

**CUMBRIA POLICE AUTHORITY  
Policing Plan and Best Value Committee**

16 March 2006

Agenda Item no 9

**BEST VALUE COST BENEFIT ANALYSIS**

**A report by the Chief Constable.**

**SUMMARY**

The purpose of this report is to provide a cost/benefit analysis of best value activity within Cumbria Constabulary since 2000.

The analysis will include:

- i. A summary of overall organisational benefits derived from carrying out best value review activity, excluding those associated with specific individual reviews.
- ii. An overall cost and efficiency analysis of best value reviews, including implementation costs where these are known and efficiencies from improvement reviews.
- iii. Individual cost/benefit analyses of all completed reviews, including qualitative business benefits.

The cost/efficiency balance sheet for 2000 – 2006 is as follows:

	(£)
Cost of carrying out review activity	383,526
Cost of implementation	905,881
<hr/> <i>Total Costs</i>	<hr/> 1,289,407
Identified cashable efficiencies	564,534
Identified non-cashable efficiencies	2,513,535
<hr/> <i>Total efficiencies</i>	<hr/> 3,078,069
 <b>Balance</b>	 <b>1,788,662</b>

2005/6 provided greater net added value - £863,240 - than any other year, all generated by process improvements.

**RECOMMENDATION**

That the Committee note this report.

**Michael Baxter  
Chief Constable**

# Best Value Cost/Benefit Analysis

*Report to February 2006*



**Cumbria Constabulary**  
**Best Value**

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## 1. INTRODUCTION

The purpose of this report is to provide a cost/benefit analysis of best value activity within Cumbria Constabulary since 2000.

The analysis will include:

- A summary of overall organisational benefits derived from carrying out best value review activity, excluding those associated with specific individual reviews.
- An overall cost and efficiency analysis of best value reviews, including implementation costs where these are known and efficiencies from improvement reviews.
- Individual cost/benefit analyses of all completed reviews.

## 3. ORGANISATIONAL BENEFITS

Overall benefits for the organisation that can be derived from Best Value are as follows:

- The process of carrying out a review drives personnel in the area being reviewed to look at business processes and management afresh. This drives other improvements, outside the scope of the review, which are then implemented by managers involved.
- Best Value is a major contributor to the Constabulary's Efficiency Plan.
- Enables best practice to be identified and used across the Constabulary.
- Raises the profile and importance of improvement and performance activity and the links between them.

## 4. SUMMARY OF BEST VALUE COSTS AND EFFICIENCIES

Summary cost/efficiency balance sheet 2000 - 2006

	(£)
Cost of carrying out review activity	383,526
Cost of implementation	905,881
<i>Total Costs</i>	<i>1,289,407</i>
Identified cashable efficiencies	564,534
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<b>Balance</b>	<b>1,788,662</b>

A balance sheet by individual review can be found at Appendix 1 and added value per annum at Appendix 2.

## 5. INDIVIDUAL BEST VALUE REVIEW COST/BENEFIT ANALYSIS

Costs	Identified Business Benefits	Impact on performance (2005/6 indicators)	Efficiencies
<b>Crime Recording and Crime Management</b>			
<b>Review</b> £66,903  <b>Implementation</b> Not known	<ul style="list-style-type: none"> <li>Streamlining of crime recording process to produce efficiency savings of £96,000 per annum initially, with a view to enable telephone crime recording.</li> <li>Centralised crime input providing competent, consistent and timely data input to improve the effectiveness of initial crime recording for the force and the public.</li> <li>Central management of the initial recording of crime to ensure independence and integrity, thus engendering confidence in the force and public reassurance.</li> <li>Improved management information and intelligence for use by the force and its partners to provide a more effective police service for the public.</li> <li>Regular audits of the crime recording and crime management systems to monitor the integrity and ethics and the outcomes of crime management to ensure an accurate service for the force, the government and the public. This engenders public confidence in the force and increase public reassurance.</li> <li>Clearly defined performance indicators, providing information to enable continuous improvement in the service.</li> </ul>	SPI 1 User satisfaction SPI 2 Confidence SPI 7 Sanction detections SPI 10 Quality of life SPI 11 Frontline policing SPI 12 Delivery of efficiencies	<b>Non cashable</b> £96,000  Further efficiencies of £375,000 have been identified as part of telephony project
<b>Ill Health and Injury Pensions</b>			
<b>Review</b> £12,661  <b>Implementation</b> Not known	<ul style="list-style-type: none"> <li>Cashable efficiency gains of £500,000 as a result of reduced ill health retirements</li> <li>Improved ill health and injury processes providing a better service for police and support staff</li> <li>Additional staff within Occupational Health Unit to meet demand meet the volume of medical and health screening (including the sickness management programme), as this is core to reducing ill health retirements)</li> </ul>	SPI 11 Frontline policing SPI 12 Delivery of efficiencies SPI 13 Average hours lost due to sickness (officer & staff)	<b>Cashable</b> £500,000
<b>Health Management</b>			
<b>Review</b> £31,041  <b>Implementation</b> Not known	<ul style="list-style-type: none"> <li>Non cashable efficiency savings of £782,000 by reducing sickness</li> <li>Changes in process and provision of relevant and informative management information, to ensure robust management of sickness, thus ensuring that identified efficiency gains are maintained</li> <li>Reduction in sickness levels resulting in improved efficiency and additional resource available to front line policing</li> </ul>	SPI 11 Frontline policing SPI 12 Delivery of efficiencies SPI 13 Average hours lost due to sickness (officer & staff)	<b>Cashable</b> £47  <b>Non cashable</b> £500,000

