



East Midlands Police Collaboration

Derbyshire Leicestershire Lincolnshire Northamptonshire Nottinghamshire

NOT CONFIDENTIAL – for public release

Agenda Item No.

A1

Meeting	EAST MIDLANDS POLICE AUTHORITIES' JOINT COMMITTEE
Date	20th January 2012
Subject	EMSOU Forensic Budget Requirement 2012/13
Report by	Joanne Ashworth
Contact Officer	Joanne Ashworth Telephone: 07525 233417
SUMMARY AND PURPOSE OF REPORT This report provides the financial detail in relation to the draft budget and set-up requirements for the collaborative elements of the forensic service provision across Lincolnshire, Nottinghamshire and Derbyshire Police forces; now known as EMSOU – Forensic Services.	
RECOMMENDATION	That the East Midlands Police Authority Joint Committee ratifies the EMSOU-FS set-up costs and budget requirement for 2012/13 and notes future resource requirements as set out in the 4 year Financial Plan.

A. SUPPORTING INFORMATION

1. Introduction

1.1 This report provides the financial detail in relation to the draft budget and set-up requirements for the collaborative elements of the forensic service provision across Lincolnshire, Nottinghamshire and Derbyshire Police forces; now known as EMSOU – Forensic Services.

1.2 EMSOU – FS incorporates two main elements of forensic provision:

- Forensic Analytical Services Team (FAST) - delivering all internal laboratory services and associated functions including external forensic submissions processing and monitoring.
- Identification Bureau (IB) – delivering all specialist fingerprint identification and elimination services.

2. Background

- 2.1 In order to meet the budget challenge provided by the Comprehensive Spending Review (CSR) Lincolnshire, Nottinghamshire and Derbyshire Police Forces and Authorities have agreed that they will work together to deliver a single unified forensics operating model, whilst continuing to deliver crime scene investigation services locally.

3. Collaborative Arrangements

- 3.1 The 3 Forces and Police Authorities signed a Section 23 Agreement on 16th December 2011 formalising the arrangements to deliver their forensic services across a unified operating model. Following this all staff within scope of the FAST and IB functions were TUPE transferred to Derbyshire Constabulary on 1st January 2012.
- 3.2 The services will be restructured around the FAST and IB capabilities being delivered each from single sites in Derbyshire and Nottinghamshire Headquarters respectively. Formal staff consultation on the restructure started on 9th January 2012.
- 3.3 Whilst Crime Scene Investigation is essentially the starting point of the end to end forensic supply chain, it has been agreed that it is important that this function remains locally deployed and therefore CSIs have remained employed within each force. Reductions in CSI numbers are reflective of the new operating model and therefore form part of each force's savings plan for the collaboration.
- 3.4 The Director of Forensic Services has reviewed the proposed staffing model for the new unit and has presented a budget that takes account of operational need, including support to major crime. Through the EMSOU-FS collaboration, regional budgets for the FAST and IB elements have been converged to maximise efficiency savings, demonstrate value for money and to achieve a reduction in net running costs across the region.
- 3.5 Given that the restructure and associated headcount reduction has not yet been completed savings will begin to be realised as staff exit from quarter 1 2012/13 onwards.
- 3.6 It has been agreed within the Section 23 agreement that redundancy costs for the centralised capabilities (FAST and IB) would be funded by the 3 forces according to the funding formula. Given that the reduction in headcount is over 25 FTEs, this cost is likely to be substantial but can not yet be quantified.

