				-12	-24	-25			
Other strategic procurement	0.3	-13.7	-14.3									
Asset tracking	0.0	0.0	-1.0									
Territorial Policing development	-26.2	-43.1	-54.8	-384	-533	-643	-358	-408	-438	-100	-200	-200
<b>Total Service Improvement</b>	<b>-85.7</b>	<b>-153.5</b>	<b>-183.9</b>	<b>-783</b>	<b>-1,009</b>	<b>-1,119</b>	<b>-663</b>	<b>-954</b>	<b>-1,025</b>	<b>-100</b>	<b>-200</b>	<b>-200</b>
<b>Remaining Budget Gap</b>	<b>0.0</b>	<b>92.8</b>	<b>174.3</b>									

### Workforce management

20. In recognition of the workforce issues that will inevitably result from the major restructuring programmes within the MPS, the HR Directorate developed a vacancy management model to monitor actively and control the internal and external filling of police staff vacancies. The Star Chamber acts as governing authority for all police staff recruitment activity and rigorously assesses all requests for both internal and external selection activity.
21. The Star Chamber considers all requests to fill vacancies, ensuring not only that funding is available but also that the business group is either holding their required vacancy factor or managing their headcount reduction in line with the relevant SIPs and restructuring programmes. Where a vacancy is authorised, displaced staff from the Police Staff Posting List will always be considered first with the expectation that they will be posted into the vacant position if they can meet the minimum requirements of the role or would do so with an appropriate level of training and support.
22. The Star Chamber also manages and authorises the appointment of temporary workers, assessing the appropriateness of all requests and setting maximum periods of engagement. Any request for an extension

of engagement must also be presented to Star Chamber for authorisation.

23. This activity and level of corporate control ensures that the MPS can satisfy its obligations to manage the deployment of police staff and to ensure that all agreed pre redundancy measures are discharged. The trade unions perform a critical role in the decision making process as they make a valuable contribution at the Star Chamber.
24. A Strategic Workforce Planning Group (SWPG) has now been introduced to oversee all activity in relation to the workforce challenges the MPS now faces. This group, with membership at Assistant Commissioner level, takes a high level view of the workforce issues, considering the inter dependencies, the budgetary pressures and implications for all staff groups. The SWPG is able to consider the workforce challenges from a corporate rather than programme perspective and will therefore play a key influencing role in developing new service delivery models.

#### **Police Staff Early Departures Schemes**

25. Approved Early Retirements and Voluntary redundancy are established pre-redundancy measures used to minimise the need for compulsory departures. Such approaches facilitate effective employment relations and minimise the risk of unhelpful media coverage. Within the MPS, the Trade Unions are supportive of voluntary early departure exercises.
26. In line with the growing pressure on the timescales for delivery of the change programme efficiency savings, HR launched an initial voluntary early departure scheme for police staff in November 2010. This was restricted to five identified groups:
  - Traffic Wardens
  - Station Reception Officers (SROs)
  - Catering Modernisation SIP (defined group of in-scope staff)
  - Training Modernisation SIP (defined group of in-scope staff)
  - Existing Police Staff Postings List (displaced staff)

These groups were selected on the basis that either (a) the function as it is currently delivered is obsolete or (b) from April 2011, there will be fewer posts than staff currently employed and therefore a reduction in the existing headcount was critical for achieving the savings the MPS has built into the change programme and other elements of the MTFP.

27. The early departure scheme was open to all staff within these groups who possessed at least 1 year of service, and exits were offered under either Approved Early Retirement or Flexible Early Severance terms. A guaranteed selection process was adopted across all five groups (i.e. those who applied were automatically accepted). Voluntary Early Departure terms were offered to 1,349 members of staff across the five groups. 448 individuals (33%) accepted the offer, at a cost of

approximately £12.5m.