Costs	Identified Business Benefits	Impact on performance (2005/6 indicators)	Efficiencies
<b>Driver Training</b>			
<p><b>Review</b> £8,467</p> <p><b>Implementation</b> £199,922 (All non-cashable, no organisational growth)</p>	<ul style="list-style-type: none"> <li>Manages risk and provides a more efficient means of delivering the police driver training capability</li> <li>Increase in the throughput of students and the clearing of the backlog will enable the force and authority to meet its statutory obligations under Health and Safety and reduce the potential risk of litigation. This will also improve the safety of the service delivered to the public.</li> <li>Driver training will comply with the recommendations of the Lind Report and thus provide an improved service to the public by increasing the standard of driving and reducing costs (through fewer police vehicle accidents and identification of high risk drivers).</li> <li>Driver trainer resource will be available in force even after the required period to reduce the backlog – providing long term resilience within the force by the most efficient means.</li> <li>Reassessment of drivers will become policy – thus maintaining the standard and safety of service to the public.</li> </ul>	<p>SPI 1 User satisfaction SPI 2 Confidence SPI 12 Delivery of efficiencies</p>	None identified.
<b>Training</b>			
<p><b>Review</b> £19,999</p> <p><b>Implementation</b> £247,186 (All non-cashable, no organisational growth)</p>	<ul style="list-style-type: none"> <li>Investment for four extra police officer trainers to ensure that training department can meet the training demand</li> <li>Cashable efficiencies from restructuring training function</li> <li>Delivery of high profile and credible force –wide coordinated approach to training- to ensure that officers spend the least time away from duty and at the same time to improve attendance at training events, thus reducing waste.</li> <li>Introduction of improved training and development system to ensure that training given meets the needs of individuals and the force. This will improve effectiveness of officers thus increase public confidence and reassurance.</li> <li>Improvement of efficiency of service through the introduction of robust financial and non-financial management of training. This will be achieved by provision of management information and allocating budget responsibility appropriately.</li> <li>Training and development to support managers and supervisors (police and support staff) to manage the performance of the force through motivating and supporting their staff. This will result in a more efficient service to the public.</li> <li>Performance management framework to enable continuous improvement.</li> <li>The force will seek to collaborate and use alternative training events in order to continuously improve the efficiency and effectiveness of training – thus improving the service to the public.</li> </ul>	<p>SPI 1 User satisfaction SPI 2 Confidence SPI 12 Delivery of efficiencies</p> <p>Improved police performance over the whole range of policing activities.</p>	<p><b>Cashable</b> £39,500</p>