4. Draft Budget Requirement 2012/13

4.1 The following assumptions have been made in preparing the EMSOU-FS budget requirement for 2012/13.

Budget Heading	Allowance / Assumption
General	It is assumed that the proposed model is accepted in its entirety and no amendments affecting the budgetary position are made e.g. 7 day working in the IB.
Employee costs - Police staff pay	Utilised Derbyshire's evaluated salaries and on-costs at maximum point on the pay scale, therefore no increments added for years 2013 onwards
Employee costs - Police Staff Pay Inflation	There is a pay freeze until 2013 when a 1% increase will apply.
Employee costs- Training	Includes professional memberships as part of continued professional development for specialist staff and retraining where skills gaps identified due to changing staffing mix after restructure; will do internally/ locally where possible.
Employee costs – Shift allowance and overtime	Extra costs incurred to introduce 7 day working in Identification Bureau, offset by removal of shifts and introduction of flexible working.
Accommodation: Regional Recharges	The treatment of regional recharges is still to be determined. No costs / recharges have been included.
EMSOU asset replacement	Assets include 3 vehicles and specialist equipment. A contribution of £15,000 has been included.
Supplies and services - Subsistence	Minimised subsistence as staff largely office/ lab based. However, £25K included as excess travelling costs for relocated staff; calculated on estimate of staff moving from Lincs. HQ to Notts./ Derbys. HQ. Will apply for 3 years.
Supplies and services - Depreciation	Depreciation included ensuring replacement for specialist equipment as it approaches end of life; estimate based on current understanding of condition and age of essential kit.
Supplies and service - Consumables	Based on existing costs with a 20% reduction to take into account efficiencies and economies of scale in utilisation
Supplies and services - Accreditation	£10k estimated to fund mandatory laboratory accreditation; indirect savings achieved as each force would have had to pursue separately.
Transport related - Fuel	4 pence per litre duty increase for future planning
Non-pay inflation	2.5%

4.2 A breakdown of running costs and force contributions is shown below against a 4 year financial plan.

EMSOU - FS Draft Budget Requirement & 4 year profile	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £
Expenditure:				
Employee Costs	2,767,320	2,427,474	2,427,474	2,427,474
Pay increase (1%)	-	24274	24517	24762
Transport related	25,110	26,000	26,700	27,400
Supplies and Services:				
Service & maintenance	69,000			
Communications	10,000			
Asset replacement fund	15,000			
Accreditation	10,000			
Consumables	77,000			
Total	181,000	184,900	188,900	192,995
Excess Travelling	25,000	25,000	25,000	0
Gross Expenditure	2,998,430	2,687,648	2,692,591	2,672,591
Force Recharges				
Nottinghamshire (45%)	1,349,294	1,209,441	1,211,666	1,202,666
Derbyshire (35%)	1,049,451	940,677	942,407	935,407
Lincolnshire (20%)	599,686	537,530	538,518	534,518
TOTAL FORCE RECHARGES	2,998,430	2,687,648	2,692,591	2,657,591

4.3 The EMSOU-FS draft collaborative budget requirement for 2012/13 is £2,998,430. This assumes that all staff reductions will have been made up to October (3 months redeployment and 3 months notice period). Had all staff reductions been made before 1st April this budget would have been £2,658,584.

4.4 Given that a proportion of the staff reductions will have been made before this date any surplus employee budget can be used to offset the redundancy costs.

4.5 Based on these costs and additional savings made by the 3 forces, based on the new operating model, the total full year estimated savings have been calculated against a baseline budget at the start of 2011/12. Some budget savings may already have begun to be realised within year in advance of the restructure (e.g. Derbys have set target to reduce their external forensic spend by £200k in year). The breakdown is as follows:

Force	Service provision	Estimated 2011/12 spend £	Budget 2012/13 £	Savings £
Derbyshire	FAST & ID	1,530,961	1,049,451	481,510
	CSI staff reduction of 3.1 FTEs		(99,700)	99,700
	External forensic budget	1,450,000	1,250,000	200,000
Total savings:				781,210
Nottinghamshire	FAST & ID	1,166,502	1,349,294	(182,792)
	CSI staff reduction of 5 FTEs		(215,000)	215,000
	External forensic budget	1,559,000	1,500,000	59,000
Total savings:				91,208
Lincolnshire	FAST & ID	650,433	599,686	50,747
	CSI staff reduction of 3 FTEs		(105,000)	105,000
	External forensic budget	900,000	900,000	0
	Loss of SSM post		(58,000)	58,000
Total savings:				213,747
Total 3 force savings:				1086,165

4.6 It must be borne in mind that these savings are in addition to those in force savings made since 2010 when the EMSOU-FS business case was first developed and in anticipation of the new collaborative arrangements.

5. Estimated set-up costs

5.1 As can be seen above the estimated year on year saving from the EMSOU-FS collaboration is considerable. The most substantial costs are in relation to redundancy and retirement costs which have not yet been quantified. These will significantly reduce the scale of savings made by each force in 2012/13 with a risk that some forces may incur additional costs in that year depending on the scale of these costs.