28. Although the MPS continue to maximise all the pre-redundancy measures we have available (e.g. vacancy control via HR Star Chamber, ongoing review of agency workers), in a paper presented to the MPA Finance and Resources Committee in November 2010, it was recognised that further staffing groups were likely to be brought in-scope for early departure in line with the emerging needs of the business.
29. The groups proposed for the second phase of the police staff Early Departure Scheme which commenced on 1 April 2011 were as follows:
  - Existing Police Staff Postings List (displaced staff)
  - Traffic Wardens
  - SROs
  - Catering SIP (defined group of in-scope staff - expanded from Phase 1)
  - Training SIP (defined group of in-scope staff - expanded from Phase 1)
  - Performance
  - CCC
  - SCD26 (Oversees Visitors Regulation Office & Prison Licences Liaison Team)
  - Directorate of Information (all Business areas)
30. Changes are also required to the PCSO establishment during 2011-2012. We are confident that these can be achieved through a combination of vacancy management, natural attrition and feed through to police officer recruitment.
31. On 6 June 2011 a third phase of Voluntary Redundancy will commence for in-scope police staff within Logistical Services and three projects within the TP Development Programme.
32. Police officer displacement will be managed in accordance with the police posting policy and associated standard operating procedures.
33. Proactive communication strategies at both the corporate and local level will be key to support the change being progressed and achieving the associated benefits. HR will work closely with DPA to ensure fully fit for purpose strategies are in place. Much work is already been done in this area, for example, the production of standardised FAQs addressing different aspects of change and the HR Directors of Organisational Development and Employment Relations are part way through a series of joint briefings for all Business Group command teams on the direction of travel in relation to the range of people issues arising from the current change portfolio and how HR, both corporately and locally, can support the business in the delivery of these changes.

34. Given the significant employment relations issues that arise from the direction of travel outlined within this section, it is vital that the MPS work with the TUS as closely as possible over the coming months in order to ensure we deliver the full benefits of our new service delivery models whilst treating our staff with fairness and dignity. This will be key to internal and external confidence. Effective TUS engagement was achieved during the initial voluntary early departure exercise and we will look to maintain and build on this through the following forums:
- Bi-monthly meetings between Management Board and the TUS
  - Fortnightly change coordination meetings chaired by the HR Strategic Director of OD
  - The monthly Terms and Conditions Forum chaired by the HR Strategic Director of Employment Relations, Health & Well-being
  - Local consultation meetings that are in place for each of the SIP projects

#### **Governance arrangements**

35. There is a strong governance structure in place to support the corporate change programmes to deliver. The governance processes provide those working in change programme with opportunities to share good practice and discuss MPS wide cross cutting issues.
36. To support Management and Governance Board, S&ID are coordinating the delivery of the change programme portfolio. This coordination process now includes all major change programmes and not just those originally considered a SIP, thereby ensuring all change undertaken throughout the MPS is captured. To achieve this, the Business Improvement and Risk team within S&ID is working as a portfolio office to coordinate and regularly monitor all corporate change. S&ID is working alongside Finance Services and HR colleagues to ensure the portfolio office has the right level of expertise in these specialist areas. At a tactical level, S&ID also facilitate a Programmes Working Together (PWT) group, which provides programme managers from across the MPS with the opportunity to come together to discuss cross cutting themes, risks and dependencies, and share learning. PWT last met in April and is next due to met again in July.
37. During the March MPS Management Board away day, it was agreed that Governance Board continue to act as the oversight board for all MPS change programmes, authorising business cases, monitoring overall progress, risk, opportunities and dependencies and helping Management Board ensure that the portfolio delivers a balanced policing model. Each major change programme has its own senior responsible officer, programme manager and programme board who are responsible and accountable for programme delivery, programme level benefits management, dependencies mapping and risk management.
38. In recent months, Management Board has received additional support

through the 'Post Olympic Change Group'. This Group has senior management representation at Director and Commander level, and is responsible for strategically coordinating the delivery of the key change programmes in the MPS, whilst assuring Management Board that said programmes are on track, linkages are properly considered and reports to Management Board are timely. The Group is chaired by the Director of Strategy & Improvement Department.