Costs	Identified Business Benefits	Impact on performance (2005/6 indicators)	Efficiencies
<b>Scientific Support</b>			
<b>Review</b> £12,275  <b>Implementation</b> Not known	<ul style="list-style-type: none"> <li>Improved outcomes from feedback with Crown Prosecution Services, providing more effective service - thus increasing public confidence and reassurance.</li> <li>Efficiency gains from digital technology.</li> <li>Improved professional standards leading to more effective service - thus increasing public confidence and reassurance.</li> <li>An increase and improvement in intelligence information resulting in more effective service - thus increasing public confidence and reassurance.</li> </ul>	SPI 1 User satisfaction SPI 2 Confidence SPI 4/5 Crime levels SPI 6 Offences brought to justice SPI 12 Delivery of efficiencies	<b>Non cashable</b> £36,000
<b>Community Safety</b>			
<b>Review</b> £21,050  <b>Implementation</b> Not known	<ul style="list-style-type: none"> <li>County-wide policy and strategy framework to deliver community safety.</li> <li>Mainstreaming of community race relations into policing activity.</li> <li>Policy and procedure on collection and dissemination of community intelligence to improve policing performance.</li> <li>Cross team training with other agencies to improve communications and effectiveness of public services regarding community safety.</li> </ul>	SPI 1 User satisfaction SPI 2 Confidence SPI 3 Fairness, equality and diversity SPI 10 Quality of life SPI 4/5 Crime levels	None identified.
<b>Public Order Management</b>			
<b>Review</b> £8,577  <b>Implementation</b> Not known	<ul style="list-style-type: none"> <li>Identified efficiency savings.</li> <li>Being more prepared for changes through environmental scanning, resulting in more effective &amp; efficient service - thus increasing public confidence and reassurance.</li> <li>Effective and relevant intelligence gathering for disorder, resulting in more proactive initiatives for dealing with public disorder - thus increasing public confidence and reassurance.</li> <li>More effective business processes linking to dispatch system resulting in improved dispatch of officers to incidents and providing a more efficient service to public. Thus increasing public confidence and reassurance.</li> </ul>	SPI 1 User satisfaction SPI 2 Confidence SPI 3 Fairness, equality and diversity SPI 4/5 Crime levels SPI 10 Quality of life SPI 12 Delivery of efficiencies	<b>Non cashable</b> £37,138

Costs	Identified Business Benefits	Impact on performance (2005/6 indicators)	Efficiencies
<b>Firearms</b>			
<p><b>Review</b> £23,294</p> <p><b>Implementation</b> £102,051 (All non-cashable, no organisational growth)</p>	<ul style="list-style-type: none"> <li>• Cashable and non cashable efficiency gains.</li> <li>• Sustainable on-call rota for TAC Advisors and primary notification of incidents to Silver Commanders provides a structured response to incidents which complies with national recommendations and reassures the public and officers.</li> <li>• Additional resource in Firearms Unit (0.5 FTE Firearms instructor, plus additional administrative resource from existing resources in Force) providing a more efficient service.</li> <li>• Fast track reassessment process for Authorised Firearms Officers in Tactical Support group and Mobile Support Group ensures sustainability and resilience of response- thus reassuring officers and the public.</li> <li>• Formal arrangement to assess feedback from operations, learning from shared experiences and good practice, thus enabling continuous improvement.</li> <li>• Force firearms resource remains under constant review and is clearly linked to need, thus ensuring that optimum efficiencies are continuously achieved.</li> <li>• Clarification of Critical Incident Debrief procedures facilitates reassurance and enables continuous improvement.</li> <li>• Clearly defined performance indicators, providing management information to facilitate continuous improvement.</li> </ul>	<p>SPI 1 User satisfaction            SPI 2 Confidence            SPI 10 Quality of life            SPI 12 Delivery of efficiencies</p>	<p><b>Cashable</b> £4,620</p> <p><b>Non cashable</b> £175,248</p>
<b>Police Authority</b>			
<p><b>Review</b> £12,598</p> <p><b>Implementation</b> £80,353</p>	<ul style="list-style-type: none"> <li>• Police Authority will be able to meet current and future demand resulting from impending legislation and implementation of review, in an efficient, effective and professional manner. It will allow the Authority to develop its role and be more accountable to the public.</li> <li>• Improved consultation and communication with the public.</li> <li>• Develops members' knowledge and skills to improve their effectiveness. This will facilitate challenge and improve decision-making - and ultimately provide the public with a better police service.</li> <li>• Avoids duplication of effort and enables improved execution of simple tasks – a more efficient service is provided for the public.</li> <li>• Monitors performance of authority, which facilitates transparency, reassures the public and enables continuous improvement.</li> <li>• Improves the public perception of the authority and the force, and has a positive impact on community relations.</li> <li>• Improves monitoring of force performance – offers greater transparency, improved public reassurance and facilitates continuous improvement.</li> </ul>	<p>SPI 1 User satisfaction            SPI 2 Confidence            SPI 10 Quality of life            SPI 12 Delivery of efficiencies</p>	<p><b>Non cashable</b> £1,592</p>