5.2 In future years however the ongoing savings identified in the table above may increase as the full year benefit of staff cost reductions is realised.

5.3 In addition, there are further unavoidable set-up costs that need to be met to enable these savings to be realised. Some of these costs are capital costs and have been firmly identified and need to be considered

now for budgeting purposes. Other costs, particularly in relation to the ICT solution are still under negotiation and have been included as an estimated maximum for the purposes of this paper. Most of these costs will be realised in the current financial year, 2011/12. These costs may be met from the central regional collaboration fund.

Item description	Cost (£)
<i>Identified costs</i>	
• Nottinghamshire IB refurbishment (see 5.2)	70,000
• Derbyshire FAST refurbishment (incl. Equipment re-siting) (see 5.2)	29,000
• 2 Courier vehicles (see 5.3)	28,000
<i>Estimated costs</i>	
• ICT solution (see 5.4)	
o Mobile solution	14,000
o Forensic Case Management	195,000
• Ident 1 relocation (see 5.5)	10,000
• Removals (see 5.6)	10,000
Total of Identified and Estimated Costs to date	356,000
<i>Unknown costs</i>	
• Central Tasking (see 5.7)	
• Redundancy costs (see 3.6)	

- 5.4 Modest refurbishment costs have been identified for both the Nottinghamshire and Derbyshire sites to accommodate additional staff, equipment and processes. The refurbishment in Nottinghamshire, in particular, has been future proofed to enable expansion should the collaboration be extended across the region at some point. The costs for the Derbyshire site include £10k to re-site and install essential equipment from Nettleham and Sherwood Lodge.
- 5.5 Those parts of EMSOU-FS that rely on access to physical exhibits need to be supported by an efficient and effective transportation service. This has been incorporated as 2 dedicated couriers who will carry out daily runs across the 3 forces collecting and delivering forensic exhibits. Therefore, the set up costs include the purchase of 2 dedicated vehicles for this purpose.
- 5.6 The EMSOU-FS collaboration relies on seamless integration of processes and enhanced efficiency particularly in relation to the collection and processing of forensic evidence. Without this there will be a significant risk that the unit would be unable to sustain an effective service with the reduced staffing levels; this risk would be heightened in the investigation of major and serious crime. The main enabler of efficient processes is the underlying ICT infrastructure to include mobile capability and an effective forensic case management system that can be used across all 3 forces. Estimates have been received from suppliers of this capability and are currently under consideration suitability and cost effectiveness. The total cost is estimated at £209k.

- 5.7 In addition, the IB relies on access to the national fingerprint database, Ident 1. The cost to migrate all 3 current systems into the single Bureau planned in Nottinghamshire Police HQ rely on the 3rd party supplier of Ident 1, Northrop Grumman; we are currently awaiting their quotation for this work.
- 5.8 To keep the set-up costs to a minimum benching, desks and office equipment is being re-cycled to the 2 sites. Costs are being established for the removal and transport of these items along with staff belongings and files. This cost estimate includes £5k to dismantle and reassemble a specialist piece of equipment from Nettleham to Sherwood Lodge.
- 5.9 The medium to long term ambition is to introduce a central tasking function to increase efficiencies in CSI deployment and allocation. It is envisaged that this will operate from the Nottinghamshire Control Room, ICT enablers need to be put in place to make this happen including installing vehicle locaters into CSI vehicles and providing access to all 3 force command and control systems. These costs are being established and once known will be put forward with the case for central tasking to ensure that the cost-benefits are fully understood before making a final decision.

6. Recommendations

- 6.1 That the East Midlands Police Authority Joint Committee ratifies the EMSOU-FS set-up costs and budget requirement for 2012/13 and notes future resource requirements as set out in the 4 year Financial Plan.

B. FINANCIAL CONSIDERATIONS

See Body of report.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

Considered as part of the Business Case's development

D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES (including any impact or issues relating to Children and Young People.)

None identified at this stage.

E. RISK MANAGEMENT

Please see appendix A.

F. REVIEW ARRANGEMENTS

EMPAJC

G. LIST OF BACKGROUND PAPERS

N/A