#### **Collaboration within the Met**

39. There is much national focus on collaboration in policing. The scale and regional nature of the MPS means we have already been able to implement shared services – internal collaboration – across a range of activities, from the investigation of serious sexual offences to HR and finance. We also collaborate with other forces, notably through joint working with BTP and City of London Police. The Extradition Unit and the Police Central e-crime Unit are examples where we are lead force nationally, and we have particular national responsibilities in counter terrorism, domestic extremism and in planning for the 2012 Olympics and Paralympics. We have outsourced payroll, pensions and significant part of our ICT and FM functions. Developing further internal shared services and identifying additional opportunities for outsourcing are part of our strategy for delivering a balanced policing model and balanced budget in 2014/15.

#### **Achievements**

40. Achievements by MPS change programmes within recent months include:
- The Corporate Real Estate and Delivery of Property Services workstreams have saved over £10m and generated £20m of capital receipts from the sale of surplus property assets.
  - Projects led by Procurement Services rolled out a Contract Management Toolkit, and Procurement Awareness Training, supporting better buying and contract management.
  - 50 new Business (Strategic) Procurement Plans developed, which will deliver savings of £10m by the end of 2013/14
  - A new system for Invoice Management, within SAP, which will massively increase the proportion of invoices we process electronically rather than on paper
  - TP Development's CRIB business case was signed off in principle by Management Board on 8 December, full roll out is expected in 2012.
  - The response pilots on Lambeth and Brent have gone live as planned.
  - On 10 March AC McPherson briefed 200 middle managers across TP giving them a Programme overview and taking questions. Project managers from Safer Neighbourhoods and the Response pilot presented details of the latest progress within these projects. Further briefings are planned throughout the year and will focus on

different areas of the programme

- THR went live in November and is now fully functioning.
- Phase one of the training modernisation project which involves the launch of the Regional Learning Centres and training gyms went live as planned on 1 April
- The catering project has ensured that refurbishments to NSY and ESB canteens have been undertaken. Initial analysis suggest revenue has increased as a result of the refurbishments.
- The SCD Realignment Programme team has examined demand, workload and performance across SCD and identified improvements in efficiency and effectiveness. The work included focus groups with SCD colleagues and consultation with staff associations. The team has developed options for savings from April 2012 onwards.

A DRM Achievements Leaflet has been attached as a background paper.

## **C. OTHER ORGANISATIONAL & COMMUNITY IMPLICATIONS**

### **Equality and Diversity Impact**

1. All projects in the MPS change programme portfolio are required to have an accompanying full Equality Impact Assessment (EIA). This EIA is a working document that runs alongside the project from proposal to implementation and will identify at the earliest opportunity any potential risk of disproportionality and enable this to be mitigated or proactively managed.

### **Consideration of MET Forward**

2. MPS change programmes are a key part of the developing Policing London Business Plan 2011-14, which is drafted in full consideration of MetForward and follows the same themes and outcomes for policing London.

### **Financial Implications**

3. MPS change programmes are a key component of MPS forward planning and are expected to deliver approximately 56% of the identified savings between now and 2013/14. Inevitably there is risk attached to change of this scale, and for this reason it is proposed to include a specific section within the monthly financial monitoring report to Finance and Resources Committee, outlining progress against each of the programmes. This section will look not only at the current financial year but also the impact going forward.
4. As the table at paragraph 19 identifies, the change programmes are not always business group specific and start to bring portfolio responsibility and accountability into MPS budgetary control, rather than solely the business group accountability model.



5. Key to this portfolio approach and delivery of all savings (including those savings sitting outside the change programmes) is understanding dependencies and areas of cross-over. Financial monitoring as identified above is therefore vital to ensure both transparency and deliverability of savings identified.
6. The 2011/12 budget includes resilience of £25.1m to manage the risk around the savings and contribute to any voluntary departure payments in excess of the amount identified from earmarked reserves. Updates on the position around voluntary departures will be included within the monthly financial monitoring report.
7. In building the budget for the 2012-15 Policing London Business Plan assumptions around change programmes will be assessed and changes made where applicable. Again, such changes will be highlighted in the monthly financial monitoring report. In addition, further change programmes will be added as the MPS looks to close the additional c£300m gap in 2014/15.