Costs	Identified Business Benefits	Impact on performance (2005/6 indicators)	Efficiencies
<b>Management of Patrol</b>			
<b>Review</b> £20,900  <b>Implementation</b> £1,116	<ul style="list-style-type: none"> <li>Policy and strategy framework to deliver more effective policing services.</li> <li>Clear patrol objectives which enable more effective use of resources.</li> <li>Fair and equitable treatment of staff to reduce risk of litigation.</li> </ul>	SPI 1 User satisfaction SPI 2 Confidence SPI 3 Fairness, equality and diversity SPI 4/5 Crime levels SPI 11 Frontline policing SPI 10 Quality of life	None identified
<b>Information Management and Technology</b>			
<b>Review</b> £22,242  <b>Implementation</b> £215,262	<ul style="list-style-type: none"> <li>Effective leadership for information.</li> <li>A framework to include strategies, policies, standards and decision-making criteria to deliver effective services.</li> <li>Adequate process management arrangements within the information departments to deliver effective services.</li> <li>A performance management framework to drive improvements and customer satisfaction.</li> <li>A customer and outcome focus culture within the information departments.</li> <li>Appropriate access to information of all types (electronic and paper; historical, policy and process, performance and management information).</li> <li>Effective use of information to enable improved decision-making, leading to pro-active management and improved performance.</li> <li>A protocol for communications, especially the use of email, to ensure that information and knowledge are used appropriately and are effectively and efficiently targeted to staff at all levels.</li> <li>Exploration of collaboration with regard to the provision of IT services and the purchase of new systems in order to achieve economy and efficiency.</li> </ul>	SPI 4/5 Crime levels SPI 11 Frontline policing SPI 12 Delivery of efficiencies	<b>Non cashable</b> £452,690  Further efficiencies to be identified from process re-engineering (via IT Improvement Review)
<b>Anti-Bureaucracy</b>			
<b>Review</b> £18,425  <b>Implementation</b> £1,578	<ul style="list-style-type: none"> <li>Increased visibility of frontline staff.</li> <li>A coordinated approach to reducing bureaucracy within the Constabulary, which is proactively managed.</li> <li>A culture of anti-bureaucracy, continuous improvement and innovative thinking to improve working life and contribute to corporate efficiencies.</li> </ul>	SPI 1 User satisfaction SPI 2 Confidence SPI 11 Frontline policing SPI 12 Delivery of efficiencies	<b>Non cashable</b> £145,042

Costs	Identified Business Benefits	Impact on performance (2005/6 indicators)	Efficiencies
<b>Stores and Procurement</b>			
<b>Review</b> £6,976  <b>Implementation</b> £24,048	<ul style="list-style-type: none"> <li>Efficiencies from streamlining processes</li> <li>Efficiencies from target setting for budget reductions</li> <li>Investing in procurement to deliver future efficiencies</li> </ul>	SPI 12 Delivery of efficiencies	<b>Cashable</b> £13,212  <b>Non cashable</b> £44,382
<b>Empowered BCUs and Operational Support</b>			
<b>Review</b> £42,325  <b>Implementation</b> £19,948	<ul style="list-style-type: none"> <li>Operating Framework for BCUs and Operational Support, including service levels to drive improvements.</li> <li>Efficiencies from applying Patrol Plans and a Resource Allocation Formula.</li> <li>National Intelligence Model accreditation through providing a 'sterile corridor' between intelligence and operations.</li> <li>Improved volume crime performance.</li> <li>Improved Baseline Assessment for Critical Incident Management.</li> <li>Improved road traffic collision investigation performance.</li> <li>Improved forensic performance.</li> </ul>	SPI 1 User satisfaction SPI 2 Confidence SPI 4/5 Crime levels SPI 7 Detections SPI 9 RTC SPI 12 Delivery of efficiencies	Efficiencies to be calculated once models implemented.
<b>Communications Centre</b>			
<b>Review</b> £5,971  <b>Implementation</b> £4,100	<ul style="list-style-type: none"> <li>Appropriate shift pattern matching demand.</li> <li>Reduced sickness.</li> <li>Ability to provide Communications Centre staff with regular training days.</li> <li>Improved user satisfaction and compliance with national Quality of Service Standard (initial contact and dealing with call).</li> </ul>	SPI 1 User satisfaction SPI 2 Confidence SPI 12 Delivery of efficiencies SPI 13 Reduced sickness	Efficiency savings to be confirmed by case.
<b>User Satisfaction</b>			
<b>Review</b> £22,276  <b>Implementation</b> £10,317	<ul style="list-style-type: none"> <li>Compliance with national Quality of Service Standards for – 'Providing a high quality service', 'Keeping people informed' and Supporting victims of crime'.</li> <li>Cashable and non-cashable efficiencies from streamlining processes</li> <li>Saving time and paperwork for police officers and Enquiry Counter staff - releasing the equivalent of 11.8 police officers to the frontline (improves the sub-measure for frontline policing – time spent on visible patrol).</li> <li>Resolve the main areas of dissatisfaction identified by users.</li> <li>Improve the public confidence in policing, through contact and reassurance.</li> <li>Act as an incentive for improved performance of individual officers by providing an accountability framework.</li> <li>Provide clarity of responsibility for victim management within the organisation and ensure compliance with the statutory Code of Practice for Victims of Crime.</li> <li>Provide a standard level of service to the public across the county.</li> </ul>	SPI 1 User satisfaction SPI 2 Confidence SPI 3 Fairness, equality and diversity SPI 6 Offences brought to justice SPI 7 Detections SPI 12 Delivery of efficiencies	<b>Cashable</b> £7,155  <b>Non cashable</b> £380,563