#### **Legal Implications**

8. There are no direct legal implications arising from this report which is submitted for information only.
9. The MPS Change Programme portfolio aims to secure continuous improvement in the way the MPS exercises its functions, having regard to a combination of economy, efficiency and effectiveness, thereby driving best value in the delivery of the police service.
10. The various work streams under the MPS Change Programme portfolio are likely to result in a number of legal and governance issues. Legal advice should therefore be obtained as and when appropriate.

#### **Environmental Implications**

11. There are no environmental impacts arising from this report.

#### **Risk Implications**

12. New risks for key change programmes are documented within the body of this report and each change programme maintains a risk register and associated risk management processes to aid decision making. Oversight of corporate change risks is maintained by the Strategy & Improvement Department and incorporated within the MPS corporate risk register.

#### **Report author:**

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**Background papers:** TP Development Programme Update Report

DRM Achievements Leaflet

**Current MPS Change Programmes**

<b>Business Group</b>	<b>Programme/Project Title</b>
<b>DoI</b>	Thin Client & Virtualisation
	Reduce cost of current supporting IT
	Shared IT platforms and shared IT services
	Corporate Print Management Solution
<b>DoR</b>	<b>DRM :-</b> <ul style="list-style-type: none"> <li>• Corporate Real Estate</li> <li>• Finance &amp; Resources Modernisation 2 (F&amp;RM2)</li> <li>• Delivery of Property Services</li> <li>• Procurement</li> <li>• SAP</li> <li>• Source to Payment</li> <li>• Asset tracking</li> </ul>
	Capital Investment Impact - Projects IN to Service (PINS)
	3G - Fleet Fit Out and Fleet Maintenance
	Shared Services
	Olympic Park Legacy
<b>HR</b>	THR (People Services)
	MPS Language Programme
	Transport Services
	Catering
	Training Modernisation
	Shift Review
	Expenses Policy & Processes
	Uniform storage and delivery
	Terms and Conditions
<b>SCD</b>	<b>SCD Realignment Programme :-</b> <ul style="list-style-type: none"> <li>• Specialist Crime and Investigation</li> <li>• Organised Crime</li> <li>• Strategic Risk Management &amp; Specialist Crime Reduction</li> <li>• Intelligence &amp; Covert Policing</li> <li>• Intelligence</li> <li>• SCD Operations Room</li> <li>• Criminal Justice</li> <li>• Performance</li> <li>• Workforce Deployment</li> </ul>

	<ul style="list-style-type: none"> <li>• Business Support</li> <li>• Investigation</li> </ul>
	Forensics
<b>TP</b>	<b>TP Development Programme :-</b> <ul style="list-style-type: none"> <li>• TPHQ (C&amp;CS)</li> <li>• Crime Response Investigation Bureau (CRIB)</li> <li>• Intelligence</li> <li>• Command and Control (IBO/CCC &amp; TRC)</li> <li>• Response</li> <li>• Safer Neighborhood Teams (SNTs)</li> <li>• Public Access (Front Counters)</li> <li>• Performance</li> <li>• Detention</li> <li>• Wanted Offender Management</li> <li>• Investigation</li> <li>• Joint Prosecution Service (IPT2)</li> <li>• Partnership (MASH)</li> </ul>
	MSC
	Virtual Courts
<b>CO</b>	<b>CO Improvement Plan :-</b> <ul style="list-style-type: none"> <li>• Deployment Bases</li> <li>• Support Services Review</li> <li>• Asset Management</li> <li>• MPSTC</li> <li>• Modernising Payment Process</li> <li>• Firearms Cadre</li> <li>• Shift Review Pattern</li> <li>• CO Allowances</li> </ul>
<b>Corporate Projects</b>	Corporate Intelligence Review
	Corporate Performance Review

**MPS Change Programme High-level Timeline**