**Appendix 1 - Cost and efficiency balance sheet by review**

Review	Cost of Review	Cost of Implementation		Efficiencies		Comments
		Cashable	Opportunity	Cashable	Non cashable	
<b>BEST VALUE REVIEWS</b>						
Crime Recording & Crime Management	66,903	n/a	n/a	0	96,000	Cost of implementation was not recorded. Further efficiencies of £375,000 for 2006/7 Plan calculated from direct telephone input.
Ill Health & Injury Pensions	12,661	n/a	n/a	500,000	0	
Health Management	31,041	n/a	n/a	47	500,000	
Driver Training	8,476	0	199,922	0	0	No organisational growth - police officers being relocated to training – shifting of resources to reflect the identified priority.
Training	19,999	0	247,186	39,500	0	
Scientific Support	12,275	n/a	n/a	0	36,000	
Community Safety	21,050	n/a	n/a	0	0	
Public Order Management	8,577	n/a	n/a	0	37,138	
Firearms	23,294	0	102,051	4,620	175,248	
Police Authority	12,598	80,353	n/a	0	1,592	
Management of Patrol	20,900	0	1,116	0	0	
Information Management & Technology	22,242	35,500	179,762	0	452,690	Further efficiencies to be identified from process reengineering.
Anti-Bureaucracy	18,425	840	738	0	145,042	Cost of review includes £14,000 for consultants.
Stores & Procurement	6,976	20,000	4,048	13,212	44,382	Efficiencies assume 5% targets for reducing spending, but exclude savings from procurement
Empowered BCU and Operational Support (combined)	42,325	0	19,948	tba	tba	Police officer seconded to review. Efficiencies will be calculated on application of Resource Allocation Model and Patrol Plans.
Communications Centre	5,971	0	4,100	tba	tba	
User Satisfaction	22,276	0	10,317	7,155	380,563	
<b>BVR TOTAL</b>	<b>355,989</b>	<b>136,693</b>	<b>769,188</b>	<b>564,534</b>	<b>1,868,655</b>	
<b>IMPROVEMENT REVIEWS</b>						
File Quality	4,772	n/a	n/a	0	114,000	
Information Technology	2,902	n/a	n/a	tba	tba	Excludes cost of IT staff. Efficiencies currently being calculated.
Violent Crime & Criminal Damage (combined)	19,863	n/a	n/a	0	530,880	Excludes court time - additional efficiencies will arise from reducing the number of cases processed through the courts.
<b>IR TOTAL</b>	<b>27,537</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>644,880</b>	
<b>TOTAL</b>	<b>383,526</b>	<b>136,693</b>	<b>769,188</b>	<b>564,534</b>	<b>2,513,535</b>	
		<i>Total Costs</i>	<b>£1,289,407</b>	<i>Total Gains</i>	<b>£3,078,069</b>	
				<b>Balance</b>	<b>£1,788,662</b>	

**Appendix 2 Net Added Value Per Annum**

Year	Cost £	Efficiency £	Net Added Value £	Comments
2000/1	97,944	596,047	498,103	Implementation costs not known.
2001/2	262,961	573,138	310,177	Implementation costs not known.
2002/3	507,497	220,960	(286,537)	Investment required in training and the Police Authority
2003/4	257,507	597,732	340,225	
2004/5	108,140	171,594	63,454	
2005/6	55,358	918,598	863,240	Further efficiencies to be identified.
Total	1,289,407	3,078,069	1,788,662	

Costs include costs of review and implementation, except where stated  
Efficiencies include cashable and non-cashable